

LAKE WORTH DRAINAGE DISTRICT NOTICE OF PUBLIC HEARING

The Lake Worth Drainage District Board of Supervisors will hold a Public Hearing on the Fiscal Year (FY) 2019 preliminary budget on Tuesday, August 7, 2018 at 8:00 a.m. at the District office, 13081 South Military Trail, Delray Beach, Florida 33484. The purpose of the Public Hearing is to receive comments from the public on the preliminary budget prior to taking final action at the District's Board Meeting on Wednesday, August 15, 2018 @ 8:30 a.m. The Board of Supervisors may amend or alter the preliminary budget at the hearing. A copy of the meeting agenda may be obtained on the District's website at www.lwdd.net 7 days before the meeting.

The Lake Worth Drainage District is a special taxing district with the authority to collect non-ad valorem assessments from landowners within its jurisdiction. On July 11, 2018, at the regular meeting of the Board of Supervisors, the District's Executive Director presented the following preliminary budget for the operation of the District for the Fiscal Year 2019. The FY2019 begins October 1, 2018 and ends September 30, 2019. For FY2019, the assessment rate will be \$49.50/acre or portion thereof. There is an increase in the assessment rate from FY2018 of \$1.50/acre or portion thereof. The non-ad valorem assessment is included in the Notices of Proposed and Actual Property Taxes distributed by the Palm Beach County Property Appraiser, and collected by the Palm Beach County Tax Collector.

REVENUES

NON - AD VALOREM ASSESSMENTS	\$ 16,095,800
DISCOUNT ON TAXES	(643,800)
COMMISSIONS - TAX COLLECTOR	(160,900)
TAX ROLL PREPARATION - PROPERTY APPRAISER	(200)
TAX ROLL PROCESSING - INFORMATION SYSTEMS SERVICES	(4,000)
DELINQUENT ASSESSMENTS, COMMISSION REFUNDS	60,000
	15,346,900
FEES	327,500
OTHER	91,000
CARRYFORWARD OF PRIOR YEAR SURPLUS - OPERATIONS	2,511,300
	2,511,300
TOTAL REVENUES	\$ 18,276,700



EXPENDITURES

SALARIES AND BENEFITS	\$ 8,183,700
ADMINISTRATIVE	497,000
UTILITIES	300,000
FIELD OPERATIONS & MAINTENANCE	3,713,000
EXPENDABLES	609,000
CONTRACT WORK	792,000
CAPITAL EXPENDITURES	4,182,000
	4,182,000
TOTAL EXPENDITURES	\$ 18,276,700

Pursuant to the provisions of the Americans with Disabilities Act, persons requiring special accommodations or an interpreter to participate in these meetings is asked to advise the District at least 7 days before the meeting by contacting Melissa Wheelihan at 561.498.5363.

Lake Worth Drainage District
 Karen M. Hoyt, Treasurer

Publish: July 23, 2018


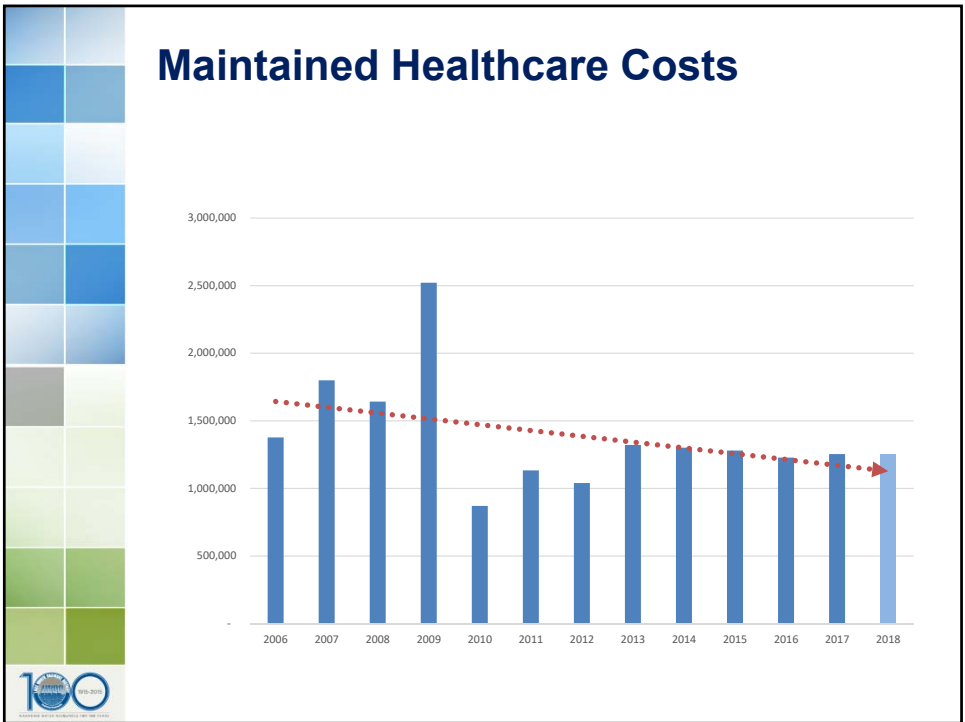
**Lake Worth Drainage District
PROPERTY & LIABILITY INSURANCE**

	2017/2018	2018/2019	Difference \$	Difference%
PROPERTY	\$51,479	\$52,889	\$1,410	2.7%
INLAND MARINE	\$24,523	\$20,657	-\$3,866	-15.8%
CRIME	\$1,000	\$1,000	\$0	0.0%
GENERAL LIABILITY	\$13,887	\$13,887	\$0	0.0%
AUTO LIABILITY	\$33,232	\$32,592	-\$640	-1.9%
PUBLIC OFFICIALS LIABILITY	\$31,190	\$30,986	-\$204	-0.7%
BOILER & MACHINERY	\$1,000	\$1,000	\$0	0.0%
WORKERS COMPENSATION +	\$109,785	\$104,290	-\$5,495	-5.0%
Experience Mod	0.66	0.75	0.09	13.6%
POLLUTION LIABILITY - 3 YEAR	\$27,254	\$28,074	\$820	3.0%
CONSULTING FEES	\$18,500	\$18,500	\$0	0.0%
TOTAL	\$311,851	\$303,876	-\$7,975	-2.56%

+ Rates are established by the State of Florida


Medical Plan Renewals

- United Healthcare’s initial quote for renewal of medical benefits reflected a 14% increase
- Additional quotes solicited from all major carriers; responses received from BlueCross, Humana, Benecon
- Responding carriers did not offer competitive costs or comparable plan design and network
- After further negotiations by Brown & Brown, United’s final quote reflected a 5% increase
 - Trend for medical plan increases ranges from 8-10%
- No increase in Vision plan; Eyemed offering an additional 3-year rate guarantee
- Ancillary plans (dental, life, disability) increasing minimally after 2-year rate hold; life and disability offering minimum 2-year rate guarantees

Mitigating Healthcare Costs


- Benchmarking with public entities
- Regular dependent eligibility auditing
- Plan designs and employee education to incentivize smart health care choices
 - High deductible & in-network plans
 - Urgent care vs. emergency room
 - Primary care vs. specialists
 - Wellness visits and incentives
 - Generic and mail order prescriptions
- Elective vision and dental plans with separate contribution structures
- Tobacco cessation course and incentive offered to all employees and dependents in past year; implementing surcharge for tobacco users and dependents in FY19
- Incremental increase in employee contributions for dependent coverage




Plan Quotes- 2018-19

Type		Current		Proposed	Difference
Medical	United	\$1,280,908	United	\$1,344,954	\$64,046
Dental	MetLife	\$61,350	Metlife	\$68,713	\$7,363
Vision	EyeMed	\$15,204	EyeMed	\$15,204	*\$0
Life	Lincoln	\$9,337	Lincoln	\$11,007	*\$1,670
Disability	Lincoln	\$16,358	Lincoln	\$19,269	*\$2,911
Totals		\$1,383,157		\$1,459,147	\$75,990 5.5%

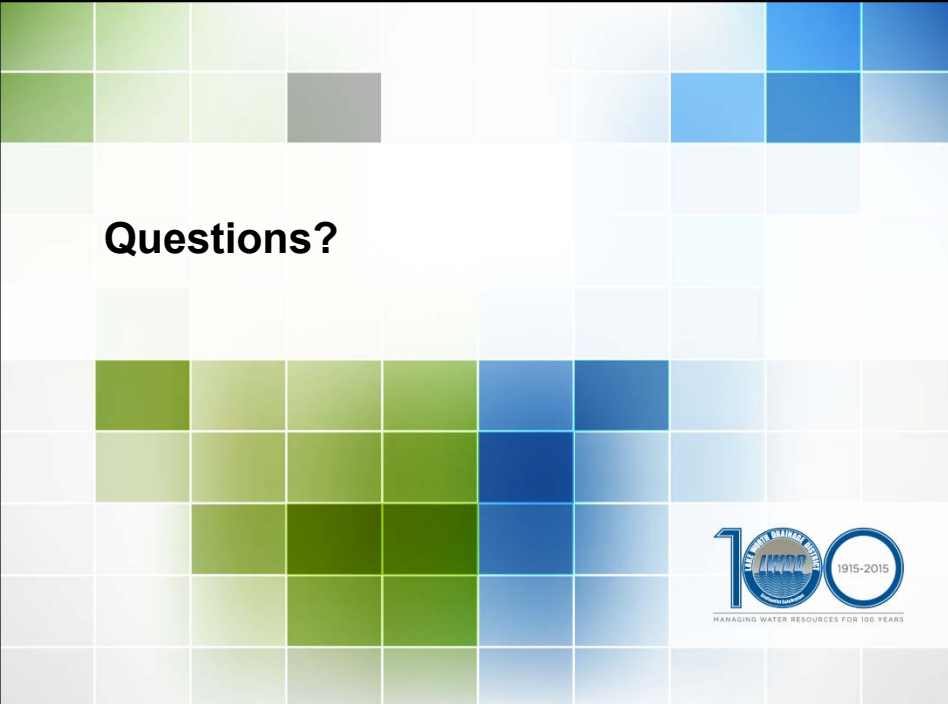

*Rate totals not inclusive of employee contributions.
Minimum 2 year rate guarantee





Recommendation

- Staff recommending continuation of plans with current insurance carriers
- No transitional impacts
 - Administrative processing, employee education enrollment changes, auditing/billing impacts, network/provider disruption
- Portion of increase to be offset by employee contributions
- Continual coverage provides additional leverage for future negotiations



Questions?

