



## Legislation Text

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### **ITEM: SECOND PUBLIC HEARING TO ADOPT THE FY 2016/2017 MILLAGE RATE AND ANNUAL BUDGET FOR WELLINGTON**

#### **I. RESOLUTION NO. R2016-67 (MILLAGE RATE)**

**A RESOLUTION OF WELLINGTON, FLORIDA'S COUNCIL ADOPTING THE TAX LEVY AND MILLAGE RATE FOR WELLINGTON FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2016, AND ENDING SEPTEMBER 30, 2017; AND PROVIDING AN EFFECTIVE DATE.**

#### **II. RESOLUTION NO. R2016-68 (WELLINGTON BUDGET)**

**A RESOLUTION OF WELLINGTON, FLORIDA'S COUNCIL ADOPTING A BUDGET FOR THE VILLAGE OF WELLINGTON FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2016, AND ENDING SEPTEMBER 30, 2017; AND PROVIDING FOR AN EFFECTIVE DATE.**

**REQUEST:** Approval of Resolution No. R2016-67 adopting the millage rate and Resolution No. R2016-68 adopting the Fiscal Year 2016/2017 budget as presented and authorization for staff to make the necessary accounting entries to complete reallocation of prior year operating and capital balances.

This is the second public hearing on the proposed budget and the corresponding ad valorem millage rate in accordance with the Wellington Charter and F.S. Chapter 200.065.

**EXPLANATION:** FS Chapter 200.065 sets forth the procedure to be followed by each local government in adoption of the annual property tax millage, levy, and budget. In accordance with these regulations, the June 29, 2016 certified total taxable value of \$7.49 billion is used in the millage and ad valorem revenue calculations for the FY 2016/2017 budget. The proposed millage rate of 2.44 mills is the same as the preliminary TRIM rate of 2.44 mills adopted on July 12, 2016 and 6.69% above the rollback rate of 2.28 mills. The proposed millage rate generates property tax revenues of \$17.37 million, which is an increase of \$1.21 million from FY 2015/2016 property tax revenues.

The proposed budget for all funds totaling \$89.54 million maintains funding for existing levels of service with an increase of \$4.09 million for investment in public safety, governmental facility and roadway maintenance, and utility system R & R.

Council held budget workshops on July 11th and August 8th to discuss the proposed operating and capital budgets, and adopted the annual budgets for Acme, Professional Centre, Solid Waste Collection and Water/Wastewater Utilities on August 9, 2016. The Village tentative budget and millage rate were adopted on September 13, 2016 and the budget legal advertisement was run in The Palm Beach Post prior to this hearing, as required by TRIM.

Staff presents a balanced budget for the governmental funds, excluding Acme and balances brought forward, totaling \$58,856,065, an increase of \$1.43 million over the prior year.

The proposed budget includes:

- General Fund unrestricted reserves at or exceeding the 25-29% range per Council policy
  - Rate Stabilization reserves of \$824,000, after allocation of \$1.56 million for FY 2017 expenses
  - Emergency Reserves of \$3.0 million, after restoring balance by assigning Unassigned General Fund reserves
  - Insurance Reserves of \$1.15 million
  - Establish a Facilities & Infrastructure Reserve in the initial amount of \$1,000,000
- Use of Building Reserves of \$628,000
- Use of \$1.22 million in Reserves for Capital
- Roll forward of approximately \$26.82 million in unspent budget balances for ongoing projects and programs including:
  - Major maintenance
  - Hardware and software purchases to be completed in FY 2017 for the ERP replacement, server upgrades and emergency management debris/labor tracking
  - CDBG and Neighborhood Enhancement Grants
  - Tennis maintenance expense and personnel fringe benefit increases expected in FY 2017
  - Capital projects in progress, including reallocation of \$1.88 million among budgeted utility projects
- Funding of:
  - A Capital Improvement Plan totaling \$12,116,000 for all funds, up \$500,000 from the prior year.
  - 314 full-time permanent positions, up 12 from FY 2016; also includes funding for 90,180 part-time position hours, an increase of 9,980 per-time hours over the current year budget
  - 4.0% total wage increase for employees (2.0% CPI, 2.0% Average Merit) and 5% higher health insurance

**BUDGET AMENDMENT REQUIRED:** YES

**PUBLIC HEARING:** YES                      **QUASI-JUDICIAL:** NO

**FIRST READING:**                              **SECOND READING:** YES

**LEGAL SUFFICIENCY:** YES

**FISCAL IMPACT:** At 2.44 mills, \$17,373,126 in property tax revenues are generated, as adjusted for discounts. The budget appropriates a total of \$58.86 million for Wellington governmental funds (excluding Acme) and carrying forward approximately \$25.54 million in capital and \$1.28 in operating budget balances.

**WELLINGTON FUNDAMENTAL:** Responsive Government

**RECOMMENDATION:** Approval of Resolution No. R2016-67 adopting the millage rate and Resolution No. R2016-68 adopting the Fiscal Year 2016/2017 budget as presented and authorization for staff to make the

necessary accounting entries to complete reallocation of prior year operating and capital balances.