



TOWN OF PALM BEACH

Town Clerk's Office

MINUTES OF THE SPECIAL TOWN COUNCIL MEETING HELD ON THURSDAY, JULY 14, 2022

I. CALL TO ORDER AND ROLL CALL

The Special Town Council Meeting was called to order on Thursday, July 14, 2022, 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 Cooney, and seconded by Council Member Araskog 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 FY23 BUDGET

A. Fiscal Year 2023 Proposed Budget

1. Executive Summary of the Fiscal Year 2023 Proposed Budget

Kirk Blouin, Town Manager

Town Manager Kirk Blouin provided brief introductory comments including a historic overview of last year's budget process. He stated that in order to meet the increased service needs of the community there was a slight increase in staffing levels in the Police and IT departments. The increase in staffing is offset by revenues either through enterprise funds or enforcement. He mentioned that each department did an excellent job of developing their budget with reasonable increases in expenditures. Mr. Blouin stated that even after the Budget is finalized in September staff will continue to look for efficiencies and will return any unused funds to the budget. He mentioned that last year a little over \$2M was returned to the fund.

There was a large increase of 18.07% in the taxable value of the properties in Town. This will allow the millage to be lowered and provide for better financial planning for the future. The proposed budget, if adopted, will provide no property tax increase for homestead properties for the fifth consecutive year.

2. Fiscal Year 2023 Proposed Budget

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. She stated that revenues were higher than expected in many areas and the current fiscal year will end well above the estimates. The expenditures are at budget estimates through the month of June. The transfer of \$5.4 million from the fund balance to cover the North Fire Station and contingency allocation will be significantly less which will result in either a small surplus or a very small amount of that transfer due to the budget. Ms. Le Clainche provided the breakdown of the tax bill per \$1M of taxable value as follows: PBC School District - 42.37%, Palm Beach County - 29.68%, Palm Beach - 17.85% and the other taxing districts represent the balance of the total, which is about 10%.

B. General Fund

1. Review of General Fund Revenues for FY2023.

Jane Le Clainche, Director of Finance

Jane Le Clainche, Director of Finance stated that due to property values increasing by 18.7% to over \$25 Billion, many revenue categories are increasing over FY22 levels, especially licenses, permits and service charges for recreation, parking, police special assignment overtime and fire prevention fees. She stated that the proposed parking fee increases are included in the budget but they will be heard by the Business and Administrative Committee at their next meeting. The summary of the General Fund revenues for FY23 show an increase of 6.25%.

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

The General Fund expenditures show an increase of 6.25% with operating expenditures increasing by 10.84%. Ms. Le Clainche stated that much of the

increase in operating expenditures was due to salary and contractual increases. She explained that the COLA was based on a formula adopted last year to use the last three reporting periods (6 months of data) for the Miami/Fort Lauderdale/West Palm Beach consumer price index for an average increase of 8.9% which would amount to \$2.3 million and merit/step increases totaling \$579,000. She stated that there were market adjustments for Police and Fire to ensure that they were at the 75th percentile and a 3% increase in the ranges for general employees to maintain competitiveness. She gave an overview of the changes in the pension benefits, health insurance and contractual costs.

Council Member Araskog left the dias at 9:45 a.m.

Ms. Le Clainche provided an overview of the various fund transfers.

There was lengthy discussion regarding the various fund transfers and projects to be undertaken/completed.

Town Manager Blouin suggested installing smart traffic signals and crosswalks as traffic concerns are a high priority for the residents. He stated that some security concerns have been addressed with the addition of police officers, construction site monitors and parking patrol officers. The installation of the smart traffic signals is estimated to cost about \$2M. Responding to Council President Zeidman, H. Paul Brazil, Director of Public Works stated that at this time there is no estimate for the cost of the crosswalks but as for allocation he would estimate \$1-1.5M for crosswalks which would be just for major intersections.

Council Member Araskog rejoined the meeting via Zoom at 10:28 a.m.

Ms. Araskog stated her agreement with the Council regarding the traffic safety measures to be undertaken.

Council President Zeidman spoke regarding the additional tax revenue and stated that she was in agreement with the installation of crosswalks for traffic safety.

After discussion, the Town Council unanimously decided to award the 8.9% COLA as to 2% increase to salary and 6.9% paid as a lump sum to the employee.

Regarding the property tax rate, Ms. Le Clainche stated that \$2.5 million increase to the budget would result in \$113 decrease for homesteaded and \$66 increase for non-homesteaded properties; \$3.5 million increase to the budget would result in \$72 decrease for homesteaded and \$111 increase for non-homesteaded properties.

Public Comment

Mark Zeidman, 229 Barton Avenue, spoke as a resident and not on behalf of the Palm Beach Civic Association, stated that the budget was a good balance between increased expenditures and increased taxable value. He made comments regarding

the Palm Beach County budget, coastal resiliency and the capital improvement projects.

Responding to Council Member Lindsay regarding carryover projects in the budget, H. Paul Brazil, Director of Public Works explained the reasons for the carryovers in the budget was to spread costs and prevent significant spikes in a future budget. As an example, he referred to the North Fire Station which will be funded through about three fiscal years instead of one.

The Town Council agreed to set the millage rate at 2.6932 and add back to the budget \$2.5M for the traffic signalization to improve the traffic flow and enhance safety for town residents and visitors. The 2.6932 millage rate would result in a \$130 per million decrease of homesteaded property tax and increase of \$66 per million for non-homesteaded property tax.

Motion was made by Council Member Crampton and seconded by Council Member Cooney to set the millage rate of 2.6932 which would result in a decrease in homesteaded tax of \$113 per million and increase in non-homesteaded tax of \$66 per million. On roll call, the Motion passed unanimously.

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/Mark Bresnahan, Division Director of Recreation/Wayne Bergman, Director of Planning Zoning and Building

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. RESOLUTIONS

- A. RESOLUTION NO. 091-2022 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County Florida, Approving a Proposed Operating Millage Rate of 2.8966 for the Tentative Fiscal Year 2023 Budget; Approving the Computed Rolled Back Millage Rate of 2.4843 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 2023 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.
- Jane Le Clainche, Director of Finance*

Motion was made by Council Member Cooney and seconded by Council Member Crampton to approve Resolution No. 091-2022. On roll call, the motion passed unanimously.

- B. RESOLUTION NO. 092-2022 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Amending Recreation Department Fees for Fiscal Year 2023.
- Mark Besnahan, Division Director of Recreation*

Motion was made by Council Member Araskog and seconded by Council Member Crampton to approve Resolution No. 092-2022. On roll call, the motion passed unanimously.

- C. RESOLUTION NO. 093-2022 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Amending Golf Fees for Fiscal Year 2023.
- Mark Besnahan, Division Director of Recreation*

Motion was made by Council Member Crampton and seconded by Council Member Cooney to approve Resolution No. 093-2022. On roll call, the motion passed unanimously.

- D. RESOLUTION NO. 094-2022 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County, Florida, Establishing Marina Annual and

Transient Dockage Rates for Fiscal Year 2023.
Carolyn Stone, Assistant Town Manager

Motion was made by Council President Pro Tem Lindsay and seconded by Council Member Crampton to approve Resolution No. 094-2022. On roll call, the motion passed unanimously.

- E. RESOLUTION NO. 095-2022 A Resolution of the Town Council of the Town of Palm Beach, Palm Beach County Florida, Adopting the Revised Fees Related to Fire Prevention and Special Assignment Overtime for Police Officer and Fire-Fighter Deployments beginning for Fiscal Year 2023.
Jane Le Clainche, Director of Finance

Motion was made by Council Member Crampton and seconded by Council President Pro Tem Lindsay to approve Resolution No. 095-2022. On roll call, the motion passed unanimously.

VII. ANY OTHER MATTERS

Director Le Clainche announced the following dates for the upcoming budget hearings:

Wednesday, September 14, 2022, 5:01 PM
Thursday, September 22, 2022, 5:01 PM

VIII. ADJOURNMENT

There being no further business to discuss, the Special Town Council Meeting of July 15, 2021 was adjourned at 11:44 a.m. without the benefit of a Motion.

APPROVED:

Margaret A. Zeidman, Town Council President

ATTEST:

Pat Gayle-Gordon, Acting Town Clerk

Date