

STAFF REPORT REGULAR MEETING

AGENDA DATE: June 30, 2026

DEPARTMENT: Financial Services

TITLE:

Resolution No. 21-2026 – establishing the Proposed Millage Rate for fiscal year 2026-2027

SUMMARY:

Resolution No. 21-2026 will establish the proposed Millage Rate of 5.4945 and schedule the first public hearing for September 10, 2026 for the tentative Millage Rate and tentative Budget and the second public hearing for September 24, 2026 for the final Millage Rate and Budget

BACKGROUND AND JUSTIFICATION:

Pursuant to §200.065(2)(b), Florida Statutes, the City must advise the Palm Beach County Property Appraiser of the proposed Operating Millage Rate, as well as the date of the City's first public hearing on the tentative Operating Millage Rate and budget (which is scheduled for September 10, 2026). The proposed Operating Millage Rate approved by this Resolution establishes the maximum millage rate the City may consider and approve during the public hearings in September. The proposed Operating Millage Rate may be lowered by the Commission at the hearings, but it cannot be raised without additional notice being provided to each taxpayer at a cost of approximately \$20,000 for postage.

Based on information from the Palm Beach County Property Appraiser's Office, the FY 2027 Operating Roll Back Millage is 5.1735. This Operating Roll-Back Millage is the millage rate that will generate the same property tax revenue that was generated in FY 2026.

With the inclusion of the County Fire MSTU millage 3.4581, the maximum available Operating Millage cannot exceed 8.9526 mills. This year continues a trend with an increase in the taxable value of real and personal property of approximately 7.4%. This rate will result in an increase in the actual tax revenues collected.

The budget and property tax rate adoption process is governed by the State Statute known as Truth In Millage (TRIM). In Florida, properties are assessed by the County Property Appraiser, and property taxes are collected by the county Tax Collector. All property is assessed at 100% of real value, which is approximately 85% of market value. The State Constitution restricts the annual increase in taxable value of homestead property to 3% or the increase in the CPI, whichever is less.

The City is required to hold two (2) public hearings for adoption of a property tax rate and budget. The first public hearing is advertised by the Property Appraiser mailing to each property owner on a TRIM notice. In addition to notification of this first public hearing, the TRIM notice contains the following information:

- The new and prior year's assessed value;
- The tax bill if the current property tax rate is changed for the new fiscal year;
- The tax bill if the roll-back rate is levied for the new fiscal year; and
- The property tax bill if the proposed budget is adopted.

MOTION:

Motion to approve/disapprove Resolution No. 21-2026 and schedule the first public hearing date for the annual operating budget on September 10, 2026, at 5:01 PM at Lake Worth Beach City Hall and the second public hearing for September 24, 2026, at 5:01 PM.

ATTACHMENT(S):

Fiscal Impact Analysis – N/A
Resolution No. 21-2026