

MEMORANDUM NO. 98-1676

DATE: September 18, 1998

TO: Mayor Jim Naugle
 Vice Mayor John E. Aurelius
 Commissioner Tim Smith
 Commissioner Carlton B. Moore
 Commissioner Jack Latona

FROM: F. T. Johnson, City Manager

BY: Terry Sharp, Assistant Finance Director

SUBJECT: September 23, 1998 Special Regular Agenda
 Second Budget Hearing



The second budget hearing will be held on Wednesday, September 23, at 6:00 PM. The only changes recommended to the budget summary schedule which was tentatively adopted on September 9 are changes to reflect the final budget as adopted by the Sunrise Key Neighborhood Improvement District and fine tuning of the Community Redevelopment Agency budget to ensure the Post Office lease revenue is covering the debt service costs. The revised schedule is included with this memorandum as Attachment I. (See pages 40 and 41)

The following information is provided in response to questions from the Commission at the first public hearing.

1. Status Report on Driver's Education
 Parks and Recreation has provided a report included as Attachment II. (Attachment not included in Budget Document.)
2. Lifeguards
 The lifeguard issue was included as a Conference Report on September 15 and was fully discussed. As requested by the Commission, a survey will be conducted to determine if city beaches in other Florida cities are supported by county revenue. Also, the survey will explore the extent to which volunteers are used to supplement paid lifeguards. We will get the results of the survey to you as quickly as possible.
3. County Funding for the Beach
 This has long been a desire of the Commission. The City Manager has renewed dialogue with County officials to pursue funding for Fort Lauderdale beach.
4. Fire Hydrants - Sunset Civic Association
 Public Services and Fire-Rescue staff have evaluated the fire hydrants in the Sunset Civic Association area. The neighborhood is generally well covered for fire protection with the exception of a few gaps. We believe that this situation can be rectified primarily through our water line replacement program. The expenditure with fire hydrants is basically a capital improvement program rather than a operating budget item and this will be addressed through that process.

5. Inform Sunset Civic Association of the Fire Station Location Study

A fire station location study is currently being conducted. The Fire-Rescue and Building Director will provide information to the neighborhood as soon as results are available.

6. Budget Printout Explanation

- a. Page 3 of Revenue Report re Object C40 Public Safety in Administrative Service: The revenue represents contributions from the cities of Pompano Beach and Oakland Park for the 800 Mz radio system. The reason for the significant drop in this account from the prior fiscal year is that in FY 1996/97, Oakland Park provided a one-time payment of \$800,000. The remaining amount is a recurring payment from Pompano Beach.
- b. Page 9 of Revenue Report re Object M60 Other Miscellaneous Revenue in Public Services: The amount included in this revenue category include engineering charges for work associated with capital projects, General Obligation Bond funding of engineering positions associated with the Parks Bond Program, work provided to Executive Airport operations, and maintenance work provided for other City departments outside of the General Fund. Approximately 75 percent of the revenue is attributable to the engineering work.
- c. Page 3 of Expenditure Report re Object 160 Distributive Labor in City Attorney's Office: The current year estimate represents the cost of providing legal services for the planning "to do" list. The Commission had approved contingencies for Planning and Economic Development for such purposes. The accounting provided for reimbursement of the expenditure assumed by the City Attorney's Office.
- d. Page 7 of Expenditure Report Object 410 Meetings/Schools/Dues for the City Commission: This category of expenditure (with FY 1997/98 figures) represents the City's annual membership dues for the National League of Cities (\$6,535), the Florida League of Cities (\$9,493), and the Broward League of Cities (\$14,521). The object also includes costs to attend the meetings and conferences of these organizations along with other conferences and meetings attended by Commissioners.
7. Navy League/Promotional Funding
The issue was discussed at the September 15 Conference Meeting. If the issue is not resolved at this hearing, one option is to leave the budget alone but withhold the grant to the Navy League until the concern is alleviated or resolved by the Commission at a future time.
8. Museum of Art Promotional and Cultural Funding
The Economic Development Advisory Board has recommended \$6,500 for the museum to promote its venue as a meeting facility. The grant would help offset costs related to printing and postage for promotional packages, placing an advertisement in the Greater Fort Lauderdale Meeting Planners Guide, and producing additional brochures. In 1996, the initial effort to promote the Museum as a meeting facility generated 20 new events and \$17,500 in revenue for the Museum. They estimate that the attendees also took advantage of the Museum's location on Las Olas and in total had an estimated

economic impact of \$83,000.

The Community Services Board has recommended \$2,779 for support of a season of photographic exhibits including "Herb Ritts: Work." There will be special training for docents and Broward County teachers, a lecture series, and classes for adults and children to learn and try photography.

9. Performing Arts Center Authority (PACA)

PACA receives money from the City for three purposes: the contracted share of revenue from the parking garage the City's share of net revenue from the garage (pledged to the center also by agreement), and rental revenue if the City utilizes the facilities for special events. In FY 1996/97, the total amount paid to PACA was \$614,920. Through August, the amount of money paid to PACA attributable to the City's share of the pledged net parking garage revenue is \$106,708 compared to the cap on such payments of \$110, 175.

Subsequent to the public hearing, we have received a question about the \$500,000 proposed for traffic calming in next year's budget. It was recommended as a way to implement small area plans as they are completed and identify traffic needs. Funding for other traffic improvements such as speed humps, partial street closures, and diverters could also be considered. The Commission may need to clarify the criteria for evaluating which projects are funded from this source. Additionally, the basis for City funding with or without neighborhood contribution may need clarification. The proposed budget simply provides the \$500,000 in available funds. There are a number of projects on the drawing board which do not have a firm funding source at this time. Staff will prepare a list of those projects and their projects costs for Commission review at a future conference meeting along with a recommended process for prioritization.

In addition to the approval of the City's and Sunrise Key millage rates and budgets, the Commission will be asked as the Board of Directors of the Community Redevelopment Agency (CRA) to approve the CRA budget as well.

FTJ:TLSLm

Attachments (2)



July 21, 1998

Mayor Jim Naugle
Vice-Mayor John E. Aurelius
Commissioner Jack Latona
Commissioner Carlton B. Moore
Commissioner Tim Smith

Honorable Mayor and Commissioners:

In accordance with Article IX, Section 9.2 of the City Charter, I hereby submit the proposed budget for FY 1998/99. The proposed property tax rate for operating and debt service purposes is 5.6919, which is 2.2 percent below the present tax rate of 5.8209 and will translate into no tax increase for the average homeowner with a homestead exemption.

I have often stated in previous budget messages that the budget is a continuum and with a defined plan of action we could accomplish the goals of the City Commission and our citizens while maintaining acceptable tax levels. This year's proposed budget is a good example of that continuum. As you recall, we recommended that in order to attain the goals of the Commission, we need a four-pronged approach: 1) productivity and competition, 2) expansion of the tax base through economic development and redevelopment, 3) improvement in the quality of life so that we not only maintain our present values but enhance them, and 4) transfer expenditures for services to regional providers and the County. Without each leg of this four-legged stool, we would not be able to present this budget in such a favorable light.

Tax Assessment Analysis

The booming economy has proved to be a double-edged sword for Fort Lauderdale. The tax base growth provides new construction revenue, a lower millage rate in absolute terms, and a reduction in the tax burden to completely offset increased values in real terms to the homestead property owner as shown in Tables I and II.

CITY MANAGER'S OFFICE
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Equal Opportunity Employer

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Table I

<u>Tax Year</u>	<u>July 1st Assessed Value</u>	<u>New Construction/Annexation</u>
1998	\$11,041,122,687	\$219,590,660
1997	10,148,684,675	120,482,510
1996	9,635,986,462	70,258,720
1995	9,375,691,485	103,045,126
1994	9,204,530,702	64,842,220
1993	9,059,847,107	49,336,317
1992	8,986,150,191	95,011,682
1991	9,219,741,711	68,936,590
1990	8,758,469,188	76,210,170
1989	8,129,428,863	113,469,930
1988	7,614,260,898	124,466,120
1987	7,283,338,797	136,169,390
1986	6,744,340,170	97,856,330
1985	6,542,725,819	122,654,410

In addition to growth, the State Constitutional Amendment limits increases in taxable value of homestead property to no more than three percent or the percentage change in the Consumer Price Index -- whichever is lower. The current low inflation conditions translate to only a 1.7 percent increase and allows us to reduce the tax burden on residential property owned by long-time residents who traditionally have faced a tax burden equal to commercial and seasonal property owners.

Unfortunately on the other side of the sword, this low inflation rate, while minimizing our expenditure increases for supplies, contracts, and equipment, has also dampened the growth of revenue sources that have benefited from inflationary increases in the past. These revenues include utility and franchise sources, which represent over \$26 million in General Fund revenue. In past years, such revenue would increase to offset City expenditures and often exceed current year budget projections. With low inflation, the basis for these revenues is fairly stagnant and thus, we are not seeing the increases of the recent past. Additionally, we appear to be approaching saturation in the telephone market where we had seen significant jumps in utility taxes from cellular and long-distance carriers.

We discussed at your Budget Workshop the lower revenue in building permits due to building inspector vacancies, along with a delay in implementing the update of building permit fees recommended by an outside consultant. Fine and forfeiture citations have remained stagnant due somewhat to judicial review. In spite of these financial limitations, we have been able to present a proposed budget that calls for no increase in taxes to homeowners as shown in Table II.

Table II

Impact of Property Rates on Average Homeowner

	<u>Levied FY 97/98</u>	<u>Proposed FY 98/99</u>
Assessed Value	\$100,000	\$101,700
Homestead Exemption	<u>25,000</u>	<u>25,000</u>
Taxable Value	\$ 75,000	\$ 76,700
Operating Millage*	5.0633	5.0062
Debt Service Millage	0.7576	0.6857
Total Millage	5.8209	5.6919
Total Tax Bill	\$ 436.57	\$ 436.57

*Pursuant to s.200.065(3)(1), F.S., we will advertise a property tax increase for operations even though the average homeowner in reality will see no change bottom line.

Non-Discretionary Expenditures

Much of the increases in the General Fund budget are in non-discretionary areas. Union contracts, approved tax incentive payments, rent for delivery of City services, funding of a police officer previously grant funded, and increases in debt service account for 70 percent of the budget increase. Commission priorities can be attributed to 35 percent of the increase. Obviously, we have more expenditure increases for non-discretionary and Commission priorities than the budget increase itself. Therefore, we have had to streamline in other areas to cover these items. Other important improvements, in our professional opinion, such as better financial control for recreation and docks has been included in the budget. We have allocated 87% of our General Fund contingencies (\$2 million out of the original \$2.3 million appropriated) during FY 1997/98 for such items as the planning "to do list" for \$600,000 and \$200,000 for traffic projects, which reduces the beginning fund balance for next year's budget. We have reduced original budget requests by \$12.7 million. Recognizing that a 1% increase in property taxes brings a \$500,000 increase in revenue providing for non-discretionary expenditures alone has been a challenge.

Table III

FY 1998/99 BUDGET OVERVIEW

	<u>FY 1997/98</u>	<u>FY 1998/99</u>	<u>% Change</u>
General Fund	\$157,685,853	\$162,893,262	3.3%
All Funds	\$292,404,535	\$306,299,581	4.8%

REMINISCENCE

There is no greater testament to our success as a community than the general obligation bond projects which have been undertaken and completed in the last decade. Beginning with the ambitious 1986 bond election, the vision of the Commission and the sound projections of staff have been confirmed by the voters not only in that election but also with a new parks bond authorization in 1996. The improvements resulting from these processes have improved our quality of life and reflects the Commission's sense of the pulse of our neighborhoods: to develop a workable plan, to obtain the necessary support, and to implement and fulfill our dreams. The preliminary results of our third annual citizen survey indicates continued satisfaction with living in Fort Lauderdale and the quality of neighborhood life. Every City service in the survey received a higher satisfaction rating than prior years.

Table IV

Comparison of Satisfaction Levels in 1996, 1997, and 1998 Citizen Surveys

Percent Somewhat or Very Satisfied	1996	1997	1998
Fire Protection	60%	86%	92%
Sanitation	85%	88%	92%
Emergency Medical Services	*	80%	90%
Police	64%	85%	87%
Parks and Recreation	73%	77%	85%
Code Enforcement	52%	63%	84%
Streets	77%	74%	82%
Public Information	60%	72%	80%
Economic Development	71%	57%	75%

*Question not posed in 1996 survey.

This is but one tool to assess our progress as a community and our commitment to customer service.

We have found that by working together, we can accomplish even more than we anticipated, such as the boom of development downtown, at the beach and along Riverwalk. While we have learned that some of these externalities can be challenges to overcome, I believe that overall our efforts have resulted in an improved Fort Lauderdale poised to take on the next century.

PUBLIC SAFETY

The Commission has consistently set public safety as its highest priority while seeking to minimize the impact on the taxpayer and this budget certainly reflects this priority. We have included sufficient resources leveraged with grant dollars to have the impact of fifteen additional police officers on the street. Five will be assigned specifically to traffic and driving under the influence (DUI) enforcement. Six officers will be redeployed from administrative work duties with the anticipated receipt of grant funds to civilianize their current duties and additional technology will result in a greater impact on police presence than just the six officers. Four additional officers would be hired to supplement current downtown patrol. These four positions are contingent upon the financial participation of the Downtown Development Authority (DDA) and I have asked them to become a financial partner in this endeavor. Over the last eight years, we have increased the Police Department budget by a greater percentage than the increase in the total General Fund budget. The number of positions in the Police Department have increased while the total number of positions citywide has dropped.

<u>Full-Time Permanent Positions</u>	<u>FY 90</u>	<u>FY 98</u>
Police	765	787*
All Positions	2,303	2,224*

*Includes seventeen positions which are funded outside of the operating budget.

Obviously the 787 positions do not reflect the substantial increases we have proposed for next fiscal year.

We also are now devoting more resources to code enforcement than at the beginning of this decade. The FY90 budget for code enforcement was \$1.2 million compared to the FY98 budget which was \$1.8 million. In addition, other priorities that have a positive effect on our quality of life such as parks and recreation, beautification of medians, parks, and other public places, has placed added challenges to our operating departments.

While the General Fund budget has grown by 38 percent since 1990, the operating millage rate has only increased nine percent. Our tax roll, meanwhile, has grown by 35 percent, which supports the fact that we have purposely not taken full advantage of all the

improved value of property owned by our taxpayers. Approximately 34 percent of the growth has been in new construction (sixty percent of that coming since FY94) and much of it in non-residential development, which reduces the tax burden on the homeowner while supplying necessary capital for City service delivery. Although assessments have increased, we have minimized rates to maintain acceptable tax levels. Table IV supports this statement.

Table IV

Ten Years of Tax Rolls and Rates

Fiscal Year	Tax Roll (in millions)	New Construction (in millions)	Operating Millage	Total Millage
FY 89/90	\$ 8,200	\$ 113	4.5872	5.2005
FY 90/91	8,818	76	4.5274	5.1055
FY 91/92	9,202	69	4.6245	5.1493
FY 92/93	8,806	95	5.0257	5.5651
FY 93/94	8,871	49	5.0536	5.5651
FY 94/95	9,071	65	5.2485	5.7860
FY 95/96	9,389	103	5.3907	5.9069
FY 96/97	9,659	70	5.2570	5.7373
FY 97/98	10,080	120	5.0633	5.8209
FY 98/99 Proposed	11,041	220	5.0062	5.6919
Increase over FY90	\$ 2,841	\$ 107	0.4190	0.4914
% Change	35%	95%	9%	9%

It is difficult to list our many achievements over the last decade without overlooking some or underestimating the effort it took to reach them. However, I would like to delineate some of the areas of productivity where I am most pleased. In Police, we have made a significant effort to implement major technological improvements and community policing. Thanks to the efforts of many City departments, the Federal Bureau of Investigation has acknowledged an 18.92 percent reduction in reported Part I crimes. In Finance, we have transitioned to an on-line, real-time financial information system, improved our Moody's bond rating on Water and Sewer bonds from A1 to AA, refinanced bonds to obtain lower interest costs, and improved our customer service for bill paying. In Fire-Rescue and Building, we have melded our diverse inspection and development services into a synergistic whole and greatly expanded our capabilities to deliver emergency medical services. In Parks and Recreation, we have revitalized our facilities through the bond programs as well as programming efforts for the War Memorial and Fort Lauderdale Stadium; improved the profit margin of our cemeteries by 240 percent while maintaining quality service; met the maintenance challenge of increased usage of the beach, Riverwalk, and Mills Pond Park; and improved the visual

appeal of our entranceways and throughways with increased maintenance standards and landscaping. In Planning and Economic Development, we have revamped the zoning code, updated the City's long-range plans, increased the dockage available for boaters through two new marinas, and expanded our efforts to serve neighborhoods through capital improvements, education, and redevelopment. In Public Services, we have conducted a thorough evaluation of our sanitation services with the public, developed a workable Wingate Landfill closing process, initiated an enhanced replacement program for water and sewer infrastructure, and established a stormwater enterprise fund for long-range solution of drainage problems. In Administrative Services, we have facilitated a nationally-recognized labor/management process, migrated to a distributed information system which eases our hurdling of the year 2000, and adapted our parking systems to meet the demands of our growing economy and attractions.

EXPECTATIONS

On June 9, 1998, you identified priorities for the FY 1998/99 budget. Each issue, which would have an operating budget impact, has been addressed in this proposal.

Public Safety

Nine new officers plus six more through civilianization are included via grant funds to add to our present emphasis upon traffic accidents, drunk driving, drug intervention, and community policing. Our \$10 million police technology plan will take effect in the next fiscal year that includes the full unveiling of the pen-based mobile reporting which is scheduled for Phase I completion by the end of 1998. This is anticipated to free up significantly more time for officers to spend on varied enforcement efforts such as driving under the influence, pedestrian safety, and community policing.

We now have forty-two police employees fully dedicated to the community policing initiative. However, you have made it clear that you would like to see this initiative expanded. Therefore, I have included six grant funded civilian positions that will also allow six officers currently assigned these duties to be deployed where their full capabilities can be used in community policing. Finally, our plan calls for the addition of four new officers for patrolling areas downtown and I have requested the DDA to be our financial partner.

We are entering the final year of our current agreement with Broward County for delivery of emergency medical services; police and fire-rescue dispatch; and jail booking and space. Discussions for a new agreement have been initiated and we hope to have recommendations to you in October. The concept now being pursued would include squaring off our service boundaries to serve City and

County residents more efficiently and to establish joint power agreements with adjacent communities to operate as one service delivery system for Fire-Rescue.

Police and Fire-Rescue Overtime

Overtime budgets in Police and Fire-Rescue continue to be constantly monitored. Police overtime is due mostly to contractually-mandated court and holiday pay followed by detective and other unit call-outs, late arrests and reports, and off-duty arrests.

Since we have been actively involved in emergency rescue, we must keep our employees trained to meet medical standards. In Fire-Rescue, overtime is incurred to ensure adequate staffing while new employees are being trained as paramedics. This can take three to six months. Additionally, there has been increased turnover the past several months since Broward County has taken back twenty-six of their paramedics who had been assigned to the City. Some overtime is reimbursed through our agreement with Broward County such as detention, communications, and limited Fire-Rescue.

This budget does not increase the amount appropriated for Police and Fire-Rescue overtime. We will continue to closely monitor the situation and have challenged the two chiefs to look for ways to reduce our costs.

Police and Fire-Rescue Technology

In the current year's budget, the Commission authorized the financing of \$10 million for new technology. Bids and proposals have been solicited during this fiscal year and time is near for implementation of much of the plans outlined. The major components of this plan are: computer-aided dispatch and records management (\$3.8 million), pen-based mobile reporting for Police (\$2.2 million), office automation (\$2.1 million), imaging of Police records (\$535,000), a manpower allocation system (\$175,000), evidence and supply bar coding (\$100,000), jail management automation (\$100,000), digital photography/livescan (\$100,000), and a mobile operations simulator (\$150,000). In addition, Fire-Rescue and Building is planning a \$450,000 technology boost by leveraging dollars generated from a technology surcharge on permits to improve the building and inspections side of their operation.

Fire Station Location

The fire station location plan being developed will enable us to analyze all of our historic data on incident responses to electronically track the various types of emergency calls and in what areas of the City they are occurring. Final software programming will be completed in August which will allow the City to initiate the incident data analysis. It is estimated that the final station location plan should be complete by October. Other related activities currently taking place are the

merger of four of the fire stations into two new facilities to increase cost efficiencies and response capabilities.

Code Enforcement

In order to increase code enforcement presence in the various neighborhoods, the proposed budget includes funding for four additional code enforcement officers at a net cost of \$100,000. A total of \$200,000 has been added to Community Inspections (four positions), who along with two new building inspectors budgeted in the current year to assist with code enforcement, will be aggressively recruited to keep them filled and available for duty.

Transportation and Neighborhood Planning

A large and comprehensive transportation study of the beach area is currently underway. It is anticipated that a number of issues will require further study and refinement when the Commission revisits the beach moratorium issue. The proposed budget includes an additional traffic engineer as well as \$75,000 in funding for outside consulting to address not only beach traffic problems but those of neighborhoods as well. Funding has been included in this proposed budget to continue the temporary staff added in the current year to the "to do list". This should also provide additional capability for studying small area planning issues requested by our citizens. I have also provided for \$500,000 in contingencies for traffic calming measures to meet the citizen's expectations for neighborhood traffic solutions.

International Relations

This proposed budget includes \$35,000 in Planning and Economic Development to provide support for visitors from other countries, business contacts from overseas, and Sister Cities, International. As directed by the Commission, these funds will be leveraged with private dollars on at least a dollar-for-dollar matching basis. This funding is in addition to the \$5,000 included in the Commission budget for your expenses related to greeting foreign dignitaries.

Teen Programming

The Parks and Recreation Department has included \$208,000 in additional support for teen programming for afterschool arts and intramural programs at Stranahan, Dillard, and Fort Lauderdale High Schools as well as Sunrise and Rogers Middle Schools. We plan to expand the tennis programs for youth and adults at all tennis facilities including Bayview and George English Tennis Centers. At Holiday Park and George English Park, we will increase our teen programs and add roller hockey at Holiday Park once the appropriate facility is constructed.

Median Tree Replacement

The Parks and Recreation Department is compiling a citywide median tree replacement policy funded by the tree beautification trust fund. It is anticipated that 200 hundred trees will be replaced citywide at an estimated cost of \$20,000. In addition, the tree program of the 1996 bond issue calls for 400 trees this year and 2,000 to be planted over the next five years.

Parks Bond Projects

Many new parks bond projects will be coming on line over the next two to three years. Likewise, there will be a demand to staff and maintain these facilities in the fashion the voters expected when they were approved. In FY 1998/99, three new employees plus a summer worker are being recommended for maintenance related to Holiday Park and Riverwalk improvements at a cost of \$154,000 (including equipment).

Commission Support

In an effort to facilitate the City Commission's ACTION tracking system, an additional position has been included in the City Manager's Office. Such action will free up one position in the City Clerk's Office and the addition of another secretarial position should help to lighten the voluminous workload of the Commission.

FUTURE

In the longer term, I believe the City should continue its efforts to concentrate on the four-pronged approach I mentioned in my introductory remarks:

1). Productivity and Competition

The City will weather the ups and downs of economic fluctuations by being lean and mean with its organized delivery of service. The CALM process and the use of performance measures will help lead the way to continuous improvement. The application of technology citywide should enhance our efficiency and effectiveness with the Police Department leading the way.

2). Expansion of the Tax Base

We should continue to seek support for the beach, Riverwalk, and other areas of the City where non-residents work, vacation, and entertain but do not substantially contribute to the funding of the services provided. I urge the City Commission to maintain a strong economic development presence creating an atmosphere conducive to do business as one way to expand the tax base, and minimize the tax burden on the Fort Lauderdale homeowner.

3). Improvement in the Quality of Life

In the last eight years, we have focused on quality of life issues because a clean city is a safe city and one that everyone can enjoy. Fort Lauderdale should not lose its emphasis upon landscaping, entryways, and clean city initiatives to remain a truly "Beautiful City". Code enforcement is a high priority to our residents and the latest citizen survey provides a guide to the Commission on which problems are of utmost concern.

4). Transfer Expenditures for Services to Regional Providers

The City should continue to work out beneficial relationships with Broward County and surrounding communities to effectively deliver public safety services as efficiently as possible. We should also invite partners to join us in mutual efforts such as the State, County, or citizens outside of Fort Lauderdale. For instance, we are exploring joint service agreements with Broward County, Oakland Park, and Hollywood for fire and EMS as a way to transfer ad valorem expenses to a special service fund. Also as further example through the property tax increment, we are projecting \$720,000 in revenue to both components of the Community Redevelopment Agency (CRA) combined from Broward County and the North Broward Hospital District.

If these four features are vigorously pursued, our future looks bright because of the foundation their implementation has allowed us to lay.

OTHER RESOURCES

Besides property tax rates, the proposed budget assumes adjustments in building permits to ensure recovery of costs. There are sufficient resources within the CRA to cover our projected operating costs, as for tax increment bonds and post office financing, and provide for the partial payback to the General Fund. The budget proposal includes a 4 percent increase in water and sewer rates to provide working capital for neighborhood projects. This increase will give the City Commission the flexibility to approve any water and sewer project without delay, if needed for health reasons or requested by neighborhoods.

EMPLOYEE COMPENSATION

The second year of labor contracts provide for predetermined increases in compensation. The Fraternal Order of Police contract calls for a 3.8 percent increase in wages, \$10 more per month for health insurance, increases in longevity and retiree health insurance benefits for a projected increased cost of \$1.1 million. The International Association of Firefighters contract includes a 2 percent COLA as well as an increase in Emergency Medical Technician and Paramedic certification pay of 2.5% at an

incremental cost of \$530,000. The AFSCME contract includes a 3.5 percent wage increase and a \$10 per month increase in health insurance amounting to an additional \$990,000. I have included a 2 percent increase for Category I and II managers and a 4 percent increase in pay for all other employees who are not represented by bargaining groups.

To address pension costs and provide flexibility in retirement benefits, the budget anticipates offering a defined contribution plan for all employees, at their choice, that are not represented by a bargaining unit. A study is currently being conducted for general employees to begin an education process for possible selection.

CONCLUSION

As you are aware, I will be leaving as City Manager before this budget is implemented, however, I will continue to be a resident of Fort Lauderdale and therefore have a vested interest in assuring a continued efficient and effective municipal government. I am confident that sufficient resources have been incorporated into this proposal to meet your expectations and I appreciate all who have assisted with the preparation of this and all budget documents over the last eight years. This process is the most important, annually-recurring process, any organization undertakes.

This budget message marks my thirtieth year of public service to municipal government. Since June of 1968, I have utilized the advice of my mentor, Thomas F. Maxwell, the City Manager in Norfolk, Virginia, and I have dedicated myself to serve the elected officials who hired me and the employees I lead. I have striven to uphold the high ethical ideals of my profession while tackling the challenges of the modern city today. I am proud of all that can be accomplished when elected officials, the constituents they represent, and professional staff are able to work together as a team, with good character, for the betterment of their community. In that respect, I believe that we have much to admire in the last eight years of Fort Lauderdale city government.

We ask you to formally set the dates of September 9 and 23 at 6:00 PM for the budget public hearings as discussed at your workshop. We stand ready to respond to your questions and to assist you in adopting the FY 1998/99 budget.

Sincerely,



George L. Hanbury
City Manager

The FY 1998/99 all funds budget totals \$307.4 million. This represents an increase of approximately \$15 million or 5% more than the FY 1997/98 budget. This summary describes the budget by fund type.

GENERAL FUND

Overall, the General Fund revenue projection, including all sources, is an increase of \$6.4 million or 4% over the adopted FY 1997/98 budget. The following table summarizes the revenue picture:

REVENUE SUMMARY

<u>Resources Available</u>	FY 1997/98 Original Budget	FY 1997/98 Estimated Actual	FY 1998/99 Adopted Budget
Ad Valorem Taxes - Operating	\$ 49,221,682	49,229,000	52,815,892
Ad Valorem Taxes - Debt	7,328,856	7,349,400	7,011,022
Franchise Fees	12,002,360	12,292,360	12,337,280
Utility Taxes	24,585,000	24,860,000	25,647,870
Licenses & Permits	6,932,226	6,725,291	7,532,238
Intergovernmental	17,135,614	16,881,206	17,262,996
Charges for Services	15,613,109	15,547,489	16,841,867
Fines & Forfeitures	2,131,088	1,946,914	1,946,324
Miscellaneous:			
Interest	821,213	967,498	928,200
Leases/Rents	1,753,653	1,943,062	1,979,241
Other Miscellaneous	13,412,853	13,305,904	13,331,739
Non-Revenues:			
Working Capital Reserve	1,500,000	1,500,000	1,500,000
Carryforward	5,192,566	8,190,806	4,523,011
Transfers	55,633	997,253	396,248
Total Resources Available	\$ 157,685,853	161,736,183	164,053,928

Property Taxes - The property tax millage rate for operating purposes is 5.0062. In addition to the property tax levied for operating purposes, property taxes also include a separate debt levy which is used to pay debt service costs on outstanding General Obligation (G.O.) Bonds like the park bonds authorized by voters in November 1996. Debt service on the 1977, 1987 bonds (refunded in 1992), and 1997 bonds will be \$133,413, \$4,048,580 and \$2,884,303 and require millage levies of 0.0113, 0.3825, and 0.2733 mills respectively. The combined millage rate for these three issues is 0.6671.

Property taxes from the debt levy are shown as revenue to the General Fund and then transferred to the debt service fund. Accordingly, transfers from the General Fund to the debt service fund are budgeted in the amount of \$7,011,022. The combined operating and debt service millage rate is 5.6733.

The operating property tax rate is restricted to no more than 10 mills for municipalities. Advertising of any increase in the total levy beyond new construction or annexation is required to reference the rolled-back rate, which is the rate necessary to generate the same taxes as were received in the prior year. Below is a comparison of current millage rates for Broward County taxing jurisdictions as well as larger Florida cities:

ADOPTED OPERATING MILLAGE RATES FOR 1998/99

<u>JURISDICTION</u>	<u>MILLAGE</u>	<u>PERCENTAGE</u>
Broward County Schools	9.2390	36.7%
Broward County	7.5710	30.1%
FORT LAUDERDALE	5.0062	19.9%
North Broward Hospital	2.5000	9.9%
S. Florida Water Mgmt.	0.6970	2.8%
Hillsboro Inlet District	0.1021	0.4%
Florida Inland Navigation	<u>0.0470</u>	0.2%
	25.1623	100.0%

**FY 1998/99 Operating Millage Rates
As Adopted per \$1,000 of Taxable Value
for Florida Cities over 100,000 Population**

Jacksonville*	10.8901
Miami	10.0000
Miami Beach	7.4990
Hialeah	7.4810
St. Petersburg	7.3500
Tampa	6.5390
Hollywood	6.2999
Orlando	6.0666
Clearwater	5.1158
FORT LAUDERDALE	5.0062
Tallahassee**	3.2000

*Jacksonville, which is consolidated with Duval County, may levy up to \$2 per \$100 of value.

**Tallahassee operates its own power company. Revenues from that operation heavily subsidize their general fund.

BROWARD COUNTY CITIES - POPULATION AND MILLAGE RATES

<u>City</u>	<u>Population</u>	<u>Rank</u>	FY 98/99	
			<u>Operating</u>	<u>Millage</u>
Hallandale	31,470	15	6.9870	1
Miramar	50,058	11	6.9226	2
Pembroke Park	4,874	25	6.7500	3
Margate	49,908	12	6.7266	4
Sunrise	75,310	6	6.3500	5
Hollywood	126,522	2	6.2999	6
Dania	17,478	21	6.1000	7
Wilton Manors	11,837	22	6.0330	8
Deerfield Beach	49,384	13	5.6541	9
Sea Ranch Lakes	619	28	5.5500	10
Davie	61,813	8	5.1086	11
FORT LAUDERDALE	150,175	1	5.0062	12
Tamarac	50,792	9	4.9999	13
Oakland Park	28,200	16	4.9715	14
Cooper City	27,920	17	4.9570	15
Lauderdale Lakes	27,854	18	4.9500	16
Coconut Creek	35,949	14	4.8274	17
Lauderhill	50,198	10	4.8000	18
Pompano Beach	74,245	7	4.6893	19
North Lauderdale	27,806	19	4.4820	20
Parkland	11,268	23	4.1000	21
Hillsboro Beach	1,761	27	3.9570	22
Pembroke Pines	104,143	3	3.9034	23
Lauderdale-by-the Sea	2,985	26	3.8500	24
Lighthouse Point	10,469	24	3.7422	25
Plantation	77,450	5	3.5580	26
Coral Springs	102,916	4	3.4011	27
Lazy Lake	36	29	2.4500	28
Weston	24,910	20	1.5235	29

Franchise Fees - Franchise fees are payments made by utility companies for the privilege of constructing upon and operating within property owned by the City. The basis for the fees is provided for in long-term agreements which do not expire for several years. Florida Power and Light (FPL), which pays 82% of the \$12,337,280 estimated, remits 6% of its gross revenue derived from accounts within the City limits, less property tax and minor fees previously paid to the City. Other franchise fee payers include People's Gas, BellSouth, and Comcast Cable Television. This revenue continues to be a stable source for the City.

Utility Taxes - The City levies a 10% utility tax on electric, gas and water utility bills for customers within the City. The telecommunications rate is 7%. As with franchise fees, FPL is the largest taxpayer comprising 56% of the total. This revenue source had been growing primarily due to the expansion of cellular telephone use and the City's efforts to collect tax from area hotels for telephone fees. This year, we are seeing a market saturation and a leveling off of this revenue. The water utility tax revenue will increase by \$80,000 due to the adopted 4 percent water and sewer rate increase.

Charges for Services - This revenue is projected to increase by \$1.1 million in FY 98/99. Charges for services includes user fees for police, building inspection, planning, parks and recreation, and docks and waterways services, increased projections for special events and special facilities. Reimbursement for the Homeless Safezone will go from \$300,000 in FY 97/98 to \$75,000 in FY 89/99 with the opening of the new facility on Sunrise Boulevard and a reduction in our out-of-pocket expenditures.

License and Permit Fees - License and permit fees represent occupational and development permits. Adjustments are included for development permits to recover cost increases in revenue-supported services.

Intergovernmental Revenue - This revenue source is comprised of recurring State and County-shared revenue. The State of Florida shares motor fuel, alcoholic beverage license, cigarette, and sales tax revenue with local government on the basis of population. Broward County provides gasoline and occupational license revenue as well as reimbursement for emergency medical service costs through the Municipal Services Benefit Unit. The state-shared revenues are not showing the growth of recent years due to the low inflation rate.

Fines and Forfeitures - This revenue category includes fines for traffic violations and other City code violations. The City has seen a slight drop in these receipts due to judicial review of citation issues.

Miscellaneous Revenue - This category includes interest earnings, rents, and interfund charges. FY 97/98 included a one-time sale of radio channels (\$700,000) which will not recur in FY 98/99.

Non-Revenues - Non-revenues consist of prior year balance, and transfers from other funds. Current year balances reflect the budgeted carryforward plus additional balance identified with the closing and auditing of prior year, and encumbrances incurred last year which were outstanding at September 30, 1998. Transfers in the current year include \$420,000 from the Parking Fund for an imaging system in Fire-Rescue and Building, which will be repaid by the General Fund.

GENERAL FUNDEXPENDITURE SUMMARY BY DEPARTMENT

<u>Resources Allocated</u>	<u>FY 1997/98 Original Budget</u>	<u>FY 1997/98 Estimated Actual</u>	<u>FY 1998/99 Adopted Budget</u>
Administrative Services	\$ 6,771,986	6,516,973	7,490,588
City Attorney	1,504,816	1,553,369	1,606,532
City Clerk	681,223	781,584	682,136
City Commission	179,784	171,739	201,439
City Manager	1,410,836	1,502,062	1,538,679
Finance	2,883,750	2,865,014	3,058,412
Fire-Rescue & Building	30,145,499	31,328,150	32,022,823
Parks & Recreation	20,151,967	21,056,734	21,256,328
Planning & Economic Development	3,889,456	4,169,177	5,481,042
Police	57,038,109	57,667,662	58,502,709
Public Services	11,160,207	11,048,760	10,993,666
Other General Government	1,829,205	1,980,201	1,777,189
Operating Debt Service	1,420,946	0	0
Contingencies	2,283,631	0	2,700,000
Transfers Out	14,834,438	15,071,747	15,242,385
Year End Balance	1,500,000	6,023,011	1,500,000
<i>Total Resources Allocated</i>	<u>\$ 157,685,853</u>	<u>161,736,183</u>	<u>164,053,928</u>

Administrative Services - The budget includes a second Geographic Information Specialist, fully funded by the Capital Improvement Plan budget, to address the increasing demand for this type of service.

City Attorney - This budget includes \$34,500 for eleven new PC's and one printer to replace antiquated equipment, as well as \$10,800 for an on-line legal research database.

City Clerk - A Service Clerk has been transferred out to the City Manager's Office and a new Secretary has been added to better address the increasing demands upon this department.

City Manager's Office - A Service Clerk has been transferred in from the City Clerk's Department, an economic development position has been transferred out to Planning and Economic Development, and an Administrative Assistant has being added to further address citizen and Commissioner's requests.

Finance - An Accountant has been added to concentrate on revenue collections for Parks and Recreation and for the docks.

Fire-Rescue and Building - The budget includes \$200,000 to continue emphasis on community inspections by hiring four new inspectors. In addition, a new Electrical Inspector has been included in the budget. Another \$100,000 was added to increase clerical staffing by four positions to handle code enforcement administrative backlogs. The City continues to reimburse Broward County for the costs to provide tactical fire dispatch services at a cost of \$200,000. In anticipation of moving the administrative offices, \$64,000 was included for office space rental.

Parks and Recreation - Teen afterschool programming has been expanded to Fort Lauderdale and Stranahan High Schools as well as Rogers Middle School for an additional \$208,000, \$94,000 has been added to maintain the bermuda athletic fields, and \$61,000 has been included for Riverwalk maintenance. Included in these dollars are three Recreation Programmers, one Ballfield Groundskeeper, one Municipal Maintenance Worker II, and one Municipal Maintenance Worker III.

Planning and Economic Development - The Real Estate Division has been transferred into this department from Public Services which includes two positions, along with the transfer of an economic development position from the City Manager's Office. Two temporary Public Information Officers have been converted to permanent status. Tax incentive payments to four companies were included for a net cost of \$61,000 to further economic development efforts, and \$68,000 was added to cover the rental space for the Community Development Block Grant Program. To address neighborhood concerns, \$200,000 has been added to extend the temporary "to-do list" staff until the end of FY 1998/99 to initiate small area planning projects and \$75,000 has been included for traffic planning. Other new budget items include \$37,000 for membership dues to the Broward Alliance, \$35,000 for Sister Cities and international development, and \$14,000 for new office space rental.

Police Department - This budget reflects the transfer in of a maintenance worker from Public Services; and the addition of a Crime Analyst, a Police Officer that was previously grant funded, a Secretary, and a Communications Specialist Trainee. Four fire dispatchers have been deleted since the Fire-Rescue and Building Department has contracted with Broward County to provide fire tactical dispatch services.

Public Services - Changes in this Department include the transfer out of two positions along with the Real Estate function to Planning and Economic Development; and a maintenance worker to the Police Department. Two new Engineers were added, one for neighborhood traffic planning and the other for projects at the Executive Airport which is paying for that position. Inspection training has been enhanced by \$10,000.

Other General Fund Expenditures - This expenditure category includes items that are not attributable to City departments. Funding is provided for various social service, cultural, and promotion organizations in the community. The Community Services Board has evaluated the social and cultural applications for this funding and the Economic Development Advisory Board has reviewed the promotional proposals.

EXECUTIVE SUMMARY**OCTOBER 1998**

<u>SOCIAL ORGANIZATIONS</u>	<u>Budget FY 96/97</u>	<u>Budget FY 97/98</u>	<u>Request FY 98/99</u>	<u>Budget FY 98/99</u>
A Child's First Impression	\$ 0	0	50,000	0
Alzheimer's	3,500	4,545	6,000	3,625
Area Agency On Aging	30,492	31,071	76,287	33,801
Boy Scouts Of America	0	0	17,775	9,628
Brow Coalition for Homeless	0	0	4,500	0
Broward Homebound	5,000	5,000	6,500	4,406
Child Care Connection	20,730		0	0
Children's Diagnostic Center	3,500	3,409	4,000	0
Family Central	0	40,844	60,201	28,060
First Call For Help	0	0	12,037	7,272
Friends Of Children	0	8,409	30,000	0
Girl Scouts	3,000	3,809	8,354	6,266
Henderson Mental Health	0	0	15,000	0
Holiday Park Optimist Club	0	0	20,000	7,500
House Of Hope	5,617	5,617	See Stepping	Stones
Junior Achievement	0	0	3,200	0
Kids In Distress	7,639	5,909	10,000	8,641
Lighthouse for Blind	5,480	5,318	7,500	5,313
Links	0	0	11,000	0
Little Yankee Patriots	0	0	6,000	0
Rainbow Crusaders	4,275	4,275	8,000	0
Starting Place	6,093	2,708	12,000	7,000
Stepping Stones	0	0	5,320	0
Think Life	4,230	0	0	0
United Hearing & Deaf	4,593	0	3,750	2,865
Urban League	5,821	5,455	20,000	8,333
Wildlife Care Center	0	0	5,000	0
Women In Distress	4,684	5,000	7,500	3,646
<u>SOCIAL SERVICE TOTAL</u>	\$ 114,654	131,369	409,924	136,356

CULTURAL ORGANIZATIONS

A Child's First Impression	\$ 0	0	25,000	0
Bonnet House	4,535	4,608	5,000	3,269
Broward Archaeol. Society	4,084	0	0	0
Florida Philharmonic	2,500	0	0	0
Ft Laud Children's Theatre	5,385	7,539	9,500	5,865
Museum Of Art	0	7,903	13,500	2,779
Old Dillard Museum	4,842	0	10,000	6,731
Stranahan House	3,654	4,948	5,000	0
<u>CULTURAL TOTAL</u>	\$ 25,000	24,998	68,000	18,644

<u>PROMOTIONAL ORGANIZATIONS</u>	<u>Budget FY 96/97</u>	<u>Budget FY 97/98</u>	<u>Request FY 98/99</u>	<u>Budget FY 98/99</u>
Bailey Concert Hall	\$ 0	0	11,676	0
Bonnet House	0	0	4,045	0
Chamber of Commerce*	35,500	0	0	0
Dillard High School Task Force	0	2,500	0	0
Federal Little League	2,500	3,000	0	0
Florida Philharmonic	0	0	15,000	3,500
Fort Lauderdale Film Festival	7,000	7,000	15,000	8,500
Fort Lauderdale Billfish Tournament	0	0	10,000	0
Fort Lauderdale Players	0	0	7,000	0
International Game Fish Association	0	0	7,500	0
Metro-Broward Economic Development	5,000	5,000	7,500	5,000
Mount Olive Development Corporation	0	0	25,000	8,000
Museum of Art	0	5,000	14,495	6,500
Museum of Discovery and Science	10,000	0	0	0
Navy League	0	2,500	10,000	5,000
Opera Guild	0	0	15,000	0
Performing Arts Center Authority	0	0	25,000	4,000
Promenade in the Park	0	0	15,000	0
Sailboat Bend Civic Association	0	0	5,000	0
Sister Cities	5,000	0	0	0
Sunshine Football Classic	5,000	5,000	15,000	4,500
Whitbread Race Americas	5,000	10,000	0	0
Winterfest	10,000	10,000	25,000	10,000
<u>PROMOTIONAL TOTAL</u>	<u>\$ 85,000</u>	<u>50,000</u>	<u>227,216</u>	<u>55,000</u>
GRAND TOTAL ALL CONTRIBUTIONS				<u>\$ 210,000</u>

*The Chamber of Commerce is funded in the Planning and Economic Development Department and no longer part of the promotional funding process.

Contingencies - This appropriation is designed to cover the need for unanticipated expenditures that may occur during the year. The base level of funding is \$1.5 million, plus \$700,000 for cost-of-living pay raises for management employees which has not yet been spread to the individual departments, and another \$500,000 for traffic calming expenditures.

Year End Balance/Working Capital: The budgeted and projected year end balance/working capital in the General Fund represents a minimum amount of working capital. The estimated amount includes the working capital plus monies to be carried forward from FY 1997/98 to FY 1998/99 from revenues above budget estimates and expenditures below appropriations.

Transfers - A transfer is an interfund transaction. A transfer into the General Fund is considered a resource. Transfers out of the General Fund represent a financial use, such as the transfer to a debt service fund for payment of principal and interest on the City's general bonded debt. The table below shows the details of the General Fund transfer.

	FY 1997/98 Original Budget	FY 1997/98 Estimated Actual	FY 1998/99 Adopted Budget
<u>Transfers In</u>			
MIU Confiscation	\$ 0	50,000	50,000
Sunshine State Construction.	55,633	427,178	107,750
Community Redevelopment	0	78,058	238,498
Parking Fund	0	442,017	0
Miscellaneous Grant Funds	0	0	0
<i>Total Transfers In</i>	<u>\$ 55,633</u>	<u>997,253</u>	<u>396,248</u>

Transfers Out

Capital Improvement Plan	\$ 3,500,000	3,619,300	3,549,062
Community Redevelopment	214,646	208,702	381,393
GOB Debt	7,328,710	7,349,400	7,011,022
Excise Tax Debt Service	3,243,858	3,268,828	1,357,163
Parking Fund	193,548	193,548	195,618
Sunshine State Debt Service	0	0	2,024,127
Vehicle Rental Fund	0	280,035	0
Grant Funds	353,676	151,934	724,000
<i>Total Transfers Out</i>	<u>\$ 14,834,438</u>	<u>15,071,747</u>	<u>15,242,385</u>

SANITATION FUND

The Sanitation Fund provides the City with refuse collection, trash transfer station, lot clearing, bulk trash collections, recycling and street cleaning services. In early FY 1998/1999 we are proceeding with enhancing our level of service in this program by providing once a week yard waste cart service to our customers. This enhanced level of service will result in the twice monthly bulk service to be adjusted to once a month. In addition, we are reducing the size of the refuse containers to encourage recycling.

Remediation of the old Wingate Landfill and Incinerator site is proceeding and based on the agreements between the City, the other Potential Responsible Parties and EPA should be able to be financed with the 6% rate increase approved by the City Commission for this purpose in April 1995.

The FY 98/99 budget for Sanitation is \$16,504,065, a decrease of \$1,287,769 or 7.2% from the FY 97/98 budget. This decrease results primarily from the one time purchase of the reduced refuse carts costing \$1,400,000 last year. Adjusting for this and other one time only purchases leaves the Sanitation Fund with a no increase in budget this year and allows us to forgo increasing rates.

WATER AND SEWER FUND

The City of Fort Lauderdale supplies water and sewer services on a regional basis for over 300,000 residents of central Broward County. Areas serviced by the City’s water treatment and distribution system include Fort Lauderdale, Port Everglades, Sea Ranch Lakes, Lauderdale-by-the-Sea, Oakland Park, Wilton Manors, and portions of unincorporated Broward County, Davie, and Tamarac.

The total FY 98/99 operating budget for the Water and Sewer Fund is \$31,910,365, an increase of \$479,532 or 1.6% above the FY 97/98 budget. The increase is due to higher payment-in-lieu-of-taxes assessments which results in additional revenue for the General Fund. This slight increase was minimized by the efforts of the Public Services CALM Committee (RESCUE) to reduce operating costs while still maintaining service levels. Water and Sewer Fund reserves are sufficient to meet operational commitments with no increase in rates necessary.

The Commission has recognized the need to continue to invest in the recapitalization of the City’s water and sewer infrastructure. The enhanced water main replacement program, increased levels of sewer rehabilitation and other ongoing capital needs require an increased level of transfer into the capital program. To generate funds for these future requirements, a 4.0% across-the-board water and sewer rate increase is included. As in the past, major capital dollars beyond our "pay as you go" philosophy for funding long-range projects such as water plant modifications for ozone, membrane filtration treatment, major inflow and infiltration sewer projects and finalizing the sludge residuals issue, will be generated from the proceeds of external debt instruments.

The impact of a 4% rate increase on a residential customer using 10,000 gallons of water monthly amounts to \$1.84; illustrated as follows:

4% Effect on Rates

<u>5/8 inch meter</u>	<u>Old Rate</u>	<u>New Rate</u>	<u>Increase</u>	
Water Fixed Charge	\$ 2.63	\$ 2.74	\$ 0.11	
Water Commodity				
0-3,000 gals	0.86	0.89	0.03	
4-7,000	1.47	1.53	0.06	
> 8,000	2.17	2.26	0.09	
Sewer Fixed Charge	3.06	3.18	0.12	
Sewer Commodity				
0-3,000 gals	1.99	2.07	0.08	
> 4,000	2.76	2.87	0.11	

4% Effect on Average Customer (10,000 gallons/month)

<u>5/8 inch meter</u>	<u>Old Rate</u>	<u>New Rate</u>	<u>Increase</u>
Water Charge	\$17.60	\$18.31	\$ 0.71
Sewer Charge	<u>28.35</u>	<u>29.48</u>	<u>1.13</u>
Total	\$45.95	\$47.79	\$ 1.84

CENTRAL REGIONAL WASTEWATER SYSTEM FUND

The City of Fort Lauderdale, through Large User Agreements, operates the Central Wastewater Region to provide treatment services for Fort Lauderdale, Oakland Park, Wilton Manors, Port Everglades, and parts of Tamarac. These agreements, necessitated by federal funding requirements, establish the methodology for setting rates to large users. The City Commission establishes a billing rate based upon estimated expenses for the coming fiscal year. At the close of each fiscal year, the fund is audited and the actual rate determined. If necessary, lump sum rebates or charges are made to adjust the amounts paid during the year. In the past, the rate calculated at year end has been less than the budgeted rate resulting in rebates instead of charges.

The FY 98/99 operating budget for the Central Regional Wastewater System is \$8,132,729, an increase of \$7,018 which translates to a 0% increase over the FY 1997/98 budget. Therefore, the Large User rate will remain at \$0.75 per 1,000 gallons. This rate will provide adequate revenues for the Region's needs through the end of FY 98/99.

STORMWATER MANAGEMENT SYSTEM FUND

The City's Stormwater Management program is entering its seventh year of operation. Revenues collected are used for operating expenses and capital improvements directly related to the management of stormwater, including improvements designed to increase water quality in the City's waterways. Stormwater capital funds were used this past year, for example, to fund those improvements in the Executive Airport/Fiveash Wellfield area which are directly related to water quality improvements. The FY 98/99 Stormwater operating budget is \$1,975,009, a decrease of \$439,389 or 18.2% from the FY 97/98 budget. This decrease results from a reduction of equipment purchases associated with the expansion of service levels in FY 97/98.

PARKING SYSTEM FUND

The City's parking system is comprised of three parking garages, various parking lots, and street spaces with a total of 8,969 spaces. The FY 98/99 Parking System operating budget is \$4,829,486, an increase of \$534,190 or 12.4 percent over the FY 97/98 budget.

Parking Services converted the South Beach parking lot from a pay upon entry system to a pay upon exit operation. Parking Services will be monitoring its effectiveness in reducing traffic on northbound A1A.

Carr Smith Corradino, Engineering Consultant, has examined and submitted the structural analysis of the downtown City Park garage, the City Hall garage and the Arts & Science District garage. Parking Services is working with City Engineering to proceed with the recommended repairs.

With the downtown's new and growing business and entertainment community's needs, Parking Services has extended their hour of operation in the City Park Garage to 24 hours per day, seven days per week. Parking Services is offering discounted permits to area students and business employees for nights and weekends in the City Park garage.

Parking Services is working on improving its delivery of service to its customers who utilize the Oceanside and Las Olas Intracoastal parking lots as well as the City Park garage, through the upgrading of the existing multi-space parking meters to accept credit card payment. In addition, in the Oceanside and Las Olas Intracoastal parking lots, we will be expanding the current resident parking discount program via the use of resident discount parking cards.

Parking Services is currently reviewing improving customer service with a telephone interactive voice response system ("Pay by Phone"). A telephone interactive voice response system would allow customers to pay parking citations over the telephone by credit card. This system also allows phone scheduling of appeal hearings, reporting meter malfunctions, and customer surveys.

The City is studying the expansion of the Arts and Science District garage.

AIRPORT FUND

The Executive Airport Division of the Planning and Economic Development Department develops, operates, and maintains Fort Lauderdale Executive Airport and Industrial Airpark and the Downtown Heli-stop. The FY 98/99 Airport operating budget is \$3,413,739, an increase of \$158,579 or 4.9 percent over the FY 97/98 budget. The Airport is self-sustaining, with revenue generated by land leases and fuel flowage fees. Six fixed base operators provide fueling, maintenance, and other services to over 850 based aircraft, including 84 jets and 42 helicopters. Aviation related businesses at the Airport generate an annual economic impact of over \$150 million in the community and employ over 2,100 people.

Executive Airport's 200 acre Industrial Airpark contains approximately 1.3 million square feet of office and warehouse space. Major tenants include JM Family Enterprises, Elite Panel Products, Telematics, Highwoods Properties, Liberty Trust, and Citicorp. Businesses in the Industrial Airpark generate over \$155 million a year in economic impact and employ over 2,200 people.

An option agreement was signed in 1998 with a developer to build approximately \$40 to \$45 million in office and warehouse facilities on nearly 50 acres of Industrial Airpark property. Once completed, this new development will generate approximately \$790,000 in annual lease revenue to the Airport and approximately \$1.2 million in real estate taxes.

The Airport Division, with the help of City Engineering, began construction of the new \$3 million Downtown Heli-stop. This permanent elevated Heli-stop will replace the interim ground level facility

developed across from City Hall in 1991. The new facility is scheduled for completion in early 1999 and will provide quick and easy access to Fort Lauderdale's Central Business District.

Executive Airport began a project to study the feasibility of establishing a Foreign Trade Zone (FTZ) on Airport property and in the northern and western portions of Broward County. Initial market studies have shown that there is a significant need for FTZ services in the area. This new initiative would be an important economic development tool to help attract new businesses to there. This project is projected to take approximately 18 months to complete.

The Airport operates a state-of-the-art Noise and Operations Monitoring System to implement and monitor noise abatement procedures. This system will be upgraded this year through federal and state grant funding.

Fort Lauderdale Stadium, the spring training facility for the Baltimore Orioles, and Lockhart Stadium, home of the Miami Fusion Soccer Team as of 1998, are also located on Airport property.

SUNRISE KEY NEIGHBORHOOD IMPROVEMENT DISTRICT

In accordance with State Statute regarding safe neighborhood districts, the following budget is based upon a millage rate of 1 mill.

Professional Services	\$ 1,500
Security & Other Services	21,800
Vehicle Expenses	4,200
Repair and Maintenance	1,600
General/Liability Insurance	4,000
Building Acquisition	<u>2,500</u>
Total	\$ 35,600

EXPLANATION OF BUDGETARY POLICIES AND BASIS

INTRODUCTION

The City of Fort Lauderdale is a municipality chartered under the laws of the State of Florida in 1911, with the Charter being replaced by a special act of the Florida Legislature in 1957 and substantially revised in 1984.

The Annual Operating Budget is the result of efforts by the Mayor and four City Commissioners as well as City staff to allocate limited resources to best serve the needs of the City of Fort Lauderdale. The Budget therefore reflects the policies adopted by the Commission in response to the needs and concerns communicated to them by the residents of Fort Lauderdale. A vision statement has been adopted by the Commission (page 36) which summarizes the City's long-term aspirations. The City Commission has appointed a Budget Advisory Board of residents who provide recommendations to the Commission prior to adoption of the Annual Operating Budget.

FINANCIAL STRUCTURE

The Budget is designed to coordinate with the City's accounting system in order to facilitate an orderly and expeditious transition from budget adoption to financial control. A brief explanation of the types and purposes of budgeted funds is presented below.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than net income.

The following are the City's governmental fund types:

General Fund - The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. Funds of this type in the Annual Operating Budget are the Fort Lauderdale Community Redevelopment Agency and Sunrise Key Safe Neighborhood District.

Debt Service Funds - Debt service funds are used to account for the annual payment of principal, interest, and other expenditures on general long-term debt, other than bonds payable from the operations of the enterprise funds. Funds of this type in the Annual Operating Budget are General Obligation Bonds, Excise Tax Bonds, Sunshine State Governmental Financing Commission, and Tax Increment Revenue Bonds.

EXPLANATION OF BUDGETARY POLICIES AND BASIS

Capital Projects Funds - Capital projects funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations. While the Annual Operating Budget includes the contribution to these funds from operating sources, the specific appropriations for these funds are only summarized in this document and are included in detail in a separate Capital Improvement Plan which is separately adopted by the City Commission.

Proprietary Fund Types

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is on determination of net income. The following are the City's proprietary fund types:

Enterprise Funds - Enterprise funds are used to account for operations that provide a service to citizens, financed primarily by a user charge, and where the periodic measurement of net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes. Funds of this type in the Annual Operating Budget include Sanitation, Water and Sewer, Central Regional Wastewater System, Parking System, Executive Airport, and Stormwater Management.

Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City or to other governmental units. Funds of this type in the Annual Operating Budget are Insurance (Risk Management), Central Services (Print Shop, Radio and Telecommunications, and Central Stores), and Vehicle Rental (Fleet Management).

Other Fund Types

In the City's accounting system, there are other fund types which are not included in the Annual Operating Budget. These funds are fiduciary funds and account groups.

Fiduciary Funds - Fiduciary funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governmental units, and/or other funds. Funds of this type include the Cemeteries General Reserve Endowment and Perpetual Care Funds, General Employees' and Police/Fire Pension Funds, the Arts and Science District Garage, and Deferred Compensation. The Annual Operating Budget reflects the operating budget contributions to the pension plans and deferred compensation. The City contributes no money to the cemeteries funds because the function has been privatized and the Arts and Science District Garage, while managed by the Parking staff in Administrative Services, is handled as a separate function on behalf of the Performing Arts Center Authority and the Downtown Development Authority.

Account Groups - Account groups are used to establish accounting controls and accountability for the City's general fixed assets and its general long-term debt. The City's account groups are General Fixed Assets and General Long-Term Debt. The Annual Operating Budget provides for the initial purchase and on-going maintenance of fixed assets. The Annual Operating Budget does not include compensated absences but does reflect the annual principal and interest amounts (debt service) on bonded debt.

EXPLANATION OF BUDGETARY POLICIES AND BASIS

BASIS OF BUDGETING

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) with the following exceptions:

- Advances from other funds are presented as revenues.
- Encumbrances, advances to other funds, and principal on long-term debt of the proprietary funds are presented as expenditures or expenses.
- Depreciation and compensated absences are not budgeted.

The GAAP basis of accounting for governmental funds is modified accrual. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual, i.e., measurable and available to finance the City's operations. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (decreases in net financial resources) are recognized in the accounting period in which the related fund liabilities are incurred as long as it is measurable. An exception to this is long-term debt and the long-term portion of accumulated compensated absences and longevity pay, which are recognized when due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as a guide. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. The resources are reflected as revenues at the time of receipt or earlier if susceptible to accrual.

The major utility and franchise taxes are recorded as revenues when earned. Licenses and permits, fines and forfeitures, charges for services, and other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Property taxes are recorded as revenues in the fiscal year levied, provided they are collected in the current period or within sixty days thereafter. Those remaining uncollected are recorded as deferred revenues. Investment income is recorded as revenue when earned. Special assessments are recorded as revenues only to the extent that individual installments are considered available.

The accrual basis of accounting is utilized by proprietary funds and pension and nonexpendable trust funds. Under the accrual basis, revenues are recognized in the accounting period in which they are earned, if objectively measurable, whether collected sooner or later. Expenses, not expenditures, are recognized when the benefits of costs incurred are deemed to have been consumed or expired. Long-term liabilities are accounted for through those funds. Depreciation of fixed assets are recorded in the accounts of these funds as well.

DEVELOPMENT PROCESS

The budget process is guided by direction from the City Commission as it strives to meet the needs of the community at a reasonable price. Every Commission meeting involves deliberation about what services the City should provide, at what level, and at what price. The decisions made by the Commission throughout the year provide a general path for the budget deliberations to follow. City employees provide the

EXPLANATION OF BUDGETARY POLICIES AND BASIS

perspective of professionals as to the most efficient and effective way to implement Commission policy. Residents have the opportunity to express their preferences for City services and funding mechanisms through formal budget public hearings as well as individual agenda items during the year. In addition, a Budget Advisory Board, comprised of residents and appointed by the Commission, meets regularly to develop recommendations for the budget.

The budget process is comprised of five stages: forecast, request, review, adoption, and monitoring. These steps often overlap one another because we are always operating in one fiscal year while working on the next and there are many participants involved in the process.

The forecast stage is the beginning step in the development of the next year's budget. In December, budget staff outline the options for the upcoming budget process using the City's Vision Statement (page 36) as an overall guide of the City's general direction. After review by the Assistant City Managers, a forecast of the General Fund for the next fiscal year is prepared. That forecast is typically presented to department heads and the City Manager in February. Based upon their review, the forecast is refined and the budget process is finalized with input from departmental budget coordinators. The forecast is presented to the City Commission traditionally in April or May at the same time that the Commission provides their priorities for budget development.

The request stage involves many participants. The Commission has delegated responsibility for recommendations related to community groups to the Community Services Board and the Economic Development Advisory Board. Budget staff meets with these advisory bodies in January to outline the options for the request process and establish a timetable. In February for social /cultural requests, and in March for promotional projects, the boards solicit requests from community groups. In February, departments are asked to submit proposals for reorganizing or utilizing temporary and part-time help. In March, budget staff provide training to approximately one hundred employees who will be involved in preparing their own department's budget requests. In April, all departments prepare their proposals using on-line budget preparation software and completing justifications on electronic forms. The information assembled also includes revenue projections for each department's area of responsibility.

The review stage provides for the evaluation of budget requests that have been submitted. Budget staff review the reorganization and position change proposals in March and load any changes into the automated payroll projection system. At this same time, the advisory boards are reviewing the community group proposals. In May, the City Manager conducts formal budget reviews with each department to better understand their priorities and requests. In June, the management team (City Manager, Assistant City Managers, and department heads) meet, sometimes frequently, to hammer out the decisions necessary to prepare a proposed, balanced budget. Final decisions are made in July so that the City Manager can present his Budget Message to the Commission per City Charter requirements. The Budget Advisory Board, appointed by the Commission, reviews the City Manager's budget and applies the results of their year-long research in making their recommendations to the Commission in August. In September, the Commission may hold a special budget workshop or discuss budget options at their first public hearing.

The adoption stage is the final step in the development of the budget. It begins with the recommendation of the advisory boards for funding community groups. These generally are transmitted in May or June. The City Manager presents a comprehensive proposal for the coming fiscal year. In July, the Commission accepts the City Manager's proposal and directs that a preliminary millage rate be calculated and forwarded to Broward County for inclusion in the State-required "Truth in Millage" (TRIM) notice sent to all property owners. The TRIM notice is sent in August and provides the taxpayer with the taxable value

EXPLANATION OF BUDGETARY POLICIES AND BASIS

of their property, the proposed millage rates for all taxing jurisdictions, and the date, time, and location for the first public hearings. The City Commission holds the first hearing and tentatively adopts the millage rates and the budget. A TRIM advertisement is placed in the City's newspaper of record before the final public hearing. That advertisement provides a budget summary, information about the final public hearing, and a notice of tax increase if applicable. The Commission holds the final public hearing and then adopts the final millage rates and the budget.

The monitoring stagereally occurs year round. In October, staff load the adopted budget amounts into the automated financial system for implementation of the budget. In addition, authorized positions are rolled into the payroll/personnel system to provide the guideposts for hiring. The budget document is prepared to reflect the plans approved by the Commission. The adopted millage rate is transmitted to Broward County for preparation of billing and collection. The City Manager's Office in conjunction with budget staff determine the appropriate monitoring procedures for the fiscal year (i.e. approval process for budgeted purchases, review of budget shifts within a single department's budget). All during the fiscal year, departmental and Finance Department staff review purchase and personnel requisitions, have access to financial information on-line real-time, and monitor Commission agendas for financial impacts. During this past fiscal year, staff prepared periodic budget status reports which highlighted revenue, expenditure, and performance measure status to date. Toward the end of the fiscal year, the Commission considers budget amendments to reflect adjustments in appropriations necessary based upon actual expenditures during the year.

Refer to pages 37 and 38 for a summary of the budget process and calendar.

AMENDMENT PROCESS

After the budget has been adopted in September, there are two ways that it can be modified during the fiscal year.

For changes within a department's appropriation within the same fund, the City Manager has the authority to authorize changes. The Assistant City Managers review all purchases which require an adjustment of \$1,000 or more. A formal process has been utilized for many years for capital outlay in particular. An administrative adjustment process is being implemented which will require similar review of all expenditures. As the budget process gets underway, departments prepare estimates for current year expenditures. As they are submitted to the budget office, they become the guidepost for all subsequent purchases regardless of the original appropriation. Such estimates are prepared initially in April and revised in June and August.

For modifications which cross departmental and/or fund lines, only the City Commission can approve such changes. This process includes allocation of budgeted General Fund contingencies. The request is placed on a regular consent agenda and requires a majority vote of the Commission.

CAPITAL IMPROVEMENT PLAN

Expenditures for capital improvements are not included directly in the operating budget. The Annual Operating Budget includes and identifies amounts to be transferred to capital project funds from operating sources. The appropriations for capital improvements are budgeted as part of the Capital Improvement

EXPLANATION OF BUDGETARY POLICIES AND BASIS

Plan (CIP) and prepared and approved separately. A Capital Improvement Program Committee, consisting of department heads and the Assistant City Managers, meets on a regular basis to oversee a five-year CIP, which is updated and presented yearly to the City Commission for approval. A separate CIP document is available which details each project, its purpose, funding sources, timetable, and its effect on future operating budgets. The first year of the CIP is referred to as the capital budget. The CIP and Annual Operating Budget are closely linked as the budget assumes the cost of maintaining and operating new facilities as they are constructed within the CIP. The department representative on the CIP Committee is responsible for incorporating any needed funding for completed projects into the operating budget. Capital projects are budgeted and accounted for in a number of funds. A summary of the CIP is provided beginning on page 157.

There are many differences between the operating budget and the capital budget. The operating budget includes expenses that are generally of a recurring nature and are appropriated for one year only. It provides for the provision of all City services, but does not result in the addition of major, physical assets for the community. The capital budget includes one-time costs for projects that may last several years and result in major physical assets being added in the community.

DEBT POLICY AND ADMINISTRATION

There is no statutory or charter debt limitation. The City has established its own policies regarding the utilization of debt instruments. Debt is used for a variety of purposes and in a variety of ways. The principal use of debt by the City has been for making capital expenditures. Because the use of public capital stretches over many years, it is appropriate that those who enjoy the benefits should also pay the costs. This general principle of intergenerational equity, however, must be applied cautiously. The public capital of one generation may be regarded as a dubious asset by the next. Why should those who did not choose to make the expenditures pay for them? Any capital expenditures, the continuing merit of which is in doubt, might more appropriately be paid for by those who chose to make the expenditure. Moreover, this reservation accords with financial conservatism as a public debt based on unwanted capital expenditures is not of very good quality. Another more pragmatic qualification to this general principle is that short-lived capital expenditures may be more easily and appropriately fitted into current budgets than paid for by borrowing.

The solid financial position of the City along with application of the most current financial management practices has permitted the City to obtain very favorable bond ratings and, consequently, lower interest rates. The City has adopted the following policy statements as guidelines for the use of debt:

1. No borrowing of short-term debt for support of routine operations is to be used unless borrowing can be obtained at a lower rate of interest than invested funds and funds are not available for the routine operations.
2. Debt payment shall not exceed the anticipated useful life of an improvement and in no case exceed 30 years.
3. Bond issues shall be scheduled to level annual debt service requirements so that borrowing costs are minimized. This may be modified based on the express purpose of spreading improvement costs equally over a long period of time so that future citizens become responsible for portions of the cost.
4. Efforts shall be made to maintain or improve the City's bond rating.

EXPLANATION OF BUDGETARY POLICIES AND BASIS

5. With each bond offering and at least annually, the City shall fully disclose its financial position and fiscal management practices.

The following policy statements have been adopted by the City as operating guidelines for the level of debt for all direct non-self-supported debt:

1. Direct, non-self-supported debt shall not exceed 3% of assessed valuation.
2. Direct, non-self-supported debt shall not exceed \$750 per capita.
3. Direct, non-self-supported and overlapping debt shall not exceed 5% of assessed valuation.
4. Annual debt service requirements shall not exceed 10% of the annual budget.
5. Average annual bond maturities shall not exceed 15 years.
6. Where required, debt services equal to the highest scheduled principal and interest payment shall be maintained (except assessment debt) or debt service reserve insurance will be obtained.

A summary of the City's outstanding long term debt related to capital improvement (except assessment debt) as of October 1, 1998 is as follows :

	Bonds <u>Outstanding</u>	Interest Rate <u>Range</u>	Final <u>Maturity</u>	<u>BOND RATING</u>	
				<u>Standard & Poor's</u>	<u>Moody's</u>
General Obligation	\$ 62,900,000	4.00 - 7.00	2017	AA	Aa3
Excise Tax	30,575,000	2.50 - 6.60	2007	A+	A1
Water and Sewer	21,630,000	7.60 - 8.70	2001	AA-	Aa2
Tax Increment	5,950,000	4.70 - 6.20	2012	AAA	Aaa
Sunshine State Loan	<u>16,710,000</u>	Variable	2018	N/A	N/A
TOTAL	\$137,405,000				

General Obligation Bonds are secured by the full faith and credit of the City. The outstanding General Obligation Bonds will be repaid from ad valorem taxes or by the Water and Sewer Fund since a portion of the bonds in this latter category were issued to finance a portion of the City sewer system. The Excise Tax Bonds are secured by a pledge of certain utility service, cigarette, and franchise taxes. Water and Sewer Bonds are secured by a pledge of net revenues of the City's Water and Sewer System. Tax increment bonds are secured by property taxes and a secondary pledge of Parking revenue. Their bond rating is insured.

FUND BALANCE POLICY

The City of Fort Lauderdale has established a practice of maintaining and ensuring minimum levels of fund balance. In the General Fund, the City budgets \$1.5 million as working capital in addition to a base level of \$1.5 million for contingencies. The amount of the budgeted fund balance is set by the Commission considering the need for unreserved, undesignated amounts against the political consideration of a reasonable property tax levy. In the enterprise funds, provision is made for operating working capital on top of amounts for debt service and replacement reserves.

VISION STATEMENT

CITY OF FORT LAUDERDALE

In 1995, Fort Lauderdale citizens met as an American Assembly to take part in the process to develop the strategic guide for the City into the 21st century. The Assembly's objectives, to continue the forward momentum gained by the City's 1994 mission and to address current and future challenges, resulted in this vision:

Fort Lauderdale, the “Venice of America”, is a tropical paradise. Its beauty makes it truly distinctive, and the City offers residents and visitors a lasting warm and congenial lifestyle. Fort Lauderdale has become a model for other communities, which emulate not only its citizen involvement, but also its commitment to communication and participation in community planning.

Working relationships with other municipalities and agencies are strong, as we share information and resources for our mutual benefit, coordinate key services, and resolve current and future social service issues. Fort Lauderdale is a model of intergovernmental cooperation.

As the region's natural leader, Fort Lauderdale's prosperous commerce center is considered the hub of South Florida. The City is the governmental, financial and cultural center of the region. Its environment attracts and retains desired business and industry through well-trained, educated workers, available facilities, and other enhancements that encourage desirable development. Our downtown, with corporate headquarters, cultural aspects and amenities along the New River, uptown's dynamic business center, executive airport, an industrial commerce center, as well as our world renowned beach, provide a desirable setting for families to live, work and play.

Partnerships make it possible for Fort Lauderdale to achieve its successes. The high level of cooperation among residents, businesses, schools, religious organizations and the City allow the planning and implementation of programs that enhance the quality of life. Innovative projects have provided solutions to social and safety issues, such as homelessness and community policing. Quality of life, growth management and resource identification and allocation strategies have also been developed. Neighborhood organizations provide a voice for every household throughout the City. The network of neighborhood associations is a family that shared resources, collaborates with other organizations, and provides leadership to empower our entire City. Revitalization of the northwest and other areas of the City has transformed neighborhoods at risk into vibrant centers of economic and cultural richness.

Fort Lauderdale has attracted a diverse population and maintained a hometown feeling even as it provides improved access into and through the City. Neighborhoods are preserved and connected through improved streets and a network of pedestrian and bike paths. Our streetscape and natural habitat are sustained through our urban tree canopy, a source of great pride to the City. Public parks and recreation open space needs are met as we continue our focus on environmental awareness and responsibility. With unsurpassed natural beauty, our waterways provide commerce, employment and recreational activities. Water quality standards are among the highest in the country.

The unique needs of Fort Lauderdale's neighborhoods are met by a highly competitive urban school system, with facilities and resources which reflect the community's total commitment to excellence in education. Standards of excellence ensure students are prepared for life outside the classroom; parents and administrators are accountable for success. The City and the community, through commitments and bonds with educational institutions at all levels, have ensured a quality education is available to everyone.

The City is using rapidly changing technology to provide instant access to information and increased citizen awareness on many levels. We are recognized as one of the safest and cleanest cities in the United States, with residents and businesses creating a clean, safe environment in partnership with the City. Fort Lauderdale is truly a model City for the 21st century.

Budget Process

<u>Month</u>	<u>Forecast Stage</u>	<u>Request Stage</u>	<u>Review Stage</u>	<u>Adoption Stage</u>	<u>Monitoring Stage</u>
OCT					Load Budget/FAMIS Roll Positions Prepare Budget Document Transmit Millage Monitoring Procedures Budget Adv. Board Mtgs
NOV					On-Line Review Review Requisitions Commission Agendas Publish Budget Document Budget Adv. Board Mtgs
DEC	Outline Process				On-Line Review Review Requisitions Commission Agendas Budget Adv. Board Mtgs
JAN	Prepare Forecast	Staff Meets with Advisory Boards for Community Group Funding Procedures			Budget Adv. Board Mtgs Budget Coordinators Mtg Review Requisitions Commission Agendas
FEB	Present Forecast to Department Heads	Reorganizations Position Changes Community Group Proposals			On-Line Review Review Requisitions Commission Agendas Budget Adv. Board Mtgs
MAR	Firm up Process Refine Forecast	Train Staff Load Reorganizations	Review Reorgs Community Group Presentations		On-Line Review Review Requisitions Budget Adv. Board Mtgs
APR	Prepare for Commission Workshop	Department Requests		Advisory Boards Recommendations	On-Line Review Review Requisitions Budget Adv. Board Mtgs
MAY	Commission Workshop		City Mgr Reviews Adjust for Commission Priorities	Commission Hears Advisory Boards Recommendations	On-Line Review Review Requisitions Budget Adv. Board Mtgs
JUN			Management Team Meetings		Revised Dept Projections Budget Adv. Board Mtgs
JUL			Balance the Budget	City Mgr Message Tentative Adoption	Budget Adv. Board Mtgs
AUG			Budget Adv. Board Recommendations	TRIM Notice	Revised Departmental Projections
SEP			Commission Workshop	Public Hearings TRIM Ad Final Adoption	Budget Amendments

**BUDGET PREPARATION AND IMPLEMENTATION CALENDAR
FY 1998/99 OPERATING BUDGET**

Date: 1997

December 4 Departmental Budget Coordinators meeting to outline FY 1998/99 process.

Activity

Date: 1998

January 12 Community Services Board discusses upcoming social/cultural funding process.

January 26 Economic Development Advisory Board discusses upcoming promotional process.

February 2-23 Departments meet with City Manager and Assistant City Managers.

February 12 Departments begin preparation of reorganizations, position changes, and temporary/part-time requests for FY 1998/99.

February 10 Budget Office presents preliminary budget forecast to department heads.

March Training takes place for budget preparers.

April Departments prepare budget requests.

April 13 Community Services Board adopts recommendations for social/cultural funding.

May City Manager conducts budget reviews with each department.

June 23 Economic Development Advisory Board adopts recommendations for promotional funding.

June 9 City Commission Budget Workshop at Holiday Park.

July 1 Broward County Property Appraiser certifies the property tax roll.

July 21 City Manager presents his proposed budget.

August Broward County distributes Truth in Millage (TRIM) notices to all property owners.

September 9 City Commission holds first public hearing and tentatively adopts millage rate and budget.

September 19 City advertises budget in newspaper of record to meet TRIM requirements.

September 23 City Commission holds second public hearing and adopts final millage rate and budget.

October 1 Beginning of the FY 1998/99 fiscal year.