Town of Lauderdale-By-The-Sea

Workshop Town Commission

Agenda

Tuesday, July 8, 2025

5:00 PM

Jarvis Hall 4505 N. Ocean Drive
www.Lauderdalebythesea-fl.gov

LAUDERDALE-BY-THE-SEA TOWN COMMISSION

Mayor Edmund Malkoon
Vice Mayor Randy Strauss
Commissioner Richard DeNapoli
Commissioner John A. Graziano
Commissioner Theo Poulopoulos

Linda Connors, Town Manager
Susan Trevarthen, Town Attorney
Katrina Adler, Town Clerk

Workshop Town Commission

Tuesday, July 8, 2025, 5:00 PM
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1. CALL TO ORDER, MAYOR EDMUND MALKOON

2. PLEDGE OF ALLEGIANCE TO THE FLAG

3. PUBLIC COMMENTS

4. DISCUSSION ITEM

4.a. FY2026 Proposed Budget

5. ADJOURNMENT

THE TOWN OF LAUDERDALE-BY-THE-SEA WILL FURNISH APPROPRIATE AUXILIARY AIDS AND SERVICES NECESSARY TO AFFORD INDIVIDUALS AN EQUAL OPPORTUNITY TO PARTICIPATE IN MEETINGS OF THE TOWN COMMISSION. IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT AND FLORIDA STATUTE 286.26, PERSONS WITH DISABILITIES NEEDING SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING

SHOULD CONTACT THE TOWN CLERK NO LATER THAN TWO (2) DAYS PRIOR TO THE MEETING AT (954) 640-4200 FOR ASSISTANCE.

IF ANY PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE TOWN COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING OR HEARING, HE/SHE WILL NEED A RECORD OF THE PROCEEDINGS AND FOR SUCH PURPOSES MAY NEED TO ENSURE THAT A VERBATIM RECORDING OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PROCEDURES FOR PUBLIC COMMENTS:
Public Comments may address issues that are not on this meeting's agenda, but should relate to the business of the Town, and should not contain personal attacks. If your comment requires follow up, the Town Manager will have a staff person respond to your concerns, and will advise us of the outcome.

The Town Clerk will read off the names of those who have signed up to speak. When your name is called, please come to the podium, state your name for the record, and indicate whether you are a Town resident. Do not state your address. You have up to three minutes to make your comments, but there is no requirement to use the entire time. If you wish to address a particular Commissioner or member of Town Administration, please do so by use of their title.

If you wish to approach the Commission dais to hand out a document or for some other reason, please request permission and state your reason for doing so. All documents to be provided to the Commission should be handed to the Town Clerk for distribution.

These procedures have been developed to assure that the Town Commission meeting time is efficiently used, and that meetings are conducted in a polite and respectful manner. More information on the decorum rules for Town Commission meetings is available in Section 2-23 of the Town Code of Ordinances.

INVOCATION:
The Invocation before each Town Commission meeting is a voluntary service of a private citizen, offered to serve the spiritual needs of the members of the Town Commission and solemnize the meeting. It is not intended to be an opportunity to advance or disparage one faith or belief over another. The views expressed in the Invocation have not been previously reviewed by the Town and do not necessarily represent the beliefs of any Town employee or official. No person is required to be present at or participate in the Invocation, and the decision whether to be present or participate in the Invocation will not affect any person's right to actively participate in the official business of the Town or obtain any benefit from the Town. The Town's written Invocation policy is available on its website, and upon written request to the Town Clerk.all static

Agenda Item No: 4.a.

Town Commission Agenda Item Report

Meeting Date: July 8, 2025
Submitted By: Linda Connors, Town Manager
Submitting Department: Administration
Item Type: Presentation
Agenda Section: DISCUSSION ITEM

Subject Title: FY2026 Proposed Budget

Explanation:

At the direction of the Town Commission, staff scheduled FY2026 budget meetings following receipt of the certified Ad Valorem tax revenue projections from the Property Appraiser. On June 30, the Town received the projected figures for FY2026. Ad Valorem revenues are estimated at $14,291,556, reflecting a 5.48% increase ($742,937) over FY2025. These revenues continue to represent the primary funding source for the Town, comprising 75.28% of total General Fund revenues. In addition to Ad Valorem taxes, the General Fund includes recurring revenues from application fees, investment returns, franchise fees, and utility taxes. While not typically classified as recurring revenue, staff is recommending the inclusion of $500,000 in projected interest earnings from Town investments to help supplement General Fund resources this fiscal year. As a result, the total projected General Fund revenue for FY2026 is $18,983,865.

Expenditures

The General Fund is the most comprehensive component of the Town's budget and comprises the majority of the total operating budget. It supports the core functions of government, except for the Fire, Parking, and Building Departments/Divisions, as well as major capital and sewer projects, which are funded through separate, dedicated funds. While Capital Projects are accounted for in their own fund, the General Fund has traditionally provided significant transfers to help subsidize capital expenditures. For FY2026, no new programs have been added, and all budgetary increases have been minimized where possible. I would like to take this opportunity to thank Town staff for their efforts in maintaining or improving service levels while keeping costs as low as possible.

Proposed FY2026 General Fund Expenditures

Excluding the Capital Improvement Project Fund (which will be addressed separately), the proposed General Fund expenditures for FY2026 total $18,511,098. This represents a 10.99% increase ($2,035,086) over the FY2025 adopted budget. Key cost drivers contributing to this increase include:

- **BSO Police Services**: An increase of $838,239 (11.71%) in contractual costs, bringing the total FY2026 allocation to $7,159,374.
- **Emergency Medical Services (EMS)**: An increase of $920,320 (177.09%) due to the City of Pompano Beach's notice of termination of the current Fire Services agreement.
- **Insurance Premiums**: An across-the-board increase of approximately 12%.
- **Florida Retirement System (FRS) Contributions**: A 15% increase in employer contribution rates.
- **General Inflationary Pressures**: Various line items across departments reflecting increases due to inflation.

It is important to note that public safety (inclusive of Police and EMS services, but excluding Fire, which is funded separately) now represents approximately 47% of the General Fund budget.

REVENUES		
Revenue Source	**FY2026**	**Difference vs FY 25**
Ad Valorem Property Taxes	$ 14,291,556	$ 742,937
Utility Taxes	$ 1,221,868	$ 23,168
Franchise Taxes	$ 943,000	$ 78,201
Licenses & Permits	$ 203,400	$ 16,200
Intergovernmental Revenues	$ 1,233,384	$ 29,500
Charges for Services	$ 11,000	$ 3,750
Fines & Forfeitures	$ 81,000	$ (6,000)
Miscellaneous Revenues	$ 698,657	$ 315,097
Interfund Transfers	$ 300,000	$ 50,000
PROJECTED REVENUES FOR FY2026:	**$ 18,983,865**	**$ 1,252,853**

EXPENDITURES		
Department	**FY2026**	**Difference vs FY 25**
Commission	$ 519,371	$ 167,211
Donations	$ 68,500	$ -
Visitor Center	$ 125,260	$ (17,081)
Administration	$ 1,360,527	$ (21,388)
Town Attorney	$ 420,240	$ 12,240
General Government	$ 1,277,774	$ (18,126)
Tourism & Community Outreach	$ 642,387	$ (11,163)
Police Department	$ 7,278,274	$ 839,139
Emergency Medical Services	$ 1,440,000	$ 920,320
Development Services	$ 1,135,678	$ 20,526
Public Works Division	$ 4,121,540	$ 138,850
Recreation	$ 121,548	$ 4,549
Interfund Transfers	$ 472,766	$ (782,234)
PROJECTED EXPENSES FOR FY2026:	**$ 18,983,865**	**$ 2,035,077**

The total anticipated revenue for FY2026 is $18,983,965. Of this amount, $18,511,098 is allocated to support expenditures within the General Fund. The remaining $472,867 is proposed to be transferred to the Capital Improvement Project (CIP) Fund to supplement funding for priority capital projects. Additional expenditures within the CIP may be funded through other sources as directed by the Town Commission. As such, final approval of the FY2026 CIP and the allocation of available funding is required to complete the Town's overall budget process.

CIP Fund

The Capital Improvement Project Fund is dedicated to preserving, enhancing, and expanding the Town's infrastructure and capital assets. This fund is typically used for major one-time projects that support long-term community needs and are not part of routine operational or maintenance activities.

The FY2026 Capital Improvement Plan focuses on initiatives that improve the quality of life for residents and visitors as well as support the Town's continued ability to deliver high-quality services. Key projects proposed for funding include:

- **Roadway Paving and Resurfacing**
- **Stormwater System Improvements**
- **Critical Facility Upgrades**
- **Parks and Public Space Enhancements**
- **Other One-Time Capital Investments**

The detailed project list (below) and associated funding sources will be reviewed and approved as part of the Commission's final action on the FY2026 budget.

2026 CIP	
CIP Personnel Expenses	$ 146,541
FDOT Manhole Covers (Pine - Flamingo) **Required**	$ 100,000
Beach Renourishment **Required**	$ 116,667
Beach Portal Construction (2)	$ 700,000
El Mar Drive Paving	$ 925,000
El Prado Park Improvements	$1,300,000
Neighborhood Roadway Paving	$ 400,000
Storm Sewer Lining	$ 500,000
West Plaza Refurbishments	$ 500,000
Bougainvilla/Poinciana Planning (roll over)	$ 115,000
Total	**$4,803,208**

Traditionally, the Town has relied on transfers from the General Fund, Grants and Parking revenue to pay for capital projects. Alternatively, the project list may be modified, reduced or utilize an increase in the millage rate to accommodate costs.

Recommendation:

Exhibits: None