



**FINAL MINUTES AND AGENDA
TOWN OF JUPITER
TOWN COUNCIL WORKSHOP
TOWN COUNCIL CHAMBERS
WEDNESDAY, JUNE 18, 2025**

Mayor Kuretski called the meeting to order at 6:00 P.M.

ROLL CALL: Mayor Jim Kuretski; Vice-Mayor Ron Delaney; Councilor Phyllis Choy; Councilor Dan Guisinger; Councilor Malise Sundstrom; Town Manager Frank Kitzerow; Acting Town Attorney Brett Lashley and Town Clerk Merriane Lahmeur.

1. Discussion of the Proposed Operations Budget for FY2026.

Mayor Kuretski opened the discussion by expressing his appreciation for Staff and their hard work regarding the budget. He also noted that the Jupiter Police Department budget was not updated in the proposed budget to reflect the most recent negotiations.

Mr. Frank Kitzerow, Town Manager, provided an update on the most recent Police Union contract negotiations.

Mr. Scott Reynolds, Director of Finance, reviewed the key points used in this year's budget development. He noted that the Town continues to structure the budget and organization to live within its means. He stated that public safety is always the primary driver, as well as enhancements to improve operational efficiencies by leveraging technology.

Mr. Reynolds gave a brief overview of the budget revenue assumptions, which included: no increase in the millage rate proposed; an expected 6.58% increase in Ad Valorem revenue for FY26 due to increases in property values and new construction (expected \$2.6 million gross); increases for the Water and Stormwater Funds; a slight increase in Permit revenue; and no General Obligation (G.O.) Bond millage rate for FY26. He stated that there would be a distribution ratio between Operating and Community Investment Program (CIP) of 85/15.

Mayor Kuretski noted he would like to have a better understanding of the budget before deciding on the rate increases for Water and Stormwater.

Mayor Kuretski and Mr. Reynolds discussed the G.O. Bond millage reduction, which was partly the land acquisition and partly to what was considered an operating expense. It involved debt that had been refinanced. The refinancing covered maintenance and other improvements at the Community Center. Some of the

funding came from sales tax revenue that had retired in 2018. Additionally, there had been some remaining G.O. debt from those maintenance projects that was also refinanced along with the property.

Vice Mayor Delaney asked if the money that was pulled from the land acquisition fund was used to pay off debt and save in interest, and Mr. Reynolds confirmed it was.

Mr. Reynolds continued the presentation reviewing budget highlights and assumptions, stating that there would likely be reductions in revenue from the state shared revenues, specifically sales tax related.

Mr. Reynolds next presented on anticipated expenditures. He noted an anticipated increase of \$36.4 million in expenditures across all funds, primarily due to the increase in the transfer for the Fire Rescue. He addressed additional anticipated expenditures such as the Town assuming a five percent salary adjustment for all employees to stay competitive with the market; seven new positions; an increase in costs for property/liability insurance; and a \$20.6 million transfer from the General Fund Reserves to the Fire Fund.

Mayor Kuretski stated he thought it would be important to have a cost-of-living adjustment and merit raise split to provide clarity of what's being given to employees, similar to what other local governments do.

Councilor Sundstrom noted that we always look to the local CPI as well, which is the lowest it has been since 2022, but also ensuring that we are being competitive in this area and market. Mr. Reynolds gave an overview of the steps the Town takes to ensure it remains competitive in the market.

Mr. Reynolds reviewed the Healthcare cost assumptions. There was discussion on the claims expense forecast in FY26.

Mr. Reynolds next gave an overview of the seven new positions requested, with a focus on Engineering and Public Works. In addition to the seven new full-time positions, 96 new Fire positions are being added for a partial year, with a total of 111 Fire positions by the end of FY26.

Councilor Guisinger asked if the 96 new Fire positions were based on a 48-hour work week. Mr. Reynolds confirmed. Councilor Guisinger asked if it would change to a 42-hour work week. Mr. Kitzerow stated that some Fire services had implemented that practice, however, it had not been pre-planned as part of the launch of Jupiter Fire Rescue Department (JFRD).

Mr. Reynolds continued the presentation highlighting the General Fund revenues; General Fund reserves projections and balances; and General Fund expenditures.

There was discussion on the General Fund reserves, balances, and use of funds for JFRD. Councilor Sundstrom noted that the target is to have three months of operating for reserves, and that we are \$15.4 million above that target.

Mayor Kuretski noted that part of the legacy was to build up the reserve to what it was, and we should try to maintain more than the recommended, as not to have missed opportunities.

Mr. Reynolds continued on with the General Fund expenses. He explained that there is a large increase shown under the Books, Dues and Publications line item. This was due to a change in accounting standards related to software, which was moved from the Operating, Supplies and Maintenance line. He stated that even though it shows like a large increase, it is actually just a reallocation of costs.

Mayor Kuretski asked if the most recent change in accounting standards was a one-time occurrence or would it continue going forward. Mr. Reynolds noted that the item had always existed, but the change was in how and where it was reported.

Mayor Kuretski praised staff for all of their good work and managing their budgets. He wanted to review a few department budgets to identify the significant drivers in cost increases. Mr. Reynolds said he would be happy to meet with the Mayor, and he noted how it may be a timing issue and/or the percentage spent versus when the expenditures occurred.

Mr. Reynolds went on to discuss the Jupiter Fire Rescue Department (JFRD) implementation year three and the Water Fund. Mr. Reynolds noted that for the Water Fund expenses among the increases there was a ten percent increase in the FPL rates, and an increase in Professional Services fees due to regulatory demands in FY26.

Vice-Mayor Delaney asked if the 0.4 percent customer demand assumption for the Water Fund was at its lowest and what was the rate last year. Ms. Dawn Clark, Assistant Finance Director, said it had been pretty level over the last few years and had expected a decline due to buildout.

Mayor Kuretski asked if FPL had gotten back with the Town regarding their assessment of utilities cost increases unique to water utilities. Mr. Reynolds said no. Mayor Kuretski offered to assist if he could. He explained FPL provided information to each municipality on utilities, and he looked forward to seeing the estimates they would provide. Ms. Amanda Barnes, Director of Utilities, noted the Staff had been in communication with FPL, but they still had not provided the information.

Mayor Kuretski thanked the Staff for how the Water Fund was being managed. He discussed the R & R for fiscal years 2024, 2025 and 2026, and that it was projected

to be higher. He noted it was an important indicator of what the Town ends up with due to targeting the renewal and replacement savings to cover them.

Mr. Reynolds gave an overview of the Stormwater Fund revenues and expenditures.

Ms. Clark went over the history of the Jupiter River Estates Non-Ad Valorem Assessment Fund. She explained the assessment was for trimming maintenance of the canal. She explained that the assessment is on the individual's taxes every year, but that trimming occurs every other year.

Mayor Kuretski asked if the contract was for one or more years. Ms. Clark noted it was for multiple years with a maximum increase of five percent or consumer price index (CPI), whichever was less. Mayor Kuretski noted the Town had stepped up to help with the water quality with no funding from others. He discussed setting the standard and asked if every two years was good or if could be more.

Councilor Choy asked if the residents were paying for any of the maintenance. Ms. Clark explained they were paying for everything for the next ten years.

Vice-Mayor Delaney stated it was great how they got all of the residents on board with the project.

Councilor Sundstrom stated how incredible it was that the residents came together to get it done.

Mr. Reynolds presented the Building Fund revenues and expenses.

Mayor Kuretski stated the Building Fund was the best in class, and was very happy with how it had been managed. He said it was not intuitive to him that with the permit inspections going down that the protective inspections would go up so significantly.

Mr. Reynolds next discussed the Health Insurance Fund and next steps in the budgetary process and important dates.

Mayor Kuretski asked if the August meeting was just the Community Investment Plan (CIP). Mr. Reynolds confirmed.

Mayor Kuretski stated on July 15th the Council would set the millage rate and on September 4th would be the first public hearing for the operating budget. He said the preference would be that if the Council had any comments on the operating budget that those would need to be resolved with the Town Manager before then.

Mr. Reynolds said if there were any questions from the Council or even the public, that his department would make themselves available to answer.

Councilor Sundstrom noted it was a good opportunity for the Council as a whole to discuss any possible concerns regarding the budget. She was in agreement in general with the five percent for the Staff, which allowed the Town to stay competitive and was in line with inflation. She discussed all the red in the General Fund forecasting and how the Town had planned for the interest rates coming down, and that the Town had taken advantage of it. She explained there had been an expectation that year three of Fire Department would be big due to expenditures. She asked for some clarification on the new positions. Mr. Reynolds explained each new position and the specific need for each.

Councilor Sundstrom spoke regarding the Utility's availability for R & R, and asked what was on the quarterly financial report. Councilor Sundstrom stated the Town works with a consultant on the five-year Water Master Plan, which allows for the Town to project its needs. She noted during the inflation period, Council saw a string of chemical purchases come through at higher costs after adopting the budget. She explained that these were Enterprise Funds, which need to stand on their own long term and plan with R & R. She felt it was an excellent report.

Councilor Guisinger asked if the Town was normally under or above budget. Mr. Reynolds stated the budget was usually within two or three percent, except for anomalies like Fire. He explained there were times when additional funds were needed, and most of those were for things driven by the Council.

Council Guisinger asked if there were any risk concerns. Mr. Reynolds stated he had no concerns on the State or Federal level. He noted he was more concerned with what was going on locally, such as items that are being worked on with the County and interlocal agreements with other jurisdictions

Councilor Choy discussed the importance of Staff retention, transparency for residents, and was appreciative of the presentation and explanations.

Vice-Mayor Delaney noted the projections for JFRD were right on the money, and he had faith in the Finance Department. He agreed with the five percent increase for Staff and thanked the Staff for all of their work.

Mayor Kuretski stated the biggest indicator on how the budget is managed was the unassigned fund balance, which continues to grow each year. He stated it was going down due to a policy decision, but the Town was going to deliver tax savings to the residents. He had concerns with unfunded mandates by the State, the Federal government, and the County. He requested additional information on increases in professional services, contractor services and promotional activities in a number of departments.

Vice-Mayor Delaney left the meeting at 7:28 P.M.

2. Mid-Year Community Investment Program Update.

Mr. Reynolds discussed the CIP Mid-Year Update, which included history, the legacy projects, and the objective of the Mid-Year Update.

Mayor Kuretski asked Mr. Reynolds to define encumbrance and clarified that under public safety there was not anything encumbered per contract. Mr. Reynolds explained due to timing issues with the contracts, the budget did not reflect the full encumbrance yet.

Mr. Reynolds continued with the presentation and noted there may be opportunities to free up funds for future projects and explained Staff reviewed current legacy projects and identified several that may be removed and funds could be reappropriated. He explained Staff placed projects in three categories to include project complete or near completion; projects where conditions have changed; and projects needing Council feedback.

Mayor Kuretski noted this was a significant process improvement for Council feedback.

Councilor Sundstrom said this was a major process upgrade and noted this would make Council, both present and future, more flexible in facing challenges.

Mr. Reynolds said Engineering and Public Works had 16 legacy projects, and highlighted two that were completed and two where conditions had changed.

Mayor Kuretski spoke about the Mast Arm Project and noted he thought the County was holding up the project.

Councilor Sundstrom asked if we had any idea where the Town was with the County and a reasonable timeline.

Mayor Kuretski said Staff could come back with an update after speaking with the County. He noted the Collector Roadway Lighting Project and wanted to know what was left to be done for completion.

Mayor Kuretski stated the Town had a balance over encumbered in projects for maintenance of roadways, and asked if it would make sense to sweep the funds to other areas where it is needed. Mr. Reynolds said several of the projects are out for bid and would need the funds. Mayor Kuretski discussed the carry-over of funds at the end of each year.

Councilor Sundstrom recalled from the previous year that Council had asked for the both the funding and the schedule to be updated due to the numerous requests from residents. She noted having the sheets updated with realistic deadlines to meet expectations.

Mayor Kuretski discussed the Jupiter Park Drive at Central Boulevard Intersection Improvements, which he thought should have already been completed, and requested the project to be completed in the off season.

Mr. Reynolds continued with the Parks and Recreation legacy projects, eleven in total. He discussed the Beach Dune Crossover Project. Mike Hoffmann, Senior Director of Community Services, provided additional information on the Beach Dune Crossover Project and impact.

Mr. Reynolds continued with discussing the Planning and Zoning legacy projects, five in total. He explained there was an opportunity to reappropriate funds for other park projects that are going to be requested.

Councilor Sundstrom said she supported reappropriating the funds as the Cinquez Park Project changed due to the residents' wants.

Mayor Kuretski agreed and spoke about the Sawfish Bay Park Project and the Enhancing Entries at Major Gateways Project.

Mr. Reynolds continued his presentation with an overview of the six legacy projects in Public Safety.

Mayor Kuretski wanted to ensure there was enough funding to complete the Police Memorial Project, and expressed his desire to expand the brick area. Mr. Kitzerow explained it was being done in two phases, and was in agreement on the brick area.

Mr. Reynolds continued with an overview of the four legacy projects in General Government and mentioned reappropriating funds from the Town's Webcam Project.

Councilor Sundstrom agreed with reappropriating those funds to the Parks and Recreation Master Plan where it would be better served. Mayor Kuretski agreed as well.

Mr. Reynolds continued with the Water Fund, which has 32 legacy projects.

Councilor Sundstrom stated her appreciation for the level of transparency and how available the information is.

Mayor Kuretski discussed carry-over of funds for the Water Fund projects.

Ms. Barnes provided an updated on the Advanced Metering Infrastructure Project.

Mr. Reynolds provided an overview of the Storm Water Fund, which has thirteen legacy projects.

Mr. Reynolds provided a recap summary of the legacy projects and actions.

ADJOURNMENT - 8:17 P.M.

Merriane Lahmeur, Town Clerk