

TOWN OF PALM BEACH

Office of the Town Clerk

REPORT OF THE FINANCE AND TAXATION COMMITTEE HELD ON MONDAY, AUGUST 12, 2013

1 **I. CALL TO ORDER AND ROLL CALL**

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3 The Finance and Taxation Committee (FTC) meeting was called to order on Monday,
4 August 12, 2013, at 1:41 p.m., in the Town Council Chambers. On roll call, all
5 Committee Members were found to be present.

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7 **II. PLEDGE OF ALLEGIANCE**

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9 Chairman Wildrick led the Pledge of Allegiance.

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11 **III. APPROVAL OF AGENDA**

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13 Motion was made by Committee Member Rosow, and seconded by Chairman Wildrick, to
14 approve the Agenda. On call for a vote, the motion carried unanimously.

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16 **IV. BOND ISSUE FOR ACIP AND BONDABLE COASTAL PROJECTS**

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18 Town Manager Elwell provided an update on the ACIP bond issue and bondable coastal
19 projects. He stated that Staff expects to go to market sometime in December 2013 or
20 January 2014.

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22 **V. COASTAL MANAGEMENT PROGRAM**

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24 **A. FUNDING SCENARIOS [PUBLIC FINANCIAL MANAGEMENT, INC.]**

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26 David Moore, Public Financial Management, provided an overview of funding
27 scenarios interest rates, and opportunity costs.

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29 Discussion ensued regarding funding options and Town reserves.

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31 Council Member Kleid commented on project costs, expressed his concern regarding
32 the proposed special assessment methodology, and stated that any special assessment
33 discussion is premature.

Town Manager Elwell stated that the Committee asked Staff to hire assistance regarding potential funding mechanisms. Staff brought in the appropriate professional to provide this information. Staff felt that some of the preliminary concepts could move forward and asked Dr. Stronge to provide some conceptual examples.

Responding to Council Member Kleid, Town Manager Elwell stated that Dr. Stronge will also be available at tomorrow's Town Council meeting to answer any questions.

Committee Member Rosow stated that the Committee did not ask for a methodology, only what other communities have done.

**B. METHODOLOGY FOR EQUITABLY DISTRIBUTING COSTS
[WILLIAM B. STRONGE PH.D.]**

Dr. Stronge provided an overview of his approach and conceptual methodology.

Responding to Committee Member Rosow, Town Manager Elwell stated that there are two ways in which other communities have funded similar projects, either as an ad valorem tax or a special assessment.

Dr. Stronge provided further detail on the different zones he identified in his conceptual methodology.

Lee Goldstein, 3120 S. Ocean Blvd, asked about the other communities that Dr. Stronge has worked with on similar matters.

Dr. Stronge stated that he has worked with Captiva Island, Navare Beach, and St. Lucie County.

William Cooley, 236 Fairview Rd, requested information on how much it would cost if the projects were completely funded through ad valorem taxes.

Town Manager Elwell stated that the cost would be \$492 per million dollars in taxable value.

Chairman Wildrick requested that this information be included in tomorrow's presentation to the Town Council.

Lou Crampton, 2335 S. Ocean Blvd, spoke regarding the need for simplified bottom line numbers, whether there had been litigation in cities which had instituted Dr. Stronge's recommendations, whether the same formula could be used for other civic improvements, using the taxes from the increased property values as dedicated funds for coastal projects, and other financing tools at the Town's disposal.

Chairman Wildrick requested that Dr. Stronge, Town Manager Elwell, and Finance Director Struder meet and prepare some executive summary charts showing everyone how the methodology would affect them individually.

Town Manager Elwell stated that Staff will prepare for tomorrow's Town Council meeting a presentation on Dr. Stronge's methodology and an executive summary on how it would fit into the budget decisions that have already been made.

Committee Member Rosow clarified that these discussions are based upon fiscal year 2015 projects, and stated that the Town has sufficient time to analyze its options. He requested an interactive chart on program financing options so that the Town Council can see how the estimates may change in different scenarios.

Chairman Wildrick stated that the bottom line is whether or not the Town Council feels that the people who benefit more should pay a little more.

Pat Cooper, 265 Orange Grove Rd, spoke regarding the use of the Coastal Construction Control Line (CCCL) in the calculations.

Dr. Stronge stated that the conceptual plan is for storm damage reduction benefits. The CCCL is used for 100-year storms. The Town's proposed coastal protection projects are not planned to protect against a storm that severe.

Chairman Wildrick stated that the goal here is to make sure we have a sustainable 10-year Shore Protection Program and determine who pays what and how much.

VI. ANY OTHER MATTERS

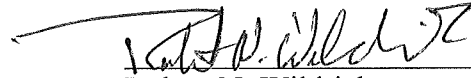
Mayor Coniglio requested that today's Committee meeting summary be scheduled for a 1:30 p.m. time certain at tomorrow's Town Council meeting.

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VII. ADJOURNMENT

There being no further business, the Finance and Taxation Committee Meeting of Monday, August 12, 2013, was adjourned at 3:41 p.m.

APPROVED:


Robert N. Wildrick
Chairman

ATTEST:


Susan A. Owens, MMC, Town Clerk

Date

8/10/13