



**APPROVED**  
**BUDGET ADVISORY BOARD MEETING**  
**CITY OF FORT LAUDERDALE**  
**FEBRUARY 21, 2024 – 5:00 P.M.**  
**Fort Lauderdale Executive Airport**  
**Red Tails Conference Room**  
**6000 NW 21st Avenue**  
**Fort Lauderdale, FL 33309**

| <b>Board Member</b>       | <b>Attendance</b> | <b>10/2023 through 9/2024</b>        |               |
|---------------------------|-------------------|--------------------------------------|---------------|
|                           |                   | <b>Cumulative Attendance Present</b> | <b>Absent</b> |
| Jeff Lowe, Chair          | P                 | 2                                    | 0             |
| William Brown, Vice Chair | P                 | 2                                    | 0             |
| Ross Cammarata            | P                 | 2                                    | 0             |
| Michael Marshall          | A                 | 1                                    | 1             |
| Melissa Milroy            | P                 | 2                                    | 0             |
| Prabhuling Patel          | P                 | 2                                    | 0             |
| John Rodstrom             | P                 | 2                                    | 0             |

**Staff**

Linda Short, Finance Director  
 Clarence Woods, CRA Director  
 Greg Chavarria, City Manager  
 Anthony Fajardo, Assistant City Manager  
 Sergio Masvidal, PFM Financial Advisor  
 Alan Dodd, Public Works Director  
 Laura Reece, Director, Office of Management and Budget  
 Victor London, Assistant Police Chief  
 Charmaine Crawford, OMB Department and Board Liaison  
 J. Opperlee, Prototype Inc. Recording Secretary

**Others**

**Communications to the City Commission**

None

**I. Call to Order**

The meeting of the Budget Advisory Board was called to order at 5:00 p.m.

**II. Roll Call**

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

**III. Approval of Meeting Minutes – January 17, 2024**

**Motion** made by Ms. Milroy, seconded by Mr. Patel to approve the minutes of the Board’s January 17, 2024 meeting. In a voice vote, motion passed unanimously.

#### **IV. Floor Open for Neighbor Input**

None

#### **V. Old Business**

Mr. Brown recalled the Board had recommended to the City Commission that the City get full cost recovery for special events. Ms. Reece said staff was performing further research to determine a fair and accurate way to estimate the cost of staff time. She said they did not believe the City could add a surcharge on tickets, per State law and the City Attorney's office was looking into it. Ms. Reece said the City intended to treat each entity the same, whether it was a for-profit or non-profit, to avoid non-profits specifically set up to get preferential treatment. Ms. Milroy asked why prices were different for venues east and west of the Intracoastal and Ms. Reece stated they were trying to encourage more events off the barrier island because those residents there had complained about the number of events. Ms. Reece described the team who was working on this. Mr. Brown requested the Board receive a presentation from staff prior to going to the City Commission.

#### **VI. New Business**

##### **A. Commission Prioritization and Goal Setting Workshop Outcomes – Laura Reece, Office of Management and Budget (OMB) Director**

Ms. Reece said the City Commission had updated their goals and said staff would draft budget proposals to align with these new priorities.

1. Public Safety
2. Homeless Initiatives
3. Affordable Housing and Economic Development
4. Transportation and Traffic
5. Infrastructure and Resilience
6. Public Spaces and Community Initiatives

Mr. Rodstrom asked why in 2023 the City did not provide funding to organizations that provided homeless services. Mr. Chavarria said the Salvation Army had an allocation of funding but had not requested those funds in 2023. In 2022, the City had allocated \$300,000 to United Way but they had gone back and forth regarding performance requirements and in the end, United Way had not taken the funds. Mr. Chavarria stated the County received a great amount of money from the State, compared to the City, and reimbursed the City for some services. Mr. Rodstrom asked how they could make it easier for the organizations to get the funding. Ms. Reece said the City wanted funds from the City to be utilized only in Fort Lauderdale, and they did not want to pay for organizations' overhead, and this had created issues when negotiating. Some organizations wanted donations without complying with these requirements.

Mr. Chavarria stated the City had offered to donate funds to the Salvation Army, provided a specific number of beds were allocated for people from Fort Lauderdale. Mr. Chavarria said they were working to have people who were being released from the City jail to be

connected to resources, which could be healthcare, mental health care or a ride back to where they came from. Mr. Fajardo explained that the State had created a minimum bond amount, which would result in people being moved to other facilities instead of being released in Downtown Fort Lauderdale.

Victor London, Assistant Police Chief, agreed this was a complex social issue and they would do the best they could with existing resources until the State provided more funding. Mr. Chavarria said they were currently considering how the mechanics of the booking process worked and determine how to make it more efficient with City resources.

Mr. Fajardo said there were also statutory issues, such as the closure of mental health hospitals. He said they should work at the State and Federal level to find a reasonable, suitable alternative to provide the correct mental health care.

**B. Debt Capacity and Financing Flexibility Presentation, from January 9, 2024 City Commission Conference Meeting** – Linda, Short, Finance Director and Sergio Masvidal, PFM Financial Advisor

Ms. Short provided a Power Point presentation, a copy of which is attached to these minutes for the public record.

Mr. Brown asked the difference between AA+ and AAA. Ms. Short said they would get slightly better interest rates at AAA. Mr. Masvidal stated AA+ was extremely strong and the interest spread between AA+ and AAA was perhaps five basis points.

Mr. Rodstrom asked about the water and sewer bonds and Ms. Short said she had recommended issuing interim financing to get some projects started because there was over \$60 million of 2018 water and sewer bonds that had not been spent yet.

Mr. Patel wondered if opportunities were being left on the table in the pursuit of maintaining the City's credit rating. Mr. Cammarata noted the debt limit was based on property values, not revenue. Mr. Masvidal said the credit agencies considered much more than just taxable value. Mr. Cammarata said if the City used more debt and sacrificed their credit rating, they still must be able to afford that debt. Mr. Chavarria said they needed ample staff to make things happen.

**C. Renew Lauderdale General Obligation Bond Presentation, from January 9, 2024 City Commission Conference Meeting** – Alan Dodd, Public Works Director

Mr. Dodd gave a power Point presentation, a copy of which is attached to these minutes for the public record.

Chair Lowe asked who was responsible for sidewalks and Mr. Dodd said the City had decided to assume responsibility and liability for sidewalks a few years ago. Ms. Reece

explained that the City Attorney's office had indicated that the City would always be legally responsible.

Ms. Reece said Stantec had done a study regarding a dredging plan and it was determined the City could go forward and could charge a special assessment to affected properties but the City Commission had decided not to go forward because of the negative input.

Mr. Cammarata asked about the Bayview sinkhole. Mr. Dodd explained the pipe configuration in the area and said a pipe and a manhole had collapsed, preventing sewage from getting to the pump station. A temporary bypass had been set up to get the sewage to the pump station and some sewage was taken by truck.

Mr. Brown remarked that Fort Lauderdale contributed 46% of the total to the penny transportation surtax. Board members and Mr. Chavarria noted how the restrictions the County put on spending the funds made it almost impossible for the City to use them.

**D. Community Redevelopment Agency (CRA) NW Progresso Flagler Heights Area - Financial Impact of Sunsetting versus Extending** – Laura Reece, OMB Director and Clarence Woods, CRA Manager

Ms. Reece and Mr. Woods gave a Power Point presentation, a copy of which is attached to these minutes for the public record.

Mr. Cammarata asked what would happen in 2025 if the CRA were not extended and Ms. Reece said approximately \$9.5 million would no longer go to the CRA but would be kept in the General Fund. She said their current long-term modeling assumed the CRA would sunset and this was a key assumption of the 10-year plan. Mr. Brown noted the need for a new Fire Station as well as another Police Station in the Downtown/Flagler Village area, which was in the Northwest Progresso CRA. He thought the additional funds from the General Fund could help build a Fire or Police station.

Mr. Woods said they focused on real estate development, such as the YMCA, to which the CRA had contributed approximately \$10 million. He pointed out that they leveraged projects, and typically contributed around 30-40%. Mr. Woods said they asked whether a project could be developed without CRA help before contributing. He said CRAs were created in reaction to the lack of new investment which happened in response to a lack of City services in a particular area. He said it was only in the last few years that ad valorem tax revenue had increased in the area so they were now in a better position to address the blight that still existed. Mr. Woods stated the County had indicated they would still be willing to utilize some of their TIF funds toward projects such as affordable housing, which was still a big need in this area.

Mr. Cammarata questioned giving funds to restaurants and Mr. Woods noted these businesses created jobs in the neighborhood. Mr. Chavarria added that the funding

requests were first presented to an advisory board for vetting. Mr. Fajardo pointed out that businesses such as restaurants also created a sense of place and community. Mr. Woods explained a consultant would conduct a Finding of Necessity study to determine the current slum and blight conditions. Then it would go to the CRA Board, the City and then the County to approve the CRA extension.

Chair Lowe noted the City's budget had been based on the CRA sunseting. He doubted there would be any ad valorem increase in this election cycle and he did not want other City services suffering because the CRA funds did not come back to the General Fund. He stated the County had created a new division for affordable housing and homelessness and would put significant funds toward it.

Mr. Cammarata requested a report on CRA projects that had not performed and what projects they wanted for the future. Mr. Rodstrom wanted to know the potential tax base from Sears Town and other developments in Flagler Village.

Mr. Woods said they were converting Sistrunk Boulevard into an arts and culture district. There were several projects already in the project pipeline, and he agreed to provide a report to the Board. Mr. Brown asked for a report on successful projects in the CRA that had not used CRA funding and Mr. Fajardo agreed to provide it. Ms. Reece agreed to add this as a discussion item to the Board's March 20 agenda.

#### **VII. Infrastructure Task Force Update**

Mr. Marshall was absent.

#### **VIII. Communications to/from City Commission**

None

#### **IX. Board Member Comments**

Chair Lowe encouraged members to attend the City Hall financing meeting on March 23. Mr. Brown wanted the Board to provide input on the new City Hall financing and Ms. Reece agreed to put it on the Board's April agenda.

#### **X. Adjourn**

The meeting was adjourned at 7:28 p.m.

# Debt Capacity and Financing Flexibility



CITY OF FORT LAUDERDALE

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*\*Appendices provided under separate cover.*



**CITY OF FORT LAUDERDALE**

# I. DEBT MANAGEMENT POLICY EXCERPTS

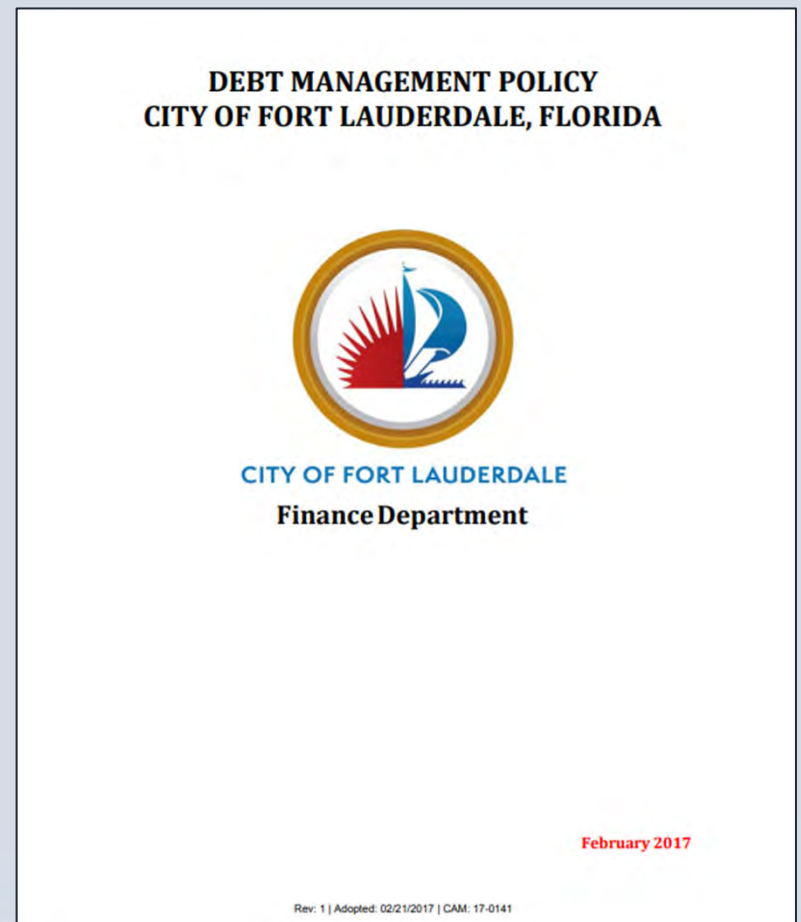


CITY OF FORT LAUDERDALE



# City's Debt Policy

The City Commission adopted the Debt Management Policy on February 21, 2017, to establish guidelines and a framework for the issuance and management of the City's debt.



**CITY OF FORT LAUDERDALE**

# City's Debt Policy

## II. POLICY STATEMENT

Under the governance and guidance of federal and state laws, the City's charter, ordinances, and resolutions, the City may periodically enter into debt obligations to finance the construction or acquisition of infrastructure, and other assets or to refinance existing debt and unfunded liabilities for the purpose of meeting its governmental obligation to its neighbors. It is the City's desire and direction to ensure that such debt obligations are issued and administered to obtain the best long-term financial advantage to the City and its neighbors, while making every effort to maintain and improve the City's bond ratings and reputation within the investment community.

The City may also decide to issue debt obligations on behalf of external agencies or authorities for the purpose of constructing facilities or assets which further the goals and objectives of city government. In such case, the City shall take reasonable steps to confirm the financial feasibility of the project, and the financial solvency of the borrower. The City shall take all reasonable precautions to ensure the public purpose, and financial viability of such transactions.



# City's Debt Policy

## Legal Consideration

The primary use of debt by the City has been to fund capital projects; however, other debt may be issued as necessary and appropriate. Because the use of public facilities will occur over many years, it is appropriate to allocate the cost of the facilities over the useful life of the financed projects. Such events shall be considered, but are not limited to, the following:

- a) Bonds shall only be issued for capital improvements including infrastructure and equipment with a useful life in excess of three years.
- b) **Whenever possible, the City shall use special assessment, revenue, or self-supporting bonds instead of General Obligation Bonds.**
- c) The term of any bonds shall not exceed the useful life of the expenditure being financed, and should not exceed 40 years unless there are extenuating circumstances that justify the longer term.
- d) **The City shall not issue debt to subsidize or finance current operations.**
- e) The City shall publish and distribute an official statement for each publicly traded Bond issue.
- f) The City should consider the purchase of private bond insurance at the time of issuance, if it is financially beneficial to the transaction.
- g) **General Obligation debt shall only be used to finance capital expenditures.**
- h) The City shall monitor existing bond issues for refunding opportunities.
- i) The City shall seek to maintain the highest bond rating practical to ensure that borrowing costs are minimized and access to credit is preserved.
- j) The City shall not issue General Obligation debt with a maturity of more than 12 months without a referendum.
- k) Other than General Obligation debt, the City shall not issue debt without enacting an authorizing resolution after conducting a duly noticed public hearing.



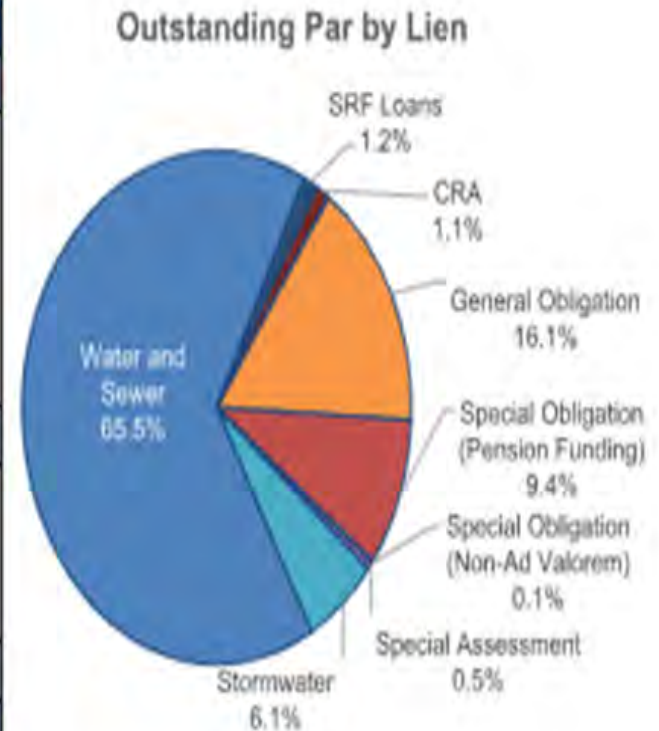
# II. FINANCIAL FLEXIBILITY



CITY OF FORT LAUDERDALE

# Debt Profile Overview

| Lien                                 | Par Outstanding        | Bond Ratings |         |       |
|--------------------------------------|------------------------|--------------|---------|-------|
|                                      | As of 10/1/2023        | S&P          | Moody's | Fitch |
| General Obligation                   | 233,890,000            | AAA          | Aa1     | -     |
| Special Obligation (Pension Funding) | 136,855,000            | AAA          | Aa2     | -     |
| Special Obligation (Non-Ad Valorem)  | 1,713,000              | -            | -       | -     |
| Special Assessment                   | 7,735,000              | -            | -       | -     |
| Community Redevelopment Agency       | 15,329,000             | -            | -       | -     |
| <b>General Government Debt</b>       | <b>\$395,522,000</b>   |              |         |       |
| Stormwater                           | 88,485,000             | AAA          | Aa2     | -     |
| Water and Sewer                      | 953,835,000            | AA+          | Aa1     | -     |
| SRF Loans                            | 18,094,762             | -            | -       | -     |
| <b>Enterprise Debt</b>               | <b>\$1,060,414,762</b> |              |         |       |
| <b>Total Debt Outstanding</b>        | <b>\$1,455,936,762</b> |              |         |       |



*Excludes the Special Obligation Line of Credit (\$45.5MM), Stormwater WIFIA Loan (\$119.99MM) and capital leases*



# Debt Service Coverage Targets and Limits

For the City to issue new bonds or bonds on a parity basis, the City shall need to demonstrate that revenues shall be sufficient to cover the existing and new debt service by a comfortable coverage ratio:

|   |   |   |
|---|---|---|
|   |   | <b>Actual</b>                           |
| A. Limits for direct and non-self-supporting debt                     |   |   |
| ▪ Less than four (4) percent of taxable valuation = \$2,181,827,080*  | } | (as of 10/1/2023)                       |
| B. Target for direct and non-self-supporting debt                     |   |   |
| ▪ Less than three (3) percent of taxable valuation = \$1,636,370,310* |   | <u>\$395,522,000</u>                    |
| C. Debt Service Safety Margin (DSSM)                                  | } |   |
| ▪ DSSM at or above the standard rating agency median                  |   |   |
| D. Debt Ratio   |   |   |
| ▪ Debt Ratio at or above the standard industry median                 |   | <b>Not Applicable to<br/>GO Credits</b> |

*\*Based on Preliminary (July 1) Total Taxable Value of \$54,545,676,988 for the 2023 Tax Year*



# Debt Policy - Future Flexibility

- As a measure of future flexibility, the City looks at Debt Service as a percentage of General Government Expenditures
  - Debt Limit: 20% Maximum
  - Goal/Target: 10% - 15%
- The table below shows estimated *cumulative* impact on this metrics with the addition of infrastructure debt issuances, assuming no changes to the FY2024 budgeted amounts

|  | Budgeted<br>9/30/2024 | Future Infrastructure Financings <sup>(1)</sup> |  |
|--|-----------------------|---|--|
|  |                       | + Parks & Rec GO<br>Bonds<br>(\$70.35 million)  | + Public Safety &<br>Police HQ<br>(\$45.5 million) |
| Annual Debt Service  | \$ 47,932,596         | \$ 52,511,846                                   | \$ 55,502,846                                      |
| Total Governmental Expenditures  | 524,891,569           | 529,470,819                                     | 532,461,819  |
| Total Governmental Debt Service<br>as a % of Total Governmental Expenditures | 9.13%                 | 9.92%   | 10.42%   |

(1) Projected annual debt service starting in FY 2025 based on 5% coupons.



# Debt Policy – Potential GO Referendum

- As a measure of future flexibility, the City looks at Debt Service as a percentage of General Governmental Expenditures
  - Debt Limit: 20% Maximum
  - Goal/Target: 10% - 15%
- The table below shows estimated *cumulative* impact on this metrics with the addition of infrastructure debt issuances, assuming no changes to the FY2024 budgeted amounts

|  | Budgeted<br>9/30/2024 | Future Infrastructure Financings <sup>(1)</sup> |  | Potential GO Financings     |                             |                             |                             |
|--|-----------------------|---|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  |                       | + Parks & Rec<br>GO Bonds<br>(\$70.35 million)  | + Public Safety &<br>Police HQ<br>(\$45.5 million) | GO Bonds<br>(\$100 million) | GO Bonds<br>(\$200 million) | GO Bonds<br>(\$300 million) | GO Bonds<br>(\$400 million) |
| Annual Debt Service  | \$ 47,932,596         | \$ 52,511,846                                   | \$ 55,502,846                                      | \$ 62,007,846               | \$ 68,512,846               | \$ 75,017,846               | \$ 81,522,846               |
| Total Governmental Expenditures  | 524,891,569           | 529,470,819                                     | 532,461,819  | 538,966,819                 | 545,471,819                 | 551,976,819                 | 558,481,819                 |
| Total Governmental Debt Service<br>as a % of Total Governmental Expenditures | 9.13%                 | 9.92%   | 10.42%   | 11.50%                      | 12.56%                      | 13.59%                      | 14.60%                      |

This level would meet the City's policy target of 10-15% and remain under the 20% limit



(1) Projected annual debt service starting in FY 2025 based on 5% coupons.





# III. APPENDICES



CITY OF FORT LAUDERDALE



# **Appendix A. Utility Systems Water & Sewer and Stormwater**



## Future Capital Investment – Utility Funds

- Utility System
  - Water and Sewer System anticipates future needs of approximately \$250 million
    - Anticipated to be issued incrementally over the next 2-4 years
    - Plan of Finance will likely incorporate interim borrowing to reduce the overall financing burden and initial impact to ratepayers
  - Stormwater System anticipates future needs of approximately \$500 million
    - Next issuance is expected in Fiscal Year 2028 for \$200 million toward funding Flagler Village, Harbour Inlet, Sailboat Bend, Tarpon River projects
    - The City anticipates accelerating an additional \$300 million for system improvements
    - Plan of Finance will likely incorporate interim borrowing to reduce the overall financing burden and initial impact to ratepayers
- The City's finance team will continue to seek efficiencies within the plan of finance through State and Federal Grant and Loan programs.



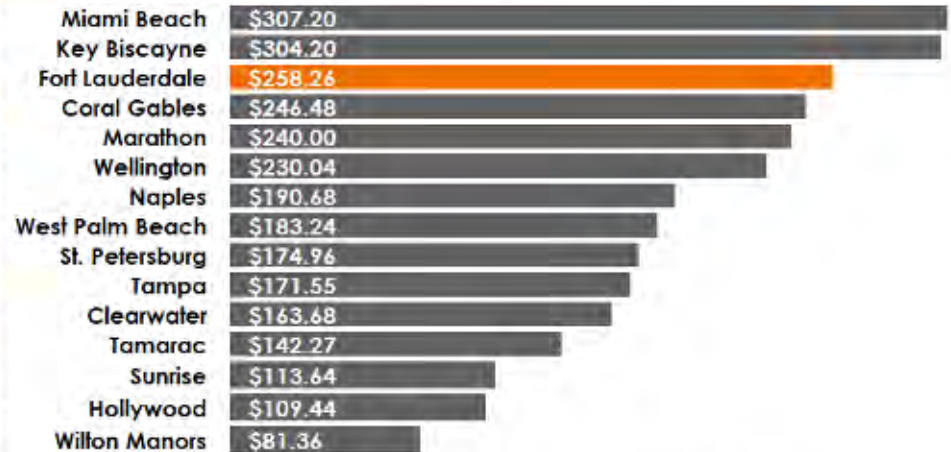
# Water & Sewer / Stormwater Rates – Comparison to Other Communities

**Water & Sewer – Monthly Residential Bill Comparison  
(Average Residential Service Use – 5,000 Gallons)**

| Location                           | Water Total     | Sewer Total     | Total Bill      |
|------------------------------------|-----------------|-----------------|-----------------|
| Davie                              | \$ 45.57        | \$ 78.32        | \$ 123.89       |
| Wilton Manors                      | \$ 58.92        | \$ 57.20        | \$ 116.12       |
| Oakland Park                       | \$ 45.05        | \$ 53.12        | \$ 98.17        |
| Dania Beach                        | \$ 35.00        | \$ 58.82        | \$ 93.82        |
| Fort Lauderdale (FY 2024)          | \$ 37.34        | \$ 56.33        | \$ 93.67        |
| Sunrise                            | \$ 41.32        | \$ 50.48        | \$ 91.80        |
| Parkland                           | \$ 48.19        | \$ 37.08        | \$ 85.26        |
| Miramar                            | \$ 37.00        | \$ 47.74        | \$ 84.74        |
| Hallandale Beach                   | \$ 38.72        | \$ 45.20        | \$ 83.92        |
| Cooper City                        | \$ 32.78        | \$ 49.75        | \$ 82.53        |
| <b>Fort Lauderdale</b>             | <b>\$ 30.47</b> | <b>\$ 51.66</b> | <b>\$ 82.13</b> |
| <b>Average</b>                     | <b>\$ 36.08</b> | <b>\$ 44.88</b> | <b>\$ 80.96</b> |
| North Lauderdale                   | \$ 32.30        | \$ 47.25        | \$ 79.55        |
| North Springs Improvement District | \$ 36.09        | \$ 38.11        | \$ 74.20        |
| Coconut Creek                      | \$ 41.90        | \$ 32.24        | \$ 74.14        |
| Broward County                     | \$ 27.60        | \$ 46.45        | \$ 74.05        |
| Plantation                         | \$ 24.79        | \$ 47.37        | \$ 72.16        |
| Hollywood                          | \$ 51.88        | \$ 19.79        | \$ 71.66        |
| Pembroke Pines                     | \$ 32.79        | \$ 37.95        | \$ 70.74        |
| Pompano Beach                      | \$ 31.96        | \$ 36.42        | \$ 68.38        |
| Royal Waterworks                   | \$ 28.88        | \$ 39.06        | \$ 67.94        |
| Lauderhill                         | \$ 23.81        | \$ 41.65        | \$ 65.46        |
| Tamarac                            | \$ 21.80        | \$ 42.75        | \$ 64.55        |
| Margate                            | \$ 31.38        | \$ 31.94        | \$ 63.32        |
| Coral Springs Improvement District | \$ 30.40        | \$ 30.40        | \$ 60.80        |

Source: Stantec - Stormwater Financial Feasibility Report dated March 31, 2023

**Comparison of Stormwater Charges for Select Florida Governmental Entities  
(Annual Bill for a Single Family Residential Customer)  
For the Fiscal Year Ending September 30, 2023**



Stantec - Water and Sewer Revenue Bonds Feasibility Report dated September 26, 2023



## Moody's Utility Revenue Scorecard Metrics: Water & Sewer

|  | Metric       | Implied Rating | % of Score |
|--|--------------|----------------|------------|
| <b>System Characteristics (30%)</b>        |              |                |            |
| Asset Condition                            | 25 years     | A              | 10%        |
| Service Area Wealth                        | 91.97%       | Aa             | 12.5%      |
| System Size                                | \$83,970,330 | Aaa            | 7.5%       |
| <b>Financial Strength (40%)</b>            |              |                |            |
| Annual Debt Service Coverage               | 2.20x        | Aaa            | 15%        |
| Days Cash on Hand                          | 494 days     | Aaa            | 15%        |
| Debt to Operating Revenue                  | 2.84x        | Aa             | 10%        |
| <b>Management (20%)</b>                    |              |                |            |
| Rate Management                            | Aaa          | Aaa            | 10.0%      |
| Regulatory Compliance and Capital Planning | Aa           | Aa             | 10.0%      |
| <b>Legal Provisions (10%)</b>              |              |                |            |
| Rate Covenant                              | 1.25x        | Aa             | 5.0%       |
| Debt Service Reserve Requirement           | No DSRF      | Baa            | 5.0%       |
| <b>Moody's Assigned Rating &gt;&gt;</b>    |              | <b>Aa1</b>     |            |

### Key Ratios:

- Asset Condition: net fixed assets divided by depreciation expense, expressed in years
- Days Cash on Hand: unrestricted cash and liquid investments multiplied by 365 and divided by operating and maintenance expenses (net of depreciation), expressed in days
- Debt to Operating Revenue: net long-term debt less debt service reserve funds divided by annual operating revenue



## Moody's Scorecard: Water & Sewer – Sub-Factors

| System Characteristics     |                     |                              |                              |                             |                            |                         |        |
|----------------------------|---------------------|------------------------------|------------------------------|-----------------------------|----------------------------|-------------------------|--------|
|                            | Aaa                 | Aa                           | A                            | Baa                         | Ba                         | B and Below             | Weight |
| <b>Asset Condition</b>     | > 75 years          | 75 years $\geq$ n > 25 years | 25 years $\geq$ n > 12 years | 12 years $\geq$ n > 9 years | 9 years $\geq$ n > 6 years | $\leq$ 6 years          | 10%    |
| <b>Service Area Wealth</b> | > 150% of US median | 150% to 90% of US median     | 90% to 75% of US median      | 75% to 50% of US median     | 50% to 40% of US median    | $\leq$ 40% of US median | 12.5%  |
| <b>System Size</b>         | > \$65.0M           | \$65.0M $\geq$ n > \$30.0M   | \$30.0M $\geq$ n > \$10.0M   | \$10.0M $\geq$ n > \$3.0M   | \$3.0M $\geq$ n > \$1.0M   | $\leq$ \$1.0M           | 7.5%   |

| Financial Strength                  |            |                              |                             |                            |                           |               |        |
|-------------------------------------|------------|------------------------------|-----------------------------|----------------------------|---------------------------|---------------|--------|
|                                     | Aaa        | Aa                           | A                           | Baa                        | Ba                        | B and Below   | Weight |
| <b>Annual Debt Service Coverage</b> | > 2.0x     | 2.0x $\geq$ n > 1.7x         | 1.7x $\geq$ n > 1.25x       | 1.25x $\geq$ n > 1.0x      | 1.0x $\geq$ n > 0.7x      | $\leq$ 0.7x   | 15%    |
| <b>Days Cash on Hand</b>            | > 250 days | 250 days $\geq$ n > 150 days | 150 days $\geq$ n > 35 days | 35 days $\geq$ n > 15 days | 15 days $\geq$ n > 7 days | $\leq$ 7 days | 15%    |
| <b>Debt to Operating Revenue</b>    | < 2.0x     | 2.0x $\leq$ n < 4.0x         | 4.0x $\leq$ n < 7.0x        | 7.0x $\leq$ n < 8.0x       | 8.0x $\leq$ n < 9.0x      | $\geq$ 9.0x   | 10%    |



## Moody's Scorecard: Water & Sewer – Sub-Factors

| Management  |   |  |   |  |   |  |        |
|---|---|--|---|--|---|--|--------|
|   | Aaa   | Aa   | A   | Baa  | Ba  | B and Below  | Weight |
| <b>Rate Management</b>                            | Excellent—no material political, practical, or regulatory limits on rate increases  | Strong—little political, practical, or regulatory limits on rate increases                               | Average—some political, practical, or regulatory limits on rate increases                           | Adequate—political, practical, or regulatory impediments place material limits on rate increases       | Below average; political, practical, or regulatory impediments place substantial limits on rate increases | Insufficient; political, practical, or regulatory obstacles prevent implementation of necessary rate increases | 10%    |
| <b>Regulatory Compliance and Capital Planning</b> | Fully compliant / proactively addressing compliance issues; Sophisticated / manageable 10+-year period Capital Improvement Plan | Actively addressing minor compliance issues; Comprehensive / manageable 10-year Capital Improvement Plan | Moderate violations with adopted plan to address issues; Manageable 5-year Capital Improvement Plan | Significant compliance violations with limited solutions adopted; Single year Capital Improvement Plan | Not fully addressing compliance issues; Limited or weak capital planning                                  | Not addressing compliance issues; No capital planning  | 10%    |

| Legal Provisions                        |                     |  |   |   |   |   |        |
|---|---------------------|--|---|---|---|---|--------|
|   | Aaa                 | Aa   | A   | Baa   | Ba  | B and Below   | Weight |
| <b>Rate Covenant</b>                    | > 1.30x             | 1.30x ≥ n > 1.20x                              | 1.20x ≥ n > 1.10x                                       | 1.10x ≥ n > 1.00x   | ≤ 1.00x   | ≤ 1.00x   | 5%     |
| <b>Debt Service Reserve Requirement</b> | DSRF funded at MADS | DSRF funded at lesser of standard 3-prong test | DSRF funded at less than 3-prong test OR springing DSRF | NO explicit DSRF; OR funded with speculative grade surety | NO explicit DSRF; OR funded with speculative grade surety | NO explicit DSRF; OR funded with speculative grade surety | 5%     |



## Water & Sewer Metrics – Comparison to U.S. Medians

| Selected Indicators                      | U.S. Medians - Combined<br>Water & Sewer Utilities | City of Fort Lauderdale<br>Water & Sewer System |          |
|--|--|---|----------|
|  | 2021   | 2021  | 2022     |
| Moody's Median Senior Revenue Rating     | Aa3  | Aa1   | Aa1      |
| Median Family Income (% of US Median)    | 92%  | N/A   | 92%      |
| Asset Condition: (Remaining Useful Life) | 26 years   | N/A   | 25 years |
| Debt to Operating Revenue                | 2.1x   | 3.1x  | 2.8x     |
| Annual Debt Service Coverage             | 2.4x   | 2.1x  | 2.2x     |
| Days Cash on Hand                        | 486 days   | 381 days  | 494 days |
| System Size: (O&M, \$000)                | 20,100   | 87,564  | 83,970   |
| Net Revenue (\$000)                      | 15,129   | 73,071  | 77,967   |
| Net Funded Debt (\$000)                  | 56,805   | 490,161   | 476,967  |

Source: Moody's Investor Service





# **Appendix B: Summary of Bonds Outstanding by Lien**

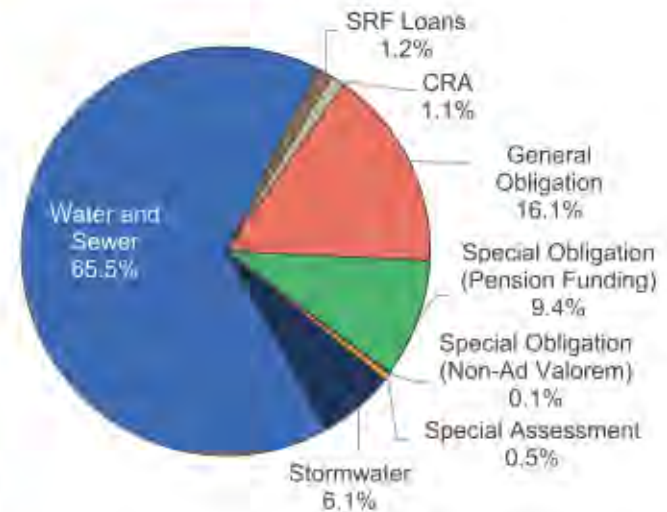


## Debt Profile Overview

| Lien                                 | Par Outstanding        | Bond Ratings |         |       |
|--------------------------------------|------------------------|--------------|---------|-------|
|                                      | As of 10/1/2023        | S&P          | Moody's | Fitch |
| General Obligation                   | 233,890,000            | AAA          | Aa1     | -     |
| Special Obligation (Pension Funding) | 136,855,000            | AAA          | Aa2     | -     |
| Special Obligation (Non-Ad Valorem)  | 1,713,000              | -            | -       | -     |
| Special Assessment                   | 7,735,000              | -            | -       | -     |
| Community Redevelopment Agency       | 15,329,000             | -            | -       | -     |
| <b>General Government Debt</b>       | <b>\$395,522,000</b>   |              |         |       |
| Stormwater                           | 88,485,000             | AAA          | Aa2     | -     |
| Water and Sewer                      | 953,835,000            | AA+          | Aa1     | -     |
| SRF Loans                            | 18,094,762             | -            | -       | -     |
| <b>Enterprise Debt</b>               | <b>\$1,060,414,762</b> |              |         |       |
| <b>Total Debt Outstanding</b>        | <b>\$1,455,936,762</b> |              |         |       |

*Excludes capital leases and short-term obligations*

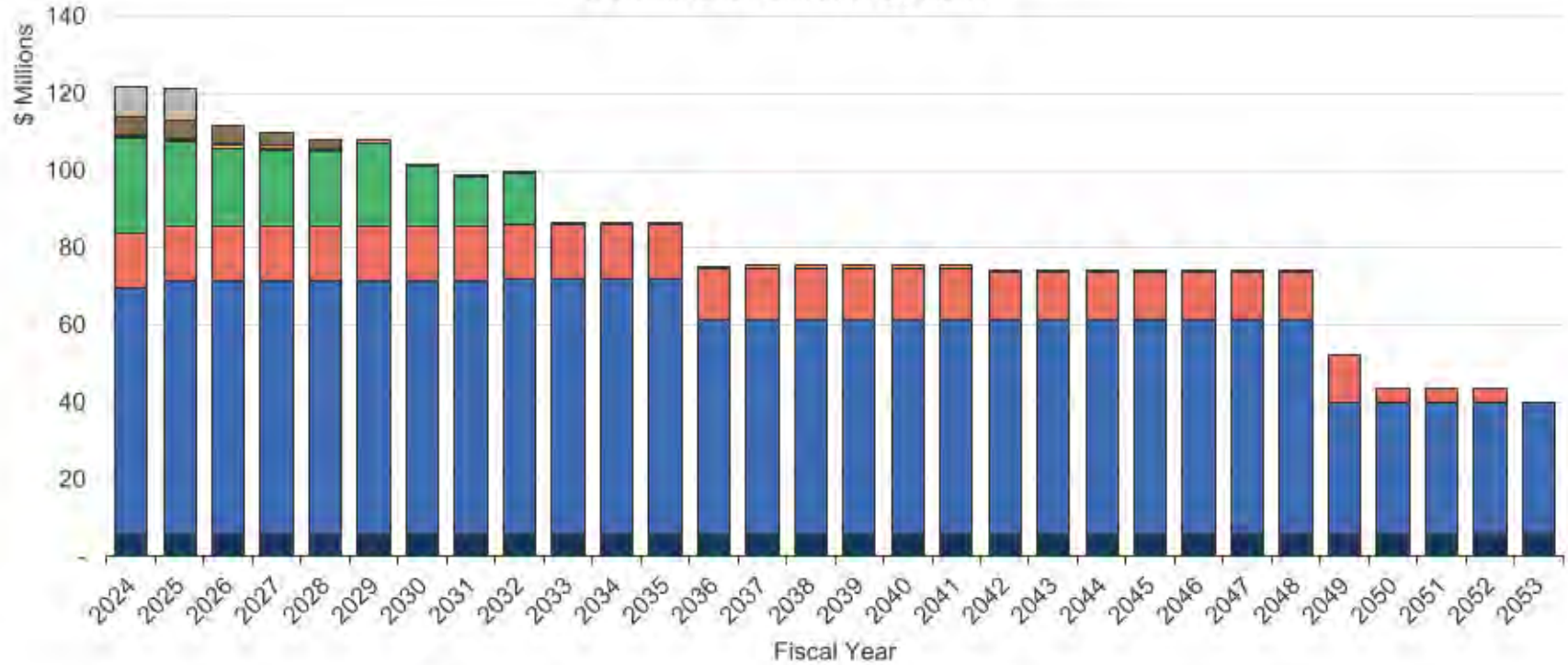
Outstanding Par by Lien





# Debt Profile Overview

## Annual Debt Service by Lien



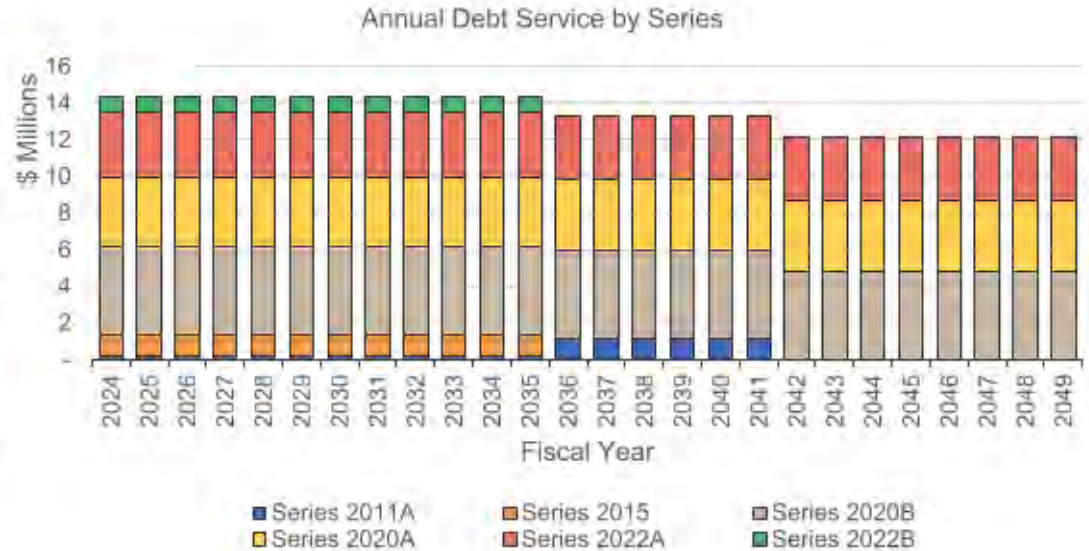
- Stormwater
- Water and Sewer
- General Obligation
- Special Obligation (Pension Funding)
- Special Obligation (Non-Ad Valorem)
- Special Assessment
- SRF Loans
- Community Redevelopment Agency

*Excludes capital leases and short-term obligations*



# General Obligation

| Debt Summary                  |                |              |
|-------------------------------|----------------|--------------|
| <b>Total Outstanding Debt</b> |                |              |
| Principal Outstanding         | 233,890,000    |              |
| Final Maturity                | 7/1/2052       |              |
| Maximum Annual Debt Service   | 14,324,781     |              |
| <b>Refunding Breakdown</b>    |                |              |
| Callable Debt                 | 193,400,000    |              |
| Non-Callable Debt             | 40,490,000     |              |
| Bond Ratings                  |                |              |
| <b>S&amp;P</b>                | <b>Moody's</b> | <b>Fitch</b> |
| AAA                           | Aa1            | -            |

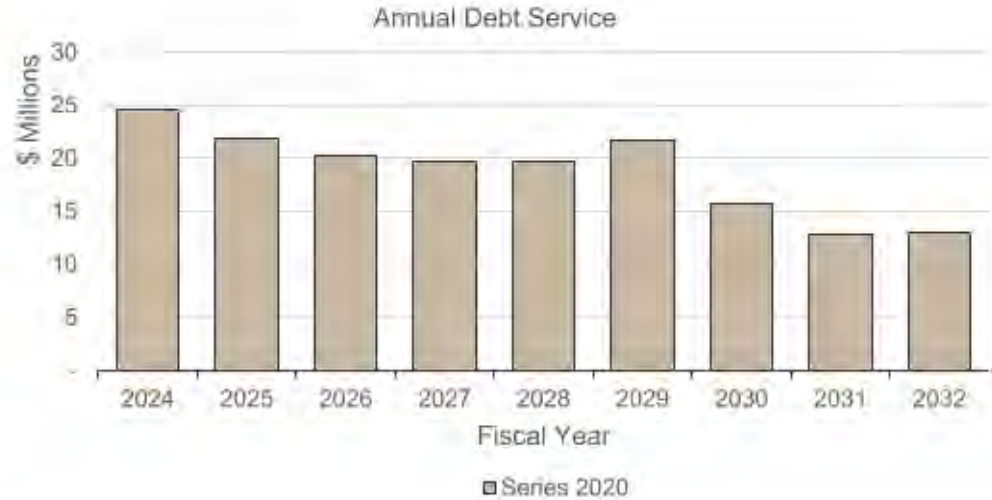


| Series       | Issue Type    | Tax Status | Purpose   | Issue Size         | Final Maturity | Outstanding Par    | Next Call Date | Refunding Status   |                  |                   |   |
|--------------|---------------|------------|-----------|--------------------|----------------|--------------------|----------------|--------------------|------------------|-------------------|---|
|              |               |            |           |                    |                |                    |                | Forward            | Current          | Non-Callable      |   |
|              |               |            |           |                    |                | As of 10/1/2023    |                |                    |                  |                   |   |
| Series 2011A | Bond Offering | Tax-Exempt | New Money | 20,000,000         | 7/1/2041       | 5,980,000          | -              | -                  | 5,980,000        | -                 | - |
| Series 2015  | Bond Offering | Tax-Exempt | Refunding | 15,220,000         | 7/1/2035       | 10,395,000         | 7/1/2024       | 9,680,000          | -                | 715,000           |   |
| Series 2020A | Bond Offering | Tax-Exempt | New Money | 75,755,000         | 7/1/2049       | 70,545,000         | 7/1/2029       | 58,945,000         | -                | 11,600,000        |   |
| Series 2020B | Bond Offering | Tax-Exempt | New Money | 92,290,000         | 7/1/2049       | 86,185,000         | 7/1/2029       | 72,555,000         | -                | 13,630,000        |   |
| Series 2022A | Bond Offering | Tax-Exempt | New Money | 53,895,000         | 7/1/2052       | 53,455,000         | 7/1/2032       | 43,990,000         | -                | 9,465,000         |   |
| Series 2022B | Bond Offering | Tax-Exempt | Refunding | 7,950,000          | 7/1/2035       | 7,330,000          | 7/1/2032       | 2,250,000          | -                | 5,080,000         |   |
| <b>Total</b> |               |            |           | <b>265,110,000</b> |                | <b>233,890,000</b> |                | <b>187,420,000</b> | <b>5,980,000</b> | <b>40,490,000</b> |   |



## Special Obligation (Pension Funding)

| Debt Summary                  |             |       |
|-------------------------------|-------------|-------|
| <b>Total Outstanding Debt</b> |             |       |
| Principal Outstanding         | 136,855,000 |       |
| Final Maturity                | 1/1/2032    |       |
| Maximum Annual Debt Service   | 24,668,618  |       |
| <b>Refunding Breakdown</b>    |             |       |
| Callable Debt                 | 25,360,000  |       |
| Non-Callable Debt             | 111,495,000 |       |
| Bond Ratings                  |             |       |
| S&P                           | Moody's     | Fitch |
| AAA                           | Aa2         | -     |

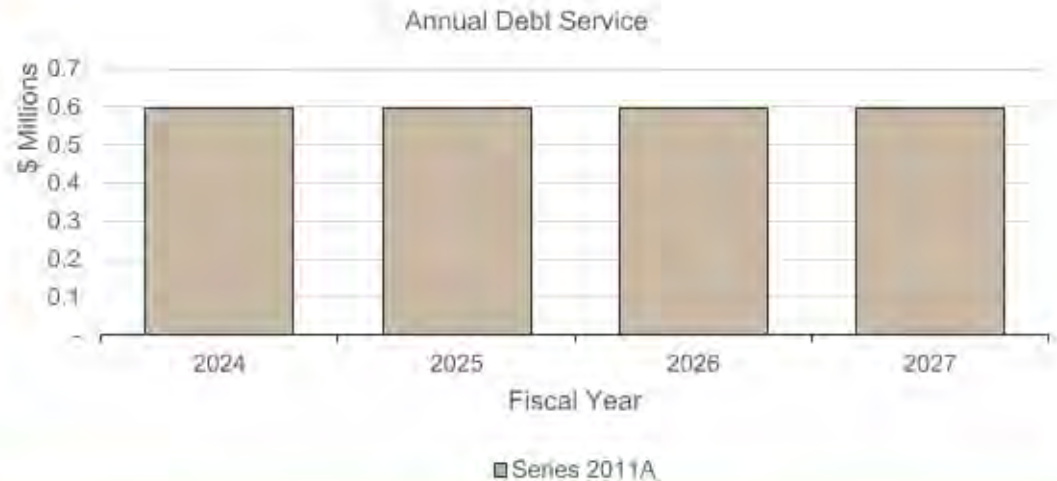


| Series      | Issue Type    | Tax Status | Purpose   | Issue Size  | Final Maturity | Outstanding Par | Next Call Date | Refunding Status |         |              |
|-------------|---------------|------------|-----------|-------------|----------------|-----------------|----------------|------------------|---------|--------------|
|             |               |            |           |             |                |                 |                | Forward          | Current | Non-Callable |
|             |               |            |           |             |                | As of 10/1/2023 |                |                  |         |              |
| Series 2020 | Bond Offering | Taxable    | Refunding | 167,155,000 | 1/1/2032       | 136,855,000     | 1/1/2030       | 25,360,000       | -       | 111,495,000  |
| Total       |               |            |           | 167,155,000 |                | 136,855,000     |                | 25,360,000       | -       | 111,495,000  |



## Special Obligation (Non-Ad Valorem)

| Debt Summary                  |           |       |
|-------------------------------|-----------|-------|
| <b>Total Outstanding Debt</b> |           |       |
| Principal Outstanding         | 1,713,000 |       |
| Final Maturity                | 11/1/2026 |       |
| Maximum Annual Debt Service   | 597,064   |       |
| <b>Refunding Breakdown</b>    |           |       |
| Callable Debt                 | 1,713,000 |       |
| Non-Callable Debt             | -         |       |
| Bond Ratings                  |           |       |
| S&P                           | Moody's   | Fitch |
| -                             | -         | -     |



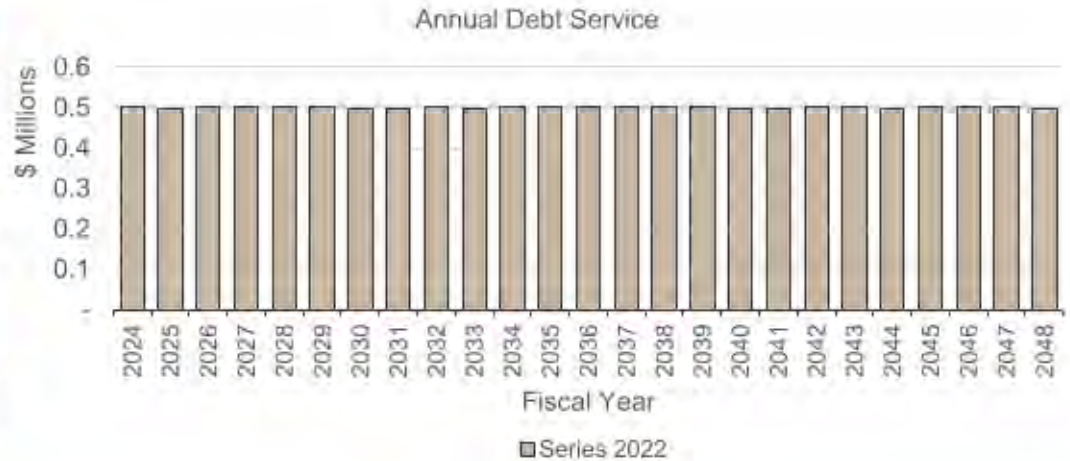
| Series       | Issue Type | Tax Status | Purpose   | Issue Size | Final Maturity | Outstanding Par | Next Call Date | Refunding Status |           |              |  |
|--------------|------------|------------|-----------|------------|----------------|-----------------|----------------|------------------|-----------|--------------|--|
|              |            |            |           |            |                |                 |                | Forward          | Current   | Non-Callable |  |
|              |            |            |           |            |                | As of 10/1/2023 |                |                  |           |              |  |
| Series 2011A | Bank Loan  | Tax-Exempt | New Money | 7,218,000  | 11/1/2026      | 1,713,000       | -              | -                | 1,713,000 | -            |  |
| Total        |            |            |           | 7,218,000  |                | 1,713,000       |                | -                | 1,713,000 | -            |  |

- City also has a \$45.5 million line of credit available with Regions to fund , of which only \$100,000 has been drawn to date.



# Special Assessment

| Debt Summary                  |           |       |
|-------------------------------|-----------|-------|
| <b>Total Outstanding Debt</b> |           |       |
| Principal Outstanding         | 7,735,000 |       |
| Final Maturity                | 7/1/2048  |       |
| Maximum Annual Debt Service   | 503,400   |       |
| <b>Refunding Breakdown</b>    |           |       |
| Callable Debt                 | 5,835,000 |       |
| Non-Callable Debt             | 1,900,000 |       |
| Bond Ratings                  |           |       |
| S&P                           | Moody's   | Fitch |
| -                             | -         | -     |

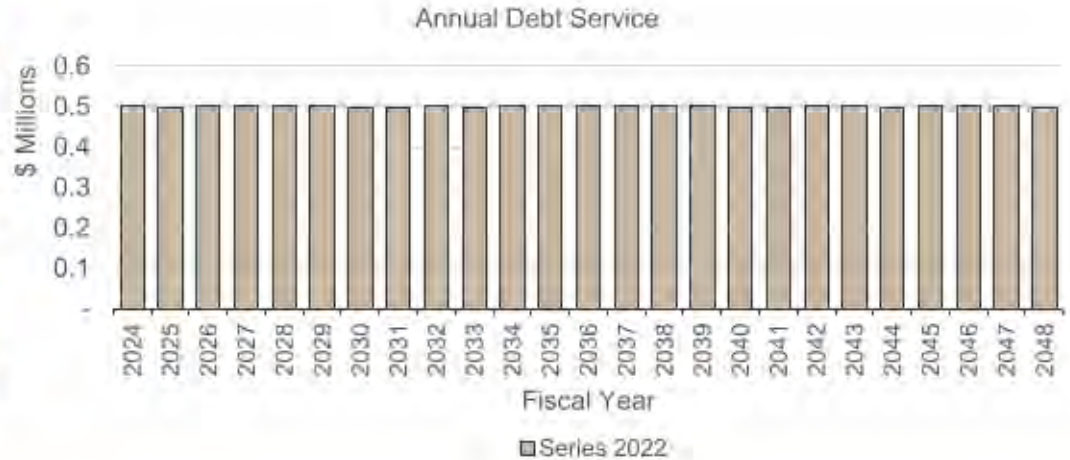


| Series      | Issue Type    | Tax Status | Purpose   | Issue Size | Final Maturity | Outstanding Par | Next Call Date | Refunding Status |         |              |  |
|-------------|---------------|------------|-----------|------------|----------------|-----------------|----------------|------------------|---------|--------------|--|
|             |               |            |           |            |                |                 |                | Forward          | Current | Non-Callable |  |
|             |               |            |           |            |                | As of 10/1/2023 |                |                  |         |              |  |
| Series 2022 | Bond Offering | Tax-Exempt | New Money | 7,900,000  | 7/1/2048       | 7,735,000       | 7/1/2032       | 5,835,000        | -       | 1,900,000    |  |
| Total       |               |            |           | 7,900,000  |                | 7,735,000       |                | 5,835,000        | -       | 1,900,000    |  |



# Stormwater

| Debt Summary                  |            |       |
|-------------------------------|------------|-------|
| <b>Total Outstanding Debt</b> |            |       |
| Principal Outstanding         | 88,485,000 |       |
| Final Maturity                | 7/1/2053   |       |
| Maximum Annual Debt Service   | 5,724,250  |       |
| <b>Refunding Breakdown</b>    |            |       |
| Callable Debt                 | 73,355,000 |       |
| Non-Callable Debt             | 15,130,000 |       |
| Credit Ratings                |            |       |
| S&P                           | Moody's    | Fitch |
| AAA                           | Aa2        | -     |



| Series       | Issue Type    | Tax Status | Purpose   | Issue Size  | Final Maturity | Outstanding Par | Next Call Date | Refunding Status |         |              |  |
|--------------|---------------|------------|-----------|-------------|----------------|-----------------|----------------|------------------|---------|--------------|--|
|              |               |            |           |             |                |                 |                | Forward          | Current | Non-Callable |  |
|              |               |            |           |             |                | As of 10/1/2023 |                |                  |         |              |  |
| Series 2023A | Bond Offering | Tax-Exempt | New Money | 88,485,000  | 7/1/2053       | 88,485,000      | 7/1/2032       | 73,355,000       | -       | 15,130,000   |  |
| Series 2023B | WIFIA Loan    | Other      | New Money | 119,994,028 | 7/1/2060       | -               | Anytime        | -                | -       | -            |  |
| Total        |               |            |           | 208,479,028 |                | 88,485,000      |                | 73,355,000       | -       | 15,130,000   |  |

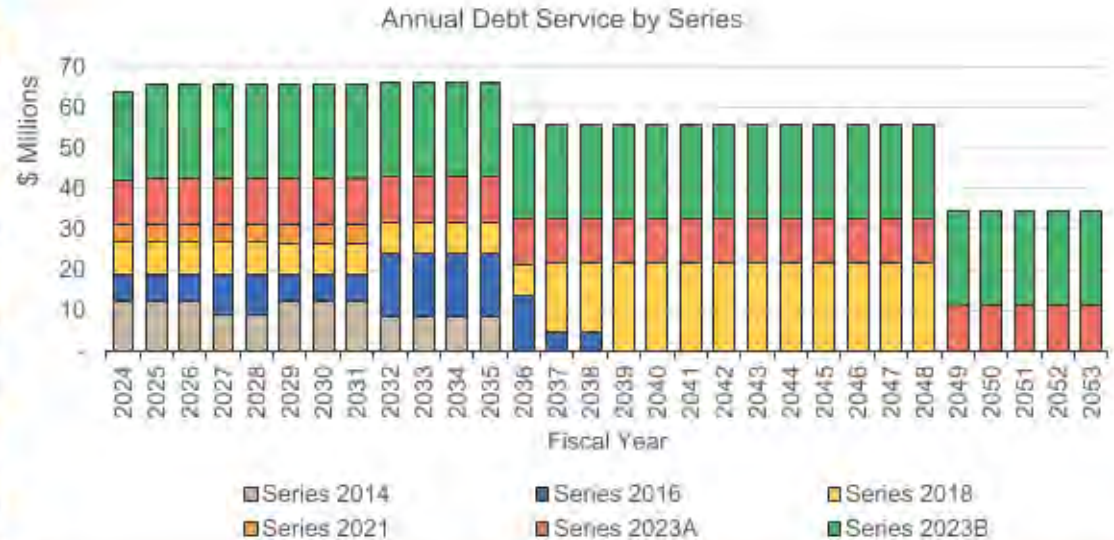
- The City has not yet drawn on the WIFIA Loan





# Water and Sewer

| Debt Summary                   |                |              |
|--------------------------------|----------------|--------------|
| <b>Total Outstanding Debt</b>  |                |              |
| Principal Outstanding          | 953,835,000    |              |
| Final Maturity                 | 9/1/2053       |              |
| Maximum Annual Debt Service    | 66,067,875     |              |
| <b>Refunding Breakdown</b>     |                |              |
| Callable Debt                  | 845,555,000    |              |
| Non-Callable Debt              | 108,280,000    |              |
| <b>Revenues &amp; Coverage</b> |                |              |
| Estimated FY 2023 Net Revenues | 90,950,221     |              |
| Coverage Requirement           | 1.25x          |              |
| MADS Coverage                  | 1.38x          |              |
| Bond Ratings                   |                |              |
| <b>S&amp;P</b>                 | <b>Moody's</b> | <b>Fitch</b> |
| AA+                            | Aa1            | -            |

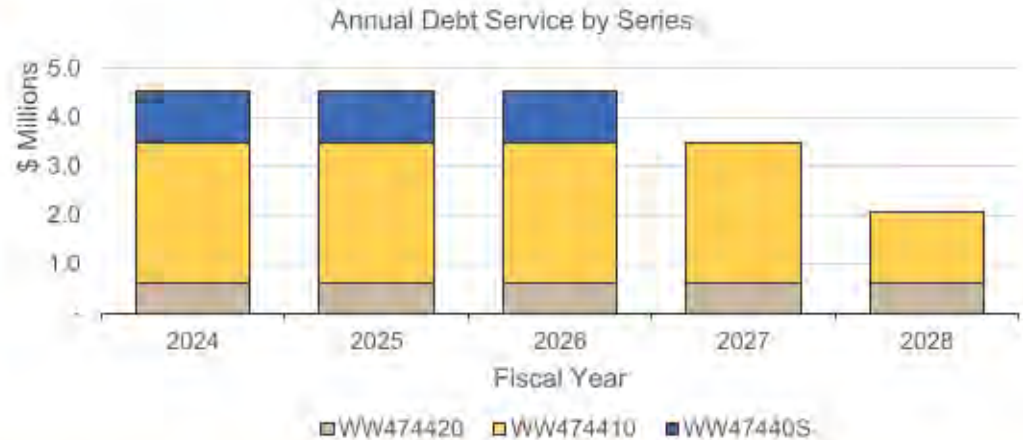


| Series       | Issue Type    | Tax Status | Purpose   | Issue Size  | Final Maturity | Outstanding Par    | Next Call Date | Refunding Status   |                   |                    |
|--------------|---------------|------------|-----------|-------------|----------------|--------------------|----------------|--------------------|-------------------|--------------------|
|              |               |            |           |             |                |                    |                | Forward            | Current           | Non-Callable       |
|              |               |            |           |             |                | As of 10/1/2023    |                |                    |                   |                    |
| Series 2014  | Bond Offering | Tax-Exempt | Refunding | 121,520,000 | 9/1/2035       | 98,295,000         | 9/1/2024       | 90,410,000         | -                 | 7,885,000          |
| Series 2016  | Bond Offering | Tax-Exempt | Refunding | 158,930,000 | 9/1/2038       | 114,085,000        | 9/1/2024       | 110,690,000        | -                 | 3,395,000          |
| Series 2018  | Bond Offering | Tax-Exempt | New Money | 196,035,000 | 9/1/2048       | 196,035,000        | 9/1/2027       | 196,035,000        | -                 | -                  |
| Series 2021  | Bank Loan     | Tax-Exempt | Refunding | 42,145,000  | 9/1/2031       | 34,255,000         | Anytime        | -                  | 34,255,000        | -                  |
| Series 2023A | Bond Offering | Tax-Exempt | New Money | 167,345,000 | 9/1/2053       | 167,345,000        | 9/1/2033       | 135,590,000        | -                 | 31,755,000         |
| Series 2023B | Bond Offering | Tax-Exempt | New Money | 343,820,000 | 9/1/2053       | 343,820,000        | 9/1/2033       | 278,575,000        | -                 | 65,245,000         |
| <b>Total</b> |               |            |           |             |                | <b>953,835,000</b> |                | <b>811,300,000</b> | <b>34,255,000</b> | <b>108,280,000</b> |



## State Revolving Fund (SRF) Loans

| Debt Summary                  |                |              |
|-------------------------------|----------------|--------------|
| <b>Total Outstanding Debt</b> |                |              |
| Principal Outstanding         | 18,094,762     |              |
| Final Maturity                | 5/15/2028      |              |
| Maximum Annual Debt Service   | 4,522,893      |              |
| <b>Refunding Breakdown</b>    |                |              |
| Callable Debt                 | 18,094,762     |              |
| Non-Callable Debt             | -              |              |
| Bond Ratings                  |                |              |
| <b>S&amp;P</b>                | <b>Moody's</b> | <b>Fitch</b> |
| -                             | -              | -            |

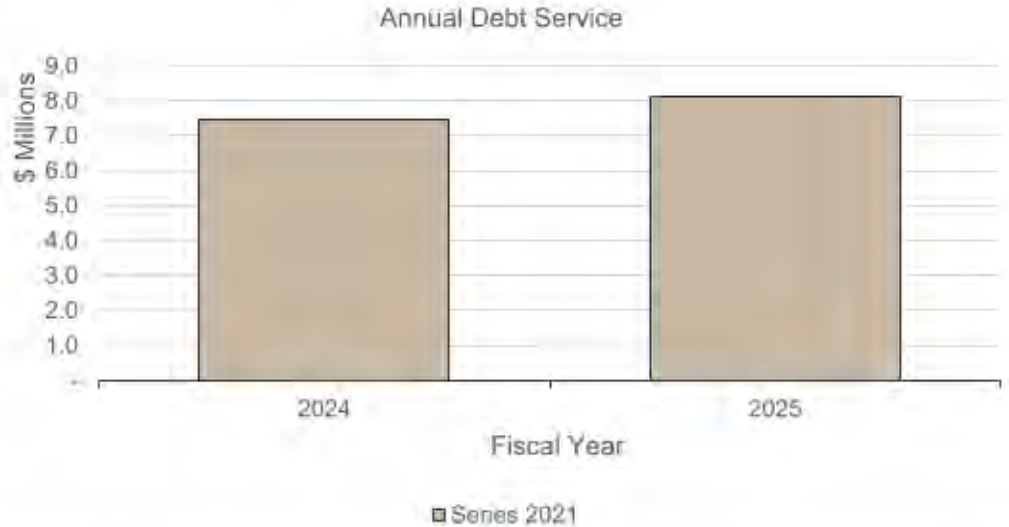


| Series            | Issue Type | Tax Status | Purpose   | Issue Size        | Final Maturity | Outstanding Par   | Next Call Date | Refunding Status |                   |              |
|-------------------|------------|------------|-----------|-------------------|----------------|-------------------|----------------|------------------|-------------------|--------------|
|                   |            |            |           |                   |                |                   |                | Forward          | Current           | Non-Callable |
|                   |            |            |           |                   |                | As of 10/1/2023   |                |                  |                   |              |
| Loan 3 (WW47440S) | SRF Loan   | Tax-Exempt | New Money | 17,384,060        | 5/15/2026      | 3,021,183         | -              | -                | 3,021,183         | -            |
| Loan 4 (WW474410) | SRF Loan   | Tax-Exempt | New Money | 44,902,893        | 11/15/2027     | 12,136,644        | -              | -                | 12,136,644        | -            |
| Loan 5 (WW474420) | SRF Loan   | Tax-Exempt | New Money | 10,200,000        | 5/15/2028      | 2,936,934         | -              | -                | 2,936,934         | -            |
| <b>Total</b>      |            |            |           | <b>72,486,953</b> |                | <b>18,094,762</b> | <b>-</b>       | <b>-</b>         | <b>18,094,762</b> | <b>-</b>     |



# Community Redevelopment Agency

| Debt Summary                  |            |       |
|-------------------------------|------------|-------|
| <b>Total Outstanding Debt</b> |            |       |
| Principal Outstanding         | 15,329,000 |       |
| Final Maturity                | 9/1/2025   |       |
| Maximum Annual Debt Service   | 8,114,078  |       |
| <b>Refunding Breakdown</b>    |            |       |
| Callable Debt                 | 15,329,000 |       |
| Non-Callable Debt             | -          |       |
| Bond Ratings                  |            |       |
| S&P                           | Moody's    | Fitch |
| -                             | -          | -     |



| Series      | Issue Type | Tax Status | Purpose       | Issue Size | Final Maturity | Outstanding Par | Next Call Date | Refunding Status |            |              |
|-------------|------------|------------|---------------|------------|----------------|-----------------|----------------|------------------|------------|--------------|
|             |            |            |               |            |                |                 |                | Forward          | Current    | Non-Callable |
|             |            |            |               |            |                | As of 10/1/2023 |                |                  |            |              |
| Series 2021 | Bank Loan  | Tax-Exempt | Multi-Purpose | 20,769,000 | 9/1/2025       | 15,329,000      | Anytime        | -                | 15,329,000 | -            |
| Total       |            |            |               | 20,769,000 |                | 15,329,000      |                | -                | 15,329,000 | -            |



# **Appendix C. Local Government Credit Rating Metrics & Comparables**



## Credit Ratings of the City

- The City and its outstanding bonds have Aa1 to Aa2 credit ratings by Moody's and AAA to AA+ by S&P

|                   | Moody's | S&P  | Fitch |
|-------------------|---------|------|-------|
| Investment Grade  | Aaa     | AAA  | AAA   |
|                   | Aa1     | AA+  | AA+   |
|                   | Aa2     | AA   | AA    |
|                   | Aa3     | AA-  | AA-   |
|                   | A1      | A+   | A+    |
|                   | A2      | A    | A     |
|                   | A3      | A-   | A-    |
|                   | Baa1    | BBB+ | BBB+  |
|                   | Baa2    | BBB  | BBB   |
|                   | Baa3    | BBB- | BBB-  |
| Speculative Grade | Ba1     | BB+  | BB+   |
|                   | Ba2     | BB   | BB    |
|                   | Ba3     | BB-  | BB-   |
|                   | B1      | B+   | B+    |
|                   | B2      | B    | B     |
|                   | B3      | B-   | B-    |

| City of Fort Lauderdale, Florida – Bond Ratings |         |     |       |
|---|---------|-----|-------|
| Lien  | Moody's | S&P | Fitch |
| General Obligation                              | Aa1     | AAA | -     |
| Special Obligation (Pension Funding)            | Aa2     | AAA | -     |
| Special Obligation (Non-Ad Valorem)             | -       | -   | -     |
| Special Assessment                              | -       | -   | -     |
| Stormwater                                      | Aa2     | AAA | -     |
| Water and Sewer                                 | Aa1     | AA+ | -     |
| SRF Loans                                       | -       | -   | -     |



# Moody's Scorecard: U.S. Cities & Counties

City of Fort Lauderdale, Florida – Moody's U.S. Cities & Counties Scorecard

|  | Value     | Aaa  | Aa   | A  | Baa   | Ba   | B   | Weight                     | Numeric Score | Implied Rating |
|--|-----------|--|--|--|---|--|---|----------------------------|---------------|----------------|
| <b>Economy (30%)</b>                         |           |  |  |  |   |  |   |                            |               |                |
| Resident Income                              | 88.3%     | ≥120%  | 100% - 120%  | 80% - 100%   | 80% - 100%  | 50% - 65%  | 35% - 50%   | 10%                        | 2.79          | A              |
| Full Value Per Capita                        | \$300,767 | ≥\$180,000   | \$100,000 - \$180,000  | \$60,000 - \$100,000   | \$40,000 - \$60,000   | \$25,000 - \$40,000  | \$15,000 - \$25,000   | 10%                        |               | Aaa            |
| Economic Growth                              | 0.7%      | ≥0%  | (1)% - 0%  | (2.5)% - (1)%  | (4.5)% - (2.5)%   | (7)% - (4.5)%  | (10)% - (7)%  | 10%                        |               | Aaa            |
| <b>Financial Performance (30%)</b>           |           |  |  |  |   |  |   |                            |               |                |
| Available Fund Balance Ratio                 | 55.8%     | ≥35%   | 25% - 35%  | 15% - 25%  | 5% - 15%  | 0% - 5%  | (5)% - 0%   | 20%                        | 0.50          | Aaa            |
| Liquidity Ratio                              | 105.2%    | ≥40%   | 30% - 40%  | 20% - 30%  | 12.5% - 20%   | 5% - 12.5%   | 0% - 5%   | 10%                        |               | Aaa            |
| <b>Institutional Framework (10%)</b>         |           |  |  |  |   |  |   |                            |               |                |
| Institutional Framework                      | Aa        | Majority of revenue not subject to externally imposed caps and governing body can increase revenue meaningfully w/o limitation or approval of voters or other governments<br><br>AND<br><br>Ability to meaningfully reduce expenditures not constrained by externally imposed mandates or restrictions | Majority of revenue subject to externally imposed caps but governing body can increase revenue meaningfully w/o approval of voters or other governments<br><br>OR<br><br>Ability to meaningfully reduce expenditures mildly constrained by externally imposed mandates or restrictions | Majority of revenue subject to externally imposed caps but governing body can increase revenue moderately w/o approval of voters or other governments<br><br>OR<br><br>Ability to meaningfully reduce expenditures moderately constrained by externally imposed mandates or restrictions | Majority of revenue subject to externally imposed caps and governing body can increase revenue only minimally w/o approval of voters or other governments<br><br>OR<br><br>Ability to meaningfully reduce expenditures heavily constrained by externally imposed mandates or restrictions | Majority of revenue subject to externally imposed caps and governing body cannot increase revenue w/o approval of voters or other governments<br><br>OR<br><br>Ability to meaningfully reduce expenditures very heavily constrained by externally imposed mandates or restrictions | Majority of revenue subject to externally imposed caps and governing body cannot increase revenue<br><br>OR<br><br>Ability to meaningfully reduce expenditures extremely constrained by externally imposed mandates or restrictions | 10%                        | 3.00          | Aa             |
| <b>Leverage (30%)</b>                        |           |  |  |  |   |  |   |                            |               |                |
| Long-Term Liabilities Ratio                  | 348.3%    | ≤100%  | 100% - 200%  | 200% - 350%  | 350% - 500%   | 500% - 700%  | 700% - 900%   | 20%                        | 6.83          | A              |
| Fixed-Costs Ratio                            | 16.7%     | ≤10%   | 10% - 15%  | 15% - 20%  | 20% - 25%   | 25% - 35%  | 35% - 45%   | 10%                        |               | A              |
| <b>Notching Factors</b>                      |           |  |  |  |   |  |   |                            |               |                |
| Additional Strength in Local Resources       | -         |  |  |  |   |  |   |                            |               |                |
| Limited Scale of Operations                  | -         |  |  |  |   |  |   |                            |               |                |
| Financial Disclosures                        | -         |  |  |  |   |  |   |                            |               |                |
| Potential Cost Shift to or from the State    | -         |  |  |  |   |  |   |                            |               |                |
| Potential for Significant Change in Leverage | -         |  |  |  |   |  |   |                            |               |                |
|  |           |  |  |  |   |  |   | Weighted Numeric Score >>  | 3.31          | Aa2            |
| <b>Other Considerations</b>                  |           |  |  |  |   |  |   |                            |               |                |
|  |           |  |  |  |   |  |   | Moody's Assigned Rating >> |               | Aa1            |

Provided for illustration purposes only; Information sourced from Moody's MFR Data as of fiscal year ending 9/30/2022.



# General Credit Profile – Key Financial Metrics & Comparables

## Moody's Financial Ratio Analysis

### Analyst Adjusted - Local Governments - Comp Report

#### Financial Data : Financial Statistics & Ratios

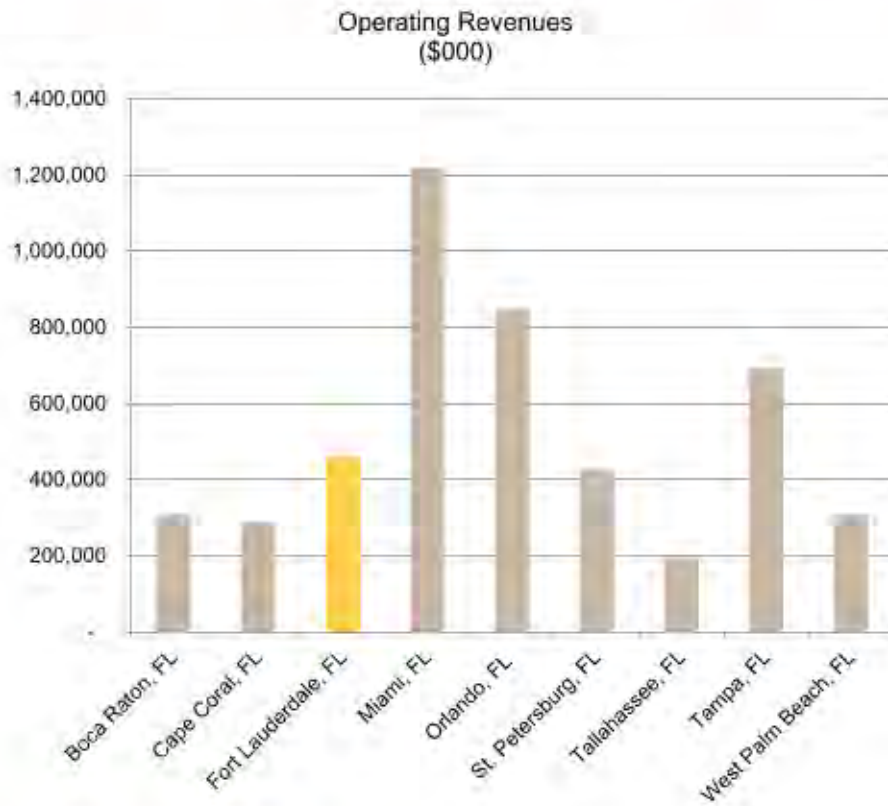
|                            | Long Term Issuer Rating | Operating Revenues (\$000) | Net Cash as % of Operating Revenues | Total Full Value (\$000) | Full Value Per Capita (\$) | Available Fund Balance (\$000) | Top Ten Taxpayers as % of Total | Long-Term Debt as % of Operating Revenues | Current Ratio (Current Assets/ Current Liabilities) | Population (2021) |
|----------------------------|-------------------------|----------------------------|-------------------------------------|--------------------------|----------------------------|--------------------------------|---------------------------------|---|---|-------------------|
| Boca Raton, FL             | Aaa                     | 310,018                    | 122.8                               | 35,155,818               | 368,714                    | 336,713                        | 8.5                             | 10.6                                      | 12.7  | 95,347            |
| Cape Coral, FL             | Aa2                     | 288,307                    | 122.5                               | 26,899,991               | 139,376                    | 245,316                        | 2.7                             | 63.4                                      | 10.8  | 193,003           |
| <b>Fort Lauderdale, FL</b> | <b>Aa1</b>              | <b>463,360</b>             | <b>126.0</b>                        | <b>57,874,547</b>        | <b>317,561</b>             | <b>389,277</b>                 | <b>3.8</b>                      | <b>87.6</b>                               | <b>12.2</b>   | <b>182,247</b>    |
| Miami, FL                  | Aa2                     | 1,219,795                  | 73.6                                | 88,365,241               | 200,462                    | 174,994                        | 4.8                             | 39.3                                      | 6.6   | 440,807           |
| Orlando, FL                | Aa1                     | 846,698                    | 105.0                               | 62,234,200               | 205,415                    | 694,866                        | 11.7                            | 41.4                                      | 10.7  | 302,968           |
| St. Petersburg, FL         | Aa2                     | 425,569                    | 128.1                               | 40,714,842               | 157,660                    | 530,403                        | 3.6                             | 20.8                                      | 6.8   | 258,245           |
| Tallahassee, FL            | Aa2                     | 193,087                    | 60.1                                | 22,684,809               | 116,298                    | 316,873                        | 6.1                             | 47.2                                      | 6.3   | 195,057           |
| Tampa, FL                  | Aa1                     | 692,332                    | 103.3                               | 66,833,633               | 175,658                    | 630,209                        | N/A                             | 82.2                                      | 4.4   | 380,476           |
| West Palm Beach, FL        | Aa2                     | 308,971                    | 108.4                               | 22,092,125               | 190,652                    | 228,901                        | 7.1                             | 92.8                                      | 9.1   | 115,877           |
| Median Among Peer Group    | Aa2                     | 425,569                    | 108.4                               | 40,714,842               | 190,652                    | 336,713                        | 5.5                             | 47.2                                      | 9.1   | 195,057           |

Source: Moody's MFRA Data as of fiscal year ending 9/30/2022.



## General Credit Profile – Key Metrics

### Total Operating Revenues (\$000s)



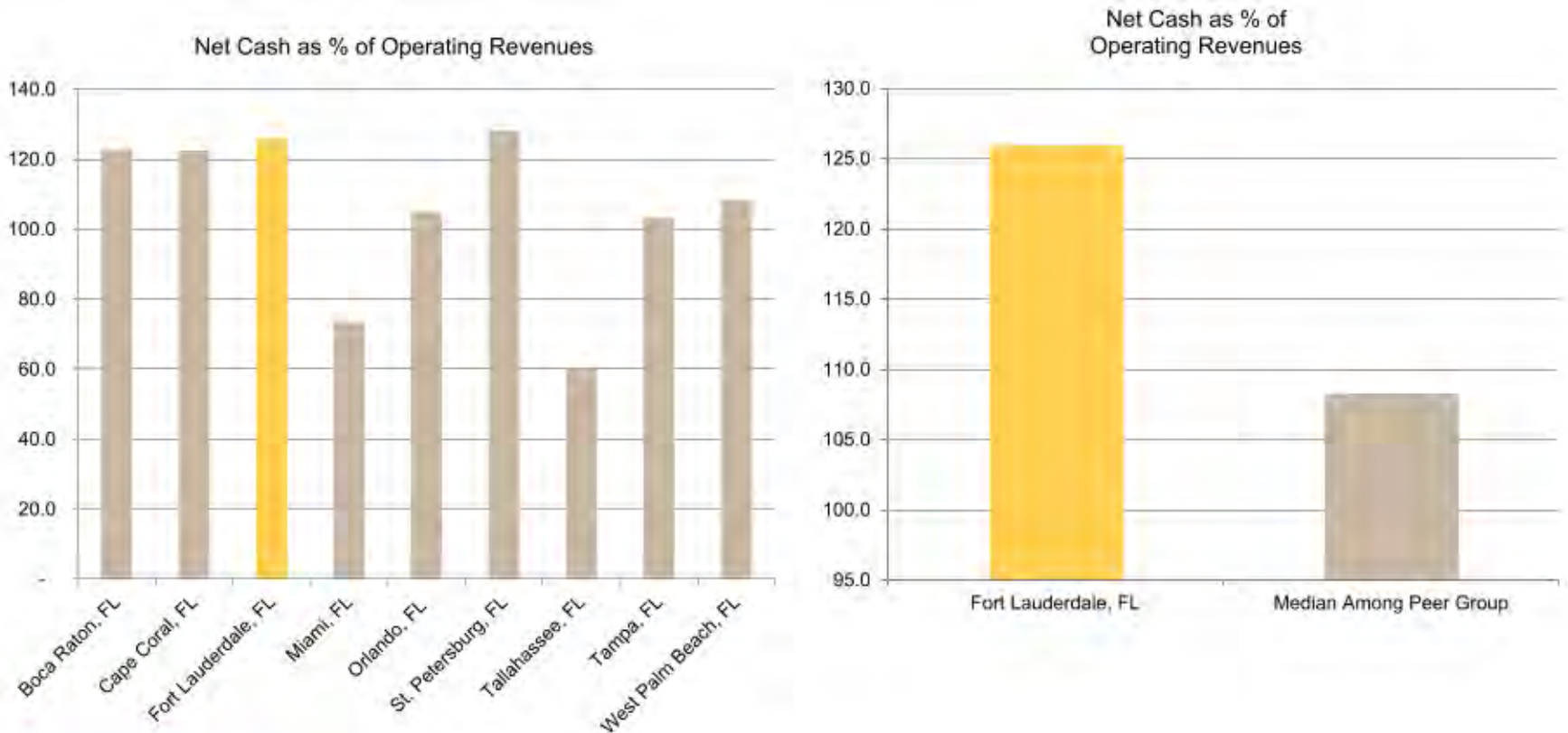




## General Credit Profile – Key Metrics

### Net Cash as % of Operating Revenues

$[(\text{Cash \& Investments} - \text{Notes \& Operating Loans}) / \text{Operating Revenues}]$

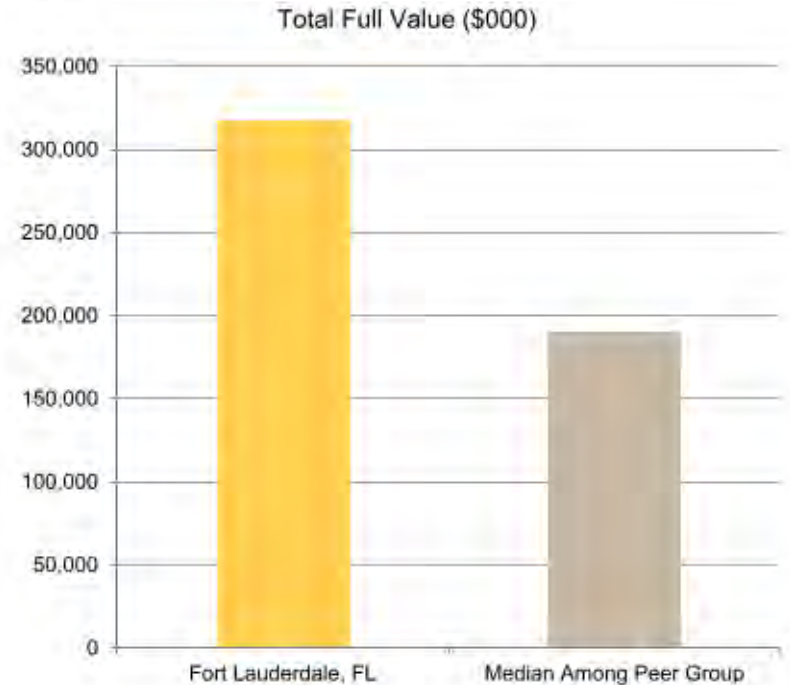
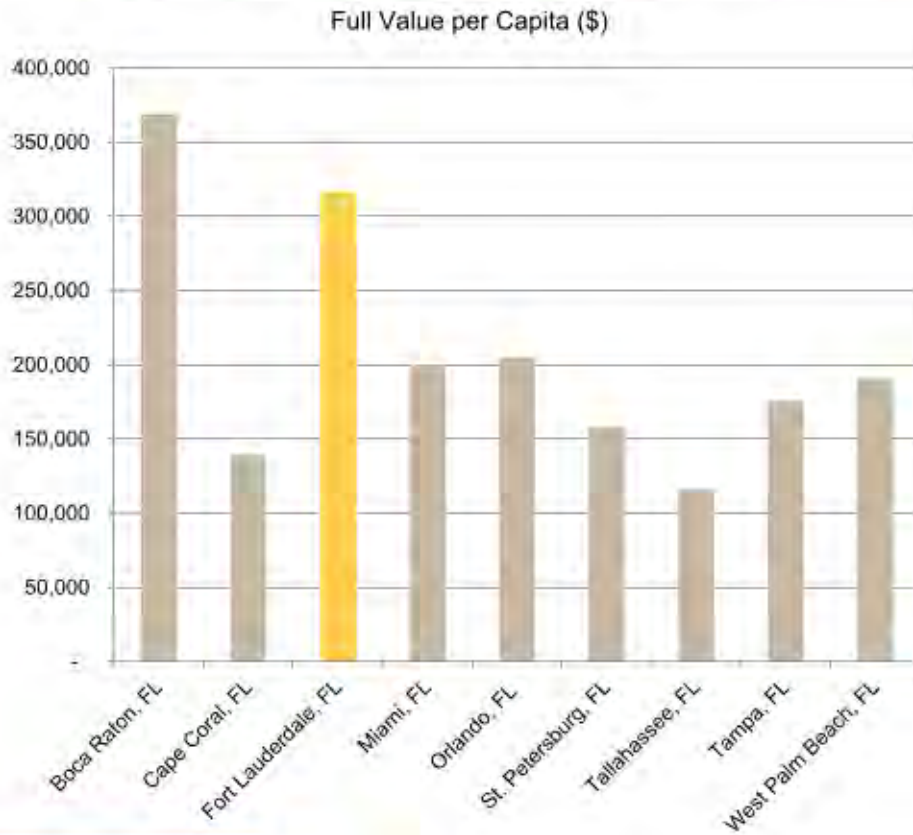




## General Credit Profile – Key Metrics

### Full Value per Capita (\$)

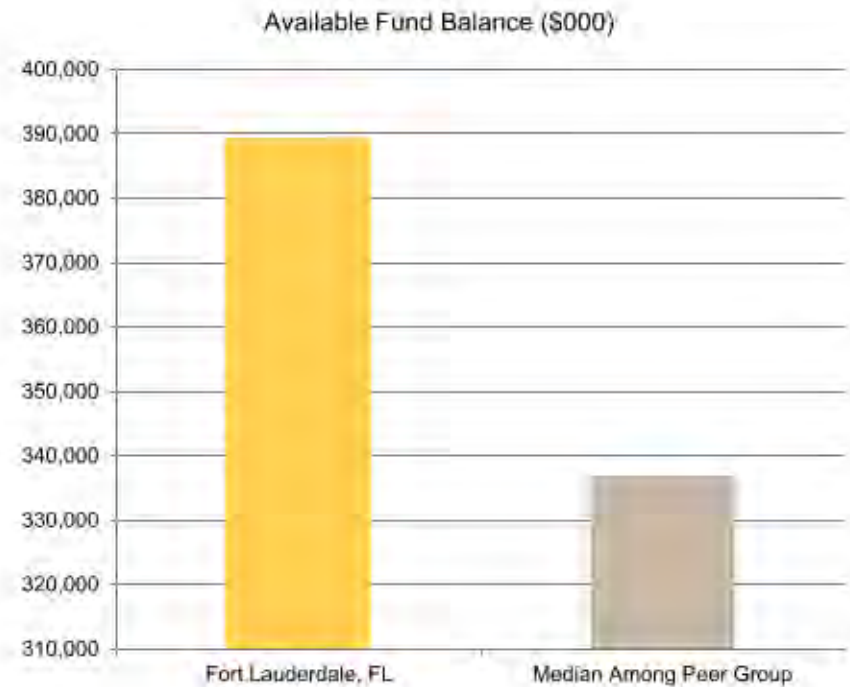
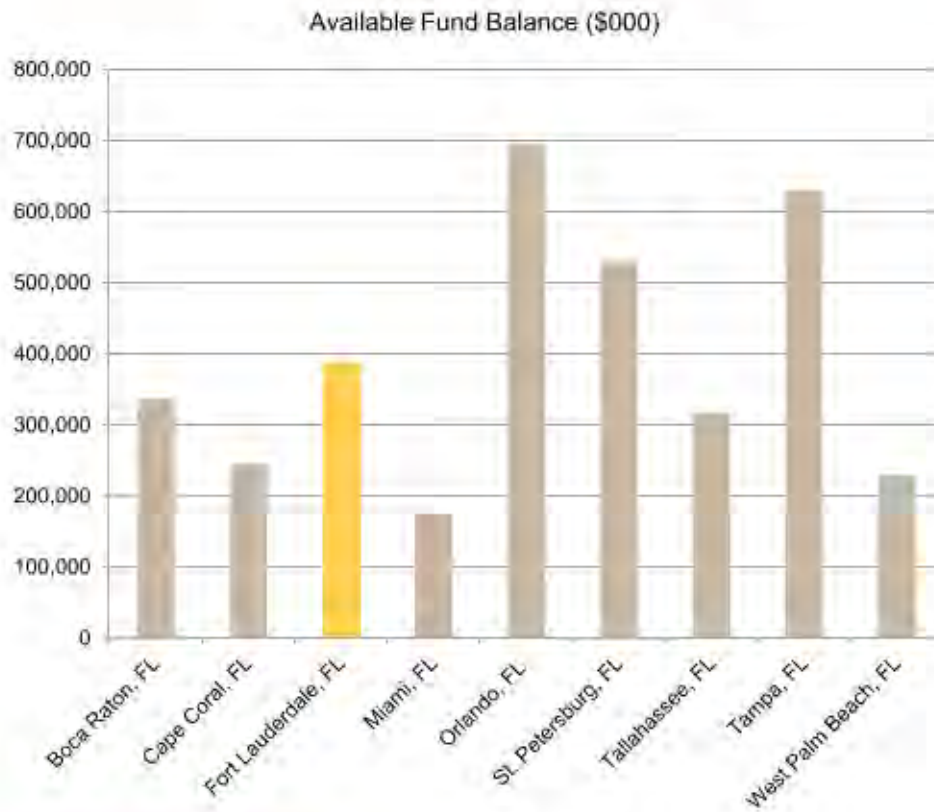
(Full Market Value of all Taxable Property) / Population





## General Credit Profile – Key Metrics

### Available Fund Balance (\$000)

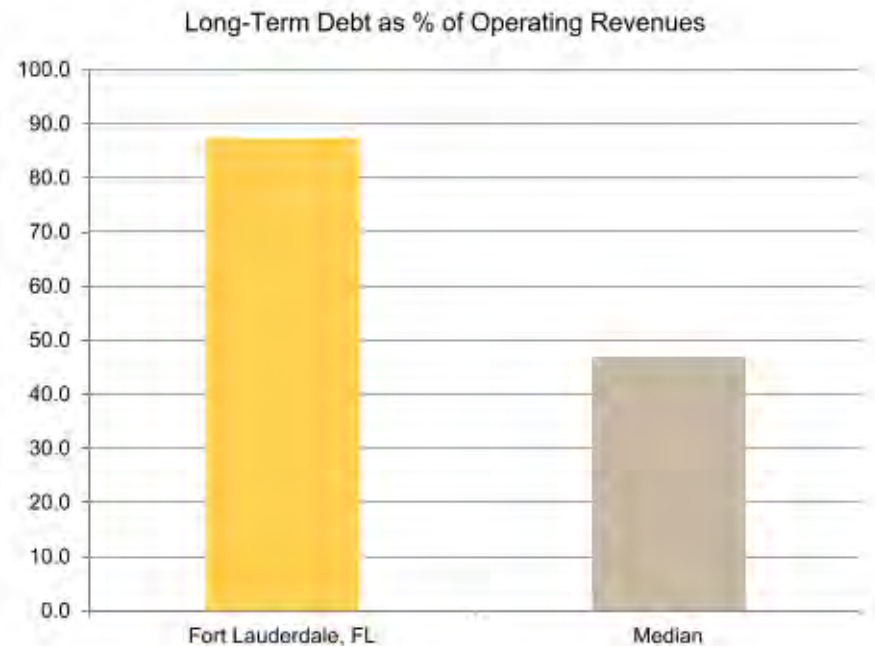
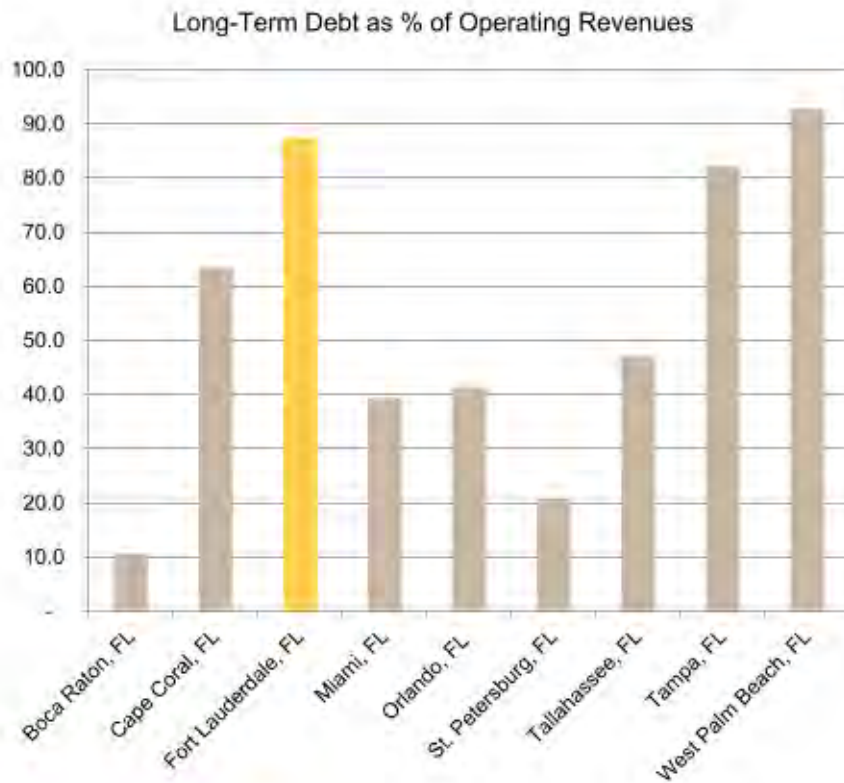




## General Credit Profile – Key Metrics

### Long-Term Debt as % of Operating Revenue

(Long-Term Debt, including Current Portion / Operating Revenues)

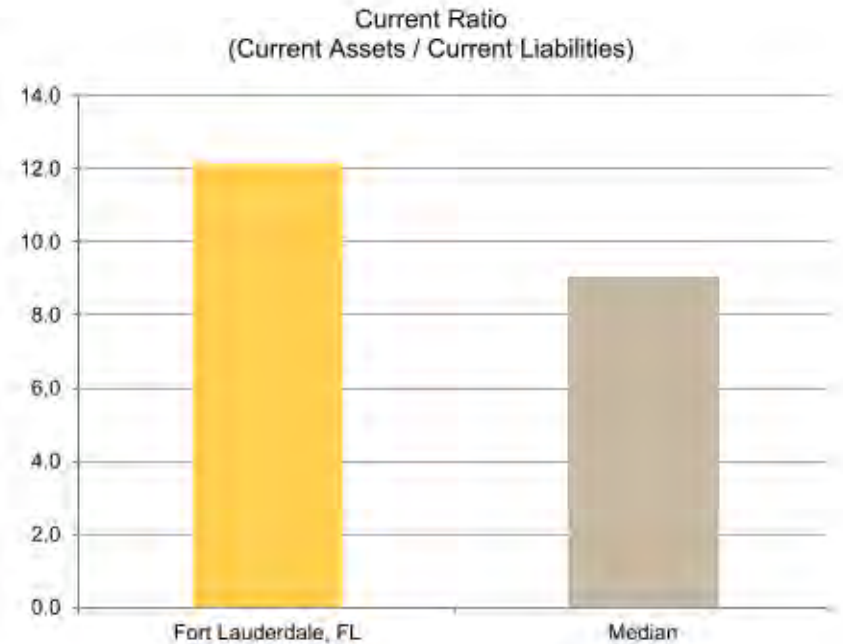
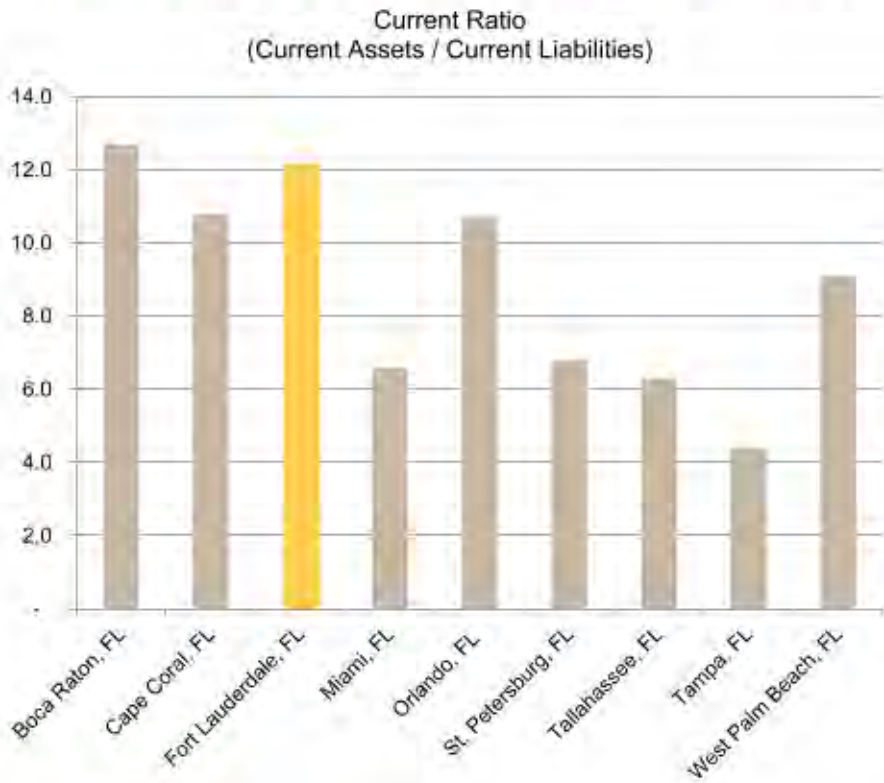




## General Credit Profile – Key Metrics

### Current Ratio (%)

(Total Current Assets / Current Liabilities)

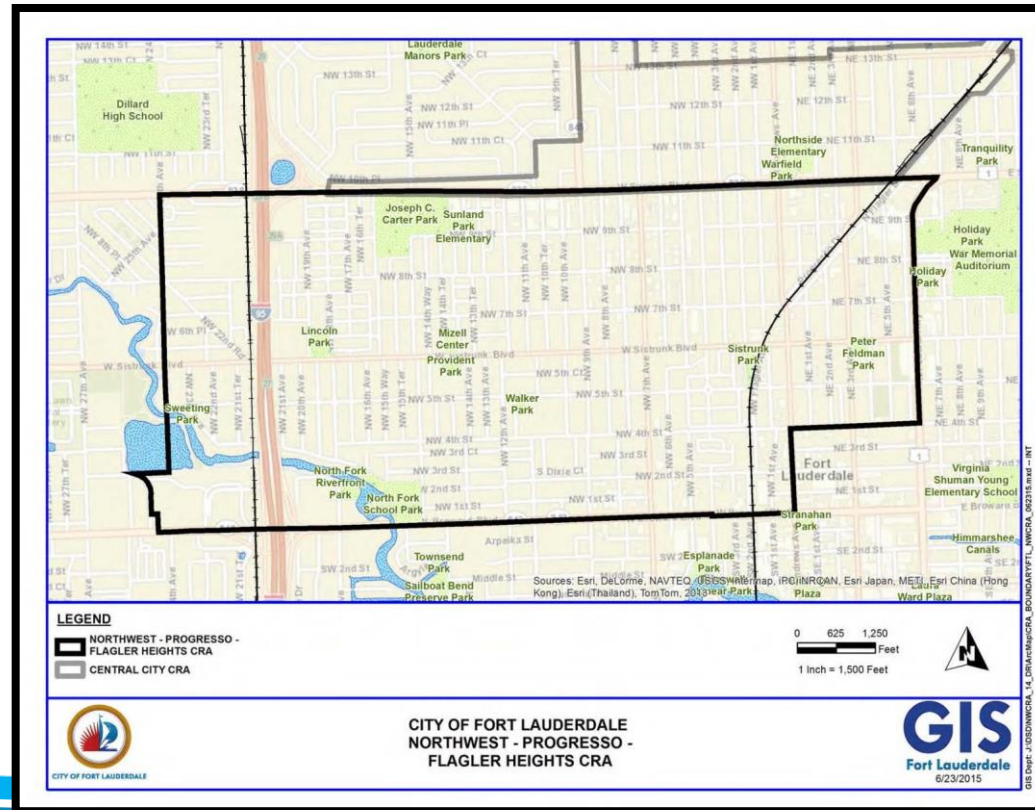


## Millage Comparison (Operating Millage and Debt Service Millage)

| <b>Name</b>      | <b>Operating Millage</b> | <b>Debt Service Millage</b> | <b>Total Millage</b> |
|------------------|--------------------------|-----------------------------|----------------------|
| Lauderhill       | 8.1999                   | 1.2888                      | <b>9.4887</b>        |
| Lauderdale Lakes | 8.6000                   | 0.7350                      | <b>9.3350</b>        |
| Hallandale Beach | 8.2466                   | 0.4181                      | <b>8.6647</b>        |
| West Park        | 8.2000                   | 0.0000                      | <b>8.2000</b>        |
| Hollywood        | 7.4665                   | 0.6181                      | <b>8.0846</b>        |
| Margate          | 7.1171                   | 0.4833                      | <b>7.6004</b>        |
| North Lauderdale | 7.4000                   | 0.0000                      | <b>7.4000</b>        |
| Miramar          | 7.1172                   | 0.0000                      | <b>7.1172</b>        |
| Tamarac          | 7.0000                   | 0.0000                      | <b>7.0000</b>        |
| Oakland Park     | 5.8362                   | 0.6338                      | <b>6.4700</b>        |
| Coconut Creek    | 6.4463                   | 0.0000                      | <b>6.4463</b>        |
| Sunrise          | 6.0543                   | 0.3456                      | <b>6.3999</b>        |
| Deerfield Beach  | 6.0018                   | 0.2520                      | <b>6.2538</b>        |
| Coral Springs    | 6.0232                   | 0.1931                      | <b>6.2163</b>        |
| Dania Beach      | 5.9998                   | 0.1070                      | <b>6.1068</b>        |
| Plantation       | 5.8000                   | 0.2813                      | <b>6.0813</b>        |
| Wilton Manors    | 5.8360                   | 0.1929                      | <b>6.0289</b>        |
| Pembroke Pines   | 5.6690                   | 0.3410                      | <b>6.0100</b>        |
| Cooper City      | 5.8650                   | 0.0000                      | <b>5.8650</b>        |
| Davie            | 5.6250                   | 0.2020                      | <b>5.8270</b>        |
| Pompano Beach    | 5.2705                   | 0.5358                      | <b>5.8063</b>        |
| Fort Lauderdale  | 4.1193                   | 0.2737                      | <b>4.3930</b>        |
| Parkland         | 4.2979                   | 0.0000                      | <b>4.2979</b>        |
| Lighthouse Point | 3.8501                   | 0.2970                      | <b>4.1471</b>        |
| Hillsboro Beach  | 3.5000                   | 0.0000                      | <b>3.5000</b>        |
| Weston           | 3.3464                   | 0.0000                      | <b>3.3464</b>        |

*\* Based on 2023 Final Tax Roll Information from the Broward County Property Appraiser*

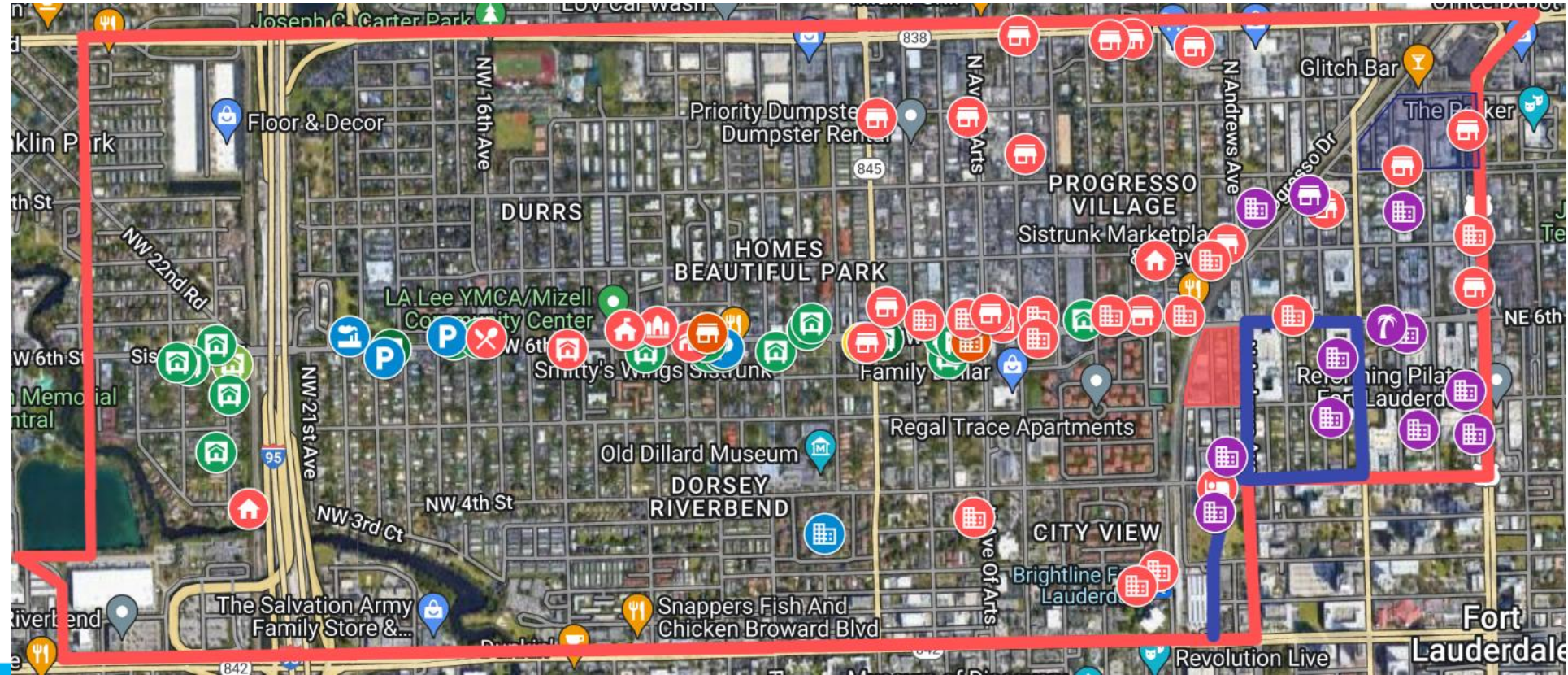
# Northwest-Progresso-Flagler Heights Community Redevelopment Area *Tax Increment Financing Overview*



# Northwest-Progresso-Flagler Heights Community Redevelopment Area

## Boundary:

Located between Sunrise Boulevard on the North, Broward Boulevard on the South, the City corporate limits on the West and Federal Highway on the East. It does not include the portion lying south of NE 4<sup>th</sup> Street and east of Andrews between Broward Boulevard and Federal Highway





# CALCULATION OF THE CITY'S TIF CONTRIBUTION

A CRA is a dependent special district in which any future increases in property values are set aside to support economic development projects within that district.

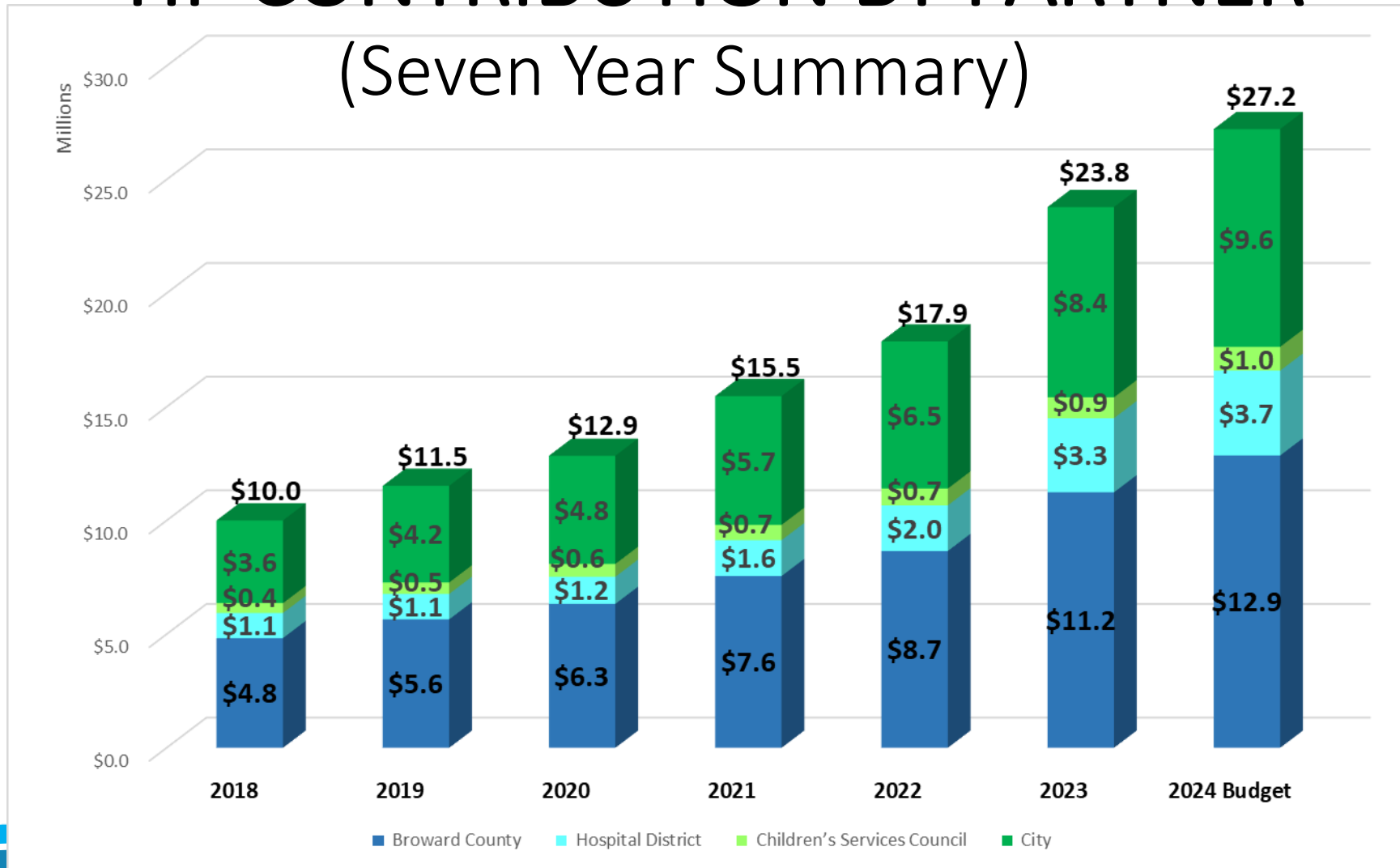
| <b>NWPFH Tax Increment<br/>2024 City Contribution Calculation</b> |                 |
|---|-----------------|
| Base Year (1995) Net Taxable Value                                | \$208,260,650   |
| FY 2024 Final Taxable Value                                       | \$2,655,963,540 |
| Increase in CRA Tax Value   | \$2,447,702,890 |
| FY 2024 Contribution Based on 4.1193<br>Millage Rate at 95%       | \$9,578,682     |

# TIF CONTRIBUTION BY PARTNER (Seven Year Summary)

| Fiscal Year  | Broward County      | Hospital District   | Children's Services Council | City                | Total                |
|--------------|---------------------|---------------------|-----------------------------|---------------------|----------------------|
| 2018         | \$4,825,878         | \$1,104,581         | \$431,993                   | \$3,640,895         | \$10,003,347         |
| 2019         | 5,649,391           | 1,120,948           | 504,143                     | 4,248,985           | 11,523,467           |
| 2020         | 6,331,849           | 1,193,521           | 564,391                     | 4,756,754           | 12,846,515           |
| 2021         | 7,556,399           | 1,578,628           | 671,973                     | 5,663,675           | 15,470,675           |
| 2022         | 8,656,719           | 2,008,314           | 739,003                     | 6,472,032           | 17,876,068           |
| 2023         | 11,239,096          | 3,262,089           | 915,803                     | 8,371,100           | 23,788,088           |
| 2024 Budget  | 12,860,403          | 3,731,945           | 1,047,710                   | 9,578,682           | 27,218,740           |
| <b>Total</b> | <b>\$57,119,735</b> | <b>\$14,000,026</b> | <b>\$4,875,016</b>          | <b>\$42,732,123</b> | <b>\$118,726,900</b> |

# TIF CONTRIBUTION BY PARTNER

## (Seven Year Summary)



# CONSIDERATIONS

- Currently, most funding is prioritized to support incentives to attract development to the area.
- Increased growth in the CRA area has led to the need for additional general government services (i.e., police, fire rescue, parks, and other services) which cannot currently be supported by the tax growth in these areas.
- There are still opportunities to improve this area, if an extension was approved.
- Contributing partners are unlikely to support a funding extension.
- CRA rules limit flexibility of how and where the city can use the funds.
- The City Commission can establish other mechanism to target funding priorities.

# ACCOMPLISHMENTS

## Completed Projects

- L.A. Lee YMCA/Mizell Community Center - \$10 million
- Hoover Architectural Products - \$1.1 million
- Broward College @ YMCA - \$1 million
- Sistrunk Station - \$350,000.
- Patio Bar & Pizza - \$350,000
- Holly Blue Restaurant and the Angeles - \$275,000

## Approved Funding

- 909 NW 6<sup>th</sup> Street (Mixed use development) - \$4 million
- Wright Dynasty (Mixed use development) - \$3 million
- Victory Entertainment Complex - \$2.45 million



# GENERAL FUND IMPACT OF EXTENSION

- Elimination of the TIF Contribution was built into the City's long range financial sufficiency model.
- Any adjustments will require additional revenue to maintain a structurally balanced budget.



## City of Fort Lauderdale, FL - General Fund

|                                 | FY 2023    | FY 2024   | FY 2025   | FY 2026   | FY 2027    | FY 2028   | FY 2029   | FY 2030   | FY 2031   | FY 2032    | FY 2033    |
|---------------------------------|------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|------------|------------|
| Millage Rate                    | 4.1193     | 4.1193    | 4.1193    | 4.1193    | 4.1193     | 4.1193    | 4.1193    | 4.1193    | 4.1193    | 4.1193     | 4.1193     |
| Last Plan                       | 4.1193     | 4.1193    | 4.1193    | 4.1193    | 4.1193     | 4.1193    | 4.1193    | 4.1193    | 4.1193    | 4.1193     | 4.1193     |
| Taxable Value Increase          | 13.0%      | 12.6%     | 11.0%     | 10.0%     | 9.0%       | 8.0%      | 6.0%      | 6.0%      | 6.0%      | 6.0%       | 6.0%       |
| Last Plan                       | 13.0%      | 12.6%     | 8.0%      | 7.5%      | 7.0%       | 6.5%      | 6.0%      | 6.0%      | 6.0%      | 6.0%       | 6.0%       |
| Cash Flow Surplus/(Deficit) \$M | \$ (13.49) | \$ -      | \$ 5.56   | \$ 7.94   | \$ 8.80    | \$ 25.81  | \$ 29.18  | \$ 28.33  | \$ 24.64  | \$ 18.24   | \$ 17.91   |
| Last Plan                       | \$ (13.49) | \$ (0.03) | \$ (1.02) | \$ (5.36) | \$ (11.04) | \$ (0.07) | \$ 1.28   | \$ (1.74) | \$ (7.73) | \$ (16.57) | \$ (19.50) |
| End of Year Fund Balance \$M    | \$ 101.03  | \$ 101.00 | \$ 106.56 | \$ 114.50 | \$ 123.31  | \$ 149.11 | \$ 178.30 | \$ 206.62 | \$ 231.26 | \$ 249.50  | \$ 267.41  |
| Target Fund Balance \$M         | \$ 97.92   | \$ 101.48 | \$ 107.62 | \$ 115.97 | \$ 123.10  | \$ 130.56 | \$ 136.71 | \$ 142.71 | \$ 149.75 | \$ 157.79  | \$ 164.66  |
| Balance % of Expenses           | 25.79%     | 24.88%    | 24.75%    | 24.68%    | 25.04%     | 28.55%    | 32.61%    | 36.20%    | 38.61%    | 39.53%     | 40.60%     |
| Fire Assessment Increase %      | 3.2%       | 5.3%      | 0.0%      | 0.0%      | 0.0%       | 0.0%      | 0.0%      | 0.0%      | 0.0%      | 0.0%       | 0.0%       |
| Fire Assessment Revenue \$M     | \$ 49.85   | \$ 52.89  | \$ 52.89  | \$ 52.89  | \$ 52.89   | \$ 52.89  | \$ 52.89  | \$ 52.89  | \$ 52.89  | \$ 52.89   | \$ 52.89   |
| Fire Assessment - SF Home       | \$ 321.00  | \$ 338.00 | \$ 338.00 | \$ 338.00 | \$ 338.00  | \$ 338.00 | \$ 338.00 | \$ 338.00 | \$ 338.00 | \$ 338.00  | \$ 338.00  |
| CIP Execution %                 | 100.0%     | 100.0%    | 100.0%    | 100.0%    | 100.0%     | 100.0%    | 100.0%    | 100.0%    | 100.0%    | 100.0%     | 100.0%     |
| CIP Input \$M                   | \$ 30.47   | \$ 22.70  | \$ 22.74  | \$ 21.91  | \$ 20.48   | \$ 19.15  | \$ 20.10  | \$ 21.11  | \$ 22.16  | \$ 23.27   | \$ 24.44   |



Questions?



**WeAreFTL**



# City of Fort Lauderdale

## FY 2025 City Commission Priorities and Themes

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### FY 2025 City Commission Priorities

- Public Safety
- Homelessness Initiatives
- Affordable Housing and Economic Development
- Transportation and Traffic
- Infrastructure and Resilience
- Public Spaces and Community Initiatives

### Public Safety

- Right-size personnel to meet the needs of the City's residents, visitors, and workers
- Improve police response times
- Examine and plan for upcoming retirements
- Enhance efforts to recruit high quality police officers to meet staffing needs
- Citywide Gun violence prevention (e.g. explore Cities United partnership)
- Encourage gun safety education and outreach initiatives (e.g. Gun Accident, Assault, and Suicide Prevention (GAASP), safety devices, storage, training, and safety videos) for the community and in schools
- Strengthen neighborhood relationships with police officers
- Address concentrated crime through prevention (respond to targeted burglaries)
- Continue to partner with the Bloomberg Harvard City Leadership Initiative to understand safety concerns and to develop innovative solutions

### Homelessness Initiatives

- Focus on reducing homelessness in the City
- Address homelessness that has expanded past the downtown area into residential communities
- Partner with service providers to ensure that crowds disburse after receiving services
- Target hotspots across the City
- Continue to focus on the Homeless Outreach Team
- Explore utilizing the Court System as the catalyst for providing services (i.e. Community Court)
- Collaborate with the County and the Hospital Districts to revamp the discharge procedures within the City
- Partner with Broward County to address the congregation of those experiencing homelessness on County properties (e.g. Broward Central Bus Terminal and the Broward County Main Library)

### Affordable Housing and Economic Development

- Economic Development
  - o Enhance skilled labor opportunities (e.g. Good Jobs, Great Cities Academy)
  - o Use Community Redevelopment Agency (CRA) funds to expand affordable housing opportunities
  - o Address food deserts within the City (i.e. Pop-up Markets)
  - o Explore options to repurpose empty street level spaces (i.e. Zero Empty Spaces Program, Tax abatements)
  - o Repurpose the Federal Courthouse in partnership with GSA
  - o Plan for controlled development
  - o Move forward with plans for a new City Hall
  - o Himmarshee District revitalization





# City of Fort Lauderdale

## FY 2025 City Commission Priorities and Themes

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### Affordable Housing and Economic Development (continued)

- Affordable Housing
  - o Provide affordable housing citywide (i.e. not concentrated in one area)
  - o Create an Affordable Housing Assessment Plan
  - o Explore land trust options and other tools to ensure ongoing affordable housing inventory
  - o Work with the County to evaluate the criteria used for housing affordability

### Transportation and Traffic

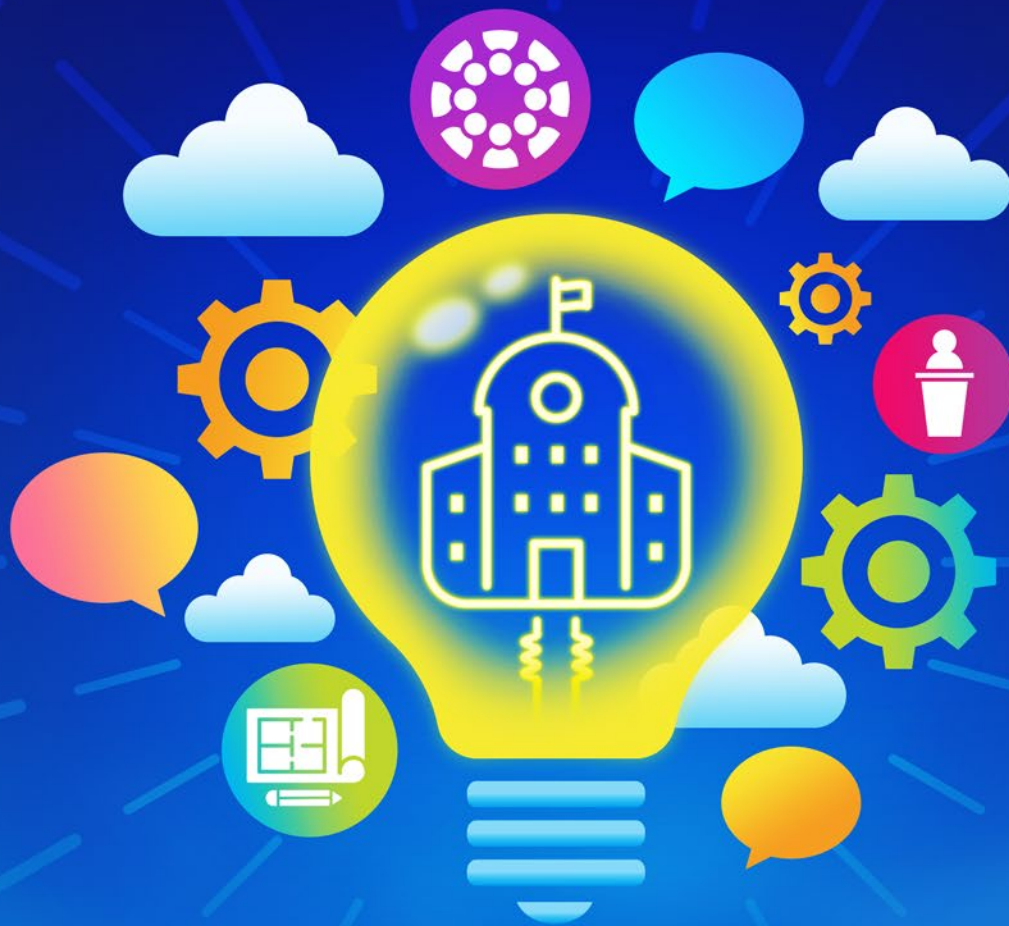
- Enhance bike lanes (e.g. Laudertrail)
- Strategic traffic management and calming (e.g. seek partnerships with developers)
- Continue and enhance Microtransit initiatives
- Focus on pedestrian safety and walkability
- Enhance multimodal transportation options (i.e. ways to reduce traffic congestion and move people efficiently)
- Address failed roadways (e.g. Bayview Drive roadway condition)
- Complete sidewalk gap assessment and explore funding sources for additional sidewalks
- Explore options to ensure sufficient parking
- Continue to explore New River crossing options
- Traffic Enforcement

### Infrastructure and Resilience

- Plan for the future capacity requirements at the George T. Lohmeyer plant
- Enhance waterway quality (e.g. create a Chief Waterways Officer)
- Stormwater drainage cleaning
- Address flooding from upstream water sources
- Expand the Utility Undergrounding Program
- Encourage commercial recycling and enhance the Green Your Routine program
- Explore funding opportunities for dredging City canals
- Expedite ordinance creation
  - o Tree Canopy
  - o Trash Ordinance (i.e. addressing medical waste)

### Public Spaces and Community Initiatives

- Neighborhood Masterplans
- Increased support for residents to preserve Sailboat Bend's historic district
- Increase ease of historic preservation (e.g. fees, incentives and permits)
- Opportunities for neighborhood driven improvements (i.e. alternative to former NCIP/BCIP Program)
- Continue efforts to mitigate the impact of vacation rental expansion and the Live Local Act
- Address broadband connectivity issues
- Partner with the school board to prevent neighborhood school closures
- Advocate for the reinvestment of city generated ad valorem to the School Board to come back into the City
- Address the gap in educational excellence
- Enhance median maintenance
- Citywide cleanliness and maintenance



# REIMAGINING CITY HALL



## CITY OF FORT LAUDERDALE

Join the City of Fort Lauderdale for a series of workshops to share your input on what you want to see in a new City Hall.

### Can't make it in person?

Share your feedback through an online survey by visiting [ftlcity.info/rch](https://ftlcity.info/rch) or scanning the code below.



### Workshop 1: Introduction

December 2, 2023 | 9:00 a.m.

Florida Atlantic University MetroLAB (111 E. Las Olas Blvd.)

### Workshop 2: Spacing Allocation

January 13, 2024 | 9:00 a.m.

L.A. Lee YMCA/Mizell Community Center (1409 NW 6th St.)

### Workshop 3: Amenities

February 17, 2024 | 9:00 a.m.

Holiday Park Social Center (1150 G. Harold Martin Dr.)

### Workshop 4: Finance & Procurement Process

**NEW DATE** March 23, 2024 | 9:00 a.m.

Beach Community Center (3351 NE 33rd Ave.)

### Workshop 5: Review & Next Steps

April 20, 2024 | 9:00 a.m.

Holiday Park Social Center (1150 G. Harold Martin Dr.)