

# TOWN OF PALM BEACH, FLORIDA



## ***PROPOSED BUDGET SUMMARY***

***Fiscal Year 2015***

***(October 1, 2014 - September 30, 2015)***

TOWN OF PALM BEACH, FLORIDA  
PROPOSED BUDGET SUMMARY  
FISCAL YEAR 2015

TOWN COUNCIL

Mayor Gail L. Coniglio, Mayor  
Robert N. Wildrick, President  
William J. Diamond, President Pro Tem  
Richard M. Kleid, Council Member  
Michael J. Pucillo, Council Member  
Penelope D. Townsend, Council Member

TOWN MANAGER

Peter B. Elwell

Prepared by the Finance Department

For access to prior budget reports and to view the entire FY2015 Proposed Budget,  
please visit the following web address:

<http://www.townofpalmbeach.com/index.aspx?NID=184>



# TOWN OF PALM BEACH ORGANIZATIONAL STRUCTURE

CITIZENS OF PALM BEACH

ELECT



**MAYOR**  
**Gail L. Coniglio**

TOWN COUNCIL



**PRESIDENT**

**Robert N. Wildrick**



**PRESIDENT PRO-TEM**

**William J. Diamond**



**Richard M. Kleid**



**Michael J. Pucillo**



**Penelope D. Townsend**

APPOINTS



**TOWN ATTORNEY**  
**John C. Randolph**



**TOWN MANAGER**  
**Peter B. Elwell**

**ADVISORY BOARD  
AND COMMISSIONS**



**DEPUTY TOWN  
MANAGER**  
**Thomas G. Bradford**



**DIRECTOR OF  
RECREATION AND  
SPECIAL PROJECTS**  
**Jay Boodheshwar**



**DIRECTOR OF  
PUBLIC SAFETY**  
**Kirk W. Blouin**



**DIRECTOR OF PUBLIC  
WORKS**  
**H. Paul Brazil**



**DIRECTOR OF  
Human Resources**  
**Danielle Olson**



**DIRECTOR OF  
PLANNING, ZONING  
AND BUILDING**  
**John Page**



**DIRECTOR OF  
FINANCE**  
**Jane Struder**



# TOWN OF PALM BEACH

## MEMORANDUM

To: Mayor and Town Council  
From: Peter B. Elwell, Town Manager  
Date: July 3, 2014  
Subject: Proposed FY2015 Budget

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The proposed FY15 budget represents staff's continued efforts to operate Town government in the most cost effective manner. We started with the April 2014 Long Term Financial Plan (LTFP) forecast for FY15 as a baseline and then departments identified over a million dollars of additional savings (\$1,158,287), while maintaining all current levels of service and proposing strategic enhancements to address important needs. The proposed budget contains an increase in property taxes of \$4,776,600 to fund the annual estimated costs for the 10-year Coastal Protection Program that was unanimously approved by the Town Council on October 8, 2013. All Town functions other than the coastal program can be funded with exactly the same amount of property taxes as in FY14.

Overall, the proposed budget reflects an increase of 2.89% over FY14. The operating budget without the coastal transfer reflects an "apples to apples" increase of 2.14% over FY14. The LTFP estimated a 4.7% increase, including the coastal funding.

This proposed budget document includes revenue and expenditure summaries, department program detail, and other funds budgets (including the capital project balances, budget, and 5-year plan), as well as a Resolution for the adoption of the tentative FY15 millage rate.

### **FY15 Townwide Budget Priorities**

At the April 8, 2014, Town Council meeting, the Town Council adopted the Townwide budget priorities for FY15. The 5 budget priorities adopted are as follows:

1. Adopt annual operating expenditures that would result in no millage rate increase if ad valorem taxes were not increasing to fund coastal protection and the ACIP debt service. ***Adopting this proposed budget will achieve this goal.***
2. Adopt a millage rate sufficient to fund the annual coastal protection plan

requirements and the additional debt service obligations for the ACIP Phase 2.  
***Adopting this proposed budget will achieve this goal.***

3. Look for ways to offset Coastal Protection millage rate increase. ***There is very limited opportunity to achieve this goal without negatively impacting the level or quality of Town services to the community. Instead of proposing a budget that is symbolically (but not materially) lower, I am making several recommendations for strategic re-investment in certain Town functions. Those are explicitly identified in this proposed budget. If Town Council decides those items are not sufficiently needed or desirable, they present an opportunity to offset a small amount of the Coastal Protection millage rate increase.***
4. Continue to aggressively monitor the Port Expansion, with all governmental agencies, protecting against all of the long term impacts to the island. ***This is ongoing.***
5. Continue to aggressively monitor FDOT's Flagler Memorial Bridge Project and implement coordinated actions with other governmental authorities (State, County, City of West Palm Beach) to mitigate impacts of any short-term or long-term complete closure of the bridge. ***This is ongoing.***

### **Maintaining Fiscal Sustainability**

Since FY08, the Town's elected officials and staff members have worked diligently to reduce costs and improve efficiencies wherever possible. The proposed FY15 General Fund budget is still below (\$40,256) the FY09 peak, even after the transfer to coastal protection. In the "apples to apples" comparison of the operating budget, excluding coastal transfers, proposed expenditures for FY15 are \$2,817,256 (4.31%) less than in the FY09 budget.

The tables on the following page compare the FY09 Budget to the proposed FY15 Budget.

| Revenue                                    | FY2009              | FY2015              | FY09 vs. FY15 Difference | % Change        |
|--|---------------------|---------------------|--------------------------|-----------------|
| Ad Valorem Taxes                           | \$42,543,000        | \$43,424,300        | \$881,300                | 2.07%           |
| Non Ad Valorem Taxes                       | 7,043,000           | 7,937,500           | 894,500                  | 12.70%          |
| Licenses & Permits                         | 5,612,900           | 6,835,600           | 1,222,700                | 21.78%          |
| Intergovernmental                          | 1,261,400           | 1,079,750           | (181,650)                | -14.40%         |
| Charges for Services                       | 3,158,400           | 3,573,600           | 415,200                  | 13.15%          |
| Fines and Forfeitures                      | 1,521,200           | 1,210,000           | (311,200)                | -20.46%         |
| Investment Earnings                        | 1,201,300           | 578,694             | (622,606)                | -51.83%         |
| Miscellaneous                              | 309,300             | 221,000             | (88,300)                 | -28.55%         |
| Interfund Transfers                        | 550,000             | 885,000             | 335,000                  | 60.91%          |
| Transfers-Contingency/Compensated Absences | <u>2,135,100</u>    | <u>1,549,900</u>    | <u>(585,200)</u>         | <u>-27.41%</u>  |
| <b>Total Revenue Budget</b>                | <b>65,335,600</b>   | <b>67,295,344</b>   | <b>1,959,744</b>         | <b>3.00%</b>    |
| Fund Balance Transfer - Coastal Protection | <u>2,000,000</u>    | <u>0</u>            | <u>(2,000,000)</u>       | <u>-100.00%</u> |
| <b>Total Revenues</b>                      | <b>\$67,335,600</b> | <b>\$67,295,344</b> | <b>(\$40,256)</b>        | <b>-0.06%</b>   |

| Expenditure Category                | FY2009              | FY2015              | FY09 vs. FY15 Difference | % Change      |
|-------------------------------------|---------------------|---------------------|--------------------------|---------------|
| Salary and Wages                    | \$28,624,800        | \$24,927,999        | (\$3,696,801)            | -12.91%       |
| Retirement Benefits                 | 6,649,700           | 6,682,615           | 32,915                   | 0.49%         |
| Other Employee Benefits             | 9,166,730           | 8,470,910           | (695,820)                | -7.59%        |
| Contractual                         | 7,588,890           | 8,565,388           | 976,498                  | 12.87%        |
| Commodities                         | 1,698,390           | 1,753,846           | 55,456                   | 3.27%         |
| Capital Outlay                      | 2,804,666           | 1,876,644           | (928,022)                | -33.09%       |
| Other                               | <u>8,802,424</u>    | <u>10,240,942</u>   | <u>1,438,518</u>         | <u>16.34%</u> |
| <b>Total Operating Expenditures</b> | <b>\$65,335,600</b> | <b>\$62,518,344</b> | <b>(\$2,817,256)</b>     | <b>-4.31%</b> |
| Coastal Transfer                    | 2,000,000           | 4,777,000           | 2,777,000                | 138.85%       |
| <b>Total General Fund Budget</b>    | <b>\$67,335,600</b> | <b>\$67,295,344</b> | <b>(\$40,256)</b>        | <b>-0.06%</b> |

The combined impact of expenditure reductions and revenue increases since 2009 has significantly improved the Town's long term financial forecasts. The 2009 Long Term Financial Plan (LTFP) showed deficits beginning in FY12 and increasing dramatically over time. A comparison of the current forecast updated with the FY15 proposed budget versus the 2009 and 2014 LTFP forecasts are presented on the following page. The FY15 budget forecast shows mostly surpluses and one small manageable deficit through FY20.

| LTFP Forecast as of April 2009 | FY15        | FY16         | FY17         | FY18         | FY19         | FY20         |
|--------------------------------|-------------|--------------|--------------|--------------|--------------|--------------|
| Revenues                       | 73,565,312  | 75,625,541   | 77,746,505   | 79,930,774   | 82,179,515   | 84,495,429   |
| Expenditures                   | 81,876,195  | 86,140,002   | 90,562,822   | 95,221,633   | 100,114,031  | 104,748,413  |
| Surplus/(Deficit)              | (8,310,883) | (10,514,460) | (12,816,317) | (15,290,859) | (17,934,516) | (20,252,980) |

| LTFP Forecast as of April 2014 | FY15       | FY16       | FY17       | FY18       | FY19        | FY20       |
|--------------------------------|------------|------------|------------|------------|-------------|------------|
| Revenues                       | 68,469,428 | 70,480,514 | 72,417,934 | 74,335,286 | 76,492,907  | 78,563,251 |
| Expenditures                   | 68,453,631 | 70,358,583 | 72,864,754 | 74,143,757 | 76,417,887  | 79,079,514 |
| Surplus/(Deficit)              | 15,797     | 121,931    | (446,822)  | 191,528    | (1,924,980) | (516,263)  |

| LTFP Forecast FY15 Budget | FY15       | FY16       | FY17       | FY18       | FY19       | FY20       |
|---------------------------|------------|------------|------------|------------|------------|------------|
| Revenues                  | 67,295,344 | 69,191,044 | 71,137,950 | 73,016,935 | 75,132,719 | 77,161,163 |
| Expenditures              | 67,295,344 | 69,147,454 | 71,214,208 | 72,385,570 | 74,498,793 | 76,907,810 |
| Surplus/(Deficit)         | 0          | 43,590     | (76,258)   | 631,364    | 633,926    | 253,353    |

### Status of FY2014 Budget

On a monthly basis we have been reporting the status of the FY14 budget in detail. As shown in the May 31, 2014, Monthly Financial Report, most revenue sources are above FY13 levels and are anticipated to end the year slightly above the budget standard.

Expenditures for most departments are less than the budget standard through May. Total General Fund expenditures will end the year less than the budget standard unless Palm Beach is impacted by a storm event before September 30, 2014. Overall, we expect to end the year with a small surplus.

### **GENERAL FUND**

#### **FY2015 Budget Highlights**

The FY15 budget represents excellent work by all Town departments. As mentioned above, the proposed expenditure budget is \$1,158,287 below the April 2014 Long Term Financial Plan forecast. Identifying these additional savings enabled staff to achieve Town Council's goal of a proposed budget which could be funded with the same amount of property taxes as in FY14 for all purposes except the Coastal Protection Program tax increase.

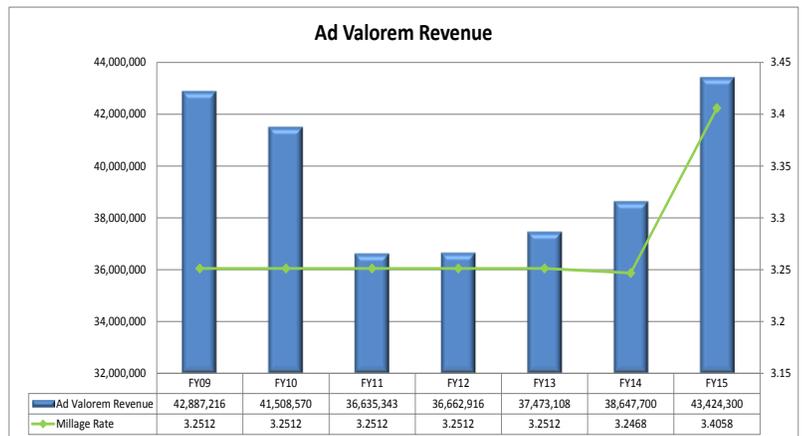
#### **Revenues**

In the General Fund, total revenues are expected to increase by \$1,888,851 (2.89%) from the adopted FY14 budget. The changes by revenue type are shown on the table on the following page.

| Revenue   | FY2014              | FY2015              | FY14 vs. FY15 Difference | % Change |
|---|---------------------|---------------------|--------------------------|----------|
| <b>Ad Valorem Taxes</b>   | \$38,647,700        | \$43,424,300        | \$4,776,600              | 12.36%   |
| <b>Non Ad Valorem Taxes</b>                                       | 7,367,500           | 7,937,500           | 570,000                  | 7.74%    |
| <b>Licenses &amp; Permits</b>                                     | 6,588,200           | 6,835,600           | 247,400                  | 3.76%    |
| <b>Intergovernmental</b>  | 1,052,000           | 1,079,750           | 27,750                   | 2.64%    |
| <b>Charges for Services</b>                                       | 3,552,275           | 3,573,600           | 21,325                   | 0.60%    |
| <b>Fines and Forfeitures</b>                                      | 1,181,000           | 1,210,000           | 29,000                   | 2.46%    |
| <b>Investment Earnings</b>  | 425,373             | 578,694             | 153,321                  | 36.04%   |
| <b>Miscellaneous</b>  | 247,845             | 221,000             | (26,845)                 | -10.83%  |
| <b>Interfund Transfers</b>  | 885,000             | 885,000             | 0                        | 0.00%    |
| <b>Transfers For Contingency and Compensated Absences</b>         | <u>1,459,600</u>    | <u>1,549,900</u>    | <u>90,300</u>            | 6.19%    |
| <b>Total Revenue Budget</b>                                       | 61,406,493          | 67,295,344          | 5,888,851                | 9.59%    |
| <b>Transfer from "Excess" Fund Balance For Coastal Protection</b> | <u>4,000,000</u>    | <u>0</u>            | <u>(4,000,000)</u>       |          |
| <b>Total Revenues and Fund Balance Transfer</b>                   | <u>\$65,406,493</u> | <u>\$67,295,344</u> | <u>\$1,888,851</u>       | 2.89%    |

### Ad Valorem Revenue

The LTFP called for property taxes to increase by 15.81% from FY14 to FY15 in order to fund the 10-year coastal protection plan and operating cost increases. The proposed FY15 budget contains an increase in property tax revenues of 12.36% sufficient to cover the coastal protection fund transfer only. We were able to absorb all operating cost increases with a combination of non-ad valorem revenue increases and reduced costs elsewhere in the budget. The Town Council voted unanimously on October 8, 2013 to use ad valorem taxes to pay for the Town's 10-year Coastal Protection plan. The total increase in tax revenue necessary to begin funding the 10-year plan is \$4,776,600. Because of a 7.53% increase in taxable value, this 12.36% increase in taxes will require a millage rate increase of 4.9%. The millage rate comparisons for FY15 are shown in the chart on the following page:

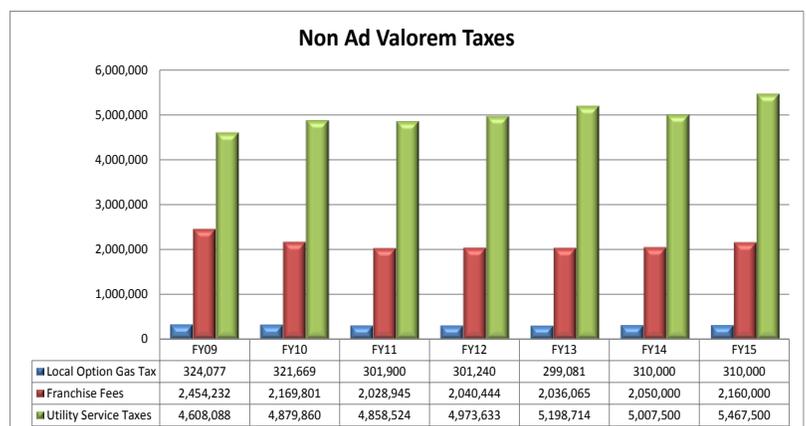


|   |                          |                                |
|---|--------------------------|--------------------------------|
| <b>Taxable Value</b>  | <b>\$13,421,075,355</b>  |                                |
|   | <b>FY15<br/>Proposed</b> | <b>Rolled-Back<br/>Millage</b> |
| Millage Rate  | 3.4058                   | 3.0282                         |
| Tax Revenue   | \$43,424,300             | \$38,609,615                   |
| <b>Ad Valorem Tax Examples for Property Valued at \$1 Million</b> |                          |                                |
| <b><i>Homestead Property</i></b>                                  |                          |                                |
| Homestead Value Increased by 1.5%                                 | \$1,015,000              | \$1,015,000                    |
| Homestead Exemption   | \$(50,000)               | \$(50,000)                     |
| Adjusted Taxable Value  | \$965,000                | \$965,000                      |
| Town Taxes  | \$3,287                  | \$2,922                        |
| Increase over FY14  | \$203                    | \$(162)                        |
| <b><i>Property w/o Homestead Exemption</i></b>                    |                          |                                |
| Property Value Increased by 7.53%                                 | \$1,075,326              | \$1,075,326                    |
| Town Taxes  | \$3,662                  | \$3,491                        |
| Increase over FY14  | \$415                    | \$244                          |

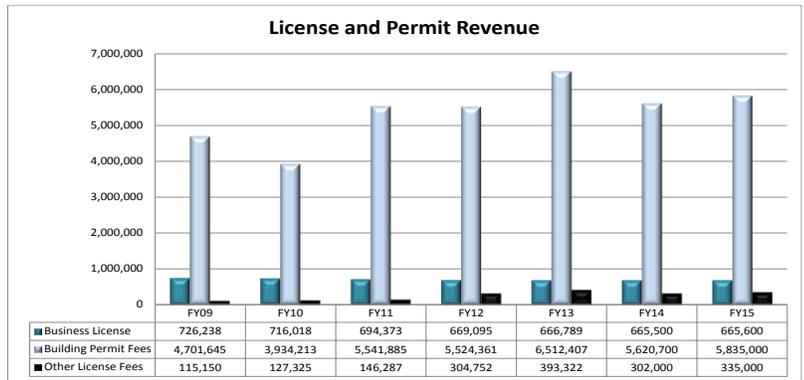
### **Non Ad Valorem Revenue**

Total non ad valorem revenues (excluding transfers of fund balance) are anticipated to increase by \$1,112,251 from the FY14 revenue budget. The differences by revenue type are described in detail, as follows:

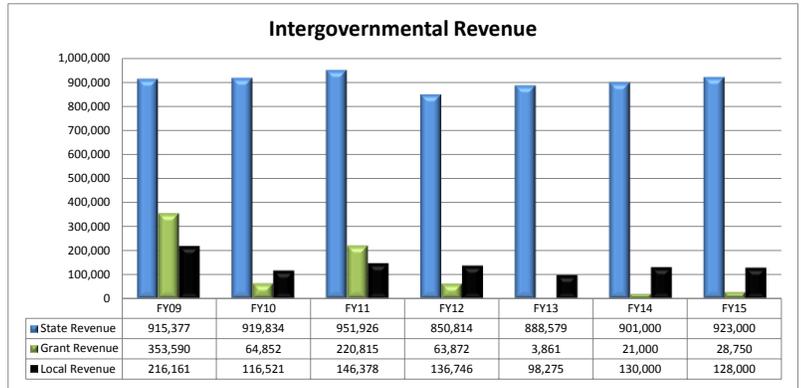
- Non ad valorem taxes are expected to increase by \$570,000 (7.74%), due to increases in utility tax and franchise fee revenue based upon better than anticipated revenue collections in FY14 and anticipated revenue from the renegotiated gas franchise agreement with FPUC.



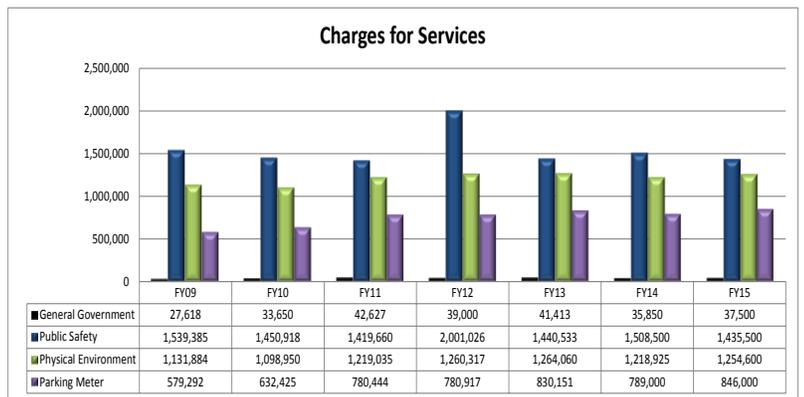
- Licenses and Permits are expected to increase by \$247,400 (3.76%). This is due to an improvement in building permit revenue but is still conservatively estimated compared to recent history.



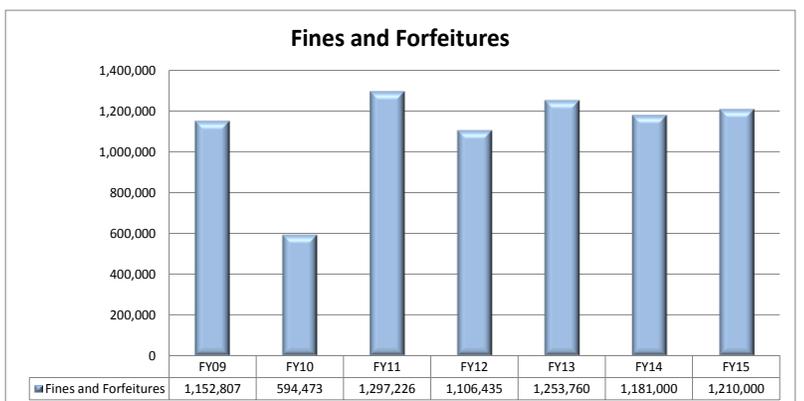
- Intergovernmental Revenues are expected to increase by 27,750 (2.64%), due primarily to increases in State revenue sharing and sales tax estimates. In addition, funds have been included for an anticipated grant for fire rescue equipment.



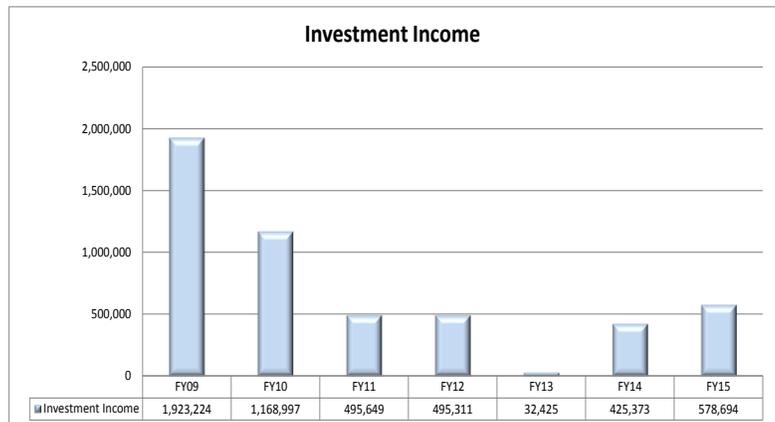
- Charges for Services are expected to increase by \$21,325 (.60%), primarily due to increases in solid waste fees and improvement in parking meter revenues (based on better than anticipated FY14 results). Public safety fees are anticipated to decline due to recent trends in special detail and EMS transport fee revenue.



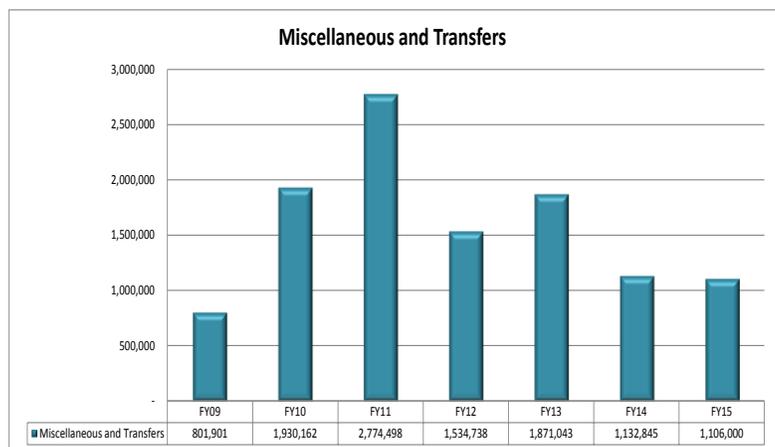
- Fines and Forfeitures are expected to increase by \$29,000 (2.46%) due to improved revenue from parking tickets and right of way fines.



- Interest Earnings on the Town's invested funds are expected to increase \$153,321 (36.04%) from the FY14 budget. The budget is based on the expectations that changes recommended by the Investment Advisory Committee for the Town's surplus investments, approved by Town Council and implemented in FY14, will provide additional revenues for FY15.



- Miscellaneous Revenue is expected to decrease by \$26,845 (-10.83%) due to the loss of the cellular tower lease on Town Hall, partially offset by the new cellular tower lease on the Town's Okeechobee Boulevard property.



- The only Interfund Transfer is from the Recreation Enterprise Fund for services provided by the General Fund. This transfer remains stable at \$885,000 for FY15.

- The proposed transfer from fund balance is \$1,549,900. The transfer represents \$909,000 for contingency funding and \$640,900 from the designated reserve for compensated absences, both in compliance with the Town's adopted financial policies.

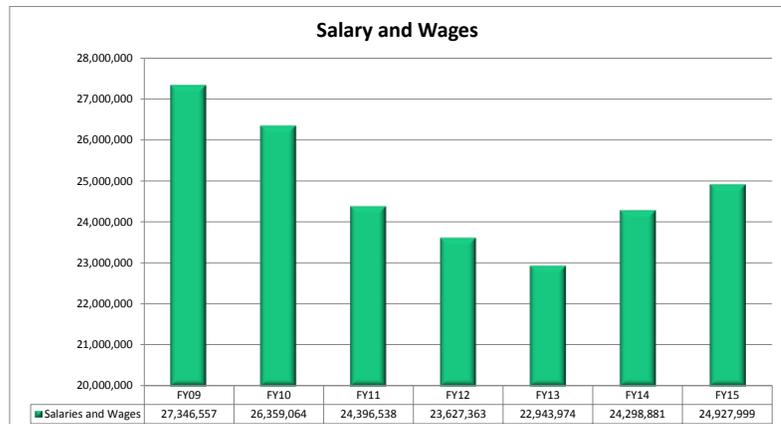
**Expenditures**

Total proposed General Fund expenditures of \$67,295,344 represent a 2.89% increase from FY14 expenditures. Changes for each individual program are included under separate tabs. Highlights of the overall changes by category of expenses for FY14 vs. FY15 are set forth on the table on the following page:

| Expenditure Category                | FY2014              | FY2015              | FY14 vs. FY15 Difference | % Change |
|-------------------------------------|---------------------|---------------------|--------------------------|----------|
| Salary and Wages                    | \$24,298,881        | \$24,927,999        | \$629,118                | 2.59%    |
| Pension Benefits                    | 6,173,015           | 6,682,615           | 509,600                  | 8.26%    |
| Other Employee Benefits             | 8,415,555           | 8,470,910           | 55,355                   | 0.66%    |
| Contractual                         | 8,472,843           | 8,565,388           | 92,545                   | 1.09%    |
| Commodities                         | 1,701,960           | 1,753,846           | 51,886                   | 3.05%    |
| Capital Outlay                      | 2,010,580           | 1,876,644           | (133,936)                | -6.66%   |
| Other                               | <u>10,133,659</u>   | <u>10,240,942</u>   | <u>107,283</u>           | 1.06%    |
| <b>Total Operating Expenditures</b> | \$61,206,493        | \$62,518,344        | \$1,311,851              | 2.14%    |
| Coastal Transfer                    | 4,200,000           | 4,777,000           | 577,000                  | 13.74%   |
| <b>Total General Fund Budget</b>    | <u>\$65,406,493</u> | <u>\$67,295,344</u> | <u>\$1,888,851</u>       | 2.89%    |

### ***Salary and Wages***

Salaries and wages are proposed to increase by \$629,118 (2.59%) for FY15. The increase is partially due to the strategic addition of 3.25 FTEs in the General Fund. Each of these positions are described in greater detail below and in memoranda from the applicable departments which are included in the budget meeting backup under the tab



marked "Staffing". This category also includes the cost of providing pay for performance increases to eligible employees and a 3% increase to employee pay ranges. The final factor in this category is a proposed increase in the starting salary for police officers from \$47,000 to \$50,000. Salary and Wage expenditures proposed for FY15 are still almost \$2.5 million (8.84%) below the FY09 peak.

Some of the expenditures included within the salary and wages category are partially or fully offset by non-tax revenues. These expenditures include special assignment overtime, education incentive pay, and Telecommunicator salary reimbursement through County 911 Funding. The revenue offset from these sources is budgeted for \$796,000.

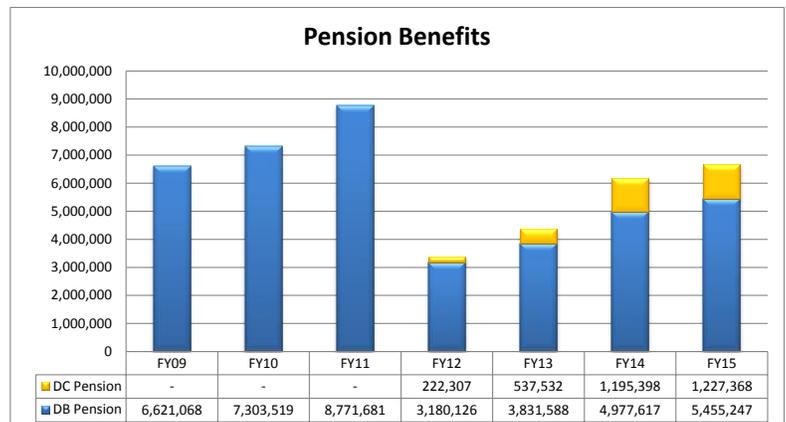
### ***Personnel Changes***

We are proposing the strategic addition of positions in the General Fund. A portion of the increase in personnel is offset by non-salary cost savings in the same program or by personnel reductions in other programs. A summary of the proposed personnel changes is provided below and a detailed memorandum describing each of the proposed changes is included behind the tab marked "Staffing" in the backup.

- Two full time Information Systems Analyst positions have been added to the budget. The two new employees are budgeted within the Office of Information Systems, but one will be primarily assigned to duties within the Public Safety departments and the other will be assigned primarily to duties within the Public Works Department. A memorandum from Spencer Wilson, Information Systems Manager, is included in the backup describing the reasons for the request.
- The requested addition of a Combination Plans Reviewer/Inspector is completely offset by a reduction in contractual costs for plan review and inspections. A memorandum from John Page, Director of Planning, Zoning and Building, is included in the backup describing the level of service improvements anticipated with the new position.
- The Police Department is proposing to add 2 full-time telecommunicator positions. The full cost of these positions is offset by a reduction in 2 part-time telecommunicator positions, overtime within the communications program, and the elimination of a clerical position within the department. A memorandum from Public Safety Director Kirk Blouin is included in the backup.
- The budget contains a personnel change in the Fire Rescue Department to balance the resources between the North Fire Station and the Central Fire Station. The change includes the promotion of three new lieutenants and the elimination of three driver engineers. This change is described in greater detail in a memorandum from Darrel Donatto, Deputy Fire-Rescue Chief, which is included in the backup.
- The Human Resources Department proposes converting the HR Assistant position from .75 to 1.0 FTE to handle additional work within the department such as public record requests, increased recruitment, improved record keeping, and management of training programs for Town employees. A portion of the increase is split between the Human Resources Department budget and the Retirement Fund. The entire cost is offset by a budget reduction for contractual temporary staff. A memorandum from Human Resources Director Danielle Olson is included in the backup.

**Pension Benefits**

The increase in pension benefits of \$509,600 (8.26%) is due primarily to the change in the actuarial investment return assumption from 8% to 7.5% and the volume of retirement activity that took place during FY13. In addition, the FY14 contribution was offset by a \$930,690 transfer from prepaid



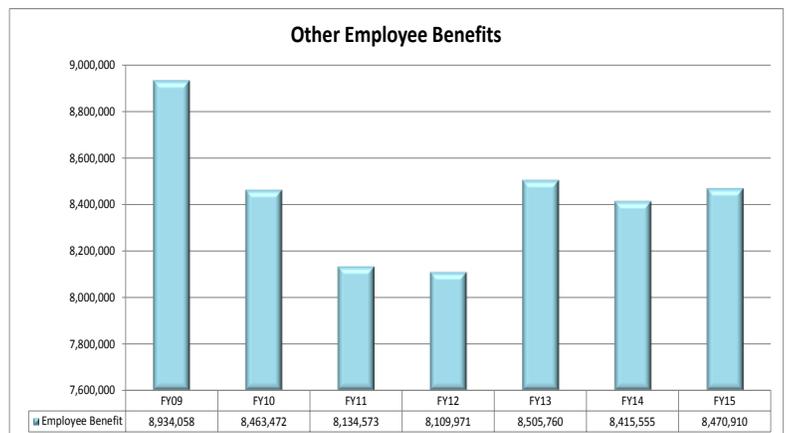
contributions and for FY15 that transfer was reduced to \$750,000.

The Town’s match to the defined contribution plan is proposed to be funded at 8%, which includes the 4% required match of the employees’ contributions and full funding (4%) the 0%-4% discretionary Town contribution.

The pension forecast prior to the Town’s pension reform measures anticipated an expenditure of \$13,193,000 for pension benefits in FY15. Due to the pension reform measures implemented by the Town, the FY15 budget is \$6,682,615 (slightly over half of the original forecast). This is even after the decisions to lower the investment return assumption and to add the 4% discretionary contribution match to the DC plan.

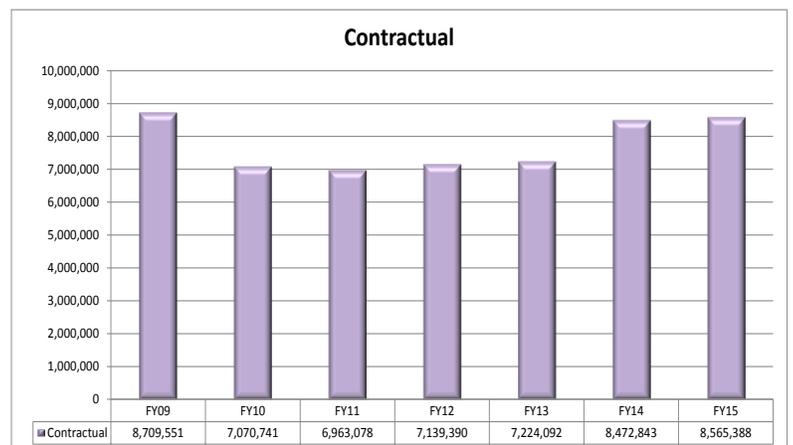
**Other Employee Benefits**

The \$55,355 (0.66%) increase in the cost of non-pension employee benefits reflects the impact of a \$71,000 increase in the actuarially determined transfer to the retiree health insurance (OPEB) trust fund due to the change in the investment return assumption from 8% to 7.5%, offset by reductions in other employee benefit accounts. There will be no increase in employee health insurance funding in FY15. Other employee benefits are still well below the peak year of FY09, partially due to the reduction in FICA/Medicare tax expense related to the Town’s lower payroll.



**Contractual**

Total contractual costs are increasing in FY15 by \$92,545 (1.09%) due to the following specific increases: \$234,000 increase in sewage treatment and disposal costs, \$61,129 for software maintenance costs, and \$75,000 for employee training, all offset by savings in contractual plan review, solid waste disposal, landscape contracting, janitorial, and the transfer of the coastal protection program costs to the coastal protection fund.



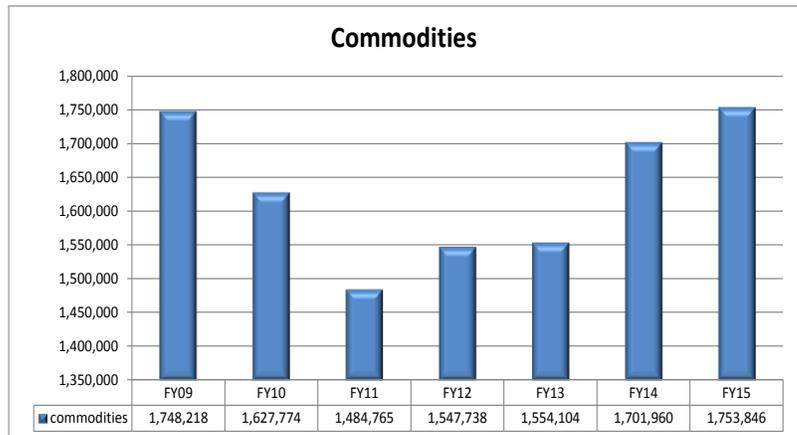
There has been some discussion in recent months of possibly increasing the funding for historic landmark designations in order to review more properties in the future. The proposed FY15 budget remains at the FY14 level of \$50,000. If the Town Council wishes

to consider increasing this funding, staff will be happy to assist in that discussion at the budget meeting.

\$87,000 is included in the FY15 budget for the annual cost of the installation and upkeep of holiday decorations. Much of this cost previously was covered by donations, but last year it was funded primarily from the General Fund Contingency.

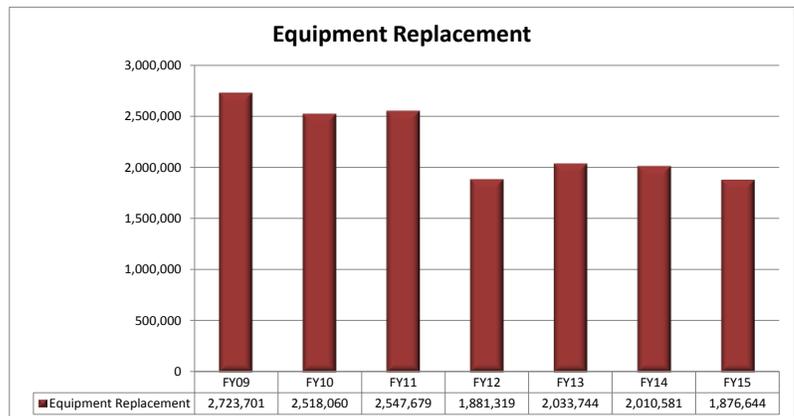
**Commodities**

The \$51,886 (3.05%) increase in FY15 for commodities is due to increases in minor computer equipment and software costs and other miscellaneous supplies throughout all Town departments. Increases since FY11 have been due to purchases for computer equipment with a value less than \$1,500 which is not included in the equipment replacement fund, fuel costs, and other various supply accounts throughout Town departments.



**Capital Outlay/Equipment Replacement**

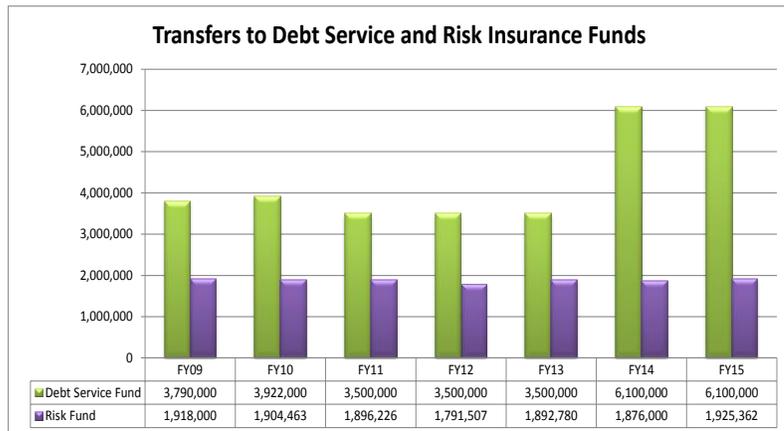
The decrease in capital expenditures of \$133,936 (-6.66%) is due to reduced depreciation costs and reductions in storm and sanitary sewer rehabilitation costs. Reductions in depreciation expenditures since FY11 are the result of a thorough analysis by staff of the useful lives of the equipment, which resulted in the extension of useful lives for some items and elimination of other items.



**Other**

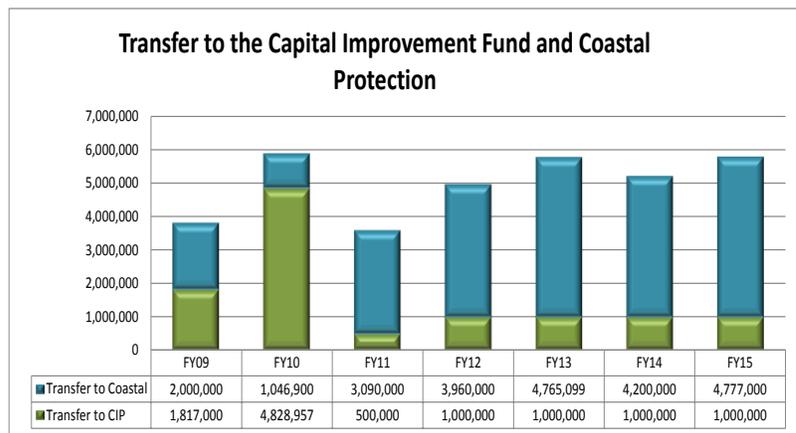
The Other category includes transfers to other funds (including the Capital Improvement Fund, Debt Service Fund, and the Risk Insurance Fund) and funding for the Four Arts Library. Also included in this category is the General Fund Contingency.

- The transfer for debt service is the same as FY14 (\$6,100,000). The FY14 budget was increased for the first year payment on the 2013 bonds. This increase turned out to be more than was necessary for the initial payments, so the transfer is maintained at the same rate as FY14 and the shortfall of approximately \$174,000 will be paid from the excess reserves of the debt service fund. The FY15 debt service budget is described in greater detail later in this message.



- Funding for the Risk Insurance program increased by \$49,362 (2.63%).
- The Pay As You Go portion of the capital improvement program has been level funded at \$1,000,000 to cover the cost of small capital projects not included in the Accelerated Capital Improvement Program.

- The transfer to the Coastal Protection Fund of \$4,777,000 represents the initial year of annual funding for the 10-year Coastal Protection Program.



- Funding for the Four Arts Library totals \$306,590 which is a 3% increase from FY14 in accordance with prior Town Council direction.
- The General Fund Contingency for FY15 is funded at 1.5% (\$909,000) of total General Fund operating expenditures, per Town policy.

## Fund Balance

As of September 30, 2013, the Town's unassigned General Fund balance was \$20,043,760. Town policy requires that the General Fund maintain an unassigned fund balance of 25% of budgeted operating expenditures (General Fund budget less coastal

transfer). This requires a minimum unassigned fund balance of \$15,629,586 for the FY15 budget. Therefore, the Town's unassigned General Fund balance is \$4,414,174 above the policy required minimum for FY15. The proposed budget includes a transfer of \$1,549,900 from fund balance reserves to fund the following items: contingency reserve (\$909,000) and compensated absence payouts (\$640,900). The compensated absence payouts will come from the compensated absence reserve. The contingency transfer will come from the Town's unassigned General Fund balance.

### Personnel Complement

The total proposed personnel complement (for all funds Townwide) for FY15 is 359.68 full-time equivalent personnel (FTEP), which is an increase of 2.58 FTEP from the adopted FY14 budget. This includes the following position changes: Increase of 2 Information Systems analysts, 1 combination plan examiner, and 2 full-time telecommunicators; upgrade of a Human Resources position and a Recreation Enterprise Fund position from .75 FTE to full-time; elimination of 2 part-time telecommunicators and an office assistant position in the Police Department; and reduction in temporary and part-time personnel in the Recreation Department. The Recreation Enterprise Fund numbers for FY13 and FY14 have been modified from prior budget documents to correct for the exclusion of temporary employees from the personnel complement report for those years. A chart of the FTEP by department is shown below.

| Department/Fund                        | FY11          | FY12          | FY13          | FY14          | FY15          |
|--|---------------|---------------|---------------|---------------|---------------|
| <b>Town Manager</b>                    | 5.00          | 5.10          | 5.10          | 5.10          | 5.10          |
| <b>Information Systems</b>             | 6.00          | 6.00          | 6.00          | 6.00          | 8.00          |
| <b>Human Resources</b>                 | 4.57          | 4.52          | 4.38          | 4.38          | 4.63          |
| <b>Finance</b>                         | 17.45         | 17.95         | 17.64         | 18.14         | 18.14         |
| <b>Planning, Building &amp; Zoning</b> | 27.25         | 26.75         | 26.25         | 26.25         | 27.25         |
| <b>Fire-Rescue</b>                     | 86.40         | 82.90         | 79.90         | 75.90         | 75.90         |
| <b>Police</b>                          | 102.85        | 103.85        | 104.35        | 103.35        | 103.35        |
| <b>Public Works</b>                    | 86.35         | 86.85         | 88.02         | 88.04         | 88.04         |
| <b>Recreation Enterprise Fund</b>      | 27.48         | 25.71         | 25.80         | 26.71         | 26.04         |
| <b>Risk Fund</b>                       | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          |
| <b>Health Fund</b>                     | 0.53          | 0.80          | 0.79          | 0.79          | 0.79          |
| <b>Kruesler Park</b>                   | 2.00          | 0.00          | 0.00          | 0.00          | 0.00          |
| <b>OPEB Trust</b>                      | 0.45          | 0.72          | 0.73          | 0.73          | 0.73          |
| <b>Retirement Fund</b>                 | 0.00          | 0.50          | 0.71          | 0.71          | 0.71          |
| <b>Total Authorized Positions</b>      | <b>367.33</b> | <b>362.65</b> | <b>360.67</b> | <b>357.10</b> | <b>359.68</b> |

Since peaking in FY07 at 415.23, Town staffing has decreased by 55.55 FTEP (13.4%). Staff's intent in proposing the increase in personnel in the FY15 budget is to accomplish a limited, strategic, and cost effective re-allocation of resources to improve the level and/or quality of service in areas that are most critical.

**OTHER FUNDS**

Below are highlights from the budgets for other Town funds. Additional information can be found at the tabs in the back of the document behind the General Fund information. The Town's other funds include: Debt Service, Capital Improvement Funds, Recreation Enterprise Fund, Internal Service Funds (Health, Risk, Equipment Replacement), and Trust Funds (Pension and OPEB Trust).

***Debt Service Funds (205, 206)***

The Debt Service Funds provide for the payment of principal and interest on the Town's outstanding bonds. During FY10, the Town authorized the issuance of \$57,035,000 for a portion of the Town's Accelerated Capital Improvement Program (ACIP) and refunding all of the Town's existing debt. In addition, bonds totaling \$14,770,000 were issued for the Worth Avenue Commercial District Project. In 2013, the Town issued \$55,590,000 for the second phase of the ACIP, "bondable" coastal projects, and the Town's portion of the Par 3 clubhouse project.

The Town's outstanding debt as of September 30, 2014 is shown below:

| <b><i>Year Issued</i></b> | <b><i>Outstanding Principal Balance @ September 30, 2014</i></b> | <b><i>Purpose</i></b>                                       |
|---------------------------|--|---|
| <b>2010A</b>              | \$53,025,000   | First Phase of the ACIP and Refund Outstanding Debt.        |
| <b>2010B</b>              | \$12,130,000   | Worth Avenue Commercial District Project                    |
| <b>2013</b>               | \$55,590,000   | Second Phase of ACIP, Bondable Coastal, and Par 3 Clubhouse |
| <b>Total</b>              | \$120,745,000  |   |

As of September 30, 2014, the Town's net bonded debt will amount to 18% of the legal limit of \$671,053,768 (5% of preliminary FY15 taxable value of \$13,421,075,355).

The Town's credit ratings were reevaluated with the issuance of the 2013 bonds. Moody's Investors Service issued a rating of Aa1 for the Revenue Bonds and a Aaa issuer rating. Standard and Poor's credit rating on the Revenue Bonds is AA+ and the issuer credit rating is AAA. These are the highest ratings these two services issue and represent the highest quality investment grade debt.

The 2010A and 2013 Series Revenue Bonds debt service is funded from non-ad valorem revenues. A portion of each (\$202,200) is funded through the Recreation Enterprise Fund for the Town's portion of the Par 3 Renovation, and a portion is funded through the Coastal Protection Fund (\$734,613). The non-ad valorem revenue transfer from the General Fund for FY14 is \$6,100,000. Total debt service for the 2010A and 2013 bonds is \$7,210,425. The above transfers total \$7,036,813. The balance (\$173,612) will be funded through the reserves of the debt service fund.

The 2010B Series Revenue Bonds debt service appropriation of \$775,000 is funded through non ad valorem assessments on the property owners within the Worth Avenue Assessment District.

### ***Capital Improvement Funds (307, 309, 310, 311, 312, 313)***

For FY15 the following are included in the proposed Pay As You Go capital budget:

- Storm water improvements - \$100,000
- Sanitary sewer improvements - \$150,000
- Street and Road Improvements - \$500,000
- Bulkheads and Seawalls - \$50,000
- Water Main Improvements (WPB) - \$800,000 (Reimbursed by West Palm Beach)
- Landfill Site Maintenance - \$25,000
- General Building Maintenance - \$225,000
- North Fire Station Roof Replacement - \$200,000

Projects that are to be funded in FY15 from the Bond Proceeds Fund for the ACIP program are listed under the Capital Funds tab.

### **Coastal Protection**

The CCMP Construction Fund (309) is used to fund the construction costs of the coastal projects. The details of the FY15 budget for coastal protection can be found later in this document. Administrative costs of \$158,085, which were previously funded through the General Fund, have been moved to the CCMP Construction Fund, consistent with the adoption of the 10-year Coastal Protection Plan.

As stated earlier in this document, the Town Council approved ad valorem taxes as the funding source for the coastal protection projects. The \$4,777,000 to begin funding the 10-year program has been budgeted as a transfer from the General Fund to the Coastal Protection Fund.

### ***Recreation Enterprise Fund (403)***

The Recreation Enterprise Fund (REF) comprises all municipal recreational activities and facilities in the Town, including the Par 3 Golf Course, the Seaview Park and Phipps Ocean Park Tennis Centers, the Recreation Center, and the Town Docks.

## **Revenue**

Staff is projecting an increase in recreation revenue of 5.3% from the FY2014 budget. At the special Town Council meeting on July 17, 2014, staff will propose increasing rates at the Town Docks and fees at the Par 3 Golf Course. Staff is not recommending increasing Recreation Center rental or tennis fees. The growth of participation at the Recreation Center and the two tennis centers continues to be the primary strategy for increasing revenue in these two divisions.

Tennis revenue projections have been adjusted to reflect an overestimation from FY14 and the current general decline in tennis participation, locally and nationally. However, the cost recovery goal of 60% is expected to be achieved through continued cost control measures and a slightly lower proposed FY15 expenditure budget. The focus for tennis remains on increasing participation, as several downward adjustments were made to the nonresident fees in FY14, which helped increase play for residents and their nonresident playing partners. This trend is expected to continue, thus increasing revenues.

Recreation Center revenues are expected to experience a slight increase. The vast majority of revenue is generated from program participation, so the revenue focus for the Recreation Center is also on developing new programs and increasing participation. Modest and strategic fee increases to individual activities will be in effect for the upcoming fiscal year, but staff is not recommending changes to building rental rates.

Projected Town Docks revenues for FY15 are expected to be higher. Staff is recommending the following dockage rate increases for annual, seasonal and transient customers: 3% for the 100 amp single phase slips, 6% for the 100 amp 3 phase 480v slips, and 7% for the 200 amp 3 phase 480v slip. Recent upgrades to shore power at the 480v slips have resulted in higher consumption costs to the Town. The proposed increases for said slips will help offset some of the higher energy costs we are experiencing. The overall increases will not affect our place in the market, and should not hinder our pursuit of achieving 100% occupancy with long-term leases in the coming years.

Golf Course revenue projections are expected to increase. Staff is proposing increases in green fees, along with minor increases to cart fees, club rentals and annual passes. The demand for tee times indicates these increases to fees will be tolerated and not affect either the volume of play or the Par 3's place in the market. Additionally, with the new clubhouse, play has increased significantly, and the food and beverage operations in the clubhouse provide a new source of revenue.

## **Expenditures**

The FY15 REF budget represents an increase of 5.5% from the FY14 budget. Both the Administration and Par 3 Golf Course division's expenses will increase due to personnel changes. For Administration, staff is requesting an increase of .25 FTE to the .75 FTE Office Assistant I position. The cost of this change is approximately \$10,000 and the reasons for it

are set forth in a memorandum from Jay Boodheshwar, Director of Recreation and Special Projects, that is included in this backup behind the tab marked "Staffing". Also, at the February 11, 2014, Town Council meeting, a staffing reclassification at the Par 3 Golf Course was approved for the Pro Shop Assistant position from part-time to full-time. The Town Docks budget will see a minor increase from FY14, while the Tennis and Recreation Center budgets are slightly lower than FY14, -1.0% and -2.7%, respectively. The transfer of fund profits to the General Fund is budgeted at \$885,000, the same as in FY14.

Details regarding each of the programs of the REF can be found in the Recreation Enterprise Fund section of this document.

### ***Internal Service Funds (501, 502, 320)***

The transfer to the Risk Fund (501) has increased by \$49,362 (2.63%) from FY14 to FY15.

The employer contribution for FY15 to the Health Insurance Fund (502) has remained the same as in FY14 due to savings realized from the new wellness program and the modifications made in FY14 to the 3-tier insurance program.

The Equipment Replacement Fund (320) contains the accumulated depreciation of all fixed assets over the established thresholds of \$2,500 for capital equipment and \$1,500 for computer equipment. The annual depreciation transfer for FY15 is \$1,817,444. This amount represents a decrease of \$60,491. Of the total depreciation for FY15, \$247,000 represents the annual depreciation for computer equipment and \$1,569,644 represents the annual depreciation for other fixed assets. In FY15, the total expenditures for equipment purchases will be \$1,585,630. A detailed listing of planned equipment purchases is located in the Internal Service Funds section of this budget document.

### ***Trust Funds - Retirement (600, 606, 607)***

The FY15 actuarially determined contribution to the defined benefit plan totals \$6,376,652, an increase of 5.06%. The increase is caused by the change in the investment return assumption from 8% to 7.5% and the volume of retirements in FY13. This amount is partially offset by a transfer from the prepaid contribution reserve in the Retirement Fund of \$750,000. The Town accumulated a prepaid reserve in the Retirement Fund due to the "overpayment" to the fund by systematically contributing the actuarially determined amount rather than the State required amount (which was calculated as a percent of payroll). A total of \$2,169,323 had been reserved as a prepaid contribution in the Retirement Fund. In FY14 \$930,690 was used to partially offset the first-year costs of the investment return assumption change. After the FY15 offset, a balance of \$488,633 will be left in the prepaid reserve.

The Town contribution comparison for FY14 vs. FY15 is shown in the table on the following page:

|                                   | <b>FY14</b>        | <b>FY15</b>        | <b>\$ Change</b> | <b>% Change</b> |
|-----------------------------------|--------------------|--------------------|------------------|-----------------|
| <b>General Employees</b>          | \$1,873,887        | \$1,856,320        | \$(17,567)       | -0.94%          |
| <b>Lifeguards</b>                 | 144,734            | 153,086            | 7,352            | 5.08%           |
| <b>Police</b>                     | 1,979,219          | 2,144,661          | 165,442          | 8.36%           |
| <b>Firefighters</b>               | <u>2,071,503</u>   | <u>2,223,585</u>   | <u>152,082</u>   | 7.34%           |
| <b>Subtotal</b>                   | \$6,069,343        | \$6,376,652        | 307,309          | 5.06%           |
| <b>Less: Prepaid Contribution</b> | <u>(\$930,690)</u> | <u>(750,000)</u>   | <u>180,690</u>   | -19.41%         |
| <b>Amount included in Budget</b>  | <u>\$5,138,653</u> | <u>\$5,626,652</u> | <u>\$487,999</u> | 9.5%            |

### Employer Defined Benefit Funding for Employee Pensions

|                    | <b>FY11</b> | <b>FY12</b> | <b>FY13</b> | <b>FY14</b> | <b>FY15</b> |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| <b>General</b>     | \$2,927,020 | \$651,882   | \$1,223,869 | \$1,873,887 | \$1,856,320 |
| <b>Lifeguards</b>  | 148,364     | 15,600      | 125,294     | 144,734     | 152,086     |
| <b>Police</b>      | 2,828,758   | 1,213,681   | 1,257,107   | 1,979,219   | 2,144,661   |
| <b>Fire-Rescue</b> | 3,189,802   | 1,635,237   | 1,370,637   | 2,071,503   | 2,223,585   |
| <b>Total</b>       | \$9,093,955 | \$3,516,400 | \$3,976,907 | \$6,069,343 | \$6,376,652 |

The Town contributes a required match of up to 4% to the Defined Contribution (DC) plan. Contributions to the DC plan began with the implementation of the hybrid plan on May 1, 2012. In addition, the Town Manager may recommend and the Town Council may approve an additional discretionary contribution of up to 4% per year, to be decided each year depending upon economic and budgetary conditions. For FY14, the Town Council approved a 4% discretionary DC contribution at a cost of \$589,485. For FY15, the Town Manager is recommending a 4% discretionary DC contribution at a cost of \$581,801. Total employer contributions to the DC plan are shown in the chart on the following page:

**Employer Defined Contribution Funding**

|                    | <b>FY12<br/>Actual</b> | <b>FY13<br/>Actual</b> | <b>FY14<br/>Budget</b> | <b>FY15<br/>Budget</b> |
|--------------------|------------------------|------------------------|------------------------|------------------------|
| <b>General</b>     | \$123,785              | \$371,693              | \$759,611              | \$770,326              |
| <b>Lifeguards</b>  | 2014                   | 5,428                  | 11,180                 | 11,242                 |
| <b>Police</b>      | 43,163                 | 158,090                | 310,024                | 303,712                |
| <b>Fire-Rescue</b> | 47,748                 | 172,855                | 201,867                | 221,612                |
| <b>Total</b>       | \$216,710              | \$708,066              | \$1,282,682            | \$1,306,892            |

***Health Insurance (OPEB) Trust (610)***

The actuarially determined transfer to the OPEB trust from the General Fund in the FY15 budget is \$1,577,000. This amount is \$71,000 (4.71%) more than FY14. The increase is due to the change in investment assumption from 8% to 7.5%. The trust was established to account for and fund the liability for the Town’s share of retiree health benefits. The contributions are funded like pension benefits, taking into account the accrued cost for current employee benefits as well as the costs of retired employee benefits. The Town’s balance in the OPEB trust fund continues to be well ahead of other government agencies across the country.

***Worth Avenue Special Assessment District***

The budget for the Worth Avenue Special Assessment District is included in the Capital Funds and the Debt Service section of the budget document. The budget includes funding for maintenance and debt service. These costs are fully offset by the assessments charged to property owners within the district.

***Inventory of Assets***

The estimated inventory of parts, supplies, fuel and materials on hand as of October 1, 2014, will be approximately \$500,000 and the total fixed asset inventory (which includes machinery, equipment, and vehicles with a value over \$2,500 and computer equipment with a value over \$1,500) will be approximately \$19,700,000.

***Tentative Millage Rate Resolution***

Resolution No. 101-2014 adopting a tentative millage rate of 3.4500 mills is included in the backup. This rate is set slightly higher than the proposed rate of 3.4058 in case changed circumstances and/or Town Council decisions later this summer require the final millage rate to be set higher than our proposed rate. Florida law requires a first class mailing to all taxpayers if the millage rate is increased above the tentative millage rate adopted by the Town

Council prior to the September public hearings. The final millage rate will be set at the public hearings in September.

### **Upcoming Meeting Schedule**

Staff will present this proposed budget at the special Town Council meeting on July 17, 2014. That agenda includes adoption of the FY15 tentative millage rate to comply with the municipal budget adoption schedule mandated by State law. We will review any unresolved budget matters at the regular monthly Town Council meeting on August 12, 2014.

The State mandated schedule also requires that two public hearings be held in September to provide for the final adoption of the Town's FY15 budget. The proposed public hearing meeting dates are as follows:

- **First Public Hearing – September 9, 2014 at 5:01pm**
- **Second Public Hearing – September 17, 2014 at 5:01pm**

Staff looks forward to presenting the proposed FY15 budget and to assisting the Mayor and Town Council in your review, consideration, and adoption process.

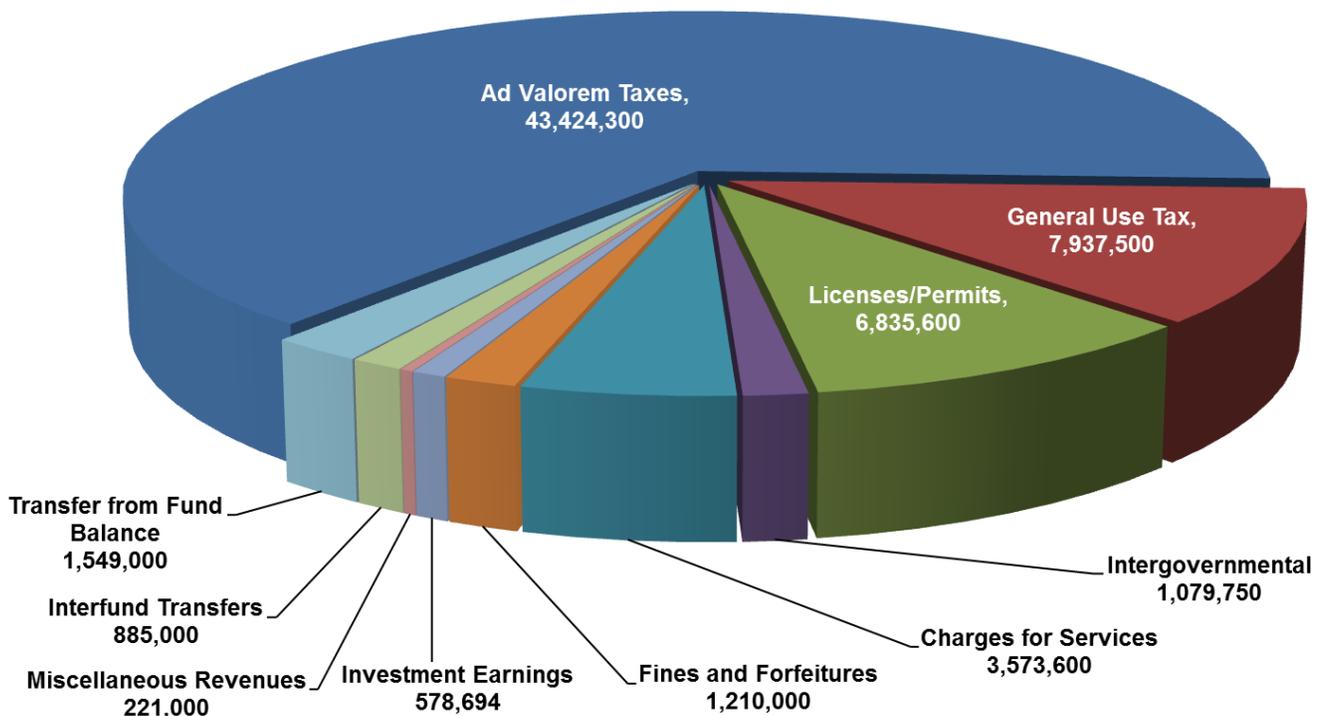
cc: Department Directors  
Thomas G. Bradford, Deputy Town Manager



# General Fund Revenues

| Revenues                   | Budget FY2014        | Proposed Budget FY2015 | FY14 vs. FY15 \$ Difference | FY14 vs. FY15 % Change |
|----------------------------|----------------------|------------------------|-----------------------------|------------------------|
| Ad Valorem Taxes           | \$ 38,647,700        | \$ 43,424,300          | \$ 4,776,600                | 12.36%                 |
| Non Ad Valorem Taxes       | 7,367,500            | 7,937,500              | 570,000                     | 7.74%                  |
| Licenses & Permits         | 6,588,200            | 6,835,600              | 247,400                     | 3.76%                  |
| Intergovernmental          | 1,052,000            | 1,079,750              | 27,750                      | 2.64%                  |
| Charges for Services       | 3,552,275            | 3,573,600              | 21,325                      | 0.60%                  |
| Fines and Forfeitures      | 1,181,000            | 1,210,000              | 29,000                      | 2.46%                  |
| Investment Earnings        | 425,373              | 578,694                | 153,321                     | 36.04%                 |
| Miscellaneous Revenues     | 247,845              | 221,000                | (26,845)                    | -10.83%                |
| Interfund Transfers        | 885,000              | 885,000                | 0                           | 0.00%                  |
| Transfer from Fund Balance | 5,459,600            | 1,549,900              | (3,909,700)                 | -71.61%                |
| <b>Total Revenues</b>      | <b>\$ 65,406,493</b> | <b>\$ 67,295,344</b>   | <b>\$ 1,888,851</b>         | <b>2.89%</b>           |

## 2015 Proposed Revenues

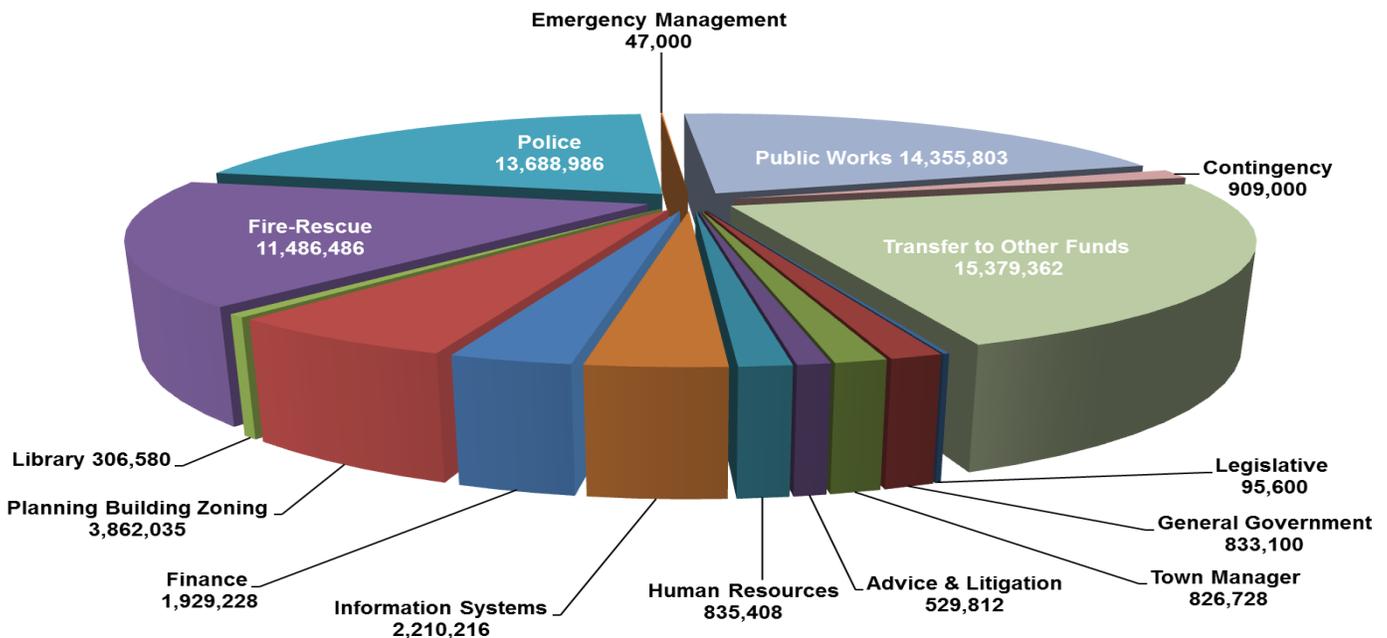




# General Fund Expenditures by Department

| Expenditures              | Budget FY2014        | Proposed Budget FY2015 | FY14 vs. FY15 \$ Difference | FY14 vs. FY15 % Change |
|---------------------------|----------------------|------------------------|-----------------------------|------------------------|
| <b>Departments</b>        |                      |                        |                             |                        |
| Legislative               | \$ 95,600            | \$ 95,600              | 0                           | 0.00%                  |
| General Government        | 788,300              | 833,100                | 44,800                      | 5.68%                  |
| Town Manager              | 802,669              | 826,728                | 24,059                      | 3.00%                  |
| Advice and Litigation     | 518,915              | 529,812                | 10,897                      | 2.10%                  |
| Human Resources           | 710,293              | 835,408                | 125,115                     | 17.61%                 |
| Information Systems       | 1,867,798            | 2,210,216              | 342,418                     | 18.33%                 |
| Finance                   | 1,956,080            | 1,929,228              | (26,852)                    | -1.37%                 |
| Planning/Building/Zoning  | 3,716,581            | 3,862,035              | 145,454                     | 3.91%                  |
| Library                   | 297,659              | 306,580                | 8,921                       | 3.00%                  |
| Fire-Rescue               | 11,031,311           | 11,486,486             | 455,175                     | 4.13%                  |
| Police                    | 13,507,634           | 13,688,986             | 181,352                     | 1.34%                  |
| Emergency Management      | 47,950               | 47,000                 | (950)                       | -1.98%                 |
| Public Works              | 14,523,703           | 14,355,803             | (167,900)                   | -1.16%                 |
| Contingency               | 860,000              | 909,000                | 49,000                      | 5.70%                  |
| Transfer to Other Funds   | 14,682,000           | 15,379,362             | 697,362                     | 4.75%                  |
| <b>Total Expenditures</b> | <b>\$ 65,406,493</b> | <b>\$ 67,295,344</b>   | <b>\$ 1,888,851</b>         | <b>2.89%</b>           |

## 2015 Proposed Expenditures Allocated By Department

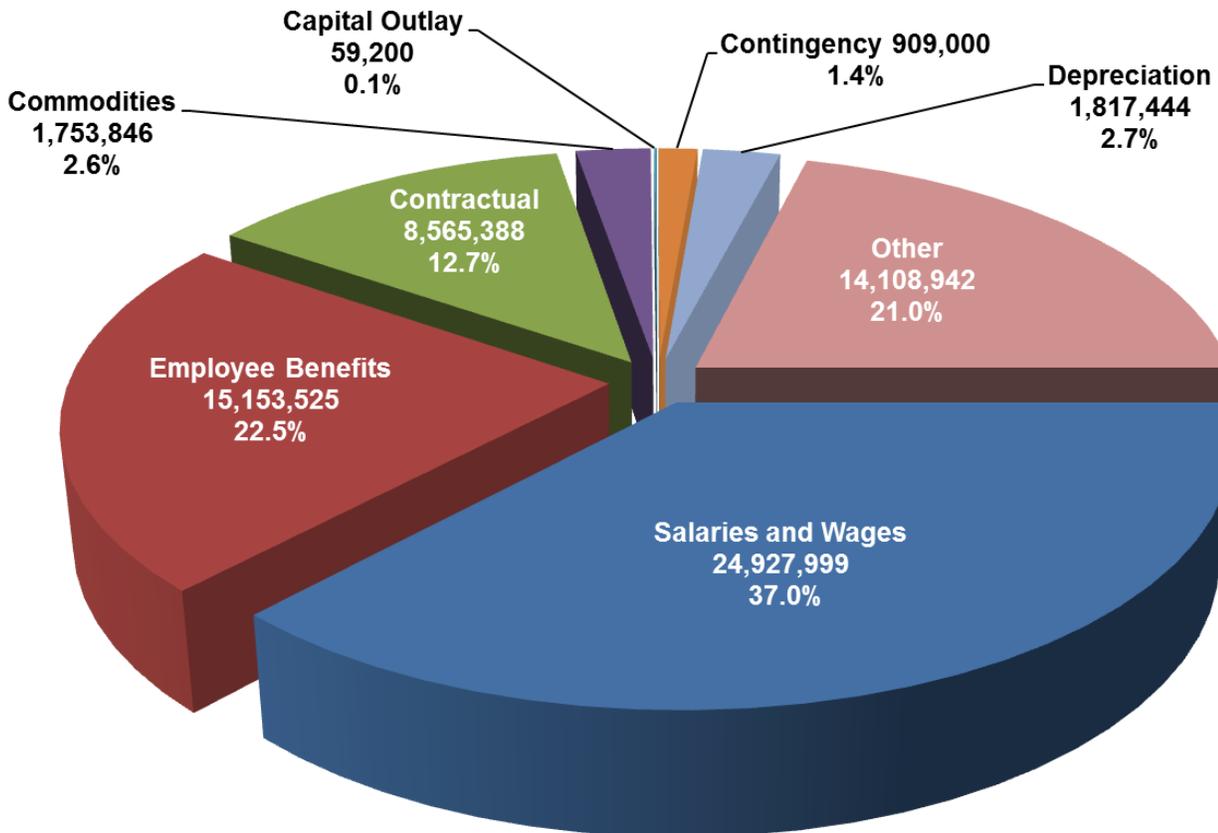




## General Fund Expenditures by Type

| Expenditures              | Budget FY2014        | Proposed Budget FY2015 | FY14 vs. FY15 \$ Difference | FY14 vs. FY15 % Change |
|---------------------------|----------------------|------------------------|-----------------------------|------------------------|
| Salaries and Wages        | \$ 24,298,881        | \$ 24,927,999          | 629,118                     | 2.59%                  |
| Employee Benefits         | 14,588,570           | 15,153,525             | 564,955                     | 3.87%                  |
| Contractual               | 8,472,843            | 8,565,388              | 92,545                      | 1.09%                  |
| Commodities               | 1,701,960            | 1,753,846              | 51,886                      | 3.05%                  |
| Capital Outlay            | 132,645              | 59,200                 | (73,445)                    | -55.37%                |
| Contingency               | 860,000              | 909,000                | 49,000                      | 5.70%                  |
| Depreciation              | 1,877,935            | 1,817,444              | (60,491)                    | -3.22%                 |
| Other                     | 13,473,659           | 14,108,942             | 635,283                     | 4.71%                  |
| <b>Total Expenditures</b> | <b>\$ 65,406,493</b> | <b>\$ 67,295,344</b>   | <b>\$ 1,888,851</b>         | <b>2.89%</b>           |

**2015 Proposed Expenditures  
Allocated By Type**





# Taxable Values & Millage Rates

|             |                    | Taxable Value         |                    | Millage Rate  |
|-------------|--------------------|-----------------------|--------------------|---------------|
| 2014        |                    | 12,529,723,130        |                    | 3.2468        |
| <b>2015</b> | <i>Preliminary</i> | <b>13,421,075,355</b> | <i>Proposed</i>    | <b>3.4058</b> |
| <b>2015</b> | <i>Preliminary</i> | <b>13,421,075,355</b> | <i>Rolled-Back</i> | <b>3.0282</b> |

***FY2011 to FY2015 Taxable Values & Millage Rates***

