



Legislation Text

File #: 18-2352, Version: 1

ITEM: SECOND PUBLIC HEARING TO ADOPT THE FY 2018/2019 MILLAGE RATE AND ANNUAL BUDGET FOR WELLINGTON

I. RESOLUTION NO. R2018-52 (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, 2018, AND ENDING SEPTEMBER 30, 2019; AND PROVIDING AN EFFECTIVE DATE.

II. RESOLUTION NO. R2018-53 (WELLINGTON BUDGET)

A RESOLUTION OF WELLINGTON, FLORIDA'S COUNCIL ADOPTING A BUDGET FOR THE VILLAGE OF WELLINGTON FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019; AND PROVIDING AN EFFECTIVE DATE.

REQUEST: Approval of the proposed Fiscal Year 2018/2019 millage rate, operating and capital budget including balances brought forward. 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 follow for each local government in adoption of the annual property tax millage, levy, and budget. In accordance with these regulations, the June 27, 2018 certified total taxable value of \$8.34 billion is applied to calculate the millage and ad valorem revenues for the FY 2018/2019 budget. The proposed millage rate of 2.50 mills was tentatively adopted on September 11, 2018 and is 0.05 mills below the preliminary TRIM rate of 2.55 mills set on July 10, 2018. The tentative 2.50 rate is 7.21% above the rollback rate of 2.33 mills. The proposed millage rate generates property tax revenues of \$19.81 million, which is an increase of \$1.26 million from FY 2017/2018 property tax revenues.

The proposed budget for all funds totaling \$96.84 million maintains funding for all services while reducing total employees, down \$13.64 million in capital projects, debt service and General Fund personnel expense.

Council held budget workshops on July 9th and August 13th 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 14, 2018. The Village budget and millage rate were tentatively adopted on September 11, 2018 and the required budget advertisement was run in The Palm Beach Post prior to this hearing, as required by TRIM.

The proposed budget includes:

- A recommended Capital Improvement Plan totaling \$17.07 million for all funds, down \$11.17 million from the prior year. The Plan includes:
 - \$7.62 million in governmental capital projects that includes \$3.54 million for sales surtax capital projects
 - \$8.22 million in water/wastewater capital projects
 - \$904,500 in replacement tangible personal property

- \$331,500 in new assets
 - Redistribute \$5.10 million in governmental and capital projects budgets to other projects, upon fiscal year roll-forward of capital balances
- General Fund unrestricted reserves at or exceeding the 25-29% range per Council policy after budgeted use of unassigned reserves of \$1.96 million for FY 2018 expenses, and \$637,000 assigned to balance the FY 2019 budget:
 - Estimated Rate Stabilization reserves of \$2.79 million
 - Emergency Reserves of \$3.00 million
 - Insurance Reserves of \$1.53 million
 - Facilities & Infrastructure Reserve of \$1.55 million, to increase by 20% of excess Undesignated Fund Balance at completion of FY18 annual audit
- Building reserves to increase by \$854,500
- Capital Reserves to increase by \$283,500
- Roll forward of unspent budget balances for ongoing projects and programs including:
 - Major maintenance
 - Technology services and backfill support for the ongoing ERP replacement project
 - Strategic Planning consulting and property insurance premiums
 - CDBG and Great Neighborhoods Grants
- Funding of:
 - 303 full-time permanent positions, down 10 from FY 2018 also includes funding for 88,970 part-time position hours, a decrease of 2,410 per-time hours over the current year budget
 - 3% total wage increase for employees (2% CPI, 1% Average Merit) and 2% higher health insurance

BUDGET AMENDMENT REQUIRED: YES

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

FIRST READING: **SECOND READING:** YES

LEGAL SUFFICIENCY: YES

FISCAL IMPACT: At 2.50 mills, \$19,805,309 in property tax revenues are generated, as adjusted for discounts. The budget appropriates \$61.54 million for Wellington Governmental Funds (excluding Acme and balances brought forward).

The FY 2018/2019 budget appropriates \$17,072,000 million in total for capital outlay. Approval of the capital plan includes the redistribution of \$5.1 million among previously budgeted capital projects with no net fiscal impact.

WELLINGTON FUNDAMENTAL: Responsive Government

RECOMMENDATION: Motion following the public hearing to approve Resolution No. R2018- 52 adopting the millage rate and Resolution No. R2018-53 adopting the Fiscal Year 2018/2019 budget as presented and authorize staff to make the necessary accounting entries to assign reserves, roll forward and complete reallocation of prior year operating and capital balances.