



Office of Management and Budget

115 S. Andrews Avenue, Room 404 • Fort Lauderdale, Florida 33301 • 954-357-6345 • FAX 954-357-6364

February 2, 2023

Dear Municipality:

On January 24th 2023, the Board of County Commissioners directed staff to prepare for the renewal of the "additional" three-cent local option gas tax levied in 1994 for a period of 30 years, which expires on December 31, 2023 and the early renewal of the "transit" one-cent local option gas tax levied in 2001 for a period of 30 years, which expires on December 31, 2030.

The County proposes to reestablish the related interlocal agreements for any renewed local option gas taxes under the same terms as the existing interlocal agreements. Attached are the renewals of the interlocal agreements requiring approval by your municipal governing board no later than March 17, 2023. These agreements provide for:

- Cities to receive 51.27% and the County to receive 48.73% of the proceeds of any renewed "additional" three-cent gas tax,
- Cities to receive 26% and the County to receive 74% of any renewed "transit" one cent gas tax.
- These percentages are unchanged from the current agreements.

The interlocal agreement also continues to provide for the distribution of gas taxes among the Cities based on population figures published annually by the University of Florida Bureau of Economics and Business Research (BEER). The attached agreements contain the percentage breakdown of the City's "additional" three-cent gas tax percentage share of the 51.27% and the "transit" one cent gas tax percentage share of the 26% based on the April 1, 2022 BEER updated population figures.

To simplify the on-going process related to these interlocal agreements, the County is proposing to no longer require annual updates to each interlocal agreement, as was done with the "original" local option gas tax reestablished in 2018. Thus, the update of the distribution of the City's shares of the six cent, three cent and fifth cent, will take place based on BEER updated population figures without the need for a new interlocal agreement each year. The County will notify you annually of the updated distribution formula.

If a majority (by population) of the proposed interlocal agreements are not received back from the municipalities by March 31st 2023, then the County will proceed under the statutory methodology for the distribution of any renewed "additional" three-cent local option gas tax and the "transit" one cent gas tax. Under this methodology, the Cities would receive 30.6% and the County would receive 69.4% of the "additional" three-cent local option gas tax and the "transit" one-cent gas tax.

Please place this renewal of the interlocal agreements for the "additional" three-cent local option gas tax and the "transit" one cent gas tax on the agenda for approval by the municipal governing board as soon as possible and return the signed agreement to the County no later than March 31, 2023. If you have any questions about the interlocal agreements, please contact Elise Cooper or SunJin Zanker from the County's Office of Management and Budget at 954-357-6360 or 954-357-6361.

Attached is a copy of the above discussed agreement. Please keep one set of the interlocal agreement for your city records and return **two original interlocal agreements** to OMB at the address above.

Sincerely,

A handwritten signature in black ink that reads "Norman Foster". The signature is written in a cursive, flowing style.

Norman Foster, Director, Broward County Office of Management and Budget