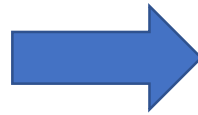




Overview of Proposed FY 2024 Millage Rate & Operating Budget

September 5, 2023

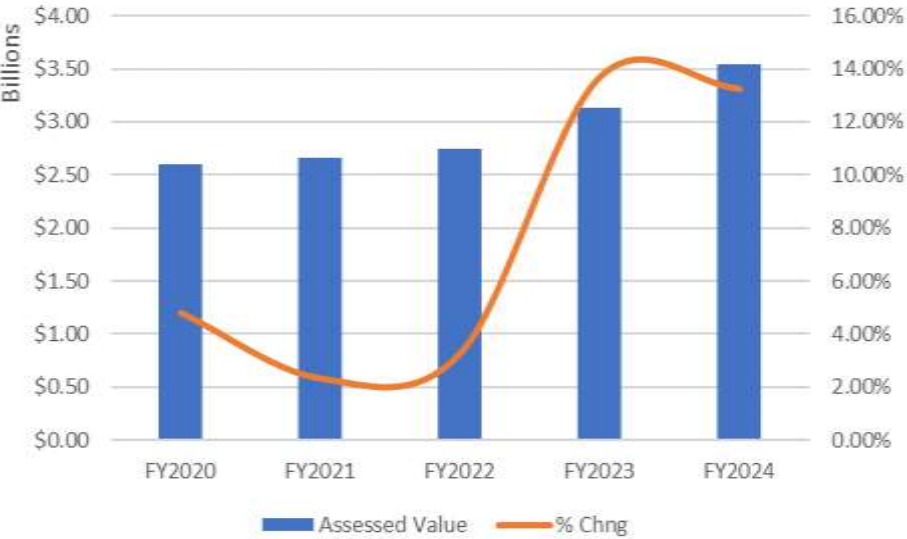


"Budgeting to Protect Our 3 Miles of Paradise"



Town's Taxable Assessed Value

Fiscal Year	Assessed Value	% Chng
FY2019	\$ 2,483,303,248	
FY2020	\$ 2,602,348,266	4.8%
FY2021	\$ 2,662,827,187	2.3%
FY2022	\$ 2,749,928,821	3.3%
FY2023	\$ 3,126,018,114	13.7%
FY2024	\$ 3,539,590,310	13.2%





FY 2024 Millage Rate (Overview Continued)

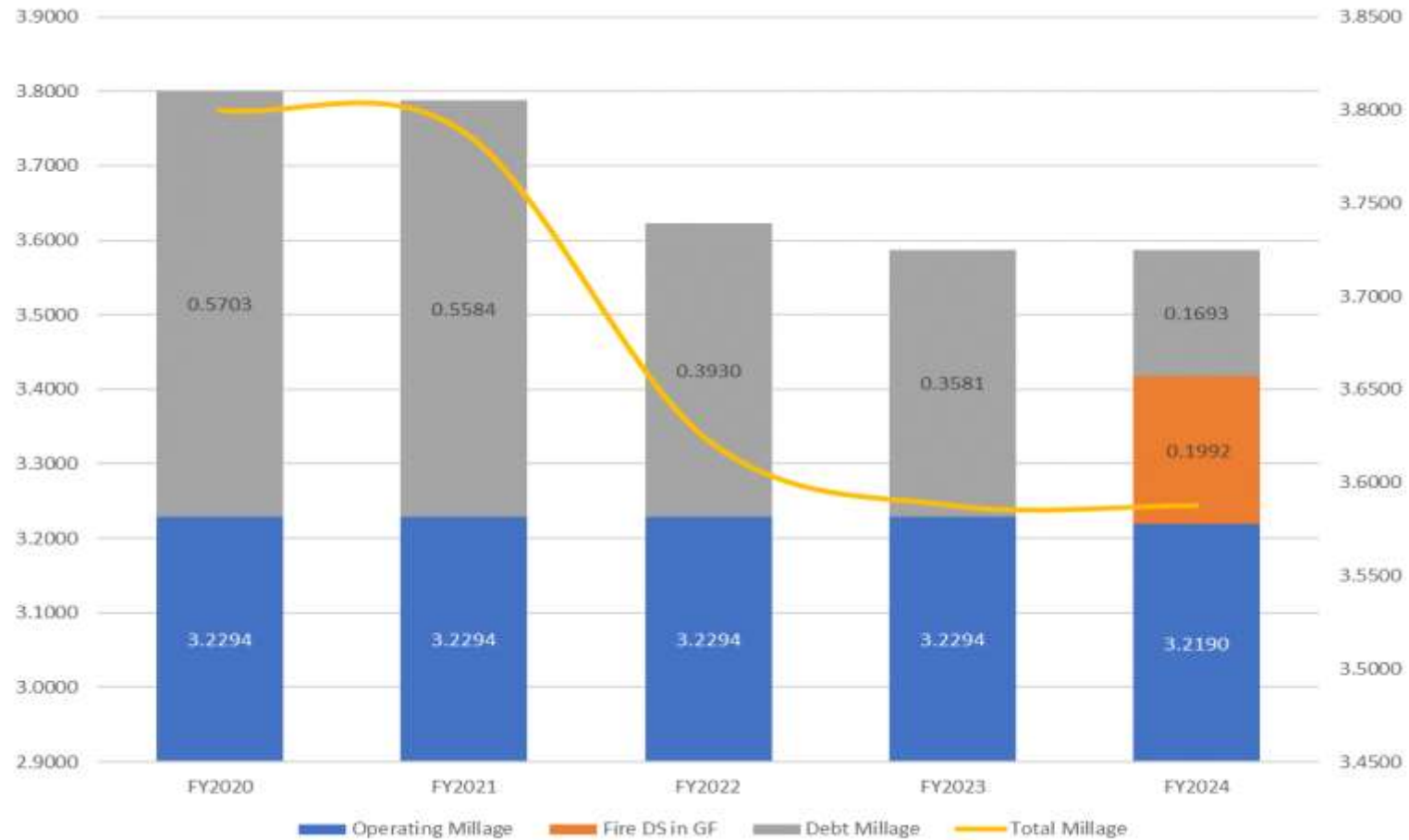
- Proposed Total Operating Millage Rate 3.2190 Mills
 - Operating Millage decrease from 3.2294 to 3.2190
 - Fire Debt in GF at 0.1992 mills 0.1992 Mills

- Reduction in Debt Service Millage (Water) 0.1693 Mills
 - From 0.3581 to 0.1693 – Reduction of 0.1888

- Combined Proposed Millage 3.5875 Mills



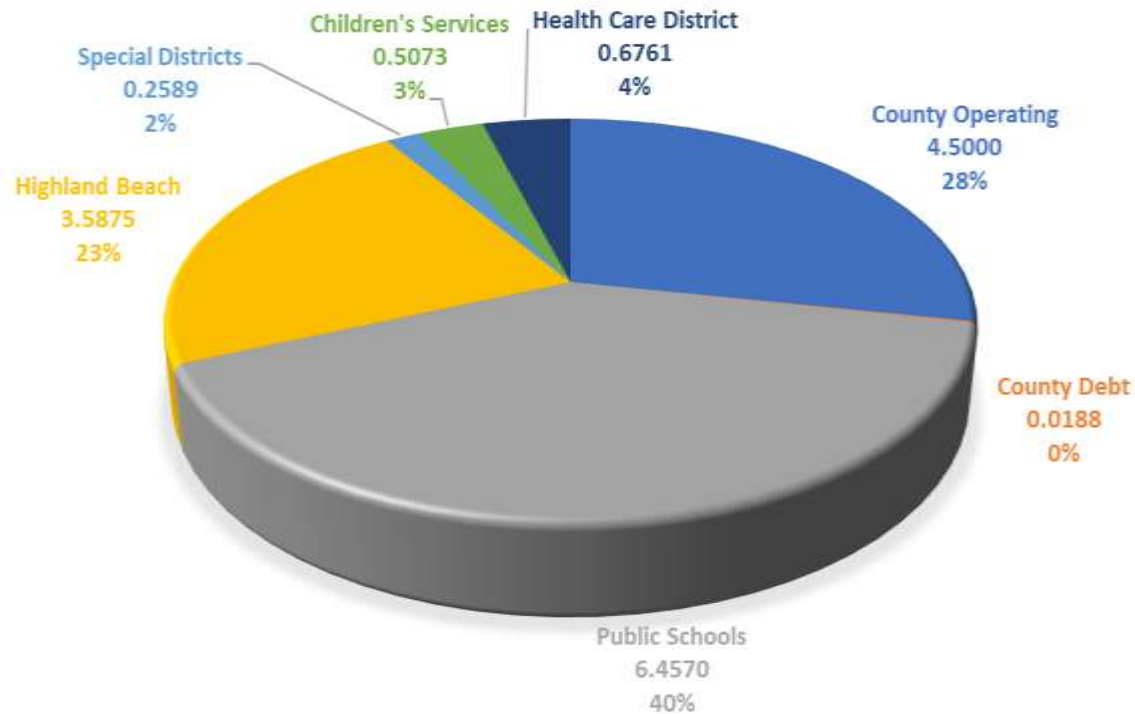
FY 2024 Millage Rate (Overview Continued)





FY 2024 Millage Rate Comparison

FY2024 Proposed Property Tax by Palm Beach County Taxing Authorities



Taxing Authority	Millage Rates	Rank*
Palm Beach	2.6932	1
Manalapan	3.0000	2
Highland Beach	3.5875	3
Gulf Stream	3.6740	4
Boca Raton	3.6783	5
Royal Palm Beach	5.3781	6
Wellington	5.9281	7
Delray Beach	6.4982	8
Tequesta	6.6290	9
South Palm Beach	6.9111	10

*Rank based on full service communities lowest millage rate



FY 2024 Millage Rate Newspaper Ad

NOTICE OF PROPOSED TAX INCREASE

The Town of Highland Beach has tentatively adopted a measure to increase its property tax levy.

Last year's property tax levy:

A. Initially proposed tax levy	\$10,101,811
B. Less tax reductions due to Value Adjustment Board and other assessment changes	\$ 12,302
C. Actual property tax levy	\$10,089,509

This year's proposed tax levy **\$12,102,780**

All concerned citizens are invited to attend a public hearing on the tax increase to be held on:

THURSDAY, SEPTEMBER 21, 2023
5:01 P.M.
at
TOWN OF HIGHLAND BEACH
HIGHLAND BEACH LIBRARY COMMUNITY ROOM
3618 SOUTH OCEAN BOULEVARD
HIGHLAND BEACH, FLORIDA 33487

A FINAL DECISION on the proposed tax increase and the budget will be made at this hearing.

BUDGET SUMMARY

TOWN OF HIGHLAND BEACH - FISCAL YEAR 2023-2024

*** THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE TOWN OF HIGHLAND BEACH ARE 2.7% MORE THAN LAST YEARS TOTAL OPERATING EXPENDITURES.**

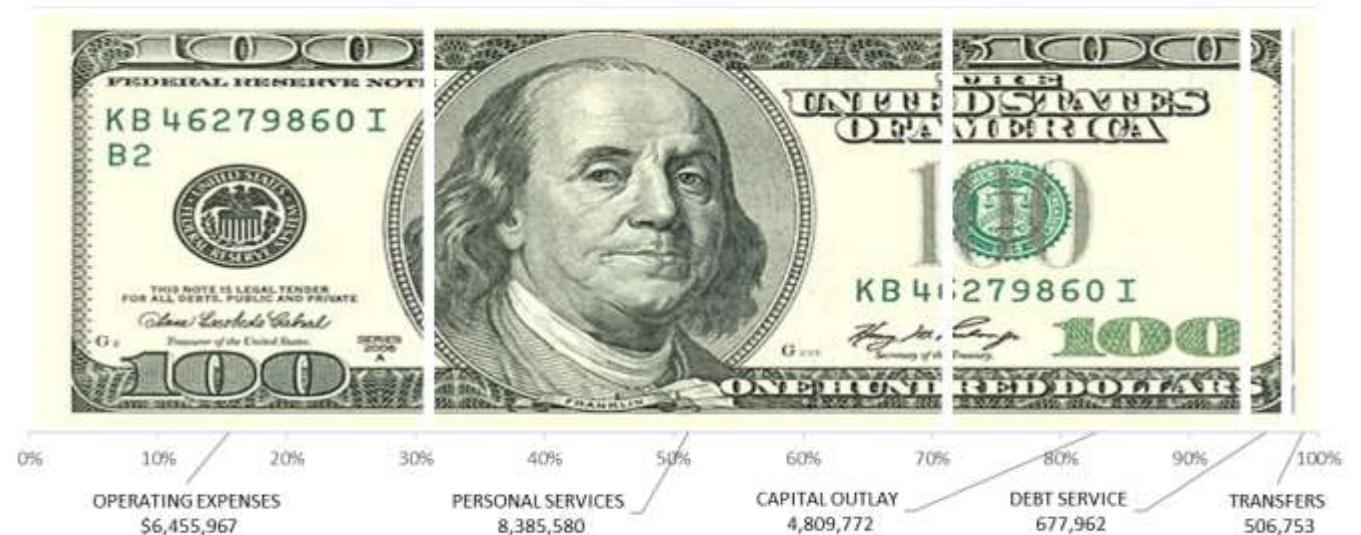
General Fund	3.4182					
Voted Debt	0.1693					
ESTIMATED REVENUES:						
	GENERAL FUND	SPECIAL REVENUE - BUILDING DEPT.	SPECIAL REVENUE - SALES SURTAX	ENTERPRISE FUND - WATER	ENTERPRISE FUND - SEWER	TOTAL ALL FUNDS
Taxes:	Millage per \$1000					
Ad Valorem Taxes-Operating	3.4182	\$11,618,670				\$11,618,670
Ad Valorem Taxes-Voted Debt Service	0.1693	575,471				575,471
Sales and Use Taxes	260,000		412,000			672,000
Licenses and Permits	-	1,801,370				1,801,370
Intergovernmental Revenue	630,500					630,500
Charges for Services	1,110,000			3,374,720	1,775,000	6,259,720
Fines and Forfeitures	596,455	22,200				618,655
Miscellaneous Revenue	5,244,938	40,000	14,000	140,000	370,000	5,808,938
TOTAL SOURCES	20,036,034	1,863,570	426,000	3,514,720	2,145,000	27,985,324
Transfers In	1,050,000	55,000	-	671,753		1,776,753
Fund Balances/Reserves/Net Assets			160,000	536,633	338,000	1,034,633
TOTAL REVENUES, TRANSFERS & BALANCES	\$21,086,034	\$1,918,570	\$586,000	\$4,723,106	\$2,483,000	\$30,796,710
EXPENDITURES:						
General Government	\$2,708,457					\$2,708,457
Public Safety	10,012,300	1,395,970				11,408,270
Public Works	486,390					486,390
Sanitation/Solid Waste	1,015,000					1,015,000
Physical Environment				2,572,121	1,563,000	4,135,121
Culture and Recreation	619,400					619,400
Capital Outlay	4,809,772	22,600	586,000	420,000	700,000	6,538,372
Debt Service	677,962			1,180,985		1,858,947
TOTAL EXPENDITURES	20,329,281	1,418,570	586,000	4,173,106	2,263,000	28,769,957
Transfers Out	506,753	500,000	-	550,000	220,000	1,776,753
Fund Balances/Reserves/Net Assets	250,000	-	-	-	-	250,000
TOTAL APPROPRIATED EXPENDITURES	\$21,086,034	\$1,918,570	\$586,000	\$4,723,106	\$2,483,000	\$30,796,710
TRANSFERS, RESERVES & BALANCES						
*The tentative, adopted, and / or final budgets are on file in the offices of the Town of Highland Beach, FL as a public record.						



Proposed FY2024 General Fund Expenditures

- Reduction in Operating Expenses are primarily related the reduction in Delray Fire Rescue Contract which expires on May 1st.
- Increase in Personal Cost related to:
 - Adding Fire Rescue Staff (Beginning in March 2024)
 - Cost of living wage adjustments assumed at 5-6.5%
 - Reduced Health Insurance Premiums, and Retirement Contributions increases
 - Increase in Collective Bargaining Agreement Costs.
- Fire Recue Building Construction completed before May 1st.
- Increase in Debt Service related to Fire Rescue Construction Loan.
- Reduction in Transfer Out to Water Fund related to reduction in Debt Service
- Replenish Reserves by \$250K

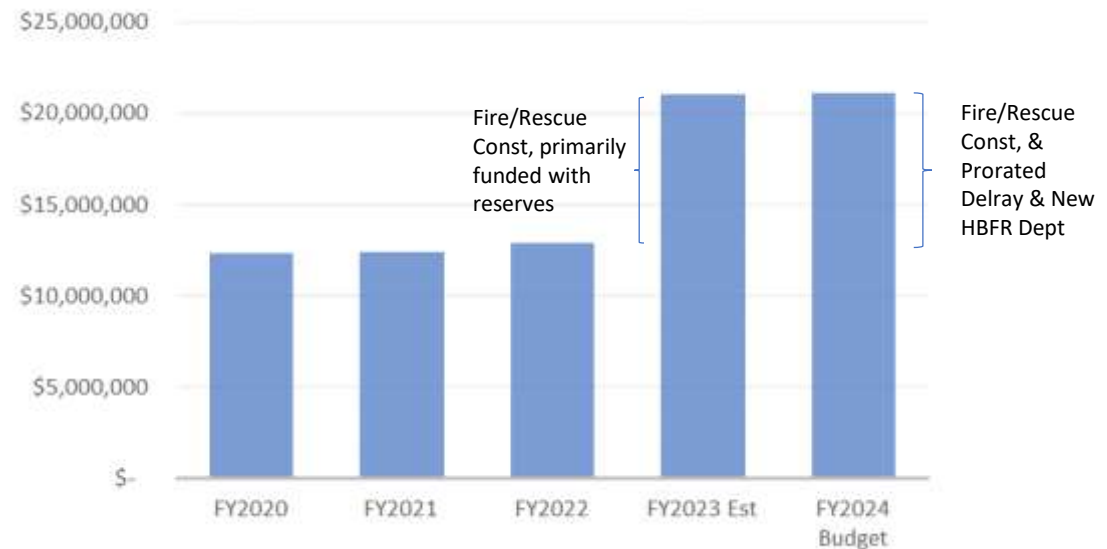
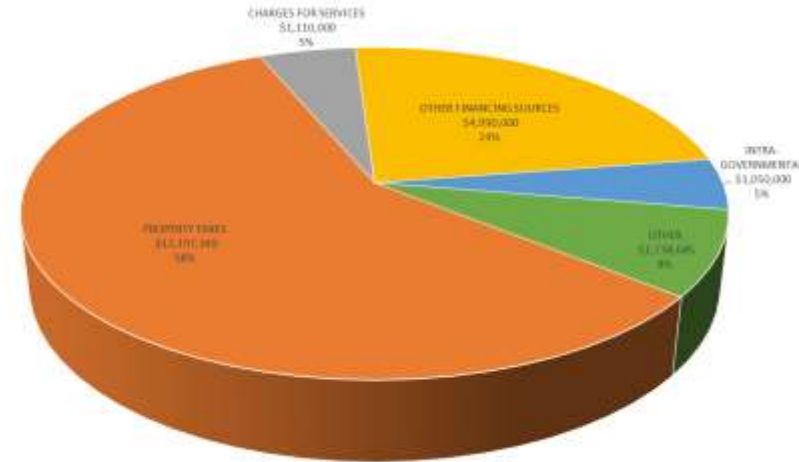
	A	B	C		C-A	(C-A) / A
EXPENDITURES BY CATEGORY	Budget 2023	Est. Actuals 2023	Proposed 2024	% of Total	Budget to Budget \$ Chng	Budget to Budget % Chng
OPERATING EXPENSES	\$ 8,009,181	\$ 8,551,186	\$ 6,455,967	31%	\$ (1,553,214)	-19.4%
PERSONAL SERVICES	5,590,454	5,321,147	8,385,580	40%	\$ 2,795,126	50.0%
CAPITAL OUTLAY	6,055,956	6,071,639	4,809,772	23%	\$ (1,246,184)	-20.6%
DEBT SERVICE	14	14	677,962	3%	\$ 677,948	Very Lrg % Δ
TRANSFERS	1,000,519	1,000,517	506,753	2%	\$ (493,766)	-49.4%
TO RESERVES	-	-	250,000	1%	\$ 250,000	100.0%
Total	\$20,656,124	\$20,944,503	\$21,086,034	100%	\$ 429,910	2.1%





Proposed FY2024 General Fund Revenues

- FY2020 - 2022 General Fund Revenues averaged 12.5M
- FY2023 Budget Amendments for Fire Rescue related activities increased the budget to an estimated \$21.0M
- FY2024 General Fund Revenues are estimated to be \$21.1M
 - Of the \$21.1M, \$5M related to construction





Proposed FY2024 General Fund Revenues (Cont.)

- Overall General Fund Revenues increased by approximately 2%. (FY2023 Amended Budget vs FY2024 Proposed Budget)
- Increase in Charges for Services related to Solid Waste Contract increases.
- Increase in Intra-Governmental transfers related to Fire Marshal/Community Risk.
- Reduction Appropriations from Reserves
- Note the Switch from using Reserve Funds to Other Financing Sources as planned

	A	B	C	C-A	(C-A) / A
REVENUE SOURCE	Budget 2023	Est. Actuals 2023	Proposed 2024	Budget to Budget \$ Chng	Budget to Budget % Chng
PROPERTY TAXES	\$10,774,296	\$10,841,716	\$ 12,197,349	\$ 1,423,053	13.2%
INTER-GOVERNMENTAL	561,449	579,000	630,500	\$ 69,051	12.3%
FRANCHISE FEES	706,000	624,000	596,455	\$ (109,545)	-15.5%
SALES AND USE TAX	240,000	299,000	260,000	\$ 20,000	8.3%
CHARGES FOR SERVICES	662,000	781,000	1,110,000	\$ 448,000	67.7%
GRANTS	19,230	21,012	19,230	\$ -	0.0%
FINES AND FORFEITURES	5,500	48,973	14,500	\$ 9,000	163.6%
INVESTMENT EARNINGS	80,500	284,630	133,000	\$ 52,500	65.2%
RENTS AND LEASES	75,000	88,000	80,000	\$ 5,000	6.7%
OTHER FINANCING SOURCES	3,000	7,000	4,990,000	\$ 4,987,000	Very Lrg % Δ
INTRA-GOVERNMENTAL	900,000	900,000	1,050,000	\$ 150,000	16.7%
MISCELLANEOUS REVENUES	5,500	28,876	5,000	\$ (500)	-9.1%
APPROP FROM RESERVES	6,623,649	6,551,382	-	\$ (6,623,649)	-100.0%
Total	\$20,656,124	\$21,054,589	\$ 21,086,034	\$ 429,910	2.1%





Proposed FY2024 General Fund Balance

- Fund Balance continues to remain healthily.
- Balanced mix based on our Fund Balance Policy.
- Begin to build Fire/Rescue Sinking Fund

Fund Balance	Estimate	
Beginning Balance	\$	12,096,988
Less: Fire Rescue		(6,215,000)
Surplus/(Deficit) 2023		110,086
Surplus/(Deficit) 2024		250,000
Ending Balance	\$	6,242,074
Fund Balance Policy		
Budget Stabilization	\$	2,099,099 34%
Disaster Recovery		2,099,099 34%
Fire Rescue		250,000 4%
Unassigned		1,793,876 29%
Total	\$	6,242,074 100%



Proposed FY2024 Discretionary Sales Surtax Fund

Preliminary FY 2024 Capital Projects

Project Name	Est. Cost	Status	Funding Source	FY2023	FY2024
North & south Entry Sign	\$ 150,000	Push forward	Infrastructure Sales Tax	\$ 150,000	\$ 150,000
Road/Bridge Repairs	100,000	Push forward	Infrastructure Sales Tax	100,000	150,000
Upgrade Library Conf. Room	10,000	Cancelled		10,000	-
Upgrade Town Hall Security	15,000	Complete		15,000	-
IT/Computers	25,000	Annual	Infrastructure Sales Tax	25,000	60,000
Police Vehicles	54,000	Complete		54,000	-
Axon Police Cameras	46,000	Annual	Infrastructure Sales Tax	46,000	46,000
New AC's	30,000	Cancelled		30,000	-
Flock	35,000	2024	Infrastructure Sales Tax	-	35,000
Vehicle	60,000	2024	Infrastructure Sales Tax	-	60,000
Garage door replacement	75,000	2024	Infrastructure Sales Tax	-	75,000
Library Sewer Rehab	150,000	2024	Infrastructure Sales Tax	-	50,000
Fence Replacement	35,000	2024	Infrastructure Sales Tax	-	35,000
PD Cabinets & Carpet Replacement	75,000	2024	Infrastructure Sales Tax		75,000
				<u>\$ 430,000</u>	<u>\$ 736,000</u>
Push forward/Cancelled				(230,000)	
Est. Actuals				<u>\$ 200,000</u>	



Proposed FY2024 Building Department (Expenditures)

- Overall, the budget increased by 2.4% as compared to prior year budget.
- Personal COLA of 5-6.5% plus increases in cost of benefits, reduced by health insurance savings.
- Allocated health insurance of \$18K savings back into estimated operating expenditures.
- Transfers increased by \$150K to include the cost to the General Fund relating to Fire Marshal/Community Risk Reduction.

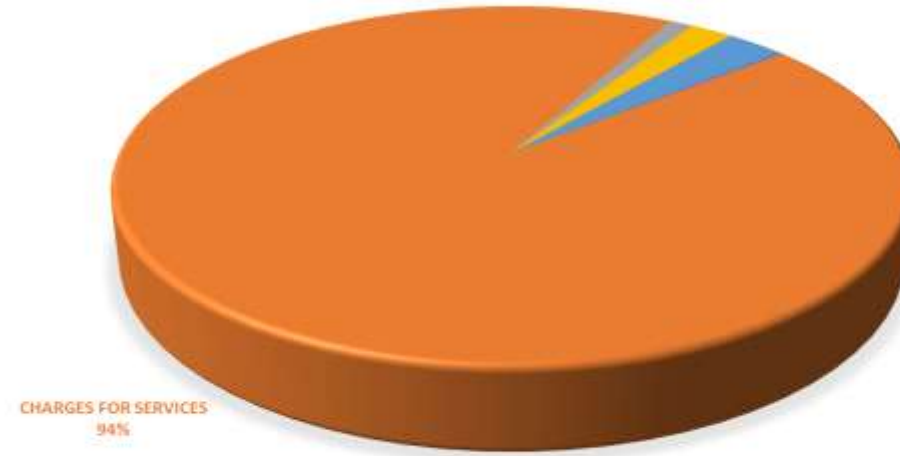
	A	B	C		C-A	(C-A) / A
EXPENDITURES BY CATEGORY	Budget 2023	Est. Actuals 2023	Proposed 2024	% of Total	Budget to Budget \$ Chng	Budget to Budget % Chng
OPERATING EXPENSES	\$ 697,995	\$ 559,000	\$ 689,370	36%	\$ (8,625)	-1.2%
PERSONAL SERVICES	761,980	654,248	706,600	37%	\$ (55,380)	-7.3%
CAPITAL OUTLAY	64,540	58,000	22,600	1%	\$ (41,940)	-65.0%
TRANSFERS	350,000	350,000	500,000	26%	\$ 150,000	42.9%
Total	<u>\$1,874,515</u>	<u>\$1,621,248</u>	<u>\$1,918,570</u>	<u>100%</u>	<u>\$ 44,055</u>	<u>2.4%</u>





Proposed FY2024 Building Department (Revenues)

- Charges for Services represent over 94% of total revenue associated with this fund. FY2023 Preliminary Budget is based on a conservative projection of FY2023 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 .
- Due to the overall health of this fund, no pledge from Reserve is anticipated.



	A	B	C	C-A	(C-A) / A
REVENUE SOURCE	Budget 2023	Est. Actuals 2023	Proposed 2024	Budget to Budget \$ Chng	Budget to Budget % Ch
CHARGES FOR SERVICES	\$1,673,834	\$ 2,287,884	\$1,801,370	\$ 127,536	7.6%
FINES AND FORFEITURES	60,000	47,496	22,200	(37,800)	-63.0%
INVESTMENT EARNINGS	18,000	72,719	40,000	22,000	122.2%
INTRA-GOVERNMENTAL	55,000	55,000	55,000	-	0.0%
APPROP FROM RESERVES	67,681	-	-	(67,681)	-100.0%
Total	<u>\$1,874,515</u>	<u>\$ 2,463,099</u>	<u>\$1,918,570</u>	<u>\$ 44,055</u>	<u>2.4%</u>



Proposed FY2024 Building Fund Balance

- Fund Balance continues to remain healthily.
- Our Estimate at FYE2023 is a Surplus of \$841K.

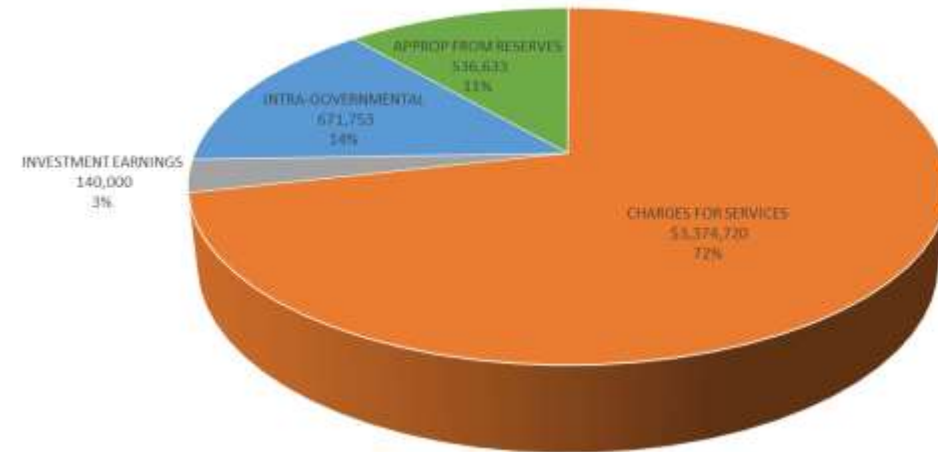
Fund Balance	Estimate
Beginning Balance	\$ 1,983,038
Surplus/(Deficit)	841,851
Ending Balance	<u>\$ 2,824,889</u>



Proposed FY2024 Water Fund (Revenues)

- Overall decrease in revenues 6.7% (primarily due to reduction GF Transfers into the fund due to reduced DS).
- The preliminary Budget assumed an 8% rate increase (adds \$243K + estimated consumption) based on 5-year forecast
- Reduced (but still required) need for appropriations from reserves.

	A	B	C	C-A	(C-A) / A
REVENUE SOURCE	Budget 2023	Est. Actuals 2023	Proposed 2024	Budget to Budget \$ Chng	Budget to Budget % Chng
CHARGES FOR SERVICES	\$ 3,065,975	\$ 3,041,893	\$ 3,374,720	\$ 308,745	10.1%
INVESTMENT EARNINGS	29,000	135,397	140,000	111,000	382.8%
OTHER FINANCING SOURCES	-	5,186	-	-	0.0%
INTRA-GOVERNMENTAL	1,165,519	1,165,519	671,753	(493,766)	-42.4%
APPROP FROM RESERVES	800,720	-	536,633	(264,087)	-33.0%
Total	\$ 5,061,214	\$ 4,347,996	\$ 4,723,106	\$ (338,108)	-6.7%





Proposed FY2024 Water Fund (Expenditures)

- Overall, 6.7% decrease in expenditures of primarily due lower debt service cost and reduced Capital Projects.
- 5-6.5% increase in Salaries & Related (Department is fully staffed), **offset by Health Insurance Savings.**
- Health insurance savings of \$26K allocated to operating expenditures

	A	B	C		C-A	(C-A) / A
EXPENDITURES BY CATEGORY	Budget 2023	Est. Actuals 2023	Proposed 2024	% of Total	Budget to Budget \$ Chng	Budget to Budget % Chng
OPERATING EXPENSES	\$1,162,643	\$1,011,000	\$1,392,121	29%	\$ 229,478	19.7%
PERSONAL SERVICES	1,132,758	1,106,938	1,180,000	25%	47,242	4.2%
CAPITAL OUTLAY	666,621	399,000	420,000	9%	(246,621)	-37.0%
DEBT SERVICE	1,549,192	1,554,000	1,180,985	25%	(368,207)	-23.8%
TRANSFERS	550,000	550,000	550,000	12%	-	0.0%
Total	\$5,061,214	\$4,620,938	\$4,723,106	100%	\$ (338,108)	-6.7%

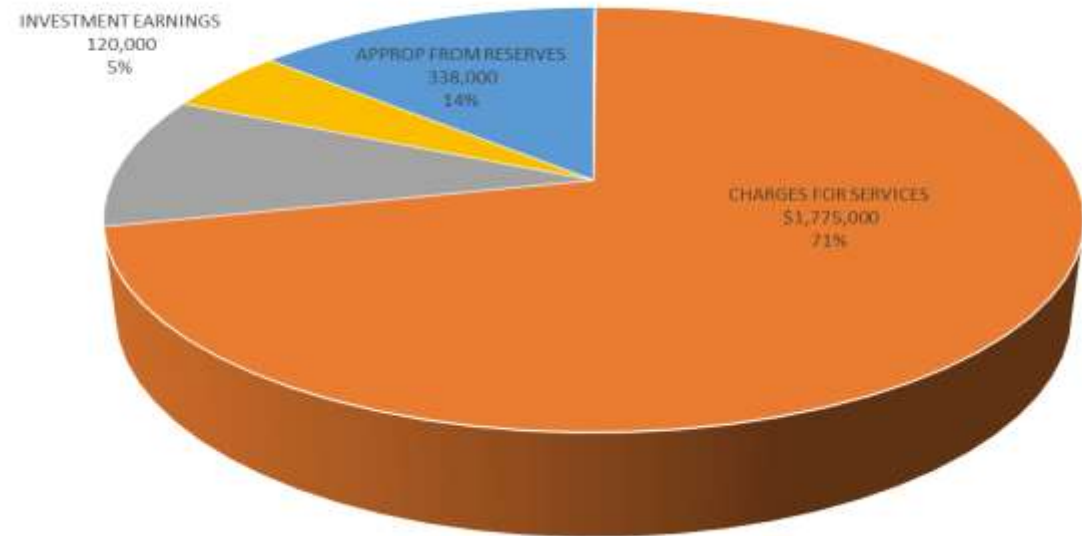




Proposed FY2024 Sewer Fund (Revenues)

- Overall increase in revenues by 32.3% (primarily due to increase in available grant funds for Capital Projects).
- The preliminary Budget assumed an 8% rate increase (adds \$130K in revenue) based on 5-year forecast

	A	B	C	C-A	(C-A) / A
REVENUE SOURCE	Budget 2023	Est. Actuals 2023	Proposed 2024	Budget to Budget \$ Chng	Budget to Budget % Chng
CHARGES FOR SERVICES	\$1,524,334	\$1,645,417	\$1,775,000	\$ 250,666	16.4%
GRANTS	-	-	250,000	250,000	100.0%
INVESTMENT EARNINGS	21,000	101,503	120,000	99,000	471.4%
APPROP FROM RESERVES	331,269	-	338,000	6,731	2.0%
Total	<u>\$1,876,603</u>	<u>\$1,746,920</u>	<u>\$2,483,000</u>	<u>\$ 606,397</u>	32.3%





Proposed FY2024 Sewer Fund (Expenditures)

- Increase in Operating Expense based on contract with Delray for Sewer Treatment and general inflationary price increases.
- Increase in CapX expenditures as a result of additional Grant Funds.

	A	B	C		C-A	(C-A) / A
EXPENDITURES BY CATEGORY	Budget 2023	Est. Actuals 2023	Proposed 2024	% of Total	Budget to Budget \$ Chng	Budget to Budget % Chng
OPERATING EXPENSES	\$ 1,431,603	\$ 1,081,000	\$ 1,563,000	63%	\$ 131,397	9.2%
CAPITAL OUTLAY	225,000	225,000	700,000	28%	475,000	211.1%
TRANSFERS	220,000	220,000	220,000	9%	-	0.0%
Total	\$ 1,876,603	\$ 1,526,000	\$ 2,483,000	100%	\$ 606,397	32.3%





Proposed FY2024 Summary

The Total Preliminary FY2024 Budget for all funds is \$30,796,710

TOWN OF HIGHLAND BEACH FLORIDA ALL FUNDS SUMMARY REPORT FOR PROPOSED FY2024						
Estimated Revenues	General Fund	Disc Sales				Total
		Tax	Building Fund	Water Fund	Sewer Fund	
Taxes:						
Property Taxes	\$ 12,197,349	\$ -	\$ -	\$ -	\$ -	\$ 12,197,349
Franchise Fees	596,455					596,455
Sales & Use Tax	260,000	412,000				672,000
Inter-Governmental	630,500					630,500
Miscellaneous Revenues						
Misc Revenue	5,000					5,000
Charges for Service	1,110,000		1,801,370	3,374,720	1,775,000	8,061,090
Investment Earnings	133,000	14,000	40,000	140,000	120,000	447,000
Fines & Forfeitures	14,500		22,200			36,700
Rents & Leases	80,000					80,000
Total Revenues	\$ 15,026,804	\$ 426,000	\$ 1,863,570	\$ 3,514,720	\$ 1,895,000	\$ 22,726,094
Other Resources:						
Grants	19,230				250,000	269,230
Intra-Governmental	1,050,000		55,000	671,753		1,776,753
Other Sources	4,990,000			-		4,990,000
Reserves	-	160,000	-	536,633	338,000	1,034,633
Total Sources	\$ 21,086,034	\$ 586,000	\$ 1,918,570	\$ 4,723,106	\$ 2,483,000	\$ 30,796,710
	-	-	-	-	-	-
Expenditures, Uses						
General Government	\$ 2,708,457					\$ 2,708,457
Public Safety	10,012,300		1,395,970			11,408,270
Culture / Recreation	463,400					463,400
Public Works	486,390					486,390
Sanitation / Solid Waste	1,015,000					1,015,000
Post Office	156,000					156,000
Enterprise Funds (Utilities)				2,572,121	1,563,000	4,135,121
Capital Outlay	4,809,772	586,000	22,600	420,000	700,000	6,538,372
Total Expenditures	\$ 19,651,319	\$ 586,000	\$ 1,418,570	\$ 2,992,121	\$ 2,263,000	\$ 26,911,010
Other Uses						
Debt Service	677,962			1,180,985		1,858,947
Transfers	506,753		500,000	550,000	220,000	1,776,753
Reserves	250,000					250,000
Total Expenditures & Other Uses	\$ 21,086,034	\$ 586,000	\$ 1,918,570	\$ 4,723,106	\$ 2,483,000	\$ 30,796,710
Net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



FY 2024 Budget Calendar Events

September

- Public Hearing to tentatively adopt proposed millage and proposed budget
- Budget Ad to newspaper
- September 21st Town Commission adopts final budget, final millage



FY 2024 Budget

Questions