

DRAFT



TOWN OF HIGHLAND BEACH TOWN FINANCIAL ADVISORY BOARD REGULAR MEETING MINUTES

Town Hall Commission Chambers
3614 South Ocean Boulevard
Highland Beach, Florida 33487

Date: March 04, 2026
Time: 10:00 AM

1. CALL TO ORDER

Chairperson Reame called the meeting to order at 10:04 A.M.

2. ROLL CALL

Board Member Margarita Chappellear
Board Member Harold Siegel
Board Member John Verdile
Board Member Mark Zarrilli
Vice Chairperson Richard Greenwald
Chairperson Ronald Reame
Town Clerk Lanelda Gaskins

ABSENT

Board Member Edward Kornfeld

ADDITIONAL STAFF

Assistant Finance Director Suzie Matthew
Town Manager Marshall Labadie

3. PLEDGE OF ALLEGIANCE

The Board Members led the Pledge of Allegiance to the United States of America.

4. APPROVAL OF THE AGENDA

MOTION: Chappellear/Greenwald - A motion was made and seconded to approve the agenda as presented, which passed unanimously, 6 to 0.

5. PUBLIC COMMENT *(limited to three (3) minutes per speaker)*

There were no public comments.

6. APPROVAL OF MINUTES

A. June 24, 2025

MOTION: Chapplelear/Siegel - A motion was made and seconded to approve the Minutes as presented, which passed unanimously 6 to 0.

7. UNFINISHED BUSINESS

None.

8. NEW BUSINESS

A. Nomination of a Chairperson and Vice Chairperson to serve one-year terms ending March 19, 2027.

Chairperson Reame opened the floor to the Board if there were nominations for a Chairperson and a Vice Chairperson to serve a one-year term in the positions until March 19, 2027 followed by motions.

MOTION: Reame/Siegal - A motion was made and seconded to nominate Richard Greenwald as the Chairperson, which passed unanimously 6 to 0.

MOTION: Verdile/Siegal - A motion was made to nominate Margarita Chapplelear as the Vice Chairperson, which passed unanimously 6 to 0.

Members Greenwald and Chapplelear both accepted the nominations.

B. Financial Overview: Fiscal Year 2026 covering the period of October 1, 2025 - January 31, 2026

Assistant Finance Director Matthews presented a comprehensive financial overview of the town's unaudited budget versus actual expenditures for fiscal year 2026, covering October 1, 2025 through January 31, 2026. She reported that both revenue and expenditure are tracking with the town's budget targets, reflecting careful fiscal management and progress toward financial planning goals.

Assistant Finance Director Matthews concluded that the general fund remains robust with strong revenue collection and conservative expenditure execution. The discretionary sales tax collections exceeded our expectations, the building fund continues to generate stable revenues with manageable spending, and water and sewer are pacing appropriately based on billing cycles and capital scheduling. At this time, there are no significant variances or structural concerns. The town's financial position reflects continued fiscal discipline and strategic capital investment and alignment with adopted targets. We will continue to monitor our revenue pacing, capital project execution, and enterprise funds performance as we move into the fiscal year.

Chairperson Greenwald inquired about any concerns regarding tracking so far, to which Ms. Matthews responded there were no concerns and that the town is tracking under budget on expenditures and higher on revenues. Chairperson Greenwald also asked about follow-up on building department discussions from the last meeting regarding using surplus funds for value-added services and process improvements.

Town Manager Labadie provided an update on building department performance, noting a significant drop in Highland Beach permit activity over the last five months, primarily affecting condominium improvements. He attributed this to various factors including recertification requirements, insurance costs, and general market fatigue. However, the department was being supported by increased activity in Gulfstream. He also reported that the town has implemented a 12% reduction in fees and continues to provide enhanced customer service.

The discussion then turned to a critical issue facing the town: potential state legislation to eliminate or significantly reduce ad valorem taxes on homestead properties. Town Manager Labadie explained that Highland Beach is about 42% homestead, and complete elimination would result in approximately \$4.7 million in lost revenue, creating a structural deficit that would be difficult to address given that police and fire services comprise 80-85% of the budget. He noted that even eliminating all administrative staff would still leave the town \$3.5 million short of funding essential services.

Additionally, Town Manager Labadie described this as potentially the most challenging fiscal situation the town could face, requiring significant cuts or dramatic increases to non-homestead property taxes. He expressed concern about the rapid timeline if legislation passes, with implementation potentially beginning in January 2027. The board discussed various scenarios and potential responses, including user fees for services and the political dynamics surrounding the proposed legislation.

C. Fiscal Year 2025-2026 Strategic Priorities Plan.

Town Manager Labadie presented fiscal year 2025-2026 Strategic Priorities Plan approved by the commission, which outlines all directives for initiatives and projects moving forward. The plan includes a capital improvement plan as an appendix showing the expenditures on assets over \$25,000 over the next five years. Larger, unique capital projects such as the police real-time center new entrance, fire annex, and marine docking facility have been moved into the strategic plan as distinct items.

Town Manager Labadie noted that the plan is dynamic and changes with time based on legislation and other factors. He mentioned that a dashboard system is being developed to provide visual representation of project status using a three-color system: green for on-track projects, yellow for caution/delays, and red for projects that have hit significant obstacles.

The board discussed the marine docking facility project, which Town Manager Labadie talked about the unreasonable demands from the South Florida Water Management District. The agency is requiring several hundred thousand dollars in mitigation efforts for impacts to only 32.6 square feet of low-quality seagrass, despite the project qualifying for a de minimis waiver. He has suspended the project pending resolution of these permitting issues.

The discussion also covered other strategic priorities including dune restoration management, speed control on the Intracoastal, and electric vehicle charging station considerations, with emphasis on fire safety concerns regarding battery storage and charging in enclosed spaces.

9. BOARD MEMBERS REPORT

Chairperson Greenwald requested that future financial reports include year-to-year comparisons (3-5 year rollback) and detailed cost analyses of new projects like the fire department and marine patrol to better understand their financial impact and value.

Assistant Finance Director Matthews announced that the fiscal year 2025 audit is in progress with a goal of completion by the end of April, and that the town received the GFOA Excellence in Financial Reporting Award again.

Member Verdile announced that this would be his last meeting as he is moving to Naples, expressing appreciation for his time serving on the board over the past five years.

10. ANNOUNCEMENTS

Chairperson Reame acknowledged the following announcements:

March 12, 2026 9:30 A.M. Planning Board Regular Meeting

March 24, 2026 1:30 P.M. Town Commission Special Meeting/Swearing-in Ceremony

April 07, 2026 1:30 P.M. Town Commission Meeting

Town Manager Labadie announced an employee recognition and excellence awards event scheduled for Tuesday, March 24th from 4:30 to 6:30 PM at the fire station, with board members and their guests invited to attend. The event will recognize the police officer of the year, firefighter paramedic of the year, and employee of the year.

11. ADJOURNMENT

The meeting adjourned at 11:31 A.M

APPROVED: June 09, 2026, Financial Advisory Board Regular Meeting.

Signed Minutes on file in the Town
Clerk's Office

Richard Greenwald, Chairperson

ATTEST:

June 09, 2026

Lanelda Gaskins, MMC
Town Clerk

Date