



TOWN OF HIGHLAND BEACH TOWN COMMISSION FIRST PUBLIC HEARING BUDGET MEETING AGENDA

Thursday, September 04, 2025 AT 5:01 PM

TOWN HALL COMMISSION CHAMBERS
3614 S. OCEAN BLVD., HIGHLAND BEACH, FL

Town Commission

Natasha Moore
David Stern
Donald Peters
Judith M. Goldberg
Jason Chudnofsky

Mayor
Vice Mayor
Commissioner
Commissioner
Commissioner

Marshall Labadie
Lanelda Gaskins
Leonard G. Rubin

Town Manager
Town Clerk
Town Attorney

-
1. **CALL TO ORDER**
 2. **ROLL CALL**
 3. **PLEDGE OF ALLEGIANCE**
 4. **ADDITIONS, DELETIONS, AND APPROVAL OF THE AGENDA**
 5. **PRESENTATIONS**
 - A. Fiscal Year 2026 Updated Operating Budget Presentation
 6. **FIRST READINGS / PUBLIC HEARINGS:**
 - A. Resolution No. 2025-022

A Resolution of the Town Commission of the Town of Highland Beach, Florida approving a Final Millage Rate of 3.4159 Mils for the Town's General Operating Funds for the fiscal year beginning October 1, 2025, and ending September 30, 2026; providing for the Final Millage Rate of 3.4159 Mils is 7.1200 percent greater than the computed roll back rate of 3.1889 Mils; providing for severability, conflicts, and an effective date.

B. Resolution No. 2025-023

A Resolution of the Town Commission of the Town of Highland Beach, Florida, approving a Final Budget for fiscal year beginning October 1, 2025, and ending September 30, 2026; determining and fixing the amounts necessary to carry on the government of the Town for the ensuring year; providing for severability, conflicts, and an effective date.

7. TOWN MANAGER REPORTS

8. COMMISSION MEETINGS

September 18, 2025 Town Commission Second Public Hearing Budget Meeting

9. ADJOURNMENT

NOTICE: If a person decides to appeal any decision made by the Town Commission with respect to any matter considered at this meeting, you will need a record of the proceedings, and you may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (The above notice is required by State Law. Anyone desiring a verbatim transcript shall have the responsibility, at his own cost, to arrange for the transcript).

Pursuant to the provision of the Americans with Disabilities Act, any person requesting special accommodations to participate in these meetings, because of a disability or physical impairment, should contact the Town at 561-278-4548 at least five calendar days prior to the Hearing.

File Attachments for Item:

A. Fiscal Year 2026 Updated Operating Budget Presentation



Preliminary FY 2026 Operating Budget

September 4, 2025



"Budgeting to Protect Our 3 Miles of Paradise"



FY 2026 Preliminary Budget Overview

- Maintain Total Millage Rate at 3.5875
 - Recognized an 6.7% increase in Taxable Value (Property Appraiser)
- Capital Focused
 - General Fund \$2.6 Million → Manage with future Budget Amendments funding with surpluses.
 - Discretionary Sales Surtax Fund \$417,500
 - Building Fund \$706,500
 - Water Fund \$675,000
 - Sewer Fund \$2.1 Million
- Funding of salaries and benefits
 - Staff Compensation estimated at 6%
 - Health Insurance estimated at 10%
- General Insurance Increased at 7-10%
- Slight Increase In Building Fund Transfers to General Fund
- Water and Sewer Rates increase by 5%



FY 2024/2025 Accomplishments

- Fire Rescue Department – Operations Commenced
- Marine Accessory Structures Ordinance
- Home Based Occupation Ordinance
- Police Assigned Vehicle Program
- Lift Station No. 3 Reconstruction
- Water Treatment Plant Upgrades and Replacements
- Lift Station No. 1 Pumps
- Bel Lido Bridge Repair



FY 2025 / 2026 Strategic Projects/Initiatives

- PD Marine Docking Facility - Budgeted with future Budget Amendments
- PD Real Time Security Center/ New Entrance – Budgeted in FY2026
- Embedded Crosswalk Lighting – Budgeted in FY2026
- Sanitary Sewer Lining Projects – Budgeted in FY2026
- Lift Station No. 2 Rehabilitation – Budgeted in FY2026
- Comprehensive Plan Update
- Old Fire Station Reconstruction – Budgeted with future Budget Amendments
- CIP Projects:
 - New roof/Windows (BLDG/WTP)
 - Repaving Campus/Landscape Enhancements/ADA Upgrades
 - HVAC Chiller
 - WTP R&R (Acid Bulk/Day Tank, Mezzanine, Well No. 8 Study)



FY 2026 Preliminary Millage Rate

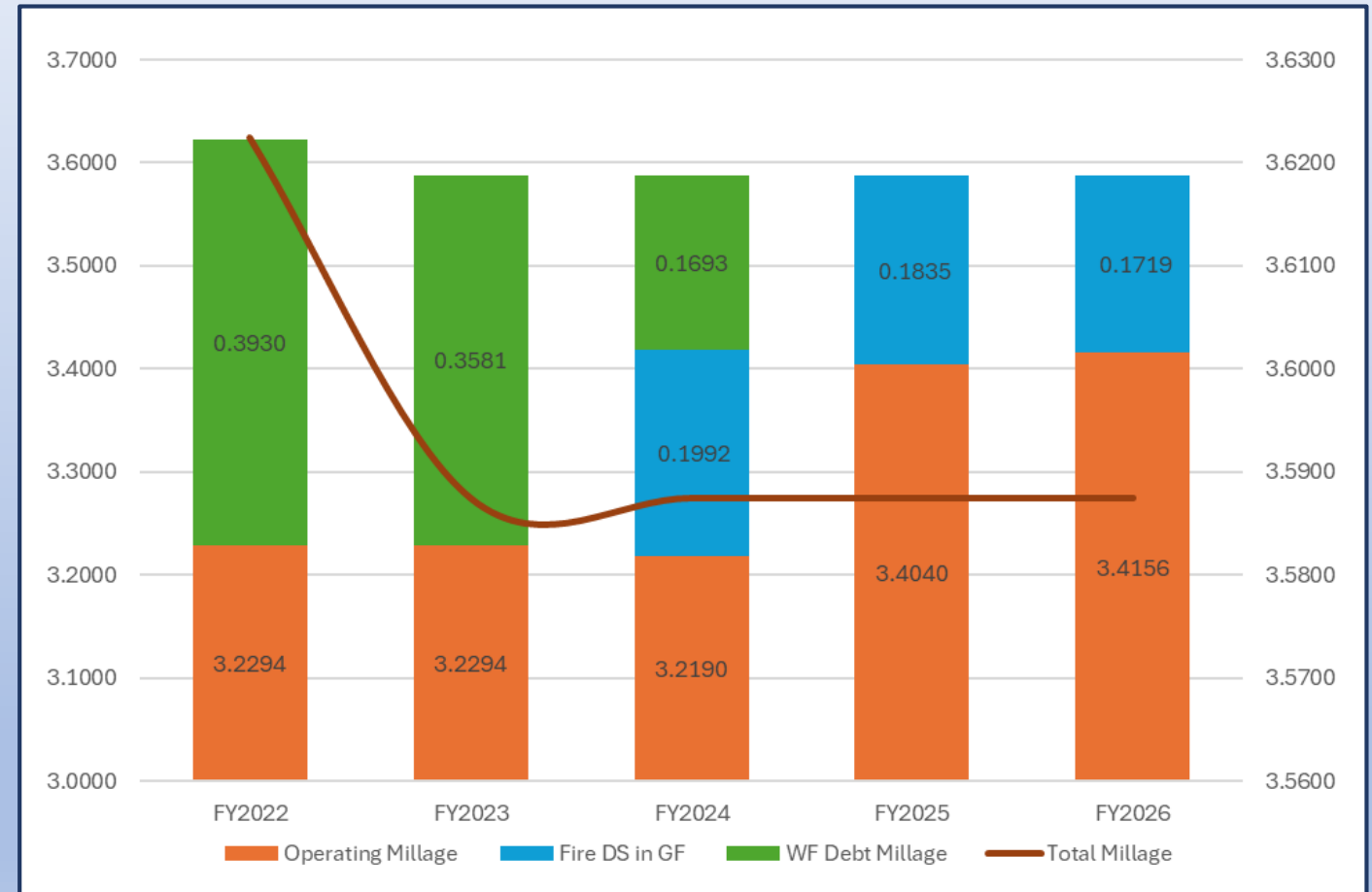
- Proposed Operating Millage Rate **3.4159 Mills**
- Proposed Debt Service Millage Rate 0.1716 Mills
(Fire)
- Combined Proposed Millage **3.5875 Mills**

Maintained millage rate since October 1, 2022 (FY2023)



Town's Preliminary Tax Rate

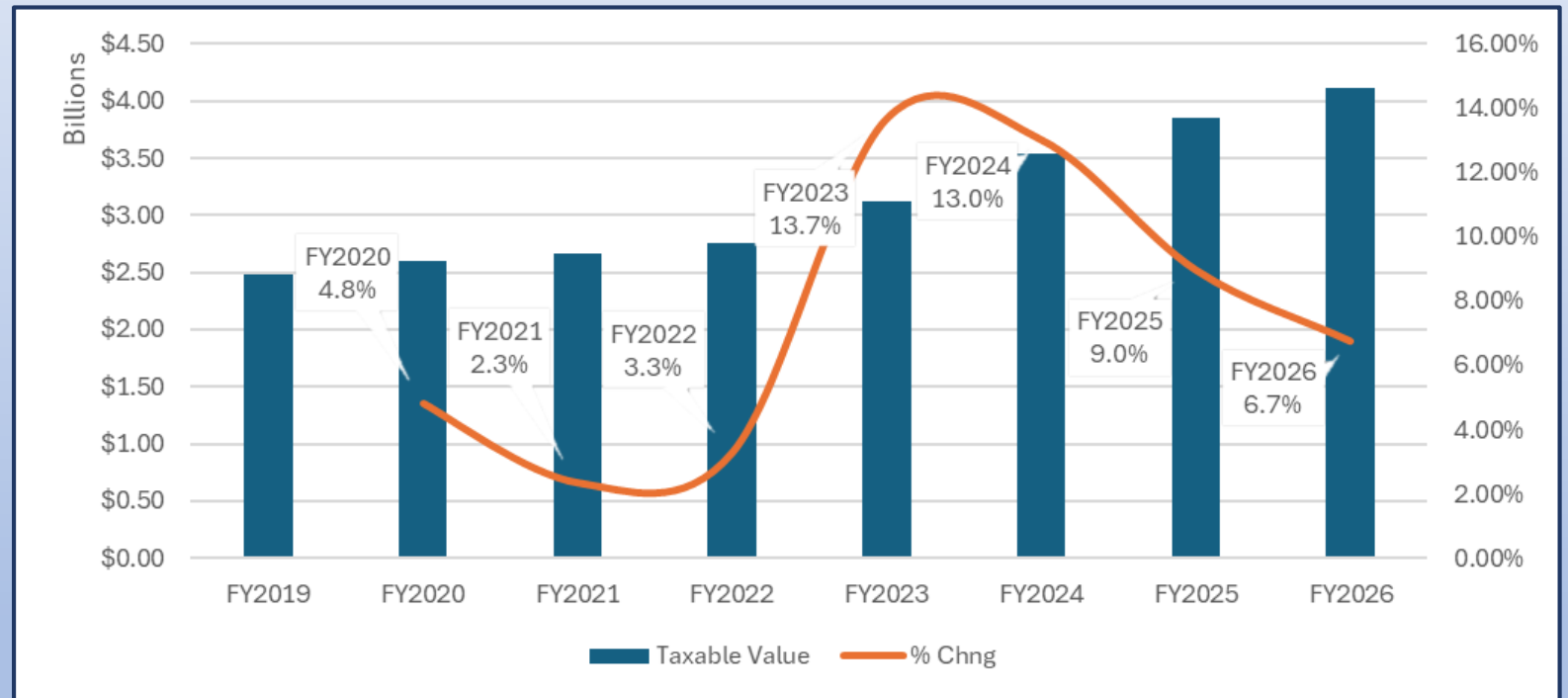
- Small Increase in Operating Millage of 0.34% Due to Normal Increases in Cost, offset by utilizing Reserves for increased Capital Spending.
- Fire Debt Service decreased by -6.31%, primarily due to the general increase in Taxable Values.
- Eliminated Water Fund Debt Millage Transfer from GF In FY2025





Town's Taxable Assessed Value

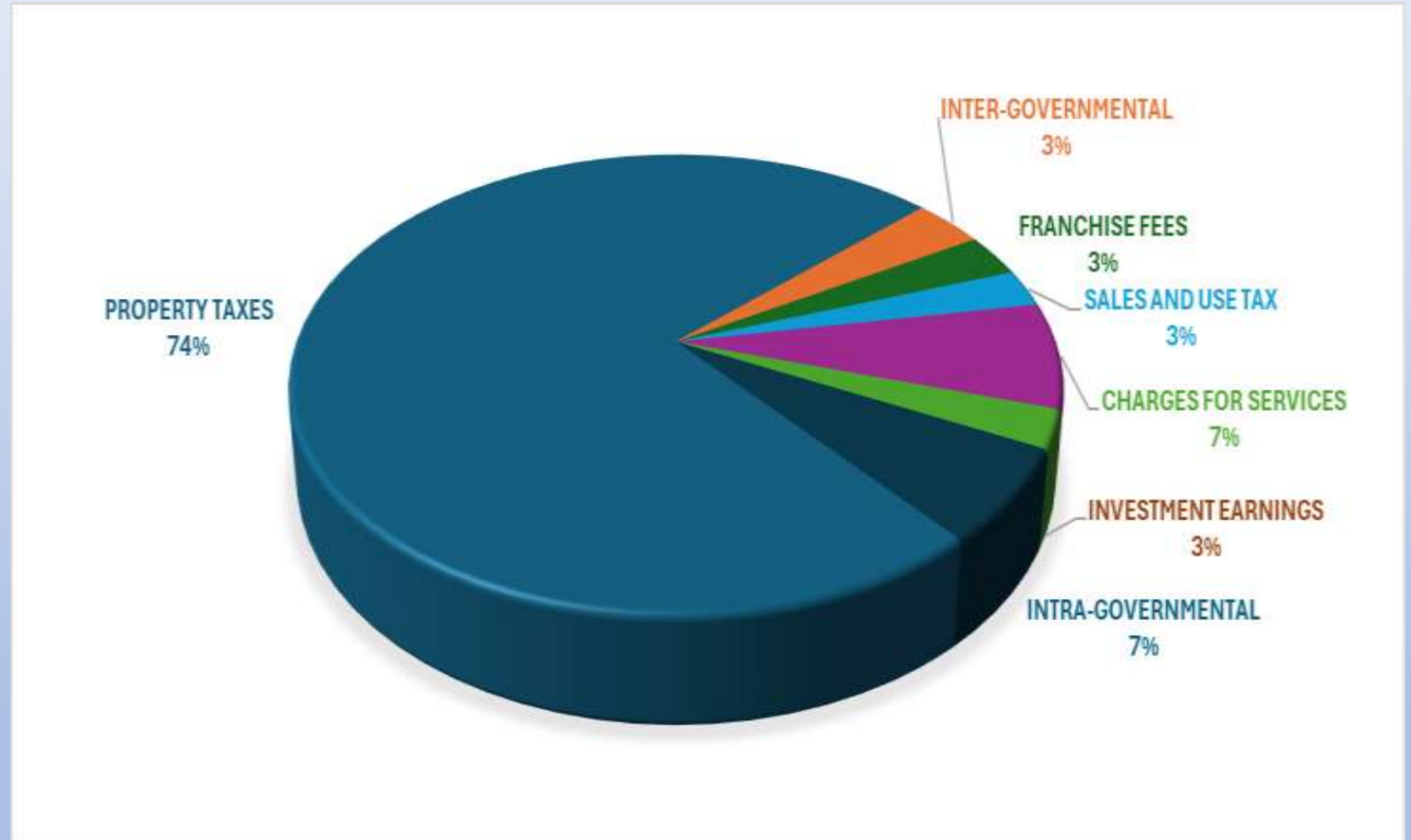
- Steep Incline to a gradual decrease
- \$4.1B in Taxable Assessed Value
- 7.54% Average increase in Taxable Assessed Value from FY2020 to FY2026





Preliminary FY2026 General Fund Revenues

- FY2025 General Fund Budgeted Revenues are estimated to be approximately \$18.4M
- FY2026 General Fund Revenues are estimated to be \$19.2M
 - 74% From Property Taxes





Preliminary FY2026 General Fund Revenues (Cont.)

- Overall General Fund Revenues will increase by approximately 4% as compared to our FY2025 Budget.
 - Increase in Property Taxable Value
 - 7% Increase in Solid Waste per Contract (Garbage Collection Fees)
 - Decrease in Grant Funds (ARPA).

CATEGORY	FY2024	FY2025	FY2025	FY2025	FY2026	FY2026 vs FY2025 Budget	
	Actuals	Budget	YTD	Estimate	Proposed	\$ Change	\$ Change
PROPERTY TAXES	\$ 12,246,292	\$ 13,243,591	\$ 13,356,075	\$ 13,356,075	\$ 14,150,000	906,409	6.8%
INTER-GOVERNMENTAL	626,478	686,900	502,708	603,041	667,936	(18,964)	-2.8%
FRANCHISE FEES	562,460	525,000	444,124	532,949	577,990	52,990	10.1%
SALES AND USE TAX	504,550	515,000	401,414	481,697	499,844	(15,156)	-2.9%
GRANTS	1,522,699	483,324	520,065	523,275	46,292	(437,032)	-90.4%
CHARGES FOR SERVICES	1,080,187	1,111,000	1,182,695	1,345,262	1,418,500	307,500	27.7%
FINES AND FORFEITURES	12,726	14,800	28,409	28,612	30,361	15,561	105.1%
INVESTMENT EARNINGS	757,380	505,000	358,885	428,724	510,000	5,000	1.0%
RENTS AND LEASES	67,180	56,000	52,332	56,000	58,000	2,000	3.6%
INTRA-GOVERNMENTAL	1,050,000	1,050,000	875,000	1,050,000	1,250,000	200,000	19.0%
MISCELLANEOUS REVENUES	23,487	30,000	32,312	32,312	10,000	(20,000)	-66.7%
OTHER FINANCING SOURCES	5,263,926	-	-	-	-	-	0.0%
APPROP FROM RESERVES	-	251,834	-	-	-	(251,834)	-100.0%
	<u>\$ 23,717,365</u>	<u>\$ 18,472,449</u>	<u>\$ 17,754,019</u>	<u>\$ 18,437,947</u>	<u>\$ 19,218,923</u>	<u>\$ 746,474</u>	<u>4.0%</u>



Preliminary FY 2026 General Fund Expenditures

- Increase in Personal Cost related to:
 - Cost of living wage adjustments assumed at 6%
 - Health Insurance and Retirement Contributions increases
- Increase in Operating Expense related to Repair & Maintenance and Fire Rescue
- Decrease in Capital Outlay
- Increase in Appropriation to Reserves to Future Fund Capital Needs

CATEGORY	FY2024 Actuals	FY2025 Budget	July FY2025 YTD	FY2025 Estimate	FY2026 Proposed	FY2026 vs FY2025 Budget	
						\$ Change	\$ Change
PERSONAL SERVICES	\$ 8,174,255	\$ 11,101,000	\$ 8,952,519	\$ 11,045,023	\$ 12,097,461	996,461	9.0%
OPERATING EXPENSES	6,332,525	4,049,954	3,067,807	3,862,223	4,376,855	326,901	8.1%
CAPITAL OUTLAY	6,783,894	2,054,409	1,014,619	1,233,311	954,700	(1,099,709)	-53.5%
DEBT SERVICE	677,719	677,961	621,464	677,960	677,961	-	0.0%
TRANSFERS	506,753	55,000	45,831	54,997	55,000	-	0.0%
CONTINGENCY	-	19,000	-	-	75,000	56,000	100.0%
APPROP TO RESERVES	1,242,219	515,125	-	1,564,433	981,946	466,821	90.6%
	\$ 23,717,365	\$ 18,472,449	\$ 13,702,240	\$ 18,437,947	\$ 19,218,923	\$ 746,474	4.0%





Preliminary FY2025 General Fund Expenditures (Cont.)

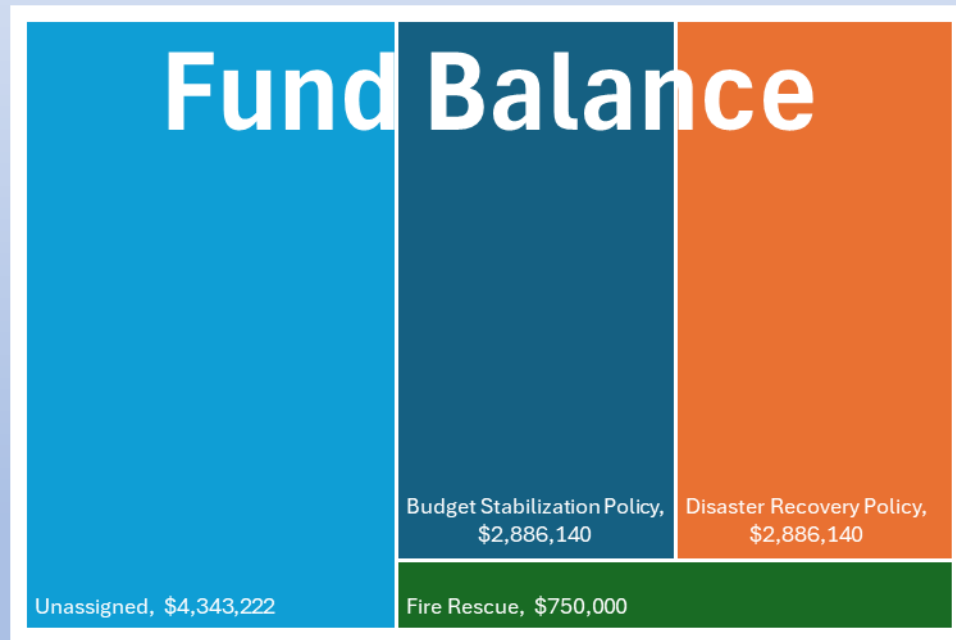
- Public Safety Departments accounts for 67% of the General Fund Preliminary Budget.
- Moved Legal Expenditures into Town Manager Department
- Closed Post Office in June 2024
- Moved Staff from Finance to Shared Services.
- Increase transfer to Reserves

DEPT	FY2024 Actuals	FY2025 Budget	July FY2025 YTD	FY2025 Estimate	FY2026 Proposed	FY2026 vs FY2025 Budget	
						\$ Change	\$ Change
TOWN COMMISSION	\$ 203,714	\$ 358,685	\$ 285,865	\$ 345,534	\$ 379,200	20,515	5.7%
TOWN MANAGER	663,115	738,385	507,284	657,706	804,611	66,226	9.0%
TOWN CLERK	335,440	482,513	336,180	388,653	446,130	(\$6,383)	-7.5%
FINANCE	598,575	636,000	497,739	619,213	437,750	(198,250)	-31.2%
LEGAL	84,147	-	-	-	-	-	0.0%
PUBLIC WORKS	396,097	1,506,660	486,051	618,761	551,700	(954,960)	-63.4%
POST OFFICE	100,854	-	-	-	-	-	0.0%
SHARED SERVICES	683,787	690,634	545,752	679,281	876,750	186,116	26.9%
POLICE	3,663,511	5,363,579	4,231,013	5,285,017	5,923,400	559,821	10.4%
FIRE RESCUE	13,144,057	5,859,906	4,859,322	5,998,080	6,329,500	469,594	8.0%
SOLID WASTE	967,663	1,075,350	893,201	1,071,841	1,150,625	75,275	7.0%
LIBRARY	452,177	493,651	392,538	476,471	529,350	35,699	7.2%
DEBT SERVICE	677,719	677,960	621,464	677,960	677,961	1	0.0%
INTERFUND TRANSFERS	506,753	55,000	45,831	54,997	55,000	-	0.0%
RESERVE FOR CONTINGENCY	-	19,000	-	-	75,000	56,000	294.7%
APPROP TO RESERVES	1,239,756	515,126	-	1,564,433	981,946	466,820	90.6%
	<u>\$ 23,717,365</u>	<u>\$ 18,472,449</u>	<u>\$ 13,702,240</u>	<u>\$ 18,437,947</u>	<u>\$ 19,218,923</u>	<u>\$ 746,474</u>	<u>4.0%</u>



Preliminary FY2026 General Fund Balance

- Fund Balance continues to remain strong.
- Town continues to maintain a nice balance of Unrestricted and Restricted Funds.



Fund Balance		
	FY2025	FY2026
Beg Balance	\$ 8,319,124	\$ 9,883,557
+ Approp to Resv	1,564,433	981,946
- Approp From Resv	-	-
Estimated Ending Balance	\$ 9,883,557	\$ 10,865,503

		% of Total
Budget Stabilization Policy	\$ 2,886,140	27%
Disaster Recovery Policy	\$ 2,886,140	27%
Fire Rescue	\$ 750,000	7%
Unassigned	\$ 4,343,222	40%
Total	\$ 10,865,503	100%



Preliminary FY2026 Discretionary Sales Surtax Fund

- Get Ready!
This Source
of Funds End
December
31, 2025.

Sources of Revenue CATEGORY	FY2024 Actuals	FY2025 Budget	July FY2025 YTD	FY2025 Estimate	FY2026 Proposed	FY2026 vs FY2025 Budget	
						\$ Change	\$ Change
SALES AND USE TAX	\$ 428,043	\$ 415,000	\$ 364,035	\$ 436,842	\$ 107,000	(308,000)	-74.2%
INVESTMENT EARNINGS	28,262	36,000	26,495	31,794	30,000	(6,000)	-16.7%
APPROP FROM RESERVES	25,000	345,285	-	259,235	380,000	34,715	10.1%
	<u>\$ 481,305</u>	<u>\$ 796,285</u>	<u>\$ 390,530</u>	<u>\$ 727,871</u>	<u>\$ 517,000</u>	<u>\$ (279,285)</u>	<u>-35.1%</u>

Uses of Revenue CATEGORY	FY2024 Actuals	FY2025 Budget	July FY2025 YTD	FY2025 Estimate	FY2026 Proposed	FY2026 vs FY2025 Budget	
						\$ Change	\$ Change
OPERATING EXPENSES	\$ 7,117	\$ 63,295	\$ 11,199	\$ -	\$ -	(63,295)	-100.0%
CAPITAL OUTLAY	429,526	732,990	511,390	727,871	417,500	(315,490)	-43.0%
CONTINGENCY	-	-	-	-	99,500	99,500	0.0%
APPROP TO RESERVES	44,662	-	-	-	-	-	0.0%
	<u>\$ 481,305</u>	<u>\$ 796,285</u>	<u>\$ 522,589</u>	<u>\$ 727,871</u>	<u>\$ 517,000</u>	<u>\$ (279,285)</u>	<u>-35.1%</u>

FUND BALANCE		
	FY2025	FY2026
Beg Balance	\$ 640,000	\$ 380,765
+ Approp to Resv	-	
- Approp from Resv	(259,235)	(380,000)
Estimated Ending Balance	<u>\$ 380,765</u>	<u>\$ 765</u>

Capital Expenditures		
Department	Proj Descr	Estimated Cost
	AXON	
Police Dept	CAMERAS	86,500
	FLOCK	
Police Dept		31,000
	Crosswalk	
PW		300,000
		\$
		<u>417,500</u>



Preliminary FY2026 Building Department (Revenues)

CATEGORY	FY2024	FY2025	FY2025	FY2025	FY2026	FY2026 vs FY2025 Budget	
	Actuals	Budget	YTD	Estimate	Proposed	\$ Change	\$ Change
CHARGES FOR SERVICES	\$ 2,368,164	\$ 1,973,350	\$ 2,325,642	\$ 2,590,190	\$ 2,283,350	310,000	15.7%
FINES AND FORFEITURES	52,201	43,000	79,785	95,742	62,000	19,000	44.2%
INVESTMENT EARNINGS	131,474	110,000	155,674	186,809	110,000	-	0.0%
INTRA-GOVERNMENTAL	55,000	55,000	45,831	55,000	55,000	-	0.0%
OTHER FINANCING SOURCES	7,371	-	-	-	-	-	-
APPROP FROM RESERVES	-	201,678	-	-	619,860	418,182	207.4%
	<u>\$ 2,614,210</u>	<u>\$ 2,383,028</u>	<u>\$ 2,606,932</u>	<u>\$ 2,927,741</u>	<u>\$ 3,130,210</u>	<u>\$ 747,182</u>	<u>31.4%</u>

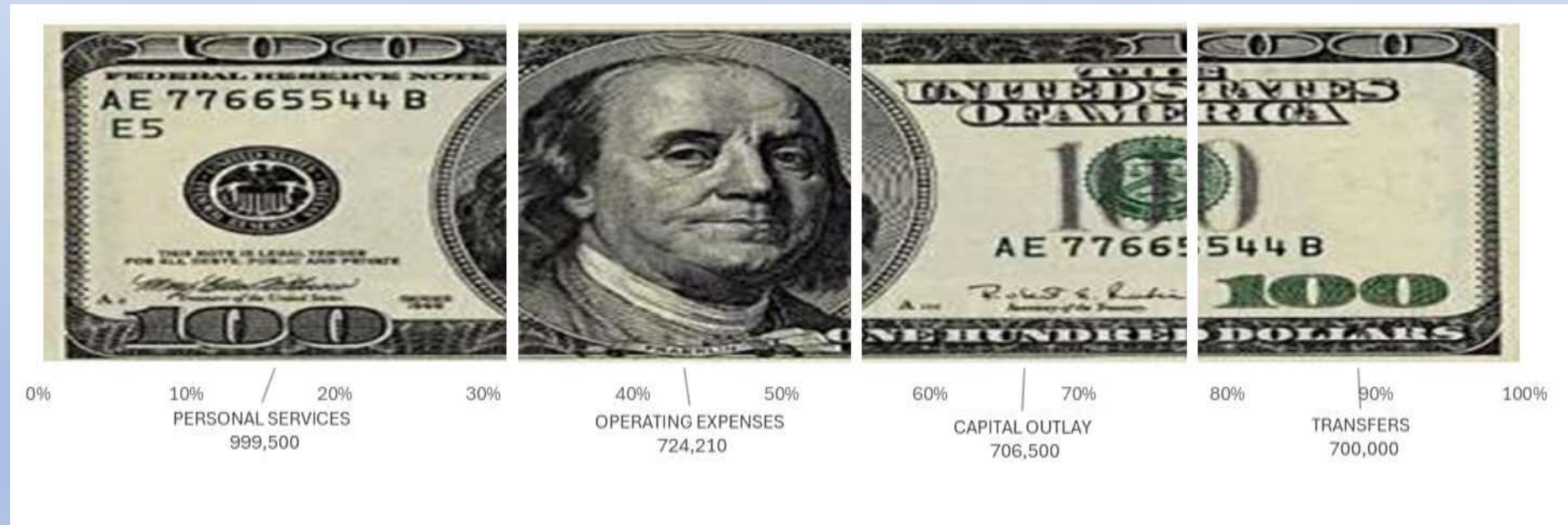
- Charges for Services represent over 73% of total revenue associated with this fund. FY2026 Preliminary Budget is based on a conservative projection of FY2025 actuals.
- The Interlocal Agreement with Gulfstream continues to benefit this fund.
- Transfer from General Fund represents a fixed amount of allocated labor for planning and zoning activity .
- Use of Reserve Fund for Capital Improvements



Preliminary FY2026 Building Department (Expenditures)

- Overall, the budget increased by 31.4% as compared to FY2025 Budget.
- Operating Expenses increased based on our FY2026 estimates and general inflation increases.
- Personal Cost include a general Cost of living adjustment of 5% plus increases in cost of benefits
- Transfers to the General Fund Increase.
- Utilized some excess reserves to fund capital improvements

CATEGORY	FY2024 Actuals	FY2025 Budget	July FY2025 YTD	FY2025 Estimate	FY2026 Proposed	FY2026 vs FY2025 Budget	
						\$ Change	% Change
PERSONAL SERVICES	\$ 800,708	\$ 882,000	\$ 710,839	\$ 853,007	\$ 999,500	117,500	13.3%
OPERATING EXPENSES	539,722	583,628	512,697	613,344	724,210	140,582	24.1%
CAPITAL OUTLAY	67,418	417,400	6,310	417,400	706,500	289,100	69.3%
TRANSFERS	500,000	500,000	416,667	500,000	700,000	200,000	40.0%
APPROP TO RESERVES	706,362	-	-	543,989	-	-	0.0%
	<u>\$ 2,614,210</u>	<u>\$ 2,383,028</u>	<u>\$ 1,646,513</u>	<u>\$ 2,927,741</u>	<u>\$ 3,130,210</u>	<u>\$ 747,182</u>	<u>31.4%</u>





Preliminary FY2026 Building Department (Fund Balance) & Capital Expenditures

- Fund Balance continues to remain healthy.
- Use of excess reserves to fund capital improvements to office
- Maintaining healthily Days Operating Cash
- Increase Capital Expenditures in FY2026
 - Use some Excess Reserves
 - Enhance Appearance and Function of Building

Building Department Fund Balance

	FY2025	FY2026
Beg Balance	\$ 3,598,977	\$4,142,966
+ Approp to Resv	543,989	-
- Approp from Resv		(619,860)
Estimated Ending Balance	\$ 4,142,966	\$3,523,106

Operating Days Cash	602	531
Fund Days Cash (Includes CapX)	517	411

Capital Expenditures

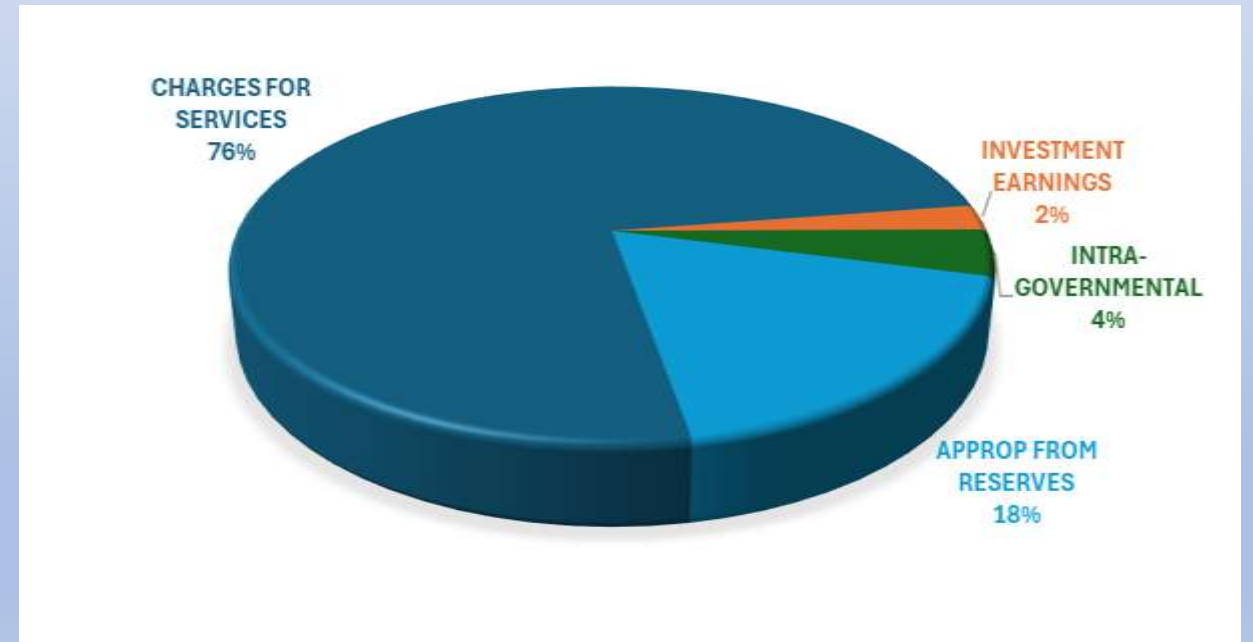
Department	Proj Descr	Estimated Cos
Building Dept	Roof	\$ 350,000
Building Dept	Entrance	250,000
Building Dept	Chillers	90,000
Building Dept	Other	16,500
		<u>\$ 706,500</u>



Preliminary FY2026 Water Fund (Revenues)

CATEGORY	FY2024 Actuals	FY2025 Budget	July FY2025		FY2026 Proposed	FY2026 vs FY2025 Budget	
			YTD	Estimate		\$ Change	\$ Change
CHARGES FOR SERVICES	\$ 3,433,654	\$ 3,702,396	\$ 3,088,643	\$ 3,698,612	\$ 3,933,064	230,668	6.2%
INVESTMENT EARNINGS	144,250	125,000	103,331	123,997	120,000	(5,000)	-4.0%
INTRA-GOVERNMENTAL	671,753	220,000	183,333	220,000	220,000	-	0.0%
APPROP FROM RESERVES	1,361,830	865,343	-	561,372	946,705	81,362	
MISCELLANEOUS REVENUES	6,243	-	3,950	3,950	-	-	0.0%
	<u>\$ 5,617,730</u>	<u>\$ 4,912,739</u>	<u>\$ 3,379,257</u>	<u>\$ 4,607,931</u>	<u>\$ 5,219,769</u>	<u>\$ 307,030</u>	<u>6.2%</u>

- Overall increase in revenues of 6.2% (primarily due to 5% rate increase and slight increase draw on reserves)
- Estimated to draw from reserves \$304K LESS THAN BUDGETED FOR FY2025

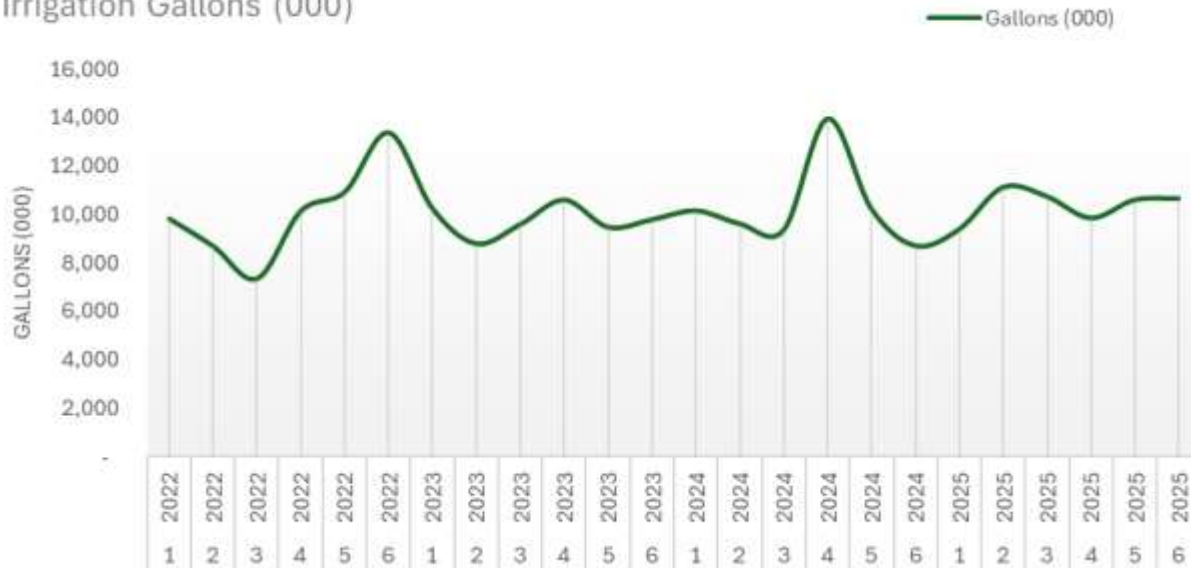




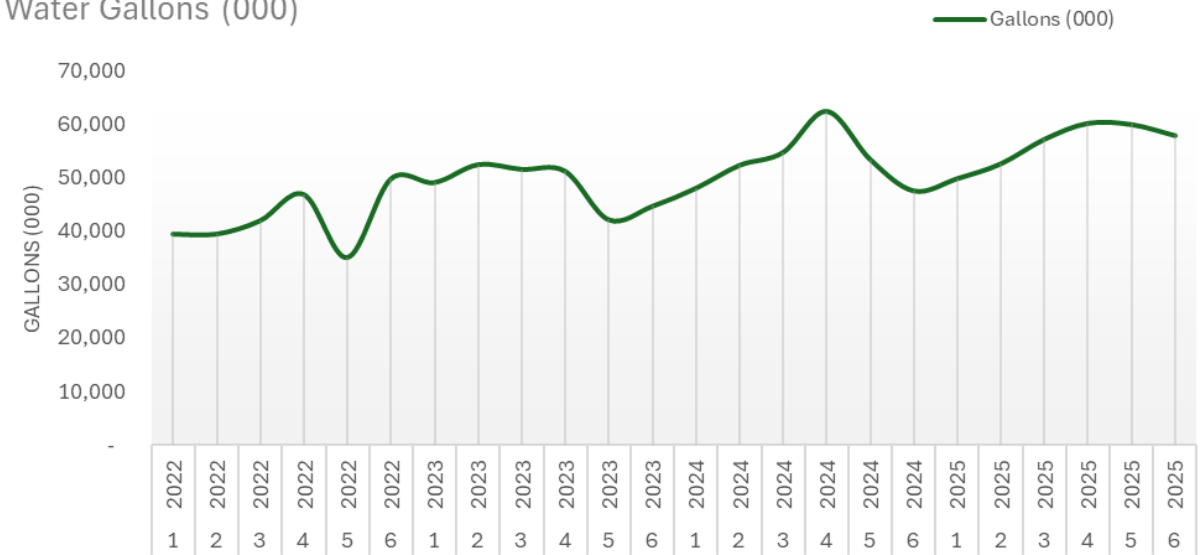
Preliminary FY2026 Water Fund (Revenue Data)

- Compared to the prior year (FY2024), Water Usage is up by 6%

Irrigation Gallons (000)



Water Gallons (000)

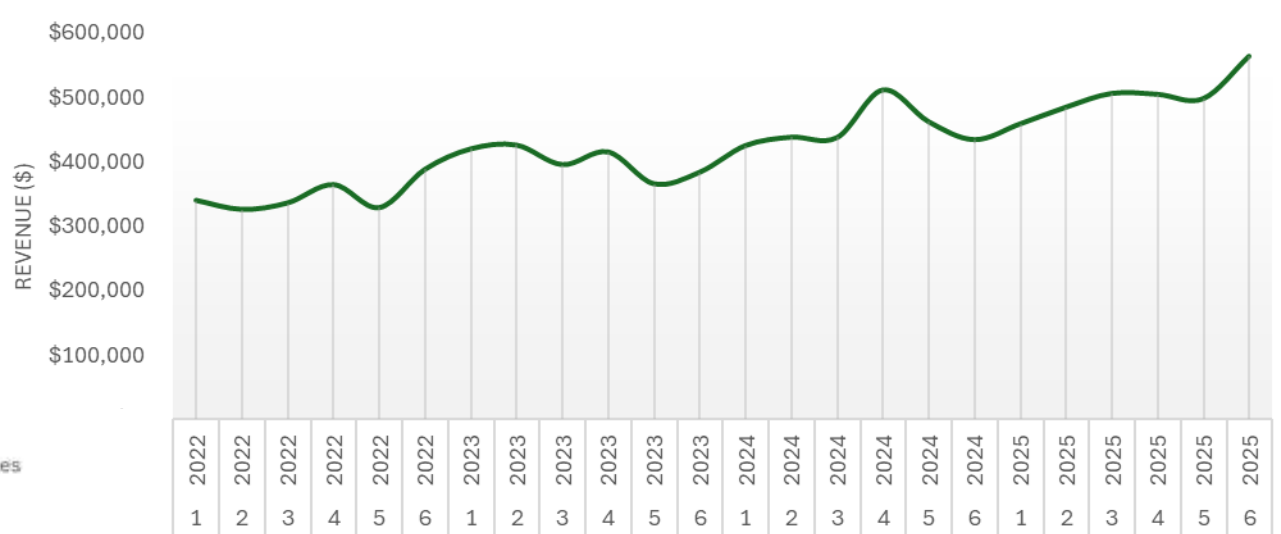




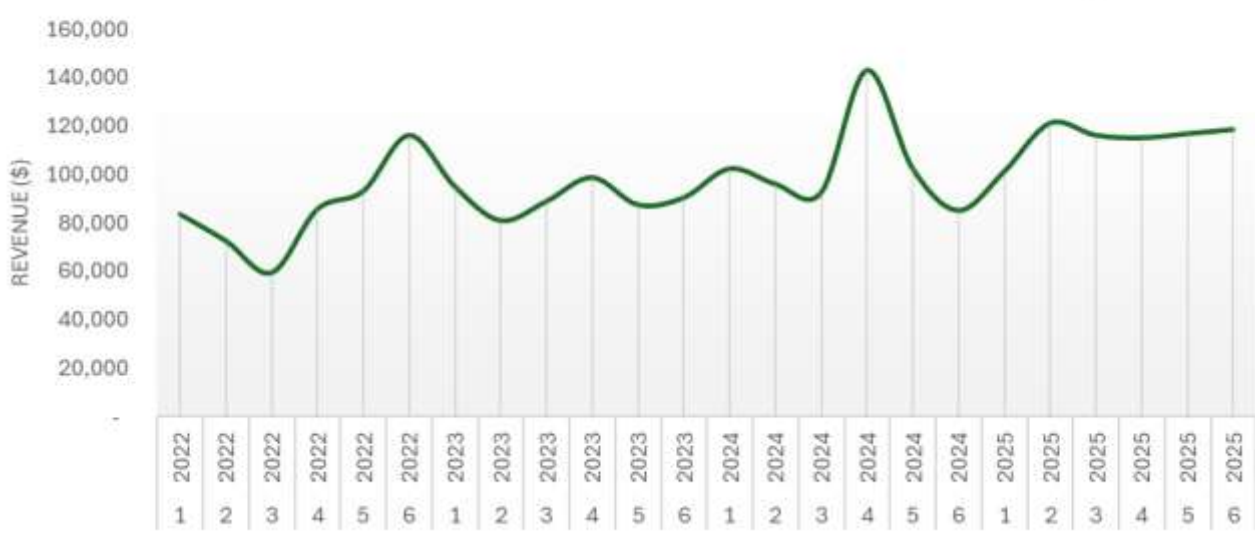
Preliminary FY2026 Water Fund (Revenue Data)

• Compared to the prior year (FY2024), Water **Revenue** is anticipated to be *up by 8%*

Water Revenue \$



Irrigation Revenue \$





Preliminary FY2026 Water Fund (Expenditures)

- 6% increase in Salaries & Related (Department is fully staffed).
- Preliminary Operations budget based on FY2025 projected expenditures.
- Slight increase in Capital Project Expenditures
- Overall increase in expenditures of 6.2% primarily increases in general costs, Insurance and chemicals.

CATEGORY	FY2024 Actuals	FY2025 Budget	July FY2025 YTD	FY2025 Estimate	FY2026 Proposed	FY2026 vs FY2025 Budget	
						\$ Change	\$ Change
PERSONAL SERVICES	\$ 1,091,189	\$ 1,369,000	\$ 1,120,126	\$ 1,344,151	\$ 1,545,000	176,000	12.9%
OPERATING EXPENSES	2,296,096	1,634,861	1,084,146	1,418,582	1,593,000	(41,861)	-2.6%
CAPITAL OUTLAY	478,417	523,109	563,334	484,429	675,000	151,891	29.0%
DEBT SERVICE	1,180,985	810,769	740,448	810,769	810,769	-	0.0%
TRANSFERS	550,000	550,000	458,333	550,000	550,000	-	0.0%
CONTINGENCY	21,043	25,000	-	-	46,000	21,000	84.0%
	\$ 5,617,730	\$ 4,912,739	\$ 3,966,387	\$ 4,607,931	\$ 5,219,769	\$ 307,030	6.2%

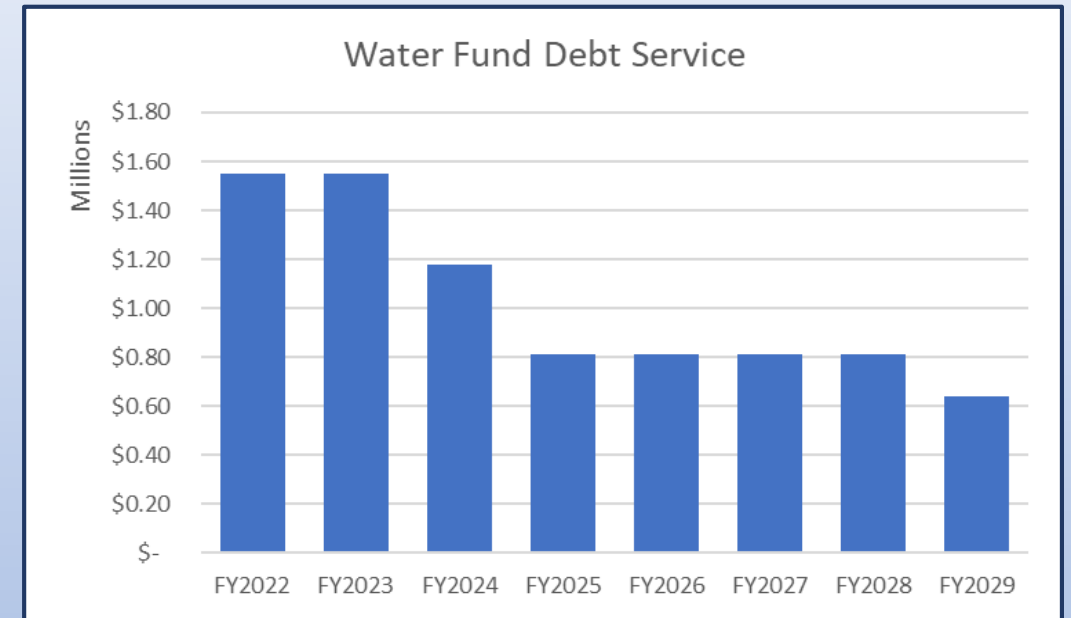




Preliminary FY2026 Water Fund (Expenditure Data)

- Debt Service reduced in FY2024 by \$369K and FY2025 by another \$369K.
- Next Debt Service reduction is in FY2029

Loan No.	Pmt Months	Annual Debt Service	Maturity Day	Int Rate
500200	Mar & Sep	\$ 198,311	Sep-2030	2.82%
500210	Jun & Dec	263,473	Dec-2037	1.18%
500201	Mar & Sep	52,136	Sep-2030	2.61%
BOA	All	296,880	Feb-2029	3.41%
		<u>\$ 810,800</u>		





Preliminary FY2026 Water Net Position

- Net Position decreases due to utilizing excess cash to fund capital needs.
- 85 days of Unrestricted Net Position.

Net Position		
	FY2025	FY2026
Beg Bal Net Position - Unrestricted	\$ 2,570,042	\$2,008,670
+ Approp to Resv		
- Approp from Resv	(561,372)	(946,705)
Estimated Ending Balance	\$ 2,008,670	\$1,061,965
Operating Days Cash	178	85
Fund Days Cash (Includes CapX)	159	74

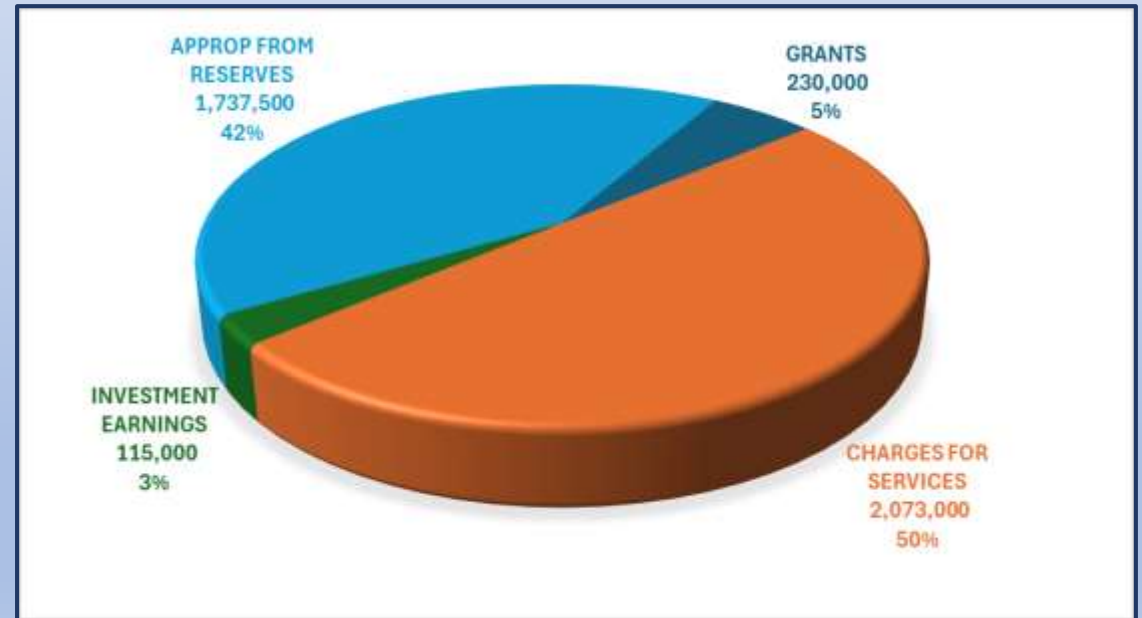
Capital Projects		
Departme	Proj Descr	Estimated Cos
Water	Mezzanine Walkway	\$ 200,000
Water	Steel Beam Replacement	150,000
Water	Well #8 Improvements	125,000
Water	Acid Tank Replacement	200,000
		<u>\$ 675,000</u>



Preliminary FY2026 Sewer Fund (Revenues)

- Overall increase of revenues 56% (primarily due to increased appropriations from reserves to cover increase in Capital Expenditures).
- The preliminary Budget assumed a 5% rate increase.
- Reduction in Grant Funds is the result of spending ARPA funds in prior year.

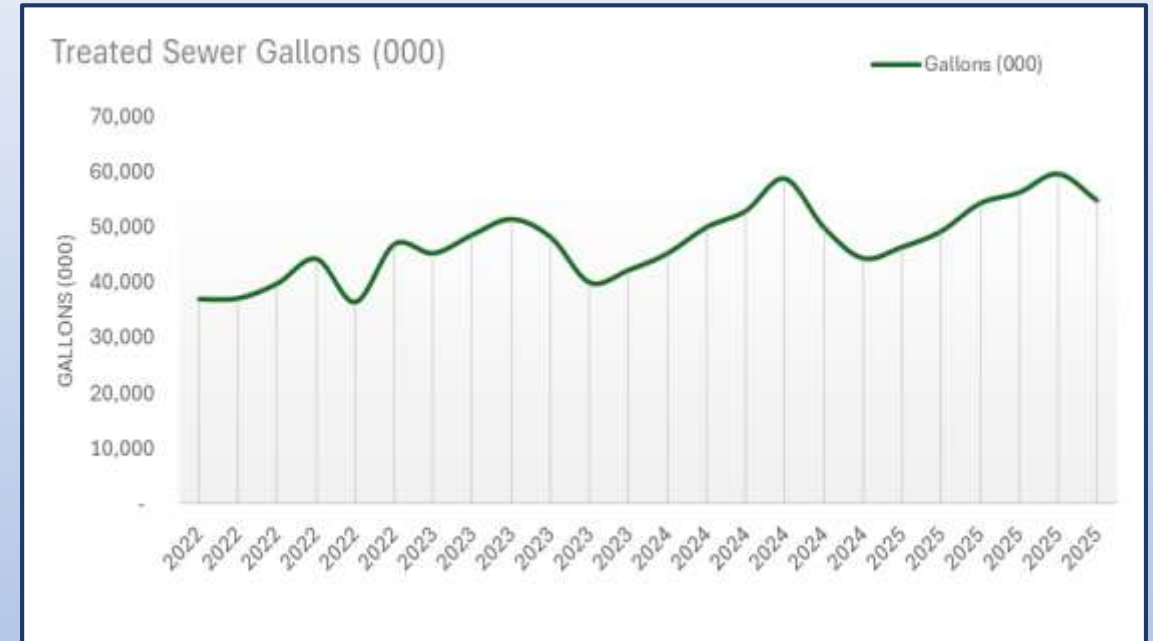
CATEGORY	FY2024 Actuals	FY2025 Budget	July		FY2026 Proposed	FY2026 vs FY2025 Budget	
			FY2025 YTD	FY2025 Estimate		\$ Change	\$ Change
CHARGES FOR SERVICES	\$ 1,809,808	\$ 1,973,647	\$ 1,599,478	\$ 1,919,374	\$ 2,073,000	99,353	5.0%
GRANTS	-	410,921	230,062	230,062	230,000	(180,921)	-44.0%
INVESTMENT EARNINGS	115,099	110,000	126,776	152,131	115,000	5,000	4.5%
APPROP FROM RESERVES	-	168,449	-	207,832	1,737,500	1,569,051	755.0%
	<u>\$ 1,924,907</u>	<u>\$ 2,663,017</u>	<u>\$ 1,956,316</u>	<u>\$ 2,509,399</u>	<u>\$ 4,155,500</u>	<u>\$ 1,492,483</u>	<u>56.0%</u>





Preliminary FY2026 Sewer Fund (Revenue Data)

- Compared to the prior year (FY2024), Sewer Treatment (Usage) is estimated to Increased by 6%*



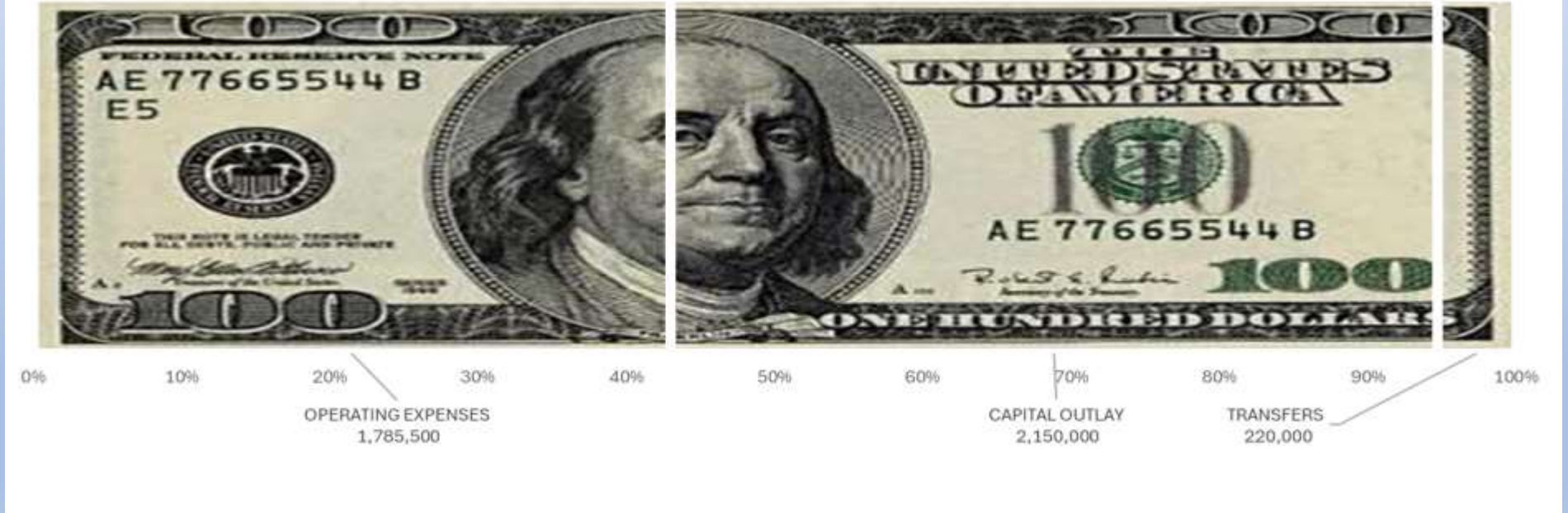
- Compared to the prior year (FY2024), Sewer Revenue is estimated to increased by 5%*



Preliminary FY2026 Sewer Fund (Expenditures)

- Increase in Operating Expense based on contract with Delray for Sewer Treatment and general inflationary price increases is offset by decreases in R&R and R&M due to strong history of maintenance
- Increase in CapX expenditures.

CATEGORY	FY2024 Actuals	FY2025 Budget	July		FY2026 Proposed	FY2026 vs FY2025 Budget	
			FY2025 YTD	FY2025 Estimate		\$ Change	\$ Change
OPERATING EXPENSES	\$ 1,123,633	\$ 1,865,314	\$ 994,854	\$ 1,700,347	\$ 1,785,500	(79,814)	-4.3%
CAPITAL OUTLAY	122,162	528,625	460,489	539,974	2,150,000	1,621,375	306.7%
TRANSFERS	220,000	220,000	183,333	220,000	220,000	-	0.0%
CONTINGENCY	-	49,078	-	49,078	-	(49,078)	-100.0%
APPROP TO RESERVES	459,112	-	-	-	-	-	
	<u>\$ 1,924,907</u>	<u>\$ 2,663,017</u>	<u>\$ 1,638,676</u>	<u>\$ 2,509,399</u>	<u>\$ 4,155,500</u>	<u>\$ 1,492,483</u>	<u>56.0%</u>





Preliminary FY2026 Sewer Fund Balance

- Net Position decreases due to utilizing excess cash to fund capital needs.
- 149 days of Unrestricted Net Position.

- Sewer Lining Project
- Lift Station # 2 Improvements

Net Position		
	FY2025	FY2026
Beg Bal Net Position - Unrestricted	\$2,761,782	\$2,553,950
+ Approp to Resv	-	
- Approp from Resv	(207,832)	(1,737,500)
Estimated Ending Balance	\$2,553,950	\$ 816,450
Operating Days Cash	473	149
Fund Days Cash (Includes CapX)	371	72

Capital Projects List		
Departme	Proj Descr	Estimated Cos
Sewer	LIFT STATION #2	\$ 300,000
Sewer	Sewer Lining	1,750,000
Sewer	Other	100,000
		<u>\$ 2,150,000</u>



FY 2026 Budget Summary Revenues (Sources of Funds)

TOWN OF HIGHLAND BEACH FLORIDA ALL FUNDS SUMMARY REPORT FY2026								
Line No		General Fund	Disc Sales Tax	Building Fund	Water Fund	Sewer Fund	Total	
1	Taxes:							
2	Property Taxes	\$ 14,150,000	\$ -	\$ -	\$ -	\$ -	\$14,150,000	46%
3	Franchise Fees	577,990	-	-	-	-	577,990	2%
4	Sales & Use Tax	499,844	107,000	-	-	-	606,844	2%
5	Inter-Governmental	667,936	-	-	-	-	667,936	2%
6	Miscellaneous Revenues							
7	Misc Revenue	10,000	-	-	-	-	10,000	0%
8	Charges for Service	1,418,500	-	2,283,350	3,933,064	2,073,000	9,707,914	32%
9	Investment Earnings	510,000	30,000	110,000	120,000	115,000	885,000	3%
10	Fines & Forfeitures	30,361	-	62,000	-	-	92,361	0%
11	Rents & Leases	58,000	-	-	-	-	58,000	0%
12	Total Revenues	\$ 17,922,631	\$ 137,000	\$ 2,455,350	\$ 4,053,064	\$ 2,188,000	\$26,756,045	
13	Other Resources:							
14	Grants	46,292	-	-	-	230,000	276,292	1%
15	Intra-Governmental	1,250,000	-	55,000	220,000	-	1,525,000	
16	From Reserves	-	380,000	619,860	946,705	1,737,500	3,684,065	12%
17	Total Sources	\$ 19,218,923	\$ 517,000	\$ 3,130,210	\$ 5,219,769	\$ 4,155,500	\$32,241,402	100%



FY 2026 Budget Summary Expenditures (Uses of Funds)

TOWN OF HIGHLAND BEACH FLORIDA ALL FUNDS SUMMARY REPORT FY2026							
Line No		General Fund	Disc Sales Tax	Building Fund	Water Fund	Sewer Fund	Total
	Expenditures, Uses						
18	General Government	\$ 3,019,441	-	-	-	-	\$ 3,019,441 10%
19	Public Safety	12,252,900	-	1,723,710	-	-	13,976,610 46%
20	Culture/ Recreation	529,350	-	-	-	-	529,350 2%
21	Public Works	(403,000)	-	-	-	-	(403,000) -1%
22	Sanitation / Solid Waste	1,150,625	-	-	-	-	1,150,625 4%
23	Enterprise Funds (Utilities)	-	-	-	3,184,000	1,785,500	4,969,500 16%
24	Capital Outlay	954,700	517,000	706,500	675,000	2,150,000	5,003,200 16%
25	Total Expenditures	\$ 17,504,016	\$ 517,000	\$ 2,430,210	\$ 3,859,000	\$ 3,935,500	\$28,245,726
26							
27	Other Uses						
28	Debt Service	677,961	-	-	810,769	-	1,488,730 5%
29	To Reserves	981,946	-	-	-	-	981,946 3%
30	Transfers	55,000	-	700,000	550,000	220,000	1,525,000
31	Total Expenditures & Other Uses	\$ 19,218,923	\$ 517,000	\$ 3,130,210	\$ 5,219,769	\$ 4,155,500	\$32,241,402 100%



FY 2026 Budget: Questions



File Attachments for Item:

A. Resolution No. 2025-022

A Resolution of the Town Commission of the Town of Highland Beach, Florida approving a Final Millage Rate of 3.4159 Mils for the Town's General Operating Funds for the fiscal year beginning October 1, 2025, and ending September 30, 2026; providing for the Final Millage Rate of 3.4159 Mils is 7.1200 percent greater than the computed roll back rate of 3.1889 Mils; providing for severability, conflicts, and an effective date.



RESOLUTION NO. 2025-022

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF HIGHLAND BEACH, FLORIDA, ADOPTING A FINAL MILLAGE RATE OF 3.4159 MILS FOR THE TOWN'S GENERAL OPERATING FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; PROVIDING THAT THE FINAL MILLAGE RATE OF 3.4159 MILS IS 7.1200 PERCENT GREATER THAN THE COMPUTED ROLLED BACK RATE OF 3.1889 MILS; PROVIDING FOR SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE.

WHEREAS, a final budget has been reviewed and considered by the Town Commission of the Town of Highland Beach, Florida, for the ensuing year, with detailed information, including revenues to be derived from sources other than ad valorem levy, and the Town Manager has made recommendations as to the amount necessary to be appropriated for the ensuing year;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF HIGHLAND BEACH, FLORIDA:

Section 1. That the final millage rate necessary to be levied against ad valorem valuation of property subject to taxation in the Town of Highland Beach, Florida, to produce a sufficient sum which together with departmental and other revenues will be sufficient to pay for appropriations made in the budget for the fiscal year beginning October 1, 2025 and ending September 30, 2026, is hereby set at 3.4159 Mils, plus 0.1716 for voted debt service, for a final millage rate of 3.5875.

Section 2. The final operating millage rate of 3.4159 is 7.1200 percent greater than the computed rolled-back rate of 3.1889.

Section 3. If any clause, section, or other parts of this Resolution shall be held by any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part shall be considered as eliminated and shall in no way affect the validity of the remaining portions of this Resolution.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This Resolution shall become effective immediately upon passage.

DONE AND ADOPTED by the Town Commission of the Town of Highland Beach, Florida, this ____ day of _____ **2025**.

Natasha Moore, Mayor

ATTEST:

**REVIEWED FOR LEGAL
SUFFICIENCY:**

Lanelda Gaskins, MMC
Town Clerk

Leonard Rubin, Town Attorney
Town of Highland Beach

VOTES:

Mayor Natasha Moore
Vice Mayor David Stern
Commissioner Donald Peters
Commissioner Judith M. Goldberg
Commissioner Jason Chudnofsky

YES NO

File Attachments for Item:

B. Resolution No. 2025-023

A Resolution of the Town Commission of the Town of Highland Beach, Florida, approving a Final Budget for fiscal year beginning October 1, 2025, and ending September 30, 2026; determining and fixing the amounts necessary to carry on the government of the Town for the ensuring year; providing for severability, conflicts, and an effective date.



RESOLUTION NO. 2025-023

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF HIGHLAND BEACH, FLORIDA, ADOPTING A FINAL BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; DETERMINING AND FIXING THE AMOUNTS NECESSARY TO CARRY ON THE GOVERNMENT OF THE TOWN FOR THE ENSUING YEAR; PROVIDING FOR SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE.

WHEREAS, a final budget has been prepared by the Town Manager estimating expenditures and revenues of the Town for the ensuing year, with detailed information, including revenues to be derived from sources other than the ad valorem levy, and the Town Manager has made recommendations as to the amount necessary to be appropriated for the ensuing year; and

WHEREAS, the Town Commission has met and considered the recommendations, the suggested budget, and the proposed millage necessary to be levied to carry on the government of the Town for the ensuing year; and

WHEREAS, the Town of Highland Beach passed Ordinance No. 2023-004 on November 7, 2023, which increased the funding limitations set forth in the Town's Charter at Section 2.01(30) and provided for an annual adjustment of this funding limitation on June 1st of each year in accordance with the Regional Consumer Price Index (CPI) for the Miami-Fort Lauderdale-West Palm Beach Metropolitan Statistical Area (MSA); and

WHEREAS the Regional Consumer Price Index (CPI) for the Miami-Fort Lauderdale-West Palm Beach MSA (Series ID: CUURS35BSA0, CUUSS35BSA0) increased by 3.1114% from June 1, 2024, to June 1, 2025.

Therefore, be it resolved that the funding limitation set forth in the Town's Charter at Section 2.01(30) is hereby adjusted from \$931,367 to \$960,345 for the FY2025/FY2026 budget cycle, in accordance with the Regional Consumer Price Index adjustment.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF HIGHLAND BEACH, FLORIDA:

Section 1. That the final budget of the Town of Highland Beach, for the fiscal year beginning October 1, 2025, and ending September 30, 2026, is hereby adopted and the appropriations set out therein are hereby made to maintain and carry on the government of the Town of Highland Beach, Florida. There is hereby appropriated the

sum of \$32,241,402 in new revenue, for the payment of operating expenditures for the Town Government pursuant to the terms of the above budget as summarized in Exhibit A.

Section 2. All delinquent taxes collected during the ensuing fiscal year as proceeds from levies of operating millages of prior years are hereby specifically appropriated for the use of the General Fund.

Section 3. All funds appropriated for the 2024/2025 fiscal year, which are encumbered, but unexpended as of the last day of the fiscal year, shall be deemed re-appropriated for the same purposes for the 2025/2026 fiscal year.

Section 4. If any clause, section, or other parts of this Resolution shall be held by any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part shall be considered eliminated and shall in no way affect the validity of the remaining portions of this Resolution.

Section 5. All Resolutions or parts of Resolutions in conflict herewith are hereby repealed to the extent to such conflict.

Section 6. This Resolution shall become effective immediately upon its passage.

DONE AND ADOPTED by the Town Commission of the Town of Highland Beach, Florida, this ____ day of _____ **2025**.

Natasha Moore, Mayor

ATTEST:

**REVIEWED FOR LEGAL
SUFFICIENCY:**

Lanelda Gaskins, MMC
Town Clerk

Leonard Rubin, Town Attorney
Town of Highland Beach

VOTES:

Mayor Natasha Moore
Vice Mayor David Stern
Commissioner Donald Peters
Commissioner Judith M. Goldberg
Commissioner Jason Chudnofsky

YES NO

Exhibit A

TOWN OF HIGHLAND BEACH FLORIDA ALL FUNDS SUMMARY REPORT FY2026

Expenditures, Uses	Disc Sales					Total
	General Fund	Tax	Building Fund	Water Fund	Sewer Fund	
General Government	\$ 3,019,441	-	-	-	-	\$ 3,019,441
Public Safety	12,252,900	-	1,723,710	-	-	13,976,610
Culture / Recreation	529,350	-	-	-	-	529,350
Public Works	(403,000)	-	-	-	-	(403,000)
Sanitation / Solid Waste	1,150,625	-	-	-	-	1,150,625
Enterprise Funds (Utilities)	-	-	-	3,184,000	1,785,500	4,969,500
Capital Outlay	954,700	517,000	706,500	675,000	2,150,000	5,003,200
Total Expenditures	\$ 17,504,016	\$ 517,000	\$ 2,430,210	\$ 3,859,000	\$ 3,935,500	\$28,245,726
Other Uses						
Debt Service	677,961	-	-	810,769	-	1,488,730
To Reserves	981,946	-	-	-	-	981,946
Transfers	55,000	-	700,000	550,000	220,000	1,525,000
Total Expenditures & Other Uses	\$ 19,218,923	\$ 517,000	\$ 3,130,210	\$ 5,219,769	\$ 4,155,500	\$32,241,402