

TOWN OF PALM BEACH

Office of The Town Clerk

MINUTES FROM THE PUBLIC HEARING CONDUCTED BY MAYOR AND TOWN COUNCIL ON TUESDAY, SEPTEMBER 14, 2004 AT 5:01 P.M. REGARDING PROPOSED MILLAGE RATE AND "TENTATIVE" FY2005 BUDGETS

I. CALL TO ORDER AND ROLL CALL

President Allen S. Wyett called the Public Hearing to order at 5:01 p.m. in the Town Council Chambers on Tuesday, September 14, 2004.

On roll call, the following Elected Officials were found to be present: Mayor Lesly S. Smith; President Allen S. Wyett; President Pro-Tem Samuel C. McLendon; Councilmen William J. Brooks; Norman P. Goldblum; and Jack McDonald. Also attending the meeting were: Town Manager Peter B. Elwell; Town Attorney John C. Randolph; Police Chief Michael S. Reiter; Human Resource Director William C. Crouse; Finance Director Jane Skittone; Assistant Finance Director Cheryl Somers; Assistant to the Town Manager Sarah Hannah; Director of Planning, Zoning & Building Robert L. Moore; Recreation Director Russell Bitzer; Public Works Director Paul Brazil; Acting Fire-Rescue Chief Andrew Cox; Acting Assistant Fire-Rescue Chief William Amador; Tim Pompos and Darrel Dinotto from the Fire-Rescue Department; Belinda Hardy Fire-Rescue Office Manager; and Town Clerk Mary A. Pollitt.

II. APPROVAL OF AGENDA

Before Additions were made to the Agenda, **President Pro-Tem McLendon made a motion to approve the agenda. The motion was seconded by Councilman Goldblum and carried 5-0 on roll call.**

Town Manager Peter Elwell requested the following additions be made to the Agenda after Budget Issues were taken care of:

1. Update on the Hurricane Frances clean-up;
2. Consideration of Resolution No. 51-04, Extending the Duration of the Declaration of Local Emergency Declared by the Chief of Police;



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3. Consideration of Re-scheduling a Special Town Council meeting to hear the Applicant's Appeal Regarding the Building Permits for the Four Winds Project.

Councilman Brooks made a motion to approve the Amended Agenda. President Pro-Tem McLendon seconded the motion that carried 5-0 on roll call.

III. PUBLIC HEARING ON PROPOSED MILLAGE RATE AND "TENTATIVE" FY 2004 BUDGETS

A. Notice of Proposed Property Taxes

President Wyett stated the following:

Pursuant to the notice of Proposed Property Taxes which have been mailed by the County Property Appraisers to each property owner, this Public Hearing has been announced to commence at 5:01 p.m. We will discuss the fiscal year 2005 proposed millage rates and tentative general fund, debt service fund, and other funds budgets including the proposed approval of Resolution No. 42-04 and Resolution No. 43-04.

B. Proposed Operating Millage

The fiscal year 2005 General Fund proposed operating millage rate of 3.9594 mills representing a 7.85% increase over the rolled back millage rate of 3.6712 mills.

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

At this point, as required by State law, President Wyett requested the Town Manager to identify the reasons for which the ad valorem taxes are being increased above the rolled back rate.

Town Manager Elwell said FY 2005 Proposed Operating Millage Rate of 3.9594 mills is 7.85% higher than the rolled back millage rate of 3.6712 mills. Factors that have contributed to this increase over the rolled back rate are as follows:

1. As noted in Exhibit D of the back up, the tentative FY2005 General

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Operating Fund Budget of \$52,380,731 has increased \$4, 930,096 or 10.4% over the FY2004 adopted operating budget of \$47,450,653. The major increases and decreases to the budget include an increase in the amount transferred to the Retirement Fund, employee pay for performance and competitive pay increases, increase in health insurance funding, increases in payouts for accumulated leave, and an increase in the transfer to the Capital Improvement Fund for the Town Hall renovation project.

2. Exhibit B outlines the changes that have been made to the budget since the proposed budget was presented to the Mayor and Town Council on July 12th. These changes include the elimination of funding for the Traffic and Parking Improvement Plan, the reduction in funding for new positions, off-set partially by funding for tasers for the Police Department, HazMat equipment for the Fire-Rescue Department, and an increased level of service in palm tree trimming.

D. Comments and Questions from Public

President Wyett requested comments or questions from the public.

Former Mayor Yvelyne "Deedy" Marix requested a copy of the agenda of the meeting including a copy of Mr. Wyett's comments.

There were no other comments.

E. Discussion and Adoption (with changes, if any) of Resolution No. 42-04 - Adopting Proposed Operating and Debt Service Millage Rates for FY2005

Town Manager Elwell read Resolution No. 42-04 by title:

A RESOLUTION OF THE TOWN OF PALM BEACH,
PALM BEACH COUNTY, FLORIDA, ADOPTING
PROPOSED MILLAGE RATES NECESSARY TO
FUND THE TENTATIVE GENERAL (OPERATING)
FUND AND DEBT SERVICE FUND BUDGETS FOR
THE 2004-2005 FISCAL YEAR.

President Wyett read the following pertaining to Resolution No. 42-04:

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He requested a motion to adopt Resolution No. 42-04 of the Town of Palm Beach which sets a proposed millage rate of 3.9594 mills for the general operating funds and .0693 mills for the debt service fund for a total of 4.0287 mills.

Councilman Brooks made a motion to adopt Resolution No. 42-04 with the highlights identified by President Wyett. The motion was seconded by Councilman Goldblum and carried 5-0 on roll call.

F. Discussion and Adoption (with changes, if any) of Resolution No. 43-04 - Adopting a Tentative Operating Budget, Debt Service Budget, and Budgets for Other funds for FY2005

Town Manager Elwell read Resolution No. 43-04 by title:

A RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF PALM BEACH, PALM BEACH COUNTY,
FLORIDA, ADOPTING THE TENTATIVE GENERAL
(OPERATING) FUND, DEBT SERVICE FUND, AND
BUDGETS FOR OTHER FUNDS FOR THE 2004-2005
FISCAL YEAR.

President Wyett requested a motion to adopt Resolution No. 43-04 which approves the tentative budgets for all funds for the fiscal year 2005.

Councilman Goldblum made a motion to adopt Resolution No. 43-04. The motion was seconded by President Pro-Tem McLendon and carried 5-0 on roll call.

G. Second and Final Public Hearing to Adopt Final Millage Rates and Budgets will be on Thursday, September 23, 2004, at 5:01 p.m. in the Town Council Chambers

President Wyett announced the process of approving the Town's proposed millage rate was concluded.

President Pro-Tem McLendon asked if the increase in the pension costs as mentioned by the Town Manager would avoid a later transfer from the Town's Reserve Fund?

Town Manager Elwell responded the policy that the Town Council has established will

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create an annual process that will be followed and nothing additional will be needed to change the manner of the operation of the Town beyond the discussion held earlier in the summer. He continued that Mr. McLendon's comment is separate from the funding of the pension program; however, no additional action is required that would be a further change from what the Town Council has approved.

President Wyett announced the final public hearing to adopt the final millage rates and budgets will be held on Thursday, September 23, 2004, at 5:01 p.m. in the Town Council Chambers.

IV. ANY OTHER MATTERS

Storm Reports:

Town Manager Elwell reported the Town is preparing daily news releases to update the activities of the Town in response to the recovery from Hurricane Frances. He noted the amount of time, the commitment that has been shown, the success in many different ways of addressing the critical needs of the community under the most trying of circumstances by the 400 employees have been remarkable.

Mr. Elwell reported progress has been made by FPL to bring more than 40 trucks to the island today to restore power and substantial progress is expected with the expectation full power will be restored soon although no time or date is available at this time.

Consideration of Adopting Resolution No. 51-04:

Town Manager Elwell explained that Police Chief Reiter has, on three separate occasions, throughout the emergency issued under his authority as Chief of Police a Declaration of Emergency for the Town. He continued that in order for that to be continued indefinitely which is necessary until power has been fully restored and checkpoints continue to be maintained in parts of Town plus various other activities that it is in the citizens' best interest for the Council to adopt an indefinite state of emergency. He explained the Town Council can declare that although Chief Reiter can declare the emergency for only three days at a time, and Chief Reiter would remove the declaration of emergency at the appropriate time when the Town has returned sufficiently to normal.

Mr. Elwell read Resolution No. 51-04 by title:

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A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, EXTENDING THE DURATION OF THE DECLARATION OF LOCAL EMERGENCY DECLARED BY THE CHIEF OF POLICE; PROVIDING AN EFFECTIVE DATE.

Councilman McDonald said he would not like to extend the emergency indefinitely and would prefer to extend it to the next Council meeting which is September 27th.

Police Chief Reiter said that would be acceptable to him.

Section 1 of Resolution No. 51-04 was changed to read as follows:

The Declaration of Local Emergency attached hereto and fully incorporated herein is hereby extended until *September 27, 2004, or until* the local emergency has been abated as determined by Michael S. Reiter, Chief of Police, in his sole discretion *whichever may occur sooner*.

President Pro-Tem McLendon made a motion to approve Resolution No. 51-04 as amended. The motion was seconded by Councilman Goldblum and carried 5-0 on roll call.

Mayor Smith said the behavior of FPL toward the Town of Palm Beach has been a disgrace, and for the first seven days after the storm, no emergency trucks were in Town. She continued residents suffered because of lack of power and having 40 trucks in Town twelve days after the storm is not something FPL should be applauded for. Mayor Smith noted the head of FPL lived in Lost Tree and had power three hours after the storm which was an amazing coincidence.

President Wyett requested a representative from Adelphia Cable Company be present at the September 27th Town Council meeting to report on cable restoration in Town after Hurricane Frances.

President Wyett reported Bell South advertised that 75% of their wires in Palm Beach County were underground and that was the reason service was restored quickly.

Consideration of Re-scheduling a Special Town Council Meeting to Hear the Applicant's Appeal Regarding the Building Permits for the Four Winds Project:

Maura Ziska, Attorney representing Steve Schwartzman, the property owner of Four Winds,

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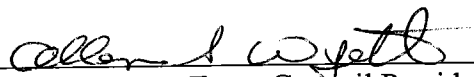
requested the postponement of the appeal to September 27th be changed due to her client's conflict with another meeting on that date. She also requested a meeting be set where all five Council members would be present as President Pro-Tem McLendon indicated he would not be attending the September 27th meeting. She suggested the meeting be scheduled between the dates of September 29th and October 11th.

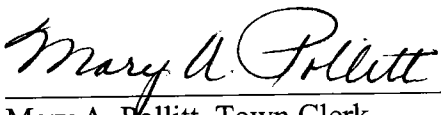
Mr. Elwell responded the October Town Council meeting will be on October 12th.

After a lengthy discussion, a Special Town Council Meeting was scheduled for October 11th from 9:30 a.m. to 12 noon. Councilman McDonald and Attorney Randolph indicated they would not be present at the meeting.

V. ADJOURNMENT

The meeting was adjourned at 5:45 p.m.


Allen S. Wyett, Town Council President


Mary A. Pollitt, Town Clerk