



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

### AGENDA CITY COMMISSION SPECIAL MEETING CITY HALL COMMISSION CHAMBER TUESDAY, SEPTEMBER 22, 2015 - 6:00 PM

1. **ROLL CALL:**

2. **PLEDGE OF ALLEGIANCE:** Led by Commissioner Ryan Maier

3. **PUBLIC HEARINGS:**

- A. Resolution No. 52-2015 - Second Public Hearing - establish the Fiscal Year 2015-2016 tentative general City millage rate
- B. Resolution No. 53-2015 - Second Public Hearing - adopt the Fiscal Year 2015-2016 proposed City budget
- C. Ordinance No. 2015-13 - Second Reading and Public Hearing - designate the restricted/committed/assigned fund balance for Fiscal Year 2015 in accordance with GASB 54

4. **NEW BUSINESS:**

- A. Resolution No. 54-2015 - establish the rates and charges for the City sub-regional sewer utility for Fiscal Year 2016

5. **ADJOURNMENT:**

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

NOTE: ONE OR MORE MEMBERS OF ANY BOARD, AUTHORITY OR COMMISSION MAY ATTEND AND SPEAK AT ANY MEETING OF ANOTHER CITY BOARD, AUTHORITY OR COMMISSION.



## CITY OF LAKE WORTH

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**AGENDA DATE:** September 22, 2015, Special Meeting

**DEPARTMENT:** Finance Department

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### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 52-2015 - Second Public Hearing - establish the Fiscal Year 2015-2016 tentative general City millage rate

#### **SUMMARY:**

This Resolution sets the final millage to fund the City's proposed FY 2015-2016 annual operating budget. The final millage is 5.4945 mils.

#### **BACKGROUND AND JUSTIFICATION:**

The budget and property tax rate adoption process is governed by Chapter 200 Florida Statutes, known as the TRIM (truth in millage) statute. In Florida properties are assessed by the County Property Appraiser, levied by each taxing entity and collected by the County Tax Collector. Taxing entities are required to hold two public hearings for the adoption of a property tax rate and budget. The first public hearing is advertised by the Property Appraiser mailing a TRIM notice to each property owner. Chapter 200 Florida Statutes, requires the City to:

1. Notify the County Property Appraiser of the City's Proposed Tentative Operating in July. The City complied with this requirement by adopting a proposed tentative millage of 5.4945 mils on July 14, 2015.
2. That millage along with the date and time of the first budget hearing (September 15th, 2015 - 6:00pm) was transmitted to property owners by the Property Appraiser via the TRIM notice in August 2015.
3. Hold a Public Hearing on the tentative millage rate and proposed budget which was held on September 15<sup>th</sup>, 2015.
4. Adopt a tentative millage rate and proposed budget this occurred on September 15<sup>th</sup>, 2015.
5. Advertise the tentative rate and proposed budget adopted at the first hearing and the date and time of the final public hearing in a newspaper of general circulation (the Palm Beach Post). The advertisement must be published 2 to 5 days prior to the final public hearing, which is scheduled for September 22<sup>nd</sup>, 2015 at 6:00 PM. The advertisement appeared in the Palm Beach Post on September 18, 2015.
6. At this second budget hearing the Commission will adopt the final millage rate of 5.4945 mils and the final operating budget for FY 2015-2016.

7. Subsequent to the final adoption, the City must deliver the resolution adopting the final millage rate to the County Property Appraiser, the County Tax Collector, and the Department of Revenue within 3 days after the final public hearing.

For FY 2016 (the 2015 tax year), the certified taxable value of real and personal property within the City of Lake Worth increased by \$125,079,569 or 10.47%. This is the second increase in taxable value since the peak of the real estate market in FY 2008, prior to this year's increase taxable values had declined over 51% through FY 2014.

With the inclusion of the County Fire MSTU millage 3.4581, the maximum available Operating Millage cannot exceed 6.5419 mills. This year for the second time in 7 years there is an increase in the taxable value of real and personal property (10.47%), this rate will result in an increase in the actual tax revenue collected. The 10.47% is the total increase in taxable value (includes CRA district); the increase attributable to the City outside the CRA is 8.32%

**MOTION:**

I move to approve/disapprove Resolution No. 52-2015 which adopts the final operating millage of 5.4945 for the 2015-2016 Fiscal Year.

**ATTACHMENT(S):**

TRIM Calculation  
Resolution



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**AGENDA DATE:** September 22, 2015, Special Meeting

**DEPARTMENT:** Finance Department

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### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 53-2015 - Second Public Hearing - adopt the Fiscal Year 2015-16 final City budget.

#### **SUMMARY:**

In accordance with the City Charter, the FY 2015-2016 Proposed Annual Budget for the City of Lake Worth is hereby submitted.

Expenditures in the FY 2016 Annual Operating Budget total \$178,862,128 for all City funds. See Attachment 3 for a schedule of expenditures by fund group.

The FY 2016 Annual Operating Budget contains program changes related to building City operations that will generate economic recovery.

Highlights of the FY 2016 budget are:

- No change in the General Fund millage rate of 5.4945 mils.
- No change in the County Fire MSTU rate of 3.4581 mils.
- Use of \$66,889 of General Fund available fund balance
- 4% increase in salaries across the board
- Increase in ad valorem revenues of approximately \$458K, due to increase in property values.
- Additional State Shared Revenues of approximately \$383K over FY 2015.
- Increase in Local Sewer rates of 3% after a reduction in the prior 2 years of 20%. The need for increase in the current year stems from increased costs for sewage treatment by the East Central Regional Waste Water Treatment Facility.
- Increase in Water rates of 3.5% to fund new wells and other capital needs.
- No rate increases for Electric, Sanitation, or Stormwater operations.

The City Commission has held 6 budget sessions, over a 5 month time frame. The City's FY 2016 budget has been balanced and is submitted for approval.

#### **MOTION:**

I move to approve/not approve Resolution No. 53-2015 on second public hearing to adopt the final Fiscal Year 2015-2016 annual operating budget of the City of Lake Worth.

#### **ATTACHMENT(S):**

1. Resolution
2. Proposed FY 2016 City Budget- Fund Summaries
3. FY 2016 Budget Summary Appropriations
4. City Wide Expenses and Revenues
5. Budget Frequently Asked Questions



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**AGENDA DATE:** September 22, 2015, Special Meeting

**DEPARTMENT:** Finance

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### EXECUTIVE BRIEF

#### TITLE:

Ordinance No. 2015-13 - Second Reading and Public Hearing - designate the restricted/committed/assigned fund balances for Fiscal Year 2015 in accordance with GASB 54.

#### SUMMARY:

Annually the City Commission must formally designate fund balances in certain funds to be used only for the purposed of that fund. This requirement is contained in Governmental Accounting Standards Board (GASB) Statement Number 54, and is a part of the Generally Accepted Accounting Principles that the City must adhere to. This Ordinance seeks to designate certain fund balances as **Committed** fund balances.

#### BACKGROUND AND JUSTIFICATION:

##### **Summary of Statement No. 54**

##### *Fund Balance Reporting*

The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The classifications are:

*Nonspendable*, such as fund balance associated with inventories and fixed assets.

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. For the City this level is the City Commission **by ordinance**.

Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

*Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**MOTION:**

I move to approve/disapprove Ordinance No. 2015-13 to designate the Committed Fund Balances for Fiscal Year 2015 in accordance with GASB 54.

**ATTACHMENT(S):**

Fiscal Impact Analysis – not applicable  
Ordinance



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**AGENDA DATE:** September 22, 2015, Regular Meeting

**DEPARTMENT:** Water/Sewer Department

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### EXECUTIVE BRIEF

#### TITLE:

Resolution No. 54-2015 - establish the rates and charges for the City sub-regional sewer utility for FY 2016

#### SUMMARY:

The Resolution corrects a scrivener's error which does not change the rates previously established on September 1, 2015.

#### BACKGROUND AND JUSTIFICATION:

On September 1, 2015, the City Commission approved Resolution No. 48-2015 which established the rates and charges for the sub-regional sewer utility based upon the recommendations of the sub-regional board for Fiscal Year 2016. The rates include operations and maintenance charges, rehabilitation and replacement charges and a capital reserve charge to collect funds required for a Palm Beach County shared force main rehabilitation project. The rates are included in this resolution. After adoption, it was found that the rates listed under Lake Clarke Shores and Lake Worth were reversed. This Resolution corrects that error.

The Lake Worth Sub-Regional System is made up of collection systems that connect to the Lake Worth system and include the City of Lake Worth and seven other entities (Town of Lantana, City of Atlantis, Town of Manalapan, Town of South Palm Beach, Village of Palm Springs, Town of Lake Clark Shores, and Palm Beach State College).

The sub-regional system transports the other entities' wastewater through the City's sub-regional system to the East Central Regional Waste Water Treatment Facility (ECR). The Lake Worth Sub-regional System includes several major gravity interceptors, a master pump station (MPS) located in Bryant park, a 36-inch force main, a Re-Pump station (RPS) located north of 2<sup>nd</sup> Avenue North, a pump station at Palm Beach State College and a second section of 36-inch force main that transfers flow to the Palm Beach County portion of the regional system and eventually to the ECR.

The operating agreement approved on March 5, 2013 contained a rate calculation methodology for use during the term of the agreement. The proposed rates were calculated in accordance to this method.

The City has held two meetings with the Sub-Regional Customer Member Board to discuss these rates as required under the new agreements. All members attended and the Board is recommending approval of the rates.

#### MOTION:

I move to repeal Resolution No. 48-2015 and approve/disapprove Resolution No. 54-2015 to establish the Fiscal Year 2016 rates and charges for the City sub-regional sewer utility.

#### ATTACHMENT(S):

Resolution