Town of Lake Park Town Commission

Agenda Request Form

Meeting Date:	8/26/2026
Originating Department:	Finance
Agenda Title:	FY 2027 Budget Workshop #3 - Proposed Capital Improvement Plan (CIP) & Discussion
Agenda Category:	New Business
Approved by Town Manager:	**Date:**

Cost of Item:	N/A	**Funding Source:**	All Funds
Account Number:	N/A	**Finance Signature:**	Barbara Gould

Advertised:

Date: ____________ **Newspaper:** ____________

Attachments: Proposed Town of Lake Park FY 2026-2027 Budget - All Funds [click link]

Please initial one:

____________ Yes I have notified everyone

XX Not applicable in this case

Summary Explanation/Background:

The Town's Finance Department is working to develop a proposed Fiscal Year (FY) 2027 Budget (all funds) to be reviewed by the Town Commission prior to final adoption (and in accordance with state law) in September 2026.

The proposed budget includes projected revenues and expenditures to meet the Town Commission's priorities as well as operational and capital priorities to ensure that the Town of Lake Park continues to grow and provide the highest levels of services that are expected by our community and to ensure that the Town remains a great place to live, work, play and learn.

Note: It is projected that the Town may lose approximately $2 million dollars in property taxes if a proposed Constitutional Amendment to provide a super homestead exemption is approved by 60% or more of the voters within the State of Florida during the Tuesday, November 3, 2026 statewide election. If approved, the super homestead exemption would provide all homestead properties within the Town with a $250,000 exemption ($150,000 in FY 2028 and $250,000 in FY 2029 and beyond) and reduce the annual increase in taxable values to all business and non-homestead properties (i.e., rental units) from 10% down to 5% annually. At this time, the Town maintains approximately 1,300 homestead properties and, if approved, approximately 1,000 of these properties would not be required to pay property taxes to support Town expenditures beginning in FY 2029. Thus, staff is beginning the process to identify potential funding savings within the proposed FY 2027 Budget in advance of this initiative possibly becoming state law and assist in reducing the number of significant cuts that may be required if the amendment is approved.

During the development of the proposed FY 2027 Budget, there were a number of priorities that were funded within the proposed budget:

- Ensure that we properly fund our public safety needs going forward (with recurring revenues rather than one-time dollars) and continue to ensure that we are the safest community possible
- Begin to reinvest in our future by restoring our unrestricted reserve accounts (also may be thought of as the Town's savings account) to levels that enable the Town to meet unforeseen expenditures (i.e., storms, emergency expenditures, unplanned community projects, etc.)
- Significantly fund our deficient long-needed improvements to the Town's roads and sidewalks within our community (within and outside of the CRA district). This is will enable our community to begin to believe that we are committed to reinvesting back into our community with the tax dollars that they entrust to the Town and will also improve the community appearance and potentially the value of the properties within our Town.
- Ensure that we provide salaries that enable the Town to grown and retain the most professional staff possible
- Prepare for potential reductions in revenues if the proposed Constitutional Amendment (outlined above) is approved in November 2026

Each of the above budget priorities are addressed within the proposed FY 2027 Budget in an effort to prepare for the Town's future…and not just today. If we only focus on today, we would have proposed utilizing additional Town reserves to support costs that are proposed for today. This practice has the potential to create financial concerns for our community should a need arise in the future and may also result in higher debt service costs (i.e., interest rates) should the Town have a need to take on long-term financing (i.e., lower bond rating).

- Increase in Town Ad-Valorem (Property Tax) Revenue (above FY 2026 Revenues):
    - $2,402,123 (Not Including TIF Contribution to CRA)
    - $2,076,958 (Includes TIF Contribution to CRA)

- Roadway, Paving and Sidewalk Improvements throughout the Town (including CRA District):
    - Total Roadway and Paving and Sidewalk Improvements – $1,643,316
        - Proposed Roadway and Paving Improvements – $1,036,150
        - Proposed Sidewalk Improvements – $607,166

- Increase Town Unrestricted Reserves:
    - General Fund Reserve – Proposed Increase - $451,737
    - Streets & Roads Internal Service Fund – No Increase - $0
    - Stormwater Enterprise Fund – Proposed Increase - $1,079,278

- Sanitation Enterprise Fund – Proposed Increase - $465,921
- Marina Enterprise Fund – Proposed Increase - $227,926 (This funding may be proposed to be transferred to the General Fund to reduce the current outstanding loan balance that was provided to the Marina by the General Fund – Estimated Total Loan Balance - $3.31 million)

- Proposed 2% COLA (beginning on October 1, 2026) for all Employees
  - This increase would be available to bargaining unit members subject to negotiations and ratification with the Town's Union

- Proposed 3% MERIT (on anniversary date) for all employees
  - Union Contract previously approved provides a 3% MERIT for bargaining unit members (This is the last year of 3-year Agreement)

Additionally, staff undertook an exercise to reduce each fund's, department's and division's budget by approximately 10% in advance/preparation of the proposed Constitutional Amendment (as outlined above). This exercise proposes to move the proposed savings from operating and capital expenditures to a contingency account within the respective fund, department and division:

- General Fund - $213,367
- Streets & Roads Internal Service Fund - $0 [Any changes in operating costs are returned to the General Fund as expenditures within this Fund ($991,094) are supported mainly by the Town's General Fund ($647,204) and supplemented with limited inter-governmental revenues ($343,890 – i.e., gas tax, state revenue sharing and FDOT lighting maintenance funding)]
- Stormwater Enterprise Fund - $606,177
- Sanitation Enterprise Fund - $14,900
- Marina Enterprise Fund - $70,367

Note: If this contingency funding is not utilized during the FY 2027 budget year, this funding would be returned to each of the above referenced Fund's Reserve account to enable the Town to better prepare for unforeseen issues/concerns.

The Town Commission has held one (1) budget workshop and is expected to hold two (2) additional budget workshops as well as a community forum (presentation to the community) over the next month, which will include a presentation on the various proposed FY 2027 Funds. These workshops will be held as follows:

Monday, August 10, 2026 – 5:00 p.m. – Town Commission Chambers – Town Hall:

- General Fund Revenues and Expenditures
- Streets & Roads Internal Service Fund
- Stormwater Enterprise Fund
- Sanitation Enterprise Fund

Wednesday, August 19, 2026 – 6:00 p.m. – Town Commission Chambers – Town Hall:

- Permitting Internal Service Fund
- Marina Enterprise Fund
- Special Projects Fund
- Public Improvement Fund
- Lake Park CRA

Community Forum (Present Proposed FY 2027 Budget to Lake Park Community) – Saturday, August 22, 2027 – 10:00 a.m. – Town Commission Chambers – Town Hall

Wednesday, August 26, 2026 – 6:00 p.m. – Town Commission Chambers – Town Hall:

- Capital Improvement Plan (CIP)

The proposed FY 2027 Budget has been posted on the Town's website in advance of the 1st Budget Workshop.

Note: The Town Commission's FY 2027 Budget Priorities Summary will be provided to the Town Commission during each of the planned budget workshops to be utilized as a reference should the Commission provide direction to add/remove items from the proposed FY 2027 Budget.

Recommended Motion:

N/A