

**VILLAGE OF NORTH PALM BEACH  
FINANCE DEPARTMENT**

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TO: Honorable Mayor and Council  
THRU: Chuck Huff, Interim Village Manager  
FROM: Samia Janjua, Director of Finance  
DATE: September 22, 2022  
SUBJECT: **ORDINANCE – 2nd Reading of Final Ad Valorem Tax Millage Rate; and  
2nd Reading of Approved Fiscal Year 2022-2023 Village Budget**

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The attached Ad Valorem Tax Ordinance and Annual Budget Ordinance have been prepared for Council's use in setting the Village's Ad Valorem Tax Millage Rate and Annual Budget for the upcoming 2022-23 fiscal year. Council's budget and millage rate adjustments have been incorporated into Budget Summary and Notice of Proposed Tax Increase advertisements which have been published in the Palm Beach Post prior to the Village's final Ad Valorem Tax Millage Rate and Annual Budget hearing, as required.

The attached Ordinances establish and adopt the Village's Fiscal Year 2022-2023 budget and set its annual millage rate at **\$7.0500 mils. This millage rate is 12.53% above the Village's Fiscal Year 2022-2023 Rolled-Back Rate of \$6.2648 mils.**

This year's Budget Ordinance provides for an appropriation of \$679,800 to be transferred to the Capital Projects Fund to finance the General Fund's Capital Improvement Plan and an appropriation of \$482,550 to be transferred to the Country Club Fund for the following items:

- \$382,550 to finance the Pool & Tennis operations; and
- \$100,000 for the contribution towards the community share of the Country Club Renewal & Replacement Fund

At its September 8<sup>th</sup> Regular Session, Council approved the Millage Ordinance # 2022-15 and Budget Ordinance # 2022-16 on 1<sup>st</sup> Reading without modification.

The attached Ordinances have been prepared and/or reviewed by the Village Attorney for legal sufficiency.

**Recommendation:**

**The Administration recommends Council actions as outlined below:**

1. Attorney reads title of Ordinance establishing and adopting an Ad Valorem tax millage rate for the fiscal year commencing 10/1/22 and ending 09/30/23.

2. Attorney reads title of Ordinance adopting a budget for the fiscal year commencing 10/01/22 and ending 09/30/23.
3. Motion to adopt an Ordinance establishing the Ad Valorem Tax Millage Rate as required by Statute.
4. Motion to adopt an Ordinance adopting the Budget for Fiscal Year 2022-2023.
5. Staff presentation on BOTH Ad Valorem Tax Millage Rate and Budget.
6. Mayor Opens Public Hearing on BOTH Ad Valorem Tax Millage Rate and Budget.
7. Public Comment.
8. Mayor closes public hearing on BOTH Ad Valorem Tax Millage Rate and Budget.
9. Council discussion on BOTH Ad Valorem Tax Millage Rate and Budget (**if the Council wishes to reduce the Millage Rate below 7.0500 mils, a motion to amend the Ordinance establishing the Ad Valorem Millage Rate should made at this time**).
10. Mayor publicly announces: (1) rolled back rate; (2) percentage INCREASE over rolled back rate; (3) millage rate to be levied.
11. Council vote on Motion to Adopt Ordinance establishing the Ad Valorem Tax Millage Rate on 1<sup>st</sup> reading.
12. Council vote on Motion to Adopt Ordinance adopting the Budget on 1<sup>st</sup> reading.

1 **ORDINANCE NO. 2022-\_\_\_**

2  
3 AN ORDINANCE OF THE VILLAGE COUNCIL OF THE VILLAGE OF  
4 NORTH PALM BEACH, FLORIDA, ESTABLISHING AND ADOPTING THE  
5 FINAL LEVY OF AD VALOREM TAXES FOR THE FISCAL YEAR  
6 COMMENCING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023;  
7 PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE  
8 DATE.

9  
10 WHEREAS, the Village Council and Village Administration of the Village of North Palm Beach,  
11 having reviewed the budget for the fiscal year commencing October 1, 2022 and ending September  
12 30, 2023 (“Fiscal Year 2022/2023”), have established a millage rate to finance said budget and  
13 meet the needs and requirements of the Village and its residents.

14  
15 NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF THE VILLAGE  
16 OF NORTH PALM BEACH, FLORIDA as follows:

17  
18 Section 1. The Village Council hereby establishes and adopts an ad valorem tax operating  
19 millage rate of 7.0500 mils for Fiscal Year 2022/2023 and an ad valorem debt service millage rate  
20 of 0.000 mils for a total ad valorem tax millage rate of 7.0500 mils or \$7.05 per one thousand  
21 dollars of taxable assessed property value. This millage rate is 12.53% above the rolled back rate  
22 of 6.2648 mils.

23  
24 Section 2. All ordinances or parts of ordinances and resolutions or parts of resolutions in  
25 conflict herewith are hereby repealed to the extent of such conflict.

26  
27 Section 3. This Ordinance shall be effective immediately upon adoption and implemented as  
28 of October 1, 2022.

29  
30 PLACED ON FIRST READING THIS 8<sup>th</sup> DAY OF SEPTEMBER, 2022.

31  
32 PLACED ON SECOND, FINAL READING AND PASSED THIS 22<sup>nd</sup> DAY OF  
33 SEPTEMBER, 2022.

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36  
37 (Village Seal)

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MAYOR

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39  
40 ATTEST:

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42 \_\_\_\_\_  
43 VILLAGE CLERK

44  
45 APPROVED AS TO FORM AND  
46 LEGAL SUFFICIENCY:

47  
48 \_\_\_\_\_  
49 VILLAGE ATTORNEY

1 **ORDINANCE NO. 2022-\_\_\_\_\_**  
2

3 AN ORDINANCE OF THE VILLAGE COUNCIL OF THE VILLAGE OF  
4 NORTH PALM BEACH, FLORIDA, ADOPTING THE ANNUAL BUDGET OF  
5 THE VILLAGE OF NORTH PALM BEACH FOR THE FISCAL YEAR  
6 COMMENCING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023  
7 AND AUTHORIZING ALLOCATIONS, APPROPRIATIONS AND  
8 EXPENDITURES IN ACCORDANCE WITH THE BUDGET AND AS  
9 AUTHORIZED BY LAW; APPROVING A COMPREHENSIVE PAY PLAN  
10 AND AUTHORIZING THE VILLAGE MANAGER TO MAKE TEMPORARY  
11 APPOINTMENTS TO BUDGETED POSITIONS; APPROVING A MASTER  
12 FEE SCHEDULE; PROVIDING FOR THE CREATION OF GOVERNMENTAL  
13 FUNDS WHEN NECESSARY; PROVIDING FOR THE RECEIPT OF GRANTS  
14 OR GIFTS; PROVIDING PROCEDURES FOR BUDGET AMENDMENTS;  
15 PROVIDING FOR THE LAPSE OF OUTSTANDING ENCUMBRANCES AND  
16 THE RE-APPROPRIATION OF UNEXPENDED APPROPRIATIONS FOR THE  
17 PRIOR FISCAL YEAR; PROVIDING FOR CONFLICTS; PROVIDING FOR  
18 SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.  
19

20 WHEREAS, on September 8, 2022 and September 22, 2022, the Village Council conducted duly  
21 advertised public hearings to review the proposed Annual Budget for the fiscal year commencing  
22 October 1, 2022 and ending September 30, 2023 (“Fiscal Year 2022/2023”) and has adopted a  
23 final Annual Budget to meet the needs and requirements of the Village and its residents for the  
24 upcoming fiscal year.  
25

26 NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF THE VILLAGE  
27 OF NORTH PALM BEACH, FLORIDA as follows:  
28

29 Section 1. The proposed Annual Budget for Fiscal Year 2022/2023 attached hereto as Exhibit  
30 “A” and incorporated herein by this reference is hereby adopted and established as the Village of  
31 North Palm Beach’s Annual Budget for Fiscal Year 2022/2023.  
32

33 Section 2. The amounts allocated in the Annual Budget for expenditure effective October 1,  
34 2022 are authorized in accordance with the purposes as set forth in the Annual Budget.  
35

36 Section 3. The Annual Budget includes an appropriation in the amount of \$679,800 to be  
37 transferred to the Capital Projects Fund to finance the General Fund’s Capital Improvement Plan  
38 and an appropriation of \$482,550 to be transferred to the Country Club Fund to both finance pool  
39 and tennis operations and contribute toward the community share of the Country Club Renewal  
40 and Replacement Fund.  
41

42 Section 4. Except as otherwise provided herein, the Annual Budget establishes limitations on  
43 expenditures by fund, and the total appropriation of each fund may not be increased or decreased  
44 without specific authorization by a duly enacted Ordinance effecting such amendment or transfer.  
45

1 Section 5. The Comprehensive Pay Plan, as set forth in the Annual Budget, is hereby  
2 approved. In the event that an authorized position is vacant and monies are available within a  
3 department's salary appropriation to fund a temporary appointment to the vacant position, the  
4 Village Manager may appoint a temporary employee to fill said vacant position for a period not to  
5 exceed 90 days. Said temporary appointment may be renewable for an additional 90-day period  
6 and may only be made for the period pending the filling of the authorized position by a permanent  
7 employee. The pay for a temporary employee shall be within the pay scale of an approved Village  
8 Pay Plan position. The Village Council may revise the Comprehensive Pay Plan by Resolution  
9 during the Fiscal Year without need to amend this Ordinance.

10  
11 Section 6. The Master Fee Schedule for Fiscal Year 2022/2023, as set forth in the Annual  
12 Budget, is hereby approved and adopted. The Village Council may revise the Master Fee Schedule  
13 by Resolution during the Fiscal Year without need to amend this Ordinance.

14  
15 Section 7. When the Village receives monies from any private or governmental source by gift,  
16 grant, contribution or revenue share, to which there is attached as a condition of acceptance any  
17 limitation regarding the use or expenditure of the monies received, the funds so received need not  
18 be shown in the Annual Budget nor shall the Budget be subject to amendment or expenditure as a  
19 result of the receipt of said monies. Said monies shall only be disbursed and applied toward the  
20 purposes for which said funds were received. All monies received as contemplated by this section  
21 shall be segregated and accounted for based on Generally Accepted Accounting Principles  
22 (GAAP) and where appropriate, placed into separate and individual Governmental Fund accounts  
23 from which monies are disbursed and applied in accordance with the terms and conditions of the  
24 gift, grant or contribution.

25  
26 Section 8. The omnibus appropriation and expenditure authorization set forth herein may be  
27 temporarily or permanently suspended by Resolution of the Village Council if at any time it  
28 appears that the projected revenue supporting the above-described budget is below anticipated  
29 levels or may be temporarily or permanently suspended by Resolution of the Village Council for  
30 any other reason or purpose deemed proper by the Village Council.

31  
32 Section 9. Except as otherwise provided herein, in the event a variation from the total budget  
33 appropriation is or becomes necessary, such variation shall only become legally effective upon the  
34 adoption of an amending Ordinance consistent with Florida Statutes, the Village Charter and the  
35 Village Code of Ordinances.

36  
37 Section 10. All outstanding encumbrances for Non-Capital and Capital Expenditures on  
38 September 30, 2022 shall lapse at that time, and all unexpended Capital Expenditure encumbrances  
39 and appropriations and other encumbrances specifically designated to be carried over to the  
40 subsequent year may be added to the corresponding approved 2022/2023 available budget balances  
41 and be simultaneously re-appropriated for expenditure, as previously approved in the 2021/2022  
42 Fiscal Year.

43  
44 Section 11. If any section, paragraph, sentence, clause, phrase or word of this Ordinance is for  
45 any reason held by a court of competent jurisdiction to be unconstitutional, inoperative or void,  
46 such holding shall not affect the remainder of this Ordinance.

1 Section 12. All ordinances or parts of ordinances and resolutions or parts of resolutions in  
2 conflict herewith are hereby repealed to the extent of such conflict.

3  
4 Section 13. This Ordinance shall be effective immediately upon adoption and shall be  
5 implemented October 1, 2022.

6  
7 PLACED ON FIRST READING THIS 8<sup>th</sup> DAY OF SEPTEMBER, 2022.

8  
9 PLACED ON SECOND, FINAL READING AND PASSED THIS 22<sup>nd</sup> DAY OF  
10 SEPTEMBER, 2022.

11  
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13  
14 (Village Seal)

\_\_\_\_\_  
MAYOR

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16  
17 ATTEST:

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20 VILLAGE CLERK

21  
22 APPROVED AS TO FORM AND  
23 LEGAL SUFFICIENCY:

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25 \_\_\_\_\_  
26 VILLAGE ATTORNEY

# Combined Budget Summary (General Fund & Enterprise Funds)

FY 2023

This is a combined budget summary for the General Fund, Country Club Fund and the Stormwater Utility Fund.

Combined Budget Summary		FY 2022 Adopted Budget	FY 2023 Tentative Budget	% increase / (decrease)	\$ increase / (decrease)
<b>Millage Rate (General Fund Only)</b>		<b>\$7.05</b>	<b>\$7.05</b>	<b>0%</b>	<b>\$0</b>
<b>Budgeted Positions</b>	<b>Full-Time</b>	<b>150</b>	<b>156</b>	<b>+6</b>	<b>N/A</b>
	<b>Part-Time</b>	<b>109</b>	<b>108</b>	<b>-1</b>	
<b>Revenues</b>					
Ad-Valorem Taxes		\$17,615,577	\$19,860,848	12.75%	\$2,245,271
Non Ad-Valorem Assessment		518,112	500,000	-3.50%	(\$18,112)
Utility Service Taxes		2,597,955	2,636,753	1.49%	38,798
Franchise Fees		1,298,000	1,381,000	6.39%	83,000
Sales & Use Taxes		287,881	303,226	5.33%	15,345
Licenses & Permits		1,310,200	1,625,500	24.07%	315,300
Intergovernmental		1,477,720	1,653,100	11.87%	175,380
Charges for Services		1,778,380	1,896,775	6.66%	118,395
Fines & Forfeitures		121,112	125,750	3.83%	4,638
Golf Greens/Cart/Walking fee		2,510,000	3,300,000	31.47%	790,000
Club membership revenues		1,070,500	1,139,700	6.46%	69,200
Golf shop revenues		462,500	668,000	44.43%	205,500
Driving range revenues		375,000	477,600	27.36%	102,600
Restaurant revenues		328,000	365,000	11.28%	37,000
Tennis & Pool Revenues		713,300	858,840	20.35%	145,180
Interest revenues		139,902	35,530	-74.60%	(104,372)
Transfer In		378,550	482,550	27.47%	104,000
Miscellaneous revenues		259,899	35,150	-86.48%	(224,749)
<b>Total Revenues</b>		<b>\$33,242,588</b>	<b>\$37,344,962</b>	<b>12.34%</b>	<b>\$4,102,374</b>
<b>Expenses</b>					
General Government		\$3,428,083	\$3,798,695	10.81%	\$370,612
Public Safety		10,517,083	12,142,013	15.45%	1,624,930
Public Works		6,029,558	6,221,170	3.18%	191,612
Community Development		1,746,989	1,695,666	-2.94%	(51,323)
Leisure Services		2,351,797	2,893,594	23.04%	541,797
Reserves & Contingencies		285,412	396,497	38.92%	111,085
Debt Service		2,282,736	2,327,786	1.97%	45,050
Transfer Out		1,038,550	1,162,350	11.92%	123,800
Golf		3,509,129	4,269,079	21.66%	759,950
Clubhouse Grounds		513,067	630,783	22.94%	117,716
Pool & Tennis		1,173,581	1,375,129	17.17%	201,548
Country Club Admin and F&B		366,603	432,200	17.89%	65,597
<b>Total Expenses</b>		<b>\$33,242,588</b>	<b>\$37,344,962</b>	<b>12.34%</b>	<b>\$4,102,374</b>
<b>Net</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>

# General Fund Budget Summary

FY 2023

The General Fund is used to account for most of the day-to-day operations of the Village, which are financed from property taxes, fees, licenses, permits, fines and forfeitures, intergovernmental and other general revenue. A brief budget summary is provided below.

	Actual 09/30/2020	Actual 09/30/2021	FY 2022 Adopted Budget	FY 2023 Tentative Budget	% increase / (decrease)	\$ increase / (decrease)
<b>Millage Rate</b>	<b>\$7.5000</b>	<b>\$7.5000</b>	<b>\$7.0500</b>	<b>\$7.0500</b>	<b>0%</b>	<b>\$0</b>
<b>Revenues</b>						
Ad-Valorem Taxes	\$16,991,314	\$17,629,392	\$17,615,577	\$19,860,848	12.75%	\$2,245,271
Utility Service Taxes	2,558,092	2,539,175	2,597,955	2,636,753	1.49%	38,798
Franchise Fees	1,304,936	1,354,110	1,298,000	1,381,000	6.39%	83,000
Sales & Use Taxes	273,428	283,233	287,881	303,226	5.33%	15,345
Licenses & Permits	1,320,361	1,574,640	1,310,200	1,625,500	24.07%	315,300
Intergovernmental	2,057,271	1,826,787	1,477,720	1,653,100	11.87%	175,380
Charges for Services	2,171,956	1,727,413	1,778,380	1,896,775	6.66%	118,395
Fines & Forfeitures	195,198	153,849	121,112	125,750	3.83%	4,638
Interest	490,498	70,891	129,902	35,530	-72.65%	(94,372)
Capital Lease Acquisitions	1,009,529	1,682,018	0	0	0.00%	\$0
Miscellaneous	160,151	296,240	11,680	11,600	-0.68%	(80)
<b>Total Revenues</b>	<b>\$28,532,733</b>	<b>\$29,137,747</b>	<b>\$26,628,407</b>	<b>\$29,530,082</b>	<b>10.90%</b>	<b>\$2,901,675</b>
<b>Expenditures</b>						
General Government	\$3,262,340	\$3,504,047	\$3,428,083	\$3,798,695	10.81%	\$370,612
Public Safety	10,102,249	10,550,874	10,517,083	12,142,013	15.45%	1,624,930
Public Works	5,443,660	5,456,227	5,511,446	5,721,170	3.81%	209,724
Community Development	1,385,314	1,295,219	1,746,989	1,695,666	-2.94%	(51,323)
Leisure Services	2,305,311	1,709,542	2,351,797	2,893,594	23.04%	541,797
Debt Service	1,436,689	1,597,170	1,849,047	1,894,097	2.44%	45,050
Capital Lease Acquisitions	1,008,489	1,682,018	0	0	0.00%	0
Reserves & Contingencies	350,367	71,307	185,412	222,497	20.00%	37,085
Transfers Out	644,475	899,280	1,038,550	1,162,350	11.92%	123,800
<b>Total Expenditures</b>	<b>\$25,938,893</b>	<b>\$26,765,685</b>	<b>\$26,628,407</b>	<b>\$29,530,082</b>	<b>10.90%</b>	<b>\$2,901,675</b>
<b>Net Revenue Over Expense</b>	<b>\$2,593,841</b>	<b>\$2,372,062</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>

# Enterprise Funds Budget Summary

FY 2023

The Village has two Enterprise Funds: The Country Club Fund and the Stormwater Management Utility Fund. A brief description and budget summary for each is fund is provided below:

## Country Club

The Country Club is an Enterprise Fund used to account for operations of the Village's Golf & Country Club, where the costs of providing goods and services to the general public on a continuing basis are primarily financed or recovered through user charges. The Country Club accounts for the following operations: Country Club Administration, Clubhouse Grounds, Golf, Tennis, Pool and Food & Beverage.

	Actual 9/30/2020	Actual 9/30/2021	FY 2022 Adopted Budget	FY 2023 Tentative Budget	% increase/ (decrease)	\$ increase / (decrease)
<b>Revenue</b>						
Golf Greens/Cart/Walking Fees	\$2,181,361	\$2,821,772	\$2,510,000	\$3,300,000	31.47%	\$790,000
Golf Shop revenues	325,038	437,186	462,500	668,000	44.43%	205,500
Driving Range revenues	314,177	509,455	375,000	477,600	27.36%	102,600
Membership revenues	832,888	1,049,617	1,070,500	1,139,700	6.46%	69,200
Restaurant revenues	79,638	311,307	328,000	365,000	11.28%	37,000
Tennis revenues	0	578,212	596,300	705,480	18.31%	109,180
Pool revenues	0	129,996	117,000	153,000	30.77%	36,000
Interest revenues	0	133	10,000	0	-100.00%	(10,000)
Sale of Surplus	1,458	0	0	0	0.00%	0
Transfer from General Fund	0	274,000	378,550	482,550	27.47%	104,000
Appropriated Retained Earnings	0	0	227,319	0	-100.00%	(227,319)
Miscellaneous	35,350	121,909	20,900	23,550	12.68%	2,650
<b>Total Revenues</b>	<b>\$3,769,909</b>	<b>\$6,233,588</b>	<b>\$6,096,069</b>	<b>\$7,314,880</b>	<b>19.99%</b>	<b>\$1,218,811</b>
<b>Expenses</b>						
<b>Personnel Costs</b>	\$977,836	\$1,691,556	\$2,043,420	\$2,390,532	16.99%	\$347,112
<b>Operating Costs</b>						
Golf	2,136,847	2,553,202	2,447,000	2,762,350	12.89%	315,350
Food & Beverage	31,318	13,659	15,000	20,000	33.33%	5,000
Country Club Administration	21,516	24,470	28,500	48,100	68.77%	19,600
Clubhouse Grounds	326,298	382,602	434,615	556,030	27.94%	121,415
Tennis	0	136,378	176,150	181,836	3.23%	5,686
Pool	0	178,790	182,695	207,794	13.74%	25,099
Insurance & General Liability	28,139	21,748	25,000	25,000	0.00%	0
Attorney Fees	4,044	8,695	10,000	7,549	-24.51%	(2,451)
<b>Capital Outlay</b>	36,661	191,059	200,000	508,000	154.00%	308,000
<b>Debt Service</b>	433,689	433,689	433,689	433,689	0.00%	0
<b>Reserve</b>	0	0	100,000	174,000	74.00%	74,000
<b>Total Expenses</b>	<b>\$3,996,348</b>	<b>\$5,635,847</b>	<b>\$6,096,069</b>	<b>\$7,314,880</b>	<b>19.99%</b>	<b>\$1,218,811</b>
<b>Revenues over (under) expenses</b>	<b>(\$226,438)</b>	<b>\$597,741</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>

## Stormwater Management Utility Fund

The Stormwater Management Utility Fund is an enterprise fund into which all revenues from the Stormwater Management Utility Assessments, grants, and other funding sources are deposited and expenditures relating to the stormwater management system are paid. The amount of the Stormwater Management Utility Assessment is based on the estimated amount of stormwater runoff generated by impervious surfaces located on parcels of real property within the Village.

	<b>FY 2022 Adopted Budget</b>	<b>FY 2023 Tentative Budget</b>	<b>% increase/ (decrease)</b>	<b>\$ increase / (decrease)</b>
<b>Revenue</b>				
Non Ad-Valorem Assessment	\$518,112	\$500,000	-3.50%	(\$18,112)
<b>Total Revenues</b>	<b>\$518,112</b>	<b>\$500,000</b>	<b>-3.50%</b>	<b>(\$18,112)</b>
<b>Expenses</b>				
Public Works	\$518,112	500,000	-3.50%	(18,112)
<b>Total Expenses</b>	<b>\$518,112</b>	<b>\$500,000</b>	<b>-3.50%</b>	<b>(\$18,112)</b>
<b>Revenues over (under) expenses</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>