

TOWN OF PALM BEACH

Office of The Town Clerk

SPECIAL TOWN COUNCIL MEETING WITH SECOND PUBLIC HEARING HELD ON SEPTEMBER 20, 2006, AT 5:01 P.M.

I. CALL TO ORDER AND ROLL CALL

The Special Town Council Meeting was called to order at 5:01 p.m. by President Pro Tem Kleid. On roll call, the following elected officials were found to be present:

Mayor Jack McDonald - Excused absence
President Denis P. Coleman - Excused absence
President Pro Tem Richard M. Kleid
Council Member William J. Brooks
Council Member Susan Markin
Council Member Allen S. Wyett - Excused Absence

Others present for all or a portion of the meeting were:

Town Manager Peter B. Elwell
Assistant Town Manager Sarah E. Hannah
Paul Brazil - Public Works Director
Veronica Close - Director Planning, Zoning, and Building
Cheryl Somers - Assistant Finance Director
Jane Struder - Finance Director
Susan Eichhorn - Town Clerk

II. INVOCATION AND PLEDGE OF ALLEGIANCE

The Invocation was given by Town Clerk Eichhorn. President Pro Tem Kleid led the Pledge of Allegiance.

9-20-06

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III. APPROVAL OF AGENDA

Motion made by Council Member Brooks, seconded by Council Member Markin to approve the Agenda. On roll call, the motion carried 3-0, as President Coleman and Council Member Wyett were not in attendance.

IV. PUBLIC HEARING ON FINAL FY2007 MILLAGE RATE AND BUDGETS

A. Proof of Publication

Town Clerk Susan Eichhorn affirmed that the proof of publication had been received.

B. Proposed Operating Millage Rate

President Pro Tem Kleid noted that the Proposed Operating Millage at the September 6, 2006, Public Hearing at 5:01 p.m. was tentatively approved. The proposed General Fund Operating Millage Rate of 3.7273 for FY07 represented a 10.41% increase over the rolled-back millage rates of 3.3757.

C. Reasons for Proposed Operating Millage Rate Increase over Rolled-Back Millage Rate

Town Manager Peter Elwell noted that the FY07 Operating Budget of \$62,642,654 increased by \$5,098,579 or 8.9% from FY06 Operating Budget of \$57,544,075.

The major increases in the budget included:

- An increase in amount transferred to the retirement funds;
- Transfer of coastal protection operating costs from the capital fund to the general fund;
- Employee pay for performance and competitive pay increases;

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- Additional funding for the street resurfacing program;
- Increases in sewage treatment and disposal costs;
- Software implementation funding; and
- An increase in debt service funding.

Changes made to the budget after proposed budget presented on July 12, 2006:

- Reductions for board member training, citizens survey, and transfer for Town Hall renovation; and the reduction in police/fire overtime budgets for costs of three additional holidays;
- Additional funding for PB Cats, and funding for the vacation conversion program.
- Expenditure for the vacation conversion program was 100% offset by the reserve for compensated absences and would have no impact on Town taxes.

D. Comments and Questions from Public - None

E. Discussion and Adoption (with changes, if any) of Resolution 67-06 - Adopting Final Millage Rate for FY2007

RESOLUTION NO. 67-06 A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA ADOPTING THE FINAL MILLAGE RATE AND LEVYING AD VALOREM TAXES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2006, AND ENDING SEPTEMBER 30, 2007; SETTING FORTH CERTAIN INFORMATION REGARDING THE "ROLLED-BACK MILLAGE RATE"; DIRECTING THE TOWN MANAGER OR THE FINANCE DIRECTOR TO ADJUST THE ADOPTED MILLAGE RATE IN THE EVENT OF CHANGES IN THE ASSESSMENT ROLL AND TAXABLE VALUE; PROVIDING AN EFFECTIVE DATE.

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Town Manager Elwell read Resolution No. 67-06 by title, as printed above.

Motion made by Council Member Brooks, seconded by Council Member Markin to approve Resolution 67-06. On roll call, the motion carried 3-0, as President Coleman and Council Member Wyett were not in attendance.

- F. Discussion and Adoption (with changes, if any) of Resolution 68-06 - Adopting the Final Operating Budget, Debt Service Budget, and Budgets for Other Funds for FY2007

RESOLUTION NO. 68-06 A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2006, AND ENDING SEPTEMBER 30, 2007; PROVIDING FOR AN EFFECTIVE DATE.

Town Manager Elwell read Resolution No. 68-06 by title, as printed above.

Motion made by Council Member Brooks, seconded by Council Member Markin to approve Resolution 68-06. On roll call, the motion carried 3-0, as President Coleman and Council Member Wyett were not in attendance.

V. REQUEST FOR CONTINGENCY ALLOCATION FOR POLICE PENSION CONTRIBUTION

Finance Director Struder stated that staff recommended that the Town Council approve a general fund contingency allocation of \$131,371 for additional funding to satisfy the Town's required contribution for the Police Pension Fund. Upon completion of the Florida Division of Retirement's review of the 2005 Financial Information for the Police Pension Fund, it was determined that the Town's contribution was deficient. In Section 185 funding, the tax on casualty insurance, the amount deducted from the Town's required contribution was less than the estimated actuary. For FY05, the difference equated to \$62,589 plus interest of approximately \$5,000. Fiscal Year 2006 would also be deficient in the amount of \$63,782, as the actuary used the same estimate for Section 185 funding, and Ms. Struder requested that the additional contribution be made in FY06 to satisfy the Town's requirements in the appropriate year.

Motion made by Council Member Brooks, seconded by Council Member Markin to approve the general fund contingency allocation in the amount of \$131,371 for additional

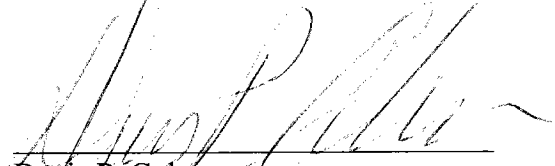
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funding to satisfy the Town's required contribution. On roll call, the motion carried 3-0, as President Coleman and Council Member Wyett were not in attendance.

VI. ADJOURNMENT

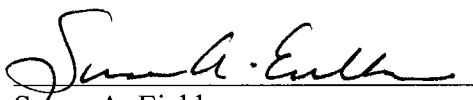
There being no further business, the Special Town Council Meeting was adjourned at 5:08 p.m.

APPROVED:



Denis P. Coleman
Town Council President

ATTESTED:



Susan A. Eichhorn
Town Clerk