



**FINAL MINUTES AND AGENDA
TOWN OF JUPITER
TOWN COUNCIL WORKSHOP
TOWN COUNCIL CHAMBERS
THURSDAY, JUNE 20, 2024**

Vice-Mayor Sundstrom called the meeting to order at 6:00 P.M. LC 7/16/24

ROLL CALL: Vice-Mayor Malise Sundstrom; Councilor Andy Fore; Councilor Cameron May; Acting Town Manager Kate Moretto; Town Attorney Thomas J. Baird and Town Clerk Laura Cahill. Mayor Jim Kuretski and Councilor Ron Delaney were absent.

1. Discussion of the Proposed Operating Budget for Fiscal Year 2025.

Mr. Scott Reynolds, Director of Finance, highlighted items considered during this year's budget development. He gave an overview of the budget revenue assumptions which included a proposed flat millage rate of 2.3894; town-wide valuation increase; net increase and distribution of Ad Valorem taxes; water and stormwater fund; and an increase in permit revenue.

Mr. Reynolds reviewed the Ad Valorem revenue assumptions; general fund revenue forecast; healthcare cost assumptions; new positions requested; and salary increase assumptions.

Mr. Reynolds continued the presentation highlighting the general fund expenditures and explained how the Jupiter Fire Rescue Department (JFRD) was segregated out to allow the residents and Council to track how the Town was spending money for JFRD. Mr. Reynolds finished the presentation going over water fund, stormwater fund, the Jupiter non-ad valorem assessment fund, building fund, health insurance fund, and items to consider.

Linda McDermott, resident of Chadwick Drive, noted her concerns for the fire fund regarding EMS and asked why the millage rate did not go down if the Town had such high reserves.

Constance Holmes, resident of 205 3rd Street, requested the Town and Council to not raise the water and stormwater rates three and seven percent because it affected all residents.

1. Discussion of the Proposed Operating Budget for Fiscal Year 2025.

Councilor Fore asked finance what the three and seven percent translated to in dollars.

Ms. Dawn Clark, Assistant Finance Director, explained the stormwater fee would increase 49 cents per month and the Water fee would increase by one dollar and 31 cents per month.

Mr. Reynolds stated if Council wanted to do an Ad Valorem assessment, then that assessment could only be used for Fire and could not be used for EMS. He noted the Town had Fire and EMS separated in the budget book for divisional detail. He said when the Town did the Ad Valorem study next year, Staff would be able to capture the costs for the consultant. He said the study would be very detailed and take numerous months and noted once it was completed, they would have the ability to filter to an individual property to determine how much that property would be charged. He stated the Request for Proposal (RFP) would be the first of the fiscal year.

Councilor Fore asked how the millage rate compared to other municipalities.

Mr. Reynolds said the millage rate was very low compared to other jurisdictions and once the Town had its own Fire department it would increase. He said currently the Town was not considering the Municipal Service Taxing Unit (MSTU), which was another 1.65 mills.

Councilor Fore asked Mr. Reynolds to explain that it was good for the Town that most of the balances were based on property values rather than the permits.

Mr. Reynolds said every jurisdiction was different. He stated looking at the increases in property values, the Property Appraiser would split them between the actual increases in the value and new construction. He noted, because Jupiter was essentially built out, those values were low, less than one percent over the last two years.

Councilor Fore noted it did not appear that the Town had a large number of commercial properties.

Mr. Reynolds stated the Town had an 80/20 split, predominately residential.

Mr. Reynolds discussed the Town's reserves; maintaining a low millage rate; and paying off debt quickly. He stated the Town built the new Town Hall and the Police Department with no debt.

Councilor Fore asked Mr. Reynolds if commercial paper was like an equity loan where you would only pay interest on what you use.

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Mr. Reynolds stated that was correct.

Councilor Fore asked if the rates were good.

Mr. Reynolds explained the rate the Town was looking at was 4.4 percent.

Councilor Fore thanked Staff.

Councilor May requested additional time for the August meeting to allow the Mayor Kuretski and Councilor Delaney time to make their comments.

Vice-Mayor Sundstrom asked for the sources of revenue for the general fund.

Mr. Reynolds explained the revenue manual and noted primary sources were Ad Valorem dollars, sales tax, state shared revenue, interest earnings, some restricted revenue streams, utility tax, franchise fees, and allocations from the enterprise fund.

Vice-Mayor Sundstrom asked if Mr. Reynolds could explain the water fund.

Mr. Reynolds explained the water enterprise fund was a business enterprise which had to stand on its own. He stated it could not utilize tax dollars to operate and make improvements.

Vice-Mayor Sundstrom and Mr. Reynolds discussed general revenues, hurricane cost excess, and Truth in Millage (TRIM).

Councilor Fore stated he liked the idea of a premium holiday for employees.

Councilor May asked to see what the difference would be for a six percent salary increase for employees instead of five percent.

Vice-Mayor Sundstrom shared the history of the budget including reserves and balances, storm cost increases, supply chain issues, tax rate and Municipal Service Taxing Unit (MSTU). She also mentioned the Town did not index for water rates for a number of years and when inflation took off the Town needed to start indexing again. She stated keeping a flat millage rate made sense and agreed with the 85/15 ad valorem distribution and with the suggested employee health insurance and Health Savings Account (HSA). She added she thought the Town should keep the three percent utility rate index.

Mr. Reynolds stated they looked into the compounding affects and the Consultant felt comfortable with the three percent rate index.

Vice-Mayor Sundstrom mentioned looking into a salary increase for Executive Staff and Town Manager. She stated she was grateful for all of Staff's efforts.

1. Discussion of the Proposed Operating Budget for Fiscal Year 2025.

Councilor Fore stated a six percent salary increase would essentially be a pay cut. He also added since the Water and Stormwater funds were not able to use funds from other sources it made sense to index at the three and seven percent to provide a little cushion.

ADJOURNMENT – 7:01 P.M.

Laura Cahill, Town Clerk