MINUTES OF A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF LAKE WORTH DRAINAGE DISTRICT HELD AT THE DELRAY BEACH OFFICE ON August 12, 2026 AT 9:00 A.M.

Board Members Present:

John I. Whitworth, III — James M. Alderman — Jeffrey Phipps, Sr.
Stephen Bedner

Board Member Remote:

Carrie Hill

1. Call to Order

President Bedner called the meeting to order at 9:00 A.M.

2. Pledge of Allegiance

Mr. Phipps led the Pledge of Allegiance.

3. Agenda Revisions – Tommy Strowd, Executive Director

There were no agenda revisions.

4. Abstentions by Board Members from Items on the Agenda

There were no abstentions.

5. General Public Comment (limited to 3 minutes)

There was no public comment.

6. Approval of minutes, check register and financial statement for the previous month

A motion was made by Supervisor Whitworth to approve the minutes, check register and financial statement for the previous month, seconded by Sr. Vice President Alderman and approved unanimously.

PUBLIC HEARING

7. Public Hearing on the Fiscal Year 2027 Special Non-Ad Valorem Assessment for the property located at 10519 Pine Tree Terrace (PCN 00-42-45-25-03-000-0430) – Chris Johnson, Director of Finance

President Bedner opened the Public Hearing

Mr. Johnson introduced the public hearing regarding the special improvement non-ad valorem assessment for the property located at 10519 Pine Tree Terrace. He stated that the annual assessment amount was approximately $15,242 and would be included on the property's taxes for a period of 20 years at an interest rate of 5%, as previously noticed and approved by the Board. Mr. Johnson then opened the floor for public comment.

President Bedner asked if there was any public comment. There was no public comment.

President Bedner closed the Public Hearing.

8. Public Hearing on the Preliminary Operating Budget for the Fiscal Year Ending September 30, 2027 – Chris Johnson, Director of Finance

President Bedner opened the Public Hearing

Mr. Johnson reported that the preliminary budget, which had been previously approved in the amount of $20.093 million, was advertised on July 29, 2026, in accordance with District rules and standards. He noted that the meeting had been properly noticed and that the public hearing would now be opened to receive any public comments.

President Bedner asked if there was any public comment. There was no public comment.

President Bedner closed the Public Hearing.

DISCUSSION

9. Resolution 2026-02 – Approval of the Fiscal Year 2027 Special Non-Ad Valorem Assessment for the property located at 10519 Pine Tree Terrace (PCN 00-42-45-25-03-000-0430) – Chris Johnson, Director of Finance

Mr. Johnson presented the 20-year amortization schedule for the non-ad valorem special improvement assessment. Staff recommended approval of Resolution 2026-02, which provides for a non-ad valorem special improvement assessment of $15,242.19 for the property located at 10519 Pine Tree Terrace.

A copy of Resolution 2026-02 is attached hereto as a part of the minutes

A motion was made by Sr. Vice President Alderman to approve staff recommendation, seconded by Vice President Hill, and approved unanimously.

10. Resolution 2026-03 - Approval of the Final Operating Budget for the Fiscal Year ending September 30, 2026 – Christopher Johnson, Director of Finance

Mr. Johnson reviewed the proposed Fiscal Year 2027 budget in the amount of $20.093 million and noted that the proposed non-ad valorem assessment rate remained $48.50. He stated that there had been no changes to the budget since its presentation in July. Staff recommended approval of Resolution 2026-03, adopting the Fiscal Year 2027 budget and the associated assessment rate.

A copy of the final budget worksheet and Resolution 26-03 are attached hereto as part of the meeting record.

A motion was made by Supervisor Phipps to approve staff recommendation, seconded by Sr. Vice President Alderman, and approved unanimously.

11. Approval of employee health benefit renewals for FY2027 – Melissa Skora, Human Resources Administrator

Ms. Skora provided an overview of the District's employee benefits renewal process. She explained that the District's broker evaluates insurance rates through requests for proposals from multiple carriers for all lines of coverage and conducts regular dependent eligibility audits. She noted that the District also utilizes plan designs and employee education to encourage informed health care choices, as well as tobacco-user and dependent surcharges and wellness incentives.

Regarding medical coverage, Ms. Skora reported that Cigna's initial renewal proposal reflected a 28.9% premium increase, which was negotiated down to 15% under the current plan design. No comparable or competitive quotes were received from other carriers. Following additional negotiations and minor plan design changes, the renewal increase was further reduced to approximately 9%. She stated that renewing with the current carrier, along with the minor plan design changes, provides the best overall value for the District and its employees.

For dental coverage, Ms. Skora reported that The Standard's renewal reflected a 14% premium increase. Competitive and comparable quotes were obtained from other carriers; however, renewing with the current carrier was determined to provide the best overall value for the District and its employees, including the benefit of a rollover provision for staff.

Regarding vision coverage, Ms. Skora reported that The Standard's renewal reflected a 7% increase. Competitive and comparable quotes were also obtained from other carriers. After evaluating the available options, it was determined that renewing with the current carrier provided the best overall value given the minimal increase and the existing plan benefits. Ms. Skora further noted that The Standard has provided a rate guarantee for life and disability coverage through September 30, 2027.

Staff recommended approval for continuation of medical insurance with Cigna and continuation with Standard for vision, dental, life and disability

A motion was made by Supervisor Whitworth to approve staff recommendation, seconded by Supervisor Phipps, and approved unanimously.

STAFF REPORTS

12. Executive Director's Report

Mr. Johnson provided an update on the District's investment portfolio, reporting a total portfolio value of approximately $37.6 million with an average credit rating of AA. He noted that approximately $24 million, or 64% of the portfolio, is invested in high-quality U.S. Treasuries. Over the preceding 12 months, the portfolio returned 3.15%, compared to the 2.94% benchmark based on the 1-3 year Treasury Index. He further noted that, in accordance with the Board's direction earlier in the year, PFM will transition to the 1-5 year Treasury Index as the portfolio benchmark going forward.

Mr. Strowd briefly reported on Lake Okeechobee levels, noting that the lake level was approximately 11.04 feet and had remained relatively flat. He stated that the implications for the upcoming dry season would be discussed at the following month's meeting.

Mr. Tilles provided two project updates. He reported that Palm Beach County Utilities Department may submit a future application related to the expansion of Wastewater Treatment Plant No. 8, located near the L-2 Canal. The County is evaluating options that could include piping, acquiring a portion of, or rerouting the L-2 Canal to accommodate the expansion. Mr. Tilles noted that no application had been submitted to date and that staff would continue to monitor the project. He further explained that the District would protect drainage and encouraged the County to locate the expansion south of the canal, with any necessary utility crossings subject to the appropriate permitting process.

Mr. Tilles also reported that the Sherbrooke Golf Course redevelopment project, located near Lyons Road and 16th Street, was under review. As part of the permitting process, staff successfully worked with the golf course to relocate an existing paved roadway, 60th Terrace South, out of the District's right-of-way and into an existing access easement. The roadway will be removed as part of the golf course reconstruction at no cost to the District.

Ms. Walker provided an update on the District's horticultural site agreement, noting that although the agreement was entered into in December with the expectation of finalizing it within 45 days, it remained unresolved. She explained that outstanding issues involve the proposed easements and conveyance of the property. Ms. Walker requested that Mr. Perry, District Counsel, meet with each Board member during the coming month to review the outstanding issues and, if the matter could not be resolved before the following Board meeting, requested Board direction on how to proceed. She noted that discussions regarding the agreement have focused on ensuring the District's continued access rights and determining the appropriate method of conveying the property, including whether portions would be conveyed by warranty deed or easement.

Mr. Perry provided an update regarding the outstanding horticultural site agreement. He reported that Mr. Bender contacted him shortly before the meeting regarding the status of the drawing and survey. Mr. Perry advised Mr. Bender that the outstanding items needed to be addressed within two weeks so the matter could be presented to the Board at its next meeting. He recommended that the parties meet during the interim to finalize the remaining issues and reiterated the need to have the matter resolved by the next Board meeting.

13. Board Reports & Comment

No additional reports or comments.

14. Adjourn

There being no further business, the meeting adjourned at 9:34 A.M.

Sr. Vice President – James Alderman

Recording Secretary – Sandra Acosta