



TOWN OF PALM BEACH

Town Clerk's Office

MINUTES OF THE SPECIAL TOWN COUNCIL MEETING HELD ON THURSDAY, JULY 15, 2021

I. CALL TO ORDER AND ROLL CALL

The Special Town Council Meeting was called to order on Thursday, July 15, 2021, at 9:30 a.m. On roll call, all elected officials were found to be present.

II. PLEDGE OF ALLEGIANCE

Council President Zeidman led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Motion was made by Council Member Crampton, and seconded by Council President Pro Tem Lindsay to approve the Agenda. On roll call, the motion carried unanimously.

IV. COMMUNICATIONS FROM CITIZENS – 3 MINUTE LIMIT

There were no comments from citizens.

V. TOWN MANAGER'S OVERVIEW OF THE PROPOSED FY22 BUDGET

A. FY 2022 Proposed Budget

Town Manager Kirk Blouin provided brief introductory comments including an historic overview of last year's budget process. He mentioned that the long term financial plan had projected revenue deficits for FY21 primarily due to the loss of revenue because of the closure of the Marina operations and the start of the pandemic. There was a lot of economic uncertainty during that time. Certain events had to be cancelled such as training and holiday events and department directors were requested not to add any projects or initiatives during that period of uncertainty. Due to those measures, a very lean budget regarding expenditures and conservative revenue estimate was produced.

The normal budgeting process continued for FY22 to find savings wherever possible and certain necessary expenses such as training and travel, that were eliminated last year, were returned to the budget. He stated that each department did a great job developing their budget with a reasonable increase in expenditures. There was a large increase of 8.13% in Town property values that led to increased revenue. These factors have led to a budget surplus. If the proposed rates are adopted, it would provide a zero dollar property tax increase for the homesteaded property owners for the fourth consecutive year.

Mr. Blouin stated that overall, the Town's finances are in great shape. There is excess reserves of \$28.2M, with between \$1.5M and \$2M expected to be added back to the general fund this year. As of June, there is a surplus of \$2M in the Building Enterprise Fund and the Town continues to enjoy AAA credit rating. The Retirement Board has reported that the plan to reduce the unfunded liability in the pension plan is working and we should achieve healthy funding levels in the near future.

Policies will be proposed for greater revenues to further strengthen the Town's position. Council direction will be sought regarding the FY22 surplus depending on the millage rate adopted. Overall, the limited budget meets the high level service needs of the community at the lowest possible cost which sets the Town on a path to a very strong financial future.

B. General Fund

1. Review of General Fund Revenues for FY2022.

Jane Le Clainche, Director of Finance

Jane Le Clainche, Director of Finance thanked Amy Wood, Assistant Director of Finance and Melissa Ladd, Budget Analyst for their hard work in producing the budget presentation.

Ms. Le Clainche provided an overview of the FY22 current financial condition. She stated that the budget estimates for FY21 were very conservative due to the uncertainty surrounding the pandemic and revenues were higher than expected in many areas. Grant funding was also received for older FEMA projects and the pandemic costs. The estimated year end surplus will be between \$1.5M and \$2M.

Ms. Clainche stated that property values had increased by 8.13% for a total of over \$21.6B. All revenues are increasing from the calendar year except interest income due to the current interest rate environment. The proposed parking meter increases are also included in the FY22 budget. A transfer of \$511K from the Marina Enterprise Fund to the General Fund has been added for the services provided by the Finance, Human Resources, Information Technology and Town Manager departments. She referred to a chart of the FY21 breakdown of the tax bill per \$1M of value which showed that the Town represents 18.7% of the total tax bill. For FY22, operating expense have increased 2.94% and the total budget expenditures have increased 2.87% with much of the increase related to salary and contractual expenses. She gave an overview of the various expenditures.

Discussion ensued regarding the cost of renovations vs. remediation of the North Fire Station; the various fund reserves.

Paul Brazil, Director of Public Works, reviewed the anticipated expenditures for the North Fire Station. The Council decided to set aside money to undertake the

full renovation rather than to address in piecemeal fashion the structural issues including the ubiquitous presence of mold. It became clear to the Council during the discussion that any remedy that would be undertaken presently to address the immediate problems would need to be redone during the full renovation. The Council thought this would be a waste of tax money and decided to bite the bullet. The renovation had already been delayed for several years with consequences that were now obvious.

After hearing the budget review and robust discussion, the Town Council decided to fund the following projects with the budget surplus:

COLA – additional 1% for a total of \$189K
Renovation of the North Fire Station
Property Tax reduction

2. General Fund Expenditures – Department Review
 - a) Legislative
 - b) General Government
 - c) Town Manager
 - d) Advice and Litigation
 - e) Town Clerk
 - f) Information Technology
 - g) Human Resources
 - h) Finance
 - i) Planning Zoning and Building
 - j) Recreation and Tennis
 - k) Fire-Rescue
 - l) Police
 - m) Public Works
 - n) Transfer and Other

C. Special Revenue Fund

1. Town-wide Underground Utility Fund
H. Paul Brazil, Director of Public Works

D. Debt Service Funds

Jane Le Clainche, Director of Finance

E. Capital Improvement Funds

1. Pay As You Go Capital Improvement Program
2. Accelerated Capital Improvement Program
3. Coastal Protection Program
 - a. Review of 10 year plan
4. Worth Avenue Maintenance Program
H. Paul Brazil, Director of Public Works

F. Enterprise Fund Budgets

1. Marina Enterprise Fund
2. Par 3 Golf Course Enterprise Fund
3. Building Enterprise Fund

Carolyn Stone, Assistant Town Manager/Wayne Bergman, Planning Zoning and Building Director

G. Internal Service Funds

1. Health Insurance
2. Risk Management
3. Equipment Replacement Fund

Jane Le Clainche, Director of Finance

H. Trust and Agency Funds

1. Pension Funds
2. OPEB Trust

Jane Le Clainche, Director of Finance

- VI. **RESOLUTION NO. 063-2021** A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County Florida, Approving a Proposed Operating Millage Rate of 2.9962 for the Tentative Fiscal Year 2022 Budget; Approving the Computed Rolled Back Millage Rate of 2.8135 to be Provided to the Property Appraiser in Accordance with F.S. 200.065; Establishing the Date, Time and Place of the First and the Final Budget Hearings to Consider the Proposed Millage Rates and Tentative Fiscal Year 2022 Budget and Directing the Town Manager to Transmit this Information to the Property Appraiser of Palm Beach County in Accordance with the Requirements of F.S. 200.065.

Motion was made by Council Member Crampton and seconded by Council Member Araskog to approve Resolution No. 063-2021. On roll call, the motion carried unanimously.

- VII. **RESOLUTION NO. 064-2021** A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Amending Recreation Department Fees for Fiscal Year 2022.

Motion was made by Council Member Araskog and seconded by Council President Zeidman to approve Resolution No. 064-2021. On roll call, the motion carried unanimously.

- VIII. **RESOLUTION NO. 065-2021** A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Amending Golf Fees for Fiscal Year 2022 and Granting Authority to the Division Director of Recreation to Utilize Dynamic Pricing to Maximize Revenue, Fill Underused Times and/or to Offer Specials to Attract New Play Depending on Market Conditions.

Motion was made by Council Member Crampton and seconded by Council Member

Cooney to approve Resolution No. 065-2021. On roll call, the motion carried unanimously.

- IX. **RESOLUTION NO. 066-2021** A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Establishing Marina Transient Dockage Fees for Fiscal Year 2022.

Motion was made by Council President Pro Tem Lindsay and seconded by Council Member Crampton to approve Resolution No. 066-2021. On roll call, the motion carried unanimously.

- X. **RESOLUTION NO. 067-2021** A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County Florida, Amending the Town of Palm Beach Master Fee Schedule by Increasing the Special Event, Auction, Charitable Solicitation, Closing out/Distressed Sale, Door-to-Door Solicitation, Garage Sale, Newsrack Administration, and Parade Permit Fees; and Providing an Effective Date.

Motion was made by Council Member Crampton and seconded by Council Member Araskog to approve Resolution No. 067-2021. On roll call, the motion carried unanimously.

XI. **ANY OTHER MATTERS**

There were none.

XII. **ADJOURNMENT**

There being no further business to discuss, the Special Town Council Meeting of July 15, 2021 was adjourned at 12:25 p.m.

APPROVED:

Margaret A. Zeidman, Town Council President

ATTEST:

Queenester Nieves, CMC, Town Clerk

Date