

# Town of Palm Beach Long Term Financial Plan FY2006-FY2010



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# Introduction

## Long Term Financial Plan Overview

The National Advisory Council on State and Local Budgeting (NACSLB) recommends that governments establish a financial planning process that assesses the long-term financial implications of current and proposed policies, programs and assumptions and that develops appropriate strategies to achieve its goals.

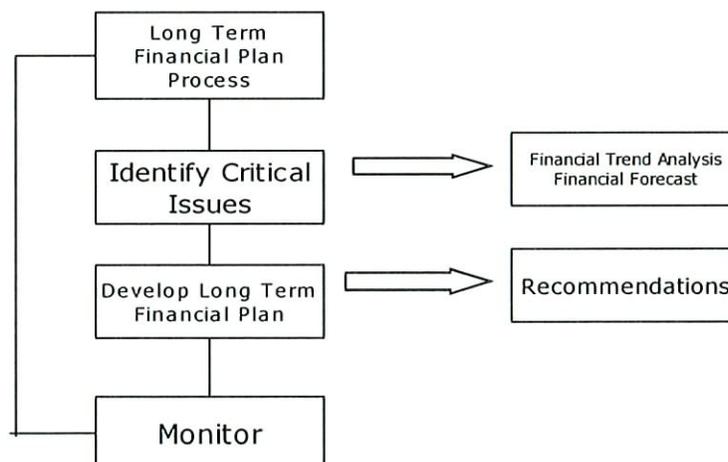
The Town of Palm Beach prepares on an annual basis a comprehensive Long Term Financial Plan. The Long Term Financial Plan (LTFP) is intended to serve as a tool, providing the Mayor, Town Council and staff with the insight required to address issues impacting the Town's financial condition. This plan consists of the following sections:

- Introduction
- Executive Summary
  - Current Financial Condition
  - Reserve Analysis
  - Forecast Summary
- Financial Trend Analysis
- Benchmark Analysis
- Financial Forecasts
- Forecast Details

Financial planning expands a government's awareness of options, potential problems and opportunities. The long-term revenue, expenditure and service implications of continuing or ending existing programs or adding new programs, services and debt can be identified. The financial planning process helps shape decisions and permits necessary and corrective action to be taken before problems become more severe.

The process of developing a Long Term Financial Plan begins by identifying factors or capital items that have, or are expected to have, an impact on the financial condition of the Town over the next five years. Assumptions are derived based upon historical data and other sources in order to predict various categories of revenues and expenditures.

### Long Term Financial Planning Process





## **Introduction**

The planning process results in the preparation of a financial plan consisting of various components such as an analysis of financial trends; an assessment of problems or opportunities facing the Town and actions needed to address these issues; and a long-term forecast of revenues and expenditures. A financial plan identifies key assumptions and choices related to achievement of goals. A financial plan illustrates the likely financial outcomes of particular courses of action or factors affecting the environment in which the Town operates. A financial plan is not a forecast of what is certain to happen but rather a device to highlight significant issues or problems that must be addressed if goals are to be achieved.

Contained within this document is information regarding revenue and expenditure trend history, forecasts, and benchmark comparisons with similar communities. The emphasis is on the Town's General Fund and information is provided on the Town's Internal Service Funds, Debt Service Funds, Capital Funds and Enterprise Funds.



## **Current Financial Condition & LTFP Review**

### **Current Financial Condition**

#### **General Fund FY2005 Status**

The FY2005 budget was amended during the fiscal year to appropriate additional funds for hurricane expenditures. The Town Council authorized an amendment to appropriate \$3,700,652 from the General Fund Undesignated Fund Balance to cover costs associated with the hurricanes, an additional contribution to the Four Arts Library, an anticipated shortfall in the Police Retirement Contribution and an increase in the depreciation transfer.

#### **General Fund Revenues**

Budgeted revenues for FY2005 exceeded expectations in most categories. Revenue from licenses and permits will end the year approximately \$2,500,000 higher than budget estimates. Ad Valorem and Non Ad Valorem Taxes will end the year above estimates. FEMA reimbursement revenues were not budgeted and are expected to total over \$3,000,000 for the fiscal year. Investment earnings will exceed budget estimates due to higher than anticipated returns on investments. Public safety charges are lower than the budget due to a decline in special detail fees and a decline in EMS transport fees. Judgment and Fine revenue will be significantly over budget due to the receipt of large code compliance fines and increased revenues from parking fines and penalties due the pursuit of out of state tickets by the collection agency. Most all other revenue sources will end the year above the budget estimates.

In total, revenues (less transfers from fund balance) are anticipated to exceed budget estimates at the end of the fiscal year by over \$7,000,000.

#### **General Fund Expenditures**

General Fund expenditures are estimated to total approximately \$57,000,000. This amount reflects costs associated with the hurricanes and includes encumbrances. The amended FY2005 budget total is \$57,944,391 vs. the original approved budget of \$52,380,731.

#### **General Fund Year End Surplus**

The amended budget includes a transfer from undesignated fund balance of \$7,415,529. Due to over collection of revenues and FEMA reimbursements, it is estimated that the use of this transfer will not be necessary, therefore, the appropriation will be returned to fund balance. Additional information regarding fund balance levels can be found in the reserve analysis section of this document.

#### **Leisure Services Enterprise Fund FY2005 Status**

The Leisure Services Enterprise Fund is expected to end the year with an operating profit of approximately \$430,000. This amount is approximately \$233,000 more than original budget estimates.



## **Current Financial Condition & LTFP Review**

### **Long Term Financial Plan Review**

The Town of Palm Beach prepares on an annual basis a comprehensive Long Term Financial Plan. The Long Term Financial Plan (LTFP) focuses on financial and organizational issues and is designed to provide the Mayor, Town Council and staff a guide to follow from year to year. The plan allows staff to review the Town's current financial condition and identify potential problems. The Town is able to quickly react to financial challenges and opportunities as well as thoughtfully plan for the future.

The plan is based upon the Town's current financial condition. Outside influences could have a substantial affect on the Town's finances. For example, during fiscal year FY2005 the Town was hit with two back to back hurricanes. The total impact of these storms is estimated at over \$9,000,000. A substantial portion of these costs have been reimbursed by FEMA and insurance policies, with additional funding expected. A financial plan cannot predict the impact of hurricanes, but we can plan ahead and have resources available to mitigate the financial impact of an emergency or catastrophe. We were able to use reserves that have been set aside to fund the costs of the clean-up and damages to facilities without affecting the Town's financial condition in a negative manner.

### **Long Term Financial Plan - FY2006 Budget vs. LTFP**

The Long Term Financial Plan was prepared and reported to the Town Council in November 2004. This plan was used as a guide when staff began to prepare the FY2006 budget.

The taxable value assumption in the LTFP was 8%, the actual increase was 12.41% which allowed the Town to reduce the millage rate by 3% rather than the anticipated .03% decrease that was shown in the plan.

There were requests for an additional 7 positions contained in the forecast. The FY2006 budget contains 5.5 new positions.

A stated goal in the LTFP was to strive to maintain tax rate stabilization for the funding of the operations of the General Fund throughout the forecast period. Staff was able to exceed this goal for FY2006 with a 3% decrease in the millage rate.



## Reserve Analysis

### Town of Palm Beach Reserves

The Town Council has adopted fifteen financial policies, twelve of which addressed reserves. The reserve policies serve to safeguard the Town's financial resources and ensure fiscal stability. The size of a municipality's fund balance can affect its ability to withstand financial emergencies. Reserves can also be used to accumulate funds for capital purchases or capital projects without having to borrow.

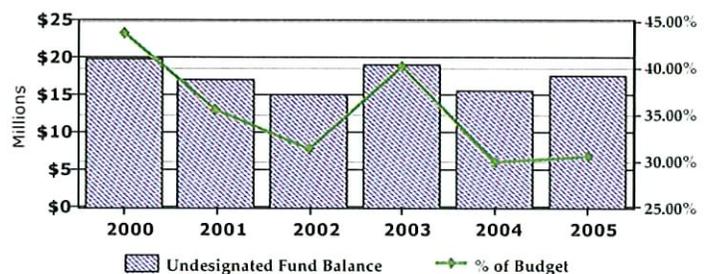
#### Undesignated Fund Balance - General Fund

Pursuant to adopted policy, the undesignated fund balance for the General Fund is to be maintained at a minimum level of 25% of current year General Fund budgeted expenditures. This minimum level is to be maintained to protect the Town against economic downturns, temporary revenue shortfalls, unpredicted one-time expenditures, and for tax rate stabilization purposes. Twenty-five percent of the proposed FY2006 General Fund operating budget of \$56,474,075 is \$14,118,519. It is estimated that at the end of FY2005, the Undesignated Fund Balance for the General Fund will total over \$17,500,000. This amount represents 31.1% of FY2006 budgeted operating expenditures or more than \$3,400,000 over the required minimum level of 25%. A portion of these reserves (\$560,000) will be used in the FY2006 budget for funding the purchase of a police radio system.

After the funding of the radio system from the General Fund Undesignated Fund Balance, the remaining balance of approximately \$17,000,000 represents 30% of the FY2006 operating budget, leaving approximately \$2,881,000 of "excess fund balance" over the required minimum.

The General Fund Undesignated Fund Balance has consistently exceeded the required minimum level of 25%. The chart details the General Fund Undesignated Fund Balance and the percent of budgeted expenditures the balance represents. Transfers from Fund Balance to establish the equipment replacement fund and compensated absence reserve, drainage and town facilities projects, and to fund hurricane expenditures have reduced the balance of the reserve. Even after these transfers the reserve level has exceeded the minimum required balance of 25%.

**General Fund Undesignated Fund Balance**  
FY2000 - FY2005



#### Reserve for Catastrophic Exposures/Emergencies - Risk Fund

The Reserve for Catastrophic Exposures/Emergencies for the Risk Fund is funded at a minimum of \$2,500,000. This reserve was established to set aside emergency funds to protect the Town against the potentially disastrous financial impacts of response to and



## Reserve Analysis

recovery from a man made or natural emergency situation or large judgments in excess of insurance coverage. This reserve is funded from the Retained Earnings of the Risk Fund. This reserve was used to fund a litigation settlement and was reimbursed by General Fund reserves during FY2005.

### Enterprise Fund Reserves

The Enterprise Fund reserve is to be maintained at a minimum level of 25% of budgeted revenues. The purpose of the reserve is to provide an adequate level of retained earnings to provide for unanticipated financial impacts as well as to provide for one-time expenditures to improve the facilities.

The Town's enterprise fund, includes the operations of the Town Dock, the Par 3 Golf Course, Tennis activities and Youth and Adult recreation programs.

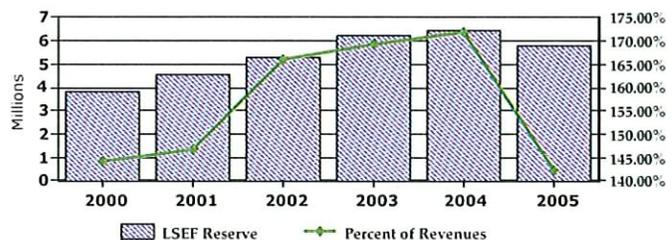
At the end of FY2005, it is anticipated that the retained earnings balance for the Leisure Services Enterprise Fund will be approximately \$5,400,000. This represents 133% of budgeted revenues, and is well above the required minimum of \$1,015,654.

During FY2005, \$2,206,260 was transferred to the Leisure Services Capital Improvement Fund for the construction of an additional tennis court at the Phipps Ocean Park Tennis facility, and funding for dock improvement projects.

In addition to the \$5,400,000 in retained earnings, \$1,475,000 has been set aside in the Dock Replacement Reserve. This reserve was created to fund the replacement cost of the construction of the Town's docks whenever it is determined they must be replaced. The replacement reserve is to be maintained at 100% of accumulated depreciation plus accumulated interest earned on the reserve.

The Leisure Services Enterprise Fund has well exceeded the required minimum of 25% of budgeted revenues. The Leisure Services Enterprise fund will have sufficient reserves to fund, on a pay-as-you-go basis, any proposed capital projects for the marina, golf, tennis and recreation activities for the foreseeable future.

**Leisure Services Reserve Balance**  
FY2000 - FY2005



The Leisure Services Enterprise Fund established an Equipment Replacement Fund in the FY2006 budget. This fund will allow for the purchase of capital equipment and is funded with an initial transfer of the total accumulated depreciation from the Leisure Services Retained Earnings. The annual funding will be calculated using replacement cost depreciation and transferred from the LSEF.



## Reserve Analysis

### Equipment Replacement Fund

The Equipment Replacement Reserve was established with a transfer of \$4,386,910 from the General Fund Undesignated Fund balance in the FY2002 budget. The amount represented the accumulated depreciation of the Town's fixed assets through FY2002. For FY2005 the income including the depreciation transfer will total approximately \$1,400,000. The total estimated balance in the equipment replacement fund for year end FY2005 will be approximately \$5,200,000. This reserve is intended to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful life. This reserve will significantly reduce the budgetary fluctuations due to purchases of large pieces of equipment and establish the fixed asset inventory and depreciation schedule required by GASB34.

Staff will research and may propose a change to the Equipment Replacement Fund in the future. The current funding of depreciation based on acquisition cost may be changed to fund depreciation based upon replacement value. This will allow for sufficient funding to be available to replace large capital items with long useful lives.

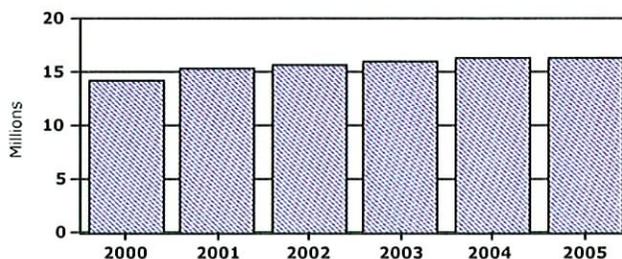
### Designation of General Fund - Fund Balance for Payment of Liability Related to Compensated Absences Leave Balances

The Town Council approved the establishment of a Reserve for Compensated Absences with the FY2005 budget. This reserve will significantly reduce the budgetary fluctuations due to the payout of accrued leave time to terminated or retired employees. The reserve will also fund Retirement Health Savings Plan contributions of vacation and sick time, and any expenditures relating to the plan. This reserve will be funded at a rate of 100% of the fiscal year end accrued leave balances. Funds will be appropriated annually from this reserve based upon estimates of pay-outs of eligible accrued vacation, sick and compensatory time and the related payroll tax liability. The appropriation for FY2006 to the General Fund from this reserve is \$510,000. The balance in the reserve as of September 30, 2005 is \$3,094,977.

### Health Insurance Reserve

The Health Insurance Fund has a significant reserve balance that has accrued in anticipation of the issuance of a policy from the Government Accounting Standards Board (GASB). GASB has issued statements 43 and 45 relating to accounting standards for post employment benefits, which will include the establishment of a liability for actuarially determined costs of retiree health benefits. In FY2006 a trust fund will be created using a significant portion of the Health Insurance Fund reserves provide for post employment benefits. The Town is well ahead of other government agencies in the funding of this liability.

**Health Fund Reserves**  
FY2000 - FY2005



### Contingency Reserves

Contingency reserves were established for the General Fund, Capital Fund, Leisure Services Enterprise Fund, Leisure Services Enterprise Fund - Capital Fund, Risk Insurance Fund and



## Reserve Analysis

Health Insurance Fund to provide for unanticipated unbudgeted expenditures of a nonrecurring nature. The amount of the General Fund Contingency has been funded at 1.5% of the budget for FY2006. The Capital Fund Contingency is appropriated at 10% of the proposed capital budget, the Risk and Health Contingency Reserves are appropriated at \$500,000. The Leisure Services Enterprise Fund Contingency is funded at 5% of the proposed operating expenses as is the Leisure Services Capital Fund Contingency.

### Undesignated Fund Balance/Retained Earnings Summary

All reserves are at or over the policy established minimum. The financial strength of the Town can be measured by the health of its reserves. The rating agencies look closely at the fund balance levels and the financial policies in place when rating a municipality. During FY2003, when the rating agencies reviewed the Town's credit ratings, they cited the Town's healthy reserves, solid fiscal policies resulting in strong reserve levels, conservative and solid management practices as some of the reasons to upgrade our bond ratings. Moody's Investors Service upgraded the Town's credit rating to Aa1 from Aa2 for the Revenue Bonds that were issued, and confirmed the Town's Aaa credit rating for General Obligation issues. Standard and Poor's upgraded the credit rating on the Revenue bonds to AA+ from A+ and upgraded the Town's General Obligation credit rating to AAA from AA. The AAA credit ratings are the highest ratings these two rating services issue and represent the highest quality investment grade debt. The response to and recovery from the back to back hurricanes did not cause any reserve balances to decline below the minimum established by policy. The Town's healthy reserves allowed us to "weather the storms" without having to borrow funds.

The table below summarizes the trend of the undesignated fund balance, net asset balances, compensated absence, and replacement reserve balances for FY2000 through FY2005 (estimated) for all of the funds of the Town.

### Fiscal Years 2000 - 2005

Fund	2000	2001	2002	2003	2004	Est 2005
General Fund	\$19,925,376	\$17,017,373	\$15,212,417	\$19,015,967	\$15,625,847	\$17,560,000
Compensated Absence (GF)	0	0	0	0	2,496,068	3,094,977
Equipment Replacement Fund	0	0	4,497,502	4,912,691	5,214,800	5,200,000
LSEF	3,835,715	4,552,574	5,279,622	6,268,837	6,488,789	5,400,000
Dock Replacement	0	0	0	989,642	1,295,094	1,475,000
Health Fund	14,302,994	15,463,080	15,784,579	16,103,001	16,356,507	16,300,000
Risk Fund	3,133,567	3,518,595	3,968,573	4,449,672	3,782,648	5,800,000
Pension Funds	<u>142,441,955</u>	<u>132,241,528</u>	<u>115,635,106</u>	<u>132,888,957</u>	<u>144,719,097</u>	<u>150,000,000</u>
<b>Total</b>	<b>183,639,607</b>	<b>172,793,150</b>	<b>160,377,799</b>	<b>184,628,767</b>	<b>195,978,850</b>	<b>204,829,977</b>



## Forecast Summary

### Forecast Summary

Staff has prepared a forecast of General Fund revenues and expenditures for FY2007 through FY2010. The details of the forecast can be found behind the *Forecast* tab and *Forecast Detail* tab.

Financial forecasts are the foundation of a long term financial plan. These forecasts provide staff, the Mayor, and Town Council information they need to more effectively determine future levels of service.

Historical trends for revenues and expenditures are presented in the Financial Trend Analysis section of this document. These trends assist in preparing assumptions to forecast future revenues and expenditures. Other factors that were used for the forecast are inflation trends, taxable value trends, and industry trends for insurance estimates.

The major assumptions that were used to prepare the forecast are as follows:

	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	
<b>Taxable Value</b>	9.5%	9.0%	8.5%	8.0%	Historical increases reduced throughout the forecast period
<b>Investment Yields</b>	4.5%	5.0%	5.0%	5.0%	10 year average SBOA return is 4.0%
<b>General Inflation</b>	3.0%	2.5%	2.5%	2.5%	10 year average CPI index 2.6%
<b>Salaries &amp; Wages</b>	6.0%	6.0%	6.0%	6.0%	Average merit and CPI
<b>Employee Benefits</b>	11.0%	8.0%	8.0%	7.0%	Estimates based upon discussions with Town actuaries
<b>Property Insurance</b>	20%	20%	20%	20%	Based upon market conditions
<b>Liability and W/C Insurance</b>	10%	10%	10%	10%	Based upon market conditions

Historical trends were used to develop the assumptions. For certain revenue sources, average historical revenue trends were used to forecast future revenue collections.

Taxable value was estimated at 9.5% for FY2007 then the percentage increases at a slower rate over the term of the forecast. The increase in taxable value for FY2006 was 12.41%. Current market conditions warrant a higher increase for FY2007, but due to the uncertainty of going further out through FY2010, we decided to reduce the estimated increases to use conservative estimates. The 10 year average is 9.05% and the 5 year average increase is



## Forecast Summary

11.21%. The estimates throughout the forecast period are significantly less than the 5 year average, and in some cases less than the 10 year average.

Investment Yields for FY2007 were estimated at 4.5%. Short term interest rates have increased by 200 basis points since the end of FY2004. The current SBOA rate of return is 3.84%. Short term interest rates are expected to increase in FY2005 then level off in 2006. Longer term rates are also expected to increase as well. Since the Town's portfolio contains both short term investments as well as longer term investments we estimated a return of 4.5% for FY2007. Historical rates for the SBOA have been closer to 5% so we have increased our longer term assumptions to 5%.

General inflationary increases of between 2.5% and 3% per year were used to forecast certain revenues, commodities and contractual expenditures. Both the Federal Reserve and the *Livingston Survey* indicate that short term inflation projections will be much higher than in recent years. It is predicted that Consumer Price inflation will average 2.9 percent in 2005 then fall to between 2.4 - 2.7 percent in 2006. However, over the long term, forecasters project inflation to be 2.5% over the next 10 years. To be conservative, we used 3.0% for FY2007 then held the estimate at 2.5% for the remainder of the forecast period.

The Salaries & Wages were based on historical trends for merit and Competitive Pay Increase averages.

Employee Benefit increases are based upon the Town's retirement and health insurance actuaries' estimates for increases in the Town funding of these benefits. In addition, historical trends were used to forecast other components of employee benefits. For FY2007, the estimate is 11%. This amount is higher than the out years due to two factors; the anticipated increase of approximately \$700,000 for the Town's Retirement contribution and the anticipated increase in health insurance funding due to the implementation of GASB45. The actuarial study to determine the Post Employment Health Liability anticipates an increase in our current funding levels of an additional \$200,000 beginning in FY2007.

Risk insurance premiums have been estimated for FY2007 - FY2010 using the following assumptions: Property Insurance 20% per year, Liability Insurance 10% per year, Worker's Compensation 10% per year. Due to recent hurricanes, commercial property insurance premiums are anticipated to significantly increase during the forecast period.

The General Fund contingency appropriation has been estimated to be 1.5% of the forecasted expenditures as required by the policy.

The table on the following page shows the summary forecast of total revenues, expenditures, ad valorem tax revenues, the estimated millage rate and the millage rate increase or decrease for the FY2006 budget and the forecast for FY2007 through FY2010. The percentage increase or decrease line is based on the increase or decrease of the forecast and millage rate over the prior year.



## Forecast Summary

### General Fund Revenue, Expenditure and Millage Rate Forecast (in thousands)

	FY2006	FY2007	FY2008	FY2009	FY2010
<b>Revenues</b>	\$57,544	\$60,456	\$63,575	\$66,852	\$70,309
<b>Expenditures</b>	\$57,544	\$60,456	\$63,575	\$66,852	\$70,309
<b>%Increase/(Decrease)</b>	10.4%	5.06%	5.16%	5.15%	5.17%
<b>Ad Valorem Revenue</b>	\$38,113	\$41,972	\$45,263	\$48,237	\$51,346
<b>Total Millage Rate</b>	3.9080	3.9302	3.8885	3.8193	3.7644
<b>Millage Rate % Increase/(Decrease)</b>	(3.0%)	.57%	(1.06%)	(1.78%)	(1.44%)
<b>% Increase/(Decrease) over FY2006</b>	0.00%	.57%	(.50%)	(2.27%)	(3.68%)
<b>Amount to bring increase/(Decrease) to 0</b>	\$0	\$237	(\$226)	(\$1,119)	(1,959)

The FY2007 millage rate is anticipated to increase based upon the current forecast. The forecasted budget for FY2007, if decreased by approximately \$237,000, would yield no change in the millage rate. For FY2008 through FY2010 decreases in millage are anticipated. It is our intention during the entire forecast period, to make every effort to provide budgets that would not include a tax increase and maintain a stable millage rate. The decreases forecasted for FY2008 through FY2010 will allow room for potential additions to the budget for capital projects or increased levels of service. If the taxable value does not increase as much as anticipated in FY2007 - FY2010, there should be some margin within the estimates to maintain millage rate stability. If the taxable value increases more than we have estimated, there may be ample room to finance new projects, add services without any tax increase, or lower the millage rate if it is deemed prudent to do so at the time.

A summary of the department requests over the assumed inflationary increases are detailed below:

#### Information Systems

- FY2007 - FY2010 - Funding for new Town-wide software

#### Planning, Zoning and Building Department

- Funding for the Evaluation and Appraisal Report
- Funding for color copier
- Funding for public education program

#### Fire Rescue Department

- Funding for accreditation process



## Forecast Summary

### **Police Department**

- Funding for accreditation process
- Funding for legal services
- Purchase of 2 radio consoles if funding not found through grant source
- Purchase of automated fingerprint identification system
- Digital Video systems for Motorcycles
- Purchase of 2 Lifeguard towers

### **Public Works Department**

- Increased funding for electric and contractual costs for new pump stations
- Additional parking kiosk at Phipps Park
- New Vehicle Purchases
- Purchase of two emergency pumps
- Additional funding for new generator, underground TV, and electric and contractual costs for 1 new pump station

No new positions have been included in the forecast. The General Fund Forecast section outlines Department Director proposals for potential positions that may be required during the forecast period.

The forecast does not anticipate any surpluses from year to year because the Town adopts a balanced budget. It has been practice in recent years not to use fund balance to balance the operating budget, but, fund balance has been used to fund special projects or to fund the unanticipated expenditures that occurred during Hurricanes Frances and Jeanne. In FY2007, a small portion of Fund Balance may be necessary to fund a portion of the decrease in building permit fees. The General Fund Undesignated Fund Balance policy allows for the use of reserves to protect against reducing service levels, or unnecessarily raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

### **Other Funds**

The Forecast section also includes forecasts for the Town's Debt Service Funds, Capital Funds, Internal Service Funds, and Leisure Services Enterprise Funds.

### **Debt Service Funds**

The 2003 Revenue Bond debt service payments are funded by a transfer of non ad valorem revenues from the General Fund to the Debt Service Fund. The 2003 Revenue Bonds that refunded the 2000 beach bonds, will be paid in full in FY2010. The 2003 Revenue Bonds for Town facilities projects will be paid in full in 2033.

### **Capital Project Funds**

The capital projects funds include the Capital Improvement Fund, The Comprehensive Coastal Management pay-as-you-go Fund, the Bond Proceeds Construction Fund, Town Facilities Construction Fund, and the Equipment Replacement Reserve.

The Capital Improvement Program includes all capital projects other than the Coastal Management projects and the Town facilities projects. The Capital Improvement program is currently expected to be level funded with a transfer from the General Fund of between



## Forecast Summary

approximately \$2,800,000 to \$2,900,000 per year through FY2010.

Capital projects for beach restoration and Town facilities have been both funded with bond proceeds and funding from the General Fund. It is possible that during the forecast period, additional funds may be necessary for the Town Facilities projects and for beach restoration.

### **Internal Service Funds**

The Health Insurance Fund is expected to show increases in costs during the forecast period due to the anticipated increases occurring in the health insurance market. A portion of the increases will be paid by the employees, but the Town will fund most of the increases. This fund has a very healthy reserve of over \$16,000,000. This reserve was accumulated for the purposes of funding post employment retirement health benefits.

Risk Insurance Fund is expected to show increases in expenses for the forecast period. The turmoil in the insurance markets due to the effects of the recent hurricanes has caused our estimates to increase. The forecast used an estimate of 10% increase per year for liability and workers compensation insurance and 20% per year for property insurance for the forecast period.

The reserves for the Risk Fund are at policy levels.

### **Leisure Services Enterprise Fund**

In FY2004, the Town's two enterprise funds, the Marina Fund and the Golf Fund were consolidated with the recreation activities to create the Leisure Services Enterprise Fund. A business plan was presented that identified the issues facing the various activities of this fund and made recommendations for improvements. The business plan has been updated to include the results for FY2005 and initiatives for FY2006.

The trends for the marina operations show a continuing trend of rising profits. Capital projects are proposed during the forecast period which may improve revenues more than what has been forecasted.

The golf course is expected to be profitable through the forecast period, due to changes in the fee structure and improvements in the promotion of the course.

The tennis programs show a trend of increasing expenses and small increases in revenue. This cost recovery percentage remains stable and improves by the end of FY2010.

Adult programs have been very popular and are expected to continue to recover all the costs of operations in the future. Youth programs are also very popular, the cost recovery percentage for these programs will improve through FY2010.

A Leisure Services Enterprise Fund Capital Fund and an Equipment Replacement Fund have been established in the FY2006 budget. These funds will be funded with a transfer from the Leisure Services Enterprise Fund Retained Earnings.

Due to the anticipated transfers for Capital improvements, the reserves for the Leisure Services Enterprise Fund may fall below the minimum standard in FY2010. The preliminary



## Forecast Summary

estimates for capital projects included Dock Master Plan may be modified during the five year period. Revenues may increase by a larger amount than has been anticipated due to marina improvements and may improve the forecasted reserves. We will monitor the retained earnings of this fund closely and report annually on the forecasted balances.

### Recommendations

We will be making recommendations in the future regarding the following items:

- Health Insurance Fund Reserve - Staff will be establishing a trust fund for the Post Employment Benefit liability created by GASB45. This trust fund will be established using a significant portion of the reserves in the Health Insurance Fund.
- Staff will be researching a change in the funding of the Equipment Replacement Fund. The current policy is to transfer an amount equal to the annual depreciation calculated using acquisition value. We may propose a change to replacement value which will allow for sufficient funding to be available for large capital items with long useful lives.
- Staff will review the suggestion to move the funding for the Four Arts Library to the Leisure Services Enterprise Fund.
- Staff will strive to maintain tax rate stabilization for the funding of the operations of the General Fund through FY2010.

### Conclusion

The FY2006 budget has been adopted with a 3% decrease in the millage rate while maintaining the Town's high levels of service. The forecast for FY2007 shows the potential for a slight millage rate increase. The forecasts going forward for FY2008 - FY2010 show decreases in the millage rate with ample room for increases in levels of service or decreases in the millage rate. The General Fund forecast for FY2007 - FY2010 does not indicate any trends that are cause for concern.

Through proper planning, we can anticipate the impacts of expenditure plans or revenue shortfalls and act accordingly. The Long Term Financial Plan will be updated on an annual basis so that the Town Council and staff can make financial decisions knowing the full impact on future years.



# General Fund Trend Analysis

## General Fund Trend Analysis

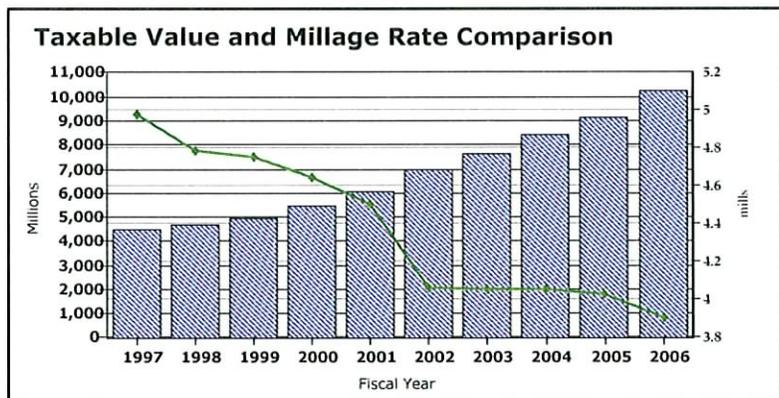
Financial Trend analysis assists the Town in evaluating its financial condition. The trend analysis describes the fluctuations in the major categories of General Fund revenues and departmental expenditures. The trends present a picture of the Town's financial strengths and weaknesses and allows staff to identify emerging issues before they become serious problems.

### General Fund Revenue Trend

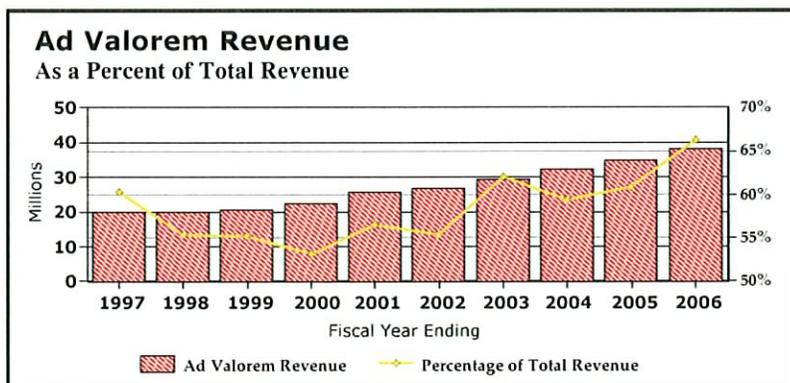
Revenues determine the capacity of a municipality to provide services. Important issues to consider when reviewing revenue trends are growth, flexibility, diversity, reliability and administration. Revenues should grow at a rate equal to or greater than the combined effects of inflation and expenditures.

#### Ad Valorem Tax Revenue

Ad valorem tax revenue has been steadily increasing since 1997. At the same time the total millage rate has decreased. Since 1997, the Town's taxable value has increased from \$4,498,027,409 to \$10,265,975,059 (a 128% increase). The Town's ad valorem revenue has increased during the same period from \$19,712,823 to \$38,113,459 or (93%), while the total millage rate has declined from 4.9810 in FY97 to a millage rate of 3.9080 (a decrease of 22%) for the FY06 Budget.



Increases in taxable value have been due to the following factors: Numerous development and redevelopment projects in the Town, significant increases in the market values of waterfront properties, and significant increases in the market values of all other homes in the Town. Taxable value increased 12.41% from FY2005 to FY2006. Ad valorem tax revenue accounts for 67% of total General Fund revenue. The trend for ad valorem revenue suggests further increases in taxable value and a stable or reduced millage rate leading to increased revenue.

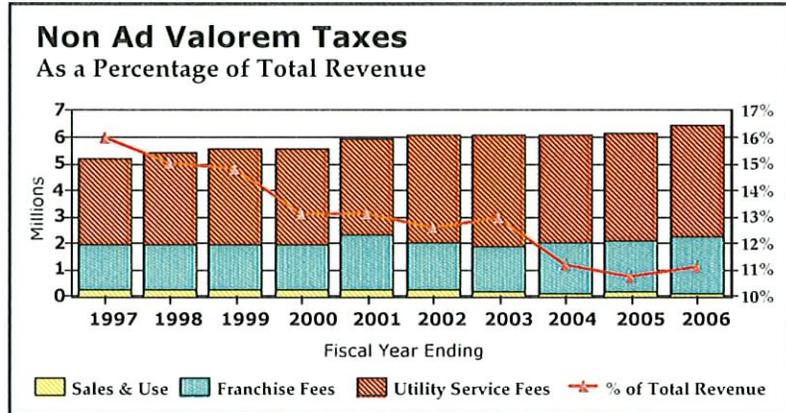




# General Fund Trend Analysis

## Non Ad Valorem Tax Revenue

Utility service tax and franchise fee revenue have maintained a stable or slight growth rate. The communications services tax has declined since it was instituted in 2002. In FY2006, the budgeted revenue for franchise fees anticipates a 9% increase due to recent trends and increases in electricity and gas costs. Utility service taxes in total have increased based upon anticipated increases in electric rates.



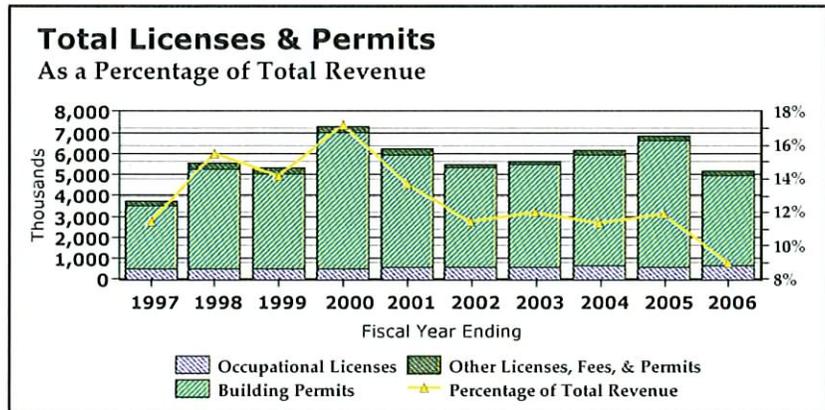
Sales and use tax growth is expected to remain stable based upon current collections.

Non-ad valorem taxes have decreased as a percentage of total revenue over the past few years. This trend is due to the larger increases in ad valorem revenue as a percent of total revenue relative to the minor increases in the non-ad valorem taxes. Non-ad valorem taxes represent 11.2% of total General Fund revenue. Total non-ad valorem tax revenue is anticipated to increase by 3.7% in FY2006. Non ad valorem taxes represent the second largest source of revenue. Future Revenues are expected to remain stable based upon recent trends.

## License and Permit Revenue

License and permit revenue includes: occupational licenses, building permit revenues and parking permits.

Since FY2000, revenues from licenses and permits have maintained historically high levels. The year-end estimates for FY2005 are higher than had been anticipated in the budget due to additional redevelopment projects. FY2006 revenues have been budgeted conservatively and are based on projects that are expected to be constructed in FY2006. Occupational license revenues increase by 4.51% for FY2006 due to increases in the fees charged for the licenses.





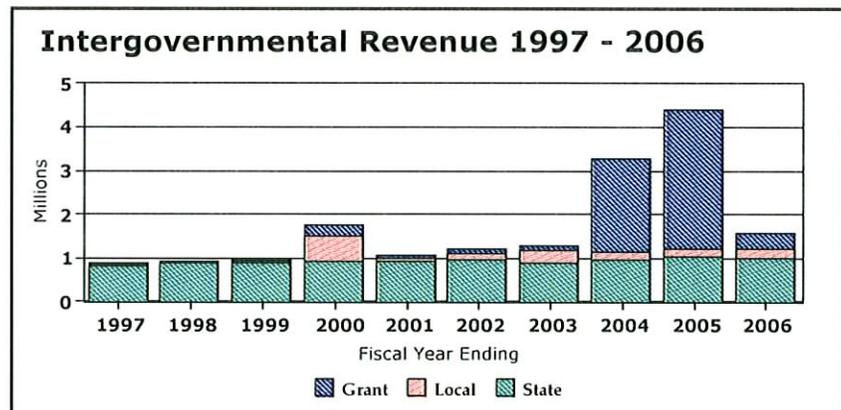
## General Fund Trend Analysis

License and permit revenues currently represent 9% of total General Fund revenues. Current trends indicate continued strength in receipts from license and permit sources. This revenue source can be dramatically affected by economic conditions and has the potential for volatility.

### Intergovernmental Revenue

Intergovernmental revenue includes revenue received from Federal, State, County and Local Government sources. Revenues from the State of Florida sources include State revenue sharing, local government sales tax, and alcoholic beverage licenses. Local revenues include occupational license revenue, Palm Beach County 911 reimbursement. Federal and State grants are also included in this category.

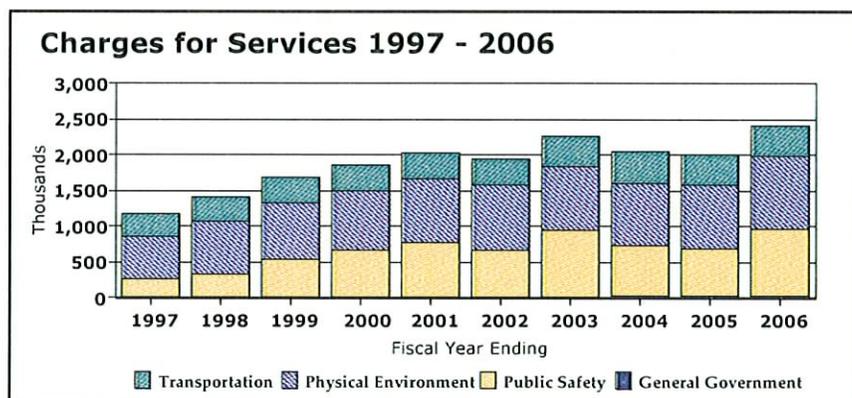
In FY2000, the Town received \$558,918 from the City of West Palm Beach for a settlement agreement on the East Central Regional Wastewater Treatment Facility and \$201,619 from FEMA for funding for storm recovery. In FY2004 and FY2005 over \$5,200,000 in funding from FEMA for Hurricane recovery was received. Revenues from the State of Florida have been stable with no measurable increases or decreases detected. In FY2006, the Town expects to receive approximately \$185,200 from the Palm Beach County 911 Reimbursement fund and \$326,000 has been included in the budget for anticipated grant receipts. Revenues from intergovernmental sources equal 2.7% of total General Fund revenue and are expected to remain stable.



### Charges for Services

The Town charges for various services, including public safety fees, solid waste fees and parking meter collections.

The most significant source of revenues in this category are from special assignment charges and solid waste disposal fees. Special assignment charges had increased dramatically since 1997 due to special projects, but in recent years have declined to a stable level. In FY2003, two new fees were established, an EMS transport service fee and a





## General Fund Trend Analysis

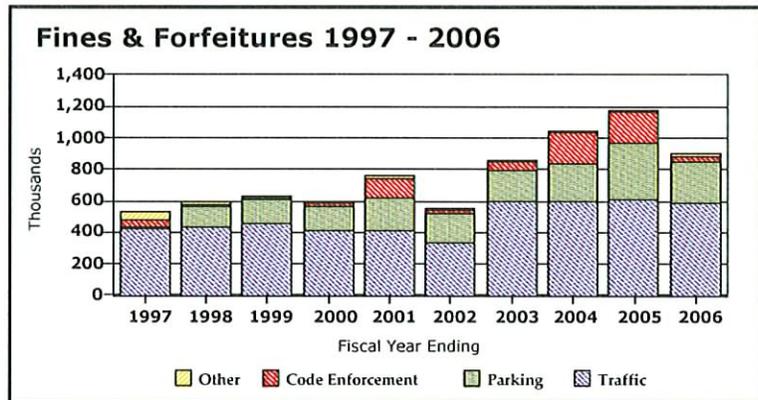
direct connect alarm service fee. EMS fees declined by 7.3% in FY2005 due to a change in billing personnel. In FY2006 EMS fees are estimated to generate \$300,000 in FY2006 an increase of 45% over FY2005 due to a new billing technician and increased fees. For FY2006 new fire prevention fees were adopted that are anticipated to generate \$123,255 in annual revenue. Solid waste fees are anticipated to increase by 11.5% in FY2006 due to an increase in fees. Revenues from parking meters are expected to remain stable for FY2006.

Revenues for charges for Town services are 4.2% of total General Fund revenues.

### Fines and Forfeitures

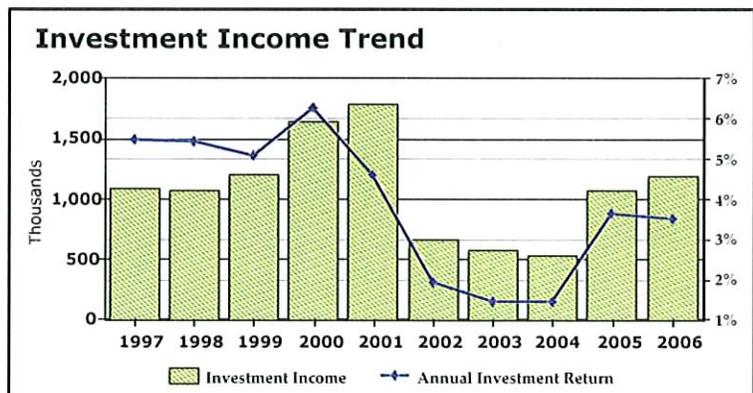
Fine and Forfeiture revenue includes traffic violation fines and penalties, parking fines and penalties and code violation fines.

In FY2001, the Town Council adopted increases in the fine and penalty structure for parking tickets. Also in FY2001 a large code violation fine was received. In FY2003 revenues increased for parking fines and penalties and larger than anticipated code enforcement fines. In FY2004 and FY2005 parking ticket revenues increased again due to improved collection efforts by a new collection agency especially for out of state parking tickets. FY2004 and FY2005 the Town received revenue from large code enforcement fines. It is anticipated that for FY2006 ticket collection revenues should stabilize. Code Enforcement fines are budgeted conservatively. Fines and Forfeitures represent 1.6% of total General Fund Revenue.



### Investment Income

Investment income steadily increased from 1997 through 2001 due to increases in the reserve balances and high rates of return. From FY2002 through FY2004 historically low interest rates caused investment income to decline. In FY2003 the Town Council approved the formation of an Investment Advisory Committee. This committee was instructed to develop an investment plan for Town surplus reserves. The committee recommended that a portion of the Town's reserves be invested with the Florida League of Cities Investment Pools. These



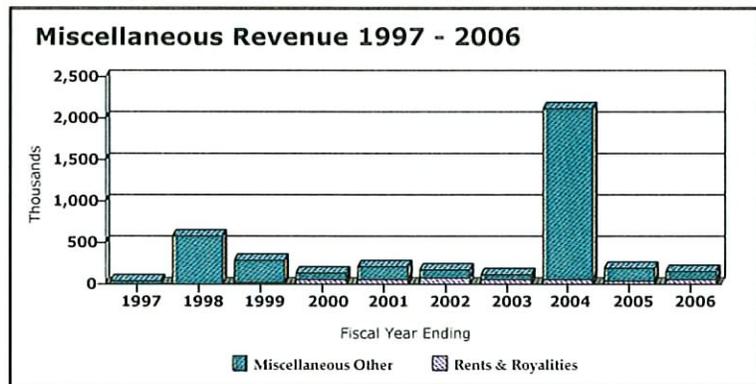


## General Fund Trend Analysis

pools have improved the rate of return on Town investments. As of September 30, 2005, investments in the new plan have resulted in a negative return of \$89,748 since plan inception in March 2003. For FY2005 the Florida League of Cities pool has returned 1.83% on the 1 - 3 Year Bond Fund and 2.32% on the Intermediate Bond Fund versus the State Board of Administration return of 2.75% to produce a blended return of 2.53%. For FY2006, an interest rate of 3.5% was used to calculate the budgeted amount for investment income. Investment income represents 2.1% of total General Fund revenue.

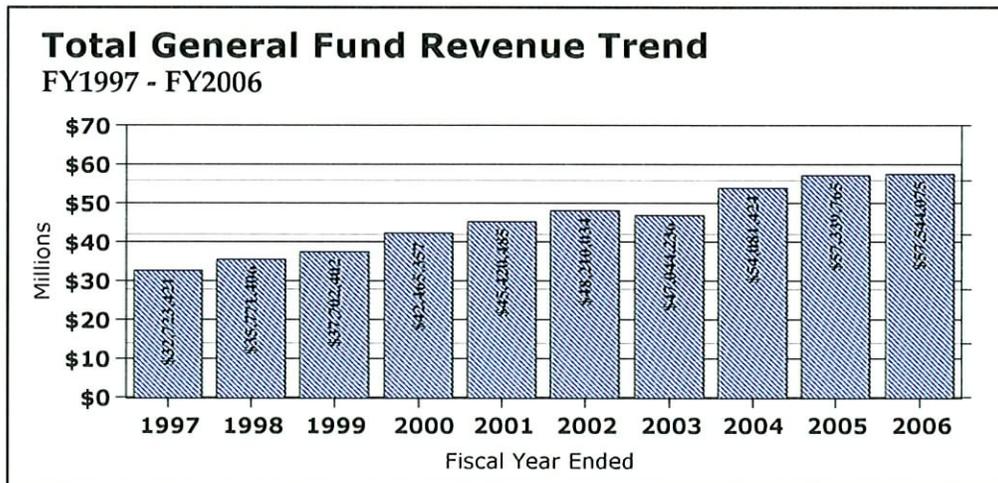
### Miscellaneous Revenue

Miscellaneous revenue includes rents and royalties, sales of fixed assets, and other revenue. The spike in miscellaneous revenue in FY2004 is due to the sale of Town owned property located at Pike Road. In FY2003, the Town entered into a lease for roof space with Nextel Communications. This is in addition to the lease with AT&T for cellular towers. Estimates for FY2006 are expected to return to normal levels. Miscellaneous revenue represents .3% of total revenue.



### Revenue Trend Summary and Conclusion

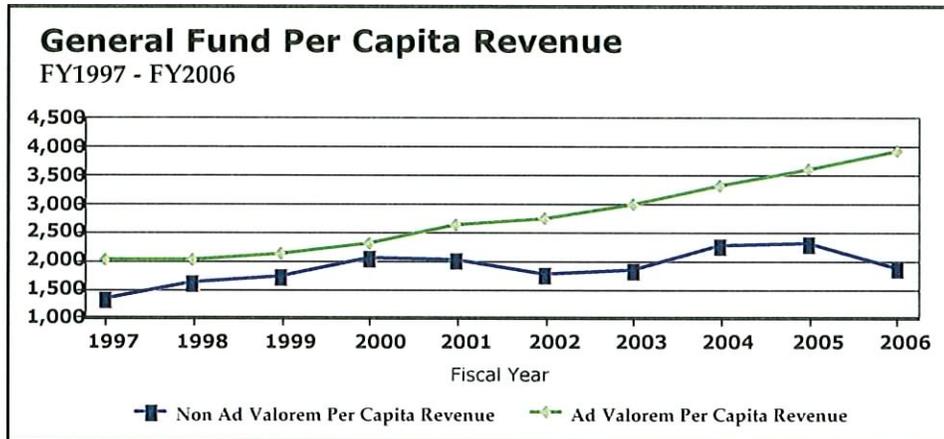
Total General Fund Revenues have increased at an average annual rate of 6.3% since FY1997. This trend is due to increases in ad valorem revenue, building permit revenues, fine revenue. One time revenues of FY2004 the sale of Town owned property and FEMA reimbursements in FY2004 and FY2005 contribute to increase the annual average.





## General Fund Trend Analysis

Ad Valorem per capita revenue and non ad valorem per capita revenue trends are shown in the chart below. Total revenue per capita for FY2006 is \$5,943 up from \$5,922 in FY2005.



The trend for ad valorem revenue has been increasing even with a decreasing millage rate due to significant increases in the value of property and a stable population base. The non ad valorem revenue trend has been stable or slightly declining. The FY2006 budget represents conservative estimates for non ad valorem revenues. The Town of Palm Beach is primarily a residential community which necessitates the high per capita ad valorem revenue.



## General Fund Trend Analysis

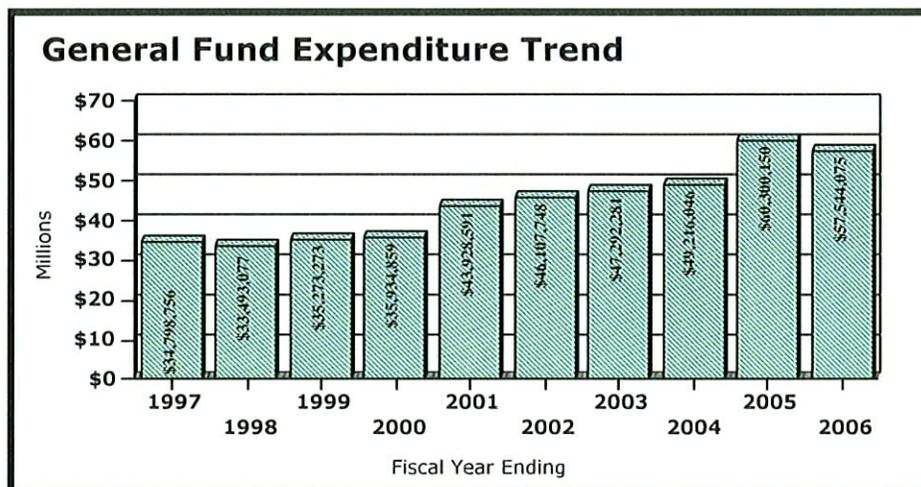
### General Fund Expenditure Trend Analysis

Expenditures are a rough measure of a municipality's service output. When looking at expenditure trends, indicators of potential problems may include: Excessive growth of overall expenditures as compared to revenue growth, an undesirable increase in fixed costs, decline in personnel productivity, ineffective budgetary controls, and excessive growth in programs that create future expenditure liabilities.

A municipality should consider its expenditure flexibility, its ability to adjust its service levels to changing conditions. Ideally, a municipality's expenditure growth should not exceed its revenue growth rate and the government should have maximum flexibility to adjust spending.

### General Fund Expenditures

For FY2006, the total General Fund budget increased by 9.8% which includes transfers from fund balance for one-time expenditures. The General Fund operating budget increased 12% over FY2005. Increases in the FY2006 budget relate to retirement contributions, health insurance costs, employee pay for performance and competitive pay increases, 5.5 new positions, equipment purchases and funding for the initial stages of the implementation of new software. Expenditure increases in FY2001, FY2002 and FY2003 were due in large part to the transfers to the Capital Improvement Program for drainage projects, transfers to the Coastal Protection Fund for beach projects, and transfers to the Debt Service Fund. In FY2004 and FY2005 expenditures related to the response to and recovery from Hurricanes Frances and Jeanne caused expenditures to increase by over \$6,000,000. Many of the expenditures for capital projects were financed with transfers from fund balance. A significant portion of the expenditures related to the hurricanes have been reimbursed from FEMA and state sources. Overall, expenditure increases have not caused the millage rate to increase. In fact, since FY1997, the total millage rate has decreased from 4.9810 to 3.9080 (22)%.



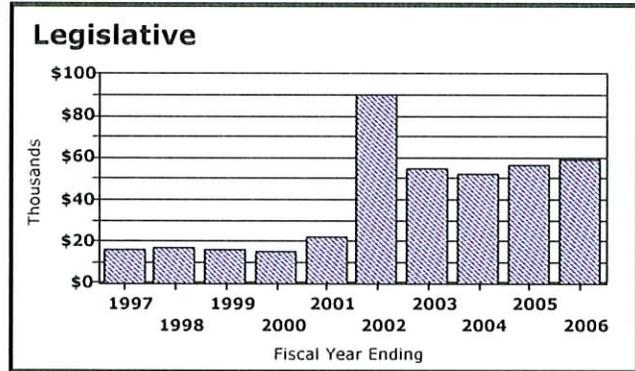


# General Fund Trend Analysis

## Departmental Expenditure Trend Analysis

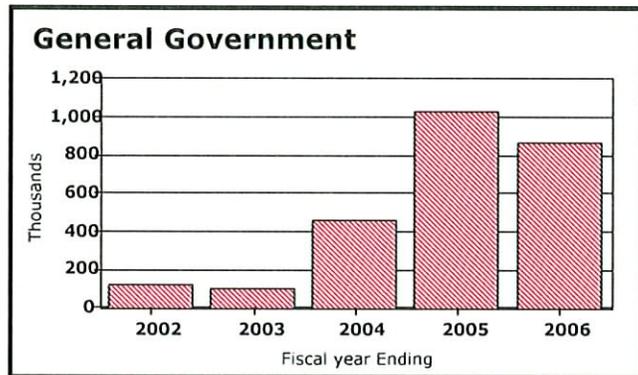
### Legislative

The legislative program includes funding for the Mayor and Town Council interaction with other government related agencies. The Legislative budget in 2002 increased due to costs associated with the formation of a Strategic Planning Committee. This Committee released its report in FY2003. The budget remained higher than in the past due to expenditures relating to lobbying services. The legislative program represents .1% of the total General Fund Budget.



### General Government

The General Government budget represents the cost of general government services and activities which are not specifically or reasonably classified elsewhere within the departmental program classifications. This program was established with the FY2005 budget and prior year activity was transferred out of miscellaneous programs to the General Government program. This program funds compensated absence pay-outs, the extraordinary longevity program, annual report and calendar, holiday decorations and the July 4<sup>th</sup> celebration. In FY2005, initial pay-outs for compensated absences, a citizen survey, and a compensation study were included in this budget causing the large increase in expenditures. Decreases in the compensated absence pay-outs for FY2006 is the cause for the decrease in expenditures. General Government expenditures represent 1.5% of total General Fund expenditures.



### Town Manager's Office

The Town Manager's budget includes expenditures related to administration and advice and litigation. The increase in 1999 was related to increased advice and litigation fees, the purchase of a new holiday tree and news rack enclosures. The spike in expenditures in 2000 was related to the legal fees for the negotiation of the new cable franchise agreement with the cable company. Expenditures for



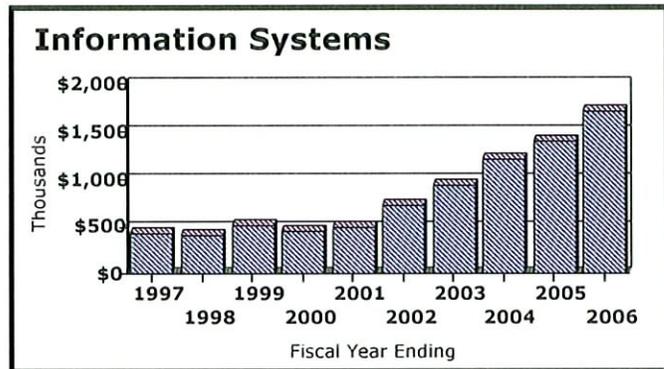


## General Fund Trend Analysis

FY2005 increased from FY2004 due to the increase in a ½ time position to full time administrative secretary position. The budget for FY2006 increased by 1.96% over FY2005. The Town Manager's Office expenditures represent 1.8% of General Fund expenditures.

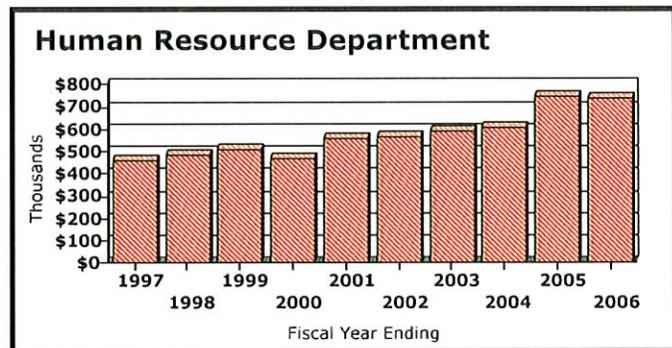
### Information Systems

For FY2006, the Information Systems budget has increased by 31.4% mainly due to funding for the initial implementation of a new software system including additional equipment related to the implementation. The increases since 2001 have been due to the centralization of IS related expenditures. The increase in FY2002 was due to the consolidation of all computer hardware and software purchases within the department rather than in each individual department. The increase in FY2003 was due to the consolidation of the telephone fixed costs and internet costs into the Information Systems budget. In FY2004, all software maintenance expenditures were moved to the IS budget. The centralization of these expenditures will make spending trends easier to monitor and manage. Information Systems expenditures represent 3.0% of total General Fund expenditures.



### Human Resource Department

The Human Resource Department budget for FY2006 will decrease by 1.27% over the amended budget. This decrease over the budget is due to a combination of employee benefit cost increases and increases for pay for performance, the competitive pay increases and assessment center testing for public safety positions and decreases in recruiting costs. The increase in FY2001 is related to the cost of hiring a consultant used to prepare a compensation study. In FY2005 the increase is due significant recruitment expenditures due to numerous retirements. Human Resource expenditures represents 1.3% of the total General Fund Budget.

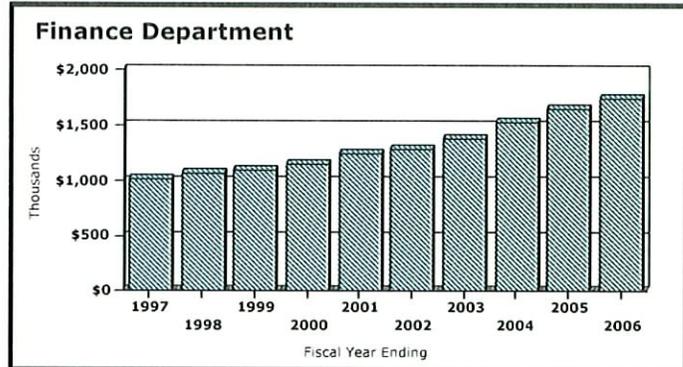




## General Fund Trend Analysis

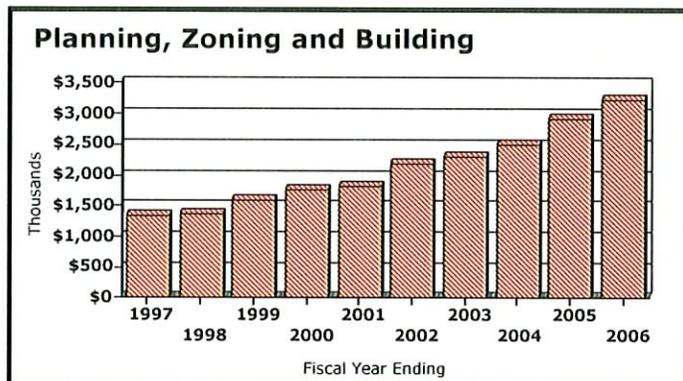
### The Finance Department

The Finance Department, which includes the Purchasing Division and the Town Clerk's Office, will increase by 5.9% in FY2006 due to the increases in the costs of employee benefits, the pay for performance plan and competitive pay increases. In addition, increases were included for postage, printing and bank service charges. The Finance Department represents 3% of the total General Fund budget.



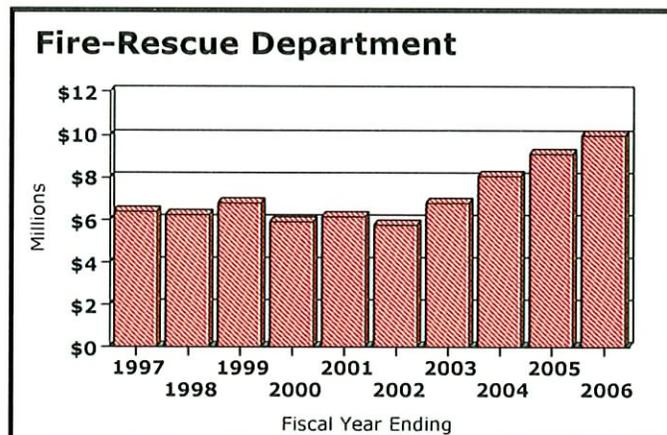
### Planning, Zoning and Building Department

The Planning, Zoning and Building Department (PZ&B) budget increased by 15.4% for FY2006. This increase is due to the expansion of the Fire Prevention program including the addition of 3 additional personnel. A part time code enforcement officer was also added to the budget. Other increases include increased employee benefit costs, pay for performance and competitive pay increases. The increase in FY2002 was related to the addition of a contractual engineer and the addition of a scanner. Planning, Zoning and Building Department expenditures represents 5.6% of the total General Fund budget.



### The Fire-Rescue Department

The Fire-Rescue Department budget increased by 11% for FY2006. This increase is due to funding for the purchase of SCBA equipment and increases for pay for performance, competitive pay increases and increases in employee benefit costs. The FY2003 increase is due to the addition of 4 new positions to improve Emergency Response service. The increase in FY2004 was due to the addition of three shift commander positions, increased salary and wage costs and a significant increase in employee benefit costs. FY2005 expenditures increased due to significant overtime from hurricanes and shortages in staffing. Fire-Rescue Department expenditures represent 17.3% of the total General Fund budget.

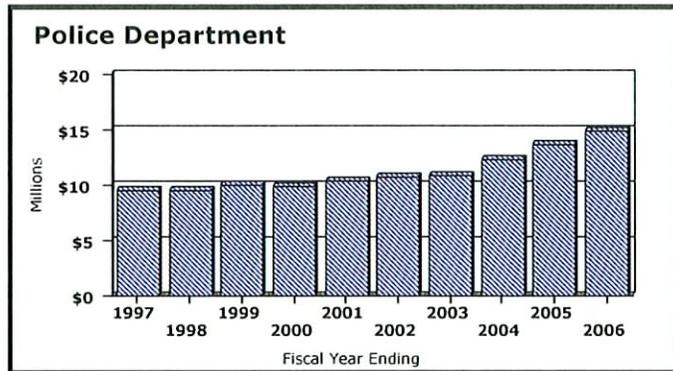




## General Fund Trend Analysis

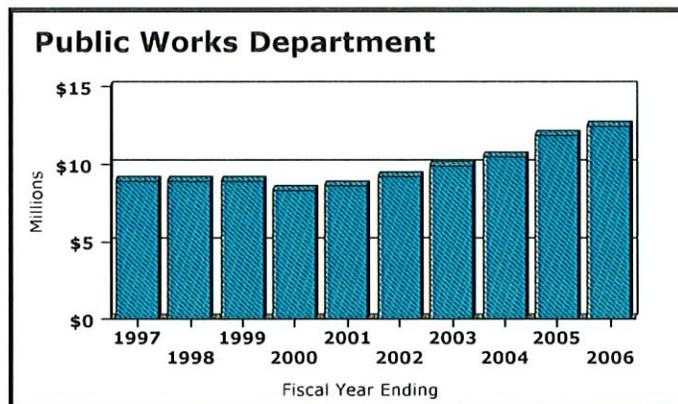
### The Police Department

The Police Department budget increased by 10.9% in FY2006 due to the funding for a radio system, increases in employee benefit costs, pay for performance and competitive pay increases. Recent increases since FY2003 include personnel and benefit cost increases, equipment purchases and costs for accreditation assessments. Increases in FY2004 and FY2005 were due to overtime related to the hurricanes. Police Department expenditures represent 26% of the total General Fund budget.



### The Public Works Department

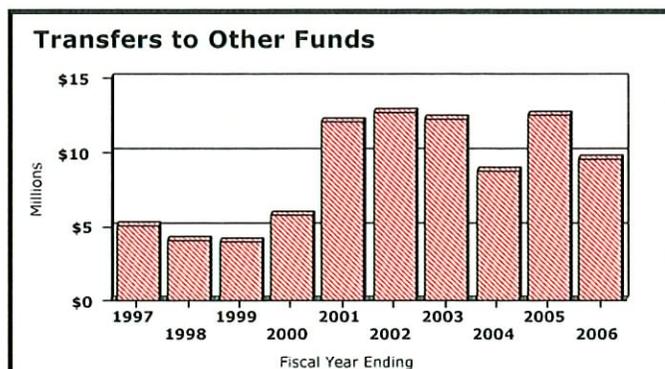
The Public Works Department budget increased by 11.5% over the FY2005 budgeted amount. The increase is due to the addition of two new positions, increased employee benefit costs, increases for the pay for performance plan and the competitive pay increase. In addition, increases were included in building maintenance and utility and fuel costs. The increase shown in FY2003, is due to the consolidation of all building maintenance accounts into the Public Works budget. In FY2004 the increase is due to higher employee benefits costs and the cost to implement the expanded lethal yellowing plan. FY2005 expenditures increased due to overtime related to the hurricane efforts, and the addition of an additional Assistant Director position. Public Works expenditures represent 21.8% of the total General Fund budget.



### Transfers to Other Funds

The transfer to other funds decreased in FY2006 by 1.4%. A summary of the transfer variances is outlined below:

- The transfer to the Internal Service Fund for Risk Management (property, liability and workers compensation) decreased by \$120,000 (4.8%) due to decreases in insurance costs and improved investment returns which offset the amount of the transfer.





## General Fund Trend Analysis

- The transfer to the Capital Improvement Fund decreased by \$911,399 (26.9%). Funding for the Town Hall renovation project in FY2005 was not duplicated in FY2006.
- The transfer to the debt service fund increased by \$829,250 (32.2%). This increase had been planned for in the original cash flow projection for the revenue bonds.

The substantial increase for FY2001 through FY2003 was due to transfers to the Coastal Protection Fund for beach renourishment debt service, transfers for the drainage projects, the transfer to establish the equipment replacement fund, and transfers to the Revenue Bond debt service fund. The decline in FY2004 was due to a decrease in the capital improvement fund transfer for drainage. And the increase in FY2005 was due to additional funding for the Town Hall renovation project. Transfers represent 16.7% of the General Fund budget.

### Historical Summary of Authorized Positions

Since FY2000 there has been an increase of 23.85 FTEP personnel included in the budget. This represents a 6.1% increase. The following table indicates the number of authorized positions by Department since FY2000:

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006
<b>Town Manager</b>	10.00	10.00	11.00	10.50	10.50	12.00	12.00
<b>Human Resources</b>	4.90	4.90	4.90	4.90	4.90	4.90	4.90
<b>Finance</b>	17.00	17.00	18.00	18.00	18.00	18.00	18.00
<b>Planning, Zoning and Building*</b>	21.00	21.00	21.00	21.00	21.00	22.00	22.50
<b>Fire-Rescue*</b>	73.00	73.00	73.00	77.00	81.00	82.00	85.00
<b>Police</b>	130.50	131.00	131.00	131.00	131.00	131.00	131.00
<b>Public Works</b>	101.33	100.97	101.97	101.14	99.14	99.74	101.81
<b>Capital Fund</b>	0.00	0.00	0.00	0.00	0.00	1.00	1.00
<b>Leisure Services</b>	26.00	27.09	27.77	29.29	30.13	29.83	30.37
<b>Risk</b>	1.00	1.00	1.50	1.50	1.50	2.00	2.00
<b>Health</b>	1.60	1.60	1.60	1.60	1.60	1.60	1.60
<b>Kruesler Park</b>	2.20	2.20	2.20	2.20	2.20	2.20	2.20
<b>Total</b>	<b>388.53</b>	<b>389.76</b>	<b>393.94</b>	<b>398.13</b>	<b>400.97</b>	<b>406.27</b>	<b>412.38</b>

\*Fire Prevention Included with Fire-Rescue rather than PZ&B



## General Fund Trend Analysis

A summary of the 23.85 new positions that have been added since FY2000 by Department include:

### **Town Manager's Office (2.5)**

- Administrative Secretary- part time to full time (2005)

### *Information Systems*

- GIS Coordinator (2003)
- Information Systems Specialist (2005)

### **Finance (1.0)**

- Driver/Warehouse Clerk (2002)

### **Planning, Zoning & Building (1.5)**

- Combination Inspector (2004)
- Part Time Code Enforcement Officer (2006)

### **Fire-Rescue (12.0)**

- 4 Firefighters (2003)
- 3 Battalion Commanders (2004)
- Administrative Lieutenant (2004)
- EMS Billing Specialist (2005)
- 2 Fire Inspectors (2006)
- Administrative Secretary (2006)

### **Police (.5)**

- ½ time Administrative Secretary to full time (2001)

### **Public Works (.48)**

- Coastal Management Coordinator (2002)
- Assistant Director (2005)
- Mechanic I (2006)
- Equipment Operator (2006)
- **Reduction of 1 Laborer (2004)**
- **Reduction of .5 Equipment Operator (2001)**
- **Transfer of FTE Allocation to LSEF - 2.02 FTE**

### **Capital Fund (1.0)**

- Construction Manager (2005)

### **Leisure Services (4.37)**

- Assistant Dockmaster (2001)
- Tennis Facilities Supervisor (2002)
- Registration Clerk (2003)
- Part Time Personnel +.35 FTE
- Increase in Public Works Allocation + 2.02 FTE
- **Reduction of 1 Spray Technician (2005)**

### **Risk Fund (.5)**

- Administrative Secretary - part time to full time (2005)

### **General Fund Expenditure Trend By Type**

Since 1997, total expenditures have increased at an average annual rate of 6.7%. Expenditures in recent years have increased substantially due to the capital improvement projects for drainage, the costs associated with the Coastal Protection project, Town facilities projects, the transfer to establish the equipment replacement reserve, the transfer to the compensated absence reserve and hurricane response and recovery costs.



## General Fund Trend Analysis

The five year average increase (FY2002 through FY2006) in expenditures, by type is summarized below:

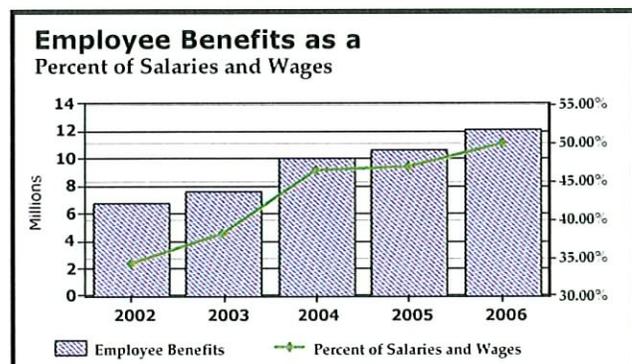
Expenditure Type	5 year Average Annual Increase
Salary & Wages	7.06%
Employee Benefits	11.04%
Contractual Services	10.24%
Commodities	10.95%
Capital Outlay	52.26%
Other - Transfers to other funds	.10%

**Salary and Wage** increases are due to across the board and pay for performance increases and 18.44 new positions during the 5 year period. Increases due to compensation studies and the establishment of the compensated absence reserve have also added to the average increase. The overtime related to the hurricanes also increased wages during FY2004 and FY2005. The chart below illustrates the full time positions by department for FY2006.

**Authorized Full Time Positions  
FY2006**



**Employee Benefits** increases are due to increased funding for Retirement Funding and Health Insurance and increases in personnel. Retirement funding since 2002 has increased a total of \$3,908,987 or 354%. Health insurance funding has increased \$1,068,720 or 28%. Due to the increases in retirement and health insurance funding, employee benefits as a percent of salaries and wages has increased from 34% in FY2002 to 50% for FY2006.





## General Fund Trend Analysis

Total Salary and Benefit costs are a significant portion of the total General Fund Budget. Since FY2002 the costs of salaries and benefits have increased from 57% in FY2002 to 63% of total expenditures for FY2006. In FY2005 the figure declined to 55% due to increased expenditures relating to hurricane response and recovery. In total, salary and benefit costs increased 8% for FY2006.

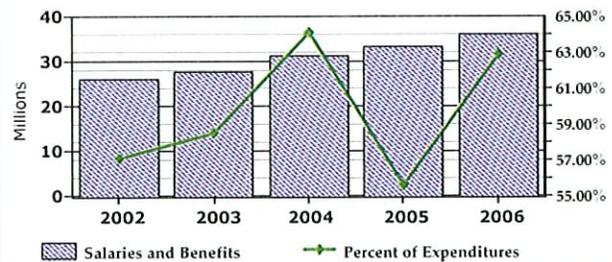
**Contractual Services** include legal advice, consulting services, electricity and water costs, sewage treatment, solid waste disposal costs, building maintenance, landscape contracting, software maintenance and the comprehensive plan. The Contractual Services average increase has been higher than normal in recent years due to hurricane response and recovery expenditures in FY2004 and FY2005. If you back out hurricane expenditures the 5 year average increase is 2.39%.

A portion of the FY2006 increase in **commodities** can be attributed to increased fuel costs. Funding for the implementation of a new townwide software program also contributed to the increase. Increases in equipment maintenance supplies, medical supplies, uniforms, membership dues and publications and subscriptions have also contributed to the the FY2006 increase.

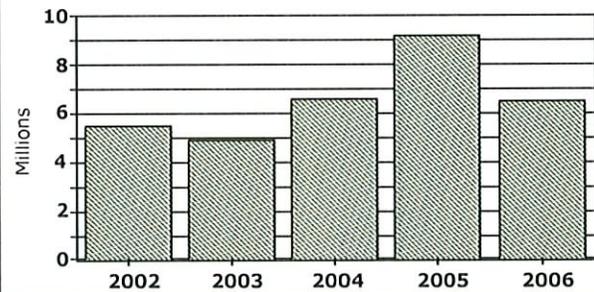
A significant portion of the **Capital Outlay** increases were due to the establishment of the equipment replacement program in FY2002. After the Equipment Replacement Fund was established, Capital outlay expenditures stabilized. Capital outlay expenditures include depreciation and the purchase of equipment that is not in the equipment replacement program. If the transfer to establish the equipment replacement fund is backed out, the 5 year average increase drops to 18.54%. A majority of this increase is due to the FY2006 proposed purchase of the police radio system and the purchase of equipment through grant funds.

### Salary and Benefit Expenditures

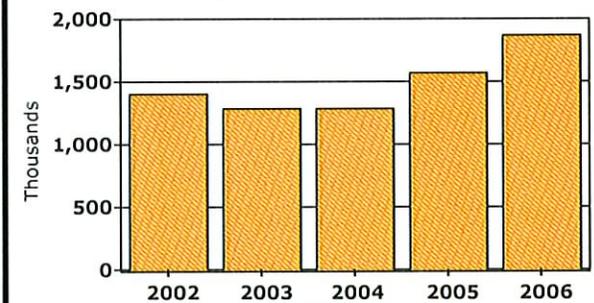
As a Percent of Total Expenditures



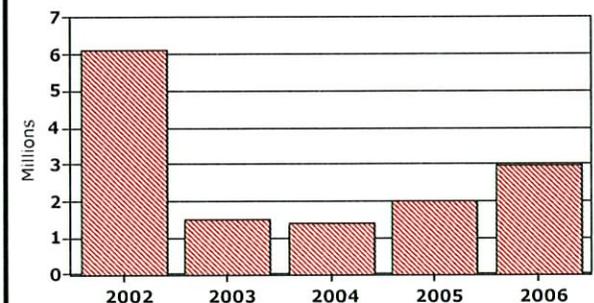
### Contractual Expenditures



### Commodity Expenditures



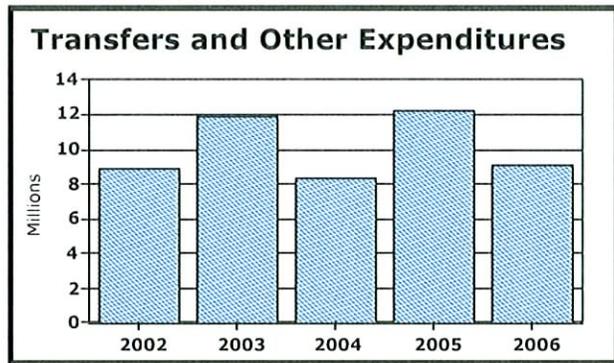
### Capital Expenditures





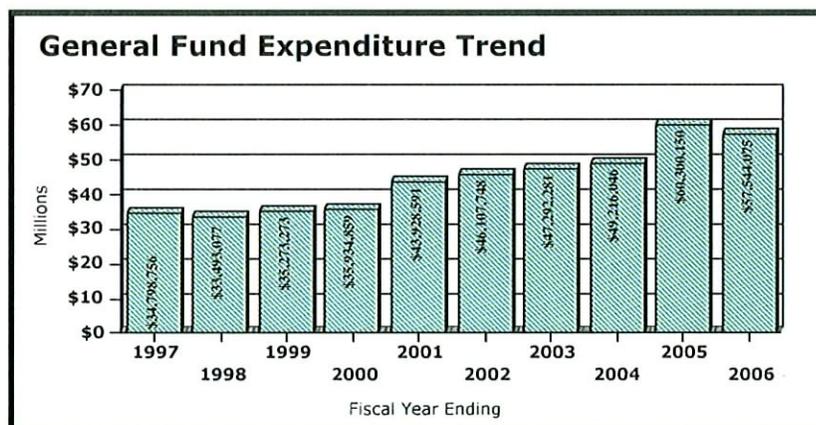
## General Fund Trend Analysis

The average increase/decrease in **Transfers to other funds** has declined since FY2002. In FY2003, a transfer of \$3,900,000 was designated to the Capital Fund for the North Lake Way drainage project. A total of \$17,880,000 has been appropriated for the drainage program since FY2001. Funding for the Town Hall renovation project caused the FY2005 transfer to increase over FY2004.



Departmental expenditures have increased by an average of 4.6% annually since 1997 due mainly to inflationary increases in personnel and benefit costs and the addition of new personnel. During the same time period, total revenues, excluding transfers from fund balance, have increased at an average annual rate of 6.3%. Non Ad Valorem revenues have increased at an average annual rate of 5.1% and Ad Valorem Revenues have increased an average of 7.2%.

Total expenditures have increased by a slightly higher rate than total revenues but the expenditures have included significant amounts transferred from undesignated fund balance for drainage projects, the establishment of the equipment replacement fund, the establishment of a compensated absence reserve, funding for Town Hall renovation and other large capital expenditures. Departmental expenditures have increased at a lower rate than revenues which allows the Town to respond to potential decreases in revenues without affecting services.





## Debt Service Fund Trend Analysis

### Debt Service Fund Trend Analysis

#### General Obligation Bond

General Obligation Bonds offer maximum security to investors through the pledge of the municipalities full faith and credit, which for the Town of Palm Beach requires voter approval. The Town has a 5% debt limit as a percent of assessed valuation per Section 7.01 of the Town Charter.

Resolution 19-93 authorized the issuance of \$6,675,000 General Obligation Refunding Bonds, Series 1993. The bonds were issued for the purpose of refunding the Town's General Obligation Refunding Bonds, Series 1986. The original bonds were issued for the purpose of providing for the acquisition of land for, and the construction of a police facility, the renovation of the North Fire-Rescue Station, and to make improvements to the sanitary sewer system. The Series 1993 Bonds were payable from an ad valorem tax levy on all taxable property within the Town. In FY2005, the final payment was made on this bond.

#### Revenue Bonds

In FY2000, the Town Council approved the issuance of Revenue Bonds for the purpose of funding the Coastal Protection Project. The proceeds of the Bonds are to be used for beach improvement, restoration and renourishment through the placement of sand and possible construction of groin fields and environmental mitigation for beach stabilization in all or a portion of the beaches located in the Town.

In FY2003, the Town Council approved the issuance of Revenue Bonds to refund the 2000 Revenue Bonds at a lower rate and for the issuance of \$6,130,000 for Town facilities projects. The Bonds are special obligations of the Town payable solely from and secured solely by the Pledged Revenues. Pledged Revenues shall mean (a) Town Monies, (b) any proceeds of Bonds originally deposited with the Town and all monies deposited and held from time to time by the Town in the funds and accounts established under the Resolution, in each case until applied in accordance with the Resolution, (c) investment income received by the Town in the funds and accounts established under the Resolution, and (d) any other monies received by the Paying Agent in connection with repayment of the Bonds.

Town Monies shall mean the monies budgeted and appropriated by the Town and deposited into the Sinking Fund or any other Fund established by the Resolution, from Non-Ad Valorem Revenues pursuant to the Town's covenant to budget and appropriate Non-Ad Valorem Revenues, contained in the Bond Resolution.

The Debt Service Reserve requirement shall equal the lesser of (i) one hundred twenty-five percent (125%) of the average annual amount of debt service on all series of bonds outstanding for the current fiscal year or any future fiscal year, (ii) ten percent (10%) of the respective proceeds of each Series of Bonds, or (iii) the maximum annual aggregate debt service on all Series of Bonds outstanding for the then current fiscal year or any future fiscal year.



## Debt Service Fund Trend Analysis

The Town has covenanted that in each fiscal year of the Town, while the Bonds are outstanding, the total Non-Self-Supporting Debt service due for the fiscal year of the Town shall not exceed 50% of Non-Ad Valorem Revenues of the Town. In addition, the Town has covenanted and agreed that it will not issue any indebtedness or incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless the Town can show that following the issuance of, or incurrence of such additional indebtedness, (i) the total amount of Non-Ad Valorem Revenues will be greater than 2.00 times the Maximum Debt Service and (ii) the total amount of Non-Ad Valorem Revenues in each fiscal year in which Bonds are outstanding will be greater than 2.00 times the Non-Self-Supporting Debt in each such fiscal year.

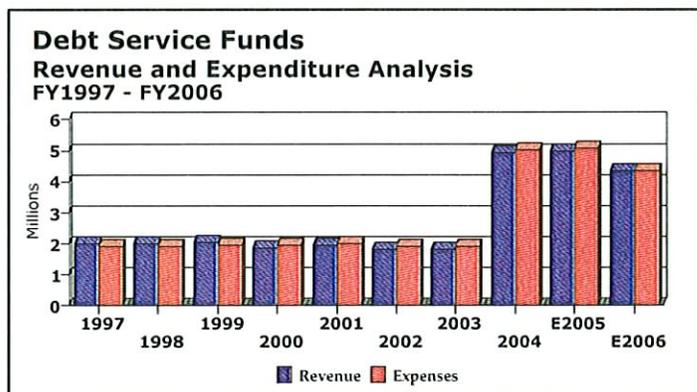
As part of the preparation for the 2003 Revenue Bond, the Town's GO and Revenue Bond ratings were reviewed by both Moody's and Standard & Poor's. The Town's conservative financial policies and strong management of its financial resources were recognized, and it resulted in rating upgrades in both revenue and general obligation categories. Moody's Investors Service upgraded the Town's credit rating to Aa1 from Aa2 for the 2003 Revenue bonds and confirmed the Town's Aaa GO rating. Standard and Poor's upgraded the credit rating on the Revenue bonds to AA+ from A+ and upgraded the Town's GO credit rating to AAA from AA. The AAA credit ratings are the highest ratings these two rating services issue and represent the highest quality investment grade debt.

The revenue bond upgrades provided cost savings to the Town. Credit quality spreads in the market enabled many of the maturities to be offered without insurance, instead using the Aa1/AA+ ratings and avoiding the insurance premium required to elevate the rating to the insured Aaa/AAA level. As a result, insurance costs that were estimated to be \$90,000 were actually only \$25,394. This cost reduction was passed on to the Town in the form of lower debt service on the new money bonds and increased savings on the refunding bonds.

### Debt Service Fund Trends

The consolidated debt service funds revenue and expenditures trends are shown in the table below. The fund's revenues were comprised of ad valorem tax funds for the General Obligation debt and non ad valorem funds transferred from the General Fund for the Revenue Bonds' debt service.

The 1993 GO bond was paid in full in FY2005. The unrefunded portion of the 2000 Revenue Bond was paid in full in FY2005. The 2003A Revenue bond that refinanced the 2000 bond will be paid in full in FY2010. The FY2003B Revenue bond for the Town facilities projects will be paid in full in FY2033. The debt service payments for the 2000 and 2003 revenue bonds increased in FY2004 when the first principal payment on the Coastal Projection Bond became due. The FY2004 increase was offset by funds that had been accumulated in the Comprehensive Coastal Management Plan pay as you go fund. The pay as you go fund has been financed by transfers from the General Fund and will receive

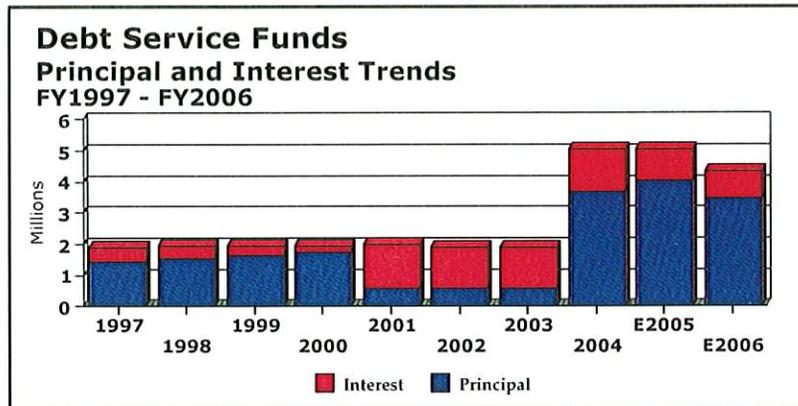




## Debt Service Fund Trend Analysis

intergovernmental grant funds as components of the project are constructed. Principal and interest payments for the Town facilities bond began in FY2004 and are funded from transfers from General Fund Non Ad Valorem Revenues.

The chart below details the principal and interest trends since 1997 for both General Obligation Bonds and the Revenue Bonds:



Principal payments are due on January 1, and interest payments are due on January 1 and July 1 of each year. The annual debt service requirements for the outstanding revenue bonds through 2015 are shown below:

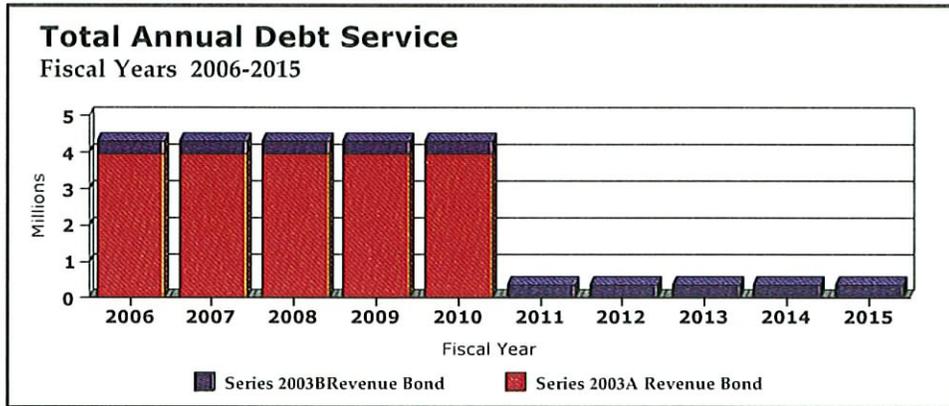
Fiscal Year	2003A Revenue Bond	2003B Revenue Bond	Total
2006	3,954,408	378,578	4,332,986
2007	3,954,383	380,971	4,335,354
2008	3,952,223	377,940	4,330,163
2009	3,955,313	379,365	4,334,678
2010	3,952,069	380,221	4,332,290
2011	0	380,578	380,578
2012	0	380,445	380,445
2013	0	379,913	379,913
2014	0	379,118	379,118
2015	0	377,972	377,972
<b>Total</b>	<b>\$19,768,396</b>	<b>\$3,795,101</b>	<b>\$23,563,497</b>



## Debt Service Fund Trend Analysis

The 2003A Revenue Bond represents the refunded portion of the 2000 Revenue Bonds. The 2003A bond will be paid in full in 2010. The new bond did not extend the maturity of the original bond.

The chart below shows the Town's total annual debt service for FY2006 through FY2015. As the chart shows, the debt service declines dramatically in FY2011 after the 2003A bonds are paid in full.



### Legal Debt Margin

The Town of Palm Beach has a 5% debt limit as a percent of assessed valuation per Section 7.01 of the Town Charter. The following is a computation of the Town of Palm Beach Legal Debt Margin:

Preliminary Assessed Valuation	<u>\$10,236,427,992</u>
Legal Debt Margin:	
Debt Limitation - 5% of assessed value	\$ 511,821,400
Debt Applicable to Limitation:	
Net Debt Applicable to Limitation	<u>0</u>
Legal Debt Margin	<u>\$ 511,821,400</u>

### Debt Summary

Outstanding debt as of September 30, 2005

Gross bonded debt (all debt with a General Obligation Pledge)	\$ 0
General Fund Pledge Obligations	
Non-Ad Valorem Revenue Bonds	<u>23,990,000</u>
Total Gross Debt	<u>\$23,990,000</u>

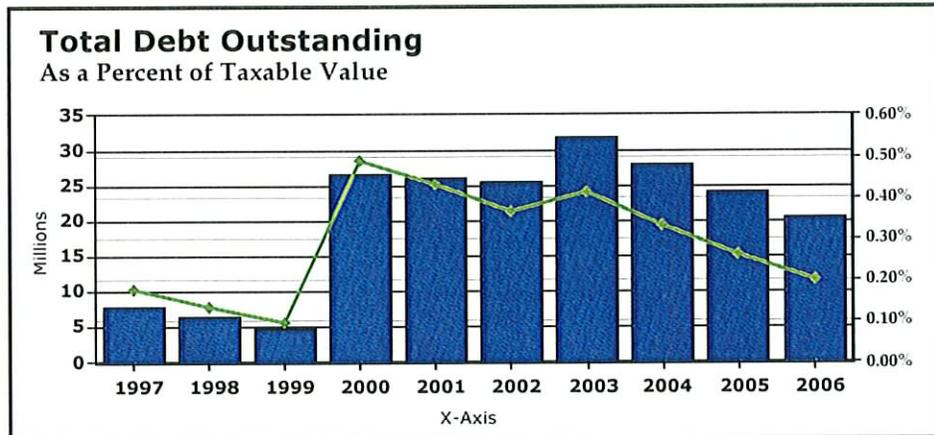


## Debt Service Fund Trend Analysis

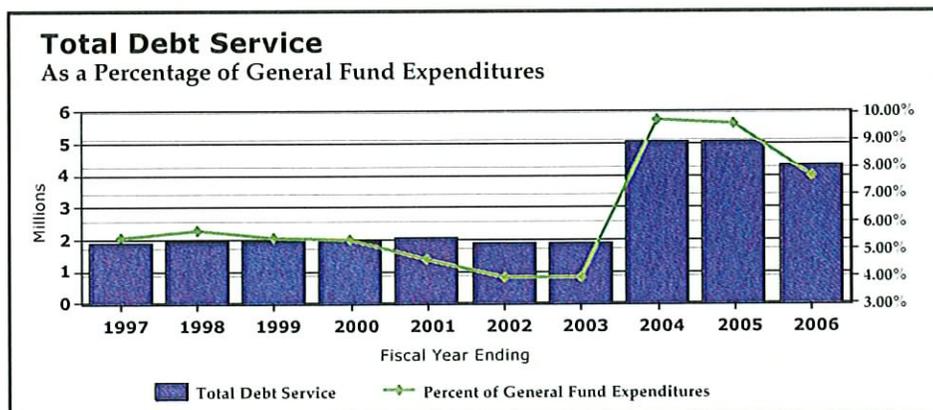
### Debt Ratios:

		<u>Per Capita</u>
2004 Population	9,662	
Taxable Value	\$10,236,427,992	\$1,059,452
Gross Bonded Debt	0	\$0
Total Gross Debt	23,990,000	\$2,483

The chart below shows the ratio of total debt outstanding as a percent of taxable value.



The chart below shows total debt service as a percentage of General Fund expenditures.



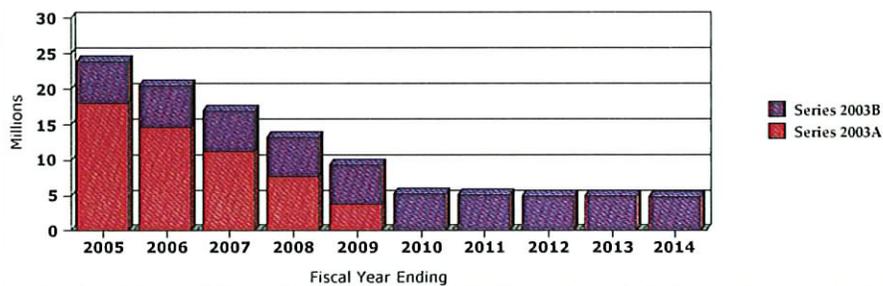


## Debt Service Fund Trend Analysis

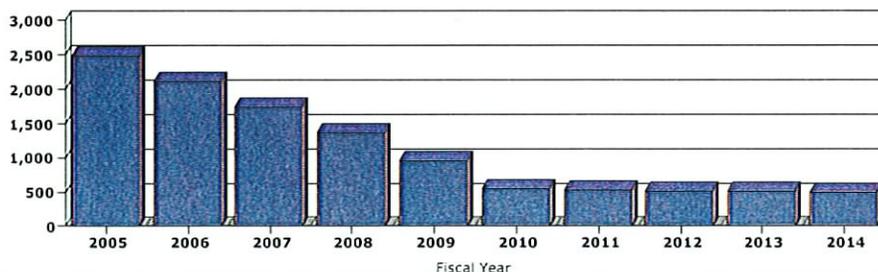
### Town of Palm Beach Principal Debt Outstanding FY2005 - FY2014

Fiscal Year Ending	2003A Revenue Bond	2003B Revenue Bond	Total Debt Outstanding	Debt Per Capita 9,662
2005	18,045,000	5,945,000	23,990,000	2,483
2006	14,685,000	5,825,000	20,510,000	2,123
2007	11,225,000	5,700,000	16,925,000	1,752
2008	7,630,000	5,575,000	13,205,000	1,367
2009	3,885,000	5,445,000	9,330,000	966
2010	0	5,310,000	5,310,000	550
2011	0	5,170,000	5,170,000	535
2012	0	5,025,000	5,025,000	520
2013	0	4,875,000	4,875,000	505
2014	0	4,720,000	4,720,000	489

#### Principal Debt Outstanding Fiscal Years 2005-2014



#### Outstanding Debt Per Capita Fiscal Years 2005 - 2014





## Capital Funds Trend Analysis

### Capital Funds Trend Analysis

#### Introduction

The Town has five General Government Capital Funds: the Capital Improvement Program (Fund 307), the Comprehensive Coastal Management Plan (CCMP)(Funds 308 and 309), the Town Facilities Project Fund (Fund 310) and the Equipment Replacement Program (Fund 320). In addition to the General Government Capital Funds, the Town has one Enterprise Capital Fund reported in the Leisure Services Fund.

#### Capital Improvement Program

The Capital Improvement Program (CIP) represents a multi-year analysis of financial requirements, infrastructure needs and policy intention. The CIP provides the best assessment of anticipated capital improvements based upon available information and preliminary engineering evaluations and opinions. However, the changing conditions of the Town's infrastructure require that the CIP be reviewed and revised annually to insure that potential capital emergencies are averted and that improvements are planned in a timely and cost effective manner.

The Capital Improvement Program incorporates the policy of "pay as you go" for meeting the infrastructure needs of Palm Beach. This policy was adopted in 1985 and provides major benefits to taxpayers by providing for our infrastructure needs in a timely manner, at the lowest overall cost. This funding policy will also reduce, if not eliminate, the Town's future dependency on bonds for capital improvements, and will enhance the long term financial stability of the Town of Palm Beach.

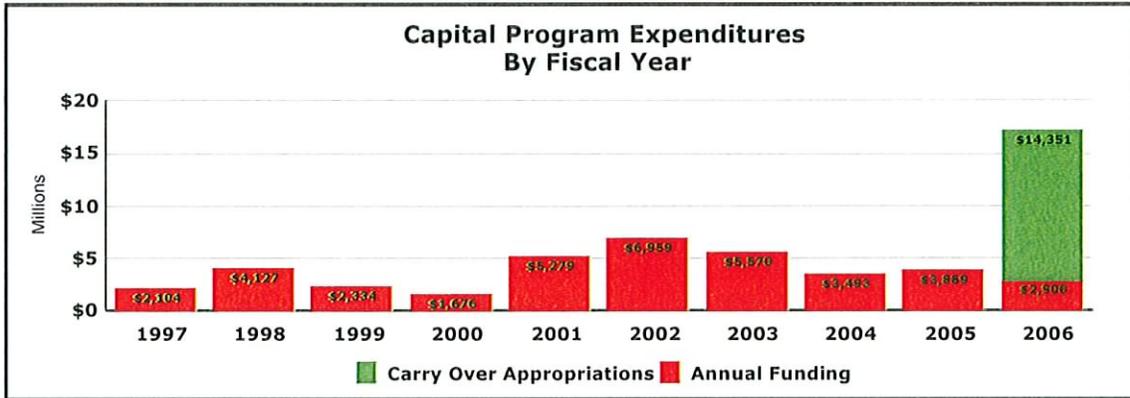
While the Capital Improvement Program encompasses a five year period, only the first year of the CIP is actually adopted each year by the Town Council for funding and implementation. The out years of the CIP are not a budget, but they provide appropriate financial information for prudent budget and planning recommendations and assist the Town's elected officials and management staff in the decision making process. Through budgetary action, the first year of the CIP becomes the Capital Projects allocation which is funded from the General Operating Budget for the Town.

The following chart reflects the Capital Improvement Program trends from FY1997 through FY2006. Fiscal years 1997 through 2004 reflect actual expenditures, whereas fiscal years 2005 and 2006 reflect budgeted amounts. The FY2006 budget year, includes the approved, but unexpended, appropriations from prior years. Of the approximately \$17,251,000 budgeted for FY2006, approximately \$14,351,000 represents unexpended carry over appropriations from prior years. A spreadsheet detailing the numbers by project can be found at the end of the Capital Funds Trend Analysis section.

Prior to FY2000, Coastal Management expenditures were included in the Capital Improvement Program. The total expended for this purpose between FY1997 and FY2003 was approximately \$3,239,000.

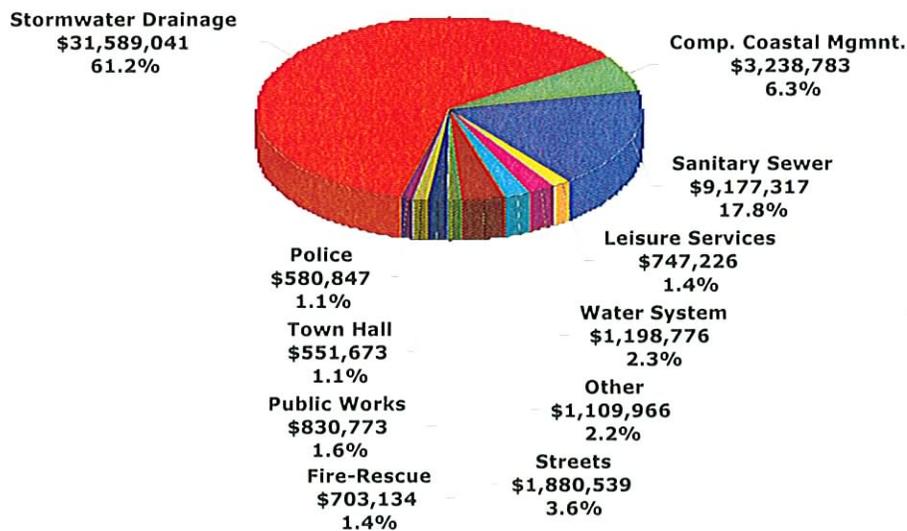


## Capital Funds Trend Analysis



Of the approximately \$17,251,000 budgeted in FY2006, \$10,450,000 is attributable to stormwater drainage. Additional reasons for the spike in FY2006 include, as previously mentioned, unexpended rollover money budgeted in prior years of approximately \$14,351,000 (\$8,208,000 for drainage) and an additional appropriation of \$575,000 for sanitary sewer improvements. The chart below indicates total funds expended/budgeted from FY1997 through FY2006 by project type.

### FY1997 - 2006 Capital Program Expenditures Total - \$51,608,075



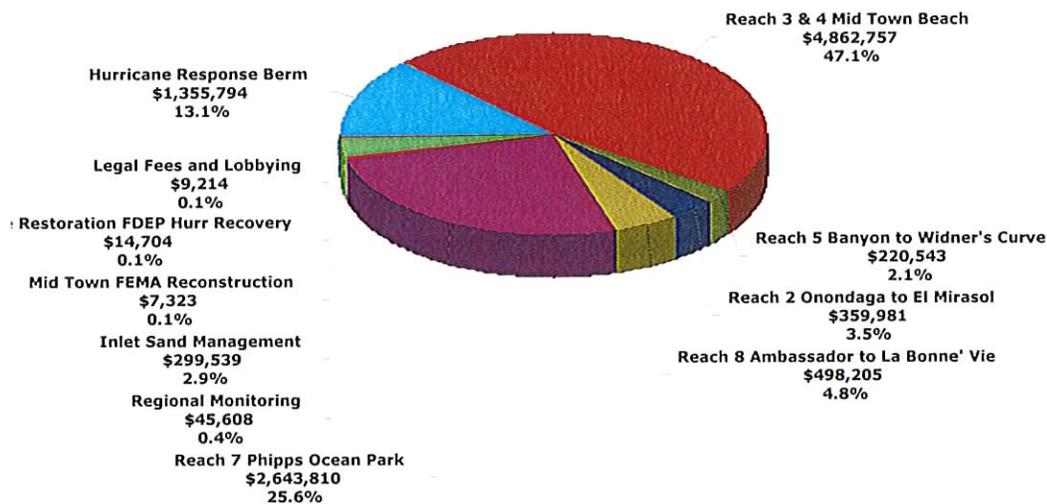


## Capital Funds Trend Analysis

### Comprehensive Coastal Management Plan

The Comprehensive Coastal Management Plan is accounted for in funds 308 and 309. Fund 308 accounts for the pay-as-you-go portion of the Beach Restoration Project. Fund 309 accounts for the Beach Restoration construction costs financed with proceeds from the 2000 Revenue Bond issued for \$23,530,000. The proceeds of the bonds are used for beach improvement, restoration and renourishment through the placement of sand and possible construction of groin fields and environmental mitigation for beach stabilization in all or a portion of the beaches located in Town. The following chart reflects life-to-date expenditures for the plan.

### FY2001 - 2005 Comprehensive Coastal Management Plan Expenditures Total - \$10,317,478





## Capital Funds Trend Analysis

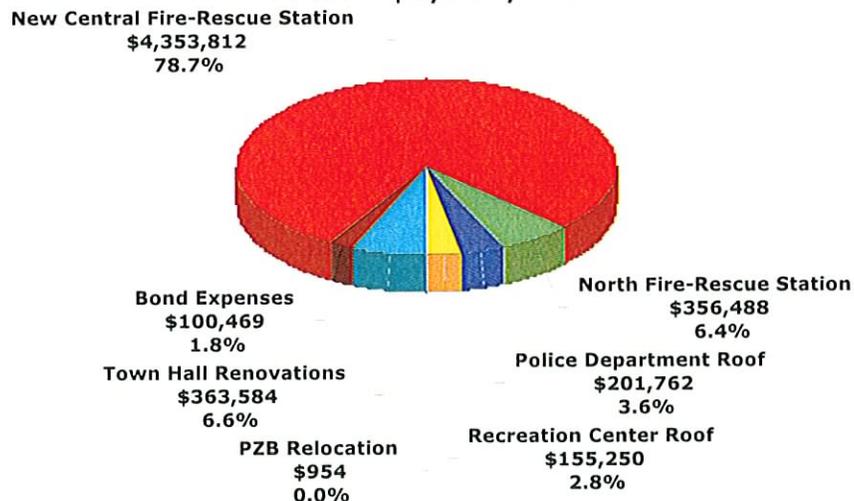
### Town Facilities Project Fund

This fund accounts for construction costs for the New Central Fire-Rescue Station, Town Hall Renovations and Town facility projects. Proceeds of the 2003 revenue bonds were earmarked for financing the acquisition, construction and equipping of the new Fire-Rescue facility (including an emergency operations center) and renovation of Town Hall (including security upgrades). The bond proceeds are included in this fund.

In addition to bond proceeds, transfers were made from the General and Capital funds into the Town Facilities Fund during FY2005. A portion of these transfers funded repairs to the Police, North Fire-Rescue and Recreation facilities that were required during FY2005 due to hurricane damage.

The following chart reflects life-to-date expenditures for the fund.

### FY2003 - 2005 Town Facilities Fund Total - \$5,532,319





## Capital Funds Trend Analysis

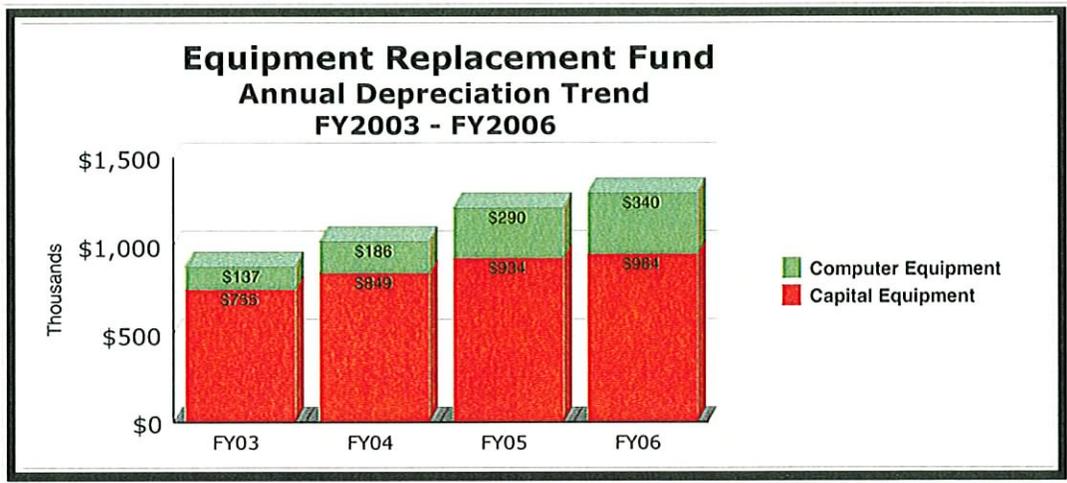
### Equipment Replacement Reserve Fund

The purpose of the Equipment Replacement Fund is to create a reserve to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful lives. The fund will significantly reduce budgetary fluctuations due to the purchase of large costly pieces of equipment. This fund also contains the fixed asset inventory and depreciation schedule as required by GASB 34.

This fund was established in FY2002 with \$4,386,000 (from excess General Fund balance) which consisted of accumulated depreciation of \$3,500,000 and the initial annual depreciation of \$886,000. The fund will receive an annual appropriated transfer from the General Fund equal to the annual depreciation amount on assets in the fund. The trend for the annual depreciation amount will increase over time as new equipment items are purchased and depreciated over the years adding to the current inventory of equipment.

Staff is studying a change in the funding method for the Equipment Replacement Fund. We will be determining the cost to switch to replacement cost depreciation from acquisition cost. A large one-time transfer will be necessary to fund the "catch -up" portion of the charge and the annual transfers will increase. Over time, the replacement cost funding will allow for sufficient funding available for large capital equipment purchases.

A trend of the annual depreciation from FY2003 through FY2006 follows.





## Enterprise Fund Trend Analysis

### Enterprise Fund Trend Analysis

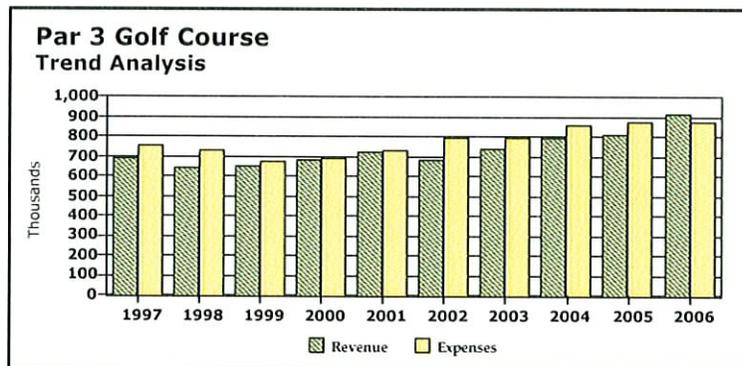
The Town's Enterprise operations had been comprised of two separate activities, The Town Marina and the Par 3 Golf Course until FY2004. In FY2004, these two activities were consolidated with the operations of the Recreation Center (youth, adult and tennis programs) to create the Leisure Services Enterprise Fund. An initial Business Plan was developed for FY2004 to address future operating and financial strategies for each component of the Leisure Services Enterprise Fund. The Business Plan has been updated to include FY2005 results and FY2006 goals and initiatives. The following pages show the financial trends of each of the activities of this fund.

#### Palm Beach Par 3 Golf Course

The Palm Beach Par 3 Golf Course recovers the majority of its costs through user charges such as membership fees, play tickets, daily green fees, cart rentals and driving range fees.

Operating revenues have increased since FY1998, due to increased play as well as increased fees. In recent years, revenues have not met budget expectations due to a decline in tourism after 9/11, long periods of rainy weather and hurricanes.

Operating expenditures have increased by an annual average of 1.43% over a ten year period.



As indicated in the above chart, operating expenses have exceeded operating revenues therefore, the fund has incurred net losses each fiscal year since 1992. Net losses continued in FY2005 due to lower revenues caused by the hurricanes and increased water costs.

#### Town Docks

The Town Docks have a total of 87 slips ranging from 50 feet to 262 feet. Slips are leased seasonally or annually; transient vessels are accepted on a short-term basis when slips are available.

Operating Revenues have been steadily increasing for the past 10 years. These increases have averaged 9.6% annually since 1997. In recent years, increases in rates as well as

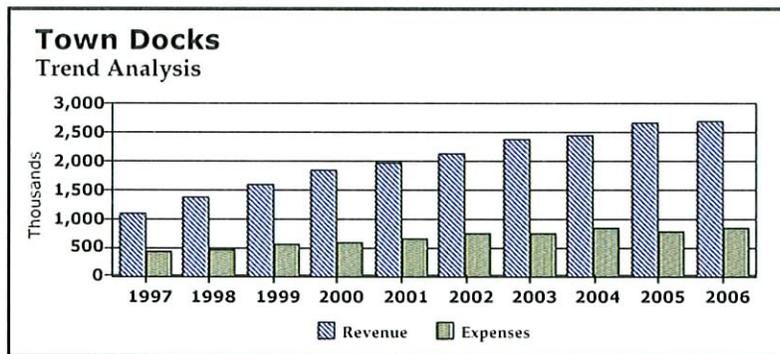


## Enterprise Fund Trend Analysis

improved management of transient rentals have improved revenues.

Operating expenditures have increased an average of 7% annually since 1997. Since expenses have increased at a rate less than revenues, profits have increased during the 10 year time period.

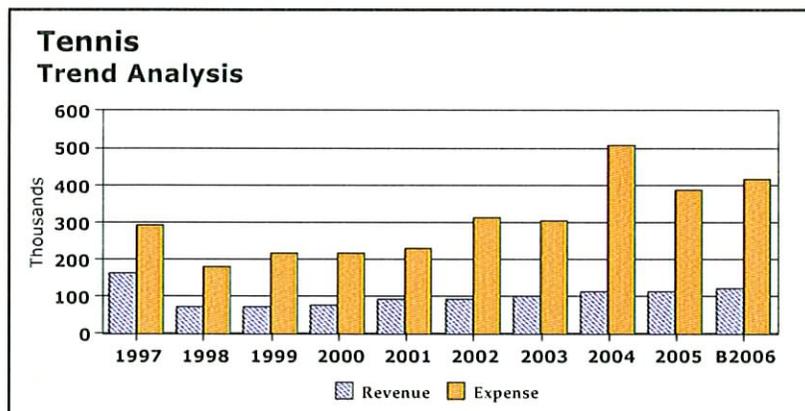
The chart below shows the trend of operating revenue and operating expense. Revenues have been growing at a faster pace than expenditures leading to increasing profits for the fund.



### Tennis

The Tennis program offers tennis facilities located at Seaview Park and Phipps Ocean Park. These facilities include 10 clay courts (2 additional clay courts are currently under construction at Phipps Ocean Tennis Center) and 2 hard courts. Four of these courts are lighted. Lessons, clinics, tournaments and leagues are offered as part of the Tennis program.

Tennis revenues do not cover the cost of the program. In FY2005, Tennis revenues covered 30% of the costs of the activity. It is estimated that in FY2006, the Tennis program will recover 30% of its costs. The revenue and expense trend for tennis activities is shown below.

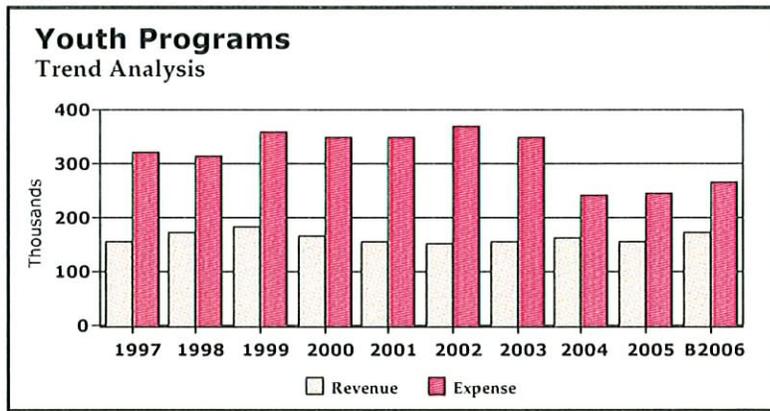




# Enterprise Fund Trend Analysis

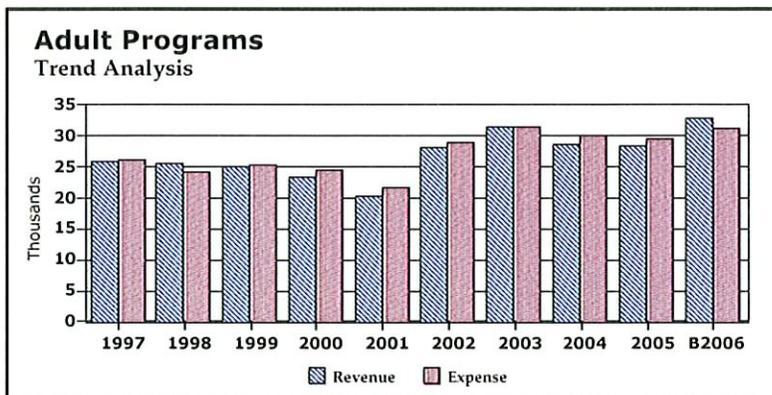
## Recreation Activities

The Recreation Department offers a variety of programs for children and adults. Youth programs include camps, youth athletic programs, after-school programs and special interest classes including preschool classes which are held at the Recreation Center. The chart below depicts the trend of Youth Program revenues and expenses.



In FY2005, Youth Program revenues covered 65% of the costs of the programs offered. In FY2006 the cost recovery is estimated to be 64%.

Adult special interest programs include yoga, aerobics, language classes, art, and dancing. The chart below shows the Revenue/Expense trend for the adult programs.



Adult program revenues cover most of the costs of the programs offered. For FY2005, Adult program revenues will cover 99% of the costs and the estimated cost recovery for FY2006 is 106%.

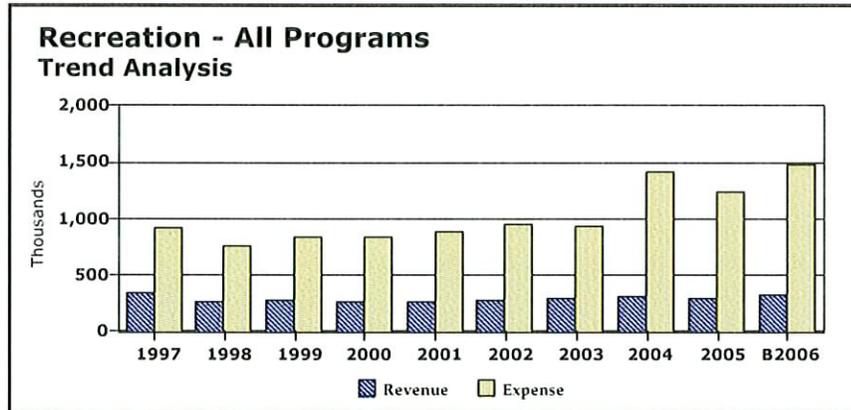
The Recreation Department also provides special events to the community. These events include the Daddy Daughter Date Night, Mommy and Me Tea, Fourth of July Celebration, Halloween Happenings, and the Spring Celebration.

The revenue and expense trend of all combined Recreation Department activities, which



## Enterprise Fund Trend Analysis

include administration and facility maintenance, adult and youth programs are shown on the chart below.



In FY2005, estimated revenues for all of the recreation activities, administration, facility maintenance, adult, and youth programs cover 24% of the cost of those operations. For FY2006, the cost recovery percentage is anticipated to be 22%. Recreation related revenues for FY2006 are anticipated to increase by 10% over FY2005, while expenses are expected to increase by 24% due to increases in contractual expenses.

Recreation Center activities, with the exception of the adult programs, are considered a community service and are not expected to cover all of the costs of the services provided.



## Internal Service Fund Trend Analysis

### Internal Service Fund Trend Analysis

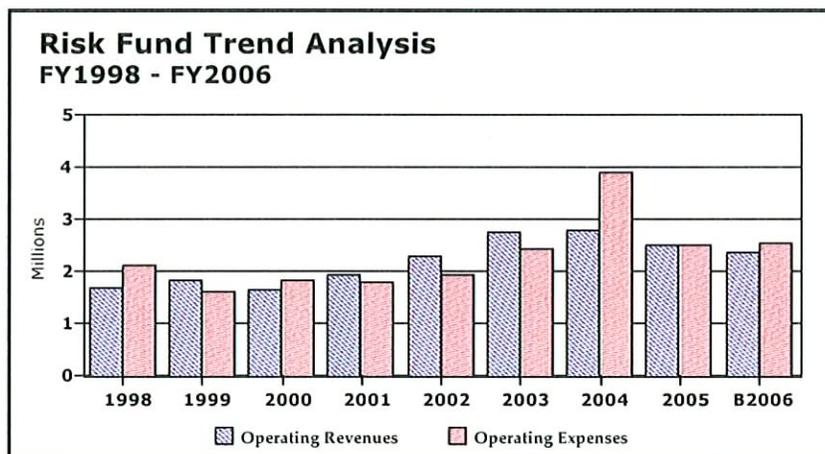
The Town is self-insured for certain general liability, property, group health and worker's compensation claims. The Risk Management program and the Health Insurance activities are accounted for in the Internal Service Fund.

#### Risk Management Fund

The Risk Management program is under the direction of the Town Manager's Office. Responsibility includes insurance management for workers' compensation, property and casualty, general liability, automobile liability, public officials and employment practices; claims investigation and administration including litigation strategies; contractual review regarding hold harmless, indemnification and insurance requirements of vendors, contractors, etc.; safety, loss prevention and control programs; and comprehensive review of proposed legislation which could impact the Town from an insurance control perspective.

The operation the Office of Risk Management and the Town's insurance programs are funded by an annual transfer from the General Fund and interest earned on the retained earnings within the fund. For the FY2006 budget, the transfer from the General Fund decreased \$120,000 (5%) from the FY2005 transfer. This decrease is due to better than anticipated savings in insurance premiums.

The chart below details the operating revenue and operating expense trends for FY1998 - FY2006. The average annual increase in expenditures related to insurance is 5.85% since FY1998. In FY2004, the payment of the settlement of a suit caused expenditures to increase dramatically. In addition, expenditures in FY2004 and FY2005 increased due to hurricane related claims. The average annual increase in other expenditures is 9.31%. The expenditure increased in FY2002 when a part time secretarial position was added to the fund and again in FY2005 when the part time secretarial position was made into a full time position. The Risk Fund and the Health Fund were combined prior to 1998, and combined historical data was not used for the analysis.





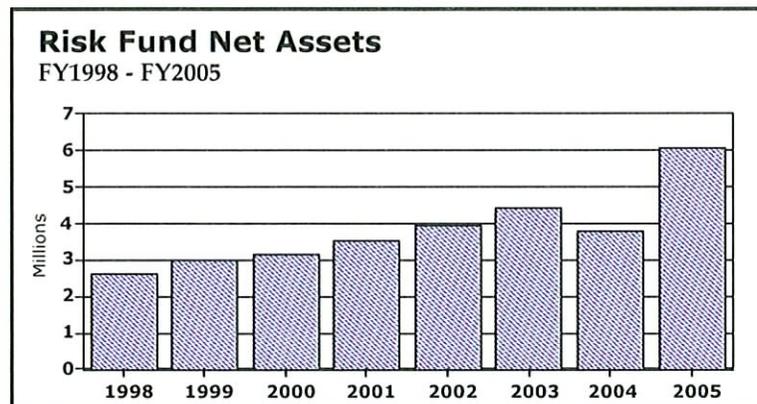
## Internal Service Fund Trend Analysis

### Net Assets -Risk Fund

Since FY1999, insurance costs had been steadily increasing until we marketed the insurance package which resulted in a decline in costs of 19% for FY2004. Further reductions in costs occurred in FY2006.

A reserve for catastrophic exposures/emergencies in the amount of \$2,500,000 and a contingency reserve for \$500,000 has been appropriated from the retained earnings of the fund in the FY2006 budget. This appropriation is not reduced from the Net Assets shown in the graph below.

The Risk Fund net assets had increased during FY1998 through FY2003 due to positive claims experience. The payment of the settlement of a lawsuit caused net assets to decrease in FY2004. The General Fund reimbursed the Risk Fund for the settlement in FY2005. The ending net assets for FY2005 is estimated to be approximately \$6,000,000, an increase of 60% from FY2004.



The impacts of the two hurricanes to the Risk Fund did not cause the reserves to decline. Funding received from FEMA and insurance proceeds reduced the impact of the cost of recovery efforts and damage repairs.

### Health Insurance Fund

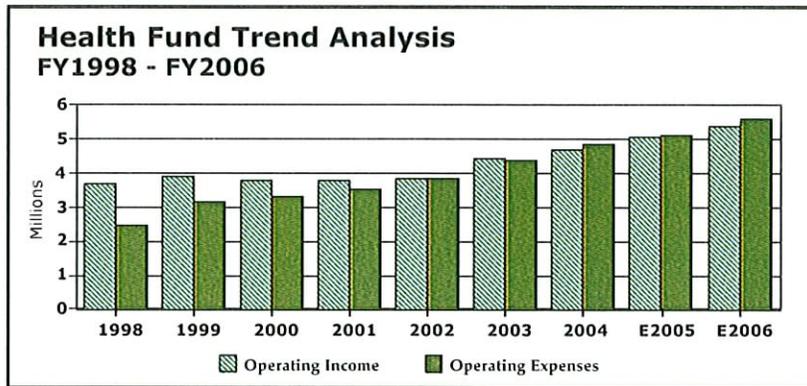
The Health Insurance program consists of medical, dental, life, long-term disability, accidental death and dismemberment, supplemental life insurance, specific reinsurance, aggregate reinsurance, medical conversion, COBRA, network access fees, utilization review, consulting services, flexible spending program, Retirement Health Savings Accounts, and claims administration. This program is funded by a transfer from the General Fund as well as interest income earned on the net assets and payroll deductions of Town employees and retirees. The transfer from the General Fund for FY2006 is \$5,371,376. The transfer represents an increase of \$493,656 (10%) over FY2005. This increase includes an increase in the General Fund transfer as well as increases in employee contributions. These increases are necessary to cover the projected increases in health insurance claims cost.

The chart below details the operating revenue and expenditure trends since FY1998. Until

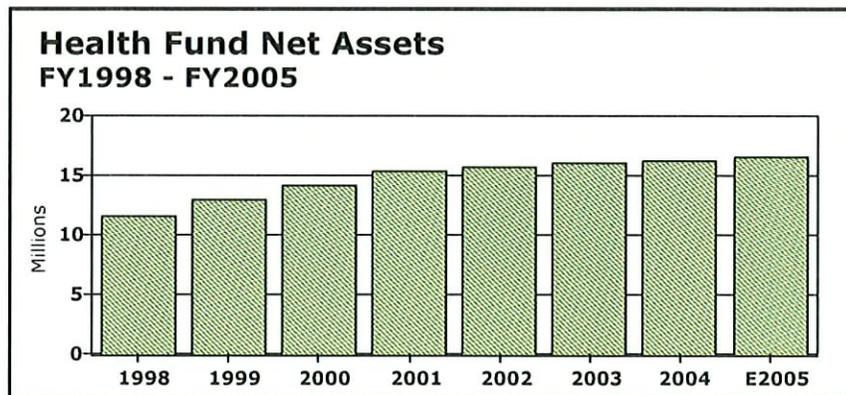


## Internal Service Fund Trend Analysis

FY2003, operating revenues have exceeded operating expenses. The transfer from the General Fund had been fixed at \$3,700,000 from FY1992 through FY2003. Interest income, which is not included in operating income, will cover the potential deficit FY2006. Rising health insurance costs have caused the Town to increase the transfer for FY2006. This trend is expected to continue into the future.



The chart below shows the trend of net assets in the Health Fund. The net asset reserve has been accumulating for many years. The net asset balance for FY2005 is estimated to be \$16,600,000. The Government Accounting Standards Board (GASB) has developed standards for post employment benefits, which includes the establishment of a liability for actuarially determined costs of retiree health benefits. An actuarial study was completed in FY2005 to determine the liability. The liability has been calculated to be approximately \$14,900,000. The Town had been planning for the release of GASB45 for many years and has adequate reserves to fund the liability. During FY2006 a trust fund will be established using a portion of the reserves of the Health Funds for the payment of post employment benefits.





# Benchmark Analysis

## Benchmark Analysis

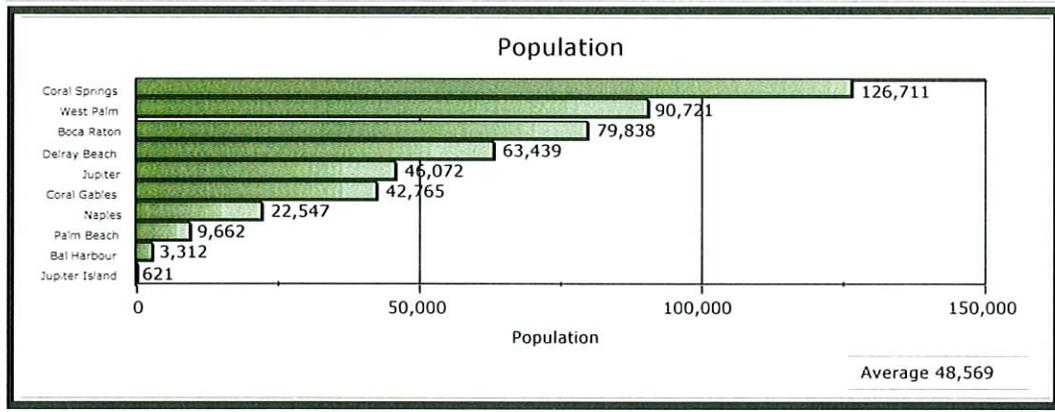
### Introduction

In an effort to determine how the Town of Palm Beach compares financially with other Florida municipalities, the following benchmarks have been prepared and analyzed. The data included on the survey was obtained from September 30, 2004 audited financial statements. The year round (not seasonal) population figure of 9,662 was used for the Town in the per capita analyses. The benchmark detail is provided, in table format, at the end of this section.

Municipalities used in the analysis were selected because most are Florida coastal communities with favorable credit ratings. The municipalities include: Boca Raton, Coral Springs, Delray Beach, Naples, Jupiter, Jupiter Island, West Palm Beach, Bal Harbour and Coral Gables.

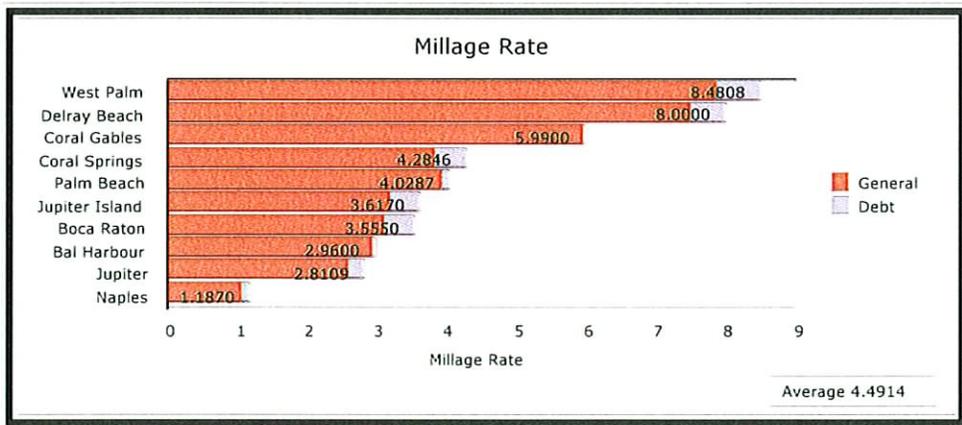
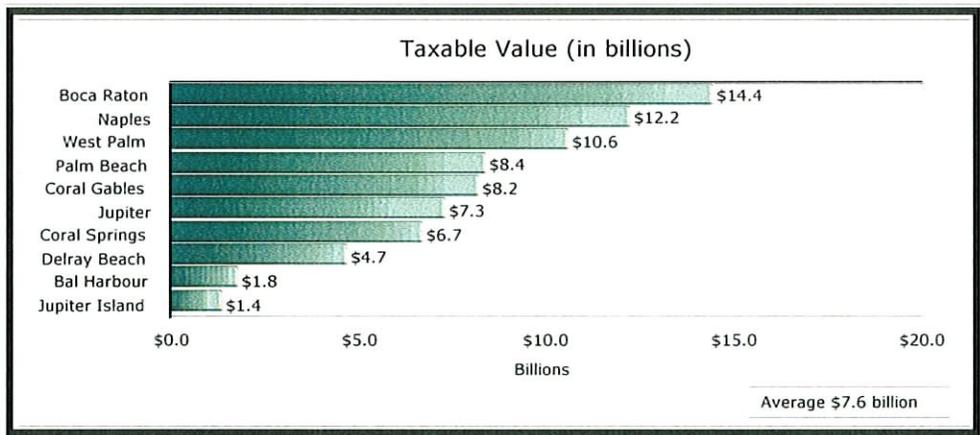
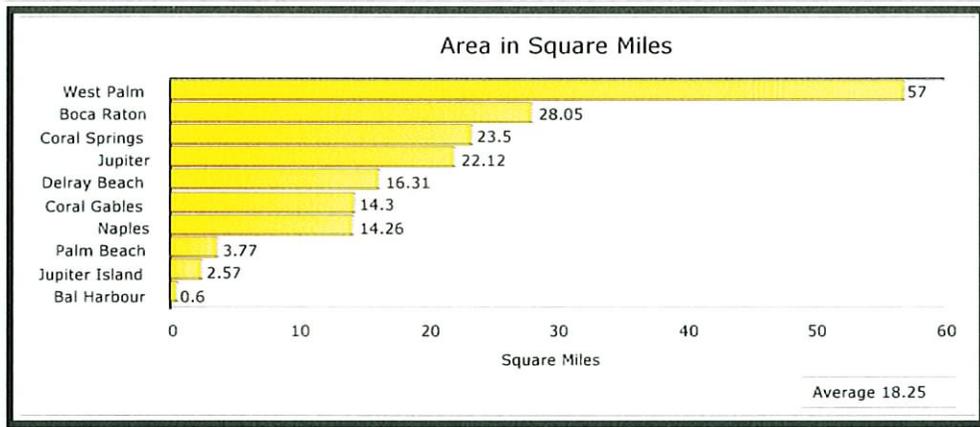
### Demographic Comparison

Population, Geographic Area, Assessed Value, Tax Rate, and General Fund Budget information is included to show how Palm Beach compares in general terms to the municipalities surveyed.



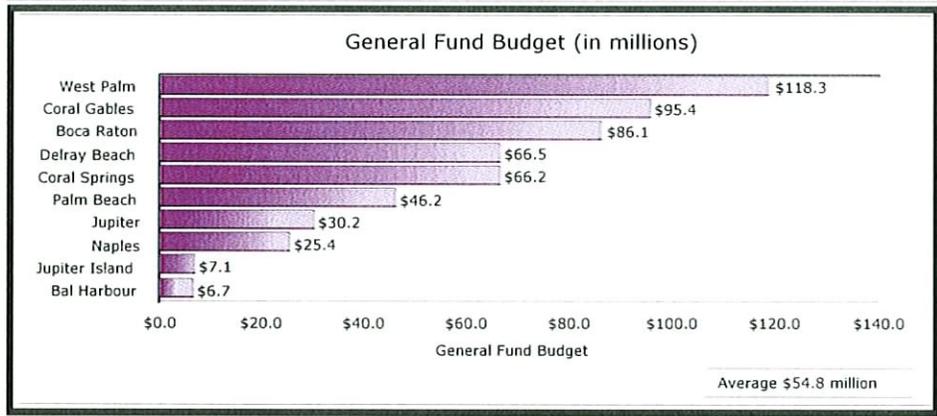


# Benchmark Analysis





## Benchmark Analysis



### Unreserved General Fund Balance

Unreserved Fund Balance comparisons are shown on the chart on the following page. Reserved and designated fund balance were not considered because these categories are set aside for specific purposes and are not available for appropriation. As you can see from the chart on the following page, the unreserved fund balances range from a low of \$1,300,000 to a high of \$15,600,000. Of the municipalities surveyed, Palm Beach has the highest unreserved fund balance.

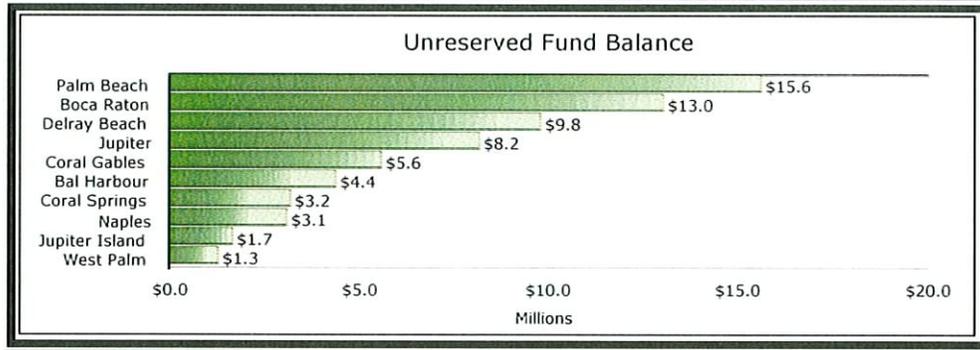
The Town's General Fund Undesignated Fund Balance Policy (adopted in October 2001) requires that the General Fund maintain an undesignated fund balance of 25% of budgeted expenditures. The Town's Unreserved Fund Balance represents 30% of budgeted expenditures.

According to the Government Finance Officers' Association (GFOA), a variety of factors should be taken into account when evaluating the amount to be maintained in Undesignated General Fund Balance. Some of the factors are: the reliability of a municipality's revenue sources, the timing of cash inflows and outflows, resources available in other funds and susceptibility to natural disasters due to geographic location.

The size of the fund balance can affect the ability to withstand financial emergencies and also is a method of accumulating funds for capital purchases without having to borrow. A declining fund balance may indicate difficulty in maintaining a stable tax and revenue structure or adequate level of services.

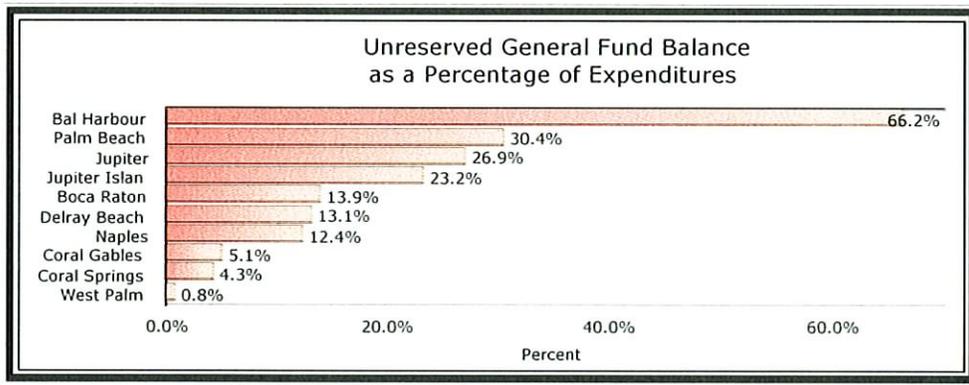


## Benchmark Analysis



### Unreserved General Fund Balance as a Percentage of Expenditures

Unreserved General Fund Balance is normally compared to expenditures when determining the adequacy of fund balance. The dollar amount transferred to other funds has been added to operating expenditures for the purpose of this analysis. The ratio of fund balance to expenditures indicated in the chart below ranges from a low of .8% for West Palm Beach to a high of 66.2% for Bal Harbour. Palm Beach is in the enviable position of being the second highest ranking municipality surveyed for this ratio.



Since the Town of Palm Beach is located on a barrier island, maintaining an excess fund balance over the required minimum is prudent.

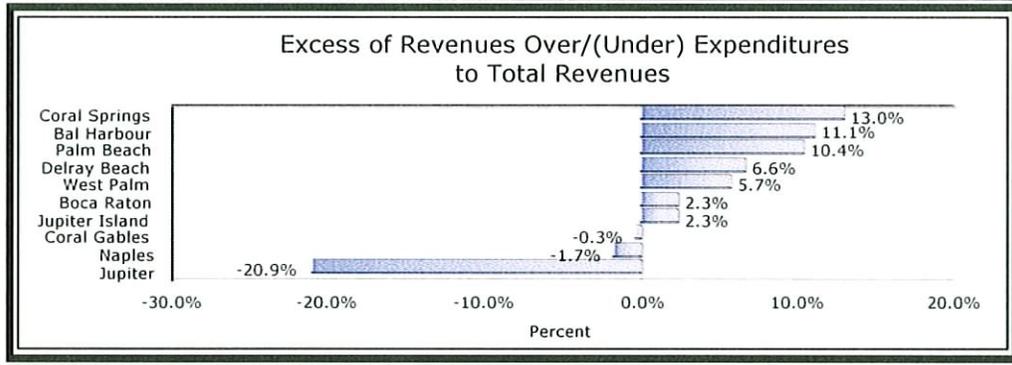
### Excess of Revenues Over/(Under) Expenditures/Total Revenues

The ratio shown on the next page reflects the proportion of net operating results to total revenues. Fiscal year operating results produce either a surplus or a deficit. A deficit occurs when current expenditures exceed current revenues. This may not mean that the budget will be out of balance (budget deficit), because reserves (fund balance) from prior years can be used to cover the difference. It does mean, however, that during the current year, the



## Benchmark Analysis

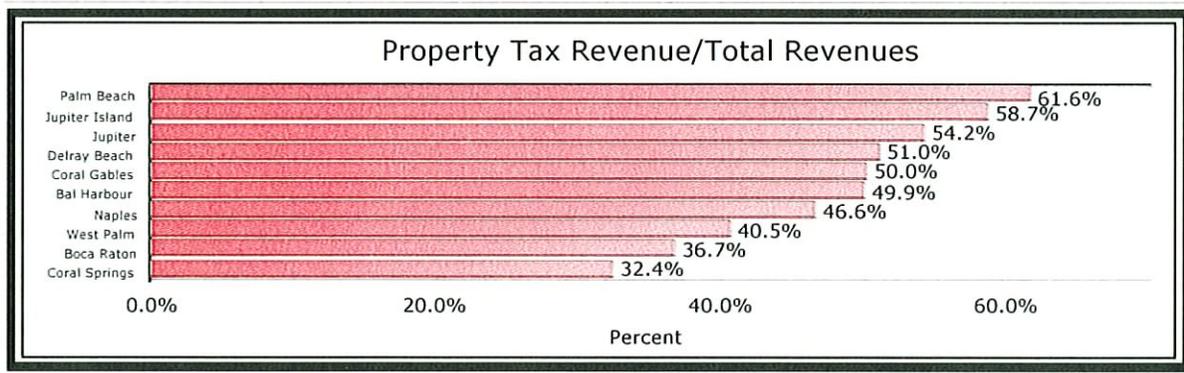
government is spending more than it is receiving. A deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems lie ahead.



A low, positive ratio indicates no use of fund balance for current operating purposes and responsible budgetary preparation and management. A low ratio also indicates that the citizenry is not being over or under taxed for the services provided.

### Property Tax Revenue/Total Revenue

Most municipalities rely heavily upon property taxes as a source of revenue for the funding of services provided through the General Fund. The following chart represents the percentage of General Fund revenue that is generated through property taxes for the surveyed municipalities. The Town's high tax base, combined with the tradition of including charges for Public Works services in the tax rate, contributes to a higher than normal ratio.



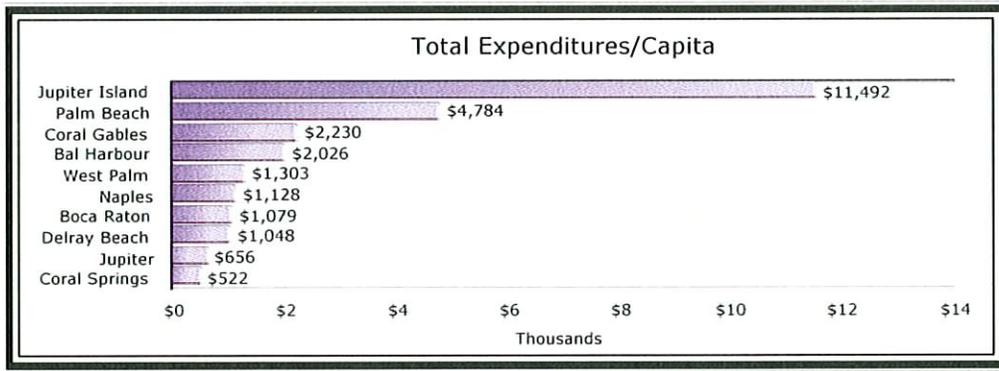


## Benchmark Analysis

### Total Expenditures Per Capita

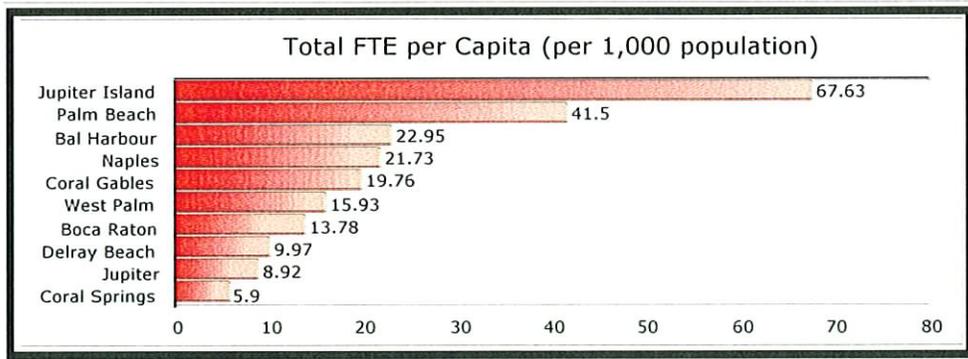
The following chart represents the average amount expended per capita for General Fund operating purposes. Increasing expenditures per capita is a warning that the cost of providing services may be exceeding the municipality's ability to pay for the services.

The Town's per capita rate is high because the Town operates three (3) fire-rescue stations staffed with 74 certified personnel and a police station with 78 sworn officers. The Public Works Department provides five days/week residential garbage pick-up and is responsible for managing multi-million dollar capital projects funds as well as beach restoration projects.



### Total Full Time Equivalent (FTE) per Capita (per 1,000 population)

Driving total expenditures per capita, is the number of municipal employees. It is recommended that the trend in FTEs be monitored because an increases in employees per capita may indicate expenditures are rising faster than revenues, that the municipality is becoming more labor intensive or that personnel productivity is declining.

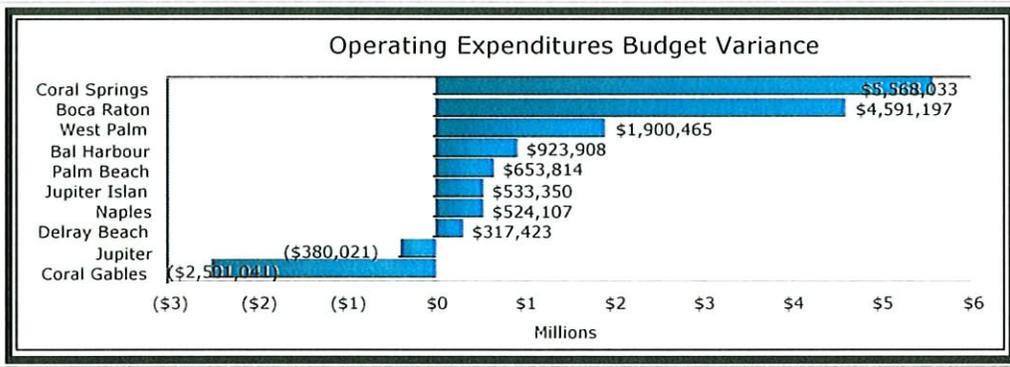




## Benchmark Analysis

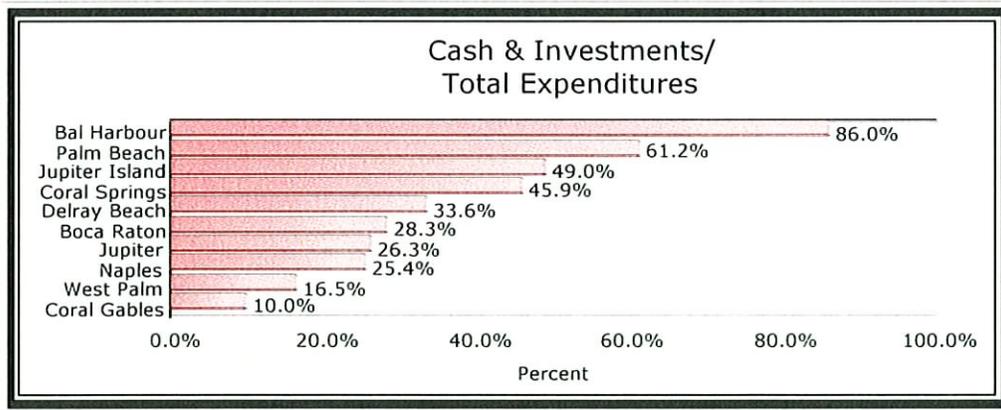
### Operating Expenditure Budget Variance

The chart below indicates the extent to which General Fund expenditures were over or under budget for fiscal year ended September 30, 2004. A positive number indicates the municipality was under budget and is favorable, while a negative number is a negative indicator and indicates the municipality was over budget.



### Cash & Investments/Total Expenditures

A good measure of a municipality's short-term financial condition is its cash position. The information portrayed on the following chart is calculated by dividing cash and short-term investments by actual operating expenditures for the General Fund for fiscal year ended September 30, 2004. As the percentage approached 100%, a greater share of one year's worth of operating expenditures can be paid for with cash. Decreasing percentages may indicate that the municipality has overextended itself or that it may be having difficulty raising the cash needed to meet its current needs.



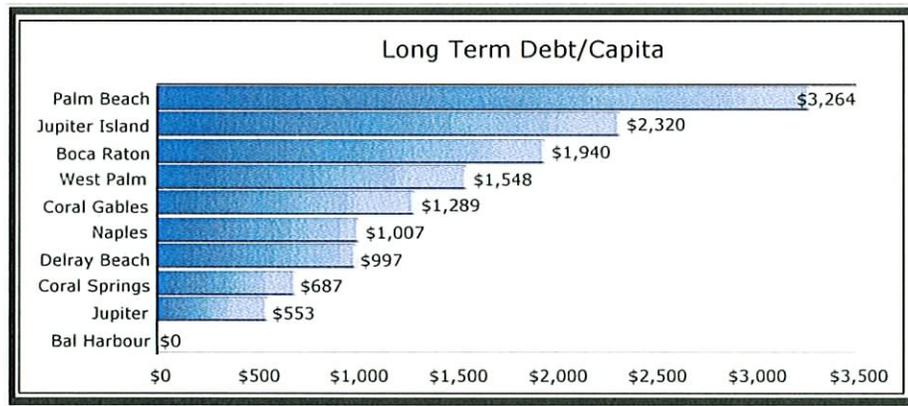


## Benchmark Analysis

### Long Term Debt Per Capita

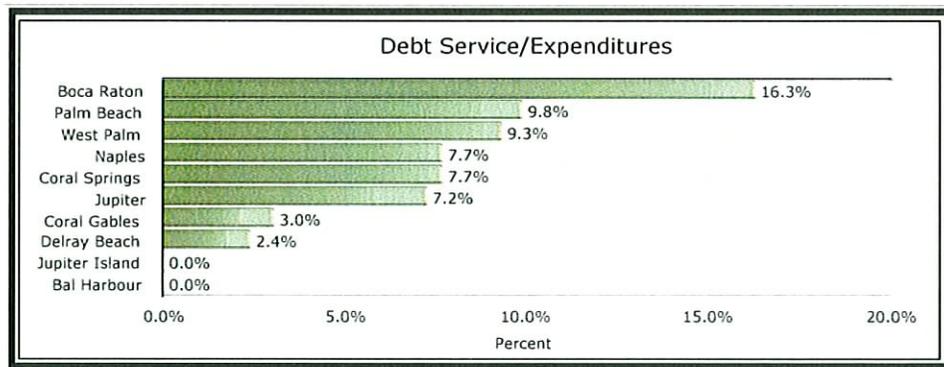
Long Term Debt for the purpose of the following chart includes Governmental Bonds, Loans, Notes, Capital Leases, Contractual Obligations and Compensated Absences. The Town adopted a comprehensive Debt Management Policy in October 2001 that describes circumstances where the Town could issue debt along with statement indicating that the Town will keep outstanding debt within the limits prescribed in the Town Charter.

Long Term Debt should not exceed the local government's resources for repaying the debt. Increases in this benchmark may indicate that the municipality has a decreasing level of flexibility in how resources are allocated or a decreasing ability to pay its long term debt. The Town's debt per capita is \$3,264, which is well under it's debt limitation of 5% of assessed value. The Debt/Capita amounts in the chart range from \$0 to a high of \$3,264. The Town's debt per capita will decline dramatically in FY2010, once the 2003 revenue bonds are paid in full.



### Debt Service/Expenditures

This chart indicates the Portion of General and Debt Service Fund Expenditures that are expended for debt service. The debt expenses for the Town totaled \$5.0M for fiscal year ended September 30, 2004.





## General Fund Forecast

### General Fund Forecast

The General Fund forecast includes the FY2006 budget as well as estimates for FY2007 through FY2010.

Historical trends for revenues and expenditures are presented in the Financial Trend analysis section of this document. These trends assist in preparing assumptions to forecast future revenues and expenditures. Other factors that were used are inflation trends, taxable value trends, actuarial information and industry trends for insurance estimates.

The major assumptions that were used to prepare the forecast are as follows:

	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>
<b>Taxable Value</b>	<b>9.5%</b>	<b>9.0%</b>	<b>8.5%</b>	<b>8.0%</b>
<b>Investment Yields</b>	<b>4.5%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>General Inflation</b>	<b>3.0%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.5%</b>
<b>Salaries &amp; Wages</b>	<b>6.0%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>6.0%</b>
<b>Employee Benefits</b>	<b>11.0%</b>	<b>8.0%</b>	<b>8.0%</b>	<b>7.0%</b>
<b>Property Insurance</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>
<b>Liability and W/C Insurance</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>

Historical trends were used to develop most of the assumptions. For certain revenue sources, average historical revenue trends were used to forecast future revenue collections.

The taxable value increase for FY2006 was 12.41%. Taxable value is estimated to increase by 9.5% for FY2007 then increase at a slower rate over the term of the forecast. Current market conditions warrant a higher increase for FY07, but due to the uncertainty going further out through FY2010, we decided to use conservative estimates. The 10 year average increase is 9% and the 5 year average increase is 11.21%. The estimates throughout the forecast period are significantly less than the 5 year average and in some cases less than the 10 year average.

Investment yields for FY2007 were estimated at 4.5%. Short term interest rates have increased by over 2 basis points since the end of FY2004. The current SBOA rate of return is 3.79%. Short term interest rates are expected to increase in FY2005 then level off in 2006. Longer term rates are also expected to increase as well. Since the Town's portfolio contains both short term investments as well as longer term investments we estimated a return of 4.5% for FY2007. Historical rates for the SBOA have been closer to 5% so we have increased our longer term assumptions to 5%.



## General Fund Forecast

General inflationary increases were forecasted to be between 2.5% and 3% per year were used to forecast certain revenues, commodities and contractual expenditures. Both the Federal Reserve and the *Livingston Survey* indicate that short term inflation projections will be much higher than in recent years. It is predicted that Consumer Price inflation will average 2.9% in 2005 then fall to between 2.45 - 2.7% in 2006. However, over the long term, forecasters project inflation to be 2.5% over the next 10 years. To be conservative we used 3% for FY2007 then held the estimate at 2.5% for the remainder of the forecast period.

The Salaries & Wage assumptions are based on historical trends for merit and Competitive Pay Increase averages.

Employee Benefit increases are based upon discussions with the Town's retirement and health insurance actuaries' estimates for increases in the Town funding of these benefits. In addition, historical trends were used to forecast other components of employee benefits. For FY2007, the estimate is 11%. This amount is high due to two factors; the anticipated increase of approximately \$700,000 for the Town's Retirement contribution and the anticipated increase in health insurance funding due to the implementation of GASB43. The Post Employment Health Benefit actuarial study anticipates an increase in our current funding levels of an additional \$200,000 beginning in FY2007.

Risk insurance premiums have been estimated for FY2007 - FY2010 using the following assumptions: Property Insurance 20% per year, Liability Insurance 10% per year, Worker's Compensation 10% per year. Due to recent hurricanes, commercial property insurance premiums are anticipated to significantly increase during the forecast period.

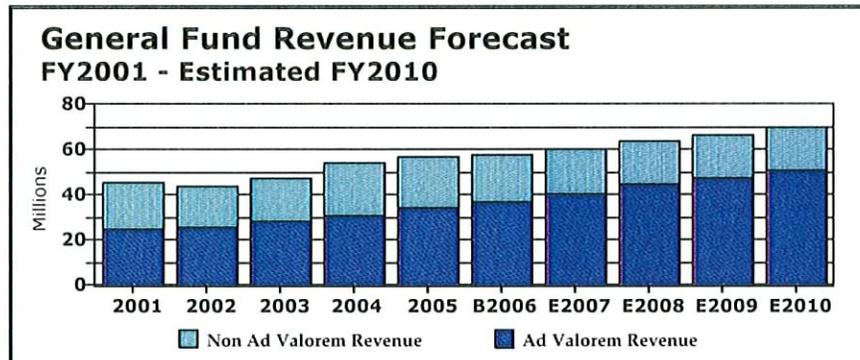
The General Fund contingency appropriation has been estimated to be 1.5% of the forecasted expenditures as required by the policy.



## General Fund Forecast

### General Fund Revenue Forecast

The following chart shows the historical and forecasted revenues for the General Fund.



Total revenues, the associated millage rates and millage rate increases or decreases for FY2006 through FY2010 are shown in the table below:

### General Fund Revenue and Millage Rate Forecast

	FY2006	FY2007	FY2008	FY2009	FY2010
<b>Revenues</b>	\$57,544,075	\$60,456,473	\$63,575,367	\$66,852,331	\$70,308,830
<b>%Increase / (Decrease)</b>	9.86%	5.06%	5.16%	5.15%	5.17%
<b>Ad Valorem Revenue</b>	\$38,113,459	\$41,971,675	\$45,263,403	\$48,237,299	\$51,346,249
<b>Total Millage Rate</b>	3.9080	3.9302	3.8885	3.8193	3.7644
<b>Millage Rate % Increase/ (Decrease) over FY2006</b>	n/a	.57%	(.50%)	(2.27%)	(3.68%)
<b>Millage Rate % Increase/ (Decrease) over prior year</b>	(3.00%)	.57%	(1.06%)	(1.78%)	(1.44%)

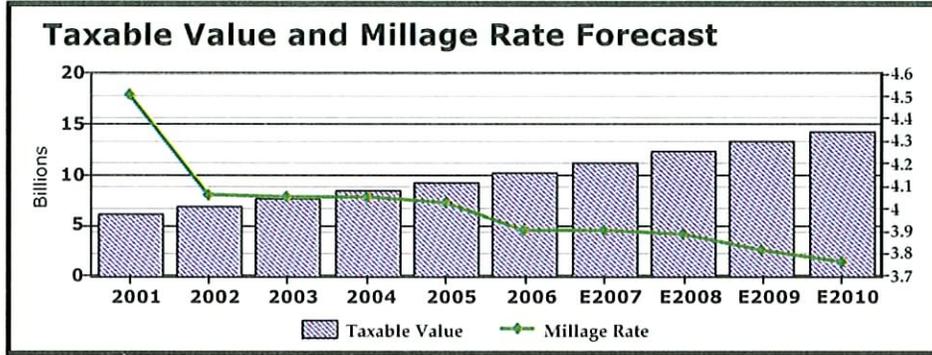
#### Ad Valorem Revenue

Ad Valorem Revenue is expected to increase during the forecast period due to the assumed increases in taxable value. The millage rate increases slightly in FY2007 then decreases throughout the remainder of the forecast period.



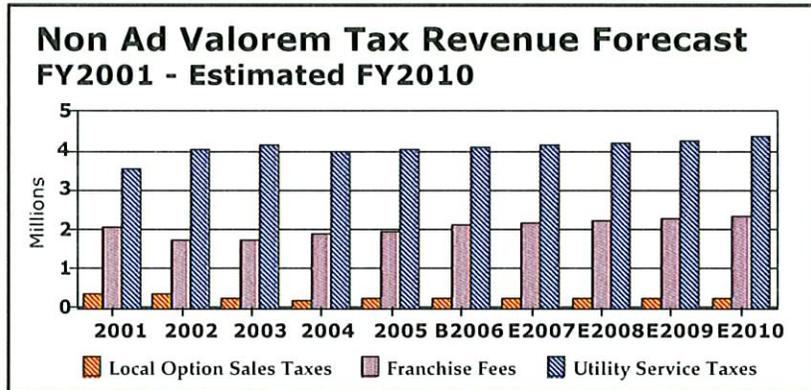
## General Fund Forecast

The trend and forecast of estimated taxable value and millage rate forecast is displayed on the table shown below:



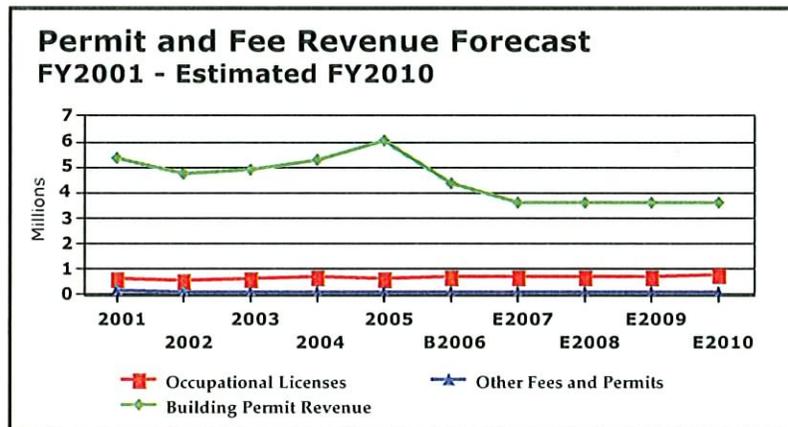
### Non Ad Valorem Taxes

Non Ad Valorem Taxes include Sales & Use Taxes, Franchise Fees and Utility Service Taxes. Non Ad Valorem Taxes are expected to increase at a rate slightly less than the rate of inflation due to the historical trends associated with the revenue. Local Option Sales Tax has had very little growth. Utility taxes and Franchise Fees show growth in a few areas but the growth has still been less than inflation.



### Building Permit Fees

Building Permit revenues include revenue from Occupational Licenses, Building Permits and Right of Way Permits and parking Permits. Building permit fees will decrease in FY2007 and remain stable through FY2010. The decrease is due to the results of a cost allocation study which will cause the fees the Town charges to decline. More information on this matter will be presented during upcoming budget planning meetings.

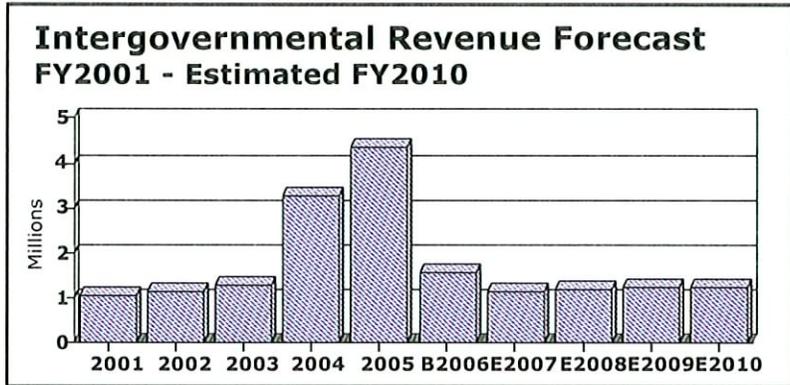




# General Fund Forecast

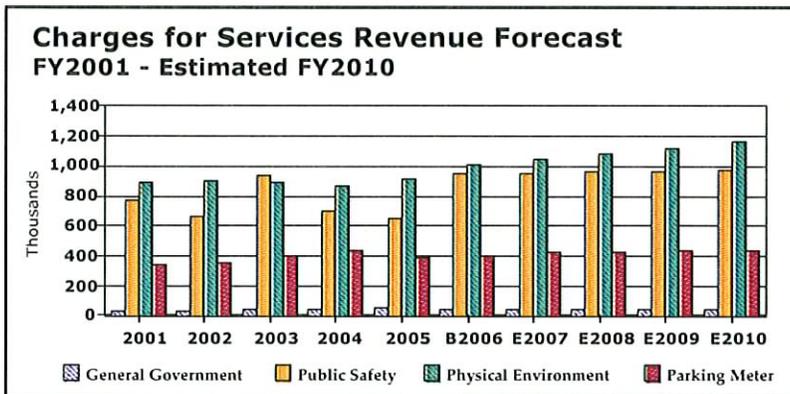
## Intergovernmental Revenue

Intergovernmental revenues include revenue received from the State of Florida, shared revenue with local governments and State and Federal grant funds. In FY2004 and FY2005, revenue increased due to the reimbursements from FEMA for expenditures relating to the response and recovery from Hurricanes Frances and Jeanne in September 2004. In FY2006, grant funds are anticipated for Fire-Rescue equipment. In FY2007 through FY2010, this revenue source increases by approximately the rate of inflation.



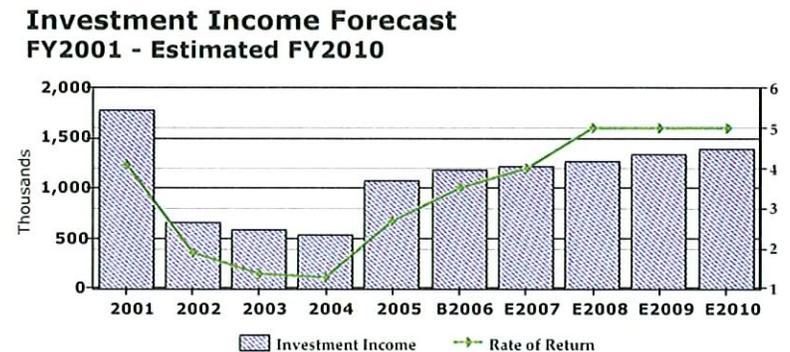
## Charges For Services

The Town charges for various services it performs. These services include copy charges, public safety charges, commercial solid waste collection charges, parking meter charges, etc. The charges for public safety increased in FY2003 due to the initiation of the EMS Fees and the direct connect alarm fees. Public safety revenue declined in FY2004 due to a decline in special detail charges and a reduction in EMS fee revenues. FY2006 public safety revenue is anticipated to increase due to the implementation of fire prevention fees and an increase in EMS fees. Physical environment revenues are expected to increase at a rate higher than inflation.



## Investment Income

The investment rate of return is expected to increase for FY2006. The FY2006 budget for investment income is based on a rate of 3.5%. Rates for the forecast include: 4.5% for FY2007, 5% for FY2008 through FY2010. The State Board of Administration (SBA) return has averaged 3.9% over the past 10 years. The rate of return is





## General Fund Forecast

expected to improve based upon recent increases in interest rates and changes that were recommended by the Investment Advisory Committee and implemented in FY2004. The Investment Advisory Committee recommended investing a portion of the Town's reserves with the Florida League of Cities Investment Pool. For FY2005, the Florida League of Cities Investment returned 1.83% on the 1 - 3 Year Bond Fund and 2.32% on the Intermediate Bond Fund versus the SBA return of 2.75% to produce a blended return of 2.53%.

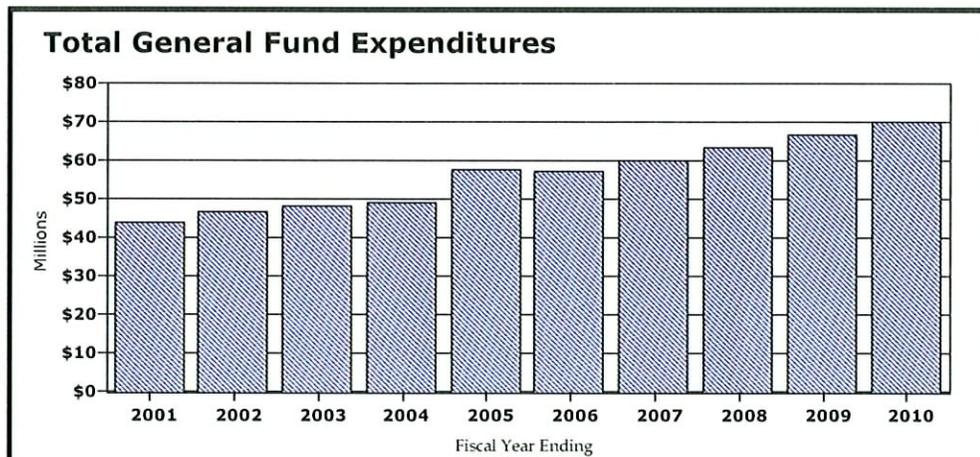
The General Fund revenue forecast has been conservatively estimated based upon historical trends, inflationary assumptions and information provided to staff by our actuary and other officials. Details of the revenue forecast can be found under the tab titled *Forecast Details*.

### General Fund Expenditure Forecast

General Fund expenditures are forecasted to increase at an average rate of 5.13% for FY2007 - FY2010. Commodities and contractual services were estimated to increase by between 2.5% and 3% for this time period. Salary and Wages are estimated to increase by 6%, and Employee Benefit increases are estimated as follows: FY2007 - 11%, FY2007 - 8%, FY2008 - 8%, and FY2009 - 7%. These estimates were determined based on information received from the Town's Retirement and Health Insurance actuaries and historical trends. The forecast includes a 1.5% contingency allocation for the forecast period. Any increases over these estimates are highlighted in the Departmental forecast summary descriptions that follow and in the *Forecast Detail* section of the document.

All requests for additional personnel have been removed from the LTFP and are detailed at the end of this section of the report.

Fund balance is anticipated to be used to offset the decrease in building permit fees in FY2007. It is estimated that \$500,000 will be used for this purpose. For FY2008 - FY2010 fund balance is not anticipated to be used to balance the forecasted budgets. The forecast does not anticipate any surpluses from year to year because the Town adopts a balanced budget. However, the undesignated fund balance for the General Fund is expected to increase slightly from year to year due to over collection of revenues and under expenditure of appropriations.





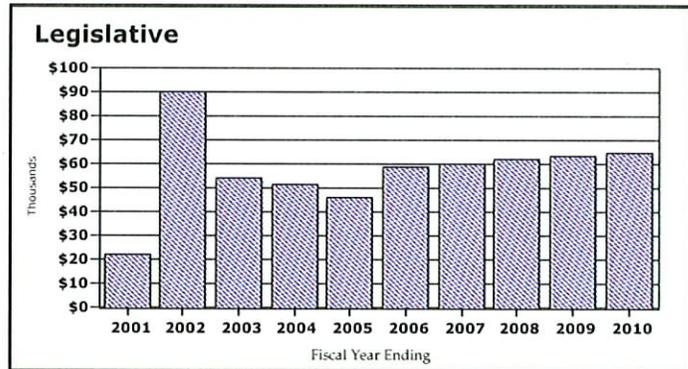
# General Fund Forecast

## Departmental Expenditure Forecast

The following section describes the details of the forecast for each Department. Any requests above the forecast assumptions are described in this section. Request for new personnel are not included in this forecast and are listed at the end of this section.

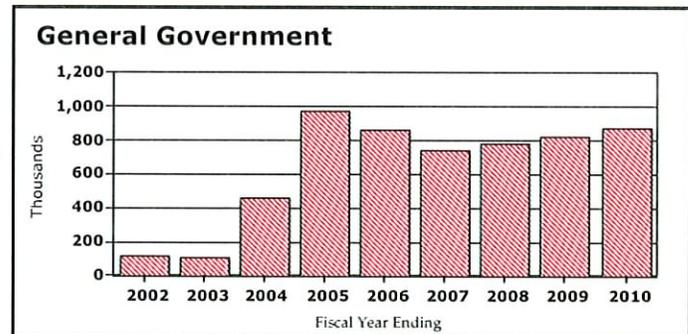
### Legislative

The Legislative program includes expenditures for the Mayor and Town Council. The legislative expenditure forecast anticipates an increase of between 2.5% and 3% per year of the forecast period based upon anticipated inflationary increases. Expenditures for contractual services and commodities are included in this program.



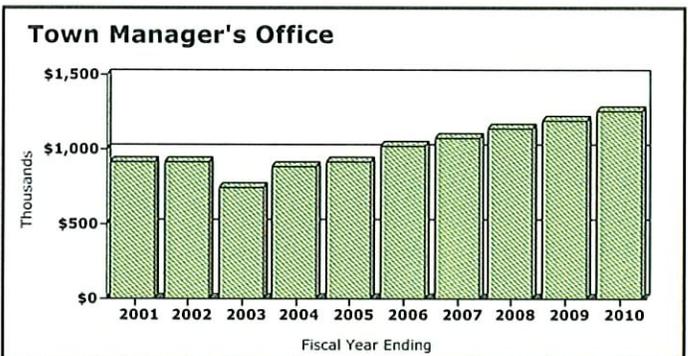
### General Government

The General Government program includes compensated absence pay-outs and extraordinary longevity which are estimated to increase at the same rate as salary and wages, 6% per year. Other expenditures in this program include costs to produce the annual report, holiday decorations, the July 4<sup>th</sup> celebration and the Town's contribution to PB Cats. Most of these expenditures are anticipated to increase between 2.5% to 3% per year for the forecast period.



### Town Manager's Office

The Town Manager's Office expenditure projection includes the assumptions that were outlined in the forecast summary. The total Town Manager's Office budget is anticipated to increase by an average of 5.38% per year for the forecast period.

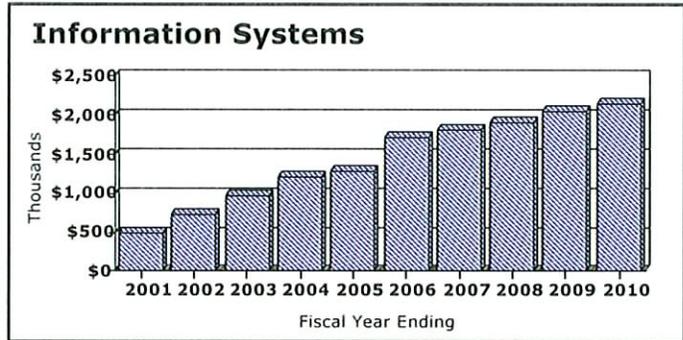




# General Fund Forecast

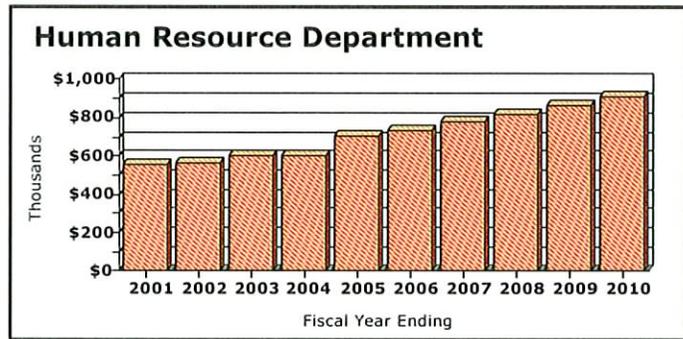
## Information Systems

The Information Systems expenditure projection is based on the assumptions used for the General Fund. In addition, funding for a new Town-wide software system is anticipated in the forecast increasing costs by \$216,000 in FY2006, and continual funding of \$220,000 for FY2007 through FY2010. It is estimated that this project will take approximately 5 years to complete.



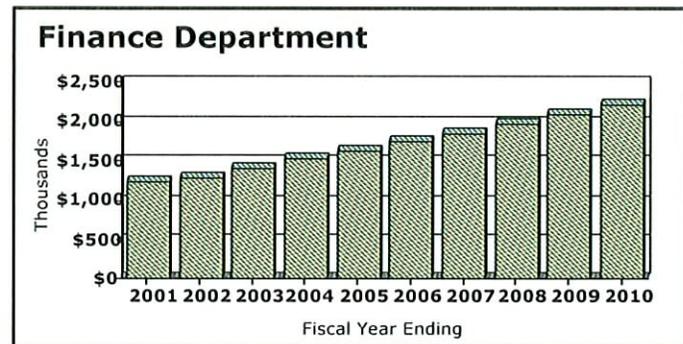
## Human Resources

Human Resources expenditure projection is based upon the assumptions used for the General Fund forecast. There are no additions to the projections for FY2007 - FY2010. Expenditures are expected to increase by an average of 5.43% for the forecast period.



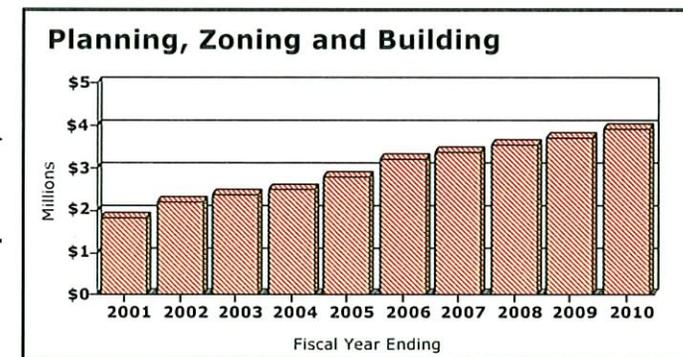
## Finance Department

The Finance Department includes the Town Clerk, Purchasing and Finance programs for the Town. Expenditure projections are based upon the assumptions used for the General Fund forecast and do not include any additions to the projections for FY2007 - FY2010. Expenditures are anticipated to increase by an average of 6.2% for the forecast period.



## Planning Zoning and Building

The Planning Zoning and Building Department expenditure forecast is based upon the assumptions used in the General Fund. The forecast includes additional charges in Contractual Services in FY2007 - FY2008 for the Evaluation and Appraisal Report (EAR). Funding is included for equipment and a public education program. Costs for the relocation of the department have not been included in the forecast. In total, Expenditures are anticipated to increase by an average of 5.1% for the forecast period.

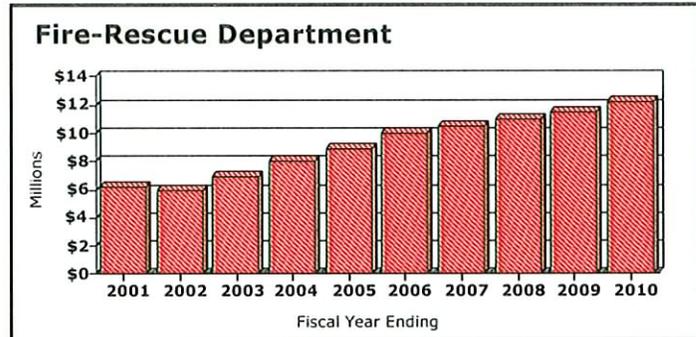




## General Fund Forecast

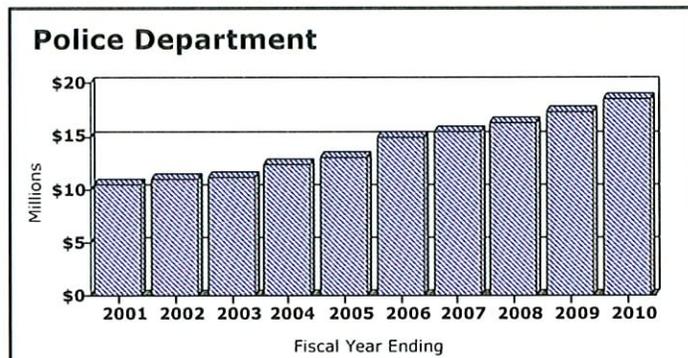
### Fire-Rescue

The Fire-Rescue Department expenditure forecast is based upon the assumptions used in the General Fund. The forecast also includes funding for the accreditation process. The Fire-Rescue expenditures are anticipated to increase by an average of 5.28% per year for the forecast period.



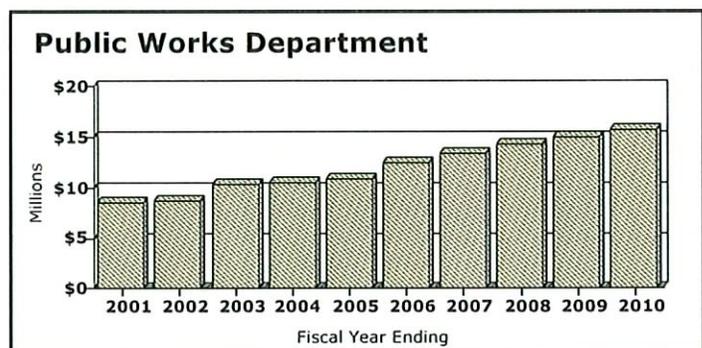
### Police Department

The Police Department expenditure forecast is based upon the assumptions used in the General Fund. In FY2007, additional funds are forecasted for contractual legal services, the purchase of two radio consoles, (if funding is not obtained through a grant source), digital video systems for the motorcycles, and the purchase of a lifeguard tower. In FY2008, funds are programmed for the accreditation process and the purchase of an additional lifeguard tower. Expenditures are anticipated to increase by an average of 5.45% during the forecast period.



### Public Works

The Public Works expenditure forecast is based upon the assumptions used for the General Fund. In addition, costs for the operation of new pump stations are included in the FY2007 and FY2008 forecast. Additional equipment including new generators, emergency pumps, vehicles and underground video system have also been included. Public Works expenditures are anticipated to increase an average of 5.89% per year during the forecast period.

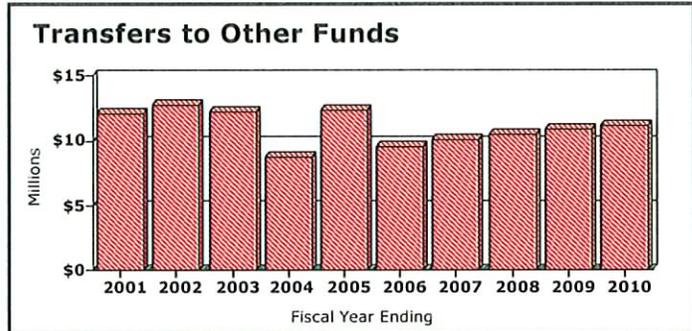




## General Fund Forecast

### Transfers to Other Funds

Transfers to Other funds include transfers to the Debt Service funds, Risk Insurance fund, and a portion of the Health Insurance transfer. The transfer to the Risk Fund in FY2007 is anticipated to increase due to the expected increase in property insurance rates. Debt service transfers increase by over 3.5% per year during the forecast period. In total, the transfers are anticipated to increase an average of 3.9% per year during the forecast period.



### Potential Future Personnel Requests - *Not in Forecast*

As mentioned earlier in this section, there are no new positions included in the forecast. Department Directors have indicated that the following new positions may be necessary to maintain or improve the current levels of service. At this time, none of these positions have been approved by the Town Manager to be proposed in future Town budgets.

### Information Systems (2)

#### **FY2007**

Additional staff person for software implementation

#### **FY2009**

Additional staff person for further software implementation

### Planning, Zoning & Building Department

#### **FY2007** (4.5)

Planner position

Plan reviewer (Partially offset by reduction in hours of contractual plan reviewer)

Code Officer - change from part time to full time

Inspector (Partially offset by reduction in contractual inspection hours)

#### **FY2008**

Full Time secretary (Converted from a part time contractual position approved in FY06 budget)

### Police Department (3)

#### **FY2007**

Lifeguard - Phipps Ocean Park

#### **FY2008 - FY2010**

Potential for additional officers due to the anticipated increases in visitors and traffic to the Town.



## General Fund Forecast

### Fire-Rescue Department (24)

#### ***FY2007 - FY2010***

Additional funding for 9 firefighters for the north fire station for staffing Rescue 2 and Engine 2 on all three shifts to provide the same level of fire-protection and emergency medical service that is provided from "the central and south" Fire-Rescue stations.

Additional funding for one battalion commander position to fill-in as the relief shift battalion commander and to assist on special projects such as accreditation.

Additional funding for one public education officer/public information officer to provide public education programs and be the official department spokesperson.

Additional funding for a training and ems secretary to process the paperwork for both the training and safety officer and the ems coordinator.

Additional funding for a third fire prevention officer to complete pre-incident plans, building inspections and construction plans review.

Additional funding for a receptionist for the fire administration to coordinate scheduling for the fire chief and his command staff with all visitors and vendors

Additional funding for an administrative lieutenant to handle technical analysis and logistics for coordinating three fire stations for all apparatus, equipment and supplies.

Additional funding for nine drivers to staff the two aerial towers and the special operations vehicle to maintain the units in service during ems transports.

### Public Works Department

#### ***FY2007***

Electrician II

#### ***FY2008***

Building Maintenance Worker

### Other Items not included in Forecast

During the forecast period the following potential expenditures may occur. Since the cost of these items is not certain, they have been excluded from the forecast.

- No funds have been anticipated for the Town-wide undergrounding project. Due to the size of this project, a bond issue and debt service funding will be required.
- Beach Bond funds will be fully expended within the next few years. In FY2006, many large projects will be completed with most of the remaining funds. After the bond proceeds have been expended, additional funds will have to be appropriated for future beach projects.
- The purchase, remodeling, and furnishing a new facility for the Planning, Zoning and Building department is not included in this forecast. A portion of the funds for this project are available in the Town Facilities Project Fund, but there will not be sufficient funds



## General Fund Forecast

available for this project as well as the Town Hall renovation project. The additional funds may be allocated from reserves.

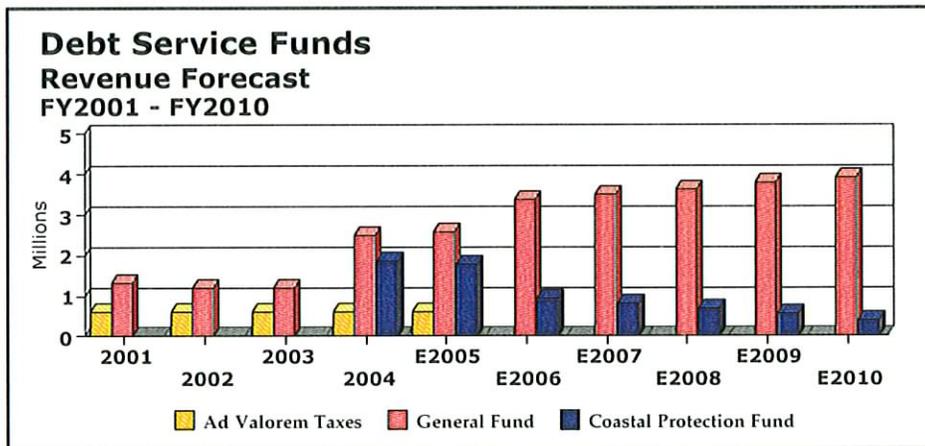
- Staff is reviewing the funding for the equipment replacement fund. Currently the funding is calculated using straight line depreciation on original cost. Staff is reviewing the cost of modifying this policy to fund the reserve using replacement cost depreciation. This change will require a large "catch up" transfer and will increase the depreciation charged to the departments on an annual basis. This change will benefit the Town by having ample reserves to purchase all capital equipment when the useful life has expired. Staff may bring a proposal to the Town Council during the FY2007 budget process if sufficient funds are available.



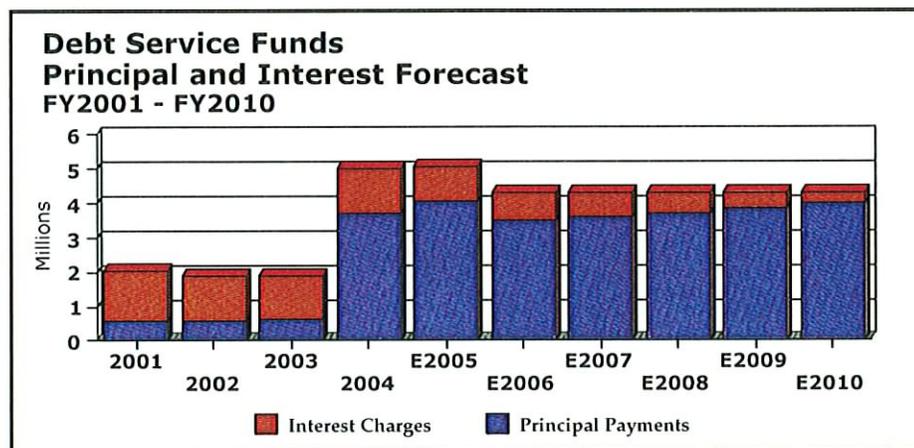
## Debt Service Fund Forecast

### Debt Service Fund Forecast

The 2003 Revenue Bonds are funded by General Fund non ad valorem revenue, funds from the Coastal Protection Management Fund, bond proceeds and investment income. Ad Valorem tax revenue funded the 1993 General Obligation Bond that was paid in full in FY2005. The forecasted revenues and the sources are shown in the chart below:



Total annual forecasted debt service on all Town debt obligations is shown below:



Debt Service for FY2005 includes the 1993 GO Bond which was paid in full at the end of the fiscal year. The debt service will remain stable until FY2010 when the 2003A Series Bond, which refinanced the Coastal Protection bond, will be paid in full. Thereafter, the only debt service that will remain will be the 2003B Series bond for the Town facilities projects which will be paid in full in FY2033.



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## Capital Funds Forecast

### Capital Funds Forecast

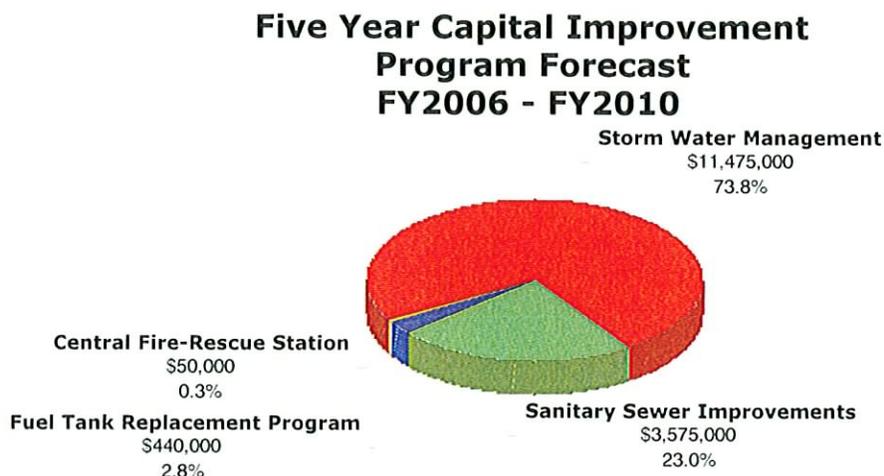
The Town has five General Government Capital Funds: the Capital Improvement Program (Fund 307), the Comprehensive Coastal Management Plan (CCMP)(Funds 308 and 309), the Town Facilities Construction Fund (Fund 310) and the Equipment Replacement Program (Fund 320) each of which has a separate budget. In addition to the General Government Capital Funds, the Town has one Enterprise Capital Fund reported in the Leisure Services Fund.

#### Capital Improvement Program

The Capital Improvement Program (CIP) represents a multi-year analysis of financial requirements and infrastructure needs. The Program provides the best assessment of anticipated capital improvements based upon available information and preliminary engineering evaluations and opinions.

While the CIP encompasses a five year period, only the first year is actually adopted each year by the Town Council for funding and implementation. The out years are not a budget, but provide appropriate financial information for prudent budget and planning recommendations.

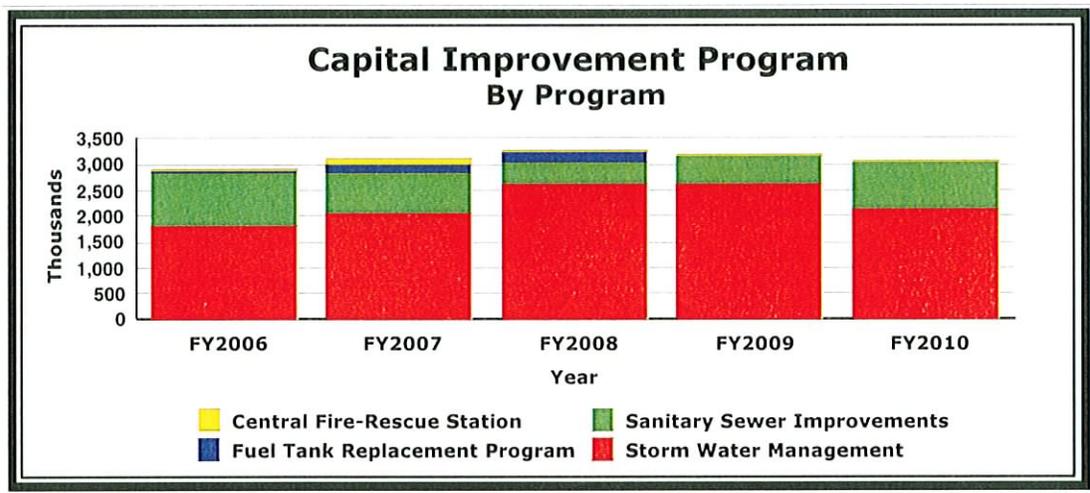
The following chart reflects the Capital Improvement Program forecast by project area from FY2006 through FY2010. Detailed information by fiscal year can be found at the end of the Capital Funds Forecast section.





## Capital Funds Forecast

The chart below reflects the anticipated funding from the General Fund by year for the Capital Improvement Program.



### Comprehensive Coastal Management Plan

The Comprehensive Coastal Management Plan, adopted in 1997, is currently funded with the proceeds of the 2000 Bond Issue. The Florida Department of Environmental Protection (FDEP) cost-shares on Town beach projects, reimbursing up to fifty percent of approved tasks of the Town's beach program. Funds are used for beach improvement, restoration and renourishment through the placement of sand and possible construction of groin fields and environmental mitigation for beach stabilization in all or a portion of the beaches located in Town.

FY06 projects include Reach 7 Phipps Ocean Park Beach Renourishment Project, Reaches 7 & 8 Hurricane Recovery Dune Restoration Project and the Mid-Town Beach Restoration Project. Construction of the Reach 8 Project is contingent on receiving State and Federal permits. However, based on the effects of Hurricane Wilma, staff will now request that the Reach 8 permit be elevated to emergency status.



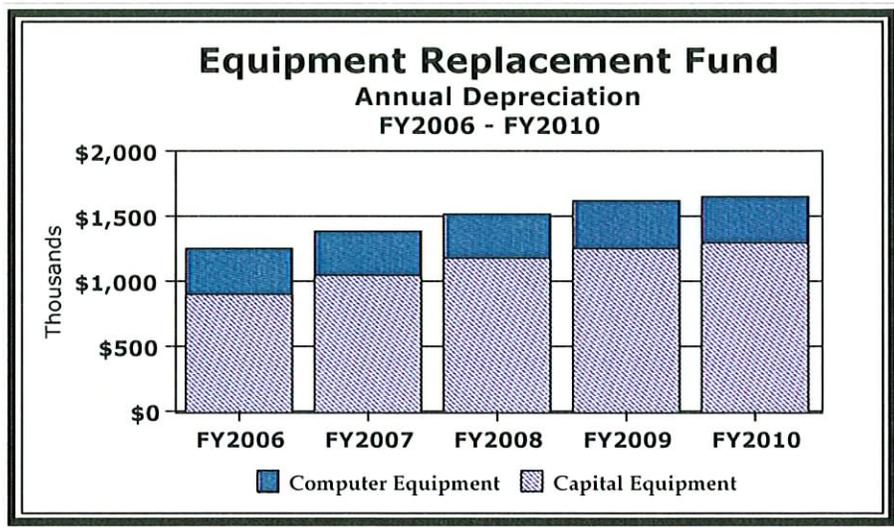
## Capital Funds Forecast

### Town Facilities Construction Fund

The proceeds of the 2003B Revenue Bond issue (\$6,130,000) received in FY2003 established this fund for the construction of the new Central Fire-Rescue Station and Town Hall Renovations. Construction for the Central Fire-Rescue Station was completed in FY2005. Plans for Town Hall Renovations are underway and may take 2-3 years to complete.

### Equipment Replacement Fund

This fund was established to provide a means to replace equipment, excluding enterprise fund equipment, when the end of its useful life has been reached. The fund includes both capital and computer equipment. A projection of the annual depreciation through FY2010 follows.



## Fund (307) - Capital Improvement Program: Five Year Plan

Project	FY06 Approved	FY07 Proposed	FY08 Proposed	FY09 Proposed	FY10 Proposed	Total
<b>Storm Water Management</b>						
Improvements	\$1,705,000	\$1,600,000	\$2,180,000	\$2,180,000	\$2,180,000	\$9,845,000
D-1 Pump Station N. Ocean Blvd.	0	0	0	0	0	0
D-3 Pump Station Tangier Ave.	0	0	0	0	0	0
D-8 Pump Station Expansion	0	0	0	0	0	0
D-12 Wells to Royal Poinciana	0	0	0	0	0	0
D-15 Cooling System Repair	30,000	0	0	0	0	30,000
D-17 Clarendon Ave	0	0	0	0	0	0
Rehabilitate Storm Pump Structures	100,000	500,000	500,000	500,000	0	1,600,000
<b>Total Storm Water Management</b>	<b>1,835,000</b>	<b>2,100,000</b>	<b>2,680,000</b>	<b>2,680,000</b>	<b>2,180,000</b>	<b>11,475,000</b>
<b>Sanitary Sewer Improvements</b>	<b>1,025,000</b>	<b>750,000</b>	<b>400,000</b>	<b>500,000</b>	<b>900,000</b>	<b>3,575,000</b>
<b>Central Fire-Rescue Station</b>						
Vehicle Exhaust Removal System	0	50,000	0	0	0	50,000
<b>Fuel Tank Replacement Program</b>	<b>40,000</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>440,000</b>
<b>Total</b>	<b>\$2,900,000</b>	<b>\$3,100,000</b>	<b>\$3,280,000</b>	<b>\$3,180,000</b>	<b>\$3,080,000</b>	<b>\$15,540,000</b>



# Enterprise Fund Forecast

## Leisure Services Enterprise Fund Forecast

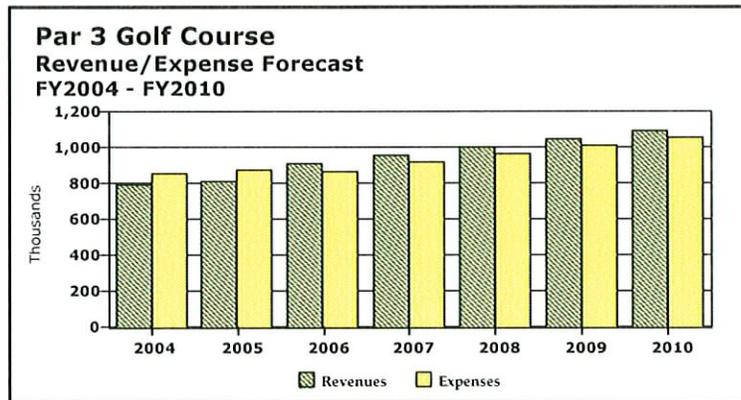
The Leisure Services Enterprise Fund, established in FY2004, is comprised of the Town Docks, golf, tennis and recreation center, youth and adult programs and activities. The forecasts predicts a positive net income and healthy reserves. The forecast for each activity of the enterprise fund is shown below.

### Palm Beach Par 3 Golf Course

The golf course, as indicated in the trend analysis, has not shown a profit since 1992. The results for FY2005 will reflect an anticipated loss of \$112,031. Expenses are higher than had been anticipated, and revenues were \$69,000 less than had been projected. The golf course is projected to show a small profit in FY2006 of \$20,557 and the course is expected to make a small profit through FY2010.

The chart shows revenue and expense budget for FY2005 and FY2006 and estimates through FY2010.

Revenues are estimated to increase approximately 4.6% per year and expenses are estimated to increase between 4.9% and 5.6% per year for FY2007 through FY2010.

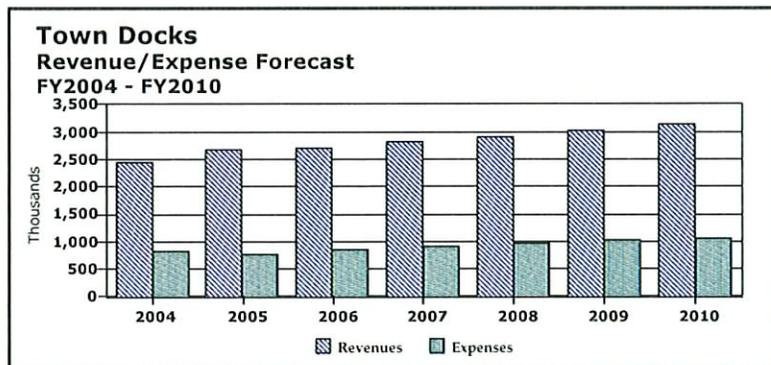


The golf course is used primarily by non-residents. Resident play at the golf course represents 27% of use while non-residents represent 73% of the customers.

### Town Docks

The Town Docks forecast through FY2010 shows a continuing trend of rising profits. The trends in operating revenues and operating expenses are shown in the chart.

Operating revenues are anticipated to increase by approximately 4% per year and operating expenses, including the transfer to the marina fund dock replacement reserve, are anticipated to increase by between 4% and 8% per year. Revenues exceed expenses by over 77% during the forecast period.

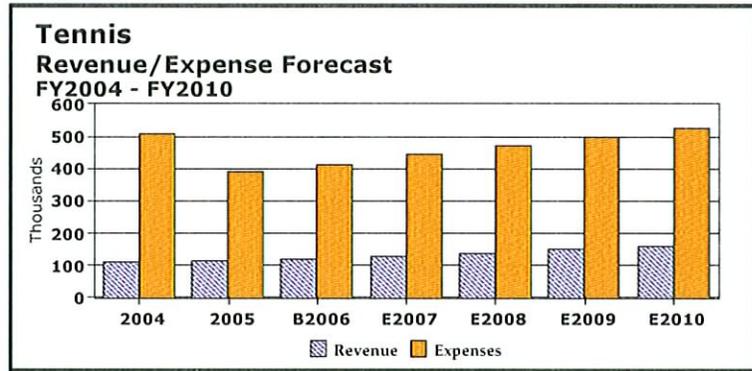




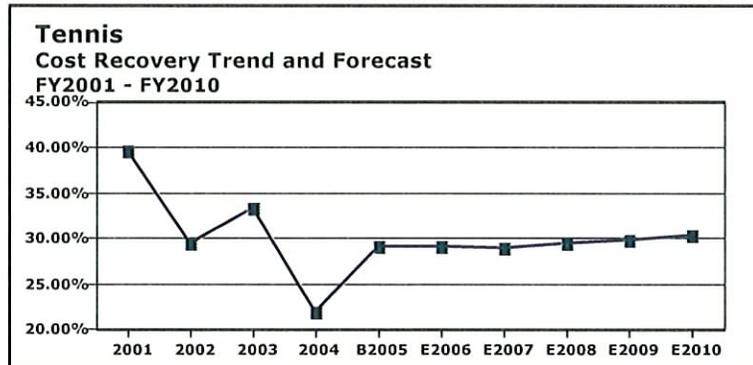
# Enterprise Fund Forecast

## Tennis

The tennis forecast through FY2010 estimates revenues to increase at 8% per year while expenses are expected to increase by approximately 7% per year. Overall participation in the Seaview Tennis programs are 80% resident and 20% non-resident. Non-residents are comprised primarily of non-resident children attending school in Palm Beach. Phipps Ocean Park Tennis programs are 91% resident and 9% non resident.

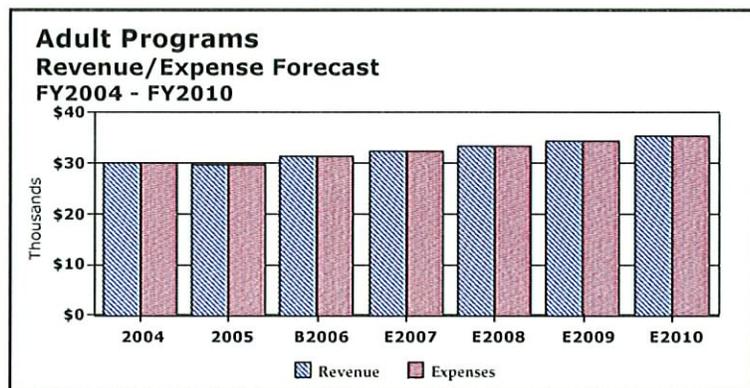


The cost recovery percentage for Tennis is projected to be approximately 29% in FY2006 and increase to 30% in FY2010. The cost recovery trend since FY2001 is shown on the chart. Fees were lowered in FY2004 which caused the decrease in cost recovery for that year. Improvement in this trend is anticipated in the future due to improvements planned for the Seaview Park facility and an expansion of the Phipps Park Tennis Center.



## Adult Programs

The forecast for adult programs anticipate an increase in revenues of approximately 10% per year and expenses to increase by 3% per year. Adult programs typically recover all the costs associated with the programs. The cost recovery for this program is anticipated to be over 100% for FY2006 through FY2010.



Participation in adult programs consist of 80% resident and 20% non resident.

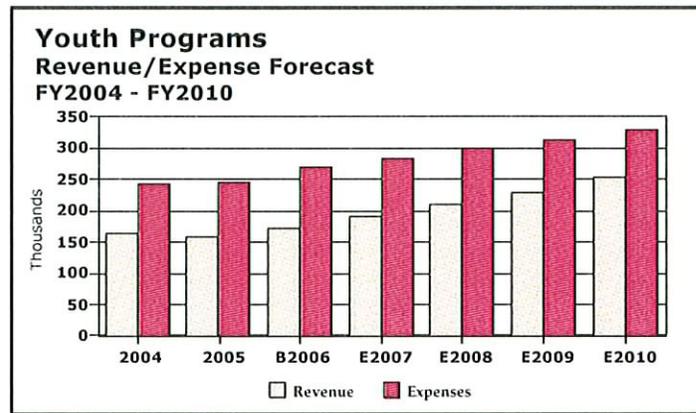


# Enterprise Fund Forecast

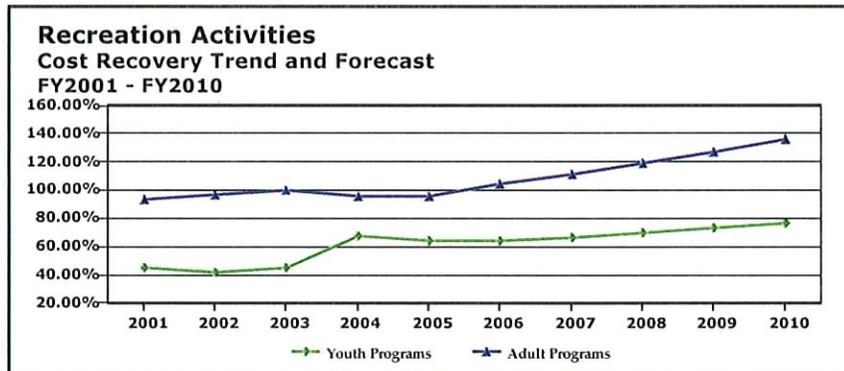
## Youth Programs

The forecast for youth programs anticipate an increase in revenues of approximately 10% per year and expenses to increase by 5% per year. The summer camp program covers all direct and indirect expenses associated with the activities, but other youth programs do not cover all the costs associated with the various programs offered.

Youth program participation is 56% resident and 44% non-resident.



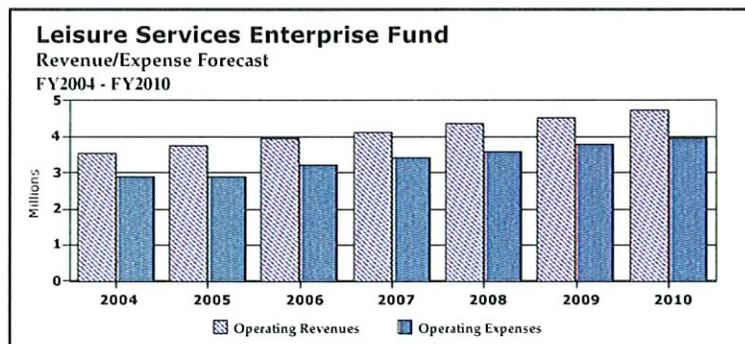
The trend and forecast of cost recovery for the adult and youth programs is shown below:



## Leisure Services Enterprise Fund

In total, the forecast for the combined Leisure Service activities anticipate revenues increasing at a rate of between 3.3% and 5.78% per year and expenses increasing by 5% to 7%.

Net income from the operations of the Leisure Services Enterprise Fund is expected to range from \$257,000 to over \$307,000 during the forecast period. These amounts do not include the Leisure Services Enterprise Fund Contingency Reserve. This reserve is appropriated annually for unanticipated expenditures of a nonrecurring nature. It is to be



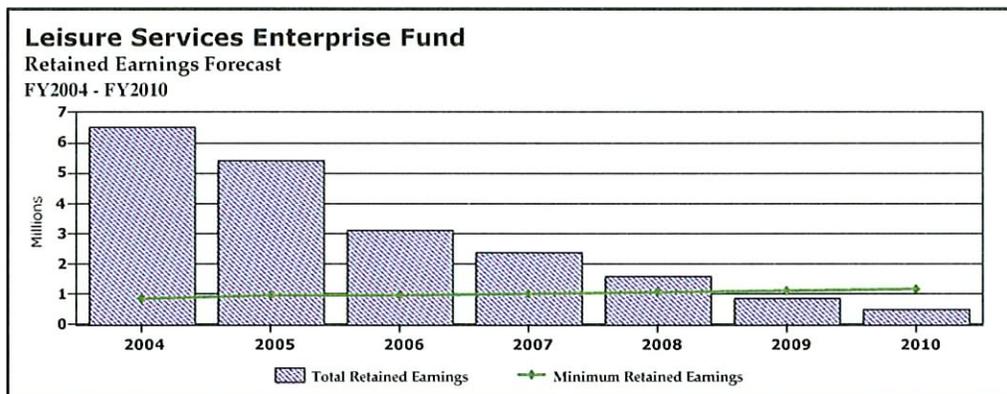


## Enterprise Fund Forecast

funded at 5% of the proposed operating expense budget. If the reserve is not used it will roll back into the retained earnings of the fund.

Capital projects for the Town Docks, the Par 3 Golf course and the Seaview Park Tennis facility have been proposed during the forecast period. These projects are proposed to be funded with transfers from the Retained Earnings of the Leisure Services Fund to the Leisure Services Capital Fund.

The retained earnings of the Leisure Services Enterprise Fund are expected to remain above the policy established minimum of 25% of revenues until 2010. In FY2010 the balance may drop to 18% of budgeted revenues. The funding anticipated in the forecast for the projects related to the dock master plan is very preliminary at this time and there have been no increases in revenue anticipated due to the changes proposed in the master plan. We will monitor the retained earnings closely and report changes annually.





## Leisure Enterprise Capital Funds Forecast

### Leisure Enterprise Capital Funds Forecast

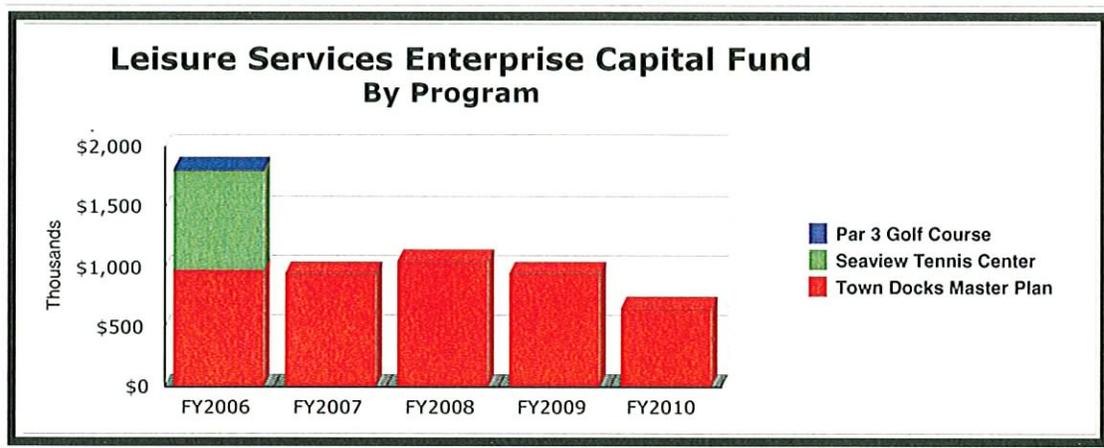
In addition to the General Government Capital Funds, in FY2005 the Town established an Enterprise Capital Fund reported in the Leisure Services Fund.

#### Leisure Enterprise Capital Improvement Program

Similar to the General Government Capital Improvement Program, the Leisure Enterprise Capital Improvement Program represents a multi-year analysis of financial requirements and infrastructure needs for the fund. The Program provides the best assessment of anticipated capital improvements based upon available information and preliminary engineering evaluations and opinions.

While the CIP encompasses a five year period, only the first year is actually adopted each year by the Town Council for funding and implementation. The out years are not a budget, but provide appropriate financial information for prudent budget and planning recommendations.

The following chart reflects the Capital Improvement Program forecast by project area from FY2006 through FY2010. Detailed information by fiscal year can be found on the next page.



Capital projects have been proposed during the forecast period in the Enterprise Fund. These projects are proposed to be funded from the Retained Earnings of the Leisure Services Fund. The projects are as follows:

#### Marina:

Design and permitting on the project to enhance Town Dock amenities with phased replacement/expansion of the Brazilian Dock Building and the Australian Dock Building along with slip expansion and parking Improvements.



## Leisure Enterprise Capital Funds Forecast

FY2006 - \$982,400  
FY2007 - \$945,000  
FY2008 - \$1,043,000  
FY2009 - \$949,000  
FY2010 - \$661,000

**Golf:**

FY2006 - Irrigation project - \$15,000

**Tennis:**

FY2006 Seaview Park Renovation - \$822,000

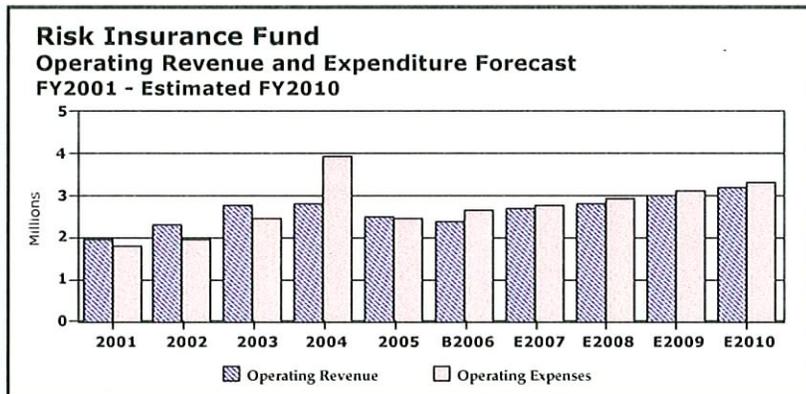


## Internal Service Funds Forecast

### INTERNAL SERVICE FUNDS FORECAST

#### Risk Insurance Fund Forecast

The forecast for the Risk Insurance Fund assumed a 10% increase for liability and workers compensation insurance and a 20% increase in property coverage for each of the forecasted years. The forecasted increases are based upon the current market for insurance and also include estimates for the increasing value of property over the forecast period. For other expenditures, the assumptions used for the General Fund forecast were used for the Risk fund as well. The results are as follows:



The operating deficits are offset by investment earnings on surplus funds. The transfer from the General Fund is anticipated to increase by an average of 7.62% per year for each of the forecasted years.

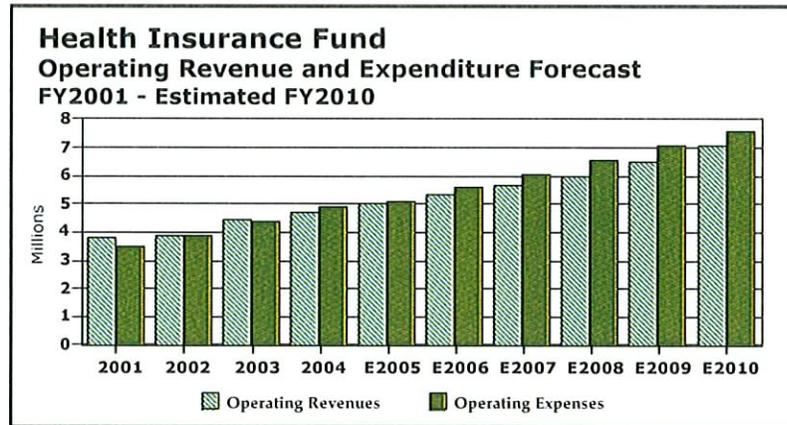
Each year a reserve for catastrophic exposures in the amount of \$2,500,000 and a contingency reserve of \$500,000 are appropriated from the retained earnings of the fund. The operating revenues and expenditures shown above do not reflect these appropriated reserves. If these reserves are not used, the funds remain in net assets and are appropriated the following year. Minimal increases to net assets are anticipated throughout the forecast period and the net asset balance is anticipated to be over \$6,500,000 at the end of FY2010.

#### Health Insurance Fund Forecast

The forecast for the Health Insurance Fund assumed a 11% increase in insurance costs for FY2007, 8% for FY2008, 8% for FY2009 and 7% for FY2010. The General Fund assumptions were used to forecast the other Health Insurance expenditures. The resulting operating revenues and expenditures are shown on the chart on the following page:



## Internal Service Funds Forecast



The operating deficit shown in each of the forecasted years is offset by the investment earnings of the fund. Minimal increases to the net assets of the fund are anticipated throughout the forecast period. The anticipated FY2010 ending net asset balance, including trust assets, should be over \$17,900,000.



## General Fund Revenue Forecast

### TOWN OF PALM BEACH GENERAL FUND REVENUES

	FY 2006 BUDGET	FY 2007 PROJECTED	FY 2008 PROJECTED	FY 2009 PROJECTED	FY 2010 BUDGETED
<b>AD VALOREM TAXES</b>					
Current Ad Valorem Taxes	\$38,113,459	\$41,971,675	\$45,263,403	\$48,237,299	\$51,346,249
Back Taxes	0	0	0	0	0
<b>Total</b>	<b>\$38,113,459</b>	<b>\$41,971,675</b>	<b>\$45,263,403</b>	<b>\$48,237,299</b>	<b>\$51,346,249</b>
<b>SALES &amp; USE TAXES</b>					
Local Option Gas Tax 6 Cents	\$150,000	\$151,500	\$153,015	\$154,545	\$156,091
Local Option Gas Tax 5 Cents	70,000	70,700	71,407	72,121	72,842
<b>Total</b>	<b>\$220,000</b>	<b>\$222,200</b>	<b>\$224,422</b>	<b>\$226,666</b>	<b>\$228,933</b>
<b>FRANCHISE FEES</b>					
Electricity	\$1,905,000	\$1,943,100	\$1,981,962	\$2,021,601	\$2,062,033
Gas	220,000	226,600	233,398	240,400	247,612
<b>Total</b>	<b>\$2,125,000</b>	<b>\$2,169,700</b>	<b>\$2,215,360</b>	<b>\$2,262,001</b>	<b>\$2,309,645</b>
<b>UTILITY SERVICE TAX</b>					
Electricity	\$1,995,000	\$2,034,900	\$2,075,598	\$2,117,110	\$2,159,452
Water	770,000	781,550	793,273	805,172	817,250
Gas	250,000	255,000	260,100	265,302	270,608
Simplified Telecom Tax	1,052,000	1,062,520	1,073,145	1,083,877	1,094,715
Propane	6,000	6,120	6,242	6,367	6,495
<b>Total</b>	<b>\$4,073,000</b>	<b>\$4,140,090</b>	<b>\$4,208,358</b>	<b>\$4,277,828</b>	<b>\$4,348,520</b>
<b>OCCUPATIONAL LICENSES</b>					
Town Occ Licenses	\$675,000	\$675,000	\$708,750	\$708,750	\$744,188
Occ Lic Penalties	20,000	20,000	20,000	20,000	20,000
<b>Total</b>	<b>\$695,000</b>	<b>\$695,000</b>	<b>\$728,750</b>	<b>\$728,750</b>	<b>\$764,188</b>
<b>BUILDING PERMITS</b>					
Building	\$4,000,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000
Radon Gas	50	100	100	100	100
Electrical	52,000	50,000	50,000	50,000	50,000
Plumbing	28,000	30,000	30,000	30,000	30,000
Except/Var. App.	52,000	50,000	50,000	50,000	50,000
Var./Spec. Exp. Consulting Fees	5,000	7,000	7,000	7,000	7,000
Special Plan Review Fee	100,000	90,000	90,000	90,000	90,000
Architectural Fees	45,500	55,000	55,000	55,000	55,000
Landmarks Submittal	4,500	5,500	5,500	5,500	5,500
Tax Abatement Program	3,600	1,200	1,200	1,200	1,200
Mechanical Permits	62,000	61,000	61,000	61,000	61,000
<b>Total</b>	<b>\$4,352,650</b>	<b>\$3,599,800</b>	<b>\$3,599,800</b>	<b>\$3,599,800</b>	<b>\$3,599,800</b>



## General Fund Revenue Forecast

### TOWN OF PALM BEACH GENERAL FUND REVENUES

#### **OTHER LIC., FEES & PERMITS**

Right Of Way Permits	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Gainesville Plan	4,500	4,500	4,500	4,500	4,500
Arlington Plan	11,000	11,000	11,000	11,000	11,000
Newsrack Encl. Admin. Fee	650	650	650	650	650
<b>Total</b>	<b>\$126,150</b>	<b>\$126,150</b>	<b>\$126,150</b>	<b>\$126,150</b>	<b>\$126,150</b>

#### **FEDERAL GRANTS**

	\$276,000	\$0	\$0	\$0	\$0
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#### **STATE GRANTS**

	\$50,000	\$15,500	\$15,500	\$15,500	\$15,500
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#### **STATE SHARED REVENUE**

State Revenue Sharing	\$250,000	\$255,000	\$260,100	\$265,302	\$270,608
Alcoholic Beverage Lic.	24,000	25,000	25,000	25,000	25,000
Local Govt. Sales Tax	720,000	741,600	763,848	786,763	810,366
Fire Supp. Comp.	27,200	21,200	21,200	21,200	21,200
Siezed Tag	1,900	1,000	1,000	1,000	1,000
Fuel Tax Refund	7,500	7,500	7,500	7,500	7,500
<b>Total</b>	<b>\$1,030,600</b>	<b>\$1,051,300</b>	<b>\$1,078,648</b>	<b>\$1,106,765</b>	<b>\$1,135,674</b>

#### **SHARED REV-LOCAL REVENUE**

County Occ. Licenses	\$20,000	\$25,000	\$25,000	\$25,000	\$25,000
911 Equip Reimbursement	185,200	85,000	85,000	85,000	85,000
<b>Total</b>	<b>\$205,200</b>	<b>\$110,000</b>	<b>\$110,000</b>	<b>\$110,000</b>	<b>\$110,000</b>

#### **GENERAL GOVERNMENT**

Bep Code Sales	\$500	\$700	\$700	\$700	\$700
Map/Sales Code	2,500	2,750	2,750	2,750	2,750
Certification Copy	650	650	650	650	650
Misc. Copies	2,400	2,400	2,400	2,400	2,400
Meeting Tapes Sales	600	600	600	600	600
Lien Search Fee	25,000	25,000	25,000	25,000	25,000
Micro-Fiche/Scanned Docs	12,000	12,000	12,000	12,000	12,000
<b>Total</b>	<b>\$43,650</b>	<b>\$44,100</b>	<b>\$44,100</b>	<b>\$44,100</b>	<b>\$44,100</b>



## General Fund Revenue Forecast

### TOWN OF PALM BEACH GENERAL FUND REVENUES

#### **PUBLIC SAFETY**

Special Detail - Other	\$355,000	\$355,000	\$355,000	\$355,000	\$355,000
Police ID Cards	20,000	20,000	20,000	20,000	20,000
Burg. Alarm False Alarm Fees	35,000	35,000	35,000	35,000	35,000
Burg. Alarm Registration Fees	50,000	51,000	51,000	51,000	51,000
Burglar Alarm-Direct Connect	6,000	6,000	6,000	6,000	6,000
Burglar Alarm Penalties	3,500	3,500	3,500	3,500	3,500
Valet Parking Permit	4,500	4,500	4,500	4,500	4,500
Tent Permits	1,500	2,000	2,000	2,000	2,000
Special Detail - Fire	50,000	50,000	50,000	50,000	50,000
Room Rental - South Fire	300	500	500	500	500
Washer/Extractor Revenue	700	700	700	700	700
Fire Prevention - Fireworks	15,000	15,000	15,000	15,000	15,000
Fire Prevention - Bonfires	1,500	1,500	1,500	1,500	1,500
Fire Prevention - Hydrant	12,500	12,500	12,500	12,500	12,500
Fire Prevention - Hot Work	7,500	7,500	7,500	7,500	7,500
Fire Prevention - Tech Fire Inspectic	15,000	15,000	15,000	15,000	15,000
Fire Prevention - Public Assembly	10,000	10,000	10,000	10,000	10,000
Fire Prevention - Annual Inspection	61,755	61,755	61,755	61,755	61,755
Bldg. Insp. Fund Fees	100	100	100	100	100
EMS Transport Fees	300,000	303,000	306,030	309,090	312,181
<b>Total</b>	<b>\$949,855</b>	<b>\$954,555</b>	<b>\$957,585</b>	<b>\$960,645</b>	<b>\$963,736</b>

#### **PHYSICAL ENVIRONMENT**

Special Solid Waste	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Solid Waste	730,000	759,200	789,568	821,151	853,997
Comp. Garbage Collection Fee	212,508	218,883	225,450	232,213	239,180
Beach Cleaning Citizens Assoc.	60,000	60,000	60,000	60,000	60,000
<b>Total</b>	<b>\$1,012,508</b>	<b>\$1,048,083</b>	<b>\$1,085,018</b>	<b>\$1,123,364</b>	<b>\$1,163,177</b>

#### **TRANSPORTATION**

Pkg. Meter Royal Palm Way Lot	\$9,000	\$10,000	\$10,000	\$10,000	\$10,000
Pkg. Meter Ocean Front	200,000	204,000	208,080	212,242	216,486
Pkg. Meter Lake Front	55,000	55,000	55,000	55,000	55,000
Pkg. Meter Phipps Ocean Front	25,000	35,000	36,750	38,588	40,517
Pkg. Meter Puruvian	75,000	77,000	77,000	77,000	77,000
Pkg. Meter Main Post Office	2,000	2,500	2,500	2,500	2,500
Pkg. Meter Bradley Place	12,000	13,000	13,000	13,000	13,000
Pkg. Meter Phipps Plaza	6,000	6,000	6,000	6,000	6,000
Pkg. Meter North County	6,000	6,200	6,200	6,200	6,200
Pkg. Meter South County	11,500	11,500	11,500	11,500	11,500
<b>Total</b>	<b>\$401,500</b>	<b>\$420,200</b>	<b>\$426,030</b>	<b>\$432,030</b>	<b>\$438,203</b>



## General Fund Revenue Forecast

### TOWN OF PALM BEACH GENERAL FUND REVENUES

#### JUDGMENTS AND FINES

Penalty - Other Parking	\$175,000	\$178,500	\$182,070	\$185,711	\$189,426
Penalty - Parking Meters	75,000	76,500	78,030	79,591	81,182
Fines - Other Parking	350,000	357,000	364,140	371,423	378,851
Fines - Parking Meters	160,000	163,200	163,200	163,200	163,200
Row Parking Violation Fines	25,000	25,000	25,000	25,000	25,000
Moving Violations	70,000	65,000	65,000	65,000	65,000
Revenue/2nd \$ Funding	3,500	3,500	3,500	3,500	3,500
Code Comp. Fee	25,000	25,000	25,000	25,000	25,000
Code Compliance Admin Fee	10,000	10,000	10,000	10,000	10,000
Boot Fees	6,000	6,000	6,000	6,000	6,000
<b>Total</b>	<b>\$899,500</b>	<b>\$909,700</b>	<b>\$921,940</b>	<b>\$934,425</b>	<b>\$947,159</b>

#### INTEREST EARNINGS

Interest - Checking	\$80,000	\$83,200	\$87,360	\$91,728	\$96,314
State Board Interest	1,017,103	1,040,000	1,092,000	1,146,600	1,203,930
Inv. Earnings/Ad Valorem	65,000	75,000	75,000	75,000	75,000
SBA Interest - ECR	25,000	25,000	25,000	25,000	25,000
<b>Total</b>	<b>\$1,187,103</b>	<b>\$1,223,200</b>	<b>\$1,279,360</b>	<b>\$1,338,328</b>	<b>\$1,400,244</b>

#### RENTS & ROYALTIES

Vending Machine Commissions	400	400	400	400	400
Rooftop Leases	74,000	76,220	78,507	80,862	83,288
<b>Total</b>	<b>\$74,400</b>	<b>\$76,620</b>	<b>\$78,907</b>	<b>\$81,262</b>	<b>\$83,688</b>

#### OTHER MISC REVENUE

Kreusler Park Admin.	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Rebate For Town Towing	1,000	500	500	500	500
Charitable Solicitations Fee	20,000	20,000	20,000	20,000	20,000
Charitable Solicit. Adv. Fee	17,000	17,000	18,000	19,000	19,000
Char. Solicit. Late Filing Fee	500	500	500	500	500
Miscellaneous Revenue	10,000	10,000	10,000	10,000	10,000
<b>Total</b>	<b>\$88,500</b>	<b>\$88,000</b>	<b>\$89,000</b>	<b>\$90,000</b>	<b>\$90,000</b>

#### INTERFUND TRANSFERS

Transfer from Leisure Services	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
Transfer from Compensated Absenc	510,000	540,600	573036	607418	643863
Transfer from Fund Balance	560,000	500,000			
<b>Total</b>	<b>1,620,000</b>	<b>1,590,600</b>	<b>1,123,036</b>	<b>1,157,418</b>	<b>1,193,863</b>

#### GRAND TOTAL

**\$57,544,075 \$60,456,473 \$63,575,367 \$66,852,331 \$70,308,829**



## General Fund Expenditure Forecast Summary

### GENERAL FUND EXPENDITURE FORECAST SUMMARY BY PROGRAM

PROGRAM		FY06 BUDGET	FY07 PROJECTED	FY08 PROJECTED	FY09 PROJECTED	FY10 PROJECTED
<b>LEGISLATIVE</b>	111	\$58,800	\$60,564	\$62,078	\$63,630	\$65,221
			3.00%	2.50%	2.50%	2.50%
<b>GENERAL GOVERNMENT</b>	113	\$866,611	\$742,225	\$781,678	\$823,375	\$867,446
			-14.35%	5.32%	5.33%	5.35%
<b>TOWN MANAGER</b>						
Administrative Management	121	\$724,446	\$775,523	\$824,575	\$876,846	\$930,289
Advice & Litigation	122	299,000	307,970	315,669	323,561	331,650
Information Systems	125	1,711,659	1,762,181	1,858,678	1,938,920	2,020,617
		<b>\$2,735,105</b>	<b>\$2,845,674</b>	<b>\$2,998,922</b>	<b>\$3,139,327</b>	<b>\$3,282,556</b>
			4.04%	5.39%	4.68%	4.56%
<b>HUMAN RESOURCES</b>	123	\$735,252	\$777,995	\$819,513	\$863,568	\$908,490
			5.81%	5.34%	5.38%	5.20%
<b>FINANCE</b>						
Financial Management	141	\$970,748	\$1,034,967	\$1,095,919	\$1,160,771	\$1,226,932
Records Management	131	289,630	308,769	326,783	345,950	365,448
Purchasing	144	483,471	518,453	551,777	587,321	623,529
		<b>\$1,743,849</b>	<b>\$1,862,189</b>	<b>\$1,974,479</b>	<b>\$2,094,042</b>	<b>\$2,215,909</b>
			6.79%	6.03%	6.06%	5.82%
<b>PLANNING/ZONING/BUILDING</b>						
Planning & Zoning	211	\$656,952	\$654,463	\$694,240	\$703,695	\$740,888
Permit Issuance	212	1,013,290	1,092,240	1,150,390	1,205,382	1,271,720
Inspection/Compliance	213	911,450	969,671	1,026,098	1,087,706	1,150,335
Landmarks Preservation	214	140,379	147,831	154,740	162,040	169,485
Fire Prevention	215	503,313	500,357	532,619	567,035	602,029
		<b>\$3,225,384</b>	<b>\$3,364,562</b>	<b>\$3,558,087</b>	<b>\$3,725,858</b>	<b>\$3,934,457</b>
			4.32%	5.75%	4.72%	5.60%
<b>LIBRARY SERVICES</b>	321	\$235,000	\$247,000	\$247,000	\$247,000	\$247,000
<b>FIRE-RESCUE</b>						
Fire Administration	411	\$657,401	\$719,679	\$768,073	\$823,898	\$872,976
Operations	417	9,061,685	9,544,516	9,914,356	10,436,803	11,065,068
Training	418	235,094	248,995	261,901	275,589	289,499
		<b>\$9,954,180</b>	<b>\$10,513,190</b>	<b>\$10,944,330</b>	<b>\$11,536,290</b>	<b>\$12,227,543</b>
			5.62%	4.10%	5.41%	5.99%
<b>POLICE</b>						
Administrative Management	421	\$985,992	\$1,105,133	\$1,182,206	\$1,241,565	\$1,314,340
Org Crime/Vice/Narcotics	422	646,124	675,761	718,408	763,369	809,872
Records Information Systems	423	224,939	241,941	257,322	273,735	290,333
Training/Per/Pub Enf	424	387,745	413,987	440,888	467,650	493,835
Communications	425	2,091,386	1,729,010	1,688,806	1,789,907	1,892,312
Crime Scene/Evidence	426	385,520	413,319	438,434	467,163	597,814
Patrol Services	428	7,379,211	7,844,975	8,338,183	8,858,418	9,384,085
Criminal Investigation	429	1,579,237	1,712,139	1,825,207	1,943,871	2,063,596
Parking Control	430	526,800	566,451	607,667	645,486	685,723
Beach Rescue	432	737,606	798,993	843,140	888,780	943,936
		<b>\$14,944,560</b>	<b>\$15,501,709</b>	<b>\$16,340,261</b>	<b>\$17,339,944</b>	<b>\$18,475,846</b>
			3.73%	5.41%	6.12%	6.55%



## General Fund Expenditure Forecast Summary

### GENERAL FUND EXPENDITURE FORECAST SUMMARY BY PROGRAM

PROGRAM		FY06 BUDGET	FY07 PROJECTED	FY08 PROJECTED	FY09 PROJECTED	FY10 PROJECTED
<b>PUBLIC WORKS</b>						
Administrative Management	511	\$787,074	\$842,113	\$895,032	\$951,411	\$1,009,092
Street Repair/Maintenance	521	509,013	555,225	578,976	598,526	618,758
Traffic Control	523	186,088	198,676	213,708	227,297	241,200
Street Lighting	524	325,795	347,218	368,177	390,616	415,350
Storm Sewer Maintenance	531	753,680	832,346	901,045	942,273	984,223
Sanitary Sewer Maintenance	532	1,208,965	1,337,683	1,403,151	1,477,753	1,483,543
Sanitary Sewer Treatment	533	1,380,100	1,496,503	1,533,916	1,572,263	1,611,570
Residential Collection	541	702,747	754,524	816,360	868,155	918,670
Commercial Collection	542	842,324	895,861	945,330	998,848	1,052,528
Refuse Disposal	543	70,000	72,100	74,263	76,862	79,552
Yard Trash Collection	544	1,604,464	1,725,522	1,829,910	1,949,922	2,063,567
Recycling	545	265,439	283,780	304,024	322,430	341,062
Beach Cleaning	546	154,257	166,177	176,350	186,697	197,160
Parks	551	1,257,613	1,342,340	1,443,457	1,533,479	1,625,831
Facilities Maintenance	554	911,578	967,469	1,025,475	1,086,426	1,150,186
Parking Meter Maint & Collections	558	63,921	85,252	74,494	79,032	83,694
General Engineering Services	561	392,646	421,838	449,192	498,196	507,888
Right of Way Inspections	565	101,699	110,240	117,267	124,759	132,414
Equip Operations/Maintenance	571	623,797	664,528	706,649	748,451	790,569
L.W. Inlet Management	581	382,590	398,220	412,453	427,325	442,579
		<b>\$12,523,790</b>	<b>\$13,497,615</b>	<b>\$14,269,229</b>	<b>\$15,060,721</b>	<b>\$15,749,436</b>
			<b>7.78%</b>	<b>5.72%</b>	<b>5.55%</b>	<b>4.57%</b>
<b>TRANSFER TO OTHER FUNDS</b>						
Cap Impr Program (307/308/320)	611	\$2,876,601	\$2,800,000	\$2,980,000	\$2,880,000	\$2,780,000
Debt Service Fund (203/204)	612	3,402,060	3,526,997	3,651,724	3,787,942	3,924,671
Group Health Ins. (502)	621	918,991	1,020,080	1,101,686	1,189,821	1,273,109
Risk-W/C, Liab.Prop. (501)	622	2,390,000	2,700,000	2,800,000	3,000,000	3,200,000
Employee Retirement Fund (600)	624	1,900	1,900	1,900	1,900	1,900
Public Safety Retire Fund (601)	625	4,800	4,800	4,800	4,800	4,800
		<b>\$9,594,352</b>	<b>\$10,053,777</b>	<b>\$10,540,110</b>	<b>\$10,864,463</b>	<b>\$11,184,480</b>
			<b>4.79%</b>	<b>4.84%</b>	<b>3.08%</b>	<b>2.95%</b>
<b>EMERGENCY/DISASTER RESPON</b>						
	710	<b>\$92,192</b>	<b>\$96,528</b>	<b>\$101,251</b>	<b>\$106,175</b>	<b>\$111,399</b>
			<b>4.70%</b>	<b>4.89%</b>	<b>4.86%</b>	<b>4.92%</b>
<b>CONTINGENT APPROPRIATIONS</b>						
	711	<b>\$835,000</b>	<b>\$893,445</b>	<b>\$938,429</b>	<b>\$987,938</b>	<b>\$1,039,047</b>
			<b>7.00%</b>	<b>5.03%</b>	<b>5.28%</b>	<b>5.17%</b>
<b>General Operating Fund (001) Total</b>		<b>\$47,949,723</b>	<b>\$50,402,696</b>	<b>\$53,035,257</b>	<b>\$55,987,868</b>	<b>\$59,124,350</b>
Transfers to Other Funds		\$9,594,352	\$10,053,777	\$10,540,110	\$10,864,463	\$11,184,480
<b>TOTAL GENERAL FUND</b>		<b>\$57,544,075</b>	<b>\$60,456,473</b>	<b>\$63,575,367</b>	<b>\$66,852,331</b>	<b>\$70,308,830</b>
			<b>5.06%</b>	<b>5.16%</b>	<b>5.15%</b>	<b>5.17%</b>



## Legislative

### Program 111 - Legislative LTFP Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	0	0	0	0	0	0
Employee Benefits	0	0	0	0	0	0
Contractual	44,625	45,900	47,277	48,459	49,670	50,912
Commodities	12,200	12,900	13,287	13,619	13,960	14,309
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>56,825</b>	<b>58,800</b>	<b>60,564</b>	<b>62,078</b>	<b>63,630</b>	<b>65,221</b>

#### EXPENDITURES

##### Contractual:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Commodities:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase



## General Government

### Program 113 - General Government LTFP Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	0	0	0	0	0	0
Employee Benefits	702,398	564,664	598,544	634,456	672,524	712,875
Contractual	265,088	299,500	141,625	145,166	148,795	152,515
Commodities	0	0	0	0	0	0
Capital Outlay	2,525	2,447	2,056	2,056	2,056	2,056
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>970,011</b>	<b>866,611</b>	<b>742,225</b>	<b>781,678</b>	<b>823,375</b>	<b>867,446</b>

#### EXPENDITURES

##### Employee Benefits:

Compensated absence buyouts estimated at salary and wages assumption

FY07: 6% estimated increase

FY08: 6% estimated increase

FY09: 6% estimated increase

FY10: 6% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

##### Capital Outlay:

FY06: Estimated Depreciation

FY07: Estimated Depreciation

FY08: Estimated Depreciation

FY09: Estimated Depreciation



## Town Manager

### Town Managers Office - All Programs LTFP Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	830,295	939,777	996,164	1,055,933	1,119,289	1,186,447
Employee Benefits	312,633	329,478	365,721	394,978	426,576	456,437
Contractual	800,233	718,500	760,055	799,056	819,033	839,509
Commodities	116,050	362,850	408,736	418,954	429,428	440,163
Capital Outlay	329,000	384,500	315,000	330,000	345,000	360,000
Other	4,103	0	0	0	0	0
<b>TOTALS</b>	<b>2,392,314</b>	<b>2,735,105</b>	<b>2,845,675</b>	<b>2,998,922</b>	<b>3,139,326</b>	<b>3,282,556</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase.

FY08: 6% estimated increase for Merit and competitive pay increase.

FY09: 6% estimated increase for Merit and competitive pay increase.

FY10: 6% estimated increase for Merit and competitive pay increase.

##### Employee Benefits:

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase; \$20,000 in software maintenance

FY08: 2.5% CPI Increase; \$20,000 in software maintenance

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

##### Commodities:

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

##### Capital Outlay:

FY07: Estimated Depreciation: \$200,000 Year 2 of 3 for Town Wide Software Systems in Information Systems

FY08: Estimated Depreciation: \$200,000 Year 3 of 3 for Town Wide Software Systems in Information Systems

FY09: Estimated Depreciation

FY10: Estimated Depreciation



## Town Manager

<i>Full Time Equivalent Employees</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant to the Town Manager	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	2.00	2.00	2.00	2.00
Shared Secretary	0.00	0.00	0.00	0.00	0.00	0.00
Information Systems Manager	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	2.00	2.00	2.00	2.00	2.00	2.00
Information Systems Programmer	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Support Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems GIS Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	12.00	12.00	12.00	12.00	12.00	12.00



## Human Resources

### Program 123 - Human Resources LTFP Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	340,150	362,045	383,768	406,794	431,201	457,073
Employee Benefits	140,368	141,840	157,442	170,038	183,641	196,496
Contractual	238,095	204,100	210,223	215,479	220,866	226,387
Commodities	23,300	24,900	25,647	26,288	26,945	27,619
Capital Outlay	2,367	2,367	915	915	915	915
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>744,280</b>	<b>735,252</b>	<b>777,995</b>	<b>819,513</b>	<b>863,568</b>	<b>908,490</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase.  
 FY08: 6% estimated increase for Merit and competitive pay increase.  
 FY09: 6% estimated increase for Merit and competitive pay increase.  
 FY10: 6% estimated increase for Merit and competitive pay increase.

##### Employee Benefits:

FY07: 11% estimated increase  
 FY08: 8% estimated increase  
 FY09: 8% estimated increase  
 FY10: 7% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Commodities:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Capital Outlay:

FY07: Estimated Depreciation  
 FY08: Estimated Depreciation  
 FY09: Estimated Depreciation  
 FY10: Estimated Depreciation



## Finance Department

### Finance Department - All Programs Revenue Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Lien Search Fee	25,000	25,000	25,000	25,000	25,000	25,000
Charitable Solicitations Fee	18,000	20,000	20,000	20,000	20,000	20,000
Charitable Solicitations Advertising Fee	15,000	17,000	17,000	18,000	19,000	19,000
Charitable Solicitations Late Filing Fee	500	500	500	500	500	500
Meeting Tape Sales	400	600	400	400	400	400
<b>TOTALS</b>	<b>58,900</b>	<b>63,100</b>	<b>62,900</b>	<b>63,900</b>	<b>64,900</b>	<b>64,900</b>

#### REVENUES

##### **Lien Search Fee:**

The Lien Search Fee is charged to offset the cost of performing a title search of the Town's records when properties within the Town are sold or refinanced. The Town charges \$35 per request and \$100 for a 24 hour rush request. The fee was initially implemented in December 1993 and increased from \$5.00 to \$20.00 in July 1997 and then to \$35 in FY2004.

##### **Charitable Solicitations Fee:**

New Charitable Solicitation permit fees were established in 2002. Increased projections are based on these new fees.

##### **Charitable Solicitations Advertising Fee:**

The advertising fee is subject to change as the Palm Beach Daily News adjusts its advertising rates. This revenue is offset by equal expenditures for advertising. Increases are based on projected newspaper advertising costs.

##### **Charitable Solicitations Late Filing Fee:**

The late filing fee for results forms is \$25.00 per permit. This form has to be filed 90 days after the last event. Revenue has decreased as organizations achieve a greater compliance level.

##### **Meeting Tape Sales:**

Recordings of meetings are available on cassette tape at a cost of \$10.00 per tape and are included in a miscellaneous revenue account.



## Finance Department

### Finance Department - All Programs Expenditure Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	1,053,150	1,081,186	1,146,057	1,214,821	1,287,710	1,364,972
Employee Benefits	381,548	421,790	468,187	505,642	546,093	584,320
Contractual	188,210	212,110	218,473	223,935	229,534	235,272
Commodities	25,225	23,650	24,360	24,968	25,593	26,233
Capital Outlay	7,547	5,113	5,113	5,113	5,113	5,113
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>1,655,680</b>	<b>1,743,849</b>	<b>1,862,190</b>	<b>1,974,479</b>	<b>2,094,042</b>	<b>2,215,910</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase.  
 FY08: 6% estimated increase for Merit and competitive pay increase.  
 FY09: 6% estimated increase for Merit and competitive pay increase.  
 FY10: 6% estimated increase for Merit and competitive pay increase.

##### Employee Benefits:

FY07: 11% estimated increase  
 FY08: 8% estimated increase  
 FY09: 8% estimated increase  
 FY10: 7% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Commodities:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Capital Outlay:

FY07: Estimated Depreciation  
 FY08: Estimated Depreciation  
 FY09: Estimated Depreciation  
 FY10: Estimated Depreciation



## Finance Department

<i>Full Time Equivalent Employees</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Finance Director/Treasurer	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Purchasing Agent	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Buyer	2.00	2.00	2.00	2.00	2.00	2.00
Accounting Clerk	2.00	2.00	2.00	2.00	2.00	2.00
Payroll Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Purchasing Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Warehouse Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Clerk/Receptionist	1.00	1.00	1.00	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Town Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Office Asst III	2.00	2.00	2.00	2.00	2.00	2.00
Driver/Warehouse Asst I	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>



## Planning and Zoning

### Planning, Zoning and Building Department - All Programs Revenue Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Town Occupational Licenses	610.000	675.000	640.500	672.525	672.525	672.525
Occupational License Penalties	22.000	20.000	26.000	26.000	26.000	26.000
Building Permits	3,250.000	4,000.000	4,000.000	4,000.000	4,000.000	4,000.000
Radon Gas	75	50	100	100	100	100
Electrical Permits	45.000	52.000	50.000	50.000	50.000	50.000
Plumbing Permits	28.000	28.000	30.000	30.000	30.000	30.000
Except/Variance App.	50.000	52.000	50.000	50.000	50.000	50.000
Consultants Fees	5.000	5.000	7.000	7.000	7.000	7.000
Special Plan Review Fee	60.000	100.000	90.000	90.000	90.000	90.000
Abandonments	500	500	0	0	0	0
Architectural Fees	50.000	45.000	55.000	55.000	55.000	55.000
Landmarks Submittal	5.500	4.500	5.500	5.500	5.500	5.500
Tax Abatement Program	1,200	3,600	1,200	1,200	1,200	1,200
Mechanical Permits	59.000	62.000	61.000	61.000	61.000	61.000
Right of Way Permits	95.000	110.000	100.000	100.000	100.000	100.000
Historic Preservation Grant	25.000	0	0	0	0	0
County Occupational License	20.000	20.000	25.000	25.000	25.000	25.000
Bldg/Elec/Plumbing Code Sales	700	500	700	700	700	700
Map/Sales Code	2,500	2,500	2,750	2,750	2,750	2,750
Certification Copy	300	650	300	300	300	300
Microfiche/Scanned Documents	9,000	12,000	9,000	9,000	9,000	9,000
Tent Permits	6.000	1,500	2.000	2.000	2.000	2.000
Building Inspection Fund Fees	100	100	100	100	100	100
Code Compliance Fines	25.000	25.000	15.000	15.000	15.000	15.000
<b>TOTALS</b>	<b>4,369.875</b>	<b>5,219.900</b>	<b>5,171.150</b>	<b>5,203.175</b>	<b>5,203.175</b>	<b>5,203.175</b>



## Planning and Zoning

### REVENUES

#### **Town Occupational Licenses:**

All businesses located in the Town are required to obtain occupational licenses. The fees for these licenses are recorded in this account. Increase of 5% anticipated in FY06 and FY08 per state statute.

#### **Occupational License Penalties:**

This account consists of penalty fees collected when a late fee occurs relative to occupational licenses. No meaningful changes are expected.

#### **Building Permits:**

This account is composed of fees associated with the issuance of building permits. Construction is estimated to be level for the near future.

#### **Radon Gas:**

This revenue is a percentage of funds collected by the Town on behalf of the State. Construction is estimated to be level for the near future.

#### **Electrical Permits:**

This account is composed of fees associated with the issuance of electrical permits. Construction is estimated to be level for the near future.

#### **Plumbing Permits:**

This account is composed of fees associated with the issuance of plumbing permits. Construction is estimated to be level for the near future.

#### **Zoning Applications:**

This account is composed of fees associated with zoning applications. Zoning application fees are expected to remain level for the near future.

#### **Consultants Fees:**

This account is composed of fees reimbursed to the Town for consultant expenses regarding zoning applications. This revenue is offset by traffic consultant expense.

#### **Special Plan Review Fee:**

This account consists of fees reimbursed to the Town for expedited special plan reviews. We expect a continued interest in this customer service to expedite permit issuance/plan revisions.

#### **Abandonments:**

This account reflects revenue received for abandonment of Town easements. We expect no revenue from this account.

#### **Architectural Fees:**

This account is composed of fees associated with Architectural Commission applications. Construction is estimated to be level for the near future.

#### **Landmarks Submittal:**

This account is composed of fees associated with Landmark Preservation Commission applications. Construction is estimated to be level for the near future.

#### **Tax Abatement Program:**

This account consists of fees reimbursed to the Town for tax abatement projects processed by the Town's Landmark Consultant. Revenue in this new program is offset by expenses incurred in Program #214.

#### **Mechanical Permits:**



## Planning and Zoning

This account is composed of fees associated with the issuance of mechanical permits. Construction is estimated to be level for the near future.

### **Sanitary Sewer-Tap-In Fee:**

This account is for the collection of sanitary capital connection charges based on the water meter size. No revenue is anticipated at this time due to lack of increases of the existing water main lines.

### **Right of Way Permits:**

This account is composed of fees associated with the issuance of right of way parking permits. Budget based on prior years.

### **Historic Preservation Grant:**

This account reflects any grant funds received under the State Historic Preservation Program. No funds are anticipated for the near future.

### **County Occupational Licenses:**

This account represents that portion of occupational license taxes collected by the County and apportioned to the Town.

### **Building/Electric/Plumbing Code Sales:**

This account is for the collection of fees paid for the sale of amendments to the respective codes. Sales estimates are estimated to be steady in the near future.

### **Map/Sales Code:**

This account is for the collection of fees paid for the sale of maps. Sales estimates are estimated to be steady in the near future.

### **Certification Copy:**

This account consists of revenue for sales of certified copies of Town documents. Sales estimates are estimated to be steady in the near future.

### **Microfiche Copies:**

This account consists of revenue for sales of copies of Town microfiche documents. No meaningful changes are expected.

### **Tent Permits:**

This account is composed of fees associated with the issuance of tent permits. A decrease is expected due to a decrease in tent rentals.

### **Building Inspection Fund Fees:**

This account is composed of State mandated fees generated for building inspector professional development. No meaningful changes are expected.

### **Code Compliance Fines:**

This account consists of fines paid in connection with a code compliance violation. No change.



## Planning and Zoning

### Planning, Zoning and Building Department - All Programs Expenditure Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	1,541,727	1,752,632	1,857,790	1,969,257	2,087,413	2,212,658
Employee Benefits	582,489	680,521	755,378	815,809	881,073	942,748
Contractual	608,850	664,950	662,699	679,266	673,698	690,540
Commodities	44,650	58,650	58,350	64,808	61,428	62,964
Capital Outlay	26,456	68,631	30,346	28,946	22,246	25,546
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>2,804,172</b>	<b>3,225,384</b>	<b>3,364,562</b>	<b>3,558,086</b>	<b>3,725,858</b>	<b>3,934,456</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase.  
 FY08: 6% estimated increase for Merit and competitive pay increase.  
 FY09: 6% estimated increase for Merit and competitive pay increase.  
 FY10: 6% estimated increase for Merit and competitive pay increase.

##### Employee Benefits:

FY07: 11% estimated increase  
 FY08: 8% estimated increase  
 FY09: 8% estimated increase  
 FY10: 7% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Commodities:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Capital Outlay:

FY07: Estimated Depreciation  
 FY08: Estimated Depreciation  
 FY09: Estimated Depreciation  
 FY10: Estimated Depreciation



## Fire Administration

### Fire Department - All Programs Revenue Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projected	FY2008 Projected	FY2009 Projected	FY2010 Projected
<b>Revenues</b>						
FEMA Grant	133,840	276,000	0	0	0	0
EMS Grant-Palm Beach County	49,837	50,000	50,000	50,000	50,000	50,000
Fire Supplemental Compensation	21,500	27,200	29,000	29,000	29,000	29,000
Special Detail	40,000	50,000	40,000	40,000	40,000	40,000
Room Rental - South Fire	300	300	0	0	0	0
EMS Transport Fees	275,000	300,000	300,000	300,000	300,000	300,000
Washer/Extractor Agreement	700	700	700	700	700	700
Fireworks Permit	0	15,000	15,000	15,000	15,000	15,000
Bonfire Permit	0	1,500	1,500	1,500	1,500	1,500
Hot Works Permit	0	7,500	7,500	7,500	7,500	7,500
Fire Hydrant Flow Tests	0	12,500	12,500	12,500	12,500	12,500
Technical Fire Inspections	0	15,000	15,000	15,000	15,000	15,000
Public Assembly	0	10,000	10,000	10,000	10,000	10,000
<b>TOTALS</b>	<b>521,177</b>	<b>765,700</b>	<b>481,200</b>	<b>481,200</b>	<b>481,200</b>	<b>481,200</b>



## Fire Administration

### REVENUES

#### FEMA Grant:

Each year funds are made available through FEMA from the Assistance to Firefighters Grant program. Over the past several years the Fire-Rescue Department has been award funds to purchase the following items:

- In FY02 the Fire-Rescue Department received \$30,500 (Federal share) to replace the remaining sets of personal protective equipment needed by employees.
- In FY03 the Department received \$41,215 (Federal share) to purchase new thermal imaging cameras.
- In FY04 the Department received \$60,177 for a vehicle exhaust systems for fire stations 1 & 3.
- The FY05 FEMA grant for \$133,840, will allow the Department to purchase replacement and backup protective gear for operations personnel. The Federal portion being \$90,594. This gear has been purchased and a portion of the gear has been received.
- A grant proposal for FY06 was submitted. If awarded, the Department should receive \$276,207 for the purchase of Self-Contained Breathing Apparatus.

#### EMS Grant:

Fire-Rescue Departments within Palm Beach County are eligible to submit grant application for funds to improve or enhance current emergency medical service operations. The maximum award for any one agency during the grant cycle is \$50,000. For FY05 we received \$45,380 for three Autopulse resuscitation units and six CPAPs ventilators. For FY06 the Department has been awarded \$46,922 for the purchase of a First Response EMS Trailer and equipment.

#### Fire Supplemental Compensation:

Any firefighter who holds an Associates Degree or a Bachelors Degree may receive funding from the Firefighters' Supplemental Compensation program. These funds are paid to the employee monthly through the payroll program and are reimbursed 100% by the State on a quarterly basis. Currently, the Department has approximately 26 employees who receive supplemental compensation.

#### Special Detail:

Whenever an employee is assigned to work special details such as large events, parties, etc., the employee is paid time and one-half his hourly rate of pay for the number of hours work. The organization, business, or individual is required to pay for this special detail service at a rate of \$60 per hour per detailed employee. Additional charges maybe incurred for the use of apparatus on standby.

#### Room Rental - South Fire:

The South Fire Rescue Station meeting room may be used by groups or organization. They are required to pay a room deposit of \$200 and a fee of \$28 per hour for the use of the room with a minimum fee of \$40. The room deposit is refundable.

#### EMS Transport Fees:

The revenue from the new E.M.S. Transport Billing program is expected to be approximately \$300,000. These funds are from Medicare, private insurance, and the patient.

#### Fireworks Permit:

This account is composed of fees associated with the issuance of fireworks permits for indoor and outdoor displays. The revenue from this fire prevention activity is expected to be approximately \$15,000.

#### Bonfire Permit:

This account is composed of fees associated with the issuance of Bonfire permits. The revenue from this fire prevention activity is expected to be approximately \$1,500.

#### Fire Hydrant Flow Test:

This account is composed of fees associated with the witnessing of Fire Hydrant Flow Test for fire protection system calculations and designs. The revenue from this fire prevention activity is expected to be approximately \$12,500.

#### Hot Work Permit:

This account is composed of fees associated with the issuance of Hot Work permits. The revenue from this fire prevention activity is expected to be approximately \$7,500.

#### Technical Fire Inspections:

This account is composed of fees associated with the inspection and certification of fire protection and fire alarm systems. The revenue from this fire prevention activity is expected to be approximately \$15,000.



## Fire Administration

**Public Assembly:**

This account is composed of fees associated with the plan review, inspection and issuance of permits related to Public Assembly events to comply with the life safety codes. The revenue from this fire prevention activity is expected to be approximately \$10,000.



## Fire Administration

### Fire Department - All Programs Expenditure Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projected	FY2008 Projected	FY2009 Projected	FY2010 Projected
<b>Expenditures</b>						
Salaries and Wages	5,613,193	5,876,984	6,229,603	6,603,379	6,999,582	7,419,557
Employee Benefits	2,454,594	2,745,028	3,046,981	3,290,740	3,553,999	3,802,779
Contractual	135,005	189,410	195,092	274,970	206,844	212,015
Commodities	310,040	319,600	329,188	337,418	333,041	341,367
Capital Outlay	492,435	728,158	617,325	390,325	442,825	451,825
Other	95,000	95,000	95,000	47,500	0	0
<b>TOTALS</b>	<b>9,100,267</b>	<b>9,954,180</b>	<b>10,513,189</b>	<b>10,944,331</b>	<b>11,536,290</b>	<b>12,227,542</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay  
 FY08: 6% estimated increase for Merit and competitive pay increase  
 FY09: 6% estimated increase for Merit and competitive pay increase  
 FY10: 6% estimated increase for Merit and competitive pay increase

##### Employee Benefits:

FY07: 11% estimated increase  
 FY08: 8% estimated increase  
 FY09: 8% estimated increase  
 FY10: 7% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Commodities:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Capital Outlay:

FY07: Estimated Depreciation; reserve engine, 5" fire hose, defibrillators(8)  
 FY08: Estimated Depreciation; accreditation, replace reserve rescue units(2)  
 FY09: Estimated Depreciation; replace aerial tower truck  
 FY10: Estimated Depreciation; replace rescue units (3)

##### Other:

FY07: Lease payments  
 FY08: Lease payments



## Fire Administration

<i>Full Time Equivalent Employees</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Fire-Rescue Chief	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Chief	2.00	2.00	2.00	2.00	2.00	2.00
Division Commander, EMS	1.00	1.00	1.00	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Battalion Commander	3.00	3.00	3.00	3.00	3.00	3.00
Captain	0.00	0.00	0.00	0.00	0.00	0.00
Lieutenant	18.00	18.00	18.00	18.00	18.00	18.00
F/F, D/O, Paramedic	52.00	49.00	49.00	49.00	49.00	49.00
Fire Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Division Commander, Training/Safety Officer	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Lieutenant	0.50	1.00	1.00	1.00	1.00	1.00
Medical Billing Technician	1.00	1.00	1.00	1.00	1.00	1.00
	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>82.50</b>	<b>80.00</b>	<b>80.00</b>	<b>80.00</b>	<b>80.00</b>	<b>80.00</b>



# Police

## Police Department - All Programs Revenue Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Bullet Proof Vests Grant	3.500	10.155	7.500	7.500	7.500	7.500
Local Law Enforcement Block Grant	8.000	2.000	2.000	2.000	2.000	2.000
Seized Tag	1.000	1.900	2.500	2.500	2.500	2.500
911 Equipment Reimbursement	77.700	185.200	85.000	85.000	85.000	85.000
Special Assignment	362.000	355.000	355.000	355.000	355.000	355.000
Police ID Cards	18.000	20.000	25.000	25.000	25.000	25.000
Burglar Alarm False Alarm Fees	55.000	35.000	30.000	30.000	30.000	30.000
Burglar Alarm Registration Fees	51.000	50.000	51.000	51.000	51.000	51.000
Burglar Alarm Direct Connect	8.000	6.000	6.000	6.000	6.000	6.000
Burglar Alarm Penalties	0	3.500	3.500	3.500	3.500	3.500
Valet Parking Permit	4.500	4.500	4.500	4.500	4.500	4.500
Fines-Parking Meters	160.000	160.000	175.000	175.000	175.000	175.000
Penalties-Parking Meters	60.000	75.000	100.000	100.000	100.000	100.000
Fines-Other Parking	350.000	350.000	350.000	350.000	350.000	350.000
Penalties-Other Parking	110.000	175.000	180.000	180.000	180.000	180.000
\$12.50 Citation Monies	0	0	10.000	10.000	10.000	10.000
Moving Violations	48.000	70.000	60.000	60.000	60.000	60.000
Revenue/2nd \$ Funding	3.500	3.500	3.500	3.500	3.500	3.500
Boot Fees	6.000	6.000	6.000	6.000	6.000	6.000
<b>TOTALS</b>	<b>1,326.200</b>	<b>1,512.755</b>	<b>1,456.500</b>	<b>1,456.500</b>	<b>1,456.500</b>	<b>1,456.500</b>



## Police

### REVENUES

#### **Bulletproof Vests Partnership Grant:**

The Bureau of Justice Assistance (BJA) provides funding to departments to contribute to the purchase of protective body armor. Since the Bulletproof Vest Partnership (BVP) Program began in 1999, BJA has provided over \$94 million to support the purchase of vests nationwide.

The Police Department is currently proposing to budget for 10 vests per year at a cost of \$8,000. While reimbursement is not guaranteed, jurisdictions with a population of less than 100,000 will receive priority funding to cover 50% of total vests costs.

#### **Block Grant-Drug/Terrorism Intervention:**

Based on legislative action, the U.S. Department of Justice awards funds to States through the Local Law Enforcement Block Grants Program. States in turn award funds to units of local government based on locally reported Part I crime statistics.

Past Local Law Enforcement Block Grant funds have been designated by the State's administrative agency, the Florida Department of Law Enforcement (FDLE) to be spent on the reduction of illegal drugs in Florida. However, in light of terrorist events of September 11, 2001, at a 2001 Special Session, the Legislature redirected funding to meet local law enforcement domestic security needs identified in Florida's Domestic Security Strategy.

#### **Local Law Enforcement Block Grant:**

Based on legislative action, the U.S. Department of Justice awards fund to States through the Local Law Enforcement Block Grants Program. States in turn award funds to units of local government based on locally reported Part I crime statistics. Appropriate funding expenditure areas are designated by the State's administrative agency, the Florida Department of Law Enforcement.

#### **Seized Tag:**

Revenue is received from the county based on the number of tags seized. The Town receives \$50 per tag.

#### **911 Equipment Reimbursement:**

In an effort to assist municipalities in attracting and retaining 911 call takers, Palm Beach County 911 Management has agreed to reimburse municipalities for call-taker expenses for the portion of their time spent taking and transferring "911" calls. A maximum of 25% in Call Taker expenses and 100% in equipment and maintenance expenses will be reimbursed by Palm Beach County's E911 Program each fiscal year. During 2006, the County only anticipates reimbursing Call Taker expenses at 7.5% for FY06.

#### **Special Assignment:**

Special Assignment Overtime(SAO) revenue is generated by the demand for police officers to perform police functions at the request of private persons or organizations. The private entity is charged at a rate of \$50 per hour per police officer which offsets the officer's salary and associated expenses. The use of SAO officers ensures that such services are being performed by a person who is qualified and trained to do so. Additionally, the presence of SAO officers increases the readiness of the police department and makes additional police officers immediately available in the case of an emergency.

#### **Police ID Cards:**

The Crime Scene Evidence Unit is responsible for the issuance of all voluntary identification cards, chauffeur permits and bank employee security identification cards and charges \$10.00 per card.

#### **Burglar Alarm False Alarm Fees:**

Revenues collected from alarm permit holders that have had more than six (6) false alarms within any period of 12 calendar months.

#### **Burglar Alarm Registration Fees:**

Revenues collected as a result of the established permit fees for businesses, agents and users.



## Police

### **Burglar Alarm Direct Connect:**

The Direct Connect system allows for businesses in the community to register their alarm systems (with minor alarm equipment modification) to enable the Police Department to receive immediate alarm activation notification at the same time the businesses' alarm company is notified. This direct notification will allow the police department to immediately dispatch officers to a business alarm without the delays encountered during the notification procedures typically practiced by alarm companies. During fiscal year 2004, the Direct Connect registration fee was adjusted to reflected fees based on the size of the business. Two categories were created: businesses under 1000 square feet are charged a yearly fee of \$100; and businesses that are over 1000 square feet are charged a yearly fee of \$250.

### **Valet Parking Permit Application Fee:**

Revenues collected from the owner/operator of any business located within a commercially zoned district in the Town who provides valet service in connection with the conduct of that business.

### **Fines-Parking Meters:**

Monies collected from the payment of parking tickets issued for expired parking meters.

### **Penalties-Parking Meters:**

Monies collected as a result of failing to pay parking tickets issued for parking meter violations in a timely manner.

### **Fines-Other Parking:**

Monies collected from the payment of parking tickets issued for all parking violations except parking meter violations.

### **Penalties-Other Parking:**

Monies collected as a result of failing to pay parking tickets issued for "other" parking violations in a timely manner.

**\$12.50 Monies** - Traffic fine money reimbursed by Palm Beach County to maintain and operate County-wide interoperable public safety radio communications system.

### **Moving Violations:**

A portion of monies received from the Palm Beach County Clerk of the Court for payment of traffic violations issued on Uniform Traffic Citations.

### **Revenue/2nd \$ Funding:**

This revenue is provided by the county for the express purpose of funding police training.

### **Boot Fees:**

Fees assessed to parking violators who have 3 or more late, unpaid parking citations and have had a vehicle immobilization device placed on their vehicle. Revenues based on prior years history.



# Police

## Police Department - All Programs Expenditure Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	8,291,453	8,446,546	8,953,339	9,490,539	10,059,971	10,663,570
Employee Benefits	4,071,923	4,434,249	4,901,318	5,293,423	5,716,897	6,117,080
Contractual	494,197	479,471	543,856	568,452	571,388	585,672
Commodities	357,020	374,706	385,947	395,596	405,486	415,623
Capital Outlay	475,793	1,204,587	712,251	587,251	581,201	688,901
Other	10,000	5,000	5,000	5,000	5,000	5,000
<b>TOTALS</b>	<b>13,700,386</b>	<b>14,944,559</b>	<b>15,501,710</b>	<b>16,340,261</b>	<b>17,339,944</b>	<b>18,475,846</b>

### EXPENDITURES

#### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase  
 FY08: 6% estimated increase for Merit and competitive pay increase.  
 FY09: 6% estimated increase for Merit and competitive pay increase.  
 FY10: 6% estimated increase for Merit and competitive pay increase.

#### Employee Benefits:

FY07: 11% estimated increase  
 FY08: 8% estimated increase  
 FY09: 8% estimated increase  
 FY10: 7% estimated increase

#### Contractual:

FY07: 3.0% CPI Increase - 421 - \$50,000 for contractual legal services to continue from FY07 forward.  
 FY08: 2.5% CPI Increase - 421 - \$11,000 for Accreditation Process  
 FY09: 2.5% CPI Increase- 421 - Reduce by \$11,000 for Accreditation Process  
 FY10: 2.5% CPI Increase

#### Commodities:

FY07: 3.0% CPI Increase - 424 - Increase in FY06 for add'l ammunition and supplies for training on the Taser and P90 weapons.  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

#### Capital Outlay:

FY07: 421 - Reduce matching grant fund by \$5,000; 422 - Replacement vehicle purchased in FY06; 423 - replace shredder - \$5,000/7yrs; 425 - Depreciation of MPSCC Ma/Com radio system - \$665,000/10yrs and Communications module - \$5,875/10yrs; TAC PAK Portable Communications Platform (Forfeiture Funds) \$15,000/10yrs purchased in FY06. Purchase of two radio consoles if funding not found through grant source - \$150,000.  
 FY08: Estimated Depreciation - 422 - Replacement vehicle purchased in FY07; 425 - Add depreciation of radio consoles - \$150,000/10yrs; 428 - Depreciation for Patrol Vehicle Equipment - \$31,223/3yrs; Digital Video Camera System - \$94,823/5yrs; and related computer - \$15,000/5yrs; Target Retrieval System - \$26,950/15yrs; and Floor Scrubber - \$4,834/5yrs purchased in



# Police

## Capital Outlay, cont.:

FY06. Yearly motorcycle trade-in - \$28,200; Purchase of digital video systems for Motorcycles in FY07 - \$30,000; 432 - Add depreciation for lifeguard tower purchased in FY06. Purchased of lifeguard tower \$20,000/10yrs.

FY08: Estimated Depreciation: 428 - Add depreciation for Digital Video System purchased in FY07; Add depreciation for lifeguard tower purchased in FY07. Purchase lifeguard tower \$20,000/10yrs

FY09: Estimated Depreciation: 432 - Add depreciation for lifeguard tower purchased in FY08.

FY10: 426 - Purchase of Automated Fingerprint Identification System - \$100,000

<i>Full Time Equivalent Employees</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
Major	2.00	2.00	2.00	2.00	2.00	2.00
Captain	5.00	5.00	5.00	5.00	5.00	5.00
Sergeant	12.00	12.00	12.00	12.00	12.00	12.00
Administrative Planner	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Training Secretary	2.00	2.00	2.00	2.00	2.00	2.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Police Officer	58.00	58.00	58.00	58.00	58.00	58.00
Evidence and Property Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Records Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Records Information Secretary	2.00	2.00	2.00	2.00	2.00	2.00
Civilian Manager	1.00	1.00	1.00	1.00	1.00	1.00
Civilian Training Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Telecommunications Manager	1.00	1.00	1.00	1.00	1.00	1.00
Telecommunications Supervisor	4.00	4.00	4.00	4.00	4.00	4.00
Telecommunicator	11.00	11.00	11.00	11.00	11.00	11.00
Call-Taker	1.00	1.00	1.00	1.00	1.00	1.00
ID Technician	2.00	2.00	2.00	2.00	2.00	2.00
Patrol Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Police Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Detective Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Crossing Guard	0.00	0.00	0.00	0.00	0.00	0.00
Supervisor Lifeguard	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Supervisor Lifeguard	2.00	2.00	2.00	2.00	2.00	2.00
Lifeguard	7.00	8.00	8.00	8.00	8.00	8.00
Civilian Parking Control Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Parking Enforcement Officer	7.00	7.00	7.00	7.00	7.00	7.00
Police Master Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Crime Analyst	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>131.00</b>	<b>132.00</b>	<b>132.00</b>	<b>132.00</b>	<b>132.00</b>	<b>132.00</b>



## Public Works

### Public Works - All Programs Revenue Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projected	FY2008 Projected	FY2009 Projected	FY2010 Projected
<b>Revenues</b>						
Special Solid Waste	10.000	10.000	10.000	10.000	10.000	10.000
Solid Waste	700.000	730.000	719.913	748.709	778.657	809.804
Compacted Garbage Collection Fee	166.600	212.508	201.241	207.278	213.496	219.901
Beach Cleaning-Citizen's Association	63.000	60.000	57.000	57.000	57.000	57.000
Right of Way Parking Violation Fines	25.000	25.000	35.000	35.000	35.000	35.000
<b>TOTALS</b>	<b>964.600</b>	<b>1,037,508</b>	<b>1,023,154</b>	<b>1,057,987</b>	<b>1,094,154</b>	<b>1,131,705</b>



## Public Works

### REVENUES

#### **Special Solid Waste:**

The Town provides a service for the collection and disposal of household items that cannot be included in our garbage collection, such as white goods and old furniture. A fee is charged for this service based upon the quantity collected. No control over demand or charges.

#### **Solid Waste:**

Commercial establishments in Town are charged via the uniform method of non-ad valorem assessment for garbage collection and disposal. Solid waste revenues are projected to increase in FY05 because of more accurate billing and better collection of revenues since switching to the non-ad valorem assessment method.

#### **Compacted Garbage Collection Fee:**

Eight properties in Town compact their garbage and are serviced by a private collection under contract to the Town. The Town charges these facilities the amount bid by the contractor plus a 2% administrative fee. Contract provides for adjustment in collection costs which are passed on to customers. Compacted garbage collection revenues reflect the drop in charges to the Town produced by a lower than anticipated bid for compacted collection from our service provider.

#### **Beach Cleaning-Citizen's Association:**

The Town cleans the beaches south of Sloan's Curve three times per week with a tractor/rake and charges the Citizen's Association for the service. The Citizen's Association, in turn, charges its membership for the service. Actual charges based on time spent.

#### **Right of Way Parking Violation Fines:**

Contractors that violate the provisions of the Town's Right-of-Way manual are fined based upon the nature of the violation. Fines controlled by contractor non-compliance with Town's rules.



## Public Works

### Public Works Department - All Programs Expenditure Summary

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b><u>Expenditures</u></b>						
Salaries and Wages	4,939,058	5,246,952	5,561,769	5,895,475	6,249,204	6,624,156
Employee Benefits	2,102,207	2,296,007	2,548,568	2,752,453	2,972,649	3,180,735
Contractual	3,319,901	3,614,750	3,850,570	4,012,483	4,171,974	4,329,303
Commodities	602,650	690,890	723,516	757,768	786,199	815,829
Capital Outlay	567,934	675,191	798,192	851,046	795,696	799,416
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>11,531,750</b>	<b>12,523,790</b>	<b>13,482,615</b>	<b>14,269,226</b>	<b>14,975,722</b>	<b>15,749,439</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase. add one electrician

FY08: 6% estimated increase for Merit and competitive pay increase. add one maintenance worker

FY09: 6% estimated increase for Merit and competitive pay increase.

FY10: 6% estimated increase for Merit and competitive pay increase.

##### Employee Benefits:

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

##### Contractual:

Anticipate contractual increases for multi-year costs that exceed CPI in several programs

FY07: 3.0% CPI Increase. \$20,000 electric and contractual costs - one new station

FY08: 2.5% CPI Increase. \$20,000 electric and contractual costs - one new station

FY09: 2.5% CPI Increase. \$9,000 for permit application fees

FY10: 2.5% CPI Increase

##### Commodities:

Anticipate increases that exceed CPI in some programs

FY07: 3.0% CPI Increase. \$7,000 - one new station

FY08: 2.5% CPI Increase. \$8,000 - one new station

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase



## Public Works

**Capital Outlay:**

FY07: Estimated Depreciation and \$150,000 for Annual Street Resurfacing, \$100,000 for Storm Sewers, \$100,000 for Sanitary Sewers, \$60,000 for two emergency pumps

FY08: Estimated Depreciation and \$150,000 for Annual Street Resurfacing, \$100,000 for Storm Sewers, \$100,000 for Sanitary Sewers, \$45,000 for new generator, \$15,000 to TV underground lines

FY09: Estimated Depreciation and \$150,000 for Annual Street Resurfacing, \$100,000 for Storm Sewers, \$100,000 for Sanitary Sewers

FY10: Estimated Depreciation



## Public Works

<i>Full Time Equivalent Employees</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Director	2.00	2.00	2.00	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Data Processor	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Coastal Management Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Project Engineer	2.00	2.00	2.00	2.00	2.00	2.00
Managers	3.00	3.00	3.00	3.00	3.00	3.00
Supervisors	11.00	11.00	11.00	11.00	11.00	11.00
Secretaries	3.00	3.00	3.00	3.00	3.00	3.00
Electricians	3.00	3.00	4.00	4.00	4.00	4.00
Mechanics	7.00	8.00	8.00	8.00	8.00	8.00
Equipment Operators	38.74	39.74	39.74	39.74	39.74	39.74
Laborers	14.00	14.00	14.00	14.00	14.00	14.00
Sanitation Walker	4.00	4.00	4.00	4.00	4.00	4.00
Maintenance Worker	2.00	2.00	2.00	3.00	3.00	3.00
Nursery Worker	1.00	1.00	1.00	1.00	1.00	1.00
Tree Trimmer	2.00	2.00	2.00	2.00	2.00	2.00
Painter	1.00	1.00	1.00	1.00	1.00	1.00
Vehicle Maintenance Clerk	1.00	1.00	1.00	1.00	1.00	1.00
<b>Total</b>	<b>100.74</b>	<b>102.74</b>	<b>103.74</b>	<b>104.74</b>	<b>104.74</b>	<b>104.74</b>



## Emergency Response

### Program 710 - Emergency Response LTFP Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenditures</b>						
Salaries and Wages	0	0	0	0	0	0
Employee Benefits	11,545	0	0	0	0	0
Contractual	1,977,494	89,600	94,100	98,800	103,700	108,900
Commodities	0	900	927	950	974	998
Capital Outlay	7,678	1,501	1,501	1,501	1,501	1,501
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>1,996,717</b>	<b>92,001</b>	<b>96,528</b>	<b>101,251</b>	<b>106,175</b>	<b>111,399</b>

#### EXPENDITURES

##### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase.  
 FY08: 6% estimated increase for Merit and competitive pay increase.  
 FY09: 6% estimated increase for Merit and competitive pay increase.  
 FY10: 6% estimated increase for Merit and competitive pay increase.

##### Employee Benefits:

FY07: 11% estimated increase  
 FY08: 8% estimated increase  
 FY09: 8% estimated increase  
 FY10: 7% estimated increase

##### Contractual:

FY07: 3.0% CPI Increase (5% increase for EOC Coordinator)  
 FY08: 2.5% CPI Increase (5% increase for EOC Coordinator)  
 FY09: 2.5% CPI Increase (5% increase for EOC Coordinator)  
 FY10: 2.5% CPI Increase (5% increase for EOC Coordinator)

##### Commodities:

FY07: 3.0% CPI Increase  
 FY08: 2.5% CPI Increase  
 FY09: 2.5% CPI Increase  
 FY10: 2.5% CPI Increase

##### Capital Outlay:

FY07: Estimated Depreciation  
 FY08: Estimated Depreciation  
 FY09: Estimated Depreciation  
 FY10: Estimated Depreciation



## Debt Service Fund

### Fund 200 - Series 1993 GO Debt Service Fund LTFP Revenue and Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projected	FY2008 Projected	FY2009 Projected	FY2010 Projected
<b><u>Revenues</u></b>						
Ad Valorem Taxes	608,000	0	0	0	0	0
Interest Earnings	1,500	0	0	0	0	0
<b>TOTALS</b>	<b>609,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Expenditures</u></b>						
Debt Service Principal	680,000	0	0	0	0	0
Debt Service Interest	32,300	0	0	0	0	0
Other Bond Expenses	2,200	0	0	0	0	0
<b>TOTALS</b>	<b>714,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>(105,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Beginning Fund Balance	109,471	4,471	4,471	4,471	4,471	4,471
<b>ENDING FUND BALANCE</b>	<b>4,471</b>	<b>4,471</b>	<b>4,471</b>	<b>4,471</b>	<b>4,471</b>	<b>4,471</b>

#### REVENUE

#### EXPENDITURES



## Debt Service Fund

### Fund 201 - Series 2003 Revenue Bond LTFP Revenue and Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projected	FY2008 Projected	FY2009 Projected	FY2010 Projected
<b>Revenues</b>						
Transfer from General Fund	384,978	3,402,060	3,526,997	3,651,724	3,787,942	3,924,671
Transfer from CCMP PAYG	859,307	935,925	811,356	681,439	549,736	410,618
Interest Earnings	1,500	1,500	1,500	1,500	1,500	1,500
<b>TOTALS</b>	<b>1,245,785</b>	<b>4,339,485</b>	<b>4,339,853</b>	<b>4,334,663</b>	<b>4,339,178</b>	<b>4,336,789</b>
<b>Expenditures</b>						
Debt Service Principal	350,000	3,480,000	3,585,000	3,720,000	3,875,000	4,020,000
Debt Service Interest	891,285	852,985	750,353	610,163	459,678	312,290
Other Bond Expenses	2,000	3,000	3,000	3,000	3,000	3,000
<b>TOTALS</b>	<b>1,243,285</b>	<b>4,335,985</b>	<b>4,338,353</b>	<b>4,333,163</b>	<b>4,337,678</b>	<b>4,335,290</b>
<b>TOTAL REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>2,500</b>	<b>3,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,499</b>
Beginning Fund Balance	0	2,500	6,000	7,500	9,000	10,500
<b>ENDING FUND BALANCE</b>	<b>2,500</b>	<b>6,000</b>	<b>7,500</b>	<b>9,000</b>	<b>10,500</b>	<b>11,999</b>

#### REVENUE

**Transfer from General Fund:**

Represents the transfer of Non Ad Valorem revenues from the General Fund to fund debt service.

**Transfer from CCMP PAYG Fund:**

Represents the transfer of funds from the CCMP pay as you go fund for debt service.

#### EXPENDITURES

**Debt Service Principal:**

Represents the amount of Principal due on the 2003 Revenue Bond.

**Debt Service Interest:**

Represents the amount of Interest due on the 2003 Revenue bonds.

**Other Bond Expenses:**

Represents amounts paid to the paying agent on the bonds.



## Debt Service Fund

### Fund 203 - Series 2000 Revenue Bond Series LTFP Revenue and Expenditure Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Interest Earnings	2,000	0	0	0	0	0
Transfer from General Fund	2,187,832	0	0	0	0	0
Transfer from CCMP PAYG	908,668	0	0	0	0	0
<b>TOTALS</b>	<b>3,098,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenditures</b>						
Debt Service Principal	3,020,000	0	0	0	0	0
Debt Service Interest	75,500	0	0	0	0	0
Other Bond Expenses	700	0	0	0	0	0
<b>TOTALS</b>	<b>3,096,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>2,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Beginning Fund Balance	0	2,300	2,300	2,300	2,300	2,300
<b>ENDING FUND BALANCE</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>

REVENUE

EXPENDITURES



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## Leisure Services Fund

### Leisure Services Fund LTFP Revenue Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Peruvian Avenue Docks	625,700	648,500	674,070	701,033	729,074	758,237
Australian Avenue Docks	1,215,120	1,264,233	1,312,124	1,364,609	1,419,193	1,475,961
Brazilian Avenue Docks	706,820	740,356	762,048	792,530	824,231	857,200
Electricity	70,470	60,000	60,000	60,000	60,000	60,000
Ice Sales	0	300	300	300	300	300
Interest on Investments	54,000	100,000	100,000	100,000	100,000	100,000
Sales Tax Commissions	670	560	632	644	657	671
Golf Pro Admin Fee	12,000	12,000	12,000	12,000	12,000	12,000
Resident Permit Fees	22,000	20,000	20,000	20,000	20,000	20,000
Non-resident Permit Fees	15,000	19,000	19,000	19,000	19,000	19,000
Resident Play Tickets	61,060	50,360	52,878	55,522	58,298	61,213
Resident Green Fees	436,670	475,500	499,275	524,239	550,451	577,973
Riding Cart Rental	131,610	129,000	135,450	142,223	149,334	156,800
Pull Cart Rental	30,495	31,000	32,550	34,178	35,886	37,681
Driving Range	112,350	120,000	126,000	132,300	138,915	145,861
Maint. and Improvement Fee	48,000	47,000	48,410	49,862	51,358	52,899
Vending Machine Commission	6,000	6,000	6,240	6,490	6,749	7,019
Program Registration Fees	0	700	0	0	0	0
Daily Tennis Court Fees	31,000	33,000	36,300	39,930	43,923	48,315
Annual Tennis Court Fees	50,000	50,000	55,000	60,500	66,550	73,205
Tennis Pro Administration Fees	12,000	12,000	12,000	12,000	12,000	12,000
Light Meter	150	150	150	150	150	150
Youth Program Registration Fees	5,000	4,800	5,280	5,808	6,389	7,028
Adult Program Registration Fees	700	800	880	968	1,065	1,171
Youth Program Fees	160,000	168,000	184,800	203,280	223,608	245,969
Facility Rental Fees	625	1,100	1,210	1,331	1,464	1,611
Adult Program Fees	33,000	32,000	35,200	38,720	42,592	46,851
Use of Facilities Fee	31,800	32,800	33,456	34,125	34,808	35,504
Seaview Park Concession	2,000	3,000	3,090	3,183	3,278	3,377
Miscellaneous Revenue	465	460	500	520	540	540
<b>TOTALS</b>	<b>3,874,705</b>	<b>4,062,619</b>	<b>4,228,843</b>	<b>4,415,444</b>	<b>4,611,813</b>	<b>4,818,535</b>



## Leisure Services Fund

### Leisure Services Fund LTFP Expense Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Expenses</b>						
Salaries and Wages	1,178,457	1,302,265	1,400,714	1,484,756	1,573,842	1,668,272
Employee Benefits	471,881	491,602	553,790	598,094	645,941	691,157
Contractual	1,467,190	1,536,024	1,582,105	1,621,657	1,662,199	1,703,754
Commodities	166,451	172,255	177,423	181,858	186,405	191,065
Capital Outlay	270,376	255,700	256,900	256,900	256,900	256,900
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>3,554,355</b>	<b>3,757,846</b>	<b>3,970,931</b>	<b>4,143,266</b>	<b>4,325,286</b>	<b>4,511,148</b>
Operating Revenue over/(under) Expenses	320,350	304,773	257,911	272,178	286,526	307,387
Transfer to Equipment Replacement Fund		(403,300)	(33,000)	(35,000)	(37,000)	(40,000)
Transfers out to Capital Improvement Fund from Retained Earnings	(1,149,561)	(1,819,400)	(945,000)	(1,043,000)	(949,000)	(661,000)
Contingency Allocation	0	(331,970)				
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>(829,211)</b>	<b>(2,249,897)</b>	<b>(720,089)</b>	<b>(805,822)</b>	<b>(699,474)</b>	<b>(393,613)</b>
Beginning Retained Earnings	6,564,898	5,735,687	3,485,790	2,765,701	1,959,879	1,260,406
<b>Ending Retained Earnings</b>	<b>5,735,687</b>	<b>3,485,790</b>	<b>2,765,701</b>	<b>1,959,879</b>	<b>1,260,406</b>	<b>866,792</b>



## Leisure Services Fund

### EXPENDITURES

#### Salaries and Wages:

FY07: 6% estimated increase for merit and CPI

FY08: 6% estimated increase for merit and CPI

FY09: 6% estimated increase for merit and CPI

FY10: 6% estimated increase for merit and CPI

#### Employee Benefits:

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

#### Contractual:

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

#### Commodities:

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

#### Capital Outlay:

FY07: Estimated Depreciation

FY08: Estimated Depreciation

FY09: Estimated Depreciation

FY10: Estimated Depreciation

#### Transfer out to Capital Improvement Fund from Retained Earnings:

FY05: Recreation Center shutters \$60,000; \$525,000 Phipps Park Tennis Center - Phase III, Design for Seaview Tennis Renovation - \$88,000; \$399,000 for dredging, parking improvements, security upgrades, environmental permitting

FY06: \$945,000 for Peruvian dock house design, permitting and construction, \$60,000 lighting of courts 5 & 6 at Seaview Park and Renovation of Seaview Park Tennis facility - \$762,000

FY07: \$1,043,000 for Brazilian dock house design and construction, police dock design and construction.

FY08: \$949,000 for Australian dock house design and construction, permitting, floating wave attenuator.



## Leisure Services Fund

<i>Full Time Equivalent Employees</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Recreation Director	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor II	2.00	2.00	2.00	2.00	2.00	2.00
Recreation Office Manager	1.00	1.00	1.00	1.00	1.00	1.00
Tennis Pro-Manager	1.00	1.00	1.00	1.00	1.00	1.00
Registration Clerk	3.05	3.05	3.05	3.05	3.05	3.05
Tennis Laborer	0.00	0.00	0.00	0.00	0.00	0.00
Tennis Facilities Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Maintenance Worker	1.00	1.00	1.00	1.00	1.00	1.00
Bus Driver	0.31	0.31	0.31	0.31	0.31	0.31
Activity Leader I	3.55	3.55	3.55	3.55	3.55	3.55
Activity Leader II	0.48	0.48	0.48	0.48	0.48	0.48
Golf Pro-Manager	1.00	1.00	1.00	1.00	1.00	1.00
Golf Course Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Golf Course Facility Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Golf Course Registration Clerk II	1.00	1.00	1.00	1.00	1.00	1.00
Golf Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Equipment Operator	1.00	1.00	1.00	1.00	1.00	1.00
Spray Tech/Equipment Operator	1.00	1.00	1.00	1.00	1.00	1.00
Golf Laborer	0.15	0.15	0.15	0.15	0.15	0.15
Golf Registration Clerk	1.95	1.95	1.95	1.95	1.95	1.95
Dockmaster	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Dockmaster	1.00	1.00	1.00	1.00	1.00	1.00
Water Resources Manager	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal Dock Attendant	1.53	1.53	1.53	1.53	1.53	1.53
Street & Sign Painter	0.02	0.02	0.02	0.02	0.02	0.02
Electrician Supervisor	0.02	0.02	0.02	0.02	0.02	0.02
General Maintenance Supervisor	0.29	0.29	0.29	0.29	0.29	0.29
Electrician II	0.08	0.08	0.08	0.08	0.08	0.08
Building Maintenance Worker	0.04	0.04	0.04	0.04	0.04	0.04
Public Works Employees	0.66	0.66	0.66	0.66	0.66	0.66
<b>Total</b>	<b>30.13</b>	<b>30.13</b>	<b>30.13</b>	<b>30.13</b>	<b>30.13</b>	<b>30.13</b>



## Leisure Services Fund

### Marina LTFP Revenue and Expense Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b><u>Revenues</u></b>						
Peruvian	625,700	648,500	674,070	701,033	729,074	758,237
Australian	1,215,120	1,264,233	1,312,124	1,364,609	1,419,193	1,475,961
Brazilian	706,820	740,356	762,048	792,530	824,231	857,200
Electricity	70,470	60,000	60,000	60,000	60,000	60,000
Ice Sales	0	300	300	300	300	300
Interest on Investments	54,000	100,000	100,000	100,000	100,000	100,000
Sales Tax Commissions	210	300	360	360	360	360
Miscellaneous Revenue	460	460	500	520	540	540
<b>TOTALS</b>	<b>2,672,780</b>	<b>2,814,149</b>	<b>2,909,402</b>	<b>3,019,352</b>	<b>3,133,698</b>	<b>3,252,598</b>
<b><u>Expenses</u></b>						
Salaries and Wages	162,410	158,656	188,488	199,797	211,785	224,492
Employee Benefits	67,157	63,598	78,706	85,002	91,803	98,229
Contractual	990,279	994,601	1,024,439	1,050,050	1,076,301	1,103,209
Commodities	11,425	10,325	10,635	10,901	11,173	11,452
Capital Outlay/Depreciation	187,000	148,000	148,000	148,000	148,000	148,000
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>1,418,271</b>	<b>1,375,180</b>	<b>1,450,268</b>	<b>1,493,750</b>	<b>1,539,062</b>	<b>1,585,382</b>
Operating Revenues over/(under) Expenses	1,254,509	1,438,969	1,459,134	1,525,602	1,594,636	1,667,216
Transfer out to Capital Improvement Fund from Retained Earnings	(379,729)	(982,400)	(945,000)	(1,043,000)	(949,000)	(661,000)
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>874,780</b>	<b>456,569</b>	<b>514,134</b>	<b>482,602</b>	<b>645,636</b>	<b>1,006,216</b>



## Leisure Services Fund

### REVENUE

#### **Peruvian:**

Estimated 2005 Revenue: \$632,402. 2005 budget surplus are due to an increase in long term transient visitors and transient dockage income. Budget 2006 revenues reflect rate increases in all rate categories of dockage fees. Future year projected increases based on prior year actual average increases extrapolated forward.

#### **Australian:**

Estimated 2005 Revenue: \$1,246,171. 2005 budget surplus are due to a 30% increase in transient visitors. Budget 2006 revenues reflect rate increase in all rate categories of dockage fees. Future year projected increases based on prior year actual average increases extrapolated forward.

#### **Brazilian:**

Estimated 2005 Revenue: \$746,800. 2005 budget surplus due to an increase in transient visitors and transient dockage income. Budget 2006 revenues reflect rate increase in annual and seasonal dockage fees only. Future year projected increases based on prior year actual average increases extrapolated forward.

#### **Electricity:**

Estimated 2005 Revenue: \$57,300. 2006 Budget shortfall due a change summer dockage rate structures which now include electric service rather bill them out separately. Future year projected increases based on prior year actual average increases extrapolated forward.

#### **Interest on Investments:**

FY07: 4% increase  
FY08: 5% increase  
FY09: 5% increase  
FY10: 5% increase

#### **Sales Tax Commissions:**

No expected increases.

#### **Miscellaneous Revenue:**

No expected increases

### EXPENSES

#### **Salaries and Wages:**

FY07: 19% estimated increase for merit, CPI and addition of (1) seasonal Dock attendant .  
FY08: 6% estimated increase for merit and CPI  
FY09: 6% estimated increase for merit and CPI  
FY10: 6% estimated increase for merit and CPI

#### **Employee Benefits:**

FY07: 24% estimated increase due to the addition of (1) seasonal dock attendant.  
FY08: 8% estimated increase  
FY09: 8% estimated increase  
FY10: 7% estimated increase



## Leisure Services Fund

### **Contractual:**

FY07: 3.0% CPI increase  
FY08: 2.5% CPI increase  
FY09: 2.5% CPI increase  
FY10: 2.5% CPI increase

### **Commodities:**

FY07: 3.0% CPI increase  
FY08: 2.5% CPI increase  
FY09: 2.5% CPI increase  
FY10: 2.5% CPI increase

### **Capital Outlay:**

FY07: Estimated Depreciation  
FY08: Estimated Depreciation  
FY09: Estimated Depreciation  
FY10: Estimated Depreciation

### **Transfer out to Capital Improvement Fund from Retained Earnings:**

FY2005: \$379,729 for repair of Town Docks and Inlet Dock  
FY2006: \$980,200 for continued implementation of the Dock Master Plan and replacement of a fire pipe.  
FY2007: \$944,241 for Peruvian dock house design permitting and construction.  
FY2008: \$1,042,524 for Brazilian dock house design and construction..  
FY2009: \$948,371 for Australian Dock house design, floating wave attenuator system and design  
FY2010: \$660,610 for Peruvian Dock expansion, engineering and permitting



## Leisure Services Fund

### Par 3 Golf Course LTFP Revenue and Expense Projection

	FY2005 Budget	FY2005 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b><u>Revenues</u></b>						
Golf Pro Admin Fee	12,000	12,000	12,000	12,000	12,000	12,000
Resident Permit Fees	22,000	20,000	20,000	20,000	20,000	20,000
Non-resident Permit Fees	15,000	19,000	19,000	19,000	19,000	19,000
Play Tickets	61,060	50,360	52,878	55,522	58,298	61,213
Green Fees	436,670	475,500	499,275	524,239	550,451	577,973
Riding Cart Rental	131,610	129,000	135,450	142,223	149,334	156,800
Pull Cart Rental	30,495	31,000	32,550	34,178	35,886	37,681
Driving Range	112,350	120,000	126,000	132,300	138,915	145,861
Maint. and Improvement Fee	48,000	47,000	48,410	49,862	51,358	52,899
Use of Facilities Fee	6,800	7,800	7,956	8,115	8,277	8,443
Sales Tax Commission	400	200	210	221	232	243
Vending Machine Commission	6,000	6,000	6,240	6,490	6,749	7,019
Miscellaneous	5	0	0	0	0	0
<b>TOTALS</b>	<b>882,390</b>	<b>917,860</b>	<b>959,969</b>	<b>1,004,148</b>	<b>1,050,500</b>	<b>1,099,132</b>
<b><u>Expenses</u></b>						
Salaries and Wages	368,456	375,257	397,772	421,639	446,937	473,753
Employee Benefits	147,680	148,693	165,049	178,253	192,513	205,989
Contractual	200,200	221,623	228,272	233,978	239,828	245,824
Commodities	88,076	87,930	90,568	92,832	95,153	97,532
Capital Outlay	77,300	63,800	65,000	65,000	65,000	65,000
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>881,712</b>	<b>897,303</b>	<b>946,661</b>	<b>991,703</b>	<b>1,039,431</b>	<b>1,088,098</b>
Operating Revenues over/(under) Expenses	678	20,557	13,308	12,446	11,069	11,034
Transfer out to Capital Improvement Fund from Retained Earnings	0	(15,000)	0	0	0	0
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>678</b>	<b>5,557</b>	<b>13,308</b>	<b>12,446</b>	<b>11,069</b>	<b>11,034</b>



## Leisure Services Fund

### REVENUE

**Golf Pro Administration Fee:**

Fee paid by golf pro as part of annual contract agreement.

**Resident Permit Fees:**

Fee paid by resident for annual permit.

**Non-resident Permit Fees:**

Fee paid by non-resident for annual permit.

**Play Tickets:**

Fee paid by resident for 12 play multi use ticket.

**Green Fees:**

Fee paid per round of golf for daily players.

**Riding Cart Rental:**

Fee paid for rental of golf cart during play on course.

**Pull Cart Rental:**

Fee paid for rental of golf club pull cart.

**Driving Range:**

Fee paid for use of buckets of golf balls on driving range.

**Maintenance and Improvement Fee:**

Fee paid per round of golf for maintenance and improvement of course.

**Use of Facilities Fee:**

New fee added in FY 04. Fee paid of \$5.00 for bucket of balls per private lesson.

**Sales Tax Commission:**

Discount received from the State of Florida for timely filing and payment of sales tax returns.

**Vending Machine Commission:**

Percentage of sale of items in vending machine.

Increase due to restructuring of vending contract.

**Miscellaneous:**

Fees paid by groups for exclusive use of course for group or tournament play.

Will be included in appropriate greens fee revenues.

**Transfer out to Capital Improvement Fund from Retained Earnings:**

FY2006: Cost to develop drainage for swale area to tie into FDOT project.



## Leisure Services Fund

### EXPENSES

#### Salaries and Wages:

FY07: 6% estimated increase for merit and CPI

FY08: 6% estimated increase for merit and CPI

FY09: 6% estimated increase for merit and CPI

FY10: 6% estimated increase for merit and CPI

#### Employee Benefits:

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

#### Contractual:

FY07: 3.0% CPI increase

FY08: 2.5% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

#### Commodities:

FY07: 3.0% CPI increase

FY08: 2.5% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

#### Capital Outlay:

FY07: Estimated depreciation and scheduled equipment replacement items - Reel Grinder \$20,000

FY08: Estimated depreciation and scheduled equipment replacement items - Greens mower \$18,000

FY09: Estimated depreciation and scheduled equipment replacement items - Rough Unit \$20,000

FY10: Estimated depreciation and scheduled equipment replacement items



## Leisure Services Fund

### Tennis LTFP Revenue and Expense Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projectio n	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Program Registration Fees	0	700				
Daily Tennis Court Fees	31,000	33,000	36,300	39,930	43,923	48,315
Annual Tennis Court Fees	50,000	50,000	55,000	60,500	66,550	73,205
Tennis Pro Administration Fees	12,000	12,000	12,000	12,000	12,000	12,000
Use of Facilities Fee	25,000	25,000	25,500	26,010	26,530	27,061
Light Meter	150	150	150	150	150	150
<b>TOTALS</b>	<b>118,150</b>	<b>120,850</b>	<b>128,950</b>	<b>138,590</b>	<b>149,153</b>	<b>160,731</b>
<b>Expenses</b>						
Salaries and Wages	212,882	227,919	241,594	256,090	271,455	287,742
Employee Benefits	112,922	121,270	134,610	145,378	157,009	167,999
Contractual	49,900	46,000	47,380	48,564	49,779	51,023
Commodities	14,400	14,400	14,832	15,203	15,583	15,972
Capital Outlay	270	5,000	5,000	5,000	5,000	5,000
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>390,374</b>	<b>414,589</b>	<b>443,416</b>	<b>470,236</b>	<b>498,825</b>	<b>527,737</b>
Operating Revenues over/(under) Expenses	(272,224)	(293,739)	(314,466)	(331,646)	(349,672)	(367,006)
Transfer out to Capital Improvement Fund from Retained Earnings	(651,096)	(822,000)	0	0	0	0
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>(923,320)</b>	<b>(1,115,739)</b>	<b>(314,466)</b>	<b>(331,646)</b>	<b>(349,672)</b>	<b>(367,006)</b>

#### REVENUES

##### Tennis Program Registration Fees:

This account consolidated into adult and youth program registration fees.

##### Daily Tennis Court Fees:

All revenues related to daily court reservations at tennis facilities. Should increase in future years after completion of Seaview modernization and subsequent fee increases.



## Leisure Services Fund

### **Annual Tennis Court Fees:**

All revenues related to annual tennis facility permits. Should increase in future years with modernization of facilities.

### **Tennis Pro Administrative Fee:**

Fee paid by tennis pro as part of annual agreement.

### **Use of Facilities Fee:**

New fee added in FY 04. Fee paid of \$6.00 per instructor lesson hour for private lessons taught on Town Courts.

### **Tennis Light Meter:**

All revenue related to use of lights at Seaview tennis facility.

## **EXPENDITURES**

### **Salaries and Wages:**

FY07: 6% estimated increase for merit and CPI

FY08: 6% estimated increase for merit and CPI

FY09: 6% estimated increase for merit and CPI

FY10: 6% estimated increase for merit and CPI

### **Employee Benefits:**

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

### **Contractual:**

FY07: 3.0% CPI increase

FY08: 2.5% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

### **Commodities**

FY07: 3.0% CPI increase

FY08: 2.5% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

### **Capital Outlay:**

FY07: Estimated depreciation

FY08: Estimated depreciation

FY09: Estimated depreciation

FY10: Estimated depreciation

### **Transfer to Capital Improvement Fund from Retained Earnings:**

FY05: Construction of two additional courts and the relocation of bathroom facilities at Phipps Ocean Park (\$525,000).

Engineering and design in FY05 for the FY06 Seaview Tennis Center renovation (\$88,000)

FY06: Seaview Tennis Center renovation



## Leisure Services Fund

### Recreation LTFP Revenue and Expense Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Youth Program Registration Fees	5,000	4,800	5,280	5,808	6,389	7,028
Adult Program Registration Fees	700	800	880	968	1,065	1,171
Youth Program Fees	160,000	168,000	184,800	203,280	223,608	245,969
Facility Rental Fees	625	1,100	1,210	1,331	1,464	1,611
Adult Program Fees	33,000	32,000	35,200	38,720	42,592	46,851
Seaview Park Concession	2,000	3,000	3,090	3,183	3,278	3,377
Sales Tax Commission	60	60	62	64	66	68
<b>TOTALS</b>	<b>201,385</b>	<b>209,760</b>	<b>230,522</b>	<b>253,353</b>	<b>278,461</b>	<b>306,074</b>
<b>Expenses</b>						
Salaries and Wages	434,709	540,433	572,859	607,231	643,664	682,284
Employee Benefits	144,122	158,041	175,426	189,460	204,616	218,939
Contractual	226,811	273,800	282,014	289,064	296,291	303,698
Commodities	52,550	59,600	61,388	62,923	64,496	66,108
Capital Outlay	5,806	38,900	38,900	38,900	38,900	38,900
Other	0	0	0	0	0	0
<b>TOTALS</b>	<b>863,998</b>	<b>1,070,774</b>	<b>1,130,586</b>	<b>1,187,577</b>	<b>1,247,967</b>	<b>1,309,930</b>
Operating Revenues over/(under) Expenses	(662,613)	(861,014)	(900,065)	(934,224)	(969,506)	(1,003,857)
Transfer out to Capital Improvement Fund from Retained Earnings	(118,736)	0	0	0	0	0
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>(781,349)</b>	<b>(861,014)</b>	<b>(900,065)</b>	<b>(934,224)</b>	<b>(969,506)</b>	<b>(1,003,857)</b>

#### REVENUES

##### Youth Program Registration Fees:

All revenues related to annual registration fees for youth participants.

##### Adult Program Registration Fees:

All revenue related to annual registration fees for adult participants. More repeat customers.



## Leisure Services Fund

### **Youth Program Fees:**

All revenues related to fees paid for a variety of youth programs. Small increase in participants and program fees.

### **Facility Rental Fees:**

All revenues related to fees paid for rental of rooms at Seaview Recreation Center. No appreciable change.

### **Adult Program Fees:**

All revenues related to fees paid for a variety of adult programs. Increased attendance in adult programs.

### **Seaview Park Concession:**

Revenue related to percentage of items sold in vending machines at Seaview Recreation Center. Increase due to restructuring of vending contract.

## **EXPENDITURES**

### **Salaries and Wages:**

FY07: 6% estimated increase for merit and CPI

FY08: 6% estimated increase for merit and CPI

FY09: 6% estimated increase for merit and CPI

FY10: 6% estimated increase for merit and CPI

### **Employee Benefits:**

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

### **Contractual:**

FY07: 3.0% CPI increase

FY08: 2.5% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

### **Commodities:**

FY07: 3.0% CPI increase

FY08: 2.5% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

### **Capital Outlay:**

FY07: Accumulated depreciation

FY08: Accumulated depreciation

FY09: Accumulated depreciation

FY10: Accumulated depreciation

### **Transfer to Capital Improvement Fund from Retained Earnings:**

FY05: Scheduled replacement and upgrade of storm shutters for the Seaview Recreation Center



## Risk Management

### Fund 501 - Self Insurance, Workers' Comp, Liability, Property LTFP Revenue and Expense Projection

	FY2005 Budget	FY2006 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Risk Funding	2,510,033	2,390,000	2,700,000	2,800,000	3,000,000	3,200,000
Interest on Investments	82,000	175,000	200,000	250,000	250,000	250,000
<b>TOTALS</b>	<b>2,592,033</b>	<b>2,565,000</b>	<b>2,900,000</b>	<b>3,050,000</b>	<b>3,250,000</b>	<b>3,450,000</b>
<b>Expenses</b>						
Salaries and Wages	115,453	113,640	120,458	127,686	135,347	143,468
Employee Benefits	42,160	44,788	49,715	53,692	57,987	62,046
Insurance Premiums	1,252,864	1,396,652	1,515,965	1,667,562	1,834,318	2,017,750
Insurance Claims/Deductibles	985,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
Contractual	45,760	23,805	24,519	25,132	25,760	26,404
Commodities	4,150	4,200	4,326	4,434	4,545	4,659
<b>TOTALS</b>	<b>2,445,387</b>	<b>2,633,085</b>	<b>2,764,983</b>	<b>2,928,506</b>	<b>3,107,958</b>	<b>3,304,327</b>
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>146,646</b>	<b>(68,085)</b>	<b>135,017</b>	<b>121,494</b>	<b>142,042</b>	<b>145,673</b>
Beginning Retained Earnings	3,669,413	3,816,059	3,747,974	3,882,991	4,004,485	4,146,527
Reserved for Exposures /Contingency	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
<b>ENDING FUND EQUITY</b>	<b>3,816,059</b>	<b>3,747,974</b>	<b>3,882,991</b>	<b>4,004,485</b>	<b>4,146,527</b>	<b>4,292,200</b>



## Risk Management

### REVENUES

**Risk Funding:**

The increase results from the change in the amount of the fund transfer from the general fund.

**Interest on Investments:**

The decrease in interest revenue is the result of current market conditions.

### EXPENSES

**Salaries and Wages:**

FY07: 6% estimated increase for Merit and competitive pay increase.

FY08: 6% estimated increase for Merit and competitive pay increase.

FY09: 6% estimated increase for Merit and competitive pay increase.

FY10: 6% estimated increase for Merit and competitive pay increase.

**Employee Benefits:**

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

**Insurance Premiums:**

This category is comprised of the premiums paid for Workers' Compensation, Liability Coverages and Property Coverages.

There is a projected increase of the budgeted amount for the Workers' Compensation premium of 10% for FY07, FY08, FY09 & FY10 based upon current market conditions and payroll exposures. There is a projected increase of the budgeted amount for liability fixed costs of 10% for FY07, FY08, FY09 & FY10 based upon current market conditions and Town exposures. There is an projected increase for property fixed costs budgeted amount of 20% for FY07, FY08, FY09 & FY10 based upon current market conditions and insured values.

**Insurance Claims/Deductibles:**

This category is comprised of the self-insurance retention and deductibles (24-02, 45-02, 45-04) and legal costs and fees (45-08) associated with uninsured/uninsurable claims.

**Contractual:**

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

**Commodities:**

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase



## Self Insurance - Health

### Fund 502 - Self Insurance, Health LTFP Revenue and Expense Projection

	FY2005 Budget	FY2005 Budget	FY2007 Projection	FY2008 Projection	FY2009 Projection	FY2010 Projection
<b>Revenues</b>						
Group Medical	4,877,720	5,371,376	5,669,357	5,996,131	6,525,898	6,525,898
Interest on Investments	340,000	450,000	640,000	800,000	800,000	800,000
<b>TOTALS</b>	<b>5,217,720</b>	<b>5,821,376</b>	<b>6,309,357</b>	<b>6,796,131</b>	<b>7,325,898</b>	<b>7,325,898</b>
<b>Expenses</b>						
Salaries and Wages	81,885	81,812	86,721	91,924	97,439	103,286
Employee Benefits	33,335	35,331	39,217	42,355	45,743	48,945
Insurance and Claims	5,068,500	5,452,500	5,888,700	6,359,796	6,868,580	7,418,066
Contractual	31,200	36,900	38,007	38,957	39,931	40,929
Commodities	2,800	2,800	2,884	2,956	3,030	3,106
Capital Outlay	0	0	0	0	0	0
<b>TOTALS</b>	<b>5,217,720</b>	<b>5,609,343</b>	<b>6,055,529</b>	<b>6,535,988</b>	<b>7,054,723</b>	<b>7,614,332</b>
<b>TOTAL REVENUES OVER/(UNDER) EXPENSES</b>	<b>0</b>	<b>212,033</b>	<b>253,828</b>	<b>260,143</b>	<b>271,175</b>	<b>(288,434)</b>
Beginning Retained Earnings	16,325,332	16,325,332	16,537,365	16,791,193	17,051,336	17,322,510
<b>ENDING FUND EQUITY</b>	<b>16,325,332</b>	<b>16,537,365</b>	<b>16,791,193</b>	<b>17,051,336</b>	<b>17,322,510</b>	<b>17,034,076</b>



## Self Insurance - Health

### REVENUE

#### Group Medical:

General Fund Transfer of Employer and Employee Contributions.

#### Interest on Investments:

Interest Income based on forecasted interest projections

### EXPENSES

#### Salaries and Wages:

FY07: 6% estimated increase for Merit and competitive pay increase.

FY08: 6% estimated increase for Merit and competitive pay increase.

FY09: 6% estimated increase for Merit and competitive pay increase.

FY10: 6% estimated increase for Merit and competitive pay increase.

#### Employee Benefits:

FY07: 11% estimated increase

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

#### Insurance and Claims:

FY07: 8% estimated increase

FY08: 6% estimated increase

FY09: 6% estimated increase

FY10: 6% estimated increase

#### Contractual:

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

#### Commodities:

FY07: 3.0% CPI Increase

FY08: 2.5% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase



Town of Palm Beach  
Town Owned Property - Land  
September 30, 2005

Description	Location	Acquisition Value	Market Value	Date of Appraisal
1980 S Ocean Blvd, Beach Access	S, on E Side of Ocean Bd	\$2		
2125 South Ocean Blvd.	N of Phipps Ocean Pk	64,218		
A-39 Sanitary (Phipps Ocean)	2171 & 2185 S Ocean Bd	13,032		
A-42 Sanitary	3001 S Ocean Bd	798		
Australian Avenue Parking Lot	W of S Co. Road	53,516		
Boyd Park	Bahama & N Ocean NW Cnr	0		
Boyd Park	Bahama & N Ocean, SW Cnr	0		
Bradley Park; S-2 (9 Lake Tr); A-5 (Royal Poinciana @ Tr); Park Bldgs.	100 Bradley Place	977,135		
Bradley Place	Bradley Place	373,948		
Central Fire-Rescue Station (#1)(Old Beamont Parking Lot)	Australian & S County	381,342		
Clarke Avenue Beach	Clarke & Ocean	1,845		
D-10 Storm Pump Station (W end of Via Marina)	Bet 1050&1055 NLW	25,413		
D-12 Storm Pump (Wetwell @ end of Everglades Ave on Lake)	269 Seminole Avenue	1		
D-14 Storm Pump Station; 4 Arts Plaza & Lake Trail	RPW or S Lake Trail	43,317		
D-4 Storm Pump Station	445 N Lake Way	46,205		
D-8 Storm Pump; E-5 Sanitary	275 Country C Rd @ NLW	55		
D-9 Storm Pump Station W end by Lake	Mediterranean Road	17,327		
Fisherman's Island (Town Leases to Nat'l Audobon)	Fisherman's Island	72,857		
FOP Lodge (Town Lease)	5976 Okeechobee Bd, WPB	771		
Hunter's Island (Town Leases to Nat'l Audubon)	Hunter's Island	122,016		
Ibis Isle Playground	Ibis Isle Road East	1,291		
John's Island (Town Leases to Others)	John's Island	91,512		
Lakeside Park; S-1, A-6 Sanitary; D-6, D-7, D-15 Storm; G-6 & G-7k	300 S Lake Drive	196,636		
Memorial Fountain	S County Road	141,282		
Mid Town Beach	S Ocean Blvd	120		
Mid Town Beach	S Ocean Blvd	121		
Mid Town Beach & Lifeguard Facility G-9	Chilean & S Ocean Blvd	243		
Mini Park	247 Park Avenue	553		
Miraflores Drive	South Side of Street	0		
N County Road from 596 to Via Linda, N & S entrance to Southland	W of N COUNTY	535		
N Lake Way & Mediterranean, SE Corner, Vacant Lot	1496 N Lake Way, E	32		
N Lake Way @ Miraflores Drive	NE Corner	0		
North Fire-Rescue Station (#2)	300 N County Rd	296,600		
Nursery	265 Palmo Way	566,006		
Old Public Works (Vacant Lot)	300 6th St., WPB	46,157	2,760,000	February 2005
Old Public Works (Vacant Lot)	312 6th St, WPB	26,156		
Old Public Works (Vacant Lot)	320 6th St., WPB	20,002		
Old Purchasing	627 N Dixie, WPB	32,792	1,735,000	February 2005
Park North of 450 North County	N County @ 450	1		
Peruvian/South County Road Park	400 S County Road	1,937,500		
Phipps Ocean Park	2171 & 2185 S Ocean Blvd	34,137		
Phipps Ocean Park - Beach Patrol Bldg.	2171 & 2185 S Ocean Bd	26,558		
Phipps Ocean Park - North Pavillion	2171 & 2185 S Ocean Blvd	208		
Phipps Ocean Park - North Restrooms	2171 & 2185 S Ocean Blvd	208		
Phipps Ocean Park - South Pavillion Restroom	2171 & 2185 S Ocean Bd	208		
Phipps Ocean Park - Utility Storage	2171 & 2185 S Ocean Blvd	208		
Police Facility	345 S County Road	549,416		
Police Garage	701 N Dixie, WPB	62,557	2,250,000	February 2005
Public Works Facility - Main Bldg	951 O Okeechobee Rd, WPB	24,950		
Public Works Facility - Main Parking Lot	951 Old Okeechobee, WPB	29,317		
Public Works Facility - Parking Lot on West Side of Charlotte Ave.	951 Old Okeechobee, WPB	14,072		
Public Works Facility - Storage Yard	951 Old Okeechobee, WPB	5,956		
Quadrille Blvd (Triangular piece of Vacant Land, formerly El Campeon)	W of Dixie btw Qud & 6th	78,313	6,340,000	February 2005
Recreation Complex	340 Seaview Avenue	1,107		
Royal Poinciana Way	S of Flagler Bridge	111,170		
South Fire-Rescue Station (#3)	2171 & 2185 S Ocean Blvd	358,527		
Sunset Avenue, East End of Sunset Beach Access	Sunset Avenue	54		
Town Hall & Central Fire-Rescue Station (#1)	360 S County Road	134,520		
Vacant Lot; E-4 Sanitary in Front of 736 Slope	736 Slope Trail	5,776		
Worth Avenue & S Ocean, NW Corner, Portion of Sidewalk	Worth Ave & S Ocean	1,927		
Wrightsmen Estate Park, N of Miraflores	NC Road @ Miraflores	64,219		
Wrightsmen Estate Park, N & S of Tangier	N County @ Tangier	315,744		
Wrightsmen Estate Park, S of Miraflores	NC Road @ Miraflores Dr	50,840		
Yard Trash Disposal Site	1300 Skees Rd, WPB	238,212		
Yard Trash Disposal Site (Old Incinerator Site)	5976 Okeechobee Bd, WPB	282,914		
Yard Trash Disposal Site (Old Incinerator Site)	5976 Okeechobee Bd, WPB	96,783		
<b>Total</b>		<b>\$8,039,238</b>	<b>\$13,085,000</b>	



Town of Palm Beach  
 Town Owned Property - Buildings & Improvements  
 September 30, 2005

Description	Location	Acquisition Date	Acquisition Value
Bradley Park; S-2 (9 Lake Tr); A-5 Sanitary (Royal Poinciana @ Trail); Park Bldg	100 Bradley Place	09/30/1986	\$116,577
Bradley Park Electrical Service	100 Bradley Place	09/20/2004	13,742
Bradley Place	Bradley Place	09/30/1960	16,903
Fire-Rescue Station Central (#1)	Australian Avenue	09/30/1922	3,619,699
Fire-Rescue Station North (#2)	300 North County Road	09/30/1922	1,133,170
Fire-Rescue Station South (#3)	2171 & 2185 S Ocean Blvd	09/30/1994	2,026,473
Lakeside Park; A-6 Sanitary (1956); D-6, D-7, D-15 (1986); Storm G-6 & G-7 (1960)	300 S Lake Drive	09/30/1975	105,325
Memorial Fountain	S County Road	09/30/1930	116,633
Mid-Town Beach Lifeguard Facility (G-9)	Chilean & S Ocean Blvd	09/30/1980	40,880
Nursery	265 Palm Way	09/30/1991	30,782
Old Purchasing	627 N Dixie, WPB	09/30/1950	245,907
Peruvian/South County Road Park	400 South County Road	09/30/2003	270,369
Phipps Ocean Park - BeachPatrol Bldg	2171 & 2185 S Ocean Blvd	09/30/1992	314,164
Pinewalk Maintenance Bldg	Pinewalk	09/30/1960	24,872
Pinewalk Restrooms	Pinewalk Transfer Station	09/30/2000	39,796
Pinewalk Transfer Station	Pinewalk	09/30/1960	55,714
Police Facility	345 S County Road	09/30/1986	3,352,511
Police Garage	701 N Dixie, WPB	09/30/1950	124,781
Public Works Facility - Bldg	951 Old Okeechobee Blvd	09/30/1977	637,011
Sanitary Sewer (A-42)	3001 S Ocean Blvd	09/30/1976	24,848
Storm Pump Station (D-10) - W End of Via Marina	1050 & 1055 'N Lake Way	09/30/1982	43,929
Storm Pump Station (D-14) - 4 Arts Plaza & Lake Trail	RP Way or 16 S Lake Tr	09/30/1996	49,969
Storm Pump Station (D-4)	445 N Lake Way	09/30/1983	116,773
Storm Pump Station (D-9) - West End by Lake	Mediterranean Road	09/30/1982	31,052
Town Hall	360 S County Road	09/30/1922	4,744,437
Water Pollution Control (S-1)	300 S Lake Drive	09/30/1968	72,205
Yard Trash Disposal Site	1300 Skees Rd, WPB	09/30/1960	21,251
Yard Trash Disposal Site (Old Incinerator Site)	5976 Old Okeechobee Blvd	09/30/1960	127,173
<b>Total</b>			<b><u>\$17,516,946</u></b>



**Town of Palm Beach**  
**Leisure Services Enterprise Fund Infrastructure Assets**  
**September 30, 2005**

Description	Location	Acquisition Date	Acquisition Value
<b>Town Docks:</b>			
Australian Dock - 1998 Dock Replacement	Town Docks	09/30/1998	\$2,078,999
Brazilian Dock - 1992 Bulkhead Repairs	Town Docks	09/30/1992	115,950
Brazilian Dock - 1987 Pilings	Town Docks	09/30/1987	86,621
Brazilian Dock - 1994 Dock Replacement	Town Docks	09/30/1995	704,253
Brazilian Dock - 1995 Design & Reconstruction Engineering	Town Docks	09/30/1995	15,825
Brazilian Dock - 1995 Dock Replacement	Town Docks	09/30/1995	214,120
Brazilian Dock - ADA Improvements	Town Docks	09/30/1995	9,886
Peruvian Dock - 1997 Dock Replacement	Town Docks	09/30/1998	15,384
Peruvian Dock - 1998 Dock Replacement	Town Docks	09/30/1998	1,093,973
Peruvian Dock - 1998 Capitalized Interet	Town Docks	09/30/1998	43,073
Peruvian Dock - 1999 Dock Replacement	Town Docks	09/30/1999	119,629
Peruvian Dock - 2000 Dock Replacement	Town Docks	09/30/2000	45,105
Peruvian Dock - 2001 Structure for Oil Dumps	Town Docks	07/31/2001	4,500
Inlet Dock	Inlet Dock	09/30/1990	95,638
Inlet Dock - 1994 Water Cooler, Irrigation, Wall	Inlet Dock	03/31/1994	4,679
Subtotal - Docks			\$4,647,635
<b>Par 3 Golf Course:</b>			
Maintenance Bldg	Par 3	09/30/1991	\$221,198
Maintenance Bldg - 1992 Improvements	Par 3	09/30/1992	6,139
Maintenance Bldg - 1994 ADA Restroom Renovations	Par 3	09/30/1994	2,533
Maintenance Bldg - 1995 ADA Restroom Renovations	Par 3	09/30/1995	4,712
Green Reconstruction - 1985	Par 3	03/31/1985	46,695
Green Reconstruction - 1986	Par 3	07/31/1986	64,360
Green Reconstruction - 1987	Par 3	09/30/1986	1,046
Green Reconstruction - 1989	Par 3	09/30/1988	2,917
Green Reconstruction - 1990	Par 3	09/30/1989	7,022
Green Reconstruction - 1991	Par 3	09/30/1990	48,625
Green Reconstruction - 1992	Par 3	09/30/1991	7,844
Green Reconstruction - 1994	Par 3	09/30/1994	251,470
Green Reconstruction - 1993	Par 3	09/30/1993	4,000
Green Reconstruction - 1995	Par 3	09/30/1995	6,381
Pump Station Renovation - 1994	Par 3	09/30/1994	18,423
Pump Station Renovation - 1995	Par 3	09/30/1995	1,744
Irrigation - 1992	Par 3	12/31/1992	106,982
Irrigation - Retubing	Par 3	09/30/1998	50,690
Fence - Driving Range	Par 3	06/30/1993	12,000
Fence - Chain Link	Par 3	09/30/2000	12,680
Tees - 1993 Rebuild	Par 3	08/31/1993	6,261
Pedestrian Crossing - Signalization	Par 3	09/30/1998	16,390
Parking Lot Overlay	Par 3	09/30/2000	19,000
Land	Par 3	01/01/1960	<u>5,051,527</u>
Subtotal - Par 3 Golf Course			\$5,970,638
<b>Recreation Center:</b>			
Recreation Complex	Seaview Park	09/30/2003	\$1,937
Recreation Center Playing Field	Seaview Park	09/30/2003	567,919
Recreation Complex & Playing Field	Seaview Park	09/30/1989	375,985
Recreation Complex & Playing Field - 1994 Additions	Seaview Park	09/30/1994	51,829
Recreation Complex - Rec Equipment Storage	Seaview Park	09/30/1993	37,463
Recreation Complex - Recreation Center	Seaview Park	09/30/1984	12,812
Recreation Complex & Playing Field	Seaview Park	05/31/1990	221,297
Recreation Complex & Playing Field - 1994 Additions	Seaview Park	09/30/1994	34,226
Recreation Complex & Playing Field - 2002 Additions	Seaview Park	09/30/2002	423,883
Recreation Complex & Playing Field - Irrigation Improvements	Seaview Park	09/30/2004	17,264
Subtotal - Recreation Center			\$1,744,615
<b>Tennis Facilities:</b>			
Phipps Ocean Park - Tennis Center	Phipps Park	09/30/2003	\$665,370
Recreation Complex - Tennis Pro Shop	Seaview Park	09/30/1989	<u>62,891</u>
Subtotal - Tennis Facilities			\$728,261

**Total Infrastructure Assets - Leisure Services Enterprise Fund**

**\$13,091,149**



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