



Memorandum

Date: July 9, 2025

To: Honorable Mayor and City Commission

From: David Hebert, City Manager

Subject: Recommended Fiscal Year 2026 Annual City Budget

Introduction & Summary

I respectfully present our Recommended Annual City Budget and Capital Improvement Plan for the Fiscal Year (FY) 2026. Like past budgets, the FY 2026 budget has been developed by the administration to meet the City Commission's strategic vision and to accelerate our progress in redefining, revitalizing, and rebuilding Oakland Park.

The leadership of the City has consistently balanced a commitment to new initiatives and investments with an equal commitment to fiscal responsibility, sustainability, and stability. The recommended budget for the 2026 fiscal year is an ambitious document. It was prepared with the benefit of the Strategic Plan. The proposed budget advances these goals. Maintaining a commitment to fiscal prudence is paramount as the City faces the continued effects of record inflation, elevated interest rates, supply chain disruptions, a slowing property market, ongoing collective bargaining, and - perhaps most importantly - rapidly changing political environments in both Washington, D.C. and Tallahassee that have made it unclear if local governments in Florida and elsewhere in the country can rely on state and national government support for local initiatives and challenges.

Oakland Park continues to maintain taxes and rates that are fiscally responsible and competitive, while ensuring we remain financially flexible to pivot based on changing macro-economic and political conditions. The proposed budget for FY 2026 is \$171.4 million and includes a capital infrastructure program of \$34 million. **The FY 2026 budget recommends a decrease in the operating millage rate, lowering it from 5.7243 to 5.6979 mills, a 0.0264 mill reduction. If**

adopted, this would be the lowest operating millage rate adopted in sixteen years and the eleventh millage rate reduction over the past twelve years. The accumulated value of these many reductions reflects a total decrease of 0.7016 mills, or 11% since FY 2014 (6.3995 mills); this reduction has saved our taxpayers more than \$21 million over the past decade.

The Commission's consistent leadership in moving the City forward has been broadly supported by the community: in 2018, over two-thirds of voters approved the City's \$40 million General Obligation Bond and a representative residential survey showed that over two-thirds of residents feel that the City of Oakland Park is headed in the right direction. Others agree. Investment in Oakland Park is booming. Oakland Park's property values increased by 14.78% for FY 2025, the second-highest increase among all of Broward County's 31 cities and well above the countywide municipal average of 9.56%. Growth for FY 2026 remains strong at 8.91% and is the 8th highest in Broward County and is higher than the average of 8.32% among all Broward cities. More than \$471 million in new development has been added to the tax rolls since 2021, with 2024 alone seeing an increase of over \$260 million. The City's long-term plans are reaching fruition. The new Public Works Complex and Fire Station 9 both opened during FY 2025 and City Hall space at the Sky Building is nearing completion. The relocation later this year of City Hall operations allows for the Horizon of Oakland Park project to begin, a project that will add more housing, more shopping, more parking, and Woonerf, a walkable "living street, part park, part gathering place, for our community."

The "Building Our Second Century" bond campaign is a public investment. Including projects underway today, well over \$100 million in capital program improvements are planned over the next five years. These projects will enhance the resiliency of our infrastructure and our community, improve recreational opportunities for residents, and beautify the City. Opening new facilities means more than simply constructing them: each site requires the relocation of staff, equipment, supplies, technology, and more. Over the course of a single year, approximately 9 out of every 10 City employees will have been relocated to a new facility. This is a monumental and unprecedented undertaking, one that requires prudent planning, sound logistics, and staff time and effort to ensure a successful transition. Every effort will continue to be made to minimize the impact on the delivery of public services to the community during this transition period.

The economic conditions facing the FY 2026 budget are challenging. Inflation remains high but has begun to slow. Interest rates remain elevated, although there are hopes that slowing inflation may trigger a rate reduction by the Federal Reserve. Supply chain challenges persist, particularly as relates to specialty equipment, vehicles, and construction materials. The cost of personnel also continues to be a financial and operational challenge. Unemployment is low and

demand for labor is high. Recruitment and retention have been impacted. The City has implemented creative strategies such as increasing officer staffing levels within the Fire Rescue Department and an automatic progression system for many positions, to help provide additional opportunities for advancement and retention. The financial cost of maintaining existing staffing levels is growing, with retirement costs in the General Fund alone increasing by 22%. All three of the City's collective bargaining contracts expire on September 30, 2025, and labor negotiations regarding successor contracts are underway. Employee costs are also the primary driver of the increase in the contract cost with the Broward Sheriff's Office.

Despite these challenges, many favorable tailwinds are supporting Oakland Park as our tax base continues to expand. During the last recession, the City's tax base was reduced by more than a third, from \$3.54 billion in FY 2008 to \$2.10 billion in FY 2013 – a loss of more than \$1.4 billion. FY 2026 marks thirteen years of consecutive growth in the City's tax base. The total taxable value now stands at \$6.28 billion, the highest valuation in the City's history.

As property values appreciate, the City continues to reduce tax rates while building and improving infrastructure and amenities, with much of the cost funded through grants. New infrastructure creates new operating expenses that must be funded in order to properly maintain our investments. Operating costs for departments increase over time and capital equipment, such as vehicles and machinery, must be replaced as it reaches the end of its useful lifespan.

In addition to the decrease in the operating millage, Oakland Park has three non-ad valorem special assessments that are set by the City Commission during the budget process: the stormwater assessment, fire assessment, and residential solid waste assessment. These assessments are collected as separate lines on property tax bills and can only be used to fund the associated services; the fire assessment, for example, can only be used to directly fund the fire suppression activities of the City's Fire Rescue Department. In addition, the City Commission adopts a debt service millage rate to pay for the principal and interest on the general obligation bonds that fund the City's facility building campaign.

The fire assessment helps fund our Fire Rescue team. In 2022, the Commission approved a new fire assessment exemption on residential, homesteaded properties identified by the Broward County Property Appraiser as receiving low-income senior property tax exemptions or total/permanent disability property tax exemptions. This resulted in over 700 of Oakland Park's neediest homeowners, most on fixed incomes, receiving savings on their tax bills. As part of the FY 2024 budget, funding for a fire assessment study was provided. The results of this study were presented to the Commission in May 2024, and the Commission approved a residential fire assessment of \$382 per unit, a \$106 increase over FY 2024. This rate was lower than the rate recommended by the consultant, which was \$402 per residential unit. As part of deliberations

on the new rate structure, the Commission directed that the same rate schedule be maintained for FY 2026. **The Recommended Budget proposes the Fire Assessment remain unchanged at \$382 per residential unit.**

The Recommended Budget proposes a Stormwater Assessment rate of \$138 per equivalent residential unit (ERU), an increase of \$13 over the current rate of \$125. This will fund the City's aggressive efforts to confront flooding and storm water accumulation in our community. The current rate of \$125 was established as a result of the Stormwater Master Plan in 2022. This plan, and corresponding financial analysis, were presented to the City Commission and outlined over \$45 million in new drainage and stormwater management projects to be considered over the next 15 years, with future adjustments to the assessment rate scheduled to provide the financial capacity to fund these and other future infrastructure projects. The City has already been awarded over \$5 million in grants for drainage improvements and staff will continue to pursue such funding opportunities to help ease the financial burden borne by residents as we implement these critical improvements to the stormwater system.

The City's Solid Waste Fund provides residential and commercial services to Oakland Park. Residential customers are charged for services through a special assessment placed on the property tax bill. Commercial customers are billed monthly for services. The City's solid waste rates have been comparatively low. In FY 2013, the residential fee of \$300 per year was reduced by \$45 to \$255. For FY 2014, this rate was further reduced by \$50 to \$205. This resulted in a total rate decrease over a two-year period of \$95, or 32%. As shown in the 2017 Solid Waste Study, these rate decreases were not sustainable. Current operating costs are far greater than they were in FY 2013. The FY 2022 budget included funding for a new Solid Waste Rate Study. The results of this study were presented to the Commission in June 2022 and showed that the current rate structure is not supportable and complete exhaustion of the Solid Waste Fund's reserves was imminent without appropriate rate adjustments. For FY 2023, commercial fees were increased by 10% and the residential assessment increased to \$280.50. Rates were further adjusted for FY 2024 to reflect growing costs, with the residential rate set at \$310. Due to recent significant cost escalations with tipping fees for bulk trash and municipal solid waste and essential vehicle replacements, **a commercial rate increase of Solid Waste Assessment rate of 20% is recommended for FY 2026. No change in the residential rate of \$340 is recommended.**

Abundant, clean water is a necessity for any community. The City of Oakland Park purchases water from Fort Lauderdale, which completed a rate study in 2019 and implemented a new rate structure. As part of the new structure, Fort Lauderdale levied a surcharge on water sales to Oakland Park. Such charges, though allowed by State Statute, had never been previously levied on water purchases and were not contemplated in the existing water agreement between the two cities. Oakland Park disputed these charges. After long negotiations to resolve this issue, a

new water agreement with Fort Lauderdale was approved last August. The agreement provides for a multi-year phasing of a surcharge, which will be capped at a maximum of 12.5% in 2026 rather than the 25% originally imposed by Fort Lauderdale. Similar to water rates, much of Oakland Park's wastewater discharge is processed by Fort Lauderdale. A new wastewater processing agreement with Fort Lauderdale was also approved by the Commission. With new agreements for both water and sewer, Oakland Park began its own Water and Sewer Master Plan. The results of the master plan and rate study were intended to be presented in FY 2024, but completion of these efforts is on hold due to wastewater capacity allocation issues with Fort Lauderdale. As capacity discussions continue, the completed master plan and rate study were presented to the Commission in June 2025. Over \$50 million in water and sewer improvements are recommended, as are adjustments to the rate structure to ensure sufficient funding for capital projects and operations.

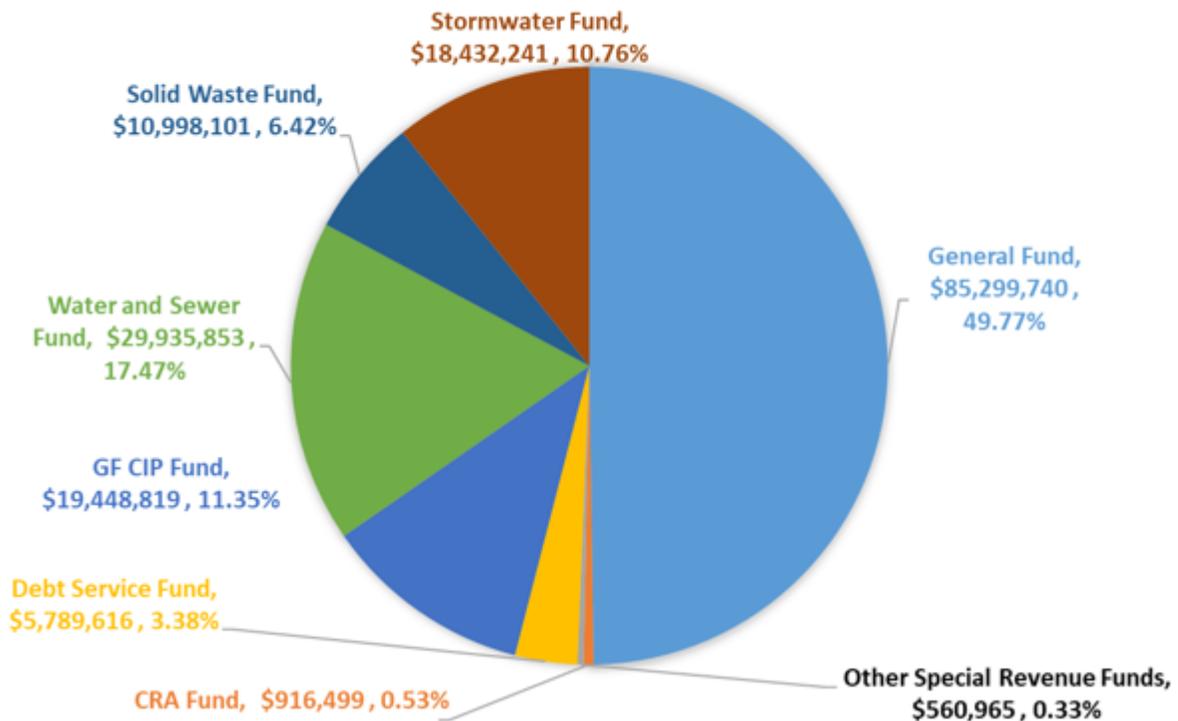
One of the most historic signs of the City's continued progress is the City's facility modernization campaign. In 2018, over two-thirds of Oakland Park voters approved the issuance of \$40 million in general obligation bonds to rebuild and enhance the City's Fire Rescue stations and community facilities. In May 2020, the City was assigned an investment grade "AA" credit rating by Standard and Poor's and in June the first bonds were sold, securing \$26 million in bond proceeds (Series 2020). For these bonds, the City secured a low effective interest rate of 2.26%. As interest rates looked to rise, the City moved quickly to sell the remaining bonds to secure low interest rates; in February 2022, the last \$14 million in bonds were sold as Series 2022. These bonds again were rated as "AA" by Standard and Poor's and the City obtained an effective interest rate of 2.59%. The proceeds from the 2020 and 2022 Series are being utilized to fund Oakland Park's **Building Our Second Century** program.

The Series 2020 general obligation bond debt service to be paid annually requires that a debt service millage of 0.3589 mills be adopted. The required debt service millage for Series 2022 is 0.1945 mills. The debt service millage is separate and distinct from the operating millage; it appears as a separate line on all property tax notices and bills. **The combined debt service millage rate is 0.5110 mills, a decrease of 7.7% compared to FY 2025, which results in a \$4.88 decrease on the median single-family home's tax bill.**

All of the above rates provide major funding components for the sustainability of the City's operations.

The Recommended Budget for all funds is \$171.4 million, which is \$5.2 million more than the FY 2025 Adopted Budget of \$166.2 million, a 3.1% increase. The breakdown of funds is as follows:

FY 2026 RECOMMENDED BUDGET - \$171.4M



The largest fund is the City’s General Fund, which has a budget of \$85.3 million, an increase of \$4.8 million over FY 2025. Much of this increase is attributed to higher vendor costs due to inflation, growing public safety costs, staff compensation, projected increases in property and health insurance premiums, higher pension costs, vehicle replacements, capital improvements, and new business plan initiatives. The General Fund budget also includes \$3.7 million in transfers to other funds, including \$0.37 million to the Capital Improvement Program (CIP) fund for various projects, \$2.79 million to the City’s Debt Service Fund to pay non-bond related governmental debt, and \$0.57 million to the Community Redevelopment Agency (CRA) fund. The City’s Governmental Funds’ Capital Improvement Program fund (GF CIP), which only reflects governmental-type projects, is \$19.4 million, or 11.35% of the total budget. This a 33.5% decrease (\$9.8 million) from the FY 2025 Adopted Budget’s GIF CIP fund of \$29.2 million. The decrease reflects that award of major facility projects last fiscal year, such as the renovation of the Collins Community Center and the NE 13th Avenue Roadway Improvement Project. The other budgetary funds are the City’s Enterprise Funds, which reflect self-supporting, business-like activities: Water & Sewer \$29.9 million, Solid Waste \$10.9 million, and Stormwater \$18.4 million. The Water & Sewer Fund is increasing by \$3.1 million, which reflects a substantial enlargement of the capital program and increased operating costs. The Solid Waste Fund budget has grown by \$1.0 million, which is largely driven by higher tipping fee costs from providers and the planned purchase of two garbage trucks. The Stormwater Fund budget has increased by 50%, or \$6.2 million, which is almost entirely driven by the fund’s capital program.

On July 16th, 2025, the City Commission will adopt a preliminary operating millage, preliminary debt service millage rates, and preliminary special assessment rates. These rates are sent to the Broward County Property Appraiser. Oakland Park’s rates, and those of other governments, will appear as separate lines on the TRIM (“Truth-in-Millage”) notices sent to property owners in August, which will provide the estimated financial impact of proposed tax and assessment rates.

The Commission will adopt a preliminary operating millage rate and two preliminary debt service millage rates to pay for the 2020 Series and 2022 Series bonds. The proposed budget lowers the operating millage rate from 5.7243 to 5.6979 mills, a 0.0264 mill reduction. Despite a reduction in the millage rate, growing property values mean that the median homesteaded single-family residence will see an increase of \$36.55 (3.13%) in operating property tax over last year. This change is slightly above the 2.9% increase in CPI. The combined debt service millage rate is 0.5110 mills, which is 7.7% lower than FY 2025’s debt service rate of 0.5534 mills. With these debt service rates, there will be a \$10.44 decrease in the total annual debt service cost paid through the tax bill by the median home.

Oakland Park’s millage structure remains competitive and compares favorably to our peer cities. In Broward County, there are eight cities with populations between 40,000 and 80,000. If all operating and debt rates are combined, the average millage rate among these cities is 6.9453 mills. **Oakland Park’s combined millage rate is 6.2089 mills, the second lowest among Broward’s mid-sized cities** and almost 11% lower than the average.

Combined Millage & Fire Assessment Rates, Mid-Sized Cities (40,000 to 80,000)			
Millage Rank	Municipality	Population	Total Millage
1	Weston	68,181	3.3464
2	Oakland Park*	44,105	6.2089
3	Coconut Creek	57,694	6.8988
4	North Lauderdale	44,784	7.4000
5	Tamarac	72,372	7.0000
6	Margate*	58,593	7.5667
7	Hallandale Beach*	41,547	7.9708
8	Lauderhill*	73,974	9.171
Average			6.9453

*Includes Voted Debt Millage
Note: Assumes constant millage for other cities

The City Commission will also adopt tentative rates for the three non-ad valorem special assessments on July 16, 2025. The residential solid waste (\$340) and fire assessment (\$382) remain unchanged from last year and the stormwater rate is increasing by \$13.00 to \$138.00.

For the median homesteaded single-family property, these recommended changes in the millage and assessment rates would result in a total increase on the TRIM notice of \$44.67, or \$3.72 a month. This is a 2.1% increase over last year, which is below the CPI of 2.9%.

In recent years, Oakland Park has enjoyed the favorable tailwinds of an expanding national and regional economy. Under the Commission’s leadership, those years were well-planned and well-managed, with budgets funding major projects and initiatives implemented to address quality of life issues, improve infrastructure, enhance services, and attract redevelopment. We can see the tangible results of these efforts as we are enjoying a game of pickleball at City Park, tending to

plants in the new Harlem McBride Community Garden, walking along the Middle River Promenade at Blys, biking on the Oak Tree Greenway, shopping at new organic markets, or watching the construction cranes at work.

Oakland Park is on the move, both figuratively and literally. In fewer than 12 months, roughly 90% of City staff will have been relocated. These relocations are part of a long-term plan to make the best use of the City's public land, including the continued expansion of green space and park amenities at City Centennial Park and the redevelopment of the current City Hall space into a mixed-use development supporting commuter rail.

Thanks to the strong fiscal leadership of the City Commission, we can propose a budget that maintains the delivery of City services, provides needed staffing levels, advances the strategic plan, invests in our capital infrastructure, and maintains sufficient reserves for the City to respond to a potential hurricane, financial difficulties, and shifts in the political winds.

The budget is a plan, and plans adapt as circumstances change. We will continue our diligent monitoring of City finances and we will bring updates and budget amendments as needed to respond to unanticipated changes. At \$171.4 million in size, the recommended budget for FY 2026 is Oakland Park's largest and most ambitious budget in history. The following pages provide the context and background for understanding the opportunities, challenges, and variables that were considered when developing this exciting plan for the 2026 fiscal year.

Strategic & Business Plan

The Strategic Plan is a tool to help guide the long-term direction of the City. The Strategic Plan identifies specific Strategic Performance Areas, or long-term goals for Oakland Park.

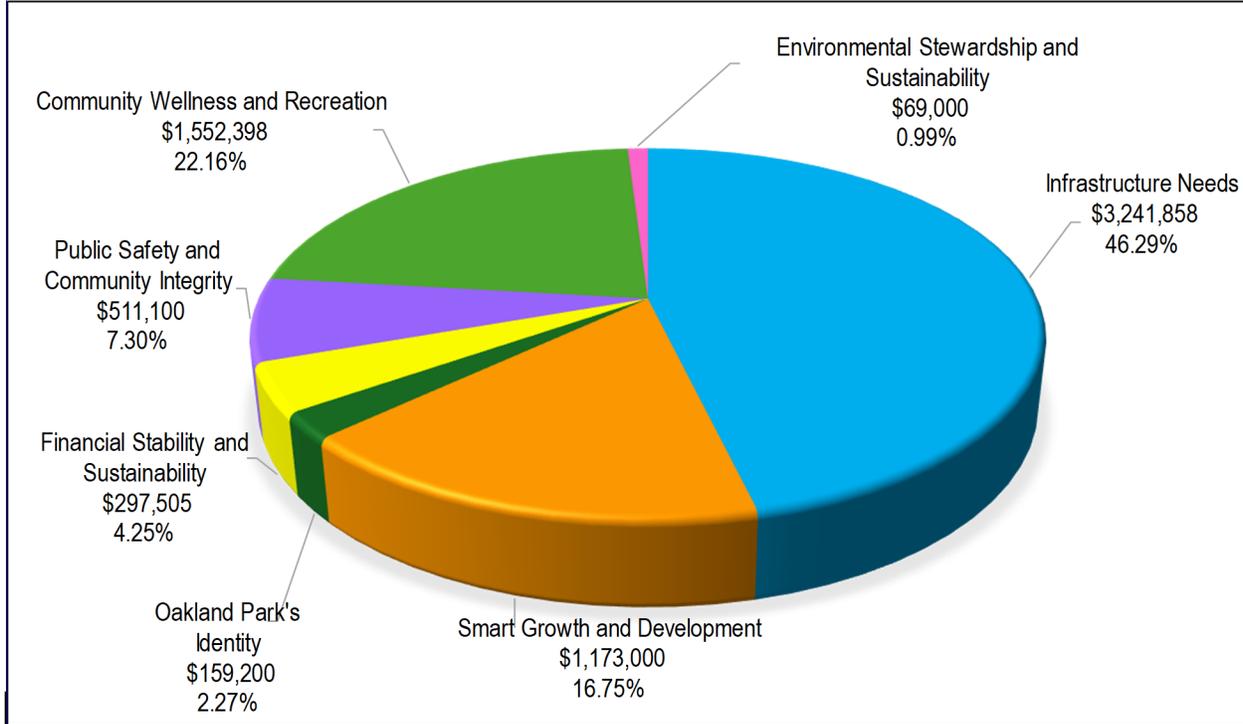
In October 2021, the City Commission held a public workshop at the Jaco Pastorius Community Center that resulted in various updates to the Strategic Plan. A recording of the workshop is available for viewing on the City's [website](#). The strategic plan was approved by the City Commission in January 2022, and made the following changes to the Strategic Performance Areas:

Old Performance Areas	New Performance Areas
Financial Stability and Sustainability	No Change
Infrastructure Needs	No Change
Smart Growth, Redevelopment, and Community Appearance	Smart Growth and Development
Parks, Leisure Facilities, and Activities	Community Wellness & Recreation
Public Safety and Security	Public Safety and Community Integrity
Focus on Oakland Park's Image	Oakland Park's Identity
N/A	Environmental Stewardship and Sustainability

As shown above, the Commission created a new, seventh strategic performance area: Environmental Stewardship and Sustainability. This new performance area emphasizes environmental issues, improving resiliency and promoting sustainable practices both in City operations and within our community. Other changes included an increased focus on establishing a renewed commitment to championing inclusivity and promoting community wellness. A balanced approach to growth and development was articulated that focuses on the need to ensure diverse and affordable housing options remain available while promoting economic opportunities throughout the City.

The Recommended Budget for FY 2026 is the fourth budget developed using the revised Strategic Plan prepared by the City Commission in 2022, which was extended by the Commission earlier this year. The proposed budget includes over 150 different initiatives and capital purchases totaling \$7 million to help advance the Strategic Plan.

FY 2026 Business Plan: \$7.0 Million



Strategic Performance Area	Count	Cost
Oakland Park's Identity	6	\$159,200
Infrastructure Needs	48	3,241,858
Community Wellness and Recreation	53	1,552,398
Public Safety and Community Integrity	13	511,100
Environmental Stewardship and Sustainability	5	69,000
Smart Growth and Development	20	1,173,000
Financial Stability and Sustainability	6	297,505
Total	151	\$7,004,061

A full listing of the various initiatives by Strategic Performance Area is included as an Appendix within this Recommended Budget Book; the initiatives are also included in the agenda item presenting the proposed budget for next year.

FY 2026 Recommended Budget Summaries by Fund

The following table summarizes the FY 26 Recommended Budget by fund (in \$ millions) and compares it to the adopted budget for FY 25. A comprehensive budget summary of all funds by division is attached hereto as Exhibit A of this message and a higher-level fund summary is below:

Fund Description	FY 25 Adopted	FY 26 Recommended
General Fund	80.5	85.3
Community Redevelopment Agency (CRA) Fund	0.9	0.9
Debt Service Fund	5.8	5.8
Other Special Revenue Funds	0.6	0.6
Governmental Funds Capital Imp Plan Fund*	29.2	19.4
Water & Sewer Fund	26.9	29.9
Solid Waste Fund	10.0	11.0
Stormwater Fund	12.3	18.4
Total Budget (in \$Millions)	166.2	171.4

*The Governmental Funds CIP excludes projects from the Enterprise Funds. These projects are reflected within each of the separate Enterprise Fund Budgets.

Governmental Funds

General Fund

The Recommended Budget for the FY 2026 General Fund is \$85.3 million and anticipates revenues of \$79.3 million. The below summary shows changes in the revenue categories of the fund:

Fund Description	FY 25 Adopted	FY 26 Recom.	\$ Change	% Change
Property Tax	\$31,520,675	\$33,989,596	\$2,468,921	7.8%
Other Taxes	\$9,371,524	\$9,504,430	\$132,906	1.4%
Fire Assessment	\$10,706,650	\$10,830,159	\$123,510	1.2%
Permits & Fees	\$7,653,036	\$8,960,471	\$1,307,435	17.1%
Intergovernmental Revenue	\$6,109,500	\$5,916,680	(\$192,820)	-3.2%
Charges for Services	\$7,944,073	\$7,620,344	(\$323,729)	-4.1%
Judgment Fines & Forfeitures	\$365,150	\$371,000	\$5,850	1.6%
Misc. Revenue & Interest	\$1,951,158	\$2,084,713	\$133,555	6.8%
Debt/Transfers/Other	\$0	\$20,000	\$20,000	-
Total Budget (in \$Millions)	\$75,621,765	\$79,297,393	\$3,675,627	4.9%

As shown, there is a \$3.7 million increase in revenue, a 4.9% increase compared to FY 2025's Adopted Budget. A reduction to the existing operating millage rate is proposed, but property tax revenues are anticipated to increase by \$2.5 million due to the expansion of the City's property tax base.

Many of the City's revenue streams are tied to general economic activity, such as utility tax revenues, sales taxes, etc. These accounts were largely stagnating prior to COVID-19 and experienced major declines during the pandemic due to disruptions in economic activity. These accounts experienced improvements recently. For FY 2025 and FY 2024, these revenue streams showed relatively high levels of growth, but forecasts for FY 2026 show stagnation, slowdowns, and even reductions for various accounts. For example, within the "Other Taxes" category are the various electric, water, and utility taxes: combined, these revenues were anticipated to grow by 15% (\$839,000) in FY 2025, which reflected higher utilization by existing customers, the completion of new developments bringing in new residents and businesses, and rate increases by utility providers. Forecasts for FY 2026 contemplate only a 1.4% increase, approximately \$133,000. Within the "Intergovernmental Revenues" category, Half Cent Sales Taxes, which are shared by the State with cities, show an estimated decrease of \$193,000, or -3.2%; this decrease is based on more conservative estimates of tax revenue due to slowing economic activity. Likewise, the Charges for Service category is anticipated to decrease by \$324,000, or -4.1%, which reflects a change to the Oktoberfest model; rather than the City selling tickets which are then redeemed with food and drink vendors, these vendors now directly sell their products and the City receives a portion of sales revenue. Permit and fee revenues remain robust as the City continues to see private investment in the City, such as the Parc Building on Federal Highway and the redevelopment of the Cypress Creek FDOT park-and-ride lots.

Property tax continues to represent the single largest source of revenue for the General Fund, providing 43% of all revenues. Property tax revenue is determined by two elements: 1) the assessed property tax base, and 2) the millage rate set by Commission. A mill represents \$1.00 of tax obligation for every \$1,000 of assessed, taxable value. The certified data provided by the Property Appraiser shows that the City's property tax base has expanded for the twelfth time since 2007. The City's total tax base is now \$6.28 billion. The increase in the tax base over last year is \$0.51 billion, or 8.91%. This increase is robust, but it does represent a major decline from last year's record-setting growth. Last year, Oakland Park's tax base growth of nearly 15% was the second highest of Broward County's 31 cities. This year, the City's is 8th among all Broward cities in terms of growth, with the average County growth rate being 8.32%. This slower growth reflects a cooling of the housing market. With the completion of Oaklyn and the last of the Pulte Oak Tree units, last year saw \$265.5 million in new construction enter the tax rolls; this year, new construction is valued at \$73.9 million. Since FY 2022, the City has seen approximately \$471 million in new construction added to the rolls. Sky, Parc, Horizon, and the Cypress Creek projects

are all anticipated to continue the robust growth in the tax rolls, but with uncertainty in the housing market due to cooling demand and elevated construction costs, it is anticipated that the property tax base growth will moderate.

The property tax roll of Oakland Park does not represent the market value of properties in the City. While the tax base of Oakland Park is now \$6.28 billion, the Property Appraiser shows a market value of over \$9.53 billion. The difference in the market value and the taxable value is due to the State's various property tax exemptions and the Save-Our-Homes law. The most common exemption is the "homestead" exemption for owner-occupied residential properties; this exemption provides a \$50,000 reduction in the taxable value of a home. Under the Save-Our-Homes law, the annual growth in the taxable value for homesteaded properties is capped at 3% or the change in the consumer price index (CPI), whichever is lesser. For this year, the increase in the CPI was 2.9%, meaning that the growth in the taxable value of homesteaded properties will be limited to 2.9%. Last year, the CPI increase was 3.4%, whereas for FY 2024 it was 6.5%, and 7% for FY 2023. The 3% cap in the taxable value creates automatic savings for residents and limits the growth in the tax burden. The City has approximately 15,789 single-family homes, townhomes, and condominiums; of these, 61% are homesteaded and benefit from the Save-our-Homes growth cap of assessed value for taxes.

City taxes only comprise a small portion of what appears on residents' tax bills; only about a third of the tax bill represents the City's levy. The vast majority of taxes appearing on bills are levied by separate taxing authorities, including Broward County, the School Board, and special taxing districts.

Since adopting a peak operating millage rate of 6.3995 in FY 2014, the City has reduced the operating millage rate nine times in the past ten years. Those reductions did not inhibit the ability of the City to appropriately compensate staff or to accomplish new projects and initiatives. During the COVID-19 pandemic, many members of our community were unemployed or underemployed and our local businesses struggled. Although general revenues were reduced, maintaining the existing millage rate would have created an additional burden on our community. As a consequence, the FY 2021 budget reduced the rate from 6.0880 mills to 5.8910 mills, the single largest reduction to the operating millage rate in over a decade. The FY 2024 millage rate was 5.8362 mills. For FY 2025, the adopted operating millage was 5.7243, a reduction of 0.1119 mills.

For FY 2026, the proposed operating millage rate is 5.6979, a reduction of 0.0264 mills. This is the City's lowest operating millage rate in sixteen years and the eleventh reduction in the past twelve years. The recommended millage rate is expected to generate \$33.99 million in property tax revenue to fund the general operations of the City. The recommended millage is 7.13%

greater than the calculated rolled-back rate of 5.3187 mills and generates an additional \$2.3 million over the rolled-back rate. The consistent decreases in the millage have resulted in a total reduction of 0.7016 mills since FY 2014, a reduction of 11%, saving taxpayers more than \$21.2 million.

The second most significant source of General Fund revenue is the Fire Assessment fee. All proceeds from the assessment can only be used to fund the Fire Rescue Department's fire protection/suppression services; emergency medical service-related activities cannot be funded through this assessment. Fire assessment studies are conducted on a regular basis to ensure the costs of fire suppression are appropriately allocated among different property classes (residential, industrial, commercial, institutional). In FY 2022, the Commission approved the recommendations presented as part of the 2021 fire assessment study which set the annual residential rate at \$251 per residential unit. This rate was primarily a reflection of the increased cost of equipment replacement, training, wage increases, staffing increases, and the considerable additional expense of converting to the Florida Retirement System. As part of the FY 2022 budget, the Commission adopted a policy to completely exempt the fire assessment fee on residential, homesteaded properties identified by the Broward County Property Appraiser as receiving a low-income senior property tax exemption or a total/permanent disability property tax exemption. Over 700 properties have qualified for this exemption.

As discussed in last year's budget message, the costs for the Fire Rescue Department continue to grow, with the cost of equipment increasing and the most recent labor agreement providing substantial salary increases (19% raises over two years) and new benefits. With consideration of these growing costs and to ensure that proper funding exists to meet the operational needs of the critical fire suppression functions of the Department, an adjustment to the rate structure was adopted for FY 2024 that adjusted fire assessment to \$276 per residential unit. The FY 2024 budget also included funding for a fire assessment rate study, with the intention of incorporating the results into the FY 2025 budget.

The new fire assessment study was presented to the Commission in May of 2024. As outlined in the presentation, the cost of fire suppression services grew from \$7.75 million in FY 2021 to \$10.24 million in FY 2024, an increase of 32%. Five-year projections showed this trend continuing into the future. The City has historically attempted to recover approximately 91% of all fire suppression costs through the fire assessment program, with property tax subsidizing the costs not recovered. Maintaining this recovery rate would result in a fee structure that would include a residential rate of \$402 per residential unit. Rather than maintaining this rate of recovery, it was recommended that a lower increase be contemplated, one that balanced the financial needs of public safety, and the financial burdens funding fire suppression creates on property owners.

For FY 2025, a fire assessment rate of \$382 per residential unit was adopted by Commission, which was a \$106.00 increase in the residential rate. As part of deliberations on the assessment, Commission direction was to maintain this rate for the FY 2026 budget. In accordance with this direction, **the proposed budget for FY 2026 includes no change in the fire assessment rate of \$382 per residential unit.** By maintaining the existing rate structure, the percentage of recovery for fire suppression cost will decline as fire suppression costs, particularly personnel costs, continue to grow. This trend is not sustainable and future increases are foreseeable. The fire assessment represents approximately 14% of all general fund revenues.

Public safety represents the largest share of the general fund's budget (49%) and is also responsible for the largest cost increases. The Fire Rescue Department's budget was adopted at \$15.39 million for FY 2024 and the budget for FY 2025 was \$16.98 million, an increase of 10%, or \$1.59 million, which included new retirement costs at approximately \$1 million. The recommended Fire Rescue Department budget for FY 2026 is \$18.78 million, which is an increase of \$1.8 million, or 10.6% over FY 2025. This increase is largely due to higher personnel costs, particularly pension contributions, which have grown by \$1.5 million, or 25%, over FY 2025. The cost of overtime has increased by approximately \$356,000 due to contract changes taking effect at the end of FY 2025 that triggers overtime earlier. The City is currently in negotiations with the City's International Association of Firefighters (IAFF).

The City contracts with the Broward Sheriff's Office for police services. The current contract expires on September 30, 2025 and a new five-year contract will be presented to the Commission for consideration this summer. As part of the budget process, BSO submits a proposed budget for the upcoming fiscal year every May. The submitted contract for FY 2026 is \$22.5 million, a \$1.93 million, or 9.4%, increase over FY 2025. This increase comes on the heels of the \$1.4 million increase in the FY 2025 budget (7.1%) and \$1.2 million in FY 2024 (6.4%). The \$1.93 million increase includes \$273,000 for an additional position, the first increase in district staffing since the 2013 addition of a crime analyst. The primary driver of the cost increase is the first year of a two-year implementation of compensation adjustments based on a recently completed salary and benefits survey conducted by the Sheriff's Office. These proposed changes affect all other BSO contract cities. Staff continues to work with the Sheriff's Office to identify potential target areas to reduce the size of the increase.

Personnel costs are the largest component of expenses within the General Fund. Total General Fund pension costs are anticipated to increase by \$1.9 million due to higher Florida Retirement System rates and increased contributions to the closed Police & Fire Pension Plan and General Employees Pension Plan due to poor market performance. Health insurance costs are projected to increase by \$0.4 million, or over 15%, from FY 2025. Property insurance and worker's

compensation insurance are expected to increase by 35%, creating an additional \$0.5 million in costs. FY 2025 is the final year of labor agreements with the City’s two general employee unions and the City’s fire union. Although CPI has lessened to 2.9% as reported above, all three unions have requested salary adjustments significantly higher. The proposed budget includes the addition of two new positions within the General Fund:

Proposed New Positions			
Dept/Division	Title	Grade	General Fund
ECD	External Relations & Communication Specialist	25	\$82,760
Building & Permitting	Plans Examiner*	32	\$137,968
*Funded by permitting revenue.			Total Cost
			\$220,728

The External Relations & Communications Specialist will, in coordination with the Public Information Officer, be responsible for coordinating outreach, preparing public information and notices, and managing resident and business relations for planning and engineering activities. An additional Plans Examiner position has been requested by the Permitting Division to provide in-staff technical expertise and to reduce reliance on contractual examiners/inspectors; this position is funded using permitting fees, which are restricted under State law to funding only activities related to the Florida Building Code. With these additions, total staffing for the City would increase from 329 positions to 331, of which 277 are full-time and 54 are part-time or seasonal. The City has also applied for five firefighter positions through FEMA’s SAFER grant program. These positions are not included in the budget but will be added via budget amendment if the grant funding is approved by FEMA and accepted by the City. A full review of compensation and staffing matters is included in the Citywide Staffing & Compensation Summary section found towards the end of this document.

The overall cost of operations has increased. As the costs of labor, gas, and materials grow, the prices charged by the City’s vendors have also increased. The dollar value of individual increases may be minor within the context of the entire General Fund’s budget, but the aggregate of these increases elevates the cost of maintaining existing operations and levels of service. It is beyond the scope of this document to identify every increasing cost to the General Fund, but the reality of inflation is tangibly affecting departmental budgets. Although CPI has grown less quickly than in prior years, as the City renews expiring contracts or brings on new vendors, the locked in pricing, what may have been valid for multiple years, is being adjusted by service providers and suppliers to catch-up to the higher costs of doing business that were not incorporated into the earlier contract pricing. FY 2026 also marks a year in which much of the City’s new infrastructure has come online, including buildings, medians and roadway improvements/landscaping. As the City continues to move staff and operations, existing structures currently used as flex space must continue to be maintained even as the City bears the cost of new facilities. For example, the City

must appropriately maintain the new F.S. 9 while continuing to pay the maintenance and utilities of the old F.S. 9, which is being used by Public Works as a base of operations for parks maintenance at City Centennial Park.

The FY 2026 budget for the General Fund also includes the replacement of 8 vehicles for \$0.9 million. The vehicles being replaced are on average 13 years old. Major replacements include the Parks & Leisure Services passenger bus (\$200,000) and mini-bus (\$125,000). Approximately \$0.268,000 in capital equipment purchases are recommended, which includes camera upgrades, extrication equipment, KNOX box electronic system conversion, traffic preemption devices, bleachers, message board replacement, and equipment for Community Enhancement to detect illegal dumping. With the conclusion of the major resurfacing project funded by the county surtax, the General Fund includes the return of an annual \$0.1 million resurfacing budget for Public Works.

The General Fund not only supports the majority of governmental functions in the City, but it also transfers a sizable portion of its revenues to other funds. The proposed transfers are as follows:

General Fund Transfer	FY 25 Adopted	FY 26 Proposed	\$ Change	% Change
To CIP	\$974,421	\$372,205	-\$602,216	-61.8%
To Debt Service*	\$2,789,318	\$2,741,220	-\$48,098	-1.7%
To CRA	\$788,520	\$569,177	-\$219,343	-27.8%
Total	\$4,552,259	\$3,682,602	-\$869,657	-19.10%

*Debt service transfer only for non-general obligation governmental debt

The transfers from the General Fund to other funds have decreased by approximately \$0.9 million. The transfer to the Debt Service Fund shows a modest decrease due to reduced debt servicing costs. The CRA transfer has decreased by roughly 28%, or \$0.2 million, to reflect increased economic development activities outside the CRA that are accounted for in other budgets. The CIP transfer has been reduced by \$0.6 million. This reduction is due to the nature and timing of projects considered for the FY 2026 CIP, along with CIP savings from FY 2025 that reduce the need to transfer additional funds. CIP projects funded by the transfer include the planned to the North Andrews Gardens Neighborhood Park (\$37,500), Veterans Parks improvements (\$160,000), Citywide Entry/Welcome signs (\$50,000), Community Shuttle Stop improvements (\$24,705), Landscape Improvements (\$50,000), and Neighborhood and Parks Signage (\$50,000).

Total General Fund expenditures are \$85.3 million and total revenues are anticipated to be \$79.3 million. Approximately \$6.0 million in available fund balance, or reserves, are planned to be

utilized to help balance the budget. This level of utilization is forecasted to maintain the City's reserves at 20.37% of General Fund expenditures. This is within the City Commission's policy of maintaining reserves within a range of 20 to 25% of General Fund expenditures.

Community Redevelopment Agency (CRA) Fund

During 2019 and 2020, the CRA played a critical role in ongoing planning studies concerning revisions to the Downtown Mixed-Use District regulations through the new OP3D program that will shape development in the City's downtown. The FY 2021 budget was reduced in scope due to the COVID-19 pandemic, but continued substantive effort was made to support and promote local businesses by way of a new program: **Find It In Oakland Park**. The purpose of the campaign is to spur a movement among residents to dine and shop within their own community to support local businesses. With Find it in Oakland Park, the CRA will partner with local businesses to provide incentives to residents who support local merchants and promote social engagement and pride through its #livelikealOAKI tagline.



In 2021, the City's longstanding efforts to modify the terms of the Redevelopment Capital Program were achieved. Beginning roughly 10 years ago, Oakland Park received \$4.8 million through Broward County's Redevelopment Capital Program (RCP) to acquire properties downtown and fund various infrastructure projects. Distributions from the RCP were loans to the City. These loans can be converted into grants if certain levels of development are achieved as measured by improvements in the CRA's property tax base. The City had successfully converted a portion of these loans, but the program did not provide credit for the financial impact of these investments after 2026, meaning that Oakland Park was not getting full credit for major projects that occurred within the CRA. The City engaged in a multi-year effort to modify the terms of the RCP program to extend the grant conversion period. In April 2021, the County agreed to extend the conversion period to 2036. By September 2021, the County had completed the review of Oakland Park's final conversion package, and all outstanding loans were successfully converted to grants, producing an annual savings of \$200,000 and a total estimated savings of \$3.2 million that otherwise would have been paid as principal and interest.

FY 2022 was a momentous year for the CRA that included a months-long process to seek redevelopment of Oakland Park's City Hall property and adjacent parcels into a new, transformative mixed-use development that will redefine the City's downtown, in addition to setting the stage for a future commuter rail platform. The City Commission ultimately selected a joint venture by Kaufman Lynn Construction and the Falcone Group to redevelop the site into "Horizon of Oakland Park." After negotiations, purchase and sale and development agreements

were approved by the Commission in fall 2022. The project will construct a “Woonerf”, or living street, and bring over 300 apartment units to the downtown, along with structured public parking, a dog park centered around the historic Ficus tree, and new retail spaces. The developers will also construct a new Greenleaf Park on the site of the former Omega Church.

FY 2023 also played host to an historic moment: the groundbreaking of the Sky Building project’s construction. Located on the west side of the intersection at Dixie Highway and Park Lane, the Sky Building project is an exciting mixed-use, public-private partnership that will deliver structured parking, retail, and affordable housing. As part of the partnership to develop these two previously vacant City properties, the Commission has approved a 20-year long-term lease for space within the Sky Building; this space will be the new home for Oakland Park’s City Hall. The end of the lease will coincide with the final repayment of the general obligation bonds, providing future flexibility to construct a new City Hall at that time. As part of the project, Broward County has committed to providing approximately \$1 million incentive as gap funding, which helps reduce the City’s outlay on the project. A new CRA strategic plan was adopted during FY 2023, helping to maintain the successful strategy supported by the County.

FY 2024 and FY 2025 were years of transition for the CRA. As part of an organizational restructuring, the CRA once again became an independent department overseen by a director-level position. This change in structure places the CRA in a leadership role to shepherd the redevelopment of the downtown area and the broader CRA, in addition to helping coordinate economic development activities throughout the City. An example of these efforts was the City Commission’s approval of a new incentive program outside the CRA. This program provides similar incentives previously offered only within the CRA to the west side of North Andrews Avenue and along Oakland Park Boulevard west of I-95. Both of these areas are federally designated “Qualified Census Tracts” (QCT), meaning that at least 50% of households have an income of less than 60% of the area median gross income. During FY 2025, the city began awarding the first of these grant programs, with an emphasis particularly on outreach to the areas west of I-95.

Unlike most traditional CRA organizations, Oakland Park’s CRA is not funded by tax-increment financing. Regular operational expenses are funded almost entirely by transfers from the General Fund. For capital programming and major development incentives, the CRA has relied on a close partnership with Broward County to provide funding. This continued partnership between the County and the CRA has provided fruitful economic investments for the community, such as the recent interlocal agreement with Broward County that will help finance approximately \$5 million in City infrastructure costs related to the development of the Horizon of Oakland Park.

Next year's budget for the CRA is approximately \$0.9 million, roughly the same amount as in FY 2024. Funding for existing programming is maintained, such as Find It In Oakland Park (\$25,000) and the Business Incentive Grants program (\$60,000). Newer initiatives are also maintained, such as the Entrepreneurship Academy (\$20,000) and a Restaurant/Culinary Arts Incubator Program. A provision of \$75,000 to fund new strategic plan initiatives is included to provide the new CRA leadership with the ability to develop and implement new programs and activities. The budget also includes \$23,000 for Placer Artificial Intelligence, which utilizes economic, demographic, census, and other data sets to create sets of powerful analytical tools to guide redevelopment activities. Outside of the CRA, but under the aegis of economic development, an additional \$60,000 is included for the new QCT incentive program. Funding for a citywide development strategy is also included for \$100,000 to provide the foundational citywide view of development strengths, opportunities, and challenges. This larger view is critical to promote economic development strategies that make sense for the entire Oakland Park community rather than treating each individual area of the City as a stand-alone unit. After the development of this larger development strategy, area-specific studies and focus can be created that does not suffer from tunnel vision.

Expenditures in the CRA for FY 2025 total \$916,499, of which \$569,177 is funded through a transfer from the General Fund. The remaining expenditures are funded by the CRA's rental and revenue and other sources.

A separate adoption of the CRA's budget by the CRA Board will occur during September as part of the budget adoption process.

Debt Service Fund

This fund pays all principal and interest payments for the City's governmental debt, meaning all debt other than debt related to the Enterprise Funds (Water & Sewer, Solid Waste, and Stormwater). The City utilizes debt for the acquisition of vehicles, municipal facilities and buildings, property acquisition, and the development and upgrading of recreational amenities. The proposed debt service budget for FY 2026 is \$5.8 million, which matches the FY 2025's adopted budget of \$5.8 million. The FY 2026 budget does not contemplate the issuance of any new debt.

The Debt Service Fund has two primary sources of revenue: transfers from the General Fund and the proceeds from levying the City's voter-approved debt service property tax. The City's debt service property tax can only be used to make debt service payments related to general obligation bonds approved by voters in November 2018 for the purposes of funding the City's facilities program, Building Our Second Century. A total of \$40 million in general obligation bonds

was approved by voters. The City issued \$40 million in two tranches of debt. A tranche is a “slice”, or portion, of the total \$40 million in bonds that would be sold, or issued, together at the same time; this is the process by which the City “draws down” on the approved \$40 million to provide funding for the bond program.

The first tranche was issued in June 2020 in the amount of \$26 million. This first tranche funded the reimbursement of prior bond-related expenditures, planning and design efforts, and construction of Phase 1 projects. Due to Oakland Park’s commitment to strong financial management and its success in attracting new developments to Oakland Park, the City was assigned an “AA” credit rating score by Standard and Poor’s. “AA” rated bonds are considered to be “high grade” investment quality and demonstrate the very strong creditworthiness of Oakland Park. This rating generated overwhelming investor demand for the bonds, with investors placing \$66 million in orders for the \$26 million in bonds available – this resulted in a total interest cost at the low effective rate of 2.26% over the twenty-year lifespan of the bonds. The annual cost of the combined principal and interest payments is approximately \$2.0 million, which is the same as last fiscal year. The City Commission is required to adopt a debt service millage to pay these costs. The 2020 Series General Obligation Bonds debt service millage rate for FY 2025 was 0.3589. With the expansion of the City’s property tax base, a lower millage rate is needed to generate funds sufficient to pay the required principal and interest. The FY 2026 budget recommends a debt service millage rate of 0.3311 mills, a reduction of 0.0278 mills (7.7 percent).

Given the changes occurring in the market and the high likelihood of large interest rate increases, the City worked quickly and diligently to prepare the sale of the remaining \$14 million in General Obligation Bonds. This second and final tranche was issued in February 2022. Standard and Poor affirmed the City’s strong “AA” credit rating and the sale was again oversubscribed, with \$24 million in orders placed for the \$14 million in bonds available. The bonds were sold at a total interest cost at the low effective rate of 2.585% over the twenty-year lifespan of the bonds. The annual cost of the combined principal and interest payments is approximately \$3.05 million; the FY 2023 budget was the first year these costs were paid and the first year the City Commission adopted a debt service millage to fund those principal and interest payments. The 2022 Series General Obligation Bonds debt service millage rate for FY 2025 was 0.1945. The recommended rate for FY 2026 is 0.1799 mills, a reduction of 0.0146 mills (7.5 percent).

The combined debt service millage rate of the 2020 Series (0.3311 mills) and 2022 Series (0.1799 mills) is 0.5110 mills, a reduction of 0.0424 mills, or 7.7%, from last year’s rate of 0.5534 mills. As part of the education and community outreach on the proposed bond program in 2018, the City estimated that the monthly cost of the bonds once fully issued would be less than \$10 a month

for the median, homesteaded single-family home. With all bonds issued, the cost is \$107.87 a year, or about \$8.99 a month – a result that is significantly lower than the estimates provided to the public. For the median single-family home, this results in a decrease of approximately \$4.88 from the amount paid last year (\$112.75). The decrease is attributable to the expansion of the City’s tax base. As the combined annual debt service costs of the bond series will remain about \$3.0 million each budget year, changes in future debt service millage rates will be driven primarily by changes in the property tax base. Increases in the property tax base will lower the millage rate needed to support the debt service, whereas decreases in the property tax base will raise the millage rates needed to support the debt.

During FY 2024, the City obtained external financing to fund the Sky Building’s City Hall leasehold improvements. The City Commission approved two loans with TD Bank, one taxable (\$8.7 million, 5.01% interest) and one non-taxable (\$1.56 million, 3.96% interest). Both loans fully mature on July 15, 2038. As part of the agreement with TD Bank, the City is afforded the ability to prepay up to 25% of the loans outstanding any given year without an applicable prepayment penalty. The combined debt service for these two loans is \$941,000 for FY 2026. As the loans were issued in FY 2024, the budget for that year included funding for a partial year’s debt service costs. The remaining costs were largely offset by the full maturity of two different Fire Rescue Department vehicle loans that occurred during FY 2025.

Given the higher cost of borrowing, any vehicle and capital equipment debt financing for future consideration will likely be tied to the maturity of other outstanding loans to avoid significant spikes in the City’s debt service profile and value of transfers to the General Fund.

At the July 16, 2025 City Commission meeting, the City Commission will adopt the preliminary debt service millage rates that will appear on TRIM notices sent to Oakland Park property owners. The combined debt service for the 2020 and 2022 General Obligation Bond series is 0.5110 mills. Tentative and final debt service millage rates will be set during the September budget hearings.

Enterprise Funds

Water & Sewer Fund

The Water & Sewer Fund is the City’s largest Enterprise Fund; the fund includes the Water and Sewer Divisions of Public Works and the Utility Billing Division of Financial Services. As an Enterprise Fund, it relies entirely on revenues generated from the utility fees paid by the City’s water and sewer customers. The utility fees are set to ensure sufficient revenue to meet ongoing operational needs and to support capital infrastructure. The Fund also issues bonds and other debt that are secured solely through pledges of water and sewer revenue; these bonds and loans are used to fund major infrastructure projects to improve the long term sustainability of the

system. These bonds have their own credit ratings, unrelated to the City's general obligation bond credit rating ("AA"). The Water & Sewer Fund's revenue bonds are highly rated: they are rated by Standard and Poor's as "AA" and as "AA-" by Fitch Ratings.

The City's water and sewer utility service area does not cover the entirety of Oakland Park. Certain areas of the City are outside the service area and residents and businesses in those areas are direct customers of either Fort Lauderdale or Broward County. These areas are typically ones that were annexed into Oakland Park after they were already built and part of another existing utility system. An example of this is North Andrews Gardens, which was serviced by Broward County prior to annexation and remains within Broward County's service area.

The overall Water & Sewer Fund budget for FY 2026 is \$29.9 million, an increase of about \$3.0 million, or 11.4%, over the FY 2025 adopted budget of \$26.9 million. General operating and personnel costs show increases due to inflation. The budget also reflects an assumed increase in the volume and price of water purchased from Fort Lauderdale and increased infrastructure investment in the CIP.

Promoting water conservation and sustainability remains of paramount priority and funding is provided in the budget to promote water conservation measures, with funding for new outreach programming and for maintaining the existing low-flow toilet rebate program. Included in the proposed FY 26 of the Water & Sewer Fund is \$2,000,000 in capital infrastructure projects planned, including \$750,000 for additional relining of pipes to reduce inflow-and-infiltration. The fund also has capital equipment and vehicle replacements for the replacement of two 2012 pick-up trucks for the Water Division, with \$30,000 budgeted for each, and \$50,000 for the replacement of various pumps for the Wastewater Division.

As part of efforts to allow for easier access to online payments, the City Commission approved the migration to Tyler Payments during FY 2024 for online and phone payment solutions. As part of this transition, the City will continue to absorb the convenience charge for credit card, debit card, and e-check payments. As part of the implementation, the City launched an interactive voice response (IVR) system for Utility Billing. IVR is an automated, interactive telephone system that allows customers to securely look up account information and pay bills over the phone 24 hours a day. Although these new methods of payment add costs to the utility system, they also provide City customers with increased flexibility to make payments without the need to mail a check or come to City Hall. The cost of Tyler Payments is projected to be \$132,000 for FY 2026, but the actual costs may increase as more customers transition to online and phone payments. In FY 2024, the City also worked with Amscot to allow utility customers to make cash payments at their locations, providing customers with the ability to make these payments offsite. Rather

than coming to City Hall, customers can now easily “skip the line” using any of these new and improved payment options.

The Water & Sewer Fund does not operate a water plant or a wastewater processing facility. All City supplied water is purchased from Fort Lauderdale. Wastewater is sent to Fort Lauderdale and Broward County for processing. The cost of purchasing water and processing wastewater represent together the largest annual costs to the fund. The City was in active negotiations with Fort Lauderdale on successor agreements to the existing water purchase and wastewater processing agreements.

In February 2022, the City Commission approved a new agreement with the Central Region Large Use Wastewater System, which is operated by the City of Fort Lauderdale. The system members, in addition to Fort Lauderdale, include Oakland Park, Wilton Manors, and portions of Lauderdale-by-the-Sea, Port Everglades, and Davie. The new agreement replaced the old agreement that was set to expire in March 2022. The new 20-year agreement maintains the existing rate setting system but improves transparency and accountability by adding language that requires an annual audit of the Central Region Fund. Previously, the Central Region Fund was included in Fort Lauderdale’s annual audit and lacked accountability and oversight by the full system’s membership group. Oakland Park is currently working with Fort Lauderdale on a new study as part of efforts to address the capacity allocations, which is critical as Oakland Park continues to see sizable residential developments.

In 2019, Fort Lauderdale engaged in a water rate study, and the new rates were implemented for the 2020 fiscal year. As part of this implementation, Fort Lauderdale began to levy a 25% surcharge on the water sold to other municipalities, including Oakland Park for the first time in the history of the relationship between the two cities. Although the surcharge is allowable under State law, Oakland Park did not agree that the surcharge could be imposed under the existing contract between the two cities, which was set to terminate in 2024. As part of efforts to resolve the dispute, a new long-term water agreement was negotiated that addresses the surcharge and other issues. The new agreement was approved in August 2022 and allows for the phased implementation of a surcharge over four years, ending with a final and maximum surcharge rate of 12.50%, effective October 1st, 2025, and lasting until the end of the 25-year agreement. The new agreement also requires that updated water rate studies be conducted no less than every five years. FY 2026 is the fourth and final year of the phasing and the surcharge rate will be 12.5% on all water purchases.

The current Oakland Park water and sewer rate schedule was adopted by ordinance in 2009 and provides for programmed water and sewer rate adjustments to support operations and the City's utility bond credit rating. The scheduled rate increases also provide for the pass-through of rate increases from Fort Lauderdale and Broward County. These programmed rate adjustments are intended to keep the fund on track to absorb increased operating costs.

The last comprehensive study of Oakland Park's utility system was completed prior to the issuance of the 2010 and 2012 bonds. With new agreements for water purchases and sewer processing in place, Oakland Park has conducted its own Water and Sewer Master Plan. In January 2024, the City Commission approved a work authorization with Craven Thompson and Associates to update the City's Water and Wastewater Assessment Reports, which serve as the long-term master plan for the utility system. The master planning process includes the evaluation of the infrastructure of the water and sewer system, a review of operating conditions, and the development of a long-term capital program. A separate solicitation for a water and sewer rate study was also performed and was completed earlier this year. This study reviewed the existing rate structure and design, including pricing tiers and customer classes, and made additional recommendations on various miscellaneous fees and system functions. Both the master plan and the rate study were presented to the City Commission in June 2025. To support the over \$50 million in planned water and sewer infrastructure improvements, the consultants recommended a series of annual rate increases beginning in FY 2026, including a 4.0% increase to water and a 7.5% increase to wastewater rates each year through FY 2030 to fund the capital program and maintain financial stability. To streamline future adjustments, staff is presenting a change to the ordinances that will allow water and sewer rates to be set by resolution as part of the annual budget adoption process, similar to solid waste charges.

Oakland Park's water and sewer rate adjustments will be effective October 1, 2025.

Stormwater Fund

The Stormwater Fund is the Enterprise Fund responsible for the construction, operation, and maintenance of the City's public drainage and stormwater management infrastructure. This infrastructure is responsible for the public areas of the City, such as roadways. It is not responsible for the drainage and flooding issues on private property, which is the responsibility of the property owner. Flooding in Oakland Park is a challenge as the City exists in a topographical "bowl." Although not a coastal community, Oakland Park's water table and many canals are directly affected by sea-level rise, meaning that flooding issues are expected to grow in the future. Mitigating these issues requires a commitment to cultivating resiliency and improving the City's stormwater infrastructure.

The Stormwater Fund is exclusively funded by revenues generated by the citywide stormwater assessment. With the exception of governmental entities, all properties in Oakland Park are assessed for stormwater services through a non-ad valorem special assessment placed on the property tax bill. Properties are assessed using an equivalent residential unit (ERU) basis. Each residence is considered a single ERU; a parcel with two residences would be assessed for two ERUs, for example. For non-residential properties, the number of ERUs to be assessed is based on the impermeable surface area of the parcel, with every 1,507 square feet treated as one ERU. In 2003, the assessment, then included as part of monthly utility bills, was \$72 per ERU. This was increased for the first time for FY 2016 to \$84 per ERU.

In February 2020, the City Commission approved an update to the City's Stormwater Master Plan and a Flood Vulnerability Assessment study, funded in part by a grant from the State of Florida. The master plan's purpose was to identify the new long-term needs for drainage infrastructure in the City, with emphasis on how to address the challenges of sea-level rise, flooding, and surface water quality. The master plan and accompanying rate study were presented to the City Commission in June 2022. The master plan identified fifteen projects at an estimated cost of \$48.8 million to be constructed over a 15-year period. These projects range from the County-required raising of sea walls, to improvements to outflow systems and pump stations. Funding these projects will require a combination of grants and low-interest loans through Florida's Clean Water State Revolving Fund program.

Due to the challenging financial situation of the fund and the need to fund capital improvements, the rate study recommended a \$30 increase to the existing assessment of \$84 per ERU. The Commission approved this recommendation and the rate for FY 2023 was set at \$114 per ERU, the second increase over a 20-year period. The study also recommended subsequent increases of \$11 in FY 2024, \$6 in FY 2025, \$7 in FY 2026, and another \$7 increase in FY 2027, which would result in a rate of \$145 per ERU by FY 2027. The gradual increase in rates was intended to provide the revenue capacity to service payments to the state revolving loan program loans, while also taking growing operational and construction costs into account. For the FY 2024 budget, a rate increase from \$114 to \$125 per ERU was scheduled. This increase was deferred, and the FY 2024 rate remained unchanged from FY 2023's rate of \$114 per ERU. The FY 2025 rate was set at \$125 per ERU.

Due to the considerable cost of the projects identified in the master plan, the City is working actively with the firm Hazen & Sawyer to secure financing through the State Revolving Loan Fund (SRLF). Loan proceeds are not anticipated to be received until FY 2026 and the additional debt service costs are contemplated in the budget for FY 2026, as are various capital improvement projects called for as part of the master plan. Approximately \$7.4 million is anticipated to be

received from the SRLF during FY 2026. **It is recommended that the existing stormwater assessment rate of \$125 per ERU be increased to \$138 per ERU in accordance with the stormwater master plan.** The proposed rate increase of \$13.00 will generate approximately \$5.7 million, an increase of approximately \$545,000 over the FY 2025 rate.

The recommended Stormwater Fund budget for FY 2026 is \$18.4 million, an increase of \$6.2 million from the adopted FY 2025 budget of \$12.3 million. The size of the stormwater budget has increased significantly in just a few years, with the FY 2024 budget of only \$5.2 million. This growth is driven by the enlargement of the Stormwater Fund's capital outlay funding: the adopted FY 2024 budget contemplated \$0.73 million in capital projects and the proposed FY 2025 budget included \$7.26 million in capital infrastructure; the FY 2026 capital program for stormwater is \$12.97 million, an increase of \$5.71 million, or 79% over FY 2025, and almost 18 times as large as the FY 2024 stormwater CIP. The stormwater CIP for FY 2026 also includes approximately \$4.8 million in grant funding to support the Northwestern Lakes Stormwater Interconnection and the NE 6th Avenue Pump Station projects.

The fund's operating personnel and operating budget remain largely unchanged. Other non-infrastructure capital planned for FY 2024 includes \$110,000 to replace two 2006 trailer-mounted trash pumps, which are specially designed to pump large amounts of water that contain mud, leaves, twigs, sand, and other drainage debris. The proposed operating budget includes \$12,500 for activities related to *Keep Oakland Park Beautiful* (a new initiative to enhance, maintain, and promote natural features in the City), \$10,000 for aquatic planting, and \$15,000 for swale enhancements. Non-infrastructure capital outlay for next year includes one replacement trailer-mounted trash pump for \$60,000 and an F-250 with a utility body and lift gate for \$65,000.

The City will continue the placement of the annual assessment for the Stormwater program on the property tax bill. During the July 16, 2025 Commission meeting, the City Commission will adopt the preliminary stormwater assessment rate that will appear on TRIM notices sent to Oakland Park property owners. The final stormwater assessment rate will be set during a special meeting of the City Commission to be held on Thursday, September 15, 2025, at 6:00 PM.

Solid Waste Fund

The Solid Waste Fund has two primary revenue sources: a non-ad valorem special assessment for residential customers and monthly utility service charges for commercial services. The residential special assessment program applies to parcels with no more than four dwelling units and replaced a monthly utility bill in FY 2012, at which time the residential fee was set at \$300 per residential unit. Parcels with five or more dwelling units continue to be charged via utility bills. In FY 2013, the \$300 residential fee was reduced by \$45 to \$255 in response to challenges

posed by the recession. For FY 2014, this rate was further reduced by \$50 to \$205. This resulted in a total rate decrease over a two-year period of \$95, or 32%. Reductions in the commercial rates also occurred during this time. These changes resulted in a recurring revenue reduction of approximately \$1.2 million per year and significantly depleted fund reserves.

In 2017, a comprehensive study of the City's solid waste program concluded that the reduction in rates that occurred to help alleviate the fees on residents was not financially sustainable. Adjustments to the rates were needed to provide increased stability in the fund's reserves and to cover increasing disposal, fleet, and other operating costs. The City gradually increased rates in the following years and by FY 2022, the rate was set at \$255 per residential unit, the same rate that had been charged in FY 2013, but still substantially lower than the FY 2012 rate of \$300. Personnel, operating, and capital costs of the fund are significantly higher than in FY 2013.

A new rate study was prepared during FY 2022 and the results were presented to the Commission in June 2022. As outlined in the presentation, Oakland Park's rates, the third lowest among Broward cities surveyed as part of the study, were not sustainable. The revenue sufficiency analysis showed a continued need to utilize fund reserves to meet regular operating costs, resulting in reserves being totally depleted during FY 2025. The rate study recommended a 10% increase in residential and commercial rates for FY 2023, with regular 4% adjustments thereafter to accommodate projected growth in personnel and operating costs. As shown in the forecasts using these recommendations, the proposed rate structure attempts to minimize the impact of rate changes on customers and no "excess" revenue was included in the rate design. As noted in FY 2023's budget message, total expenditures exceeded revenues by \$0.2 million during the five-year forecast period, meaning that the use of reserves was anticipated and that further adjustments would be needed if cost escalations exceeded forecast assumptions.

Based on the results of the rate study, a solid waste residential rate of \$280.50 per dwelling was approved for FY 2023, along with a 10% increase in commercial rates. During FY 2023, the City experienced tangible increases in the cost of providing solid waste services. This included a 48% increase (\$109.67 to \$162 per ton) in the recycling processing rate paid by the City to Waste Management and an average 91% increase in the cost of commercial dumpster maintenance and repair. Notice had also been received that Waste Connections, which provides solid waste disposal services (landfill) to Oakland Park, was seeking to increase its rate by 28%, from \$44.71 to approximately \$57.00 per ton. These three increases alone were anticipated to increase costs by approximately \$650,000. Based on this information, the solid waste residential rate for FY 2024 was set at \$310 per dwelling unit and commercial rates were increased by 11%.

In December 2023, the City Commission approved new solid waste disposal agreements with Waste Connections and Waste Management. Waste Connections, the City's vendor for regular solid waste disposal, increased its rates by 38% to \$61.50 per ton, well in excess of the 28% that had been anticipated. Waste Management increased its rate for bulk trash disposal by 31%, raising the rate per ton from \$41.35 to \$54.00. Due to the magnitude of these increases, the FY 2024 budget was amended to utilize additional reserves. During FY 2025, costs for the fund continued to escalate.

The total budget of the fund for FY 2026 is about \$11.0 million, an increase of \$1.0 million from FY 2025's adopted budget. Staffing levels remain unchanged and the fund's personnel budget remains largely unchanged. Operating, and capital costs have all increased. The combined budget for regular solid waste, bulk trash, and recycling disposal is projected to increase from \$3.4 million to about \$3.7 million, an increase of about 8.9%, or approximately \$0.3 million. This reflects the full-year cost increases from December 2024 and the additional rate adjustments under their contracts that will occur in October based on CPI changes. With regard to capital needs, several equipment purchases such as the replacement of side and front loader refuse trucks with an estimated cost of each vehicle at \$0.4 million, and two replacement grapple loaders at \$0.2 million each unit are included in the budget. A container hauler for \$0.1 million is also included in the budget.

A residential solid waste rate of \$340 per dwelling is recommended for FY 2026. This is unchanged from the current year to allow for appropriate study of future operating costs once the Broward County Solid Waste Authority begins operation. For commercial rates, an increase of 20% is recommended, which is anticipated to generate an additional \$0.67 million. The actual value of commercial solid waste revenue is variable, as individual accounts can change dumpster size and frequency of pick-ups. Increase in the commercial rates will help address the immediate financial needs for FY 2026 but, despite this increase, the fund will require the use of approximately \$0.8 million in reserves to balance the fund. This use of reserves in the proposed budget is to fund one-time expenditures only, specifically a portion of the vehicles' purchases budgeted for the next fiscal year.

The ability to continue to utilize reserves to fund capital purchases is limited. Reserves must be replenished to provide a sufficient "cushion" to cover emergency management costs/debris removal that are incurred during major storm and hurricane events. The Solid Waste Fund is a capital-intensive operation; the typical front-line life of a solid waste truck is seven years and the cost of replacing just a single refuse truck can easily exceed \$0.3 million. As shown in the five-year vehicle replacement schedule, four solid waste vehicles, with an average age of 9 years, need replacement in FY 2027. The estimated cost of these vehicles is approximately \$1.3 million.

As an Enterprise Fund, necessary that the City set user rates to provide for the financial resources needed to operate this important service. Continued rate adjustments will be needed in subsequent budget years to maintain financial sustainability, matching operating revenues with operating expenses and providing resources for the replacement of solid waste trucks, including the potential issuance of debt in fiscal year 2027 to help fund fleet purchases.

The City Commission approved the countywide interlocal agreement to create a solid waste authority. The authority is currently in the planning stages. When the authority eventually becomes operational in the near future, it will affect how and at what cost the City disposes of garbage and processes recycling. Adjustments to the City's solid waste system can be expected in the future to reflect the implementation of the authority. It is hoped that these countywide efforts, once realized, will help control solid waste costs in the near future, but it is anticipated that Oakland Park's residential rates will still need to be increased to cover the cost of operations.

The City will continue the placement of the annual residential solid waste assessment on the property tax bill. On July 16, 2025, the City Commission will adopt the preliminary assessment rate that will appear on TRIM notices sent to Oakland Park property owners. The final assessment rate will be set during a special meeting of the City Commission to be held on Monday, September 15, 2025, at 6:00 PM. Monthly commercial billing rates are set via Resolution which will be included as part of the final budget adoption in September.

Capital Improvement Program

The City of Oakland Park's Capital Improvement Program (CIP) continues to serve as a foundational planning document that guides the City's investment in infrastructure and quality-of-life amenities. For many years, the City's Capital Improvement Program concentrated on addressing critical underground infrastructure needs. Major investments were directed toward water, sewer, and stormwater systems, delivered through large-scale bid pack projects and primarily financed by revenue bonds tied to those utility services. With those foundational improvements in place, the City transitioned to the next phase of capital planning focusing on modernizing aging facilities, advancing drainage solutions, continuing utility upgrades, and enhancing public spaces. This next stage reflected a broader vision for a more connected, resilient, and sustainable community. It includes projects that improve the quality and accessibility of parks, promote walkable and bicycle-friendly environments, and support the beautification of public spaces through landscaped streetscapes and above-ground enhancements. In 2018, more than two-thirds of Oakland Park voters approved a \$40 million general obligation bond referendum to fund key facility improvements. The bonds were issued in two phases, in 2020 and 2022, and have served as the cornerstone of the City's Building Our

Second Century initiative. This ambitious capital campaign is also supported by a combination of state and federal funding, including American Rescue Plan Act (ARPA) resources. These external funds have become increasingly vital, particularly in light of the steep rise in construction costs that has occurred since the bonds were originally approved.

Over the past several years, the scope and scale of Oakland Park's Capital Improvement Program (CIP) have expanded significantly. In FY 2020, the adopted CIP totaled \$3.8 million, with a primary focus on design and planning efforts for future facilities and park improvements. By FY 2021, the program had tripled in size to \$12.4 million, signaling a pivotal shift toward projects funded by general obligation bonds and surtax revenues. That year also marked a major milestone, the official groundbreaking of City Park Phase 1, the first project under the Building Our Second Century initiative. Simultaneously, substantial roadway improvements commenced on NW 21st Avenue, Prospect Road, and Powerline Road.

In FY 2022, the CIP expanded further to \$27.4 million, reflecting an increase of more than \$15 million over the prior year. Key projects included the groundbreaking of the North Andrews Gardens Community Center and the completion of renovations at Park Place, located in Jaco Pastorius Park, along with a CDBG-funded parking lot on the building's north side. The City also completed several resiliency upgrades to the Municipal Building, including the installation of impact-rated windows and doors and the replacement of the emergency generator, funded through a combination of grants and bond proceeds. That year also saw the completion of Phase 2 of the Oakland Park Boulevard Landscape Enhancements, which extended new landscaping from NW 21st Avenue to NW 31st Avenue, supported by surtax and grant funding. Two major sidewalk improvement projects serving the Lakeside neighborhood and the area surrounding Oakland Park Elementary began construction with funding from the Broward MPO's Complete Streets and Other Localized Initiatives Program, making it safer for children to get to school and seniors and other pedestrians to enjoy the neighborhood.

The FY 2023 CIP totaled \$30.2 million, covering more than 25 active projects and representing a \$2.8 million increase over the previous year. Highlights included the opening of City Park Phase 1, which introduced the City's first splash pad, updated pickleball and basketball courts, new playgrounds, restrooms, and batting cages, bringing a vibrant new amenity to the heart of Oakland Park. Construction also began on two major public safety and operations facilities: Fire Station 9, which will also house Fire Administration and Fire Prevention, and the new Public Works Complex. Renovation work commenced at Dr. Carter G. Woodson Park, supported by grant funding that also enabled the installation of a community garden. Nearby, construction began at Giusti Heart Par Cours, adding new parking and a dog park (Wag Park). In western Oakland Park, landscaping improvements to NW 21st Avenue were completed through a

partnership with Broward County. Additional accomplishments included the opening of the Middle River Promenade, a scenic, publicly accessible pedestrian trail constructed by RAM as part of the Blys development. At Lloyd Estates Park, grant-funded upgrades were completed, featuring new site furnishings and a rubberized playground surface.

The FY 2024 Adopted CIP totaled \$26.1 million, encompassing more than 25 distinct projects, 52 percent of which were funded by grants. The most significant project initiated that year was the interior build-out of the Sky Building, which will become the future City Hall and serve as the central workplace for most municipal staff. Completion is expected in 2025 and marks a transformative step in the revitalization of downtown Oakland Park. Other park-related investments included additional grant-funded improvements to Dr. Carter G. Woodson Park, new playground areas with rubberized surfaces, expanded parking, enhanced lighting and security, and renovated basketball courts. Several major projects initiated in FY 2023 advanced significantly in FY 2024, including Fire Station 9, the Public Works Facility, and Fire Station 87: Phase 1. FY 2024 also celebrated the grand opening of the North Andrews Gardens Community Center, the first new, bond-funded facility completed under the Building Our Second Century initiative. Other completed efforts included the Harlem McBride Community Garden, the resurfacing of 14 miles of City streets, Wag Dog Park at Giusti Heart Par Cours, and renovations to the 250 Building, a City-owned building that now houses Community Enhancement and the Urban Farming Institute. Three major sidewalk projects serving the Lakeside neighborhood, the Oakland Park Elementary area, and the Lloyd Estates Elementary area were completed, all funded through grants. FY 2024 also marked a critical new phase in infrastructure investment with the initial implementation of the City's stormwater master plan, beginning with design work for the NE 6th Avenue pump station and the Emerald Lakes Drainage Basin.

The Fiscal Year 2025 totaled \$38.4 million, with an increase of \$12.3 million over the FY 2024 CIP. The CIP included 30 different projects with over \$25.4 million in grant funding, roughly two-thirds of the program. It was a year of celebration with the completions of Fire Station 9, and the Public Works Facility, the next two, bond-funded facility completed under the Building Our Second Century initiative. The relocation of Public Works and Fire Station 9 operations provided the opportunity to begin Phase 2 of the City Centennial Park design. Improvements include additional parking, a performance platform, a butterfly garden, walking trails, and landscaping. The City received a \$2.5 million grant to renovate the Collins Community Center, which will provide a new home for the City's library. This project under construction is anticipated to be completed by the end of the year. Design began in FY 2025 for Veteran's Park and Royal Palm Park, both projects receiving grant funding. Royal Palm Park, which will be under construction in 2026, will see a rehabilitated trail, and new pedestrian lighting installed. Veterans Park's existing gravel pathway will be replaced with a new asphalt trail accompanied by a new kayak launch,

parking lot improvements, and additional pedestrian lighting. Through a Florida Highway Beautification grant, the City will install additional landscaping along the Dixie Highway corridor the Dixie Highway median, with construction beginning this summer. Design was also underway in FY 2025 for several other infrastructure projects, such as the NE 13 Avenue Project sidewalk and roadway improvement project, the City Northwestern Lakes Stormwater Interconnection project and the NE 6th Avenue Pump Station Project. These projects will be under construction in FY 2026.

Due to the extensive scope of the FY 2025 Capital Improvement Program, this document does not provide a comprehensive summary of all completed projects and ongoing initiatives. Readers are encouraged to visit the City’s website and view the CIP presentation delivered at the June 18th City Commission meeting for a detailed overview of the program’s progress and accomplishments.

In FY 2026, the City remains committed to advancing key initiatives in facilities, parks, stormwater infrastructure, and mobility improvements. This year’s CIP reflects both a continuation of strategic vision and a deliberate response to evolving economic conditions, elevated construction costs, and growing uncertainties in state and federal grant funding. The Building Our Second Century initiative, supported by voter-approved general obligation bonds, remains a critical driver in delivering this vision.

The proposed FY 2026 CIP totals almost \$34 million across 28 projects. At least 60 percent, or \$20.5 million, of the total program is dependent on grants, surtax revenues, or external agency funding. General obligation bonds contribute 5 percent, or \$1.8 million. The remaining is supported by the General Fund, Enterprise Funds, and the State Revolving Fund loan program. This dependence on external funding, while providing the ability to address projects which may not be possible without financial support from outside sources, introduces new pressures. Delays in appropriations, timing of funding cycles and the competitive nature of discretionary grant programs require that some projects be delayed, re-scoped, or delivered in phases. Rising construction costs, market uncertainty, volatility in material availability, and reliance on other government support further complicate budgeting and project timelines.

Major Investments in FY 2026

Facilities and Parks Projects

Renovations to existing facilities will be completed during FY 26 at Collins Community Center, and Fire Station 20. These projects support modernization and resiliency. The Collins Community Center will become the new home of the City's library in the heart of our City and an area designated as a Qualified Census Tract, meaning that at least 50% of households have an income of less than 60% of the area median gross income. Although funding is in place and not considered part of this budget, continued cost escalations remain a risk.

Parks and Recreation

Parks projects comprise \$9.2 million (23%) of the FY 2026 CIP. City Park Phase 2, currently under design, will begin construction on 2026, adding new amenities, including a performance platform, butterfly garden, additional parking and expanded trail network. A new entry point on NE 6th Avenue will improve access. The cost of the project is \$6 million, of which \$4.3 is funded by grants and the remainder funded by general obligation bonds. The City continues to secure external grant funding to support the renovation and enhancement of several neighborhood parks. North Andrews Gardens Neighborhood Park will undergo playground surface improvements, with the existing mulch replaced by rubberized safety material. Additional upgrades will include new site furnishings and landscaping. The total project cost is \$200,000, of which \$112,500 is grant-funded. At Royal Palm Park, the existing trail will be rehabilitated and new pedestrian lighting installed to improve usability and safety. The total investment is \$500,000, supported by \$400,000 in grant funds. Similarly, Veterans Park will receive comprehensive upgrades. The gravel pathway will be replaced with an asphalt trail, and the project will introduce a new kayak launch, enhanced parking facilities, and additional pedestrian lighting. This project is budgeted at \$560,000, including \$400,000 in grant funding. Design work for Glenwood Garden, located in the heart of the City's downtown, is currently underway. This park will provide a restful, contemplative spot for residents and visitors to enjoy as they explore the City's thriving Main Street. The full cost of this design phase, as well as contributions towards the future construction, are being covered through the generous donation of Mr. John Scheer, a local resident and philanthropist whose support continues to enhance Oakland Park's public spaces. Additionally, the relocation of Greenleaf Park, is planned at an estimated cost of \$1.75 million. This project will be constructed and fully funded by the Horizon development, upon the sale of the associated downtown properties and relocation of City Hall and the Library.

Streetscape/Mobility/Neighborhood Improvements

Streetscape, mobility, and neighborhood improvement projects comprise \$10.3 million, or 26 percent, of the FY 2026 Capital Improvement Program. These investments advance community

connectivity, safety, and visual appeal across the City. The City has been awarded \$7.9 million in surtax funding to implement citywide mast arm conversions. Nineteen signalized intersections where existing span wire mounts are to be replaced with more durable, wind-resistant mast arm assemblies. Current surtax funding may not be sufficient to complete all intersections. The County is reviewing the funding scope, and a final determination is pending. Upon conclusion of this review, construction is anticipated to begin in FY 2026. In support of the City's community shuttle planning, which is also funded through surtax revenues, \$65,000 has been allocated to implement ADA accessibility improvements at planned shuttle stops, ensuring transit access for all residents. The City continues to improve pedestrian and bicycle safety through two projects funded by the Complete Streets and Other Localized Initiatives Program (CSLIP). The NE 12th Street Project, has received \$484,000 in CSLIP funding for the design phase. Planned improvements include a continuous 5-foot sidewalk, green-painted bicycle lanes, and on-street parking (where feasible). These upgrades improve safety, mobility, and aesthetics along this corridor. The second CSLIP project, the NW 21st Avenue Corridor, focuses on roadway and bicycle lane improvements along a County-owned roadway segment from NW 26th Street north to Commercial Boulevard. South of NW 26th Street, the project will include widening the corridor and improving delineation of existing bicycle lanes. North of NW 26th Street, proposed improvements include the addition of green surface treatments for bicycle lanes between Oakland Park Boulevard and Commercial Boulevard. To strengthen community identity, the FY 2026 CIP allocates \$50,000 in General Fund funding for the installation of entryway and welcome signage, using designs previously approved by the City Commission. An additional \$50,000 is included to support the installation of neighborhood signage and the replacement of facility signs at existing park sites. Furthermore, \$50,000 is budgeted for landscape improvements, to be allocated throughout the fiscal year as suitable opportunities arise.

Stormwater, Water, and Sewer Infrastructure

Water, sewer, and stormwater infrastructure projects account for approximately \$14.5 million, or 43 percent, of the FY 2026 Capital Improvement Program budget. These investments address aging infrastructure, regulatory compliance, and community resilience. Planned projects include an additional \$750,000 for sewer lining to reduce inflow and infiltration within the wastewater system. This improvement is expected to reduce wastewater processing charges for the City. Other water and sewer infrastructure projects for FY 2026 include the continued upgrading of galvanized water services (\$50,000), lift station improvements (\$250,000), sewer lateral upgrades, including relining and installation of clean-outs (\$100,000), water main improvements (\$100,000), and interconnections with Broward County's water system (\$300,000). Stormwater improvements scheduled for FY 2026 include ongoing support of the multi-year storm system pipe relining program (\$80,000), curbing and swaling enhancements (\$35,000), and dredging of the Cherry Creek Canal (\$250,000) to address sediment buildup and restore natural tidal flow if

needed after review. In addition, a new stormwater pump station is planned in the central area of NE 2nd Avenue and East Oakland Park Boulevard, budgeted at \$691,000, to serve a large section of the City that experiences recurrent flooding. The City will also conduct a condition assessment of the four City-owned seawalls. These improvements will enhance resilience and ensure compliance with Broward County regulations. A major initiative for FY 2026 is the Northwestern Lakes Stormwater Interconnection Project, budgeted at \$4.6 million, with \$2.3 million funded by grants. This drainage basin is considered a high priority, having experienced significant flooding during Hurricane Eta in 2020. The area includes several western neighborhoods, such as Tamarac Forest, Lake Pointe, Oak Tree, Summer Lake, and Montage. A second significant drainage project in the FY 2026 CIP is the NE 6th Avenue Pump Station, located south of Oakland Park Boulevard, which is budgeted at \$5 million. The City has secured a \$2.5 million grant, with the remaining \$2.4 million to be financed through the State Revolving Loan Fund. Collectively, these projects support critical infrastructure resiliency and are aimed at mitigating flooding risks in some of the City's most vulnerable neighborhoods.

The FY 2026 CIP is shaped not only by priorities but also by current financial realities. The City must carefully manage a shifting funding environment, including adapting project timelines to accommodate grant cycles and regulatory requirements, structuring large projects into multiple phases to manage costs, procuring materials in advance to mitigate supply delays and reserving contingency funds for cost escalation. Many state and federal grant programs prohibit reimbursement for projects that have already begun construction. This constraint places increased importance on sequencing, permitting, and pre-construction planning. Changes to federal and state policies also have created uncertainty as to if existing awarded grants will be honored by the granting agencies and if funding for future cycles will be available. The City continues to adapt project delivery methods to align with these concerns while preserving the community benefits of each investment.

Future Years

The five-year CIP through FY 2030 anticipates \$95.3 million in capital improvements. This includes \$14.3 million in streetscape and mobility projects, \$9.4 million in parks, \$5.7 million in facilities, \$32 million in water and sewer, and \$33.7 million in stormwater. These investments are supported by a combination of user fees, General Fund contributions, and anticipated grants. The Capital Improvement Program is not static; it is shaped over time by evolving conditions, strategic decisions, and resource availability.. These conditions are influenced also by Commission direction, the findings of recent planning studies, the timing and structure of grant awards, economic trends, and feedback from the community.

A sustainable and effective capital improvement program depends on the availability of funding to support both current and future projects. Planning for capital improvements also demands disciplined financial foresight. Many of the City’s infrastructure projects, particularly those related to water, wastewater, and stormwater systems, are financed through Enterprise Funds. These funds are supported by user rates, which must be adjusted periodically based on rate studies. These adjustments ensure that the City can meet the long-term operational and capital needs of essential utility services. However, not all capital projects fall within the scope of Enterprise Funds. Parks, public facilities, and streetscape enhancements are typically funded by the General Fund. Apart from general obligation bond-funded projects, these improvements rely on a combination of local funding and external financial support.

In FY 2026, roughly two-thirds of the proposed CIP is supported by grants, surtax proceeds, or other outside funding sources, a clear indicator of the City’s continued success in securing supplemental funding. Despite these efforts, funding gaps remain. The City will continue to actively pursue additional grant opportunities, surtax revenues, and possible federal funding programs as they become accessible.

The FY 2026 Capital Improvement Program reflects Oakland Park’s dedication to building a resilient, accessible, and forward-looking city. In a time of fiscal uncertainty and external constraints, the City continues to prioritize infrastructure that enhances safety, supports growth, and fosters community pride. As the City advances both ongoing and proposed capital projects, it will be essential to continually evaluate their financial feasibility to ensure long-term affordability and fiscal responsibility.

The CIP for FY 2026 will be presented for final Commission consideration and adoption with the City budget in September.

Citywide Staffing & Compensation Summary

Citywide Staffing Levels

Compensation costs represent the largest category of expenditure for City operations; approximately 42% of the General Fund’s budget is strictly compensation costs. When the personnel costs of Oakland Park’s BSO contract employees are included, this cost grows to more than 65%. During economic downturns, reduction in staffing levels typically occurs: the General Fund reduced total staff positions by one-third during the prior recession. A similar reduction is something the City seeks to prevent in the future to avoid disruptions in service delivery to residents and also disruptions in the lives of our employees and their families. This administration has maintained a conservative philosophy regarding staffing levels. Existing and

future vacancies are evaluated to ensure that the functions of the vacant position cannot be filled by some other adjustment to the current departmental organization or increased efficiency in processes. With the exception of first responders, additions to staffing have been chiefly predicated on the ability to largely offset new compensation costs through reductions in contractual services costs, increased revenues, or the elimination of vacant positions. Due to this philosophy, the City's staffing level remains below 2007 levels, when the number of total positions in the City's budget was 344. These numbers exclude short-term, temporary internship positions and the staffing count of the local Oakland Park Sheriff's District.

In FY 2015, the total staffing count for the City was 289 employees in the first budget developed by the current City administration. For the FY 2019 budget, the count was 299, an increase of 10. FY 2020 began with a count of 301 positions by way of two additional positions, a Solid Waste Inspector and a Sustainability Manager. After the adoption of the FY 2020 budget, the City was awarded a FEMA Staffing for Adequate Fire & Emergency Response (SAFER) grant. The SAFER program was created to provide funding directly to fire departments over a three-year period to help increase the number of trained, "front-line" firefighters available in their communities. With the grant, the City was able to add three firefighter/paramedics, for a total City staffing of 304 positions. These numbers exclude temporary internship positions and the staffing count of the local Oakland Park Sheriff's District (99 total positions, 88 sworn, 11 non-sworn). The FY 2021 budget as adopted included no changes in staffing but during the fiscal year, the City Commission amended the budget to create three building inspector and plans examiner positions and a new Information Technology Services position. The costs of these new positions were offset by increased revenues and savings from reductions in contracting costs. These changes resulted in the FY 2021 total staffing count increasing from 304 to 307 positions.

The FY 2022 adopted budget increased staffing to 309 by adding two critical positions: a new Division Chief for Training in the Fire Rescue Department and a Chief Planning Officer. The Division Chief position is responsible for researching, planning, and coordinating the training of all Fire Department personnel and ensuring compliance with applicable federal, state, and local guidelines and regulations. The Chief Planning Officer was created as an Assistant City Manager-level position responsible for the successful delivery of a capital program growing in complexity and size, managing capital grants, and coordinating logistics needed to ensure the continual delivery, continuity, and expansion of City services. During the fiscal year, the Commission approved budget amendments that provided funding to create five additional positions. Two part-time plans examiner/inspector positions for the Building & Permitting Division were added due to the magnitude of private development occurring in the City, well in excess of \$300 million in projects in permitting or under construction. With the substantial increase in the City's capital projects, including vertical construction, a Senior Project Manager and a Project Manager were

approved for Engineering. A new Contract Administrator position was also approved for the Financial Services Department, a critical position given the volume of procurement activity underway. The total Citywide staffing at the end of the 2022 fiscal year was 314 positions.

The FY 2023 budget was adopted with a Citywide staffing level of 317 positions, of which three were new additions to the budget: a Business License Coordinator, an Environmental Sustainability Coordinator, and a Landscape Designer. The Business License Coordinator was created to increase the City's capacity to work with new and existing businesses to guide them into voluntary compliance with how to do business in Oakland Park. The Environmental Sustainability Coordinator position was created to serve as a key component for the implementation of the City's Climate Action Plan, develop strategies for implementing and managing sustainability initiatives and programs, and coordinate outreach to the public and businesses on these issues. The new Landscape Designer position is intended to provide the in-house expertise needed to create landscape plans for City projects that will promote sustainable practices, utilize native plants, and take into consideration long-term maintenance requirements and costs. During the fiscal year, the City adopted budget amendments to recognize the funding of the MOST Grant aftercare programming. This included the net addition of seven grant-funded positions within the Parks & Leisure Services Department. The Commission also approved a budget amendment authorizing the conversion of Information Technology contractual services funding into a new Network Administrator position. With these changes, a total of 325 positions existed in the City, of which 271 were full-time and 54 part-time.

No staffing additions were requested as part of the FY 2024 budget and no new positions were requested during the fiscal year through budget amendments, although position changes were made as part of the reorganization of various departments and divisions. As part of the FY 2025 budget, the City Commission approved the creation of four new position. Two new ITS positions were created, a GIS Administrator and a GIS Technician; these positions were part of efforts to bring geographic information systems (GIS) in-house instead of relying on outside consultants. An Administrative Assistant for Building & Permitting was approved to assist in the management of the City's 40-year building inspection process. The Volunteer Services Manager for Parks & Leisure Services was also approved as part of efforts to grow our energetic cadre of volunteers who work so hard - and greatly enrich - the Oakland Park community. These four additions brought the total number of City positions to 329.

The recommended budget for the 2026 fiscal year proposes the addition of two new positions, increasing the City's staffing from 329 to 331 positions. These positions are as follows:

Proposed New Positions			
Dept/Division	Title	Grade	General Fund
ECD	External Relations & Communication Specialist	25	\$82,760
Building & Permitting	Plans Examiner*	32	\$137,968
		Total Cost	\$220,728

*Funded by permitting revenue.

An External Relations & Communications Specialist position is recommended for the Engineering and Community Development Department. This position would work with the Public Information Officer to coordinate outreach and the distribution of information to the public for planning and engineering activities. Many major development projects have been completed in the City over the past few years, but robust private development is expected to continue into the future. To help accommodate this wave of development an additional Plans Examiner/Inspector position is recommended to help manage the increasing volume and complexity development activities in the City. Although not included in the above table as BSO District staff are not City employees, an additional deputy position is included in the proposed BSO budget for FY 2026. If this additional position is approved by the Commission, then the staffing for the district would increase to 89 sworn officers and 11 non-sworn staff. This would be the first additional position added to the BSO contract since 2013, when a crime analyst position was added. The cost of the additional deputy is approximately \$270,000.

In early 2023, staff worked with Fitch Consulting on a Fire Rescue Department Staffing & Scheduling Review as part of a broader effort to reduce overtime in the department. The study recommended that the City consider increasing the number of firefighter/paramedic positions. Although no changes are being proposed as part of the budget itself, the City has applied for a FEMA Staffing for Adequate Fire & Emergency Response Grant (SAFER Grant) in response to this recommendation. The SAFER Grant program was created to provide funding directly to fire departments to help increase the number of trained, "front-line" firefighters available in their communities. The SAFER grant is a three-year program and the City successfully applied to the program in 2020, which resulted in the addition of three new firefighter/paramedic positions. **The City has submitted a request for five new firefighter/paramedic positions through the SAFER program.** These new positions are not included in the proposed FY 2026 budget, but if awarded they will be added to the budget via the amendment process during the fiscal year.

Retirement Costs

Oakland Park has two City pension plans: the General Employees’ Pension Plan (GEPP) and the Police & Fire Rescue Plan. Both City plans are closed, and new employees are members of the Florida Retirement System (FRS).

Poor market performance has increased the City's required contributions to one of the closed City pension plans and the State legislature approved public safety and annual legislation from the State has raised contribution rates and increased pension costs for all FRS employers. **Within the General Fund, the cost of retirement benefits in FY 2026 is projected to be \$10.5 million, an increase of 22%, or \$1.9 million, over FY 2025's overall costs of \$8.6 million.** Approximately 12% of the General Fund's \$85.3 million is dedicated to retirement costs.

The General Employees Pension Plan was closed and then frozen, meaning that no new employees may participate (closed) and no additional benefits are being accrued by existing members (frozen). At the time the GEPP was frozen, members who had not elected to join FRS were enrolled in a 401(a) plan, with the City contribution set to match the FRS employer contribution rate. The GEPP costs in FY 2025 were \$0.34 million for the General Fund. **Given the strong funding level of the plan, the required GEPP contribution for FY 2026 is \$0.21 million, a decrease of \$0.13 million, a decrease of 38%.** Future contributions will be heavily affected by the performance of the markets.

The Police and Fire Pension Plan is the City's other local plan. The police plan component was effectively closed when Oakland Park began contracting for police services with the Sheriff's Office in 2000. In 2018, the Commission approved a labor contract with the fire union that included closing the fire side of the Police & Fire Pension Plan to resolve longstanding pension concerns. Existing vested members of the plan were given the opportunity to stay within the City plan and continue to accrue benefits or could elect to join the Special Risk Class of FRS. Firefighters participating in FRS have the advantage of a reduced contribution to their retirement, which is 3% of wages compared to the 8% required by the City plan. The average effective increase in take-home pay for members who converted to FRS was approximately \$3,200 a year. Overtime is also pensionable under FRS, whereas under the City Plan, it is not. For existing members who transitioned to FRS, the City worked closely with the State Division of Retirement to develop a mechanism that permits mid-career firefighters with the City to collect their City pension benefits when they become eligible while continuing employment with the City and accruing additional FRS benefits. This ensures members unable to participate in the FRS Deferred Retirement Option Program are compensated with an alternative program.

The transition to FRS raises costs for the City now but is projected to result in longer-term savings and, more importantly, provide financial stability to the City's Police and Fire Pension Plan for the benefit of our public safety retirees and City taxpayers who support these pension benefits. The City is legally committed to funding the closed local pension plan while concurrently funding FRS benefits. City-required pension contributions to the closed local plan increased substantially after the conversion to FRS as the State's Division of Retirement is now requiring that the plan amortize the pension plan's unfunded liability within a much shorter span of years. This results

in higher City contributions to the plan. Any market losses experienced by the plan will also increase the unfunded liability, which must be amortized at an accelerated schedule as required by the State.

The Police & Fire Pension Plan's actuarial valuation determining the City's contribution to the closed plan for FY 2026 was based on the unfavorable investment returns and the decreasing number of years to bring the plan to 100% funding. **The contribution required by the City to the Police & Fire Plan for FY 2025 is \$5.42 million, an increase of \$1.12 million, or 28% over FY 2025's required contribution of \$4.26 million.** This is on the heels of FY 2025's substantial increase of \$0.94 million. In FY 2021, the required contribution was \$2.48 million; the FY 2026 required contribution is more than double this amount.

The majority of the City's employees are participants in the Florida Retirement System. General employees fall within the System's Regular Class designation, whereas Fire Rescue personnel are within the Special Risk Class, which has substantially greater benefits. All FRS employees contribute 3% of their earnings into the system. The City, as the employer sponsor, is required to contribute a specified percentage of employee earnings to FRS. This percentage varies by FRS class and new contribution rates are set by the legislature every year. These rates take effect on July 1, the start of the State's fiscal year. As part of the 2023 legislative session, substantial increases to the employer rates were approved. These increases were in part to offset new benefit enhancements provided, including lowering the retirement age for Special Risk Class employees from 60 to 55, lengthening the window of participation in the Deferred Retirement Option Plan (DROP) from five to eight years, increasing the interest earned on DROP accounts from 1.3% to 4%, compounded monthly, and increased monthly health insurance subsidies received by eligible retirees. During the 2024 legislative session, no major changes were made to FRS and employer contribution rates received only minor adjustments.

As part of the 2025 legislative session, increased employer contributions were increased. The FRS Special Risk class employer contribution rate has increased from 32.79% to 35.19%, an increase of 7.3%. The employer contribution rate has increased steadily even as the employee contribution rate remains fixed at 3%. The new employer rate of 35.19% is a 51.22% increase over the July 1st, 2017 rate of 23.27%. As part of the labor contract with the IAFF, overtime will now begin with fewer hours worked during a three-week pay cycle, which also increases the cost of the City's employer contribution. The total cost of public safety pensions (FRS and the closed plan) is anticipated to be \$7.7 million for FY 2026, an increase of \$1.5 million, or 24.74% over FY 2025.

The FRS employer contribution for Regular Class members, i.e., general employees, or non-public safety, is also increasing. The rate for this class increased from 13.63% of pay to 14.03% effective

an increase of 2.9%. The new rate of 14.03% represents a 77% increase over the July 1st, 2017 rate of 7.92%. For the General Fund, the FRS and 401(a) cost of general employees is approximately \$2.6 million for FY 2026, an increase of \$0.5 million over FY 2025 (\$2.1 million).

Salary & Wages

The City has three labor unions: the International Association of Firefighters (IAFF), the American Federation of State, County, and Municipal Employees (AFSCME), and the Federation of Public Employees (FOPE). AFSCME represents the City's employees in clerical positions and FOPE represents foremen, utility technicians, equipment operators, and other similar positions in Public Works; both of these unions represent "general employees", i.e., not public safety, and consistent effort has been made to maintain parity between AFSCME and FOPE with regards to wage and benefit increases. In the past, the Commission has provided general employees not covered by either union with the same wage adjustments as FOPE and AFSCME employees. The final union is the IAFF, which represents the City's firefighters, who are the only public safety employees directly employed by Oakland Park. The City has two-year labor contracts with IAFF, FOPE and AFSCME, which run from October 1, 2023, to September 30, 2025, the end of the current fiscal year.

As part of their two-year labor contracts expiring at the end of the current fiscal year, AFSCME and FOPE members received 5% wage increases in FY 2024 and are scheduled to receive another 5% increase in FY 2025 at the beginning of October 2024. These increases are concurrent with 5% wage range adjustments which raised the minimum starting wage and the maximum wage for each position. These adjustments meant that the members who were currently "topped out" also received a full 5% base wage increase last year and will do so again this October. These adjustments were intended to keep the City competitive for hiring and retention purposes. The City Commission adopted a resolution providing these same wage adjustments to the City's non-union employees for both FY 2024 and FY 2025.

The expiring agreement with IAFF maintained the Step Plan that was added in prior contracts and expanded it. Step Plans work by creating a defined number of "Steps" for each position, with each step assigned a specific wage value (4% in the current contract). Under expiring contract, an additional Step will be added in Year 1 of the contract and then again in Year 2, taking the contract from 13 steps to a total of 15 steps. Members all advanced one step (4%) in their step plan on their anniversary of hire date each year of the contract. In both years of the contract, the value of each step increased by 2%. In addition to these wage increases, which were effectively 6% each year, the City and the union agreed to reduce the number of hours needed to begin being paid overtime from 159 hours worked to 144 hours.

The City is currently in negotiations with all three union groups regarding successor contracts that will be effective October 1, 2025.

Future Considerations

The current labor market is one of the most challenging on record. Recruitment and retention have become difficult for all positions, from firefighters and building inspectors, to skilled and specialized labor. Although inflation has slowed to 2.9% recently, that comes only after the highest period of inflation in the 21st century to date, a trend that has affected not just goods, services, and construction materials, but also labor costs. This challenge comes at the same time interest rates continue to remain elevated and as housing options in South Florida continue to grow more expensive for most of the population.

City operations can only be successful by recruiting and retaining competent, skilled employees. This requires that the local governments offer competitive wages and benefits. With unemployment well below historical norms, it remains a struggle to fill vacancies. Cities must compete against not only other governments, but also the private sector. When compared to the private sector, local governments lack the structural flexibility to easily adjust salaries and benefits for recruitment and retention efforts. Salary compression issues emerge when new hires are paid at rates near or exceeding existing employees. Local governments also lack the flexibility to reduce any benefits and wages during economically challenging times. Benefits and wages once granted cannot be reduced easily, requiring negotiations and labor contracts. Funding compensation increases is also difficult. Unlike private companies that can adjust prices and fees with greater ease, there is no functional ability to adjust City revenues in any meaningful way after the adoption of the property tax and special assessment rates. Many City revenue streams are limited in how they can be used; permit revenue could not be used to fund wage increases for solid waste drivers, for example. Cities are publicly funded; funding to improve compensation in the public sector comes from raising revenues that directly impact the financial well-being of residents and businesses in Oakland Park. These issues represent a major challenge to Oakland Park and other cities.

Oakland Park has seen tangible success from efforts to be competitive. During FY 2022, the City lost many solid waste drivers to the private sector and struggled to attract qualified candidates to fill vacancies. The Public Works and Human Resources Departments worked to reorganize the position structure of the Solid Waste Division to create incentives to attract new hires and retain existing employees. These efforts included temporary incentives for new hires, the structural redesign of positions, and the creation of a skills-based automatic progression system to retain new drivers and attract new applicants. The success of these efforts led to the Commission's approval of expansion of the auto-progression structure to other Public Works Divisions during

FY 2023 and then for various positions in the Financial Services Department in FY 2024. Additional progression systems are being considered elsewhere in the City to provide a career path for current and prospective employees.

Oakland Park has maintained a conservative staffing philosophy, keeping positions below 2008 levels. The City has worked diligently to provide wage adjustments that are equitable and reflective of the outstanding customer-service focused work performed by our employees, but also do not place unreasonable burdens on taxpayers

Other Pending Issues Impacting the Budget

State Revenue Estimates

At the time of this document's publication, the State's Office of Economic & Demographic Research has yet to release all County and Municipal Revenue Estimates for FY 2026. The City uses the estimates to budget Communications Services Tax, Local Government Half-Cent Sales Tax Program, Local Option Fuel Taxes, and Municipal Revenue Sharing Program revenue accounts. In the absence of these State estimates, staff have included conservative revenue estimates within the budget for the 2026 fiscal year.

SAFER Grant

The City has applied for a FEMA Staffing for Adequate Fire & Emergency Response Grant (SAFER Grant). The SAFER Grant program was created to provide funding directly to fire departments to help increase the number of trained, "front line" firefighters available in their communities. The SAFER grant is a three-year program and, at the time of application, provides 100% reimbursement of regular salary and benefits costs for all three years of the grant. No City match is required during this funding cycle, but the grant will not cover the cost of raises, benefit increases, overtime, etc. If the grant is awarded and accepted, it would increase the staffing count of firefighter/paramedics from 28 to 33, providing an additional position to each of the City's three shifts. No grant revenue or personnel costs related to this grant are included in the FY 2026 budget. If awarded, a budget amendment would be prepared for consideration.

Conclusion

During the past eleven years, Oakland Park has prospered under the Commission's leadership. Those years were well spent and well-managed, with budgets funding major projects and initiatives implemented to address quality of life issues, improve infrastructure, enhance services, and attract redevelopment. The recommended budgets, adopted without revisions, were built to be responsive to the Commission direction. Much was accomplished over the past

eleven years most notability while simultaneously lowering the millage rate ten times. Compared to cities of similar size, Oakland Park residents continue to benefit from one of the lowest millage rates in the County for cities our size.

The FY 2026 budget is another step on this path. It prioritizes fiscal responsibility while keeping the City moving forward to accomplish our goals. **The proposed operating millage rate, if adopted, will mark the eleventh operating millage rate reduction in twelve years and the lowest millage rate in sixteen years.** The decrease in the operating millage is coupled with a decrease in the City's debt service millage as well. Non-ad valorem special assessments for residential solid waste and fire suppression are held steady. The stormwater special assessment is adjusted as part of the funding strategy to implement the City's critical stormwater master plan. The budget incorporates the results of the City's water and wastewater master plan and rate study, the first conducted in more than a decade. The proposed capital program is one of the most ambitious in the City's history at \$34 million, almost nine times greater than the FY 2020 CIP of \$3.8 million. The City has secured a significant level of grant funding: **the FY 2025 CIP is funded by over \$22.4 million in grants, meaning that two-thirds of the total \$34 million budget is funded by grants.**

The City is truly Building Our Second Century. In recent years, the City has invested millions in infrastructure improvements, rewritten development codes, and worked to encourage high-quality development. These efforts have been successful: over \$470 million in new construction has occurred in Oakland Park since FY 2022. These are exciting times for the City and the FY 2026 budget continues the commitment to make Oakland Park a safer, more successful, more financially sound, and more beautiful place for our families, businesses, and visitors for generations to come. **Oakland Park is on the move.**

The recommended budget is a financial plan, a plan that is based only on what we know at this time. **Attempting to forecast an entire year's worth of revenues and expenditures is never an easy endeavor but under current circumstances, it is particularly difficult to predict the impact of supply chain challenges, inflation, elevated interest rates, labor negotiations, and -perhaps most importantly- major political changes in state and federal policy, law, and funding.** As noted above, the City's CIP is largely funded by grants. On the state and federal levels, changes in grant funding, including the suspension of grant programs and even the revocation of existing grant awards, are occurring in real time. The magnitude of these changes cannot be stressed enough – it is not even clear if local governments in Florida can expect to receive assistance from the Federal Emergency Management Agency in the future. The estimates used to build this budget were carefully considered with these variables in mind and it is a fiscally conservative plan. Thanks to the strong leadership of the City Commission, we can propose a budget that

maintains the delivery of City services, provides needed staffing levels, advances the strategic plan, invests in our capital infrastructure, and maintains sufficient reserves for the City to respond to potential financial difficulties. Plans adapt as circumstances change. We will continue our diligent monitoring of City finances and we will bring updates and budget amendments to respond to unanticipated changes as warranted.

Acknowledgements

I extend my sincere appreciation to the staff involved in the budget process and to the department heads for their cooperation and responsiveness in developing this budget. Staff works tirelessly to achieve Oakland Park's goals in a cost effective, efficient, and courteous manner, and strive for nothing short of excellence for our community. We are blessed with the most outstanding group of public servants in the county.

Finally, my thanks to you, Mayor, Vice-Mayor, and City Commissioners for providing the leadership and strategic direction that guided the development of this budget.

Proposed Budget Calendar

The progression through adoption of the FY 2026 budget involves a series of Regular and Special City Commission meetings. Each of these meetings allows for additional opportunity to clarify the recommendation and receive Commission and citizen input. Below are the critical dates that are currently scheduled:

- July 9, 2025 Distribution of the FY 2026 Recommended Budget;
- July 16, 2025 City Manager’s Budget Presentation to Commission;
Set time, date and place of the first Public Hearings for the Tentative Millage Rates and Budget and the Final Assessment Rates for Fire, Stormwater and Residential Solid Waste; Adopt Preliminary Millage Rates, Fire, Stormwater & Residential Solid Waste Assessments for TRIM Notice;
- September 8, 2025 Public Hearing: Adopt Tentative Millage Rates & Tentative Annual Budget; tentative adoption of CRA budget;
- September 15, 2025 Public Hearing: Adopt Final Fire, Stormwater & Residential Solid Waste Assessments (Held at 6:00pm);
- September 17, 2025 Public Hearing: Adopt Final Millage Rates, Final Budget, Fiscal Policies, Compensation Plan, and CIP; final adoption of CRA budget.

c: D.J. Doody, City Attorney
Andrew Thompson, Assistant City Manager
Renee Shrout, City Clerk
Rhea Rivera, Financial Services Director

Recommended Budget - Fiscal Year 2026			
Summary of All Funds by Division			
	FY 2025		FY 2026
	Amended Budget	Forecast	Recommended Budget
Funding			
General Fund	\$ 82,704,202	\$ 81,909,844	\$ 85,299,740
Community Redevelopment Agency Fund	880,532	936,532	916,499
Other Special Revenue Funds	581,450	627,700	560,965
Debt Service Funds	6,628,256	6,628,256	5,789,616
CIP Funds	45,224,954	45,297,741	19,448,819
Water and Sewer Fund	28,844,642	32,530,566	29,935,853
Solid Waste Fund	10,303,324	10,303,324	10,998,101
Stormwater Fund	14,438,576	14,438,576	18,432,241
Total Funding	189,605,936	192,672,539	171,381,834
Expenditures			
GF - City Commission	513,307	513,307	603,453
GF - City Manager	1,892,643	1,889,832	2,114,047
GF - City Clerk	897,382	796,201	864,957
GF - Human Resources	1,011,479	996,577	1,073,464
GF - Risk Management	1,459,565	1,459,565	1,967,948
GF - Legal	692,000	692,000	715,000
GF - Financial Services	1,883,231	1,882,652	1,935,651
GF - Information Technology Services	1,670,312	1,448,087	1,699,491
GF - Police	20,814,923	20,814,923	22,866,893
GF - Fire-Rescue	18,113,851	18,113,851	18,776,691
GF - Parks and Recreation	4,634,800	4,526,973	5,138,133
GF - Library and Cultural Services	1,118,828	1,059,149	1,129,117
GF - ECD: Planning & Zoning	1,432,663	1,289,495	1,838,616
GF - ECD: Engineering and Construction Managem	2,231,464	2,010,976	2,224,678
GF - BCS: Building & Permitting	4,338,980	4,268,460	4,433,484
GF - BCS: Community Enhancement (Code)	1,684,124	1,649,805	1,832,667
GF - Public Works-Administration	183,581	173,478	226,194
GF - Public Works-Parks Maintenance	3,158,892	1,696,215	3,190,050
GF - Public Works-Streets	4,209,705	4,209,075	3,060,529
GF - Public Works-Building Maintenance	2,257,445	2,257,445	2,235,376
GF - Public Works-Fleet Maintenance	2,606,926	2,606,926	2,469,109
GF - Non-Departmental	5,898,101	5,898,101	4,904,192
Total General Fund Expenditures	82,704,202	80,253,094	85,299,740
Departmental Only	76,806,101	74,354,993	80,395,548
SR - Community Development Agency Fund	880,532	936,532	916,499
SR - Other Special Revenue Funds	581,450	561,450	560,965
Debt Service Fund	6,628,256	6,628,256	5,789,616
GF CIP Fund	45,224,954	45,224,954	19,448,819
Water and Sewer Fund	28,844,642	28,356,376	29,935,853
Solid Waste Fund	10,303,324	10,037,059	10,998,101
Stormwater Fund	14,438,576	13,401,790	18,432,241
Total Expenditures	189,605,936	\$ 185,399,511	\$ 171,381,834