

APPROVED
BUDGET ADVISORY BOARD MEETING
CITY OF FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FLORIDA, 33301
NOVEMBER 20, 2013 – 6:00 P.M.

Board Member	Attendance	10/2013 through 9/2014	
		Cumulative Attendance Present	Absent
June Page, Chair	P	2	0
Drew Saito, Vice Chair	P	1	1
Peg Buchan	P	2	0
Chip Burpee	P	2	0
Josias Dewey	P	1	1
Nadine Hankerson	P	1	1
James McMullen	P	1	1
Fred Nesbitt	P	2	0
Robert Oelke	P	2	0
Bryson Ridgway	A	1	1

Personnel Attending

Amy Knowles, Assistant to the City Manager
Kirk Buffington, Deputy Director of Finance
Emilie Smith, Budget Manager
Diane Lichenstein, Senior Financial Management Analyst
Barbara Smith, Administrative Assistant
Samantha Timko, Senior Management Fellow
Darlene Pfeiffer, Business Manager, Mobility and Transportation
Lisa Edmondson, Prototype Inc.

Communications to the City Commission

None.

Purpose: To Provide the City with input regarding the taxpayers' perspective in the development of the annual operating budget; to review projections and estimates from the City Manager regarding revenues and expenditures for upcoming fiscal year; to advise the City Commission on service levels and priorities and fiscal solvency; and to submit recommendations to the City Commission no later than August 15 of each year regarding a budget for the upcoming fiscal year.

1. Call to Order

The meeting of the Budget Advisory Board was called to order at 6:02 p.m.

2. Roll Call

Roll was called, and it was determined a quorum was present.

3. Approval of Meeting Minutes

A. October, 2013 Regular Meeting

The Board requested a correction to the minutes.

Motion made by Mr. Oelke, seconded by Ms. Buchan, to approve the minutes of the Board's October, 2013, meeting. In a voice vote, motion passed unanimously.

Chair Page announced that the bond presentation would be held at the Board's December meeting and the pension presentation would be held at the Board's January meeting. Mr. Nesbitt agreed to provide information regarding general pension principles before the speakers addressed the Board and said he would contact the speakers prior to the meetings regarding his remarks.

4. Old Business

A. Vision Plan and Strategic Plan Presentation -
Amy Knowles, Structural Innovation Manager

Ms. Smith introduced Ms. Knowles and Ms. Timko, who gave a Power Point presentation regarding the Vision and Strategic Plan process, a copy of which is attached to these minutes for the public record.

Ms. Knowles displayed a pamphlet describing the "Press Play" program and distributed a community vision scorecard that used performance indicators for every major category of division direction.

Ms. Knowles informed the Board that Assistant City Manager Torriente had attended the Southeast Florida Climate Change Summit and presented a rendering of a redesigned State Road A1A.

Mr. Saito asked if there was a cost estimate for the goals for the next three years. Chair Page agreed this would be the Board's main concern, since much of the work would require significant funding. Ms. Knowles stated this would be part of the annual budget process and the five-year Community Investment Plan. Ms. Smith reminded the Board that the City Commission set their annual priorities with consultants over the course of a few months, to determine what they would fund for the next fiscal year. Projects that were capital projects could be on a five-year schedule.

Ms. Smith confirmed for Mr. McMullen that departmental enhancement requests must be tied to a goal in the plan. Chair Page asked if the plan was at odds with the Board's discussions concerning necessary infrastructure improvements or if it incorporated them. Ms. Knowles said the plan was flexible enough to accommodate a specific need, provided it was tied to a goal. Ms. Smith stated infrastructure was included in Public Places, one of the six major needs categories called "cylinders."

Mr. Nesbitt remarked that the Board felt the City had ignored infrastructure for years and there must be a large investment in order to catch up. They wanted to find funds to make a major capital investment in infrastructure. Ms. Smith stated staff had invited Bob Nabors from Nabors, Giblin and Nickerson to discuss funding options and they could also discuss funding with their bond counsel.

Mayor Seiler stopped in at the meeting to wish everyone a happy Thanksgiving and thank them for their work.

Chair Page asked if there were projections for how much of the annual and five-year plans would be implemented. Ms. Knowles replied that the Strategic Plan was implemented through the budget. Right now, they were meeting with staff to define what they were working on this year and to establish milestones. Ms. Smith stated the one-year Commission Annual Action plan that supported this was concrete.

Mr. McMullen asked how they would "ensure that they aren't just doing metrics that they know they're going to be able to meet easily." Ms. Knowles explained that for some items, they could use historical data, for others, they could benchmark against other cities. She remarked that as a rule, Fort Lauderdale performed "much, much better than other cities." Ms. Smith stated staff met twice per month. One meeting was to discuss performance measures and the annual action plan progress; the other meeting was to discuss all grants and open capital projects.

Chair Page said she had been told that smaller communities were able to use grants to pay for road and landscaping improvements and asked if Fort Lauderdale was active in applying for and obtaining these types of grants. Ms. Smith reported the City had a "very robust" grants program with millions of dollars coming in.

Mr. Oelke noted that the plan mentioned the City's changing demographics and asked for a summary of these changes. Ms. Knowles said the strategic plan considered how zoning and housing might be different to create a more livable, walkable downtown. Ms. Smith said they had talked about changes geared toward keeping a young family in the City.

Mr. Oelke asked if they had considered changes in City services to match the Strategic Plan. Ms. Knowles said the type things that were most important to the community were not traditional government services, such as economic development. The Strategic Plan included things that were challenges, such as Building Plans and Code Enforcement. She said they had an active process improvement program that was changing how services operated, which should improve operations. They were also working on quantifying the savings.

Mr. Oelke stated since 1996, the City's fuel consumption costs had increased five-fold, while gas prices had increased only three-fold. He wanted to know what had caused the increase. He said they must seek alternative ways to raise funds, and mentioned that Chattanooga had imposed a mileage fee on employees with take-home City vehicles. Ms. Knowles informed Mr. Oelke that Fleet had been moved under the Division of Sustainability and they were currently performing a complete fleet repurposing. Ms. Smith said a comparison between now and 1996 would require determining what services had been added. Ms. Pfeiffer explained that the City had annexed several neighborhoods from the County in that time.

Mr. Saito felt it would be helpful to discuss one to three-year projects with their estimated costs so that when they were going over the budget, they could discuss it with the City Commission. For instance, Mr. Saito wanted to know the total cost of the Downtown Walkability Plan, not just the sidewalks. Ms. Smith said an accurate estimate would require designs and consultants' input. They planned to do long-term costing, but they were not in a position to do it now. Ms. Knowles noted the number of individual projects that could be involved and the fact that they could change. Mr. Dewey wanted to be able to discuss specific requests, with their cost estimates, with the City Commission.

Ms. Smith stated they relied on the advice of experts in individual departments to prioritize where they should spend money. Ms. Smith agreed to provide Board members with the Commission's Annual Action Plan.

Mr. Nesbitt asked for an update on the Facilities Assessment RFP. Mr. Buffington stated they had received 10 responses and the Evaluation Committee had narrowed the list for four vendors who would provide oral presentations. He hoped to make a presentation to the City Commission in January. Mr. Buffington said the range in cost from the four vendors was \$156,000 to \$202,000. He agreed to provide the Board with a projected timeline for the assessment, but he thought it was at least a six-month project.

Mr. Buffing explained that the scope of the study was to look at the facilities, and to determine what the capital infrastructure needs were and what the timeline should be

for repair or replacement. Cost estimates were not part of the scope. Ms. Smith said they were expecting “some really huge numbers to come out of the report” and they needed to prepare to make recommendations regarding funding. The roadway and sidewalk assessments were already underway but they were still working on the RFP for the bridges assessment.

Mr. Nesbitt asked if the Strategic and Vision Plan discussions had included service the City provided that “aren’t important or they don’t want or don’t need or thought the City shouldn’t be doing.” Ms. Buchan said this type of input had not been solicited; they were geared toward looking forward.

Mr. Oelke had noted that the City had more than its share of both low and high income residents compared to Broward County, Florida and the nation but they fell short in the middle class. He was aware that many City employees lived in other municipalities and wondered why. He asked if other cities had something to offer that was pulling the City’s middle class away. Mr. Saito felt that much of the County’s commerce was located in downtown Fort Lauderdale, encouraging commuters. Other municipalities were more suburban.

Mr. Oelke added that the City also had the same disparity regarding education. Ms. Buchan explained that their vision discussions needed to exclude subjects over which they had no control, such as education. She said they could “interface with our intergovernmental partners but we can’t solve those problems.”

Ms. Smith agreed to email Board members the Strategic and Annual Action Plan.

B. FY 2014 Workplan Discussion Update

Ms. Smith handed out copies of the MOU that the Board, the City Commission and City Manager had agreed to and signed and recalled that some members had wanted to discuss the rules and activities the Board wanted to accomplish in the coming year. She also provided some dates Board members could meet with her if they wished. Ms. Smith explained that the purpose of the MOU had been to outline rules for the Board and to describe what the City Commission expected from the Board.

Ms. Smith distributed the latest draft of the FY 2014 Workplan. Mr. Nesbitt pointed out that in December, the Board would discuss alternative funding, not pensions and Ms. Smith agreed to make this correction.

Ms. Smith said they had also been challenged with “looking at the General Fund’s overall risk in terms of what are potential issues” such as disaster preparedness, infrastructure issues or a shortfall in intergovernmental revenues and developing a methodology to support what the minimum Fund Balance would be. The Budget Office

and Finance Department were working together to identify these risks and see how they compared to the 16.67% reserve.

Chair Page asked when the Revenue Estimating Committee would start meeting and Ms. Smith replied they need department revenue estimates to conduct a more informed process.

Election of Chair and Vice Chair

Mr. Saito nominated Ms. Page for Chair, seconded by Mr. McMullen. In a voice vote, motion passed unanimously.

Ms. Nesbit nominated Mr. Saito for Vice Chair, seconded by Mr. Dewey. In a voice vote, motion passed unanimously.

5. New Business

Mr. McMullen asked when staff visited departments for the next budget cycle and Ms. Smith explained that in early February, they met with departments for the budget kick-off and informed them of their expectations for the coming year and what they anticipated the City Commission priorities would be for FY 2015. The City Manager might also have his own direction. Last year, they had also held a "strategic" kick-off in May to more clearly define the Commission's initiatives and priorities. Ms. Smith added that changes had been made up until September.

Ms. Buchan distributed a memo she had drafted regarding Alternative Funding Sources for Citywide Infrastructure Improvements. Chair Page had received calls from a couple of the Commissioners wanting to know where the Board stood regarding its recommendations for infrastructure improvements and she remarked that the December discussion was very timely.

6. Communications to the City Commission

None.

Other Discussion Items and Announcements

Ms. Buchan asked if the Board must meet at 6 p.m. and wanted to suggest an earlier meeting time. Ms. Smith agreed to determine what days and times were available and the Board would discuss it further in December.

7. Adjourn

Upon motion duly made and seconded, the meeting was adjourned at 7:53 p.m.

Budget Advisory Board

November 20, 2013

Page 7

Documents Attached:

Updated Budget Advisory Board Draft FY 2014 Work Plan

Memo from Ms. Buchan to Board members regarding alternative funding sources for
Citywide infrastructure improvements

BAB/City MOU

[Minutes prepared by J. Opperlee, ProtoType Inc.]