# 2024-2025 PROPOSED ANNUAL BUDGET

TOWN OF
JUNO BEACH
FLORIDA
INCORPORATED 1953

**Mayor Peggy L. Wheeler**
**Vice-Mayor DD Halpern**
**Vice-Mayor Pro Tem Marianne Hosta**
**Councilmember Jacob Rosengarten**
**Councilmember Diana Davis**

**Town Manager David Dyess**

# Town of Juno Beach
# Proposed Annual Budget
# Table of Contents

# LIST OF PRINCIPAL OFFICIALS
# COUNCIL - MANAGER FORM OF GOVERNMENT

## TOWN COUNCIL

Peggy L. Wheeler ............................................................ Mayor
DD Halpern ............................................................ Vice Mayor
Marianne Hosta ............................................................ Vice Mayor Pro Tem
Diana Davis ............................................................ Councilmember
Jacob Rosengarten ............................................................ Councilmember

## ADMINISTRATIVE STAFF

David Dyess ............................................................ Town Manager
Brian J. Smith ............................................................ Police Chief
Michael Ventura ............................................................ Finance Director
Frank M. Davila ............................................................ Director of Planning and Zoning
Caitlin E. Copeland- Rodriguez ............................................................ Town Clerk
Andrea L. Dobbins ............................................................ Project Coordinator/Risk Manager
Steve Hallock ............................................................ Public Works Director

## PROFESSIONAL ADVISORS

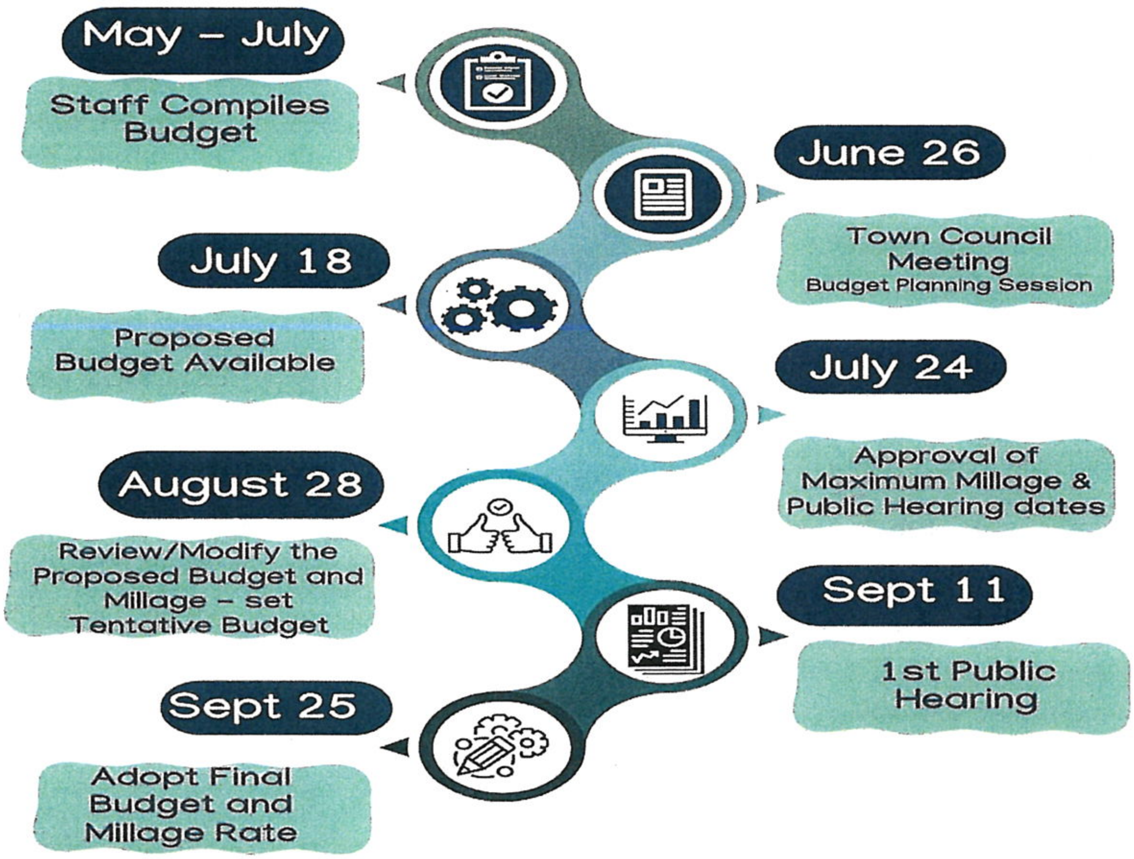
Leonard G. Rubin, P.A. ............................................................ Attorney

Robert Rennebaum, P.E.
Simmons & White, Inc. ............................................................ Consulting Engineer

Maulding and Jenkins ............................................................ Independent Auditors

# Town of Juno Beach

## BUDGET CALENDAR




The public hearing dates above must be coordinated with Palm Beach County and the School Board so as not to conflict with their public hearing meetings. As the budget process and reporting requirements are met, the Town Council and Staff will adjust the dates, if necessary.

*(The scheduled public hearing dates for Palm Beach County Board of County Commissioners are*

# PROPOSED BUDGET MESSAGE

Staff is pleased to present the 2024-2025 Proposed General Fund Budget. The proposed fiscal year budget is $10,949,877, this represents a 4.9% or $564,713 decrease from the 2023-2024 adopted annual budget. The main decreases to this year's proposed budget are associated with grant funding, and contributions that were attributable to a stormwater project, the budget does include a proposed tax increase. This proposed budget reflects conservative revenue and expenditure estimates and sets a solid foundation to accomplish the goals and action items for the coming year. The budget has been designed with the long-term goals of the Town and the continuation of maintaining a stable financial position and high service levels. The total proposed budget expenditures are summarized below and will be discussed throughout this proposed budget message along with the revenue items.

| EXPENDITURES BY TYPE | FISCAL YEAR 2023-2024 | FISCAL YEAR 2024-2025 | PERCENT CHANGED | AMOUNT CHANGED |
|---|---|---|---|---|
| SALARIES | 3,443,741 | 3,648,050 | 5.9% | 204,309 |
| EMPLOYEE BENEFITS | 1,417,916 | 1,597,017 | 12.6% | 179,101 |
| PROFESSIONAL FEES | 605,200 | 1,207,700 | 99.6% | 602,500 |
| OPERATING EXPENSES | 1,491,161 | 1,737,610 | 16.5% | 246,449 |
| CAPITAL OUTLAY | 3,918,250 | 2,109,500 | -46.2% | (1,808,750) |
| CONTINGENCY | 638,322 | 650,000 | 1.8% | 11,678 |
| TOTAL EXPENDITURES | $ 11,514,590 | $ 10,949,877 | -4.9% | $(564,713) |

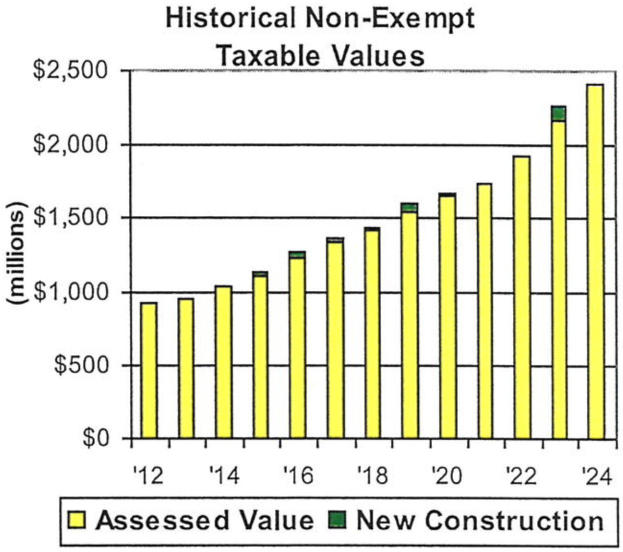
The Proposed 2024-2025 General Fund Budget as presented is balanced. There currently remains State intergovernmental revenue sources that have not reported revenue sharing data, this information is expected in the coming weeks. The availability of Surplus and/or the use of additional Reserves and other recommendations from the Town Council and staff will continue to change as the budget line items (expenditures and revenues) become finalized and as costs for next year's services and outstanding items are resolved.

Staff recommends setting the general fund budget's proposed ad valorem millage tax rate for FY 2025 at 1.8195 mills. This represents an 6.75% tax increase, the rolled back rate is 1.7045 mills.

If approved at the July meeting, the 1.8195 proposed millage rate would reflect the maximum rate that can be levied during FY 2025. This is the millage rate that would be advertised on the Preliminary Tax Notice that is mailed to all property owners in Town.

Staff also recommends setting the first public hearing date as Wednesday, September 11, 2024 at 5:30pm. If approved at the July meeting, this would be the date that is advertised on the Preliminary Tax Notice that is mailed to all property owners in Town.

The two public hearings, required by state statute to approve the ad valorem millage rate and annual budget, are proposed for the September 11 and 25 Town Council Meetings.




# BUDGET HIGHLIGHTS

## 1. Ad Valorem Tax Base Information

The Town's Certified Taxable Value for the 2024 tax roll (2024-2025 Budget Year) is $2,419,632,073. The 2025 taxable value is projected to increase approximately $152,974,292 or 6.75% as compared to the 2024 final taxable value; this value includes an additional $1.5 million in new construction.

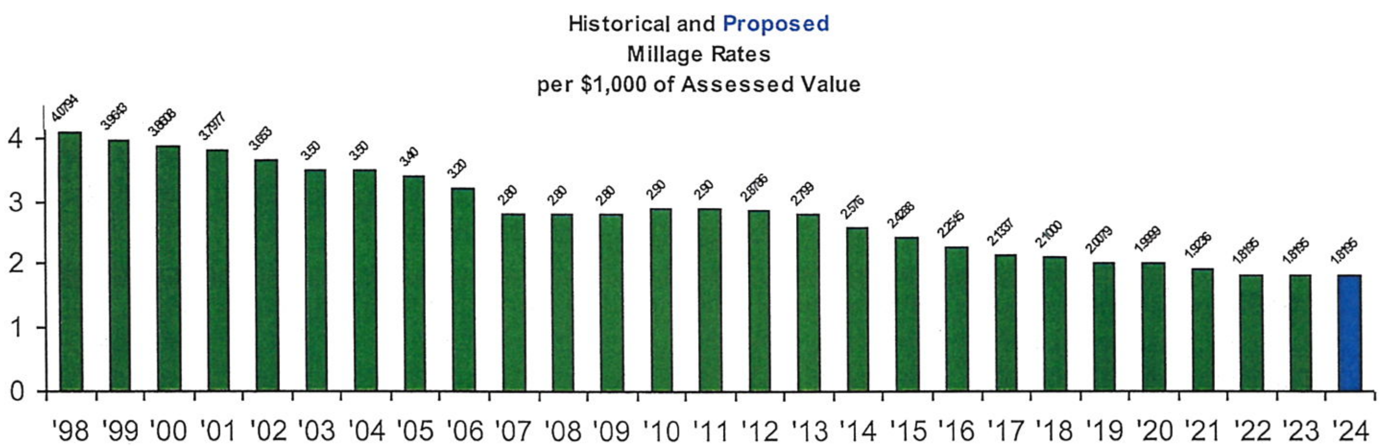
Ad Valorem taxes account for 54% of the total General Fund Revenues (excluding grants and non-revenue items such as reserves) in the current year's budget.

**2. Town's Millage Rate Information** The 2025 Proposed Ad Valorem Millage Rate of 1.8195 represents a 6.75% tax increase, it is the same rate as last year. The rolled back rate is 1.7045.

(The projected average Homesteaded Taxable Value is $527,000 for Juno Beach property owners. This value would equate to an average increase in taxes of $27 payable to the Town. Approximately 822 (67%) of the Town's 1,231 Homesteaded property owners would pay less than $27.)

General Information:

An increase or decrease in the town's millage rate may not be the result of a tax increase or decrease. The method to calculate an increase or decrease of ad valorem taxes is dictated by Florida Statues. Simply stated, an increase in funds projected to be received from ad valorem taxes is a tax increase, a decrease in funds projected to be received is a tax




decrease, not considering new construction, additions and deletions for the year. Examples: if the town's assessed value appreciates by 2% and the millage rate stays the same, that would be a tax increase of 2%; on the other hand, if the town's assessed value decreases by 2% and the millage rate stays the same that would be a tax decrease of 2%.

## 3. Projected Changes to Revenues

The total proposed revenues have decreased $564,713 or 4.9% to $10,949,877 and are summarized below:

| Revenues | Projected Change | Comments |
|---|---|---|
| Ad Valorem Taxes | $255,671 | Projected from proposed tax increase |
| Building Permit Fees | $60,000 | Increase is projected based on project pipeline |
| Grants | $103,000 | Associated with projects in-process or completed |
| Investment Earnings | $ 50,000 | Projected from Interest Rate environment |
| From One-Cent Surtax | $ 231,250 | Increase to fund rollover projects |
| From Assigned/ Unassigned Reserves | (-1,308,754) | Decrease in amount budgeted from Fund Balance Reserves over the 50% guideline and Restricted Funds |
| Non-Material Changes | $ 44,120 | Net changes from other line items |
| Total | ($ -564 713) | Proposed Changes |

## 4. Salaries

The current budget includes 35 full-time and 1 part-time employees; the Police Department has 18 employees (16 sworn officers and 2 civilians), Finance & Administration has 6, Comprehensive Planning has 7 and Public Works has 5 employees. The Town is proposing a 4% Cost of Living Adjustment and a 2% Merit.

Included in the budget is a proposed Cost of Living Adjustment (COLA) of 4.0% for all union and non-contracted employees. This figure is predicated on the June 2024 Bureau of Labor Statistics (BLS) Cost of Living information. The past practice has been to gauge employee COLA adjustments on the year over year changes in the June index. This year's BLS increase for the Miami-Fort Lauderdale-WPB annual percentage change is 3.5%. Last year's BLS published COLA for June 2023 was 6.9%, the employees received a 5% increase, BLS published COLA for June 2022 was 9.1%, the employees received a 5% increase. Merit increases would be based on performance evaluations, all employees are proposed up to 2%.

- Staff is reviewing the need to add a Code Enforcement Officer to the Planning & Zoning department. The workload for the department is currently heavy and is expected to continue for the foreseeable future. A portion of this cost will be paid through building permit fee revenue. (This position is not currently budgeted).

## 5. Employee Benefits

The Town's employee benefit expenditures are projected to increase this year, the Florida Legislature increased the pension contribution for the Florida Retirement System (FRS) participants in 2023-24. Rates increased approximately 17.39% for Special Risk (Police) and 13.9% for Regular Class, participants will continue to make a mandatory 3% contribution to the plan, members include all police officers (16 participants) and all general employees hired prior to 1/1/96 (2 participants). The proposed contribution rate for all other employees (17 participants) in the General Employee Defined Contribution Plan is proposed to increase 2% to 10%, participants will make a mandatory 2% contribution to that plan. Early estimates for pension cost increases total $25,000. Payroll taxes (FICA=Social Security and Medicare) are projected to increase in relation to the above proposed payroll changes.

Workers compensation rates have been flat in recent years, an indication of market conditions and staff's resolve for the safety program and conscious efforts to reduce incidents resulting in reasonable claims experience ratings. Annual changes in State laws and rate filing approvals may affect the renewal rate in the coming year. Renewal or bid information will not be available until July or August for an October effective date.

Health insurance premiums are based on market conditions and regional medical costs. Annually staff performs a thorough review of options available for medical, dental, vision, long and short-term disability and life insurance. The Town's insurance premiums are based on the efforts of a comprehensive analysis and review of the benefits provided, alternative coverages and funding options. The health insurance plan year is January-December; staff will perform the customary solicitation of bids and negotiate employee insurance coverage and costs during November and December. Staff anticipates a 15-20% increase in premium costs. Employees have options and choose to utilize a combination of coverage alternatives that have benefited the Town's overall expense costs.

## 6. Professional Fees

Proposed Professional Fees have increased a total of $562,500 or 93% to $1,167,700. Many line items contributed to the overall increase in operating expenses, the main items affecting this increase are the proposed: Master Plan $75,000; Planning and Zoning Regulation changes $75,000: Vulnerability Study $225,000 which is grant funded and building permit related fees $150,000.

## 7. Operating Expenses

Proposed Operating Expenses have increased a total of $286,449 or 19% to $1,777,610. Many line items contributed to the overall increase in operating expenses, the main items affecting this increase are the proposed: Landscaping Contract $100,000 and Maintenance $50,000.

## 8. Capital Items and Projects (Included in the Proposed Budget and on the 5-Year Capital Improvement Plan)

Proposed Capital Items and Projects include $715,000 in rollover projects from 2024.

The following list of proposed Capital Items and Projects includes One-Cent Surtax funded projects.

| **From One-Cent Surtax** | **Total** | |
|---|---|---|
| Kagan Park Playground Equipment | $ 225,000 | |
| Pelican Lake/Community Area | $ 200,000 | |
| Police Vehicle Marked (2) - Administration (1) - w/ Equipment | $ 140,000 | |
| Donal Ross Dune Walkover Project (Grant, One Cent 75%/25%) | $ 37,500 | |
| Atlantic Boulevard/Ocean Ridge Pedestrian Path/Sidewalk | $ 90,000 | |
| Pelican Lake - South Littoral Shelf (Construction) | $ 50,000 | |
| Roadway Improvements | $ 500,000 | |
| Total | | $ 1,242,500 |

| **From General Fund, Grants, Contributions, Other Sources** | **Total** | |
|---|---|---|
| Town Center Building Repairs Fascia and A/C | $ 80,000 | |
| Technology - Software, Hardware, Equipment - from Impact Fees | $ 117,500 | |
| Equipment – Public Works | $ 30,000 | |
| Donal Ross Dune Walkover Project (Grant, One Cent 75%/25%) | $ 112,500 | |
| JB0 Drainage Project | $ 100,000 | |
| Police Equipment – Tasers and Misc. | $ 88,000 | |
| Town Center – Building Department Area Remodel | $ 250,000 | |
| Grounds Amenities – Hardscape, Landscape, Lights-Mercury Road | $ 50,000 | |
| Total | | $ 867,000 |

| | |
|---|---|
| **Total Capital Items and Projects** | **$2,109,500** |

**8. Outstanding Items**

Any additional requests from the Town Council or staff should be discussed with the Town Manager.

## FUTURE OUTLOOK

The Town and surrounding communities are benefiting from bustling economic conditions. Employment, tourism and housing are very strong, which translates to increased sales tax revenue for state and local revenue sharing and general overall economic stimulation. The Town's very favorable financial position is geared to smooth out and complement our financial demands.

In conclusion, we would like to thank the Town's residents, Council, and staff for their diligence, cooperation, and participation in the formulation of this proposed budget.

David Dyess
Town Manager

Michael Ventura
Finance Director