



Town of Palm Beach LONG TERM FINANCIAL PLAN

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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.

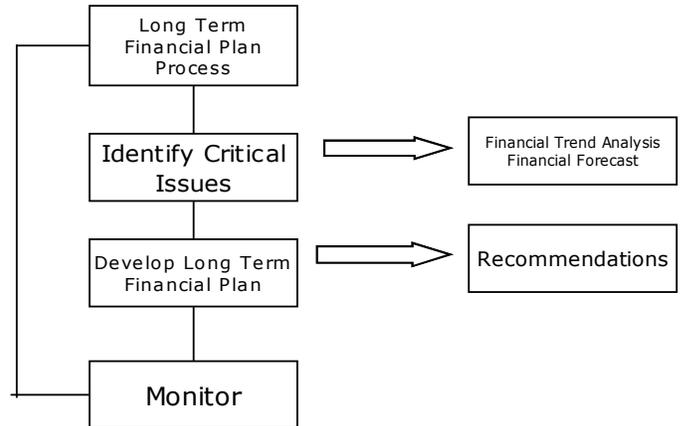
The Town of Palm Beach prepares on an annual basis a comprehensive Long Term Financial Plan. The Long Term Financial Plan (LTFP) is intended to serve as a tool, providing the Mayor, Town Council and staff with the insight required to address issues impacting the Town's financial condition. This plan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



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

General Fund FY2006 Status

The FY2006 budget was amended during the fiscal year to appropriate additional funds for hurricane expenditures, capital projects, and the funding of the modification to the Equipment Replacement Fund. The Town Council authorized amendments to appropriate \$6,235,671 from the General Fund Undesignated Fund Balance to cover these costs.



Town of Palm Beach LONG TERM FINANCIAL PLAN

General Fund Revenues

Budgeted revenues for FY2006 exceeded expectations in most categories. Revenue from licenses and permits will end the year approximately \$1,300,000 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 \$2,700,000 for the fiscal year. Investment earnings will exceed budget estimates due to higher than anticipated returns on investments. Public safety charges are higher than the budget due to improved collections for EMS transport fees. 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 \$6,500,000.

General Fund Expenditures

General Fund expenditures are estimated to total approximately \$64,500,000. This amount reflects costs associated with the hurricane and includes encumbrances. The amended FY2006 budget total is \$66,537,546 vs. the original approved budget of \$57,544,075.

General Fund Year End Surplus

The amended budget includes a transfer from undesignated fund balance of \$7,305,671. Due to over collection of revenues and FEMA reimbursements, it is estimated that only approximately \$1,500,000 of this budgeted transfer will be necessary, therefore, the balance of 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.

Recreation Enterprise Fund FY2006 Status

The Recreation Enterprise Fund is expected to end the year with an operating profit of approximately \$169,000. This amount is approximately \$60,000 less than original budget estimates.

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 years FY2005 and FY2006 the Town was hit with three hurricanes. The total impact of these

storms is estimated at over \$13,700,000. A substantial portion of these costs have been reimbursed by FEMA and insurance policies. 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 - FY2007 Budget vs. LTFP

The Long Term Financial Plan was prepared and reported to the Town Council in November 2005. This plan was used as a guide when staff began to prepare the FY2007 budget.

The taxable value assumption in the LTFP was 9.5%, the actual increase was 16.13% which allowed the Town to reduce the millage rate by 4.62% rather than the anticipated .57% increase that was shown in the plan.

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 FY2007 with a 4.62% decrease in the millage rate.



TOWN OF PALM BEACH RESERVES

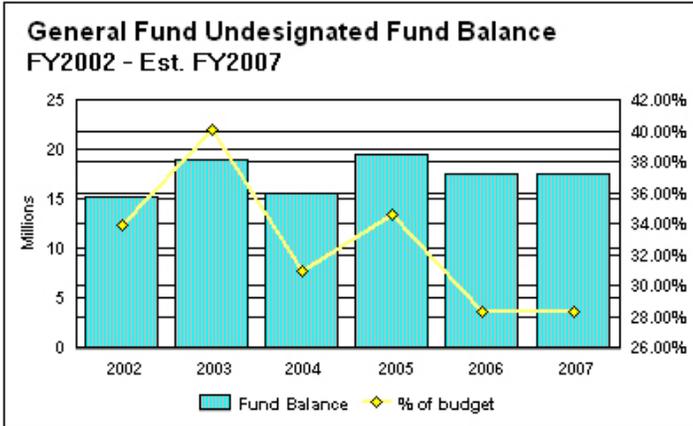
The Town Council has adopted seventeen financial policies, fourteen of which address reserves. The reserve policies serve to safeguard the Town's financial resources and ensure fiscal stability. The size of a municipality's fund balance can affect its ability to withstand financial emergencies. Reserves 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 FY2007 General Fund operating budget of \$61,842,654 is \$15,460,663. It is estimated that at the end of FY2006, the Undesignated Fund Balance for the General Fund will be approximately \$17,500,000. This amount represents 28% of FY2007 budgeted operating expenditures or more than \$2,000,000 over the required minimum level of 25%.



Town of Palm Beach LONG TERM FINANCIAL PLAN



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 and, in FY2006, upgrade the equipment replacement fund, establish a compensated absence reserve, and fund drainage and town facilities projects have reduced the balance of the reserve. Even after these transfers the reserve level has exceeded the minimum required balance of 25%.

Reserve for Catastrophic Exposures/Emergencies - Risk Fund

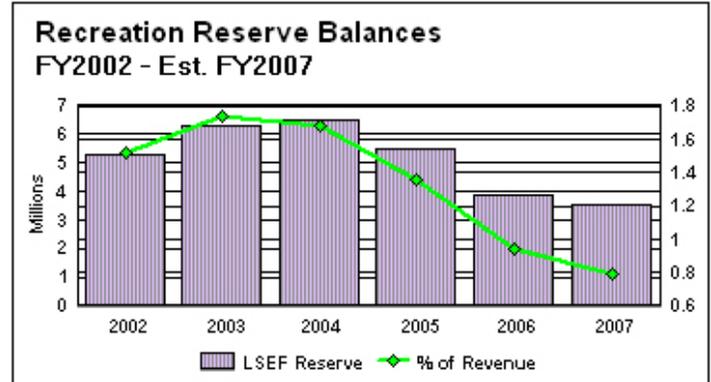
The Reserve for Catastrophic Exposures/Emergencies for the Risk Fund is funded at a minimum of \$2,500,000. This reserve was established to set aside emergency funds to protect the Town against the potentially disastrous financial impacts of response to and recovery from a man-made or natural emergency situation or large judgments in excess of insurance coverage. This reserve is funded from the Net Assets of the Risk Fund.

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 net assets 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 FY2006, it is anticipated that the unrestricted net asset balance for the Recreation Enterprise Fund (REF) will be approximately \$3,400,000. This represents 83% of budgeted revenues, and is well above the required minimum of \$1,020,000.



During FY2006, \$1,850,370 was transferred to the Recreation Capital Improvement Fund for the Seaview tennis center renovation, an irrigation project at Par 3 and funding for dock improvement projects. In FY2007, the transfer from the retained earnings of the fund for capital projects will total \$537,940. The funding is appropriated for dock projects, a hood and fire suppression system at Seaview recreation center, and additional funding for the Seaview tennis center renovation project.

In addition to the \$2,400,000 in unrestricted net assets, \$1,535,000 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 Par 3 Golf Course charges an additional \$2 per round to fund a maintenance and improvement reserve. This reserve has a balance of \$120,500.

The Recreation Enterprise Fund established an equipment replacement fund in FY2006. This fund allows for the purchase of capital equipment and is funded with an initial transfer of the total accumulated depreciation from Recreation Net Assets. The annual funding is calculated using replacement cost depreciation and transferred from the REF to a separate equipment replacement fund. The balance in the REF Equipment Replacement Fund as of September 30, 2006 is approximately \$385,000.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Equipment Replacement Fund

The Equipment Replacement Fund 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. 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 significantly reduces the budgetary fluctuations due to purchases of large pieces of equipment and established the fixed asset inventory and depreciation schedule required by GASB34.

The Town Council approved a change in FY2006 to method of calculating the funding mechanism for the Equipment Replacement Fund. The prior funding method was based on acquisition cost. The new method will allow funding depreciation based upon replacement value. This allows for sufficient funding to be available to replace large capital items with long useful lives such as fire-rescue trucks and public works vehicles. A budget amendment was adopted in September 2006 that transferred \$4,205,523 from the General Fund Undesignated Fund Balance to the Equipment Replacement Fund to fund the cost of the modification.

The total estimated balance in the equipment replacement fund for year end FY2006 will be approximately \$10,752,000. For FY2007 the income including the depreciation transfer will total approximately \$1,569,000 and expenditures for capital equipment are budgeted for approximately \$2,000,000.

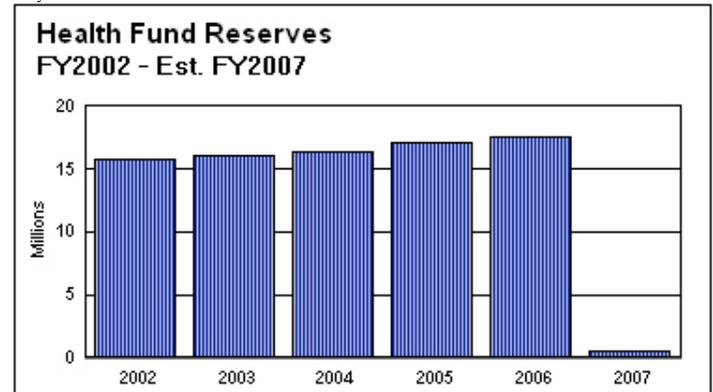
Designation of General Fund Balance for Payment of Liability Related to Compensated Absences Leave Balances

The Town Council approved the establishment of a Reserve for Compensated Absences with the FY2005 budget. This reserve reduces the budgetary fluctuations due to the payout of accrued leave time to terminated or retired employees. The reserve also funds Retirement Health Savings Plan contributions of vacation and sick time, and any expenditures relating to the plan. This reserve is funded at a rate of 100% of the fiscal year end accrued leave balances. Funds are 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. Beginning in FY2007, the Town is offering a vacation conversion program. Employees may elect to convert accrued vacation time for cash once a year. The appropriation for the vacation conversion and the pay-out of eligible accrued vacation, sick and compensatory time for FY2007 from this reserve is \$800,000. The balance in the reserve as of September 30, 2006 is fully funded at \$3,471,826.

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 includes the establishment of a liability for actuarially determined costs of retiree health benefits. As of October 1, 2006, a trust fund was created using \$16,000,000 from the Health Insurance Fund reserves to provide for post employment benefits. The Town is well ahead of other government agencies in the funding of this liability due to the substantial reserves that have been accumulated in this fund.

The remaining balance of the reserves in the Health Fund, estimated at approximately \$1,000,000 will be used to guard against any deficiencies in the Town's self insurance health fund.



Contingency Reserves

Contingency reserves were established for the General Fund, Capital Fund, Recreation Enterprise Fund, Recreation Enterprise Fund - Capital Fund, Risk Insurance Fund and 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 FY2007. 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 Recreation Enterprise Fund Contingency is funded at 5% of the proposed operating expenses as is the Recreation Capital Fund Contingency. The following table identifies the contingency balances appropriated in the FY2007 budget:

Contingency Reserves FY2007

Fund	FY2007 Budget
General Fund	\$922,650
Capital Fund	\$398,000
Risk Fund	\$500,000
Health Fund	\$500,000
Recreation Enterprise Fund	\$229,790
Recreation Capital Fund	\$30,140



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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 FY2001 through FY2007 (estimated).



FORECAST SUMMARY

Staff has prepared a forecast of General Fund revenues and expenditures for FY2008 through FY2011. The details of the forecast can be found in the forecast detail section of this document, starting on page 44.

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.

Reserve Balances Fiscal Years 2002 - 2007						
Fund	2002	2003	2004	2005	Est 2006	Est 2007
General Fund	\$15,212,417	\$19,015,967	\$15,625,847	\$19,580,424	\$17,500,000	\$17,500,000
Compensated Absence (GF)	0	0	2,496,068	2,795,916	3,471,826	2,500,000
Equipment Replacement Fund	4,497,502	4,912,691	5,214,800	5,784,030	10,752,000	10,200,000
REF	5,279,622	6,268,837	6,488,789	5,493,762	2,400,000	2,100,000
REF ERF	0	0	0	0	385,000	400,000
Dock Replacement	0	989,642	1,295,094	1,460,517	1,534,824	1,650,000
Health Fund	15,784,579	16,103,001	16,356,507	17,046,436	1,750,000	1,000,000
Risk Fund	3,968,573	4,449,672	3,782,648	5,957,681	5,950,000	5,900,000
Health - OPEB Trust	0	0	0	0	0	17,424,185
Pension Funds	115,635,106	132,888,957	144,719,097	160,203,485	172,972,000	185,600,000
Total	\$160,377,799	\$184,628,767	\$195,978,850	\$218,322,251	\$232,465,650	\$244,274,185



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

	FY 2008	FY 2009	FY 2010	FY 2011	
Taxable Value	8.0%	7.5%	7.0%	7.0%	Historical increases reduced throughout the forecast period
Investment Yields	5.0%	5.0%	5.0%	5.0%	10 year average SBOA return is 4.0% and the current yield is 5.35%
General Inflation	3.0%	2.5%	2.5%	2.5%	10 year average CPI index 2.5%
Salaries & Wages	6.0%	6.0%	6.0%	6.0%	Average merit and CPI
Employee Benefits	9.0%	8.0%	7.0%	7.0%	Estimates based upon discussions with Town actuaries
Property Insurance	20%	20%	20%	20%	Based upon market conditions
Liability and W/C Insurance	5%	5%	5%	5%	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 8% for FY2008 then the increase is decreased over the four year period. The increase in taxable value for FY2007 was 16.13%, which was above our projection of 9%. Due to stabilizing home values, we decided to be conservative throughout the forecast period. For the period of FY2008 through FY2011 the taxable value increases are estimated to be near or less than the 15 year average of 7.54% rather than the 10 year average of 10.42%.

Investment Yields for FY2008 - FY2011 are estimated at 5.0%. Since it is difficult to forecast rates over the long term, we used 5% throughout the forecast period. Current SBA rates are 5.35% and are forecasted through January 07 to remain around 5.5 - 5.9% range.

General inflationary increases of 3.0% and 2.5% 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 higher than in recent years. It is predicted that Consumer Price inflation will average 3.3 percent in 2006 then fall to 2.6 percent in 2007. 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 FY2008 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 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 FY2008, the estimate is 9%. This amount

is based on the anticipated increase of approximately \$700,000 for the Town's Retirement contribution.

Risk insurance premiums have been estimated for FY2008 - FY2011 using the following assumptions: Property Insurance 20% per year, Liability Insurance 5% per year, Worker's Compensation 5% per year. Due to the current volatile insurance market property premiums are anticipated to significantly increase during the forecast period.

General Fund contingency appropriation has been estimated to be 1.5% of the forecasted expenditures as required by the policy. For certain revenue sources, average historical revenue trends were used to forecast future revenue collections.

The table below 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 FY2007 budget and the forecast for FY2008 through FY2011. The percentage increase or decrease line is based on the increase or decrease of the forecast and millage rate over the prior year.

General Revenue, Expenditure and Millage Rate Forecast (in thousands)					
	FY2007	FY2008	FY2009	FY2010	FY2011
Revenues	\$62,642	\$67,913	\$71,324	\$75,175	\$79,610
Expenditures	\$62,642	\$67,913	\$71,324	\$75,175	\$79,610
% Increase/ (Decrease)	8.9%	8.41%	5.02%	5.40%	5.90%
Ad Valorem Revenue	\$42,663	\$47,908	\$51,037	\$54,560	\$58,682
Total Millage Rate	3.7273	3.8755	3.8405	3.8370	3.8569
Millage Rate % Increase/ (Decrease)	(4.62%)	3.98%	(.90%)	(.09%)	.52%
% Increase/ (Decrease) over FY2007	0.00%	3.98%	3.04%	2.94%	3.48%
Amount to bring increase/ (Decrease) to 0	\$0	(\$1,832)	(\$1,504)	(\$1,560)	(\$1,972)

The FY08 millage rate is anticipated to increase based upon the current forecast. In order to avoid a millage rate increase, expenditures may need to be decreased by \$1,832,000. For FY09 through FY11 slight increases and 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.

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

Information Systems

- Funding for software maintenance on new systems will increase by \$50,000 in FY08, \$15,000 in FY09 and \$50,000 in FY10
- Funding for additional contractual support for software project and systems maintenance \$93,600 in FY08



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Planning, Zoning and Building Department

- Funding for Comprehensive Planning & Zoning Activities will increase by \$50,000 in FY08 and then decrease by \$25,000 in FY09
- Funding for additional overtime for special plan review program (offset by revenues) \$15,000 FY08
- Additional funding for plan review services - \$75,000 FY08
- Additional funding of \$37,000 for increased cost of contractor inspections

Fire Rescue Department

- Funding for accreditation process will increase by \$40,000 in FY08
- \$50,000 each year for EMS Grant Equipment with \$50,000 in offsetting grant revenue

Police Department

- Funding for re-accreditation process will increase by \$11,000 in FY08, decrease by \$11,000 in FY09, and increase again in by \$11,000 in FY11
- Purchase of 2 new vehicles- \$50,000 (replace leased vehicles) in FY08
- Purchase of automated fingerprint identification system - \$120,000 in FY10

Public Works Department

- Purchase of portable storm pump - \$30,000 in FY08
- Purchase of sanitary sewer emergency pump - \$30,000 in FY08
- Increase in SWA Assessments - \$10,000 in FY08
- Increase for additional general maintenance contractual costs in lieu of new position - \$70,000 in FY08
- FY07/FY08 Sanitary sewage disposal modifications may decrease future recurring disposal costs.

Other Global Increases

- Increase for OPEB - Health Insurance Trust Funding of \$200,000 in FY08, \$250,000 in FY09, \$300,000 in FY10, and \$350,000 in FY11.
- In FY11, debt service funding of approximately \$3,500,000 for the coastal protection bond is eliminated. We intend to transfer these funds to the coastal protection fund and increase the amount to \$4,000,000 to begin to fund the coastal protection projects on a pay-as-you-go basis.
- Increase in funding for Four Arts Library of 5% per year for FY08 - FY11
- Increase in retirement funding of \$700,000 for FY08, \$600,000 for FY09 & \$500,000 for FY10 & FY11.

Not Included

- Increase in FY08 for overtime due to the 3 additional holidays - \$150,000
- Debt service for Town Hall renovation project
- Debt service for North Ocean Boulevard seawall project.
- Additional debt for funding Reach 8 and other beach projects to use as a "bridge" to when the Town converts to 100% pay as you go funding for beach projects.
- Costs associated with the Lake Worth sanitary sewage contract termination and construction of a flow equalization facility.
- Costs associated with the Traffic and Parking Study results
- Debt service for undergrounding of utility wire project
- Funding for two police radio consoles if grant funding is not obtained.

No new positions have been included in the forecast.

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 the three hurricanes.

Other Funds

The Forecast section of this document includes forecasts for the Town's Debt Service Funds, Capital Funds, Internal Service Funds, and Recreation Enterprise Fund.

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 Coastal Protection 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 approximately \$3,300,000 to \$3,400,000 per year through FY2011.

Capital projects for beach restoration and Town facilities have been funded with bond proceeds and funding from the General Fund. During the forecast period, additional funds will be



Town of Palm Beach LONG TERM FINANCIAL PLAN

necessary for the Town Facilities projects and for beach restoration. In FY2011, the funding of \$4,000,000 that would have been transferred to the debt service fund for the beach renourishment project was allocated to the Coastal Projection Fund to fund a pay-as-you-go program for the coastal projects.

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.

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 5% 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.

Recreation 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 Recreation Enterprise Fund. In FY2007 the fund was renamed the Recreation Enterprise Fund. A business plan has been prepared each year 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 FY2006 and initiatives for FY2007.

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 FY2011.

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 FY2011.

A Recreation Enterprise Fund Capital Fund and an Equipment Replacement Fund were established in the FY2006 budget. These funds are funded with a transfer from the Recreation Enterprise Fund Retained Earnings.

Due to the anticipated transfers for Capital improvements, the reserves for the Recreation Enterprise Fund will decline but remain above required minimums. The preliminary 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:

- ▶ Staff will strive to maintain tax rate stabilization for the funding of the operations of the General Fund through FY2011.
- ▶ Staff will be recommending the establishment of a Contingency Reserve for both of the Equipment Replacement Funds that is intended to be funded from the retained earnings of the funds and will be used for the purchase of non-budgeted fixed assets that may arise during the year. The contingency reserve would not be used without Town Council approval.
- ▶ Staff will be recommending the issuance of debt for the North Ocean Boulevard Seawall and the Town Facilities Project once costs have been determined
- ▶ Staff will be working with the Town Council on the undergrounding of overhead utility wires project and if voters approve the referendum, we will take all necessary action to secure financing for the project.
- ▶ Staff may recommend financing additional beach projects once the funds from the coastal protection capital fund have been depleted in order to finance Reach 8 and other beach projects that the Town Council may authorize.
- ▶ Staff may be recommending funding with either cash or bonds the costs associated with the Lake Worth sanitary sewage contract termination and construction of a flow equalization facility if the Town Council approves the recommendation.

Conclusion

The FY2007 budget has been adopted with a 4.62% decrease in the millage rate while maintaining the Town's high levels of service. The forecast for FY2008 shows the potential for a millage rate increase. The forecasts going forward for FY2009 - FY2011 show slight decreases or increases in the millage rate. The General Fund forecast for FY2008 - FY2011 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.



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GENERAL FUND TREND ANALYSIS

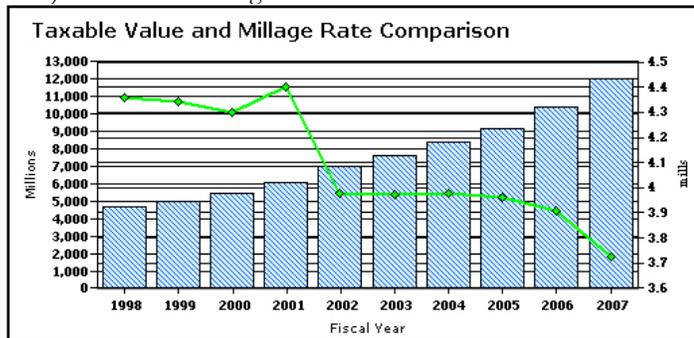
Financial trend analysis assists the Town in evaluating its financial condition. The trend analysis describes the fluctuations in the major categories of General Fund revenues and departmental expenditures. The trends present a picture of the Town's financial strengths and weaknesses and allows staff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

General Fund Revenue Trend

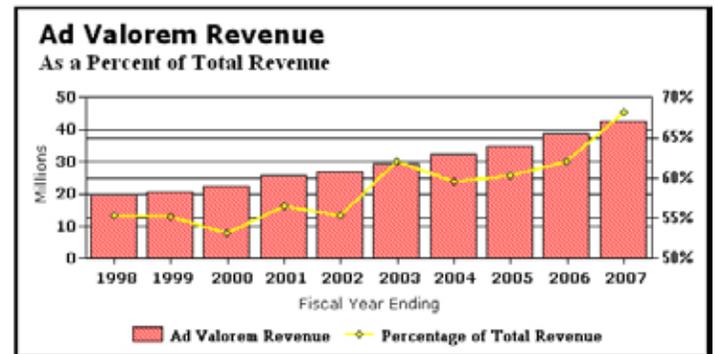
Revenues determine the capacity of a municipality to provide services. Important issues to consider when reviewing revenue trends are growth, flexibility, diversity, reliability and administration. Revenues should grow at a rate equal to or greater than the combined effects of inflation and expenditures.

Ad Valorem Tax Revenue

Ad valorem tax revenue has been steadily increasing since 1998. At the same time the total millage rate has decreased. Since 1998, the Town's taxable value has increased from \$4,710,632,410 to \$12,047,770,891 (a 156% increase). The Town's ad valorem revenue has increased during the same period from \$19,799,200 to \$42,663,915 or (115%), while the total millage rate has declined from 4.7901 in FY98 to a millage rate of 3.7273 (a decrease of 22%) for the FY07 Budget.



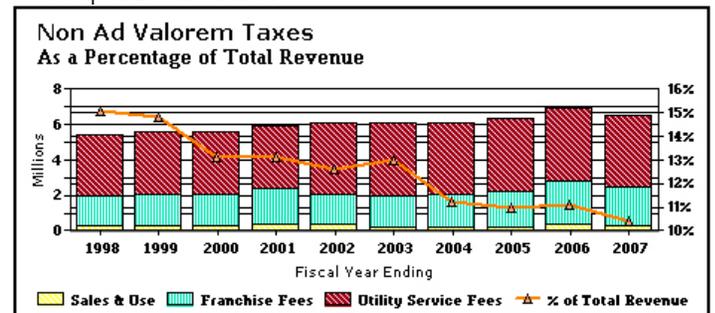
Increases in taxable value have been due to the following factors: Numerous development and redevelopment projects in the Town, significant increases in the market values of water-front properties, and significant increases in the market values of all other homes in the Town. Taxable value increased 16.13% from FY2006 to FY2007. Ad valorem tax revenue accounts for 68% of total General Fund revenue. The trend for ad valorem revenue suggests further increases in taxable value but not to the extent of recent years, and a stable or reduced millage rate leading to increased revenue.



Non Ad Valorem Tax Revenue

Utility service tax and franchise fee revenue have maintained a stable growth rate. The communications services tax has declined since it was instituted in 2002. In FY07, the budgeted revenue for franchise fees anticipates a slight decrease with budget amounts comparable to FY06 year end estimates. Utility service taxes in total have decreased slightly based upon anticipated decreases in the communications services tax revenue. Sales and use tax increase in FY06 and is expected to remain stable for FY07.

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 11.4% of total General Fund revenue. Total non ad valorem tax revenue is anticipated to decrease by 6% in FY2007. Non ad valorem taxes represent the second largest source of revenue. Future revenues are expected to remain stable based upon recent trends.

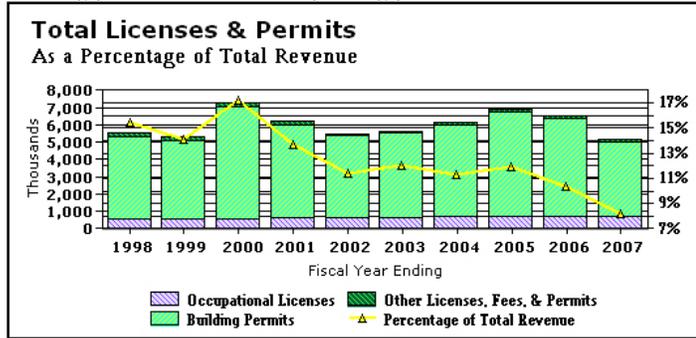




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License and Permit Revenue

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

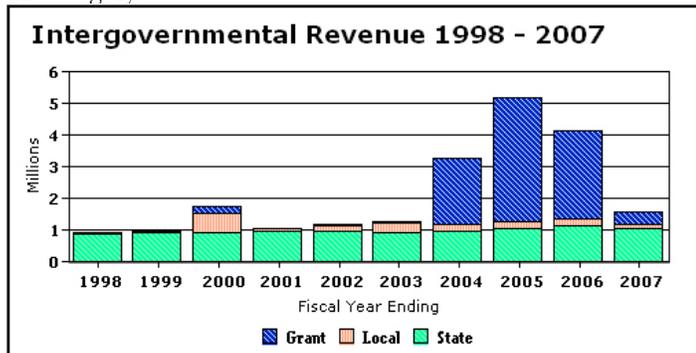


Since FY2000, revenues from licenses and permits have maintained historically high levels. The year-end estimates for FY2006 are higher than had been anticipated in the budget due to additional redevelopment projects. FY2007 revenues have been budgeted conservatively and are based on projects that are expected to be constructed in FY2007. Occupational license revenues are expected to remain stable for FY2007.

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.

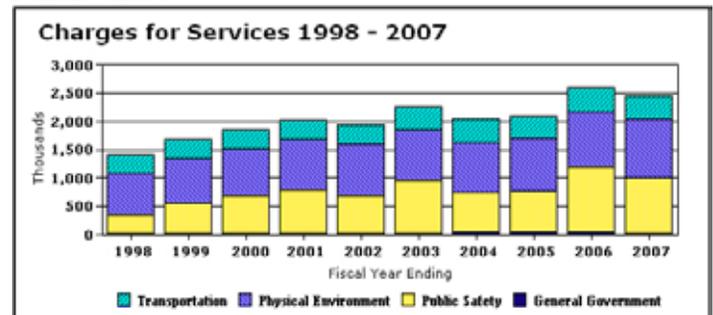


In FY2000, the Town received \$558,918 from the City of West Palm Beach for a settlement agreement on the East Central Regional Wastewater Treatment Facility and \$201,619 from FEMA for funding for storm recovery. In FY2004, FY2005 and FY2006 approximately \$8,500,000 in funding from FEMA for Hurricane recovery was received for General Fund purposes. Revenues from the State of Florida have been stable with no measurable increases or decreases detected. In FY2007, the Town expects to receive approximately \$90,914 from the Palm Beach County 911 Reimbursement fund and \$399,000 has been included in the budget for anticipated grant receipts. Revenues from intergovernmental sources equal 2.6% 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, EMS fees and solid waste disposal fees. Special assignment charges had increased dramatically since 1998 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 direct connect alarm service fee. EMS fees increased by 104% in FY2006 due to improved collections of delinquent accounts. In FY2007 EMS fees are estimated to generate \$325,000 a decrease of 36% from FY2006 due to the collection of prior delinquent accounts in FY2006. For FY2006 new fire prevention fees were adopted that generated \$50,600 for the first year revenue and in FY2007 \$123,255 has been budgeted for a full year of operations. Solid waste fees are anticipated to increase by 4.06% in FY2007 due to an increase in fees. Revenues from parking meters are expected to remain stable for FY2007.

Revenues for charges for Town services are 3.9% of total General Fund revenues.

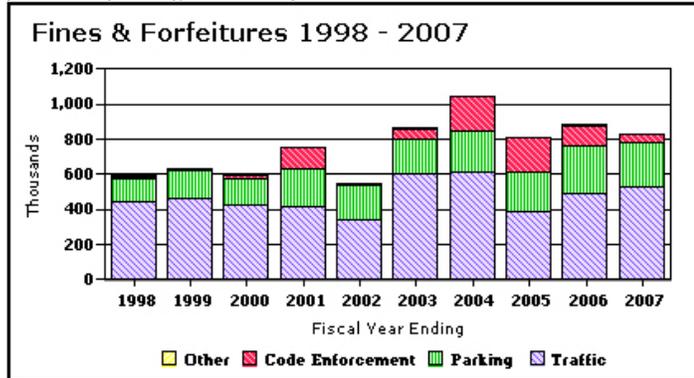




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Fines and Forfeitures

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

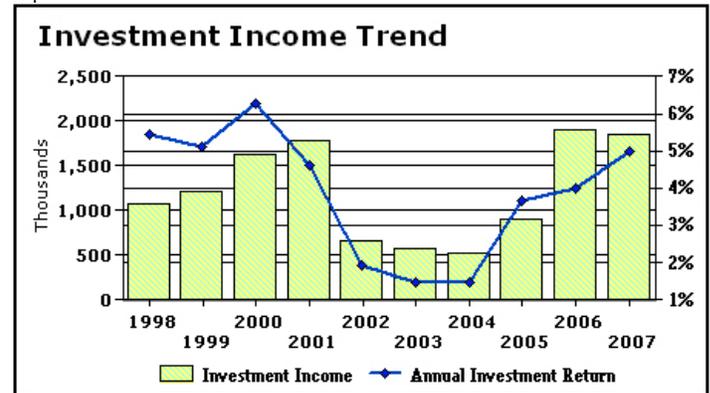


In FY2001, the Town Council adopted increases in the fine and penalty structure for parking tickets. Since FY2003 revenues increased for parking fines and penalties due to improved collection efforts by a new collection agency especially for out of state parking tickets. FY2004, FY2005 and FY2006 the Town received revenue from large code enforcement fines. It is anticipated that for FY2007 ticket collection revenues should stabilize. Code Enforcement fines are budgeted conservatively. Fines and Forfeitures represent 1.3% of total General Fund Revenue.

Investment Income

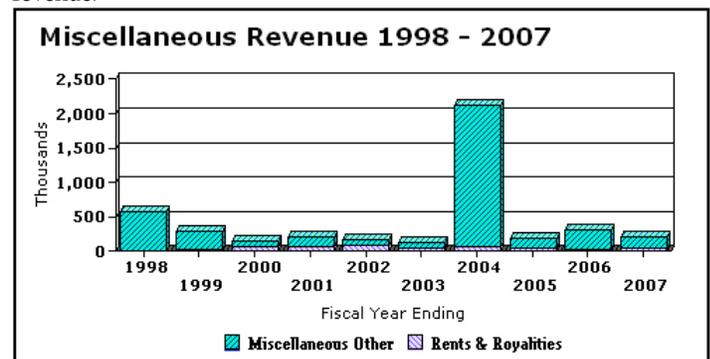
Investment income increased from 1998 through 2001 due to increases in the reserve balances and high rates of return. From FY2002 through FY2004 historically low interest rates caused investment income to decline. In FY2003 the Town Council approved the formation of an Investment Advisory Committee. 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.

As of September 30, 2006, investments the Florida League of Cities pool has returned 3.87% on the 1 - 3 Year Bond Fund and 3.71% on the Intermediate Bond Fund versus the State Board of Administration return of 4.72% to produce a blended return of 4.48%. For FY2007, an interest rate of 5% was used to calculate the budgeted amount for investment income. Investment income represents 3% 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 FY2007 are expected to remain stable. Miscellaneous revenue represents .3% of total revenue.

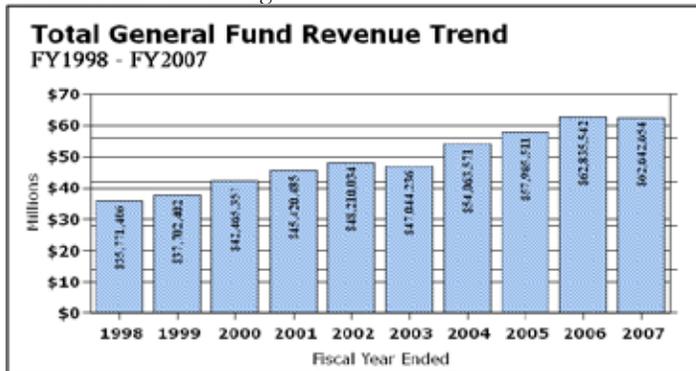




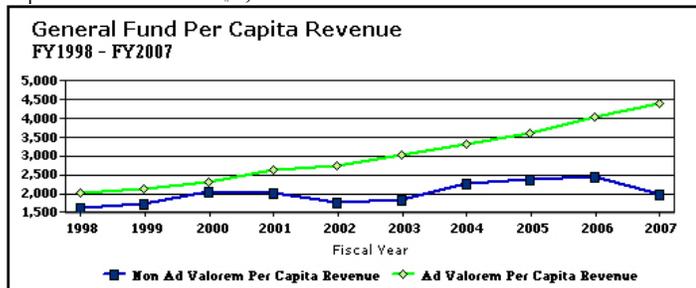
Town of Palm Beach LONG TERM FINANCIAL PLAN

Revenue Trend Summary and Conclusion

Total General Fund Revenues have increased at an average annual rate of 6.7% since FY1998. This trend is due to increases in ad valorem revenue, building permit revenues, fine revenue. One time revenues in FY2004 for the sale of Town owned property and FEMA reimbursements in FY2004 through FY2006 contribute to increase the annual average.



Ad Valorem per capita revenue and non ad valorem per capita revenue trends are shown in the chart below. Total revenue per capita for FY2007 is \$6,470.



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. The FY2007 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.

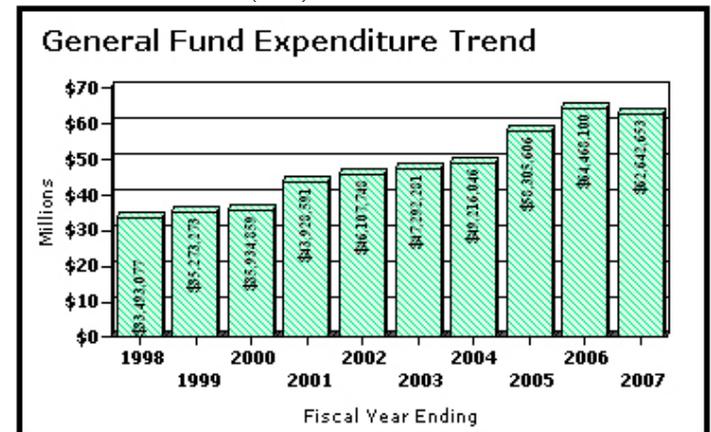
General Fund Expenditure Trend Analysis

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 FY2007, the total General Fund budget increased by 8.9% over the FY2006 budget. FY2006 expenditures include costs relating to Hurricane Wilma which caused a budget amendment. Increases in the FY2007 budget relate to retirement contributions, health insurance costs, employee pay for performance and competitive pay increases, equipment purchases and funding for 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, FY2005 and FY2006 expenditures related to the response to and recovery from Hurricanes Frances, Jeanne and Wilma caused expenditures to increase by over \$16,000,000. 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, insurance and state sources. Overall, expenditure increases have not caused the millage rate to increase. In fact, since FY1998, the total millage rate has decreased from 4.7901 to 3.7372 (22%).



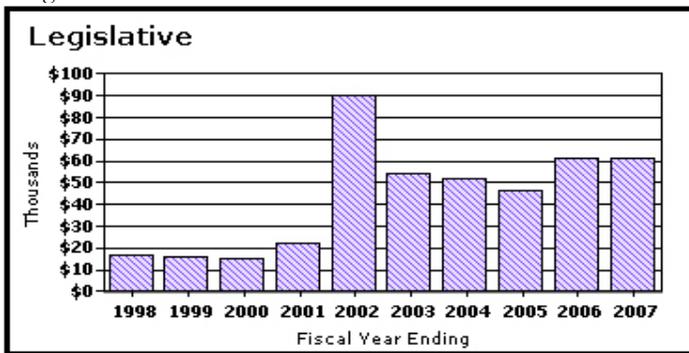


Town of Palm Beach LONG TERM FINANCIAL PLAN

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.



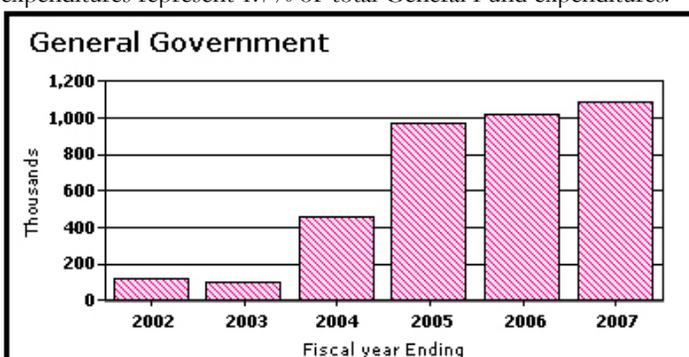
Town Manager's Office

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 FY2005 increased over FY2004 due to the increase in a 1/2 time position to full time administrative secretary position. The budget for FY2007 increased by 7.9% over FY2006. The Town Manager's Office expenditures represent 1.8% of General Fund expenditures.



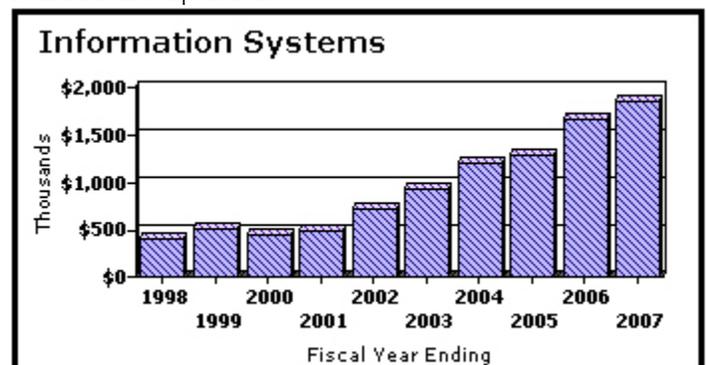
General Government

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 4th 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. The increase in 2007 is due to higher compensated absence pay-outs caused by the implementation of a vacation conversion program. General Government expenditures represent 1.7% of total General Fund expenditures.



Information Systems

The Information Systems budget has increased in FY06 and FY07 due to funding for the implementation of a new software system. 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.

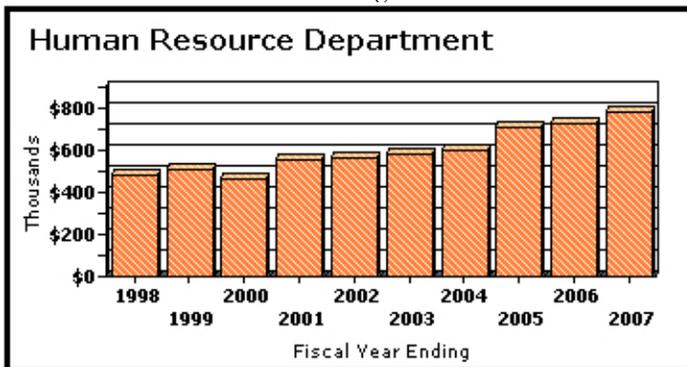




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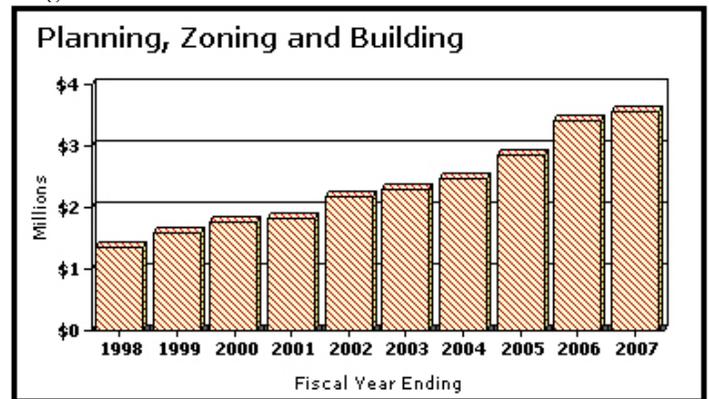
Human Resource Department

The Human Resource Department budget for FY2007 increased by 6.7% over the FY2006 budget. This increase is due to employee benefit cost increases, pay for performance, and the competitive pay increases. 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 represent 1.3% of the total General Fund Budget.



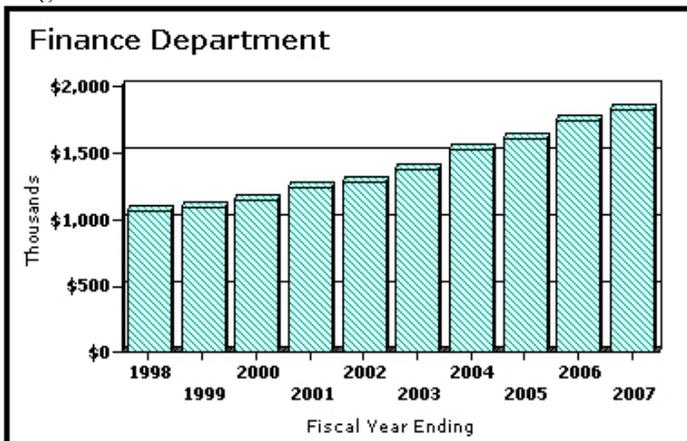
Planning, Zoning and Building Department

The Planning, Zoning and Building Department (PZ&B) budget increased by 10.9% for FY2007. This increase is due the increases in employee benefit costs, pay for performance, competitive pay increases and contract costs for a special plan reviewer. 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 represent 5.8% of the total General Fund budget.



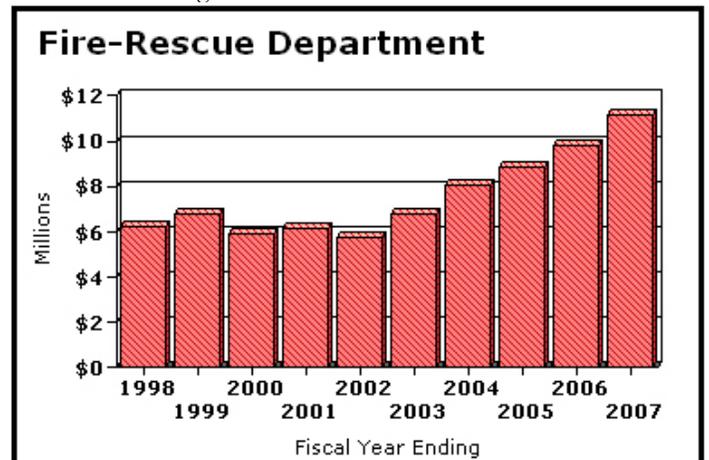
The Finance Department

The Finance Department, which includes the Purchasing Division and the Town Clerk's Office increased by 5% in FY2007 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.



The Fire-Rescue Department

The Fire-Rescue Department budget increased by 11.9% for FY2007. This increase is due to funding for the accreditation process 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. FY2004, FY2005 and FY2006 expenditures increased due to significant overtime from hurricanes and shortages in staffing. Fire-Rescue Department expenditures represent 17.6% of the total General Fund budget.

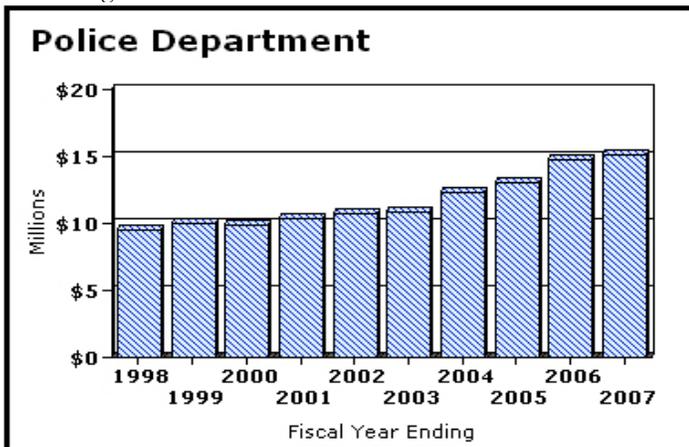




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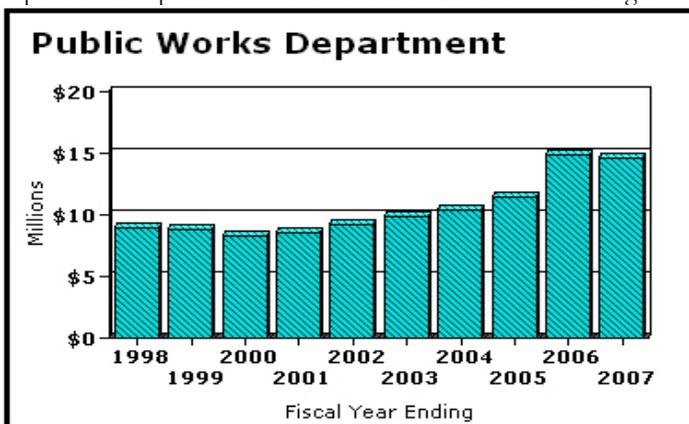
The Police Department

The Police Department budget increased by 5.9% in FY2007 due to 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, FY2005 and FY2006 were due to overtime related to the hurricanes. Police Department expenditures represent 25.5% of the total General Fund budget.



The Public Works Department

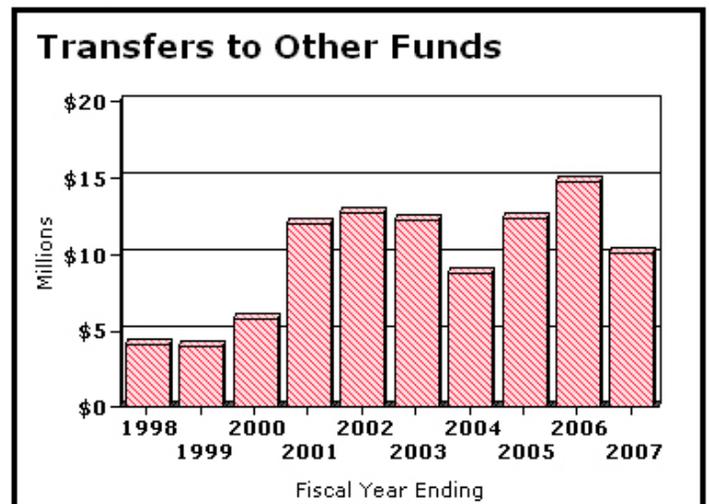
The Public Works Department budget increased by 18.8% over the FY2006 budgeted amount. The increase is due to increases in employee benefit costs, increases for the pay for performance plan, the competitive pay increase, the transfer of coastal protection monitoring and legal services from the Capital Fund, additional contractual electric services and HVAC replacements in Town facilities. In addition, increases were included in building maintenance, utility and fuel costs. FY2004, FY2005 and FY2006 expenditures increased due to overtime related to hurricane efforts. Debris removal costs for Hurricane Wilma were charged to the Public Works budget in FY06. Public Works expenditures represent 22.2% of the total General Fund budget.



Transfers to Other Funds

The transfer to other funds decreased in FY2007 by .31% over the FY2006 budget. 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 \$169,799 due to decreases in insurance costs caused by increasing the Town's deductibles.
- ▶ The transfer to the Capital Improvement Fund increased due to the increased funding for the milling and resurfacing program.
- ▶ The transfer to the debt service fund increased by \$126,940. This increase had been planned for in the original cash flow projection for the revenue bonds.
- ▶ The FY06 budget included an additional transfer of \$4,205,523 to the Equipment Replacement Fund for the funding modification from acquired value to replacement value.



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. 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. The increase in FY2006 represents a transfer to the Equipment Replacement Fund for the modification from the original cost based depreciation funding to replacement cost funding. Transfers represent 16.4% of the General Fund budget.



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Historical Summary of Authorized Positions

Since FY2000 there has been an increase of 25.7 FTEP personnel included in the budget. This represents a 6.6% increase over 8 years. The following table indicates the number of authorized positions by Department since FY2000:

	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
Town Manager	10.00	10.00	11.00	10.50	10.50	12.00	12.00	12.00
Human Resources	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.90
Finance	17.00	17.00	18.00	18.00	18.00	18.00	18.00	18.00
Planning, Zoning and Building*	21.00	21.00	21.00	21.00	21.00	22.00	22.50	22.50
Fire-Rescue*	73.00	73.00	73.00	77.00	81.00	82.00	85.00	85.00
Police	130.50	131.00	131.00	131.00	131.00	131.00	131.00	131.00
Public Works	101.33	100.97	101.97	101.14	99.14	99.74	101.88	101.88
Capital Fund	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
Leisure Services	26.00	27.09	27.77	29.29	30.13	29.83	30.28	32.15
Risk	1.00	1.00	1.50	1.50	1.50	2.00	2.00	2.00
Health	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Kruesler Park	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
Total	388.53	389.76	393.94	398.13	400.97	406.27	412.36	414.23

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

A summary of the 25.7 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 (.55)

- ▀ 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 – 1.95 FTE

Capital Fund (1.0)

- ▀ Construction Manager (2005)

Recreation Enterprise (6.15)

- ▀ Assistant Dockmaster (2001)
- ▀ Tennis Facilities Supervisor (2002)
- ▀ Registration Clerk (2003)
- ▀ Part Time Personnel +1.2 FTE
- ▀ Increase in Public Works Allocation + 1.95 FTE
- ▀ Reduction of 1 Spray Technician (2005)
- ▀ Recreation Supervisor (2007)

Risk Fund (.5)

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



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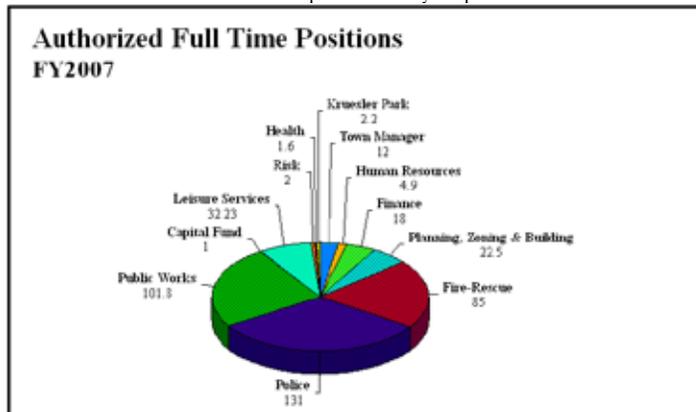
General Fund Expenditure Trend By Type

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.

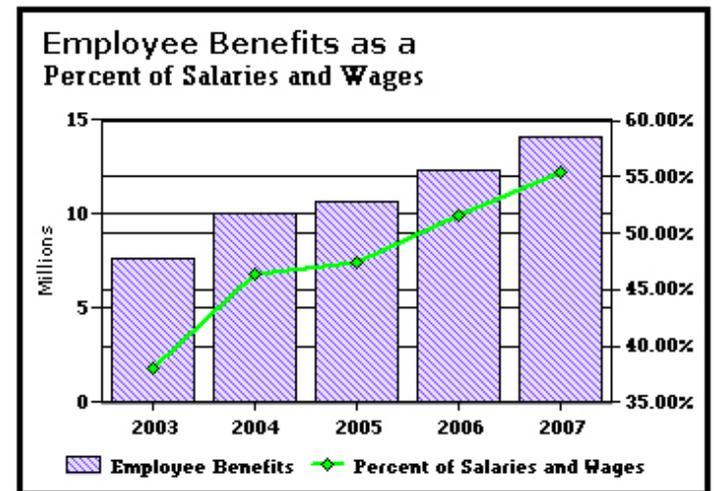
The five year average increase (FY2003 through FY2007) in expenditures, by type is summarized below:

Expenditure Type	5 yr Average Annual Increase
Salary & Wages	5.39%
Employee Benefits	16.35%
Contractual Services	10.41%
Commodities	5.33%
Capital Outlay	-2.10%
Other - Transfers to other funds	6.51%

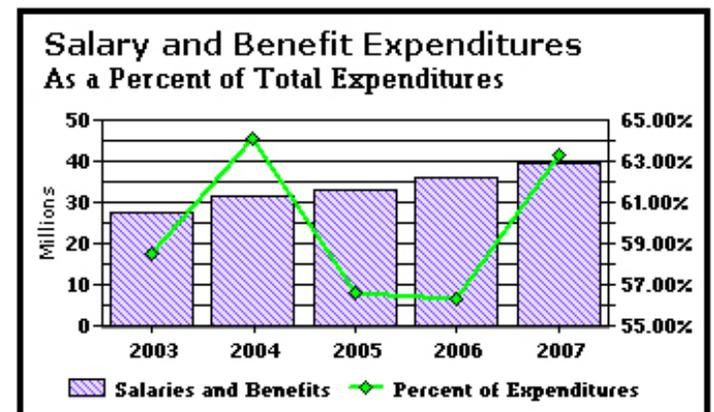
Salary and Wage increases are due to across the board and pay for performance increases and 16.1 new positions during the 5 year period. Increases due to compensation studies and the establishment of the compensated absence reserve have also added to the average increase. The overtime related to the hurricanes also increased wages during FY2004, FY2005 and FY2006. The chart below illustrates the full time positions by department for FY2007.



Employee Benefits increases are due to increases for retirement funding and health insurance and increases in personnel. Retirement funding since 2003 has increased a total of \$5,090,908 or 292%. Health insurance funding has also increased \$1,434,185 or 36%. Due to the increases in retirement and health insurance funding, employee benefits as a percent of salaries and wages has increased from 38% in FY2003 to 55% for FY2007.



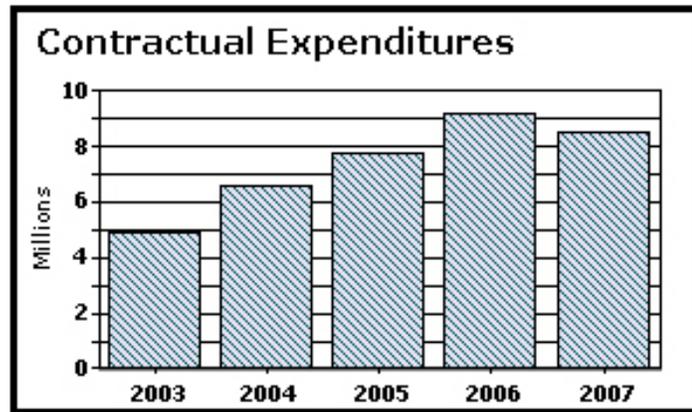
Total salary and benefit costs are a significant portion of the total General Fund Budget. Since FY2003 the costs of salaries and benefits have increased from 58% to 63% of total expenditures for FY2007. In total, salary and benefit costs increased 9.5% for FY2007.



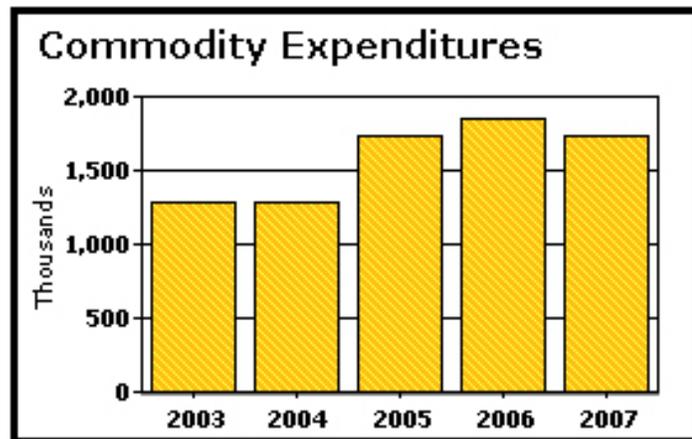


Town of Palm Beach LONG TERM FINANCIAL PLAN

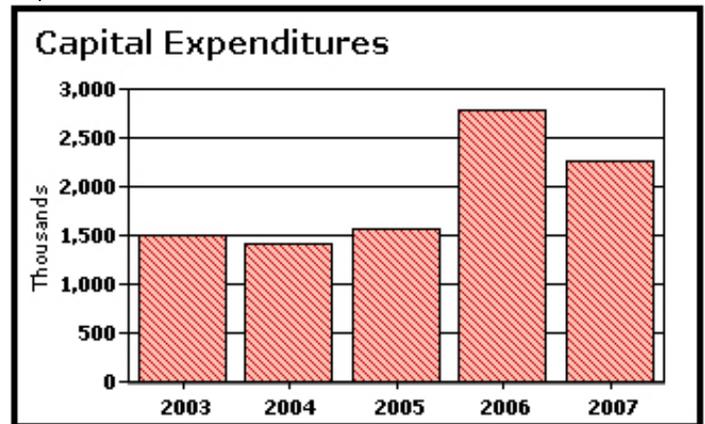
Contractual Services include legal advice, consulting services, electricity and water costs, sewage treatment, solid waste disposal costs, building maintenance, landscape contracting, software maintenance and the comprehensive plan. The Contractual Services average increase has been higher than normal in recent years due to hurricane response and recovery expenditures in FY2004, FY2005 and FY2006.



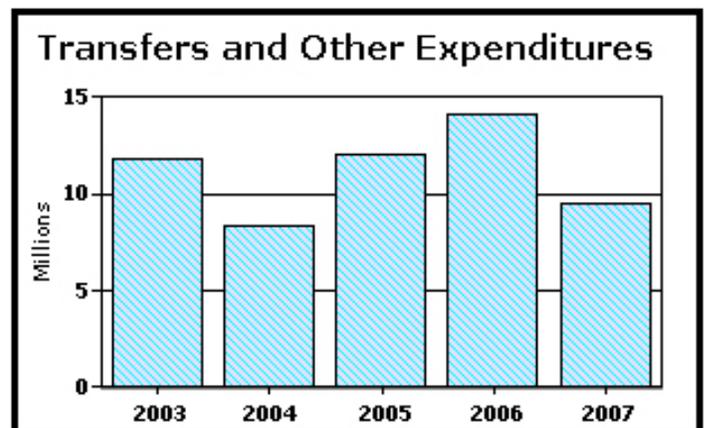
Commodities decreased in FY2007 due to the transfer of costs relating to the new software implementation from commodities to capital outlay. Funding for the implementation of a new townwide software program contributed to the increase in FY2006. Increases in equipment maintenance supplies, medical supplies, uniforms, membership dues and publications and subscriptions have also contributed to the FY2005 & FY2006 increase.



After the Equipment Replacement Fund was established in FY2002, **capital outlay** expenditures stabilized. Capital outlay expenditures include depreciation and the purchase of equipment that is not in the equipment replacement program. A majority of the increase in FY2006 was due to the purchase of the police radio system, the purchase of fire-rescue equipment through grant funds, increases in milling and resurfacing and sanitary and storm sewer rehabilitation. In FY2007, the category declined due to the transfer of funding for milling and resurfacing program to the Capital Improvement Fund.



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 \$20,565,000 has been appropriated for the drainage program since FY2001. Funding for the Town Hall renovation project caused the FY2005 transfer to increase over FY2004 and in FY2006, the transfer to cover the one time costs of the modification to the Equipment Replacement Fund caused the increase over FY2005.



Total expenditures have increased by an average of 6% since 1998. Departmental expenditures have increased by an average of 5.8% annually since 1998 due mainly to inflationary increases in personnel and benefit costs, the addition of new personnel and hurricane related costs. During the same time period, total revenues,



Town of Palm Beach LONG TERM FINANCIAL PLAN

excluding transfers from fund balance, have increased at an average annual rate of 6.7%. Non Ad Valorem revenues have increased at an average annual rate of 4.8% and Ad Valorem Revenues have increased an average of 8.1%.

Total expenditures increases have been highlighted by the extraordinary costs relating to the response to and recovery from 3 major hurricanes in 3 fiscal years. In addition, 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

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.

The Town does not have any outstanding General Obligation Debt at this time.

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.

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.

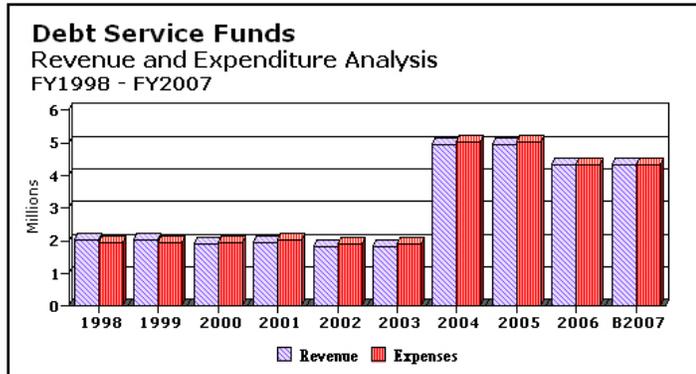
The revenue bond upgrades provided cost savings to the Town. Credit quality spreads in the market enabled many of the maturities to be offered without insurance, instead using the Aa1/AA+ ratings and avoiding the insurance premium required to elevate the rating to the insured Aaa/AAA level. As a result, 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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

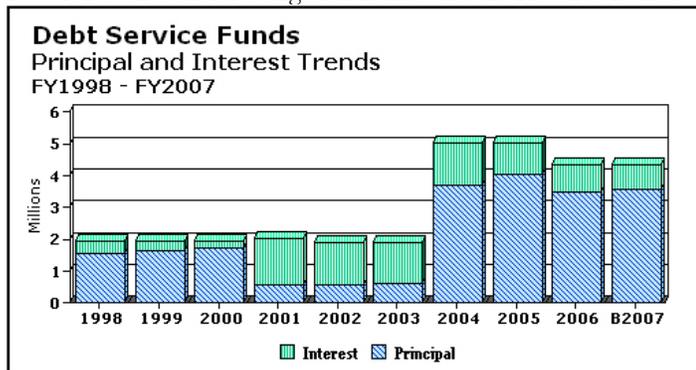
Debt Service Fund Trends

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 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 1998 for both General Obligation Bonds and the Revenue Bonds:

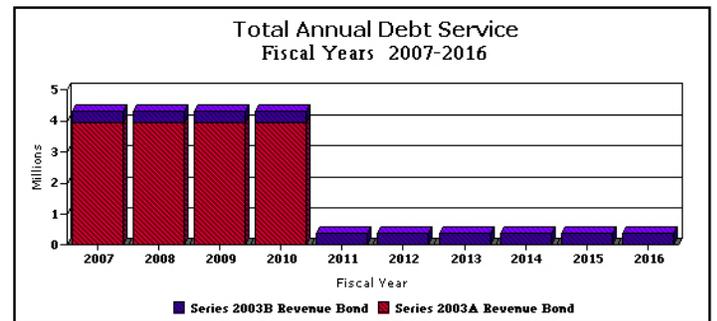


Principal payments are due on January 1, and interest payments are due on January 1 and July 1 of each year. The annual debt service requirements for the outstanding revenue bonds through 2016 are shown below:

Fiscal Year	2003A Revenue Bond	2003B Revenue Bond	Total
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
2016	0	381,373	381,373
Total	\$15,813,988	\$3,797,896	\$19,611,884

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 FY2007 through FY2016. 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	\$12,048,770,891
Legal Debt Margin:	
Debt Limitation - 5% of assessed value	\$602,438,544



Town of Palm Beach LONG TERM FINANCIAL PLAN

Debt Summary

Outstanding debt as of September 30, 2006

General Fund Pledge Obligations

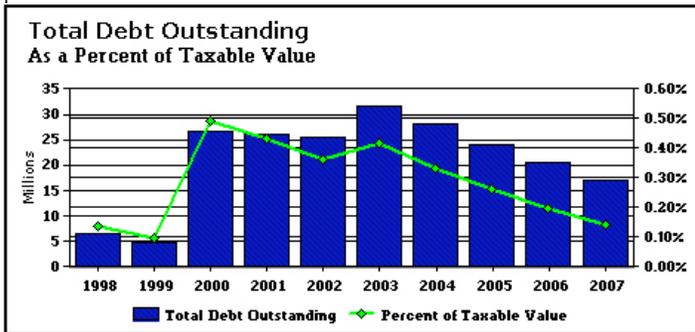
Non Ad Valorem Revenue Bonds 21,510,000

Total Gross Debt \$21,510,000

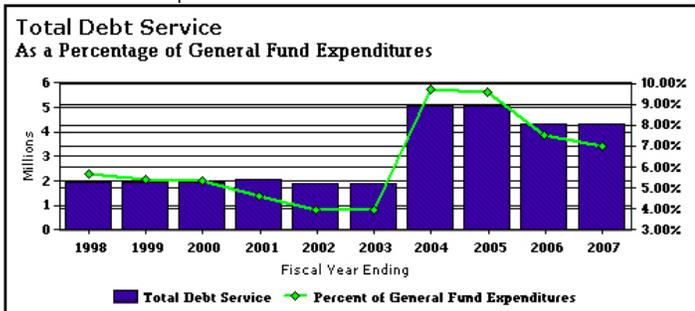
Debt Ratios:

		Per Capita
Population	9,676	
Taxable Value	\$12,048,770,891	\$1,245,222
Total Gross Debt	\$20,510,000	\$2,120

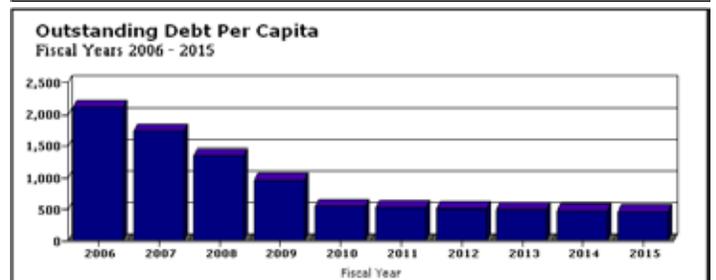
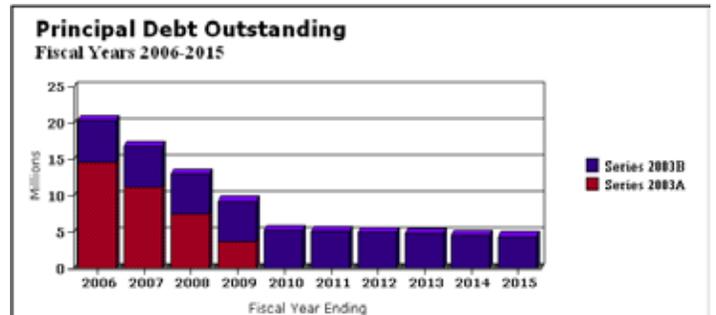
The chart below shows the ratio of total debt outstanding as a percent of taxable value.



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



Town of Palm Beach Principle Debt Outstanding FY2006 - FY2015				
Fiscal Year Ending	2003A Revenue Bond	2003B Revenue Bond	Total Debt Outstanding	Debt Per Capita 9,676
2006	14,685,000	5,825,000	20,510,000	2,120
2007	11,225,000	5,700,000	16,925,000	1,749
2008	7,630,000	5,575,000	13,205,000	1,365
2009	3,885,000	5,445,000	9,330,000	964
2010	0	5,310,000	5,310,000	549
2011	0	5,170,000	5,170,000	534
2012	0	5,025,000	5,025,000	519
2013	0	4,875,000	4,875,000	504
2014	0	4,720,000	4,720,000	488
2015	0	4,560,000	4,560,000	471





Town of Palm Beach LONG TERM FINANCIAL PLAN



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 Recreation Enterprise Fund.

Capital Improvement Program

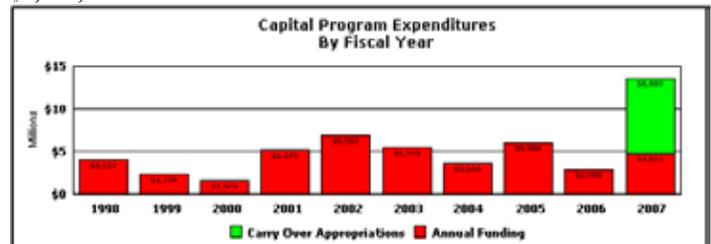
The Capital Improvement Program (CIP) represents a multi-year analysis of financial requirements, infrastructure needs and policy intention. The CIP provides the best assessment of anticipated capital improvements based upon available information and preliminary engineering evaluations and opinions.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

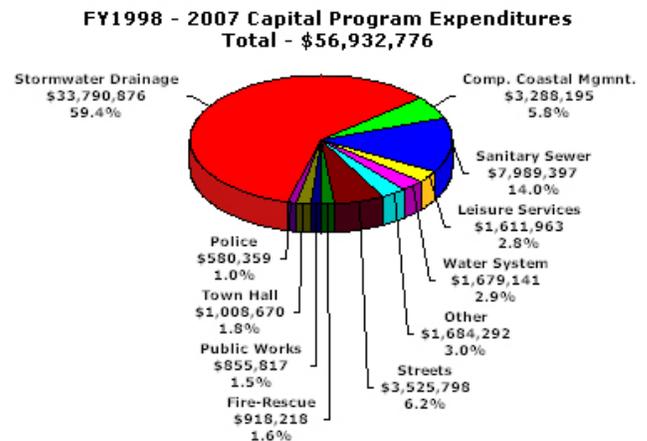
While the Capital Improvement Program encompasses a five year period, only the first year of the CIP is actually adopted each year by the Town Council for funding and implementation. The out years of the CIP are not a budget, but they provide appropriate financial information for prudent budget and planning 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 FY1998 through FY2007. Fiscal years 1998 through 2005 reflect actual expenditures, whereas fiscal years 2006 and 2007 reflect budgeted amounts. The FY2007 budget year, includes the approved, but unexpended, appropriations from prior years. Of the approximately \$13,701,000 budgeted for FY2007, approximately \$8,889,000 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 FY1998 and FY2007 was approximately \$3,006,000.



Of the approximately \$13,701,000 budgeted in FY2007, \$6,865,000 is attributable to stormwater drainage. Additional reasons for the spike in FY2007 include, as previously mentioned, unexpended rollover money budgeted in prior years of approximately \$8,889,000 (\$4,185,000 for drainage) and an additional appropriation of \$500,000 for street resurfacing. The chart below indicates total funds expended/budgeted from FY1998 through FY2007 by project type.

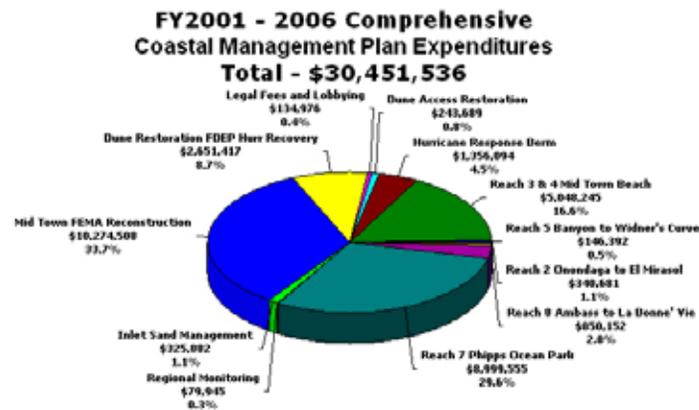




Town of Palm Beach LONG TERM FINANCIAL PLAN

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.

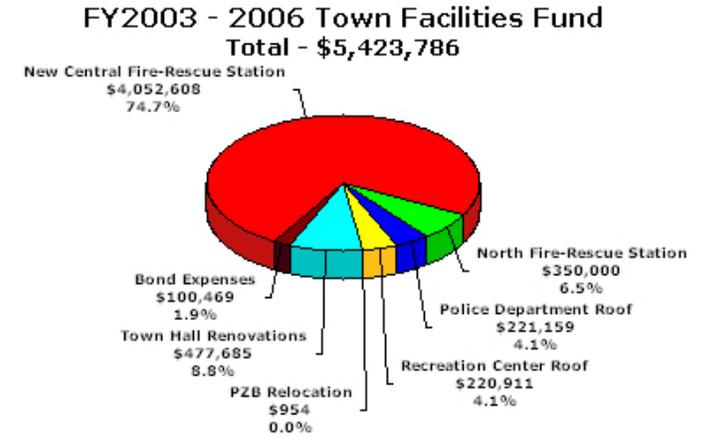


Town Facilities Project Fund

This fund accounted 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.



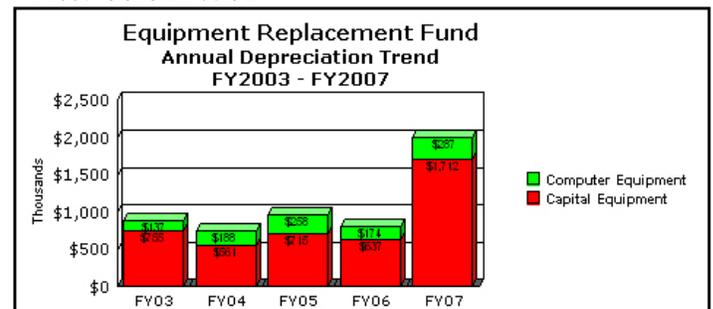
Equipment Replacement Reserve Fund

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 has significantly reduced 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 receives 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 increases over time as new equipment items are purchased and depreciated over the years adding to the current inventory of equipment.

During FY2006, an ordinance was passed which changed the funding method for the Equipment Replacement Fund from acquisition cost to replacement cost depreciation. A one-time transfer of \$4,205,523 was made to fund the "catch-up" portion of the change. The replacement cost funding will allow for sufficient funding to be available for large capital equipment purchases.

The trend of the annual depreciation from FY2003 through FY2007 is shown below.





Town of Palm Beach LONG TERM FINANCIAL PLAN



ENTERPRISE FUND TREND ANALYSIS

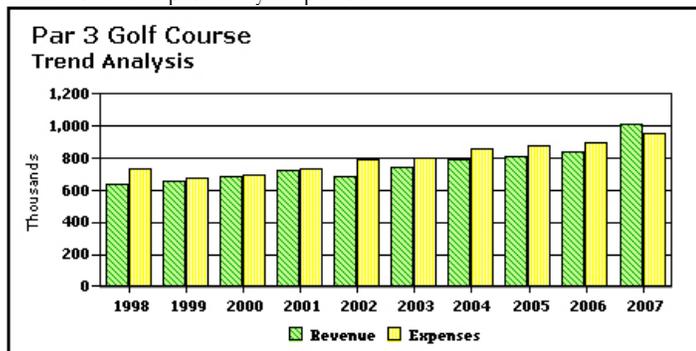
The Town's Enterprise operations had been comprised of two separate activities, The Town Marina and the Par 3 Golf Course until FY2004. In FY2004, these two activities were consolidated with the operations of the Recreation Center (youth, adult and tennis programs) to create the Recreation Enterprise Fund. In FY2007 the Recreation Enterprise Fund has been renamed the Recreation Enterprise Fund. The Business Plan was updated to address future operating and financial strategies for each component of the Recreation Enterprise Fund. The Business Plan has been updated to include FY2006 results and FY2007 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 2.47% over the past ten year period.



As indicated in the above chart, operating expenses have exceeded operating revenues therefore, the program has incurred net losses each fiscal year since 1998. Net losses continued in FY2006 due to lower revenues caused by hurricane Wilma and increased water costs for irrigation.

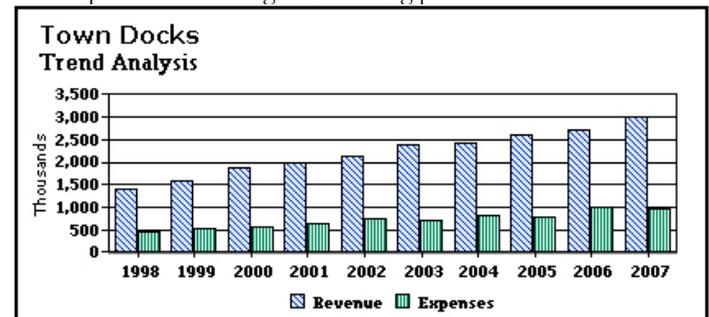
Town Docks

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 10.7% annually since 1998. In recent years, increases in rates as well as improved management of transient rentals have improved revenues.

Operating expenditures have increased an average of 9% annually since 1998. Since expenses have increased at a rate less than revenues, profits have increased during the 10 year time period.

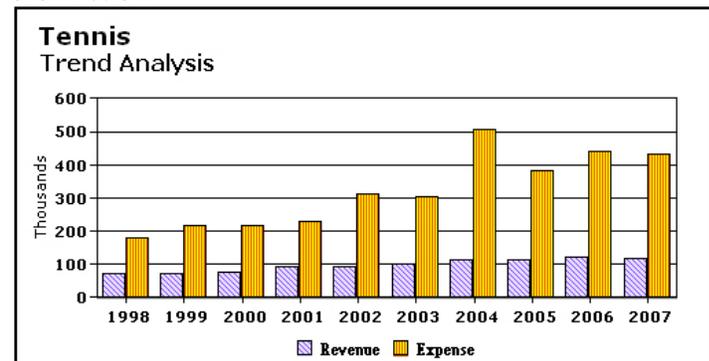
The chart below shows the trend of operating revenue and operating expense. Revenues have been growing at a faster pace than expenditures leading to increasing profits for the fund.



Tennis

The Tennis program offers tennis facilities located at Seaview Park and Phipps Ocean Park. Phipps Park Tennis Facility has 12 courts; Seaview has 8 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 FY2006, Tennis revenues covered 28% of the costs of the activity. It is estimated that in FY2007, the Tennis program will recover 27% of its costs. The revenue and expense trend for tennis activities is shown below.





Town of Palm Beach LONG TERM FINANCIAL PLAN

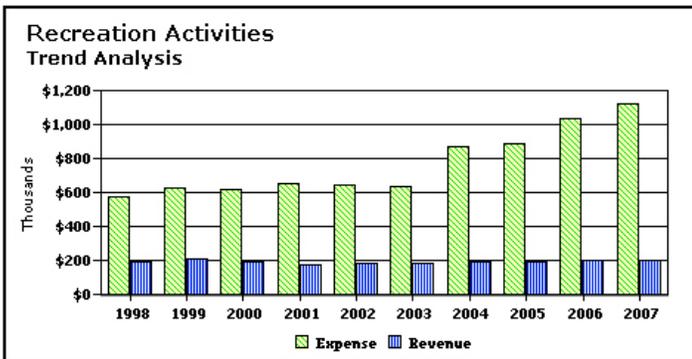
Recreation Activities

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.

Adult special interest programs include yoga, aerobics, language classes, art, and dancing.

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



In FY2006, estimated revenues for all of the recreation activities, administration, facility maintenance, adult, and youth programs cover 19.3% of the cost of those operations. For FY2007, the cost recovery percentage is anticipated to be 18.4%. Recreation related revenues for FY2007 are anticipated to increase by 2.7% over FY2006, while expenses are expected to increase by 7.65% due to increases in personnel costs.

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

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.

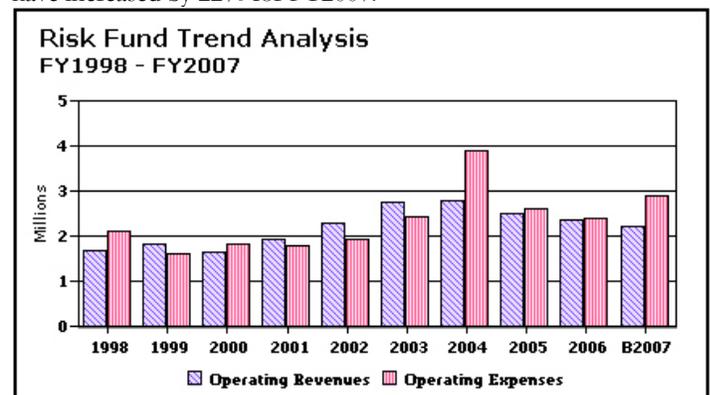
Risk Management Fund

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 FY2007 budget, the transfer from the General Fund decreased \$170,000 (7%) from the FY2006 transfer. This decrease is due to savings realized by increasing Town deductibles.

The chart below details the operating revenue and operating expense trends for FY1998 - FY2007. The average annual increase in expenditures related to insurance is 6.57% since FY1998. In FY2004, the payment of the settlement of a suit caused expenditures to increase dramatically. In addition, expenditures in FY2004, FY2005 and FY2006 increased due to hurricane related claims. The average annual increase in other expenditures is 9.56%. 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. Expenses for FY2007 have increased due to increases in insurance costs. In addition, funds are budgeted for new software. The software will be paid with reserves of the fund.

Since FY1999, insurance premium costs had been steadily increasing until we marketed the insurance package which resulted in a decline in costs. Due to the recent hurricanes, insurance costs have increased by 22% for FY2007.



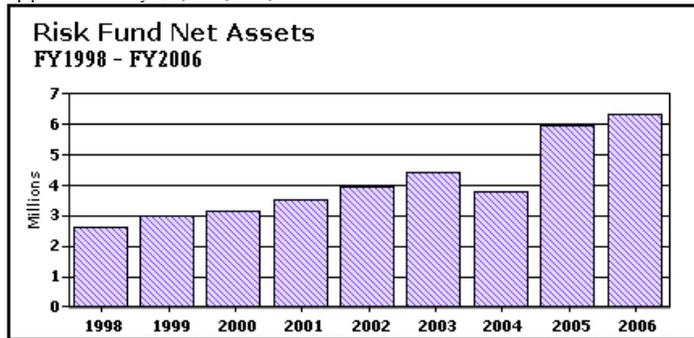


Town of Palm Beach LONG TERM FINANCIAL PLAN

Net Assets -Risk Fund

A reserve for catastrophic exposures/emergencies in the amount of \$2,500,000, a contingency reserve for \$500,000 and a reserve for uninsured losses for \$250,000 has been appropriated from the net assets of the fund in the FY2007 budget. In addition, funding for new software in the amount of \$50,000 was appropriated from the net assets of the fund. These appropriations are 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 FY2006 are estimated to be approximately \$6,300,000, an increase of 6% from FY2005.

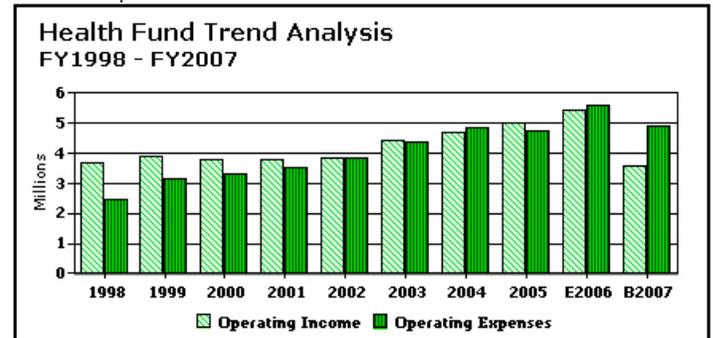


Three hurricanes have not had a negative impact on the Risk Fund and did not cause the reserves to decline. Funding received from FEMA and insurance proceeds reduced the impact of the cost of recovery efforts and damage repairs.

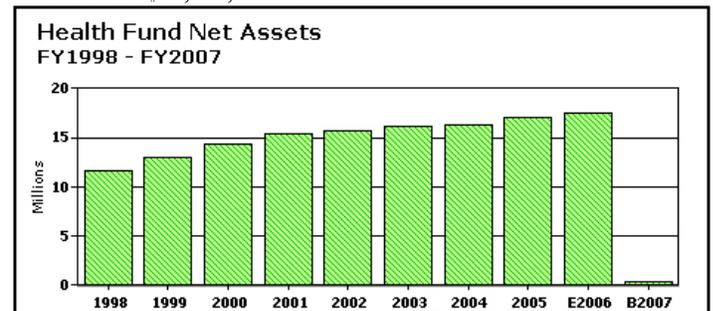
Health Insurance Fund

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. The transfer from the General Fund for FY2007 is \$3,604,500. The transfer represents a decrease of (32%) from FY2006. This decrease is due to the transfer of Town contributions related to retiree health insurance and retiree contributions to the new Health Insurance Trust that has been established in FY2007 to fund post employment benefits.

The chart below details the operating revenue and expenditure trends since FY1998. Until 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 FY2006 is estimated to be \$17,500,000. 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 FY2006 to determine the liability. The liability has been calculated to be \$22,135,000. The Town had been planning for the release of GASB45 for many years and has accumulated reserves to partially fund the liability. During FY2007 a trust fund was established with a transfer of \$16,000,000 from the reserves of the Health Fund.





Town of Palm Beach LONG TERM FINANCIAL PLAN

BENCHMARK ANALYSIS

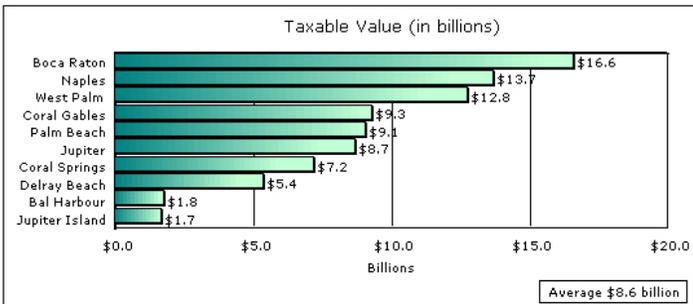
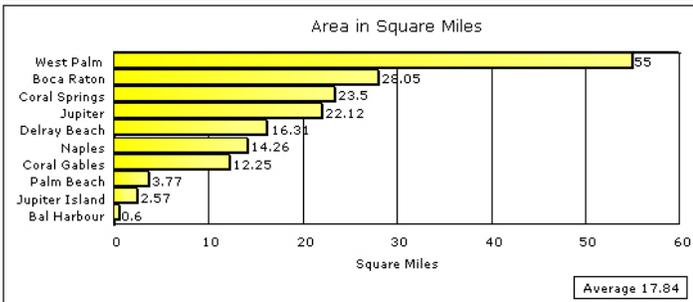
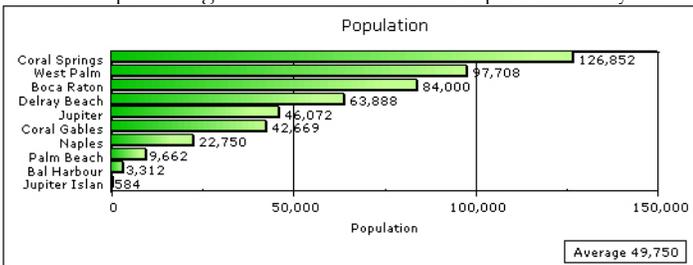
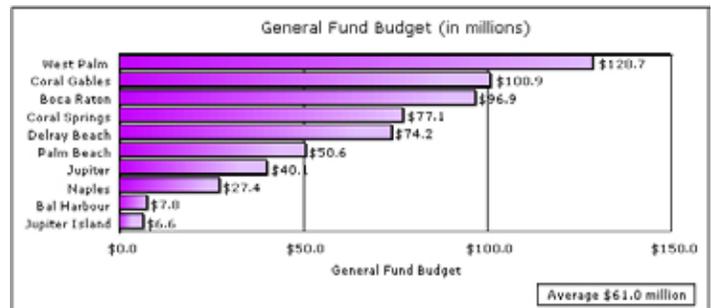
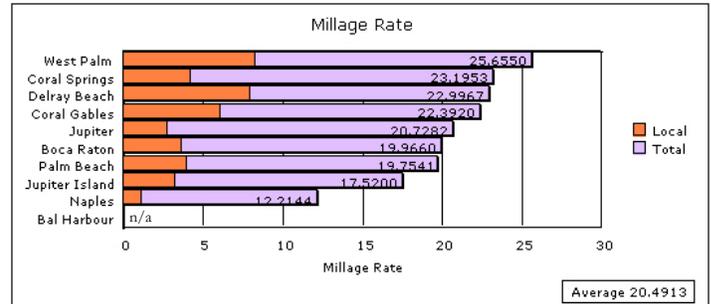
Introduction

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, 2005 audited financial statements. The year round (not seasonal) population figure of 9,662 was used for the Town in the per capita analyses.

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.





Town of Palm Beach LONG TERM FINANCIAL PLAN

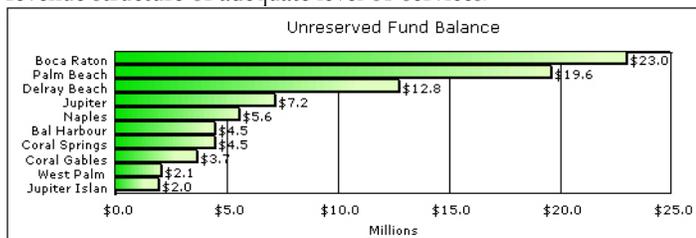
Unreserved General Fund Balance

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 following chart, the unreserved fund balances range from a low of \$2,000,000 to a high of \$19,600,000. Of the municipalities surveyed, Palm Beach has the second 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 34% of budgeted expenditures.

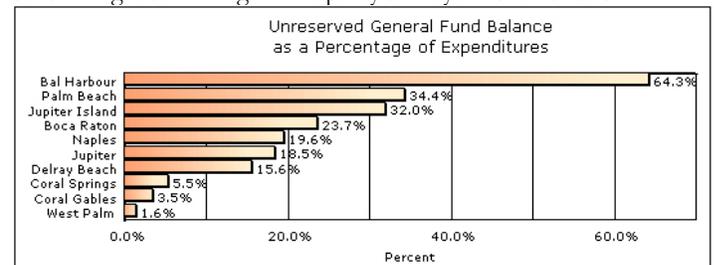
According to the Government Finance Officers' Association (GFOA), a variety of factors should be taken into account when evaluating the amount to be maintained in Undesignated General Fund Balance. Some of the factors are: the reliability of a municipality's revenue sources, the timing of cash inflows 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.



Unreserved General Fund Balance as a Percentage of Expenditures

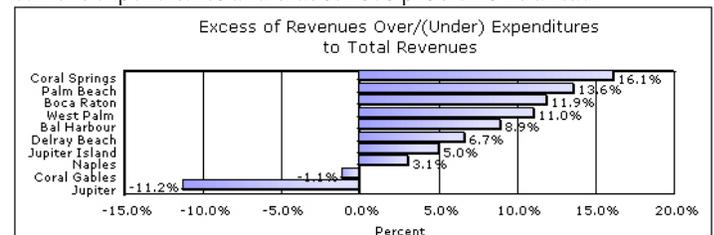
Unreserved General Fund Balance is normally compared to expenditures when determining the adequacy of fund balance. The dollar amount transferred to other funds has been added to operating expenditures for the purpose of this analysis. The ratio of fund balance to expenditures indicated in the chart below ranges from a low of 1.57% for West Palm Beach to a high of 64.26% 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 following chart 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 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.



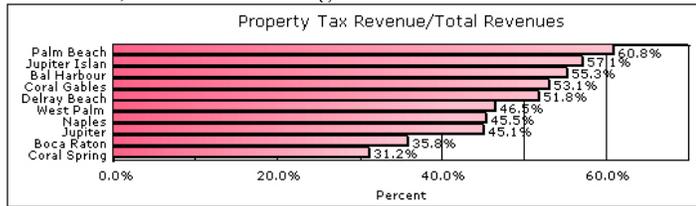
A low, positive ratio indicates no use of fund balance for current operating purposes and responsible budgetary preparation and management. A low ratio also indicates that the citizenry is not being over or under taxed for the services provided.



Town of Palm Beach LONG TERM FINANCIAL PLAN

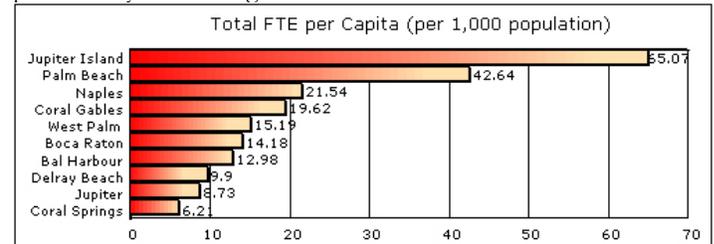
Property Tax Revenue/Total Revenue

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.



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

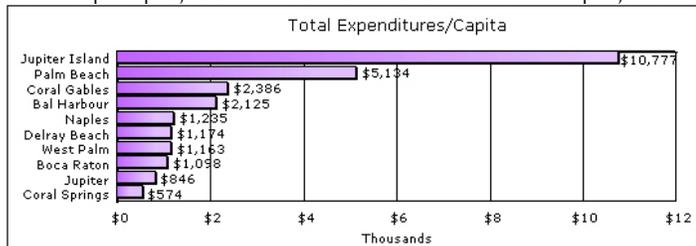
Driving total expenditures per capita, is the number of municipal employees. It is recommended that the trend in FTEs be monitored because an increase in employees per capita may indicate expenditures are rising faster than revenues, that the municipality is becoming more labor intensive or that personnel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



Total Expenditures Per Capita

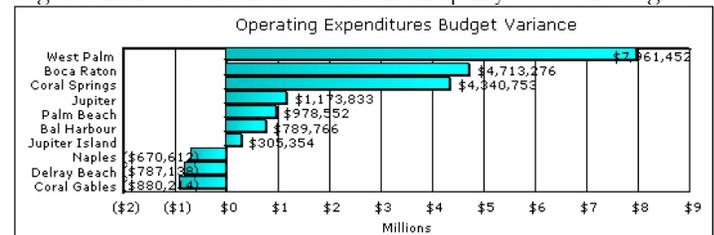
The following chart represents the average amount expended per capita for General Fund operating purposes. Increasing expenditures per capita is a warning that the cost of providing services may be exceeding the municipality's ability to pay for the services.

The Town's per capita rate is higher than most surveyed because the Town operates three (3) fire-rescue stations staffed with 78 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.



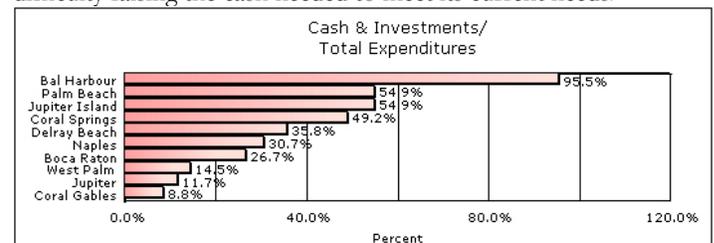
Operating Expenditure Budget Variance

The chart below indicates the extent to which General Fund expenditures were over or under budget for fiscal year ended September 30, 2005. 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, 2005. 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.



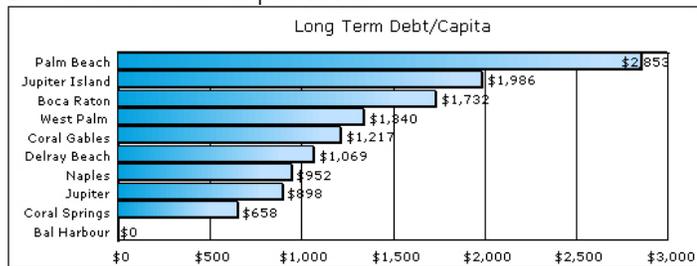


Town of Palm Beach LONG TERM FINANCIAL PLAN

Long Term Debt Per Capita

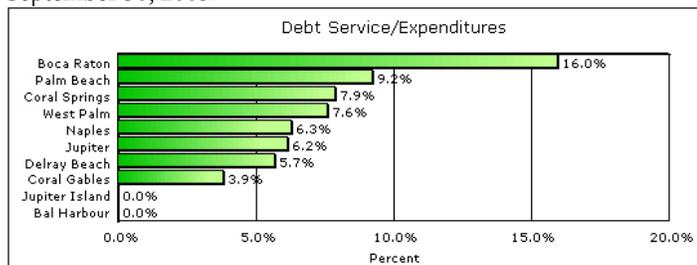
Long Term Debt for the purpose of the following chart includes Governmental Bonds, Loans, Notes, Capital Leases, Contractual Obligations and Compensated Absences. The Town adopted a comprehensive Debt Management Policy in October 2001 that describes circumstances where the Town could issue debt along 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 \$2,853, which is well under its debt limitation of 5% of assessed value. The Debt/Capita amounts in the chart range from \$0 to a high of \$2,853. 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, 2005.



GENERAL FUND FORECAST

The General Fund forecast includes the FY2007 budget as well as estimates for FY2008 through FY2011.

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:

	FY 2008	FY 2009	FY 2010	FY 2011
Taxable Value	8.0%	7.5%	7.0%	7.0%
Investment Yields	5.0%	5.0%	5.0%	5.0%
General Inflation	3.0%	2.5%	2.5%	2.5%
Salaries & Wages	6.0%	6.0%	6.0%	6.0%
Employee Benefits	9.0%	8.0%	7.0%	7.0%
Property Insurance	20%	20%	20%	20%
Liability & W/C Insurance	5.0%	5.0%	5.0%	5.0%

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 FY2007 was 16.13% versus a projection of 9% in the LTFP presented last year. Taxable value is estimated to increase by 8% for FY2008 then increase at a slower rate over the term of the forecast. Due to stabilizing home values and the uncertainty going further out through FY2011, we decided to use conservative estimates. For the period of FY2008 through FY2011 the taxable value increases are estimated to be near or less than the 15 year average of 7.54% rather than the 10 year average of 10.42%.

Investment yields for FY2008 - FY2011 are estimated at 5%. Since it is difficult to forecast rates over the long term, we used 5% throughout the forecast period. The current SBOA rate of return is 5.35%.

General inflationary increases of 3.0% and 2.5% 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 3.3% in 2006 then fall to 2.6% in 2007. However, over the long term, forecasters project inflation to be 2.5% over the next 10 years. To be conservative we used 3% for FY2008 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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

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 FY2008, the estimate is 9%. This amount is based upon the anticipated increase of approximately \$700,000 for the Town's retirement contribution.

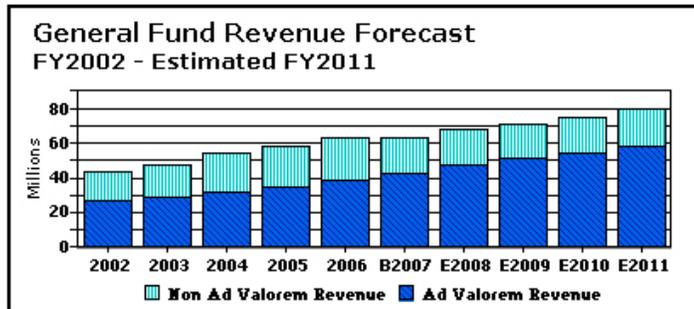
Risk insurance premiums have been estimated for FY2008 - FY2011 using the following assumptions: Property Insurance 20% per year, Liability Insurance 5% per year, Worker's Compensation 5% per year. Due to the current volatile insurance market, property premiums are anticipated to significantly increase during the forecast.

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

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

General Fund Revenue Forecast

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



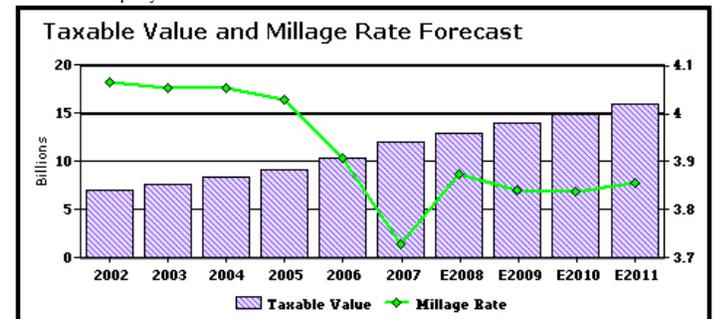
Total revenues, the associated millage rates and millage rate increases or decreases for FY2007 through FY2011 are shown in the table on the following page:

	FY2007	FY2008	FY2009	FY2010	FY2011
Revenues	\$62,642,653	\$67,913,200	\$71,323,612	\$75,175,177	\$79,609,976
%Increase / (Decrease)	8.9%	8.41%	5.02%	5.40%	5.90%
Ad Valorem Revenue	\$42,663,915	\$47,908,753	\$51,037,078	\$54,560,323	\$58,681,765
Total Millage Rate	3.7273	3.8755	3.8405	3.8370	3.8569
Millage Rate % Increase/ (Decrease) over FY2007	n/a	3.98%	3.04%	2.94%	3.48%
Millage Rate % Increase/ (Decrease) over prior year	(4.62%)	3.98%	(.90%)	(.09%)	.52%

Ad Valorem Revenue

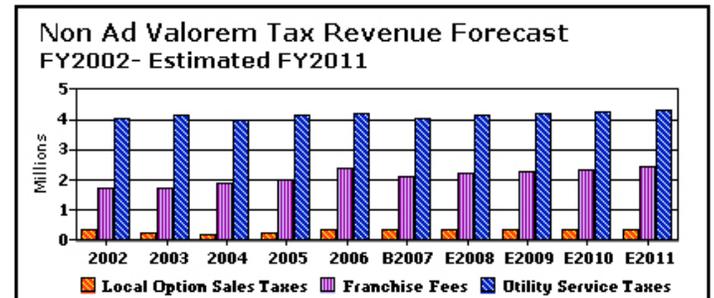
Ad Valorem Revenue is expected to increase during the forecast period due to the assumed increases in taxable value. The millage rate increases in FY2008 then shows slight increases or decreases throughout the remainder of the forecast period.

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



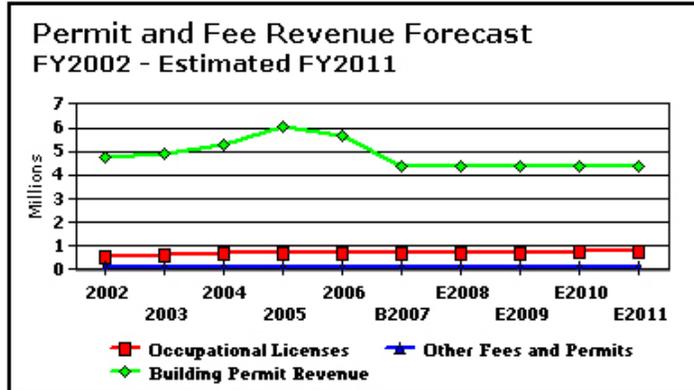
Non Ad Valorem Taxes

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.



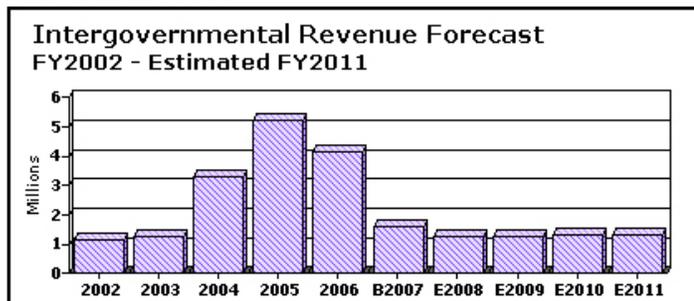
Building Permit Fees

Building permit revenues include revenue from occupational licenses, building permits and right of way permits and parking permits. The estimates for building permit fees will remain stable FY2008 through FY2011. Occupational license fees increase in FY08 and FY10 due to scheduled bi-annual fee increases.



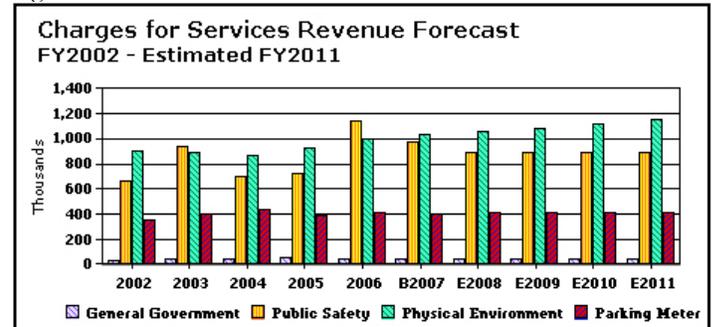
Intergovernmental Revenue

Intergovernmental revenues include revenue received from the State of Florida, shared revenue with local governments and State and Federal grant funds. In FY2004, FY2005, and FY2006 revenue increased due to the reimbursements from FEMA for expenditures relating to the response and recovery from Hurricanes Frances, Jeanne and Wilma. In FY2007, grant funds are anticipated for Fire-Rescue equipment. In FY2008 through FY2011, this revenue source remains stable.



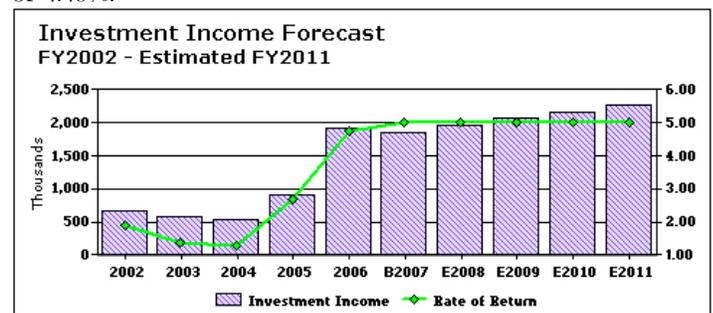
Charges For Services

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. EMS fees increased in FY06 due to improved collection methods. In addition, fire prevention fees were implemented for the first time in FY2006. Physical environment revenues are expected to increase at a rate higher than inflation.



Investment Income

Investment income for FY2006 increased due to the increase in interest rates during the year. A 5% rate of return was used for the entire forecast period. A portion of the Town's surplus funds are invested in the Florida League of Cities Investment Pool. For FY2006, the Florida League of Cities Investments returned 3.87% on the 1 - 3 Year Bond Fund and 3.71% on the Intermediate Bond Fund versus the SBA return of 4.72% to produce a blended return of 4.48%.



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.

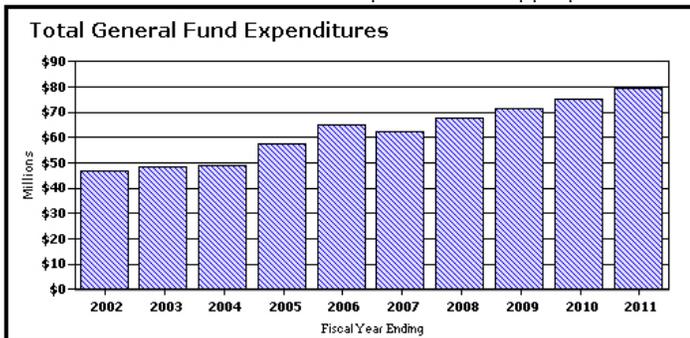


Town of Palm Beach LONG TERM FINANCIAL PLAN

General Fund Expenditure Forecast

General Fund expenditures are forecasted to increase at an average rate of 6.18% for FY08 - FY11. 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: FY2008 - 9%, FY09 - 8%, FY10 - 7%, and FY11 - 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. There are no requests for additional personnel. Any increases over these estimates are highlighted in the Departmental forecast summary descriptions that follow and in the Forecast Detail section of the document.

For FY2008 - FY2011 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.

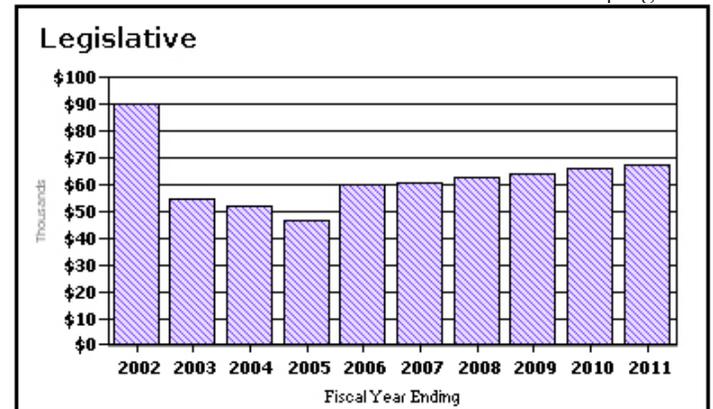


Departmental Expenditure Forecast

The following section describes the details of the forecast for each Department. Any requests above the forecast assumptions are described in this section. There are no request for new personnel in this forecast.

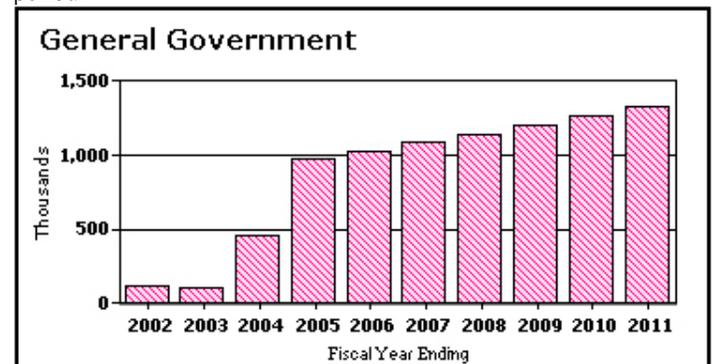
Legislative

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 4th 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.

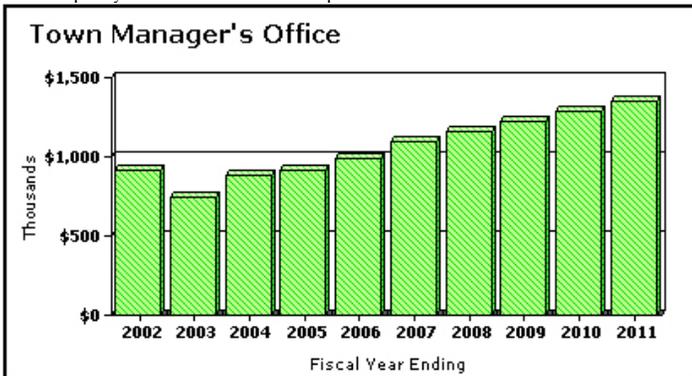




Town of Palm Beach LONG TERM FINANCIAL PLAN

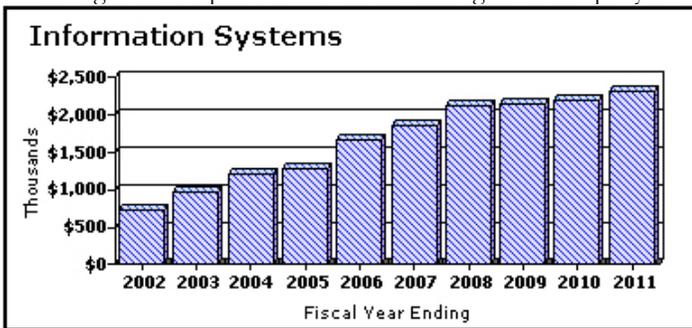
Town Manager's Office

The Town Manager's Office expenditure projection includes the assumptions that were outlined in the forecast summary. The chart includes the expenditures for the administrative management program and the advice and litigation program. The total Town Manager's Office budget is anticipated to increase by an average of 5.26% per year for the forecast period.



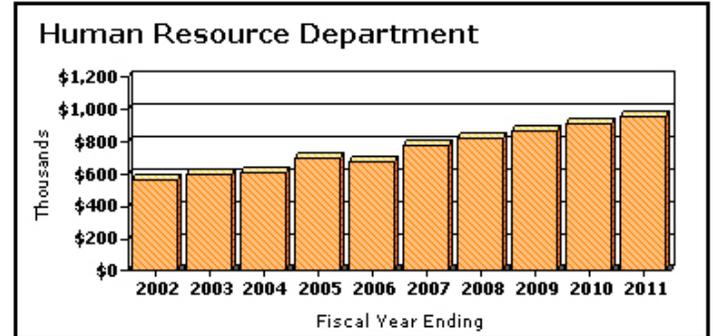
Information Systems

The Information Systems expenditure projection is based on the assumptions used for the General Fund. In addition, continued funding of \$350,000 for the new Town-wide software system is included in the forecast through FY11. It is estimated that this project will take approximately 5 years to complete ending in FY11. This budget is anticipated to increase an average of 5.6% per year.



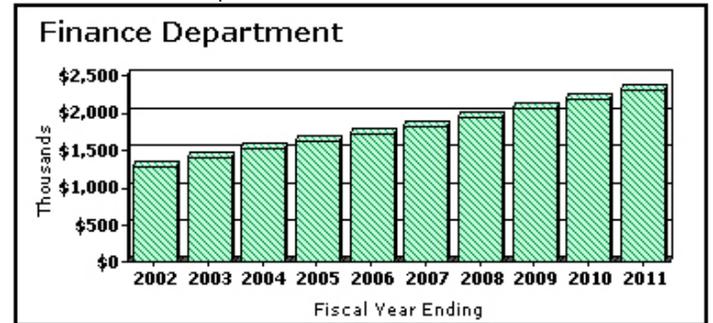
Human Resources

Human Resources expenditure projection is based upon the assumptions used for the General Fund forecast. There are no additions to the projections for FY2008 - FY2011. Expenditures are expected to increase by an average of 5.26% 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 FY2008 - FY2011. Expenditures are anticipated to increase by an average of 6% for the forecast period.

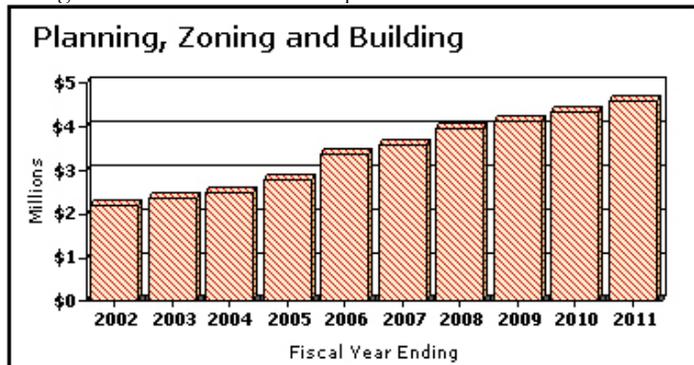




Town of Palm Beach LONG TERM FINANCIAL PLAN

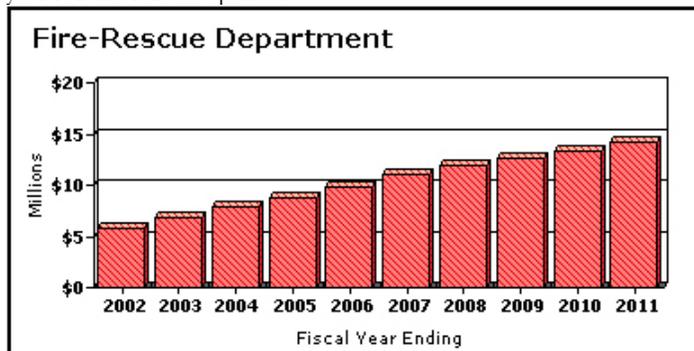
Planning Zoning and Building

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 FY08 and FY09 for comprehensive planning and zoning activities. Funding is included for additional overtime for the special plan review program, but is offset by additional revenue. Additional funding is also included for plan reviewer services and contractual inspections. In total, expenditures are anticipated to increase by an average of 6.4% for the forecast period.



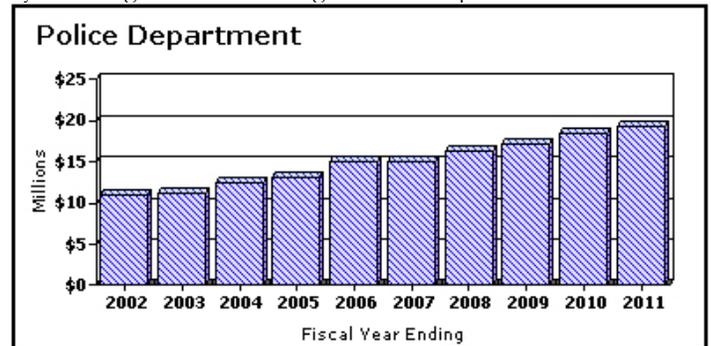
Fire-Rescue

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 and EMS equipment purchased through County grant funds. The Fire-Rescue expenditures are anticipated to increase by an average of 6.4% per year for the forecast period.



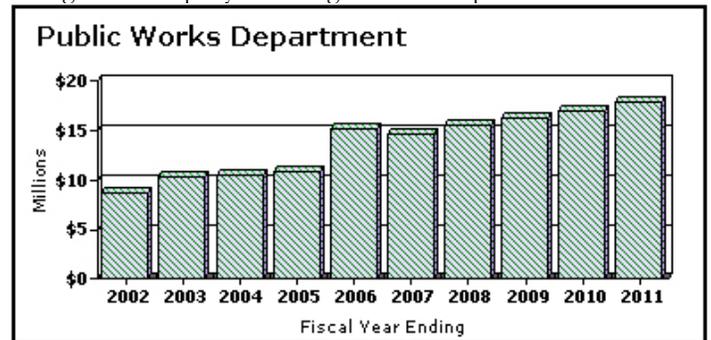
Police Department

The Police Department expenditure forecast is based upon the assumptions used in the General Fund. In FY2008, additional funds are forecasted for the re-accreditation process and the purchase of vehicles. In FY10 funds are programed for an automated fingerprint identification system 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, funding for the purchase of pumps and increases for additional general maintenance contractual costs in lieu of a new position are included in FY08. Public Works expenditures are anticipated to increase an average of 5.1% per year during the forecast period.

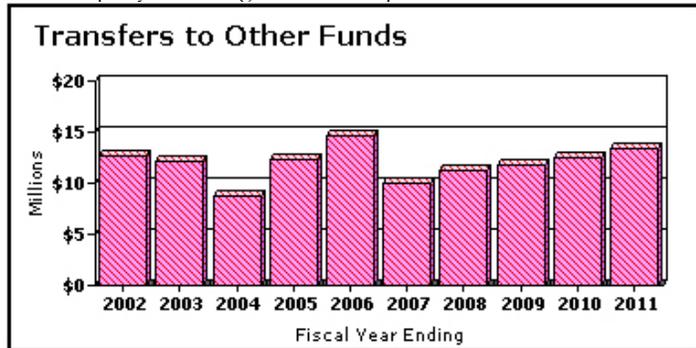




Town of Palm Beach LONG TERM FINANCIAL PLAN

Transfers to Other Funds

Transfers to other funds include transfers to the Capital Improvement funds, Debt Service funds, Risk Insurance fund, and the retiree health insurance transfer. The transfer to the Risk Fund throughout the forecast period 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 FY11, funding of approximately \$3,500,000 for the coastal protection bond is eliminated and a transfer to coastal projects of \$4,000,000 planned to begin to fund the pay-as-you-go coastal protection projects. In total, the transfers are anticipated to increase an average of 7.6% per year during the forecast period.



Other Global Increases

Other items included in the forecast are as follows:

- Increase in the Health Insurance Trust Funding of \$200,000 in FY08, \$250,000 in FY09, \$300,000 in FY10 and \$350,000 in FY11. These increases are designed to achieve full finding of the annual required contribution.
- Increase in the funding for the Four Arts Library of 5% per year for FY08 - FY11.
- Increase in retirement funding of \$700,000 for FY08, \$600,000 for FY09 and \$500,000 for FY10 and FY11.

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.

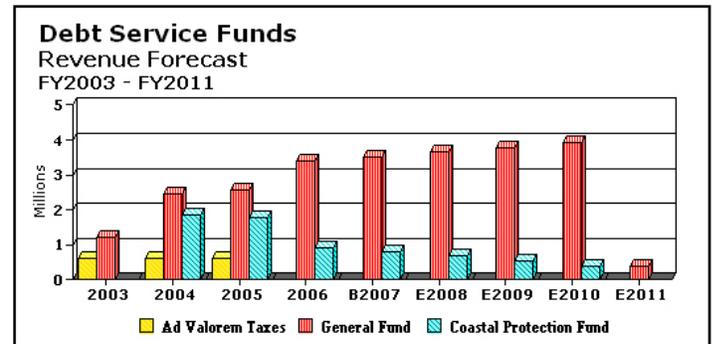
- No funds have been anticipated for the Town-wide undergrounding project. Due to the size of this project, a bond issue and debt service funding will be required.
- Additional debt to fund Reach 8 and other beach projects as a "bridge" to when the Town converts to a 100% pay-as-you-go funding for beach projects in FY11.
- The funding for the Town Hall renovation project. A portion of the funds for this project are available in the Town Facilities Project Fund, but there will not be sufficient funds available for the entire project.
- Funding for the debt service on the North Ocean Boulevard Seawall project.

- Costs associated with the Lake Worth sanitary sewage contract termination and construction of flow equalization facility.
- Costs associated with the traffic and parking study results.
- The funding for two police radio consoles if grant funds are not obtained.

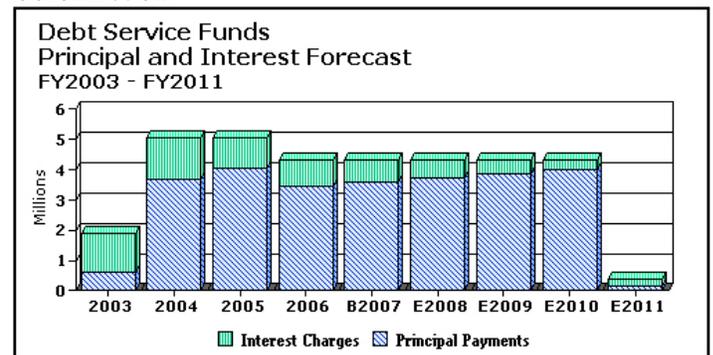


DEBT SERVICE FUND FORECAST

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.



Town of Palm Beach LONG TERM FINANCIAL PLAN



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 Recreation Services Fund.

Capital Improvement Program

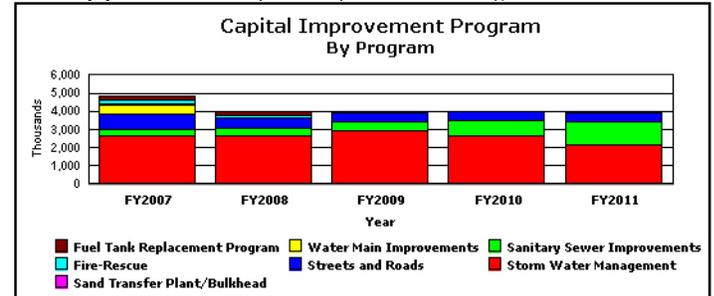
The Capital Improvement Program (CIP) represents a multi-year analysis of financial requirements and infrastructure needs. The Program provides the best assessment of anticipated capital improvements based upon available information and preliminary engineering evaluations and opinions.

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 FY2007 through FY2011. Detailed information by fiscal year can be found at the end of the Capital Funds Forecast section.

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



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

Project	FY07 Approved	FY08 Proposed	FY09 Proposed	FY10 Proposed	FY11 Proposed	Total
Storm Water Management						
Improvements	\$2,180,000	\$2,180,000	\$2,410,000	\$2,181,500	\$2,181,500	\$11,133,000
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	0	0	0	0	0	0
D-17 Clarendon Ave	0	0	0	0	0	0
Rehabilitate Storm Pump Structures	500,000	500,000	500,000	500,000	0	2,000,000
Total Storm Water Management	2,680,000	2,680,000	2,910,000	2,681,500	2,181,500	13,133,000
Sanitary Sewer Improvements	319,783	400,000	500,000	800,000	1,250,000	3,269,783
Streets and Roads	844,000	550,000	500,000	500,000	500,000	2,894,000
Water Main Improvements	479,993	0	0	0	0	479,993
Sand Transfer Plant/ Intracoastal Bulkhead	73,000	0	0	0	0	73,000
Fire-Rescue	215,000	125,000	0	0	0	340,000
Fuel Tank Replacement Program	200,000	200,000	0	0	0	400,000
Total	\$4,811,776	\$3,955,000	\$3,910,000	\$3,981,500	\$3,931,500	\$20,589,776

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.

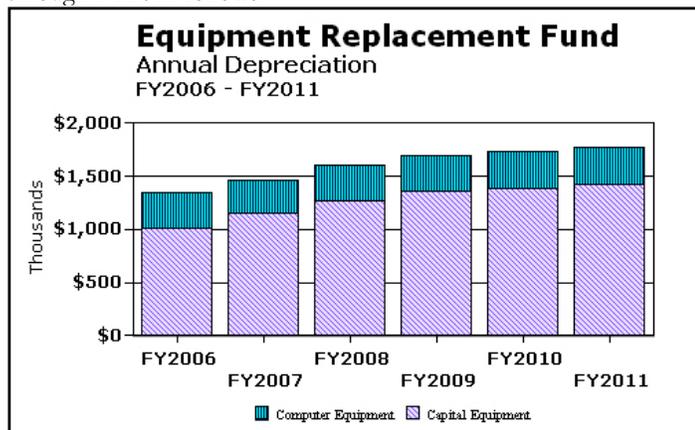
FY07 projects include Reach 8, North Ocean Blvd. Seawall, Dune Restoration and the Sand Transfer Plant Upgrade. Construction of the Reach 8 Project is contingent on receiving State and Federal permits.

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. Planning for Town Hall Renovations is underway and this project may take many 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 FY2011 follows.



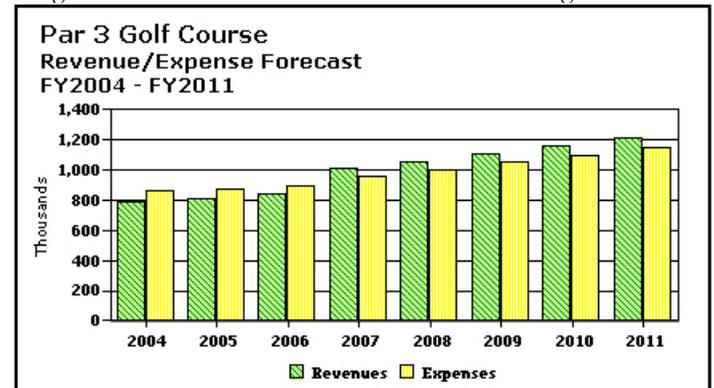

RECREATION ENTERPRISE FUND FORECAST

The Recreation Services Enterprise Fund, established in FY2004, is comprised of the Town Docks, golf, tennis and recreation center, youth and adult programs and activities. The fund has been renamed as of FY2007 to the Recreation Enterprise Fund. The forecast for this fund predicts a positive net income and reserves over the target of 25% of revenues. 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 FY2006 will reflect an anticipated operating loss of \$123,030. Expenses are higher than had been anticipated, and revenues were \$63,146 less than had been projected. The golf course is projected to show a small profit in FY2007 of \$27,873 and the course is expected to make a small profit through FY2011.

The chart shows actuals for FY04 and FY05, revenue and expense budgets for FY2006 and FY2007 and estimates through FY2011.

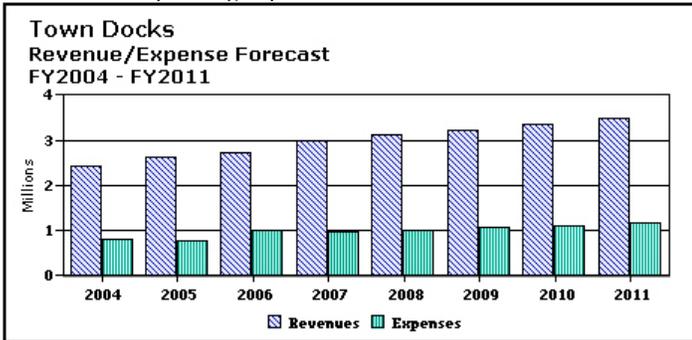


Revenues are estimated to increase approximately 4.6% per year and expenses are estimated to increase by an average of 4.8% for FY2008 through FY2011.

The cost recovery target for the golf course is 109%.

Town Docks

The Town Docks forecast through FY2011 shows a continuing trend of rising profits. The trends and forecast in operating revenues and operating expenses are shown in the chart.

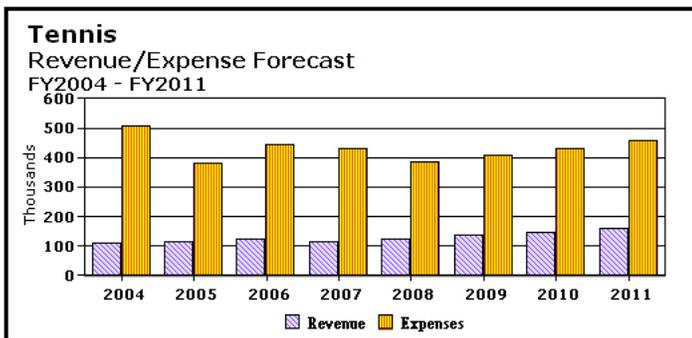


Operating revenues are anticipated to increase by approximately 4% per year and operating expenses, including the transfer to the marina fund dock replacement reserve, are anticipated to increase by an average of 4.72% per year. The cost recovery target for the Town Docks is 230%.

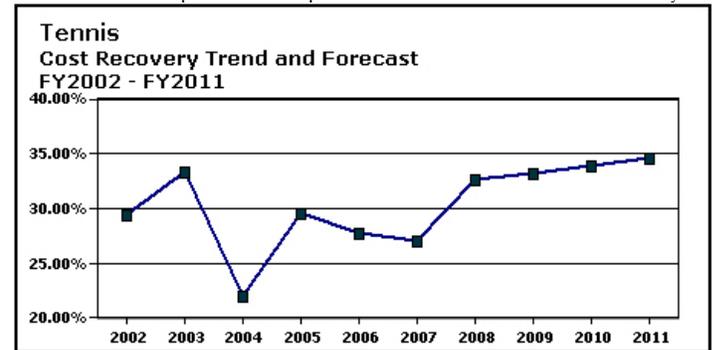
Tennis

The tennis forecast through FY2011 estimates revenues to increase at 8% per year while expenses are expected to increase by less than 2% per year due to a reorganization of operations in FY2007 and FY2008.

Overall participation in the Seaview Tennis programs are 80% resident and 20% non-resident at Seaview. Non-residents are comprised primarily of non-resident children attending school in Palm Beach. Phipps Ocean Park Tennis programs are 95% resident and 5% non resident.



The cost recovery percentage for Tennis is projected to be approximately 28% in FY2007 and increase to 33% beginning in FY2008. The cost recovery trend since FY2002 is shown on the chart. Fees were lowered in FY2004 which caused the decrease in cost recovery for that year. The decrease in FY2007 is due to anticipated reconstruction of the Seaview Tennis courts during the summer of 2008. Improvement in this trend is anticipated in the future due to improvements planned for the Seaview Park facility.



Adult and Youth Programs

The forecast for adult programs anticipate an increase in revenues of approximately 10% 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 FY2007 through FY2011.

Participation in adult programs consist of 85% resident and 15% non resident.

The forecast for youth programs anticipate an increase in revenues of approximately 10% 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 60% resident and 40% non-resident.

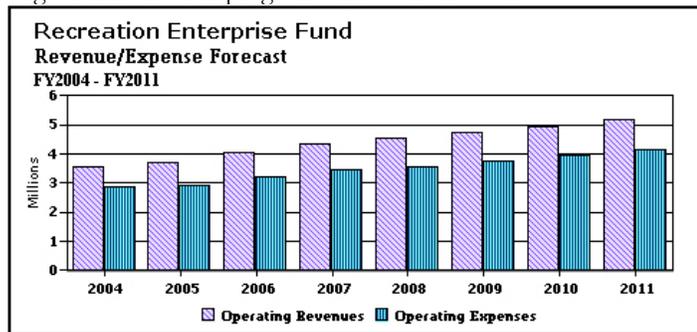


Town of Palm Beach LONG TERM FINANCIAL PLAN

Recreation Enterprise Fund

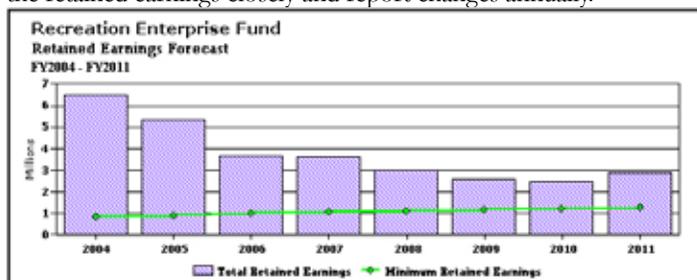
In total, the forecast for the combined Recreation activities anticipate operating revenues increasing by an average of 4.5% per year and operating expenses increasing by the same amount.

Net income from the operations of the Recreation Enterprise Fund is expected to range from \$485,000 to over \$622,000 during the forecast period. These amounts do not include the Recreation Enterprise Fund Contingency Reserve or transfers to the Capital and Equipment Replacement Fund. The Contingency reserve is appropriated annually for unanticipated expenditures of a nonrecurring nature. It is to be 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. The cost recovery target for Recreation programs and events is 60%.



Capital projects for the Town Docks, Seaview Park Tennis facility and the Recreation Center have been proposed during the forecast period. These projects are proposed to be funded with transfers from the Retained Earnings of the Recreation Enterprise Fund to the Recreation Capital Fund.

The retained earnings of the Recreation Enterprise Fund are expected to remain above the policy established minimum of 25% of revenues through 2011. 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.




RECREATION ENTERPRISE CAPITAL FUNDS FORECAST

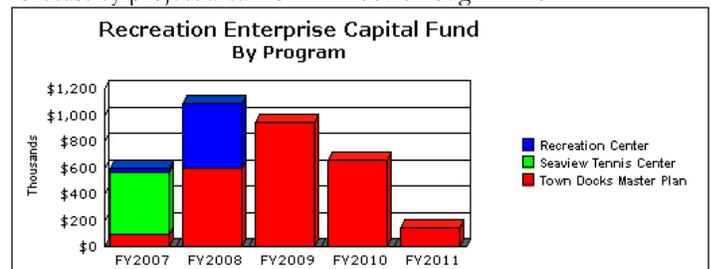
In addition to the General Government Capital Funds, in FY2005 the Town established an Enterprise Capital Fund reported in the Recreation Enterprise Fund.

Recreation Enterprise Capital Improvement Program

Similar to the General Government Capital Improvement Program, the Recreation 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 FY2007 through FY2011.



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 Recreation Enterprise Fund. The projects are as follows:

Marina:

The costs below represent 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. As the project continues, Council approval will be sought prior to implementing proposed phases of the plan such as; parking improvements, wave attenuators, facility upgrades and proposed slip additions.

- FY2007 - \$94,800
- FY2008 - \$595,000
- FY2009 - \$948,371
- FY2010 - \$660,610
- FY2011 - \$151,705



Town of Palm Beach LONG TERM FINANCIAL PLAN

Tennis:

FY2007 Seaview Park Renovation - \$478,000

Seaview Recreation Center:

FY2007 - Hood and Fire Suppression System - \$30,000

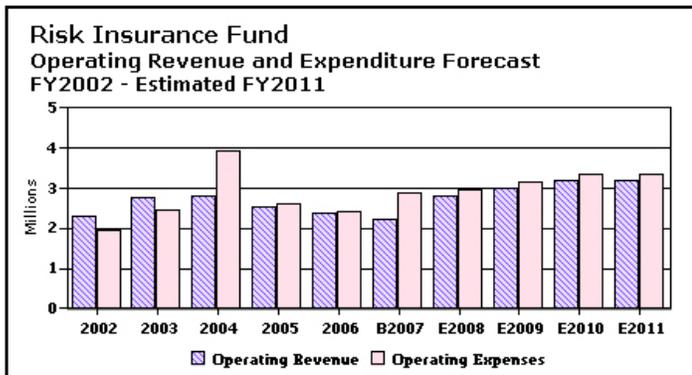
FY2008 - Athletic Field Resurfacing - \$500,000



INTERNAL SERVICE FUNDS FORECAST

Risk Insurance Fund Forecast

The forecast for the Risk Insurance Fund assumed a 5% 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:

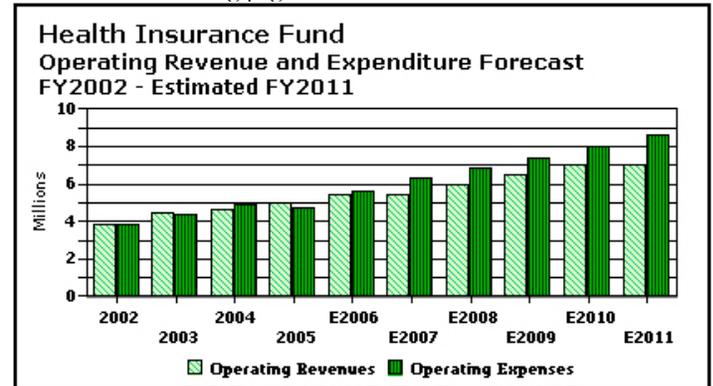


The operating deficits are offset by investment earnings on surplus funds. The transfer from the General Fund is anticipated to increase by an average of 12% per year for each of the forecasted years.

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 approximately \$6,000,000 at the end of FY2011.

Health Insurance Fund Forecast

The forecast for the Health Insurance Fund assumed a 9% increase in insurance costs for FY2008, 8% for FY2009, 7% for FY2010 and 7% for FY2011. 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:



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 FY2011 ending net asset balance is approximately \$500,000. The balance has declined due to the transfer of \$16,000,000 in FY2007 to establish the OPEB Trust.



Town of Palm Beach LONG TERM FINANCIAL PLAN

TOWN OF PALM BEACH GENERAL FUND REVENUE FORECAST

	FY 2007 BUDGET	FY 2008 PROJECTED	FY 2009 PROJECTED	FY 2010 PROJECTED	FY 2011 BUDGETED
AD VALOREM TAXES					
Current Ad Valorem Taxes	\$42,663,915	\$47,908,753	\$51,037,078	\$54,560,323	\$58,681,765
Back Taxes	0	0	0	0	0
Total	\$42,663,915	\$47,908,753	\$51,037,078	\$54,560,323	\$58,681,765
SALES & USE TAXES					
Local Option Gas Tax 6 Cents	\$230,000	\$234,600	\$239,292	\$244,078	\$248,959
Local Option Gas Tax 5 Cents	100,000	102,000	104,040	106,121	108,243
Total	\$330,000	\$336,600	\$343,332	\$350,199	\$357,202
FRANCHISE FEES					
Electricity	\$1,900,000	\$1,947,500	\$1,996,188	\$2,046,092	\$2,097,244
Gas	220,000	296,640	305,539	314,705	324,147
Total	\$2,120,000	\$2,244,140	\$2,301,727	\$2,360,797	\$2,421,391
UTILITY SERVICE TAX					
Electricity	\$2,000,000	\$2,040,000	\$2,080,800	\$2,122,416	\$2,164,864
Water	770,000	777,700	785,477	793,332	801,265
Gas	250,000	255,000	260,100	265,302	270,608
Simplified Telecom Tax	1,040,000	1,050,400	1,060,904	1,071,513	1,082,228
Propane	5,000	5,100	5,202	5,306	5,412
Total	\$4,065,000	\$4,128,200	\$4,192,483	\$4,257,869	\$4,324,377
OCCUPATIONAL LICENSES					
Town Occ Licenses	\$675,000	\$706,150	\$706,150	\$741,450	\$741,450
Occ Lic Penalties	15,000	26,000	26,000	26,000	26,000
Total	\$690,000	\$732,150	\$732,150	\$767,450	\$767,450
BUILDING PERMITS					
Building	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Radon Gas	50	100	100	100	100
Electrical	55,000	50,000	50,000	50,000	50,000
Plumbing	20,000	30,000	30,000	30,000	30,000
Except/Var. App.	55,000	50,000	50,000	50,000	50,000
Var./Spec. Exp. Consulting Fees	7,000	7,000	7,000	7,000	7,000
Special Plan Review Fee	100,000	100,000	100,000	100,000	100,000
Architectural Fees	45,000	55,000	55,000	55,000	55,000
Landmarks Submittal	3,500	5,500	5,500	5,500	5,500
Tax Abatement Program	1,200	1,200	1,200	1,200	1,200
Mechanical Permits	55,000	61,000	61,000	61,000	61,000
Total	\$4,341,750	\$4,359,800	\$4,359,800	\$4,359,800	\$4,359,800



Town of Palm Beach LONG TERM FINANCIAL PLAN

TOWN OF PALM BEACH GENERAL FUND REVENUE FORECAST

OTHER LIC., FEES & PERMITS

Right Of Way Permits	\$110,000	\$100,000	\$100,000	\$100,000	\$100,000
Gainesville Plan	4,000	4,000	4,000	4,000	4,000
Arlington Plan	10,500	10,500	10,500	10,500	10,500
Newsrack Encl. Admin. Fee	640	640	640	640	640
Total	\$125,140	\$115,140	\$115,140	\$115,140	\$115,140

FEDERAL GRANTS

\$89,500	\$0	\$0	\$0	\$0
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STATE/LOCAL GRANTS

\$310,000	\$59,500	\$59,500	\$59,500	\$59,500
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STATE SHARED REVENUE

State Revenue Sharing	\$258,000	\$264,450	\$271,061	\$277,838	\$284,784
Alcoholic Beverage Lic.	24,000	25,000	25,000	25,000	25,000
Local Govt. Sales Tax	760,000	775,200	790,704	806,518	822,648
Fire Supp. Comp.	27,200	21,200	21,200	21,200	21,200
Siezed Tag	3,000	3,000	3,000	3,000	3,000
Fuel Tax Refund	9,000	7,500	7,500	7,500	7,500
Total	\$1,081,200	\$1,096,350	\$1,118,465	\$1,141,056	\$1,164,132

SHARED REV-LOCAL REVENUE

County Occ. Licenses	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000
\$12.50 Citation Monies	22,000	10,000	10,000	10,000	10,000
911 Equip Reimbursement	90,914	85,000	85,000	85,000	85,000
Total	\$127,914	\$120,000	\$120,000	\$120,000	\$120,000

GENERAL GOVERNMENT

Bep Code Sales	\$100	\$200	\$200	\$200	\$200
Map/Sales Code	1,500	2,750	2,750	2,750	2,750
Certification Copy	200	300	300	300	300
Misc. Copies	2,400	2,400	2,400	2,400	2,400
Meeting Tapes Sales	600	600	600	600	600
Lien Search Fee	24,000	25,000	25,000	25,000	25,000
Micro-Fiche/Scanned Docs	12,000	12,000	12,000	12,000	12,000
Total	\$40,800	\$43,250	\$43,250	\$43,250	\$43,250



Town of Palm Beach LONG TERM FINANCIAL PLAN

TOWN OF PALM BEACH GENERAL FUND REVENUE FORECAST

PUBLIC SAFETY

Special Detail - Other	\$350,000	\$300,000	\$300,000	\$300,000	\$300,000
Police ID Cards	25,000	25,000	25,000	25,000	25,000
Burg. Alarm False Alarm Fees	35,000	35,000	35,000	35,000	35,000
Burg. Alarm Registration Fees	48,000	50,000	50,000	50,000	50,000
Burglar Alarm-Direct Connect	5,000	5,000	5,000	5,000	5,000
Burglar Alarm Penalties	5,000	5,000	5,000	5,000	5,000
Valet Parking Permit	4,500	4,500	4,500	4,500	4,500
Tent Permits	3,000	3,000	3,000	3,000	3,000
Special Detail - Fire	50,000	40,000	40,000	40,000	40,000
Room Rental - South Fire	300	0	0	0	0
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 Inspector	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 F	61,755	61,755	61,755	61,755	61,755
Bldg. Insp. Fund Fees	50	100	100	100	100
EMS Transport Fees	325,000	300,000	300,000	300,000	300,000
Total	\$974,805	\$891,555	\$891,555	\$891,555	\$891,555

PHYSICAL ENVIRONMENT

Special Solid Waste	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Solid Waste	750,000	772,500	791,813	811,608	844,072
Comp. Garbage Collection Fee	220,000	226,600	232,265	239,233	246,410
Beach Cleaning Citizens Assoc.	54,000	54,000	54,000	54,000	54,000
Total	\$1,034,000	\$1,063,100	\$1,088,078	\$1,114,841	\$1,154,482

TRANSPORTATION

Pkg. Meter Royal Palm Way Lot	\$9,000	\$10,000	\$10,000	\$10,000	\$10,000
Pkg. Meter Ocean Front	200,000	200,000	200,000	200,000	200,000
Pkg. Meter Lake Front	55,000	55,000	55,000	55,000	55,000
Pkg. Meter Phipps Ocean Front	30,000	31,500	33,075	34,729	36,465
Pkg. Meter Puruvian	75,000	75,000	75,000	75,000	75,000
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
Total	\$406,500	\$410,700	\$412,275	\$413,929	\$415,665



Town of Palm Beach

LONG TERM FINANCIAL PLAN

TOWN OF PALM BEACH GENERAL FUND REVENUE FORECAST

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	300,000	306,000	312,120	318,362	324,730
Fines - Parking Meters	150,000	163,200	163,200	163,200	163,200
Row Parking Violation Fines	20,000	35,000	35,000	35,000	35,000
Moving Violations	55,000	55,000	55,000	55,000	55,000
Revenue/2nd \$ Funding	4,000	4,000	4,000	4,000	4,000
Code Comp. Fee	25,000	25,000	25,000	25,000	25,000
Code Compliance Admin Fee	20,000	20,000	20,000	20,000	20,000
Boot Fees	5,000	5,000	5,000	5,000	5,000
Total	\$829,000	\$868,200	\$879,420	\$890,864	\$902,538

INTEREST EARNINGS

Interest - Checking	\$150,000	\$157,500	\$165,375	\$173,644	\$182,326
State Board Interest	1,577,430	1,682,302	1,766,417	1,854,738	1,947,475
Inv. Earnings/Ad Valorem	75,000	75,000	75,000	75,000	75,000
SBA Interest - ECR	55,000	55,000	55,000	55,000	55,000
Total	\$1,857,430	\$1,969,802	\$2,061,792	\$2,158,382	\$2,259,801

RENTS & ROYALTIES

Vending Machine Commissions	400	400	400	400	400
Rooftop Leases	52,000	53,560	55,167	56,822	58,526
Total	\$52,400	\$53,960	\$55,567	\$57,222	\$58,926

OTHER MISC REVENUE

Kreusler Park Admin.	\$45,000	\$54,000	\$54,000	\$54,000	\$54,000
Rebate For Town Towing	1,500	1,500	1,500	1,500	1,500
State Highway Lighting Maintenance	56,000	56,000	56,000	56,000	56,000
Charitable Solicitations Fee	22,500	22,000	22,000	22,000	22,000
Charitable Solicit. Adv. Fee	18,000	18,000	18,000	19,000	19,000
Char. Solicit. Late Filing Fee	300	500	500	500	500
Miscellaneous Revenue	10,000	10,000	10,000	10,000	10,000
Total	\$153,300	\$162,000	\$162,000	\$163,000	\$163,000

INTERFUND TRANSFERS

Transfer from Leisure Services	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
Transfer from Compensated Absence	800,000	800,000	800,000	800,000	800,000
Transfer from Fund Balance	0	0			
Total	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000

GRAND TOTAL **\$62,642,654 \$67,913,200 \$71,323,612 \$75,175,177 \$79,609,974**



Town of Palm Beach LONG TERM FINANCIAL PLAN

GENERAL FUND EXPENDITURE FORECAST SUMMARY BY PROGRAM

PROGRAM		FY07 BUDGET	FY08 PROJECTED	FY09 PROJECTED	FY10 PROJECTED	FY11 PROJECTED
LEGISLATIVE	111	\$60,960	\$62,789 3.00%	\$64,359 2.50%	\$65,967 2.50%	\$67,617 2.50%
GENERAL GOVERNMENT	113	\$1,085,411	\$1,144,174 5.41%	\$1,204,813 5.30%	\$1,268,822 5.31%	\$1,334,250 5.16%
TOWN MANAGER						
Administrative Management	121	\$782,906	\$834,523	\$887,411	\$941,495	\$998,948
Advice & Litigation	122	321,500	331,145	339,424	347,909	356,607
Information Systems	125	1,870,144	2,118,119	2,143,084	2,204,694	2,320,793
		\$2,974,550	\$3,283,787 10.40%	\$3,369,919 2.62%	\$3,494,098 3.68%	\$3,676,348 5.22%
HUMAN RESOURCES	123	\$784,821	\$828,412 5.55%	\$871,991 5.26%	\$916,412 5.09%	\$963,454 5.13%
FINANCE						
Financial Management	141	\$1,018,687	\$1,081,905	\$1,145,862	\$1,211,099	\$1,280,292
Records Management	131	318,451	338,574	358,372	378,884	400,616
Purchasing	144	493,283	526,933	560,793	595,231	631,833
		\$1,830,421	\$1,947,412 6.39%	\$2,065,027 6.04%	\$2,185,214 5.82%	\$2,312,741 5.84%
PLANNING/ZONING/BUILDING						
Planning & Zoning	211	\$693,630	\$773,879	\$785,511	\$797,995	\$836,919
Permit Issuance	212	1,091,376	1,241,809	1,309,103	1,377,267	1,449,400
Inspection/Compliance	213	1,139,940	1,254,499	1,322,035	1,393,572	1,468,827
Landmarks Preservation	214	141,684	148,901	155,974	163,188	170,794
Fire Prevention	215	510,266	546,877	581,978	617,447	655,155
		\$3,576,896	\$3,965,965 10.88%	\$4,154,601 4.76%	\$4,349,469 4.69%	\$4,581,095 5.33%
LIBRARY SERVICES	321	\$247,000	\$259,350	\$272,318	\$285,933	\$300,230
FIRE-RESCUE						
Fire Administration	411	\$836,115	\$917,867	\$971,401	\$1,028,223	\$1,087,490
Operations	417	10,037,917	10,844,593	11,506,824	12,044,605	12,877,131
Training	418	269,342	284,395	299,267	314,338	330,274
		\$11,143,374	\$12,046,855 8.11%	\$12,777,492 6.06%	\$13,387,166 4.77%	\$14,294,895 6.78%
POLICE						
Administrative Management	421	\$1,064,089	\$1,145,171	\$1,204,545	\$1,276,301	\$1,362,703
Org Crime/Vice/Narcotics	422	687,784	787,396	784,425	832,054	882,753
Records Information Systems	423	236,805	259,554	268,716	285,068	302,448
Training/Per/Pub Enf	424	408,140	434,579	458,846	484,607	515,625
Communications	425	1,503,287	1,645,145	1,741,385	1,844,334	1,948,112
Crime Scene/Evidence	426	416,536	445,871	474,041	621,837	530,989
Patrol Services	428	7,789,496	8,318,385	8,822,120	9,353,259	9,914,977
Criminal Investigation	429	1,714,421	1,851,769	1,972,201	2,090,633	2,220,857
Parking Control	430	562,346	612,412	649,742	689,492	728,523
Beach Rescue	432	787,949	824,151	877,933	934,029	991,582
		\$15,170,853	\$16,324,433 7.60%	\$17,253,954 5.69%	\$18,411,614 6.71%	\$19,398,569 5.36%



Town of Palm Beach LONG TERM FINANCIAL PLAN

GENERAL FUND EXPENDITURE FORECAST SUMMARY BY PROGRAM

PROGRAM	FY07 BUDGET	FY08 PROJECTED	FY09 PROJECTED	FY10 PROJECTED	FY11 PROJECTED
PUBLIC WORKS					
Administrative Management	511 \$843,516	\$898,518	\$954,874	\$1,012,570	\$1,073,844
Street Repair/Maintenance	521 297,650	320,663	337,098	351,233	367,112
Traffic Control	523 214,911	215,293	225,655	236,119	247,576
Street Lighting	524 434,666	462,680	479,983	498,287	516,348
Storm Sewer Maintenance	531 802,997	876,483	886,819	927,839	973,436
Sanitary Sewer Maintenance	532 1,256,179	1,381,630	1,419,691	1,488,893	1,565,638
Sanitary Sewer Treatment	533 1,773,100	1,826,293	1,871,950	1,918,749	1,966,718
Residential Collection	541 820,586	882,336	936,659	991,248	1,049,977
Commercial Collection	542 891,052	950,202	999,733	1,054,271	1,107,190
Refuse Disposal	543 90,000	102,700	105,267	107,899	110,597
Yard Trash Collection	544 1,654,314	1,814,690	1,929,400	2,039,555	2,173,621
Recycling	545 282,600	314,252	328,028	346,524	356,182
Beach Cleaning	546 164,089	177,949	187,327	194,830	205,444
Parks	551 1,307,144	1,388,957	1,451,554	1,524,616	1,601,119
Facilities Maintenance	554 1,089,025	1,206,826	1,246,335	1,287,940	1,328,706
Parking Meter Maint & Collection	558 78,244	81,107	84,990	88,944	93,115
General Engineering Services	561 409,703	438,967	463,871	488,537	517,259
Right of Way Inspections	565 112,681	120,865	128,576	136,442	144,803
Equip Operations/Maintenance	571 658,850	701,937	737,678	776,864	818,947
L.W. Inlet Management	581 1,454,539	1,502,323	1,544,648	1,588,049	1,632,835
	\$14,635,846	\$15,664,671	\$16,320,136	\$17,059,409	\$17,850,467
		7.03%	4.18%	4.53%	4.64%
TRANSFER TO OTHER FUNDS					
Cap Impr Program (307/308/320)	611 \$3,378,801	\$3,380,000	\$3,335,000	\$3,406,500	\$7,356,500
Debt Service Fund (203/204)	612 3,529,000	3,651,724	3,787,942	3,924,671	380,578
Group Health Ins. (502)	621 993,700	1,393,700	1,643,700	1,943,700	2,293,700
Risk-W/C, Liab.Prop. (501)	622 2,220,201	2,850,000	3,040,000	3,255,000	3,510,000
Employee Retirement Fund (600)	624 0				
Public Safety Retire Fund (601)	625 0				
	\$10,121,702	\$11,275,424	\$11,806,642	\$12,529,871	\$13,540,778
		11.40%	4.71%	6.13%	8.07%
EMERGENCY/DISASTER RESPONSE					
	710 \$88,169	\$90,928	\$93,160	\$94,202	\$96,132
		3.13%	2.45%	1.12%	2.05%
CONTINGENT APPROPRIATIONS					
	711 \$922,650	\$1,019,000	\$1,069,200	\$1,127,000	\$1,193,400
		10.44%	4.93%	5.41%	5.89%
General Operating Fund (001) Total	\$52,520,951	\$56,637,776	\$59,516,970	\$62,645,306	\$66,069,198
Transfers to Other Funds	\$10,121,702	\$11,275,424	\$11,806,642	\$12,529,871	\$13,540,778
TOTAL GENERAL FUND	\$62,642,653	\$67,913,200	\$71,323,612	\$75,175,177	\$79,609,976
		8.41%	5.02%	5.40%	5.90%



Town of Palm Beach
LONG TERM FINANCIAL PLAN

**Program 111 - Legislative
 LTFP Expenditure Projection**

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
<u>Expenditures</u>						
Salaries and Wages	0	0	0	0	0	0
Employee Benefits	0	0	0	0	0	0
Contractual	45,900	47,260	48,678	49,895	51,142	52,421
Commodities	12,900	13,700	14,111	14,464	14,825	15,196
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTALS	58,800	60,960	62,789	64,359	65,967	67,617

EXPENDITURES

Contractual:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase



Town of Palm Beach LONG TERM FINANCIAL PLAN

Program 113 - General Government LTFP Expenditure Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	0	0	0	0	0	0
Employee Benefits	555,664	865,055	916,958	971,976	1,030,294	1,092,112
Contractual	472,251	218,300	224,849	230,470	236,232	242,138
Commodities	0	0	0	0	0	0
Capital Outlay	2,447	2,056	2,367	2,367	2,296	0
Other	0	0	0	0	0	0
TOTALS	1,030,362	1,085,411	1,144,174	1,204,813	1,268,822	1,334,250

EXPENDITURES

Employee Benefits:

Compensated absence buyouts estimated at salary and wages assumption

FY08: 6% estimated increase

FY09: 6% estimated increase

FY10: 6% estimated increase

FY11: 6% estimated increase

Contractual:

FY08: 3.0% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation

FY09: Estimated Depreciation

FY10: Estimated Depreciation

FY11: Estimated Depreciation



Town of Palm Beach LONG TERM FINANCIAL PLAN

Town Managers Office - All Programs LTFP Expenditure Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	941,917	995,371	1,055,093	1,118,399	1,185,502	1,256,633
Employee Benefits	344,223	368,809	402,002	434,162	464,554	497,072
Contractual	744,760	767,820	934,455	972,816	1,047,136	1,073,315
Commodities	356,650	89,550	92,237	94,543	96,906	99,328
Capital Outlay	450,700	753,000	800,000	750,000	700,000	750,000
Other	0	0	0	0	0	0
TOTALS	2,838,250	2,974,550	3,283,787	3,369,920	3,494,098	3,676,348

EXPENDITURES

Salaries and Wages:

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.
 FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase; \$50,000 additional software maintenance and \$93,600 contractual support for software project and systems maintenance
 FY09: 2.5% CPI Increase + \$15,000 additional software maintenance
 FY10: 2.5% CPI Increase + \$50,000 additional software maintenance
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation, additional Storage for SAN for the Public Safety system to be added and \$350,000 per year for software purchases per the software plan.
 FY09: Estimated Depreciation and additional service for Public Safety system per the Software Plan.
 FY10: Estimated Depreciation
 FY11: Estimated Depreciation and additional SAN storage.



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</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	3.00	3.00	3.00	3.00	3.00	3.00
Information Systems Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Information Systems Support Specialist	0.00	0.00	0.00	0.00	0.00	0.00
Information Systems GIS Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total	12.00	12.00	12.00	12.00	12.00	12.00



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Program 123 - Human Resources
LTFP Expenditure Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	362,045	377,969	400,647	424,686	450,167	477,177
Employee Benefits	144,245	148,165	161,500	174,420	186,629	199,693
Contractual	204,100	224,200	230,926	236,699	242,617	248,682
Commodities	24,900	32,900	33,887	34,734	35,603	36,493
Capital Outlay	2,367	1,587	1,452	1,452	1,396	1,409
Other	0	0	0	0	0	0
TOTALS	737,657	784,821	828,412	871,991	916,412	963,454

EXPENDITURES

Salaries and Wages:

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.
 FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation
 FY09: Estimated Depreciation
 FY10: Estimated Depreciation
 FY11: Estimated Depreciation



Town of Palm Beach LONG TERM FINANCIAL PLAN

Finance Department - All Programs Revenue Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Lien Search Fee	25,000	24,000	25,000	25,000	25,000	25,000
Charitable Solicitations Fee	20,000	22,500	20,000	20,000	20,000	20,000
Charitable Solicitations Advertising Fee	17,000	18,000	17,000	18,000	19,000	19,000
Charitable Solicitations Late Filing Fee	500	300	500	500	500	500
Meeting Tape Sales	600	600	400	400	400	400
TOTALS	63,100	65,400	62,900	63,900	64,900	64,900

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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Finance Department - All Programs Expenditure Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	1,085,692	1,118,476	1,185,585	1,256,720	1,332,123	1,412,050
Employee Benefits	436,980	459,887	501,277	541,379	579,276	619,825
Contractual	216,759	218,172	224,717	230,335	236,093	241,996
Commodities	23,650	29,510	30,395	31,155	31,934	32,732
Capital Outlay	5,113	4,376	5,438	5,438	5,788	6,138
Other	0	0	0	0	0	0
TOTALS	1,768,194	1,830,421	1,947,412	2,065,027	2,185,214	2,312,741

EXPENDITURES

Salaries and Wages:

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.
 FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation
 FY09: Estimated Depreciation
 FY10: Estimated Depreciation
 FY11: Estimated Depreciation



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</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
Total	18.00	18.00	18.00	18.00	18.00	18.00



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Planning, Zoning and Building Department - All Programs
Revenue Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Town Occupational Licenses	675,000	675,000	706,150	672,525	741,450	672,525
Occupational License Penalties	20,000	15,000	26,000	26,000	26,000	26,000
Building Permits	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Radon Gas	50	50	100	100	100	100
Electrical Permits	52,000	55,000	50,000	50,000	50,000	50,000
Plumbing Permits	28,000	20,000	30,000	30,000	30,000	30,000
Except/Variance App.	52,000	55,000	50,000	50,000	50,000	50,000
Consultants Fees	5,000	7,000	7,000	7,000	7,000	7,000
Special Plan Review Fee	100,000	100,000	100,000	100,000	100,000	100,000
Abandonments	500	0	0	0	0	0
Architectural Fees	45,000	45,000	55,000	55,000	55,000	55,000
Landmarks Submittal	4,500	3,500	5,500	5,500	5,500	5,500
Tax Abatement Program	3,600	1,200	1,200	1,200	1,200	1,200
Mechanical Permits	62,000	55,000	61,000	61,000	61,000	61,000
Right of Way Permits	110,000	110,000	100,000	100,000	100,000	100,000
County Occupational License	20,000	15,000	25,000	25,000	25,000	25,000
Bldg/Elec/Plumbing Code Sales	500	100	700	700	700	700
Map/Sales Code	2,500	1,500	2,750	2,750	2,750	2,750
Certification Copy	650	200	300	300	300	300
Microfiche/Scanned Documents	12,000	12,000	9,000	9,000	9,000	9,000
Tent Permits	1,500	3,000	3,000	3,000	3,000	3,000
Building Inspection Fund Fees	100	50	100	100	100	100
Code Compliance Fines	25,000	25,000	15,000	15,000	15,000	15,000
TOTALS	5,219,900	5,198,600	5,247,800	5,214,175	5,283,100	5,214,175



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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 FY08 and FY10 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 program is offset by expenses incurred in Program #214.



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Mechanical Permits:

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 years 2008 through 2011.

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. No meaningful changes are expected.

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 is anticipated.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Planning, Zoning and Building Department - All Programs Expenditure Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	1,760,609	1,902,154	2,031,283	2,153,160	2,282,350	2,419,291
Employee Benefits	701,241	782,099	852,488	920,687	985,135	1,054,094
Contractual	918,455	784,770	970,313	968,946	968,170	992,374
Commodities	58,650	71,550	73,697	75,539	77,427	79,363
Capital Outlay	66,931	36,323	38,185	36,269	36,388	35,973
Other	0	0	0	0	0	0
TOTALS	3,505,886	3,576,896	3,965,966	4,154,601	4,349,470	4,581,095

EXPENDITURES

Salaries and Wages:

FY08: 6% estimated increase for Merit and competitive pay increase. Plus Additional \$15,000 for overtime and Special Plan Review Program

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

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

FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase +50,000 (Comp Plan & Zoning) +75,000 (Plan Review Services) +37,000 (Increase in Inspection Fees)

FY09: 2.5% CPI Increase +25,000 (Comp Plan & Zoning)

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation

FY09: Estimated Depreciation

FY10: Estimated Depreciation

FY11: Estimated Depreciation



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</i>
Director	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Director	1.00	1.00	1.00	1.00	1.00	1.00
Zoning Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Aide	1.00	1.00	1.00	1.00	1.00	1.00
Planning Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Development Permit Coordinator	1.00	2.00	2.00	2.00	2.00	2.00
Development Review Coordinator	2.00	1.00	1.00	1.00	1.00	1.00
Acting Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Chief Construction Inspectors	3.00	3.00	3.00	3.00	3.00	3.00
Plan Reviewer/Combination Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Records Manager/Office Asst. III	1.00	1.00	1.00	1.00	1.00	1.00
Development Geoprocessor Tech	1.00	1.00	1.00	1.00	1.00	1.00
Development Review Specialists	2.00	2.00	2.00	2.00	2.00	2.00
Storm Water Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Combination Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Code Compliance Officer II	1.00	1.00	0.00	0.00	0.00	0.00
Code Compliance Officer I	1.50	1.50	1.00	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00	1.00	1.00
Fire Marshal	1.00	1.00	1.00	1.00	1.00	1.00
Fire Prevention Officers	2.00	2.00	2.00	2.00	2.00	2.00
Total	27.50	27.50	26.00	26.00	26.00	26.00



Town of Palm Beach LONG TERM FINANCIAL PLAN

Fire Department - All Programs Revenue Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projected	FY2009 Projected	FY2010 Projected	FY2011 Projected
Revenues						
FEMA Grant	276,000	80,000	0	0	0	0
EMS Grant-Palm Beach County	50,000	50,000	50,000	50,000	50,000	50,000
Fire Supplemental Compensation	27,200	27,200	29,000	29,000	29,000	29,000
Special Detail	50,000	50,000	40,000	40,000	40,000	40,000
Room Rental - South Fire	300	300	0	0	0	0
EMS Transport Fees	300,000	325,000	300,000	300,000	300,000	300,000
Washer/Extractor Agreement	700	700	700	700	700	700
Fireworks Permit	15,000	15,000	15,000	15,000	15,000	15,000
Bonfire Permit	1,500	1,500	1,500	1,500	1,500	1,500
Hot Works Permit	7,500	7,500	7,500	7,500	7,500	7,500
Fire Hydrant Flow Tests	12,500	12,500	12,500	12,500	12,500	12,500
Technical Fire Inspections	15,000	15,000	15,000	15,000	15,000	15,000
Annual Inspection Fee	61,755	61,755	61,755	61,755	61,755	61,755
Public Assembly	10,000	10,000	10,000	10,000	10,000	10,000
TOTALS	827,455	656,455	542,955	542,955	542,955	542,955



Town of Palm Beach LONG TERM FINANCIAL PLAN

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 awarded 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 in the amount of \$276,207 for FY06 was submitted for the purchase of Self-Contained Breathing Apparatus to replace the Department's outdated equipment. The grant was not funded.
- In April 2006 the Department submitted a request for the FY07 grant period. Our request was for \$72,183 (Federal share) to purchase and install a Plymovent Vehicle Exhaust System for both Fire Station #1 and the Fire Rescue mechanic bay.

EMS Grant:

Fire-Rescue Departments within Palm Beach County are eligible to submit a 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 received \$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.



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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.

Annual Inspection Fee:

This account is composed of fees associated with conducting a life safety fire inspection of occupancies to comply with local, state, and Federal fire codes. The revenue from this activity is expected to be \$60,000.

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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Fire Department - All Programs Expenditure Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projected	FY2009 Projected	FY2010 Projected	FY2011 Projected
Expenditures						
Salaries and Wages	5,927,191	6,159,375	6,528,938	6,920,674	7,335,914	7,776,069
Employee Benefits	2,809,253	3,707,330	4,040,990	4,364,269	4,669,768	4,996,651
Contractual	191,770	259,300	308,279	315,986	283,886	290,983
Commodities	319,600	352,950	363,539	372,627	381,943	391,491
Capital Outlay	728,158	569,419	757,610	803,936	715,656	839,700
Other	95,000	95,000	47,500	0	0	0
TOTALS	10,070,972	11,143,374	12,046,855	12,777,492	13,387,166	14,294,894

EXPENDITURES

Salaries and Wages:

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
 FY11: 6% estimated increase for Merit and competitive pay increase

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase; annual carpet cleaning \$1,200; Accreditation consultant \$40,000
 FY09: 2.5% CPI Increase; Accreditation consultant \$40,000
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation; EMS Grant equipment \$50,000 annually
 FY09: Estimated Depreciation;
 FY10: Estimated Depreciation
 FY11: Estimated Depreciation;

Other:

FY08: Lease payments
 FY09: Lease payments



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</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 Chief, 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 Chief	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	49.00	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 Chief, Training/Safety Officer	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Lieutenant	1.00	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
Total	80.00	80.00	80.00	80.00	80.00	80.00

Police Department - All Programs
Revenue Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Bullet Proof Vests Grant	0	6,000	7,500	7,500	7,500	7,500
Local Law Enforcement Block Grant	0	2,000	2,000	2,000	2,000	2,000
Seized Tag	1,900	3,000	3,000	3,000	3,000	3,000
911 Equipment Reimbursement	185,200	90,914	85,000	85,000	85,000	85,000
Special Assignment	355,000	350,000	300,000	300,000	300,000	300,000
Police ID Cards	20,000	25,000	25,000	25,000	25,000	25,000
Burglar Alarm False Alarm Fees	35,000	35,000	32,000	32,000	32,000	32,000
Burglar Alarm Registration Fees	50,000	48,000	50,000	50,000	50,000	50,000
Burglar Alarm Direct Connect	6,000	5,000	5,000	5,000	5,000	5,000
Burglar Alarm Penalties	3,500	5,000	4,000	4,000	4,000	4,000
Valet Parking Permit	4,500	4,500	4,500	4,500	4,500	4,500
Fines-Parking Meters	160,000	150,000	160,000	160,000	160,000	160,000
Penalties-Parking Meters	75,000	75,000	100,000	100,000	100,000	100,000
Fines-Other Parking	350,000	300,000	300,000	300,000	300,000	300,000
Penalties-Other Parking	175,000	175,000	180,000	180,000	180,000	180,000
\$12.50 Citation Monies	0	22,000	10,000	10,000	10,000	10,000
Moving Violations	70,000	55,000	50,000	50,000	50,000	50,000
Revenue/2nd \$ Funding	3,500	4,000	3,500	3,500	3,500	3,500
Boot Fees	6,000	5,000	5,000	5,000	5,000	5,000
TOTALS	1,500,600	1,360,414	1,326,500	1,326,500	1,326,500	1,326,500



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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 \$60 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.



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Police Department - All Programs Expenditure Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	8,462,050	8,746,763	9,271,569	9,827,863	10,417,535	11,042,587
Employee Benefits	4,728,894	5,091,332	5,549,552	5,993,516	6,413,062	6,861,977
Contractual	486,327	501,183	527,218	529,399	542,634	567,200
Commodities	374,706	399,786	411,780	422,074	432,626	443,442
Capital Outlay	1,272,252	426,789	559,314	476,101	600,757	478,364
Other	5,000	5,000	5,000	5,000	5,000	5,000
TOTALS	15,329,229	15,170,853	16,324,433	17,253,953	18,411,614	19,398,569

EXPENDITURES

Salaries and Wages:

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.
 FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation
 FY09: Estimated Depreciation
 FY10: Estimated Depreciation
 FY11: Estimated Depreciation



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</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
Chief's Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Training Office Assistant II	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
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 Manager	1.00	1.00	1.00	1.00	1.00	1.00
Records Information Assistant I	2.00	2.00	2.00	2.00	2.00	2.00
Training/Crime Prevention/PIO Manager	1.00	1.00	1.00	1.00	1.00	1.00
Training Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Crime Prevention Specialist	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 Office Assistant I	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	8.00	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
Total	132.00	132.00	132.00	132.00	132.00	132.00



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Public Works - All Programs
Revenue Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projected	FY2009 Projected	FY2010 Projected	FY2011 Projected
Revenues						
Special Solid Waste	10,000	10,000	10,000	10,000	10,000	10,000
Solid Waste	730,000	750,000	772,500	791,813	811,608	844,072
Compacted Garbage Collection Fee	212,508	220,000	226,600	232,265	239,233	246,410
Beach Cleaning-Citizen's Association	60,000	54,000	54,000	54,000	54,000	54,000
Right of Way Parking Violation Fines	25,000	20,000	35,000	35,000	35,000	35,000
TOTALS	1,037,508	1,054,000	1,098,100	1,123,078	1,149,841	1,189,482



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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 accordance with 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 anticipated increases for services consistent with CPI adjustments. Competitive re-bid for compacted collection from a service provider in future years may be higher depending on SWA costs and market environment.

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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Public Works Department - All Programs Expenditure Summary

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenditures						
Salaries and Wages	5,431,907	5,486,458	5,815,645	6,164,584	6,534,459	6,926,527
Employee Benefits	2,393,670	2,473,639	2,696,267	2,911,968	3,115,806	3,333,912
Contractual	6,572,316	5,451,400	5,694,942	5,845,315	5,991,448	6,141,235
Commodities	706,462	748,800	771,264	790,546	810,309	830,567
Capital Outlay	820,191	475,549	686,553	607,723	607,386	618,226
Other	0	0	0	0	0	0
TOTALS	15,924,546	14,635,846	15,664,671	16,320,136	17,059,408	17,850,466

EXPENDITURES

Salaries and Wages:

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.
 FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase (Note: Re-bid of compacted garbage collection contract may dictate future increases.)
 Method of sanitary sewage disposal is being reviewed and outcome of FY06/07 engineering study may indicate capital improvements that would decrease future recurring disposal costs; future impacts to general fund operating costs will be identified during that decision-making process. An increase of \$10,000 for SWA governmental assessments is required for refuse disposal , and \$8,000 for permit application fees associated with vegetative debris sites. An increase of \$70,000 is included as an offset for general maintenance tasks (in lieu of new position that was deleted).
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase



Town of Palm Beach LONG TERM FINANCIAL PLAN

Capital Outlay:

- FY08: Estimated Depreciation, (Note: For FY07 and beyond, the annual street resurfacing work is funded from the CIP Fund), and \$100,000 funding for minor storm sewer projects, and \$30,000 for portable storm pump, and \$100,000 funding for minor sanitary sewer projects, and \$30,000 for emergency pump .
- FY09: Estimated Depreciation, and \$100,000 funding for minor storm sewer projects, and \$100,000 funding for minor sanitary sewer projects.
- FY10: Estimated Depreciation, and \$100,000 funding for minor storm sewer projects, and \$100,000 funding for minor sanitary sewer projects.
- FY11: Estimated Depreciation, and \$100,000 funding for minor storm sewer projects, and \$100,000 funding for minor sanitary sewer projects.



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</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	4.00	4.00	4.00	4.00	4.00
Mechanics	8.00	8.00	8.00	8.00	8.00	8.00
Equipment Operators	39.74	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	2.00	2.00	2.00
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
Total	102.74	103.74	103.74	103.74	103.74	103.74



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Program 710 - Emergency Response
LTFP Expenditure Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
<u>Expenditures</u>						
Salaries and Wages	0	0	0	0	0	0
Employee Benefits	0	0	0	0	0	0
Contractual	169,266	86,468	89,062	91,289	93,571	95,910
Commodities	900	200	206	211	216	222
Capital Outlay	14,201	1,501	1,660	1,660	415	0
Other	0	0	0	0	0	0
TOTALS	184,367	88,169	90,928	93,160	94,202	96,132

EXPENDITURES

Contractual:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
 FY09: 2.5% CPI Increase
 FY10: 2.5% CPI Increase
 FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation
 FY09: Estimated Depreciation
 FY10: Estimated Depreciation
 FY11: Estimated Depreciation



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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

	FY2006 Budget	FY2007 Budget	FY2008 Projected	FY2009 Projected	FY2010 Projected	FY2011 Projected
<u>Revenues</u>						
Ad Valorem Taxes	0	0	0	0	0	0
Interest Earnings	922	0	0	0	0	0
TOTALS	922	0	0	0	0	0
<u>Expenditures</u>						
Debt Service Principal	0	0	0	0	0	0
Debt Service Interest	0	0	0	0	0	0
Transfer to (201) Debt Service	0	20,500	0	0	0	0
Other Bond Expenses	0	0	0	0	0	0
TOTALS	0	20,500	0	0	0	0
TOTAL REVENUES OVER/(UNDER) EXPENDITURES	922	(20,500)	0	0	0	0
Beginning Fund Balance	19,578	20,500	0	0	0	0
ENDING FUND BALANCE	20,500	0	0	0	0	0

REVENUE

EXPENDITURES



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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

	FY2006 Budget	FY2007 Budget	FY2008 Projected	FY2009 Projected	FY2010 Projected	FY2011 Projected
Revenues						
Interest Earnings	265	0	0	0	0	0
Transfer from General Fund	0	0	0	0	0	0
Transfer from CCMP PAYG	0	0	0	0	0	0
TOTALS	265	0	0	0	0	0
Expenditures						
Debt Service Principal	0	0	0	0	0	0
Debt Service Interest	0	0	0	0	0	0
Transfer to (201) Debt Service	0	6,400				
Other Bond Expenses	0	0	0	0	0	0
TOTALS	0	6,400	0	0	0	0
TOTAL REVENUES OVER/(UNDER) EXPENDITURES	265	(6,400)	0	0	0	0
Beginning Fund Balance	6,135	6,400	0	0	0	0
ENDING FUND BALANCE	6,400	0	0	0	0	0

REVENUE

EXPENDITURES



Town of Palm Beach

LONG TERM FINANCIAL PLAN

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

	FY2006 Budget	FY2007 Budget	FY2008 Projected	FY2009 Projected	FY2010 Projected	FY2011 Projected
Revenues						
Transfer from General Fund	3,402,060	3,529,000	3,651,724	3,787,942	3,924,671	380,578
Transfer from CCMP PAYG	935,925	811,356	681,439	549,736	410,618	0
Interest Earnings	1,500	1,500	1,500	1,500	1,500	1,500
Transfer from Debt Service Funds	0	26,900	0	0	0	0
TOTALS	4,339,485	4,368,756	4,334,663	4,339,178	4,336,789	382,078
Expenditures						
Debt Service Principal	3,480,000	3,585,000	3,720,000	3,875,000	4,020,000	140,000
Debt Service Interest	852,985	750,354	610,163	459,678	312,290	240,575
Other Bond Expenses	3,000	3,000	3,000	3,000	3,000	1,500
TOTALS	4,335,985	4,338,354	4,333,163	4,337,678	4,335,290	382,075
TOTAL REVENUES OVER/(UNDER) EXPENDITURES	3,500	30,402	1,500	1,500	1,499	3
Beginning Fund Balance	5,900	9,400	39,802	41,302	42,802	44,301
ENDING FUND BALANCE	9,400	39,802	41,302	42,802	44,301	44,304

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.



Town of Palm Beach LONG TERM FINANCIAL PLAN

Recreation Enterprise Fund LTFP Revenue Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Peruvian Avenue Docks	648,500	706,430	734,687	764,074	794,637	826,423
Australian Avenue Docks	1,264,233	1,387,914	1,443,431	1,501,168	1,561,214	1,623,663
Brazilian Avenue Docks	740,356	829,141	862,307	896,799	932,671	969,978
Electricity	60,000	75,000	75,000	75,000	75,000	75,000
Ice Sales	300	300	300	300	300	300
Interest on Investments	100,000	180,000	150,000	150,000	150,000	150,000
Sales Tax Commissions	560	700	1,089	1,119	1,151	1,184
Golf Pro Admin Fee	12,000	12,000	12,000	12,000	12,000	12,000
Resident Permit Fees	20,000	17,000	17,000	17,000	17,000	17,000
Non-resident Permit Fees	19,000	10,000	10,000	10,000	10,000	10,000
Play Tickets	50,360	61,200	64,260	67,473	70,847	74,389
Green Fees	475,500	523,000	549,150	576,608	605,438	635,710
Riding Cart Rental	129,000	142,000	149,100	156,555	164,383	172,602
Pull Cart Rental	31,000	34,000	35,700	37,485	39,359	41,327
Driving Range	120,000	132,000	138,600	145,530	152,807	160,447
Maint. and Improvement Fee	47,000	63,000	64,890	66,837	68,842	70,907
Vending Machine Commission	6,000	6,000	6,240	6,490	6,749	7,019
Program Registration Fees	700	0	0	0	0	0
Daily Tennis Court Fees	33,000	33,000	36,300	39,930	43,923	48,315
Annual Tennis Court Fees	50,000	53,000	58,300	64,130	70,543	77,597
Tennis Pro Administration Fees	12,000	12,000	12,000	12,000	12,000	12,000
Light Meter	150	0	0	0	0	0
Youth Program Registration	4,800	0	0	0	0	0
Adult Program Registration Fees	800	0	0	0	0	0
Youth Program Fees	168,000	170,000	187,000	205,700	226,270	248,897
Facility Rental Fees	1,100	1,800	1,980	2,178	2,396	2,635
Adult Program Fees	32,000	32,000	35,200	38,720	42,592	46,851
Use of Facilities Fee	32,800	27,600	28,152	28,715	29,289	29,875
Seaview Park Concession	3,000	2,500	2,575	2,652	2,732	2,814
FEMA Reimbursement	104,578	0	0	0	0	0
Miscellaneous Revenue	460	0	520	540	540	540
TOTALS	4,167,197	4,511,585	4,675,781	4,879,002	5,092,682	5,317,474



Town of Palm Beach LONG TERM FINANCIAL PLAN

Recreation Enterprise Fund LTFP Expense Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenses						
Salaries and Wages	1,153,571	1,227,142	1,255,966	1,331,324	1,411,204	1,495,876
Employee Benefits	599,642	680,022	709,298	762,079	813,324	868,030
Contractual	642,804	618,596	642,230	663,357	684,422	706,328
Commodities	1,255,046	1,233,789	1,270,803	1,302,573	1,335,137	1,368,515
Capital Outlay	137,417	121,775	109,989	110,259	110,535	110,819
Other	148,000	145,000	145,000	145,000	145,000	145,000
TOTALS	3,936,480	4,026,324	4,133,286	4,314,592	4,499,622	4,694,568
Operating Revenue over/(under) Expenses	230,717	485,261	542,495	564,411	593,060	622,906
Transfer to Equipment Replacement Fund	(403,300)	(31,413)	(35,000)	(37,000)	(40,000)	(43,000)
Transfers out to Capital Improvement Fund from Retained Earnings	(1,850,370)	(537,940)	(1,095,000)	(948,371)	(660,610)	(151,705)
TOTAL REVENUES OVER/(UNDER) EXPENSES	(2,022,953)	(84,092)	(587,505)	(420,960)	(107,550)	428,201
Beginning Retained Earnings	5,493,763	3,470,810	3,386,718	2,799,213	2,378,252	2,270,702
Ending Retained Earnings	3,470,810	3,386,718	2,799,213	2,378,252	2,270,702	2,698,903



Town of Palm Beach LONG TERM FINANCIAL PLAN

EXPENDITURES

Salaries and Wages:

FY08: 6% estimated increase for merit and CPI
FY09: 6% estimated increase for merit and CPI
FY10: 6% estimated increase for merit and CPI
FY11: 6% estimated increase for merit and CPI

Employee Benefits:

FY08: 9% estimated increase
FY09: 8% estimated increase
FY10: 7% estimated increase
FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI Increase
FY09: 2.5% CPI Increase
FY10: 2.5% CPI Increase
FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase
FY09: 2.5% CPI Increase
FY10: 2.5% CPI Increase
FY11: 2.5% CPI Increase

Capital Outlay:

FY08: Estimated Depreciation
FY09: Estimated Depreciation
FY10: Estimated Depreciation
FY11: Estimated Depreciation

Transfer out to Capital Improvement Fund from Retained Earnings:

FY2006: \$777,987 for continued implementation of the Dock Master Plan and replacement of a fire pipe.
 \$15,310 for drainage project in swale area to tie into FDOT project
 \$835,936 for Seaview Tennis Center renovation
FY2007: \$92,100 for Peruvian dock house programming analysis, design, permitting, construction.
 \$478,000 for additional funds necessary to complete Seaview Tennis Center renovation.
 \$30,000 for Hood and Fire Suppression system at recreation center.
FY2008: \$595,000 for Brazilian dock house programming analysis, design, and environmental permitting.
 \$500,000 for Athletic Field Resurfacing at Seaview park
FY2009: \$948,371 for Australian Dock house design, construction and wave attenuator system design
FY2010: \$660,610 for Peruvian Dock expansion, engineering and permitting
FY2011: \$151,705 for Brazilian Dock Engineering, design



Town of Palm Beach
LONG TERM FINANCIAL PLAN

<i>Full Time Equivalent Employees</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>	<i>FY2011</i>
Director of Recreation	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Director of Recreation	0.00	2.00	2.00	2.00	2.00	2.00
Recreation Supervisor II	2.00	0.00	0.00	0.00	0.00	0.00
Recreation Office Manager	1.00	1.00	1.00	1.00	1.00	1.00
Tennis Pro-Manager	1.00	1.00	0.00	0.00	0.00	0.00
Tennis Attendant	3.45	1.80	1.80	1.80	1.80	1.80
Tennis Maintenance Worker	0.00	1.00	1.00	1.00	1.00	1.00
Tennis Facilities Supervisor	2.00	2.00	2.00	2.00	2.00	2.00
Tennis Facility Assistant	0.00	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	1.00	2.00	2.00	2.00	2.00	2.00
Recreation Maintenance Worker	1.00	1.00	1.00	1.00	1.00	1.00
PT Equipment Operator	0.75	0.75	0.75	0.75	0.75	0.75
Bus Driver	0.31	0.48	0.48	0.48	0.48	0.48
Activity Leader	3.08	3.44	3.44	3.44	3.44	3.44
Registration Clerk	0.05	0.16	0.16	0.16	0.16	0.16
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	1.95	1.41	1.41	1.41	1.41	1.41
Spray Tech/Equipment Operator	0.00	0.00	0.00	0.00	0.00	0.00
Golf Laborer	0.41	0.54	0.54	0.54	0.54	0.54
Golf Registration Clerk	0.93	0.93	0.93	0.93	0.93	0.93
Starter/Ranger	1.02	1.28	1.28	1.28	1.28	1.28
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
Seasonal Dock Attendant	1.53	1.53	1.53	1.53	1.53	1.53
Public Works Employees	0.94	0.91	0.91	0.91	0.91	0.91
Total	30.42	32.23	31.23	31.23	31.23	31.23



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Marina
LTFP Revenue and Expense Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
<u>Revenues</u>						
Peruvian	648,500	706,430	734,687	764,074	794,637	826,423
Australian	1,264,233	1,387,914	1,443,431	1,501,168	1,561,214	1,623,663
Brazilian	740,356	829,141	862,307	896,799	932,671	969,978
Electricity	60,000	75,000	75,000	75,000	75,000	75,000
Ice Sales	300	300	300	300	300	300
Interest on Investments	100,000	180,000	150,000	150,000	150,000	150,000
Sales Tax Commissions	300	0	360	360	360	360
FEMA Reimbursement	104,578	0	0	0	0	0
Miscellaneous Revenue	460	0	520	540	540	540
TOTALS	2,918,727	3,178,785	3,266,605	3,388,241	3,514,722	3,646,264
<u>Expenses</u>						
Salaries and Wages	158,656	186,950	198,167	210,057	222,660	236,020
Employee Benefits	65,598	84,596	92,210	99,586	106,557	114,016
Contractual	1,093,116	1,063,789	1,095,703	1,123,095	1,151,173	1,179,952
Commodities	10,325	10,475	10,789	11,059	11,335	11,619
Capital Outlay	148,000	145,000	145,000	145,000	145,000	145,000
Other	0	0	0	0	0	0
TOTALS	1,475,695	1,490,810	1,541,869	1,588,798	1,636,726	1,686,607
Operating Revenues over/(under) Expenses	1,443,032	1,687,975	1,724,736	1,799,443	1,877,996	1,959,657
Transfer out to Capital Improvement Fund from Retained Earnings	(999,124)	(84,600)	(595,000)	(948,371)	(660,610)	(151,705)
TOTAL REVENUES OVER/(UNDER) EXPENSES	443,908	1,603,375	1,129,736	851,072	1,217,386	1,807,952



Town of Palm Beach
LONG TERM FINANCIAL PLAN

REVENUE

Peruvian:

Estimated FY06 Revenue: \$674,326. FY06 budget surplus due to a 4% increase in transient dockage income and a mid-year rate increase to offset steep increases in electric costs. Budget FY07 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 FY06 Revenue: \$1,215,746. FY06 budget shortfall due to a 23% decrease in transient dockage revenues despite a mid-year rate increase. Budget FY07 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 FY06 Revenue: \$844,286. FY06 budget surplus due to a 54% increase in dockage income and a mid-year rate increase to offset steep increases in electric costs. Budget FY07 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 FY06 Revenue: \$69,394.05. FY06 Budget surplus due to a mid-year utility rate increase to off set steep increases in electric costs.. Future year projected increases based on prior year actual average increases extrapolated forward.

Interest on Investments:

FY08: 5% increase

FY09: 5% increase

FY10: 5% increase

FY11: 5% increase

Sales Tax Commissions:

No expected increases.

Miscellaneous Revenue:

No expected increases

EXPENSES

Salaries and Wages:

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.

FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

FY11: 7% estimated increase



Town of Palm Beach LONG TERM FINANCIAL PLAN

Contractual:

FY08: 3.0% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

FY11: 2.5% CPI increase

Commodities:

FY08: 3.0% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

FY11: 2.5% CPI increase

Capital Outlay:

FY08: Estimated Depreciation

FY09: Estimated Depreciation

FY10: Estimated Depreciation

FY11: Estimated Depreciation

Transfer out to Capital Improvement Fund from Retained Earnings:

FY2006: \$777,987 continued implementation of the Dock Master Plan and replacement of a fire pipe.

FY2007: \$92,100 for Peruvian dock house programming analysis, design, permitting, construction.

FY2008: \$595,000 for Brazilian dock house programming analysis, design, and environmental permitting.

FY2009: \$948,371 for Australian Dock house design, construction and wave attenuator system design

FY2010: \$660,610 for Peruvian Dock expansion, engineering and permitting

FY2011: \$151,705 for Brazilian Dock Engineering and design



Town of Palm Beach LONG TERM FINANCIAL PLAN

Par 3 Golf Course LTFP Revenue and Expense Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Golf Pro Admin Fee	12,000	12,000	12,000	12,000	12,000	12,000
Resident Permit Fees	20,000	17,000	17,000	17,000	17,000	17,000
Non-resident Permit Fees	19,000	10,000	10,000	10,000	10,000	10,000
Play Tickets	50,360	61,200	64,260	67,473	70,847	74,389
Green Fees	475,500	523,000	549,150	576,608	605,438	635,710
Riding Cart Rental	129,000	142,000	149,100	156,555	164,383	172,602
Pull Cart Rental	31,000	34,000	35,700	37,485	39,359	41,327
Driving Range	120,000	132,000	138,600	145,530	152,807	160,447
Maint. and Improvement Fee	47,000	63,000	64,890	66,837	68,842	70,907
Use of Facilities Fee	7,800	8,600	8,772	8,947	9,126	9,309
Sales Tax Commission	200	400	420	441	463	486
Vending Machine Commission	6,000	6,000	6,240	6,490	6,749	7,019
Miscellaneous	0	0	0	0	0	0
TOTALS	917,860	1,009,200	1,056,132	1,105,365	1,157,013	1,211,196
Expenses						
Salaries and Wages	377,596	411,490	436,179	462,350	490,091	519,497
Employee Benefits	155,672	163,587	178,310	192,575	206,055	220,479
Contractual	236,686	242,850	250,136	256,389	262,799	269,369
Commodities	87,930	98,900	101,867	104,414	107,024	109,700
Capital Outlay	83,192	64,500	60,000	60,000	60,000	60,000
Other	0	0	0	0	0	0
TOTALS	941,076	981,327	1,026,492	1,075,727	1,125,969	1,179,044
Operating Revenues over/(under) Expenses	(23,216)	27,873	29,640	29,638	31,045	32,152
Transfer out to Capital Improvement Fund from Retained Earnings	(15,310)	0	0	0	0	0
TOTAL REVENUES OVER/(UNDER) EXPENSES	(38,526)	27,873	29,640	29,638	31,045	32,152



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Golf Professional Administrative Fee:

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

Resident Permit Fees:

Estimated FY06 revenue \$14,537. Budget shortfall in FY06 due to overestimate in budget and higher usage of play ticket system from hurricane shortened season. Future year projections based on prior year actuals.

Non-resident Permit Fees:

Estimated FY06 revenue \$9,825. Budget shortfall in FY06 due to overestimate in budget and higher usage of play ticket system from hurricane shortened season. Future year projections based on prior year actuals

Play Tickets:

Fee paid by resident for 12 play multi use ticket.

Estimated FY06 revenue \$57,000. Budget surplus in FY06 due to higher usage of play ticket system rather than permits as a result of a hurricane shortened season. Budget revenues in FY07 reflect fee increases. Future year projections based on a combination of rate changes and increased play.

Green Fees:

Fee paid per round of golf for daily players.

Estimated FY06 revenue \$435,515. Budget shortfall due to effects of Hurricane Wilma. Budget revenues in FY07 reflect fee increases. Future year projections based on a combination of rate changes and increased play.

Riding Cart Rental:

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

Estimated FY06 revenue \$123,000. Budget shortfall due to effects of Hurricane Wilma. Budget revenues in FY07 reflect fee increases. Future year projections based on a combination of rate changes and increased play

Pull Cart Rental:

Fee paid for rental of golf club pull cart.

Estimated FY06 revenue \$29,800. Budget shortfall due to effects of Hurricane Wilma. Budget revenues in FY07 reflect fee increases. Future year projections based on a combination of rate changes and increased play

Driving Range:

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

Estimated FY06 revenue \$111,000. Budget shortfall due to effects of Hurricane Wilma. Budget revenues in FY07 reflect fee increases. Future year projections based on a combination of rate changes and increased play

Maintenance and Improvement Fee:

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

Estimated FY06 revenue \$44,000. Budget shortfall due to effects of Hurricane Wilma. Budget revenues in FY07 reflect fee increases. Future year projections based on a combination of rate changes and increased play

Use of Facilities Fee:

Fee paid by golf professional of \$5.00 per private lesson as part of annual contract agreement.

Estimated FY06 revenue \$6,900. Budget shortfall due to effects of Hurricane Wilma. Future year projections based on a combination of rate changes and increased lessons.



Town of Palm Beach LONG TERM FINANCIAL PLAN

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. Future year projections based on item cost increases and increased customer use.

Transfer out to Capital Improvement Fund from Retained Earnings:

FY2006: \$15,310 for drainage project in swale area to tie into FDOT project.

EXPENSES**Salaries and Wages:**

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.

FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

FY11: 2.5% CPI increase

Commodities:

FY08: 3.0% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

FY11: 2.5% CPI increase

Capital Outlay:

FY06: \$18,792 for Irrigation Computer system. Estimated depreciation

FY07: Estimated depreciation

FY08: Estimated depreciation

FY09: Estimated depreciation

FY10: Estimated depreciation

FY11: Estimated depreciation



Town of Palm Beach LONG TERM FINANCIAL PLAN

Tennis LTFP Revenue and Expense Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projectio n	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Program Registration Fees	700	0	0	0	0	0
Daily Tennis Court Fees	33,000	33,000	36,300	39,930	43,923	48,315
Annual Tennis Court Fees	50,000	53,000	58,300	64,130	70,543	77,597
Tennis Pro Admin Fees	12,000	12,000	12,000	12,000	12,000	12,000
Use of Facilities Fee	25,000	19,000	19,380	19,768	20,163	20,566
Light Meter	150	0	0	0	0	0
TOTALS	120,850	117,000	125,980	135,828	146,629	158,479
Expenses						
Salaries and Wages	234,673	245,618	215,551	228,484	242,193	256,725
Employee Benefits	121,270	125,881	110,893	119,764	128,148	137,118
Contractual	54,380	38,350	39,501	40,488	41,500	42,538
Commodities	14,400	14,400	14,832	15,203	15,583	15,972
Capital Outlay	5,000	7,800	5,200	5,200	5,200	5,200
Other	0	0	0	0	0	0
TOTALS	429,723	432,049	385,977	409,139	432,624	457,553
Operating Revenues over/(under) Expenses	(308,873)	(315,049)	(259,997)	(273,312)	(285,995)	(299,074)
Transfer out to Capital Improvement Fund from Retained Earnings	(835,936)	(426,568)	0	0	0	0
TOTAL REVENUES OVER/(UNDER) EXPENSES	(1,144,809)	(741,617)	(259,997)	(273,312)	(285,995)	(299,074)



Town of Palm Beach
LONG TERM FINANCIAL PLAN

REVENUES

Tennis Program Registration Fees:

Fee eliminated. This fee will be incorporated into Use of Facilities Fee in future years.

Daily Tennis Court Fees:

All revenues related to daily court reservations at tennis facilities.

Estimated FY06 revenue \$33,300. FY07 budgeted at same due to less play from anticipated Seaview Tennis construction. Future year projections show increases due to rate changes and increased play .

Annual Tennis Court Fees:

All revenues related to annual tennis facility permits.

Estimated FY06 revenue \$55,700. Budget surplus due to increased use of permit system. FY07 budgeted at slightly lower rate from anticipated reduction in permit usage due to Seaview modernization project. Future year projections show increases due to rate changes and increased play .

Tennis Professional Administrative Fee:

Fee paid by tennis professional as part of annual agreement.

Use of Facilities Fee:

Fee paid of \$6.00 per instructor lesson hour for private lessons taught on Town Courts as part of annual agreement.

Estimated FY06 revenue \$21,000. Budget shortfall in FY06 due to overestimation in FY06 budget. FY07 budget based on prior year actuals and anticipated decrease in total lessons taught due to limited availability of courts during Seaview modernization project. Future year projections show increases based on nominal fee increases and increased lessons.

Tennis Light Meter:

Cost/benefit analysis determined this fee to be ineffective in terms of recovery versus customer satisfaction.

Fee will be eliminated in future years.

EXPENDITURES

Salaries and Wages:

FY08: Budget decrease due to elimination of tennis manager position as part of departmental reorganization.

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.

FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: Budget decrease due to elimination of tennis manager position as part of departmental reorganization .

9% estimated increase.

FY09: 8% estimated increase

FY10: 7% estimated increase

FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

FY11: 2.5% CPI increase



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Commodities

FY08: 3.0% CPI increase

FY09: 2.5% CPI increase

FY10: 2.5% CPI increase

FY11: 2.5% CPI increase

Capital Outlay:

FY07: Estimated depreciation

FY08: Estimated depreciation

FY09: Estimated depreciation

FY10: Estimated depreciation

FY11: Estimated depreciation

Transfer to Capital Improvement Fund from Retained Earnings:

FY06: \$835,936 for Seaview Tennis Center renovation

FY07: \$426,568 Additional funds necessary for completion of Seaview Tennis Center renovation



Town of Palm Beach LONG TERM FINANCIAL PLAN

Recreation Programs and Events LTFP Revenue and Expense Projection

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Youth Program Registration Fees	4,800	0	0	0	0	0
Adult Program Registration Fees	800	0	0	0	0	0
Youth Program Fees	168,000	170,000	187,000	205,700	226,270	248,897
Facility Rental Fees	1,100	1,800	1,980	2,178	2,396	2,635
Adult Program Fees	32,000	32,000	35,200	38,720	42,592	46,851
Seaview Park Concession	3,000	2,500	2,575	2,652	2,732	2,814
Sales Tax Commission	60	300	309	318	328	338
TOTALS	209,760	206,600	227,064	249,569	274,317	301,535
Expenses						
Salaries and Wages	141,164	197,841	209,711	222,294	235,632	249,770
Employee Benefits	38,578	59,888	65,278	70,500	75,435	80,716
Contractual	103,500	109,400	112,682	115,499	118,387	121,346
Commodities	18,500	20,600	21,218	21,748	22,292	22,849
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTALS	301,742	387,729	408,889	430,042	451,746	474,681
Total Revenues over/(under) Expenses	(91,982)	(181,129)	(181,825)	(180,473)	(177,428)	(173,146)

REVENUES

Youth Program Registration Fees:

Fee schedule eliminated, fee incorporated into program fees.

Adult Program Registration Fees:

Fee schedule eliminated, fee incorporated into program fees.

Youth Program Fees:

All revenues related to fees paid for a variety of youth programs. Nominal increase in participants and program fees. Estimated FY06 revenue \$185,000. Budget surplus in FY06 due to higher than anticipated participation. FY07 budget based on actual prior years. Future year projections show increases based on prior years with nominal fee increases and restructuring of percentage split in instructor agreements.



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Facility Rental Fees:

All revenues related to fees paid for rental of rooms and athletic facilities at Seaview Recreation Center. Estimated FY06 revenue \$2,200. Budget surplus due to large league rental of field. FY07 budget based on prior years with nominal increase in fees.

Adult Program Fees:

All revenues related to fees paid for a variety of adult programs. Estimated FY06 revenue \$30,000. Budget shortfall in FY06 due to disruption of programs by Hurricane Wilma. FY07 budget based on prior year actuals with nominal fee increase. Future year projections based on increased participation/program offerings, fee increases and restructuring of percentage split in instructor agreements.

Seaview Park Concession:

Revenue related to percentage of items sold in vending machines at Seaview Recreation Center. Estimated FY06 revenue \$2,500. Budget shortfall in FY06 due to disruption of operations from Hurricane Wilma. Future year projections based on cost increases.

Sales Tax Commission:

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

EXPENDITURES

Salaries and Wages:

FY07: Increase due to addition of new recreation supervisor position as part of departmental reorganization.
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.
FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY07: Increase due to addition of new recreation supervisor position as part of departmental reorganization.
FY08: 9% estimated increase
FY09: 8% estimated increase
FY10: 7% estimated increase
FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI increase
FY09: 2.5% CPI increase
FY10: 2.5% CPI increase
FY11: 2.5% CPI increase

Commodities:

FY08: 3.0% CPI increase
FY09: 2.5% CPI increase
FY10: 2.5% CPI increase
FY11: 2.5% CPI increase

**Administration and General Maintenance
 LTFP Revenue and Expense Projection**

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Expenses						
Salaries and Wages	400,138	372,193	394,525	418,196	443,288	469,885
Employee Benefits	125,466	143,716	156,650	169,182	181,025	193,697
Contractual	182,640	143,400	147,702	151,395	155,179	159,059
Commodities	41,100	36,100	37,183	38,113	39,065	40,042
Capital Outlay	38,900	39,000	34,000	34,000	34,000	34,000
Other	0	0	0	0	0	0
TOTALS	788,244	734,409	770,060	810,886	852,558	896,683
Transfer out to Capital Improvement Fund from Retained Earnings	0	(26,772)	(500,000)	0	0	0
Totals including transfers to Capital Improvement Fund	788,244	761,181	1,270,060	810,886	852,558	896,683

EXPENDITURES

Salaries and Wages:

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.
 FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase
 FY09: 8% estimated increase
 FY10: 7% estimated increase
 FY11: 7% estimated increase

Contractual:

FY08: 3.0% CPI increase
 FY09: 2.5% CPI increase
 FY10: 2.5% CPI increase
 FY11: 2.5% CPI increase

Commodities:

FY08: 3.0% CPI increase
 FY09: 2.5% CPI increase
 FY10: 2.5% CPI increase
 FY11: 2.5% CPI increase



Town of Palm Beach
LONG TERM FINANCIAL PLAN

Capital Outlay:

FY08: Estimated Depreciation

FY09: Estimated Depreciation

FY10: Estimated Depreciation

FY11: Estimated Depreciation

Transfer to Capital Improvement Fund from Retained Earnings:

FY07: \$26,772 Hood & Fire Suppression System

FY08: \$500,000 Athletic Field Resurfacing



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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

	FY2006 Budget	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Risk Funding	2,390,000	2,220,201	2,850,000	3,040,000	3,255,000	3,510,000
Interest on Investments	175,000	375,915	375,000	375,000	375,000	375,000
TOTALS	2,565,000	2,596,116	3,225,000	3,415,000	3,630,000	3,885,000
Expenses						
Salaries and Wages	113,640	116,428	123,414	130,819	138,668	146,988
Employee Benefits	44,788	48,734	53,120	57,370	61,386	65,683
Insurance Premiums						
Property	312,158	485,973	583,168	699,801	839,761	1,007,714
Liability & W/C	1,117,841	1,225,977	1,287,276	1,351,640	1,419,222	1,490,183
Insurance Claims/Deductibles	950,000	950,000	1,150,000	1,150,000	1,150,000	1,150,000
Contractual	23,805	14,804	15,248	15,629	16,020	16,421
Commodities	4,200	4,200	4,326	4,434	4,545	4,659
Capital Outlay	0	50,000	0	0	0	0
TOTALS	2,566,432	2,896,116	3,216,551	3,409,692	3,629,601	3,881,646
TOTAL REVENUES OVER/(UNDER) EXPENSES	(1,432)	(300,000)	8,449	5,308	399	3,354
Beginning Net Assets	5,957,683	5,956,251	5,656,251	5,664,700	5,670,007	5,670,406
Reserved for Exposures /Contingency	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
ENDING NET ASSETS	2,956,251	2,656,251	2,664,700	2,670,007	2,670,406	2,673,760



Town of Palm Beach LONG TERM FINANCIAL PLAN

REVENUES

Risk Funding:

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

Interest on Investments:

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

EXPENSES

Salaries and Wages:

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.

FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

FY11: 7% estimated increase

Insurance Premiums-Property:

FY08: 20% estimated increase

FY09: 20% estimated increase

FY10: 20% estimated increase

FY11: 20% estimated increase

Insurance Premiums-Liability and Worker's Comp:

FY08: 5% estimated increase

FY09: 5% estimated increase

FY10: 5% estimated increase

FY11: 5% estimated increase

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:

FY08: 3.0% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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

	FY2006 Projected	FY2007 Budget	FY2008 Projection	FY2009 Projection	FY2010 Projection	FY2011 Projection
Revenues						
Group Medical	5,454,976	3,604,500	5,223,846	5,667,873	6,149,642	6,672,362
Interest on Investments	680,000	100,000	100,000	100,000	100,000	100,000
TOTALS	6,134,976	3,704,500	5,323,846	5,767,873	6,249,642	6,772,362
Expenses						
Salaries and Wages	81,812	90,381	95,804	101,552	107,645	114,104
Employee Benefits	22,544	38,204	41,642	44,974	48,122	51,490
Insurance and Claims	5,465,426	4,766,100	5,147,388	5,559,179	6,003,913	6,484,226
Contractual	38,400	31,500	32,445	33,418	34,421	35,454
Commodities	2,800	2,500	2,575	2,652	2,732	2,814
Capital Outlay	0	0	0	0	0	0
TOTALS	5,610,982	4,928,685	5,319,854	5,741,775	6,196,833	6,688,088
TOTAL REVENUES OVER/(UNDER) EXPENSES	523,994	(1,224,185)	3,992	26,098	52,809	84,274
Contingency	0	(500,000)				
Transfer to Health Insurance Trust		(16,000,000)				
Beginning Retained Earnings	17,046,437	17,570,431	(153,754)	(149,762)	(123,665)	(70,856)
ENDING FUND EQUITY	17,570,431	(153,754)	(149,762)	(123,665)	(70,856)	13,418



Town of Palm Beach
LONG TERM FINANCIAL PLAN

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:

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.

FY11: 6% estimated increase for Merit and competitive pay increase.

Employee Benefits:

FY08: 9% estimated increase

FY09: 8% estimated increase

FY10: 7% estimated increase

FY11: 7% estimated increase

Insurance and Claims:

FY08: 8% estimated increase

FY09: 8% estimated increase

FY10: 8% estimated increase

FY11: 8% estimated increase

Contractual:

FY08: 3.0% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase

Commodities:

FY08: 3.0% CPI Increase

FY09: 2.5% CPI Increase

FY10: 2.5% CPI Increase

FY11: 2.5% CPI Increase



Town of Palm Beach LONG TERM FINANCIAL PLAN

**Town of Palm Beach
Town Owned Property - Land
September 30, 2006**

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 CCounty	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	<u>96,783</u>		
Total		<u>\$8,039,238</u>	<u>\$13,085,000</u>	



Town of Palm Beach LONG TERM FINANCIAL PLAN

**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
Total			<u>\$17,516,946</u>



Town of Palm Beach LONG TERM FINANCIAL PLAN

Town of Palm Beach
Leisure Services Enterprise Fund Infrastructure Assets
September 30, 2006

Description	Location	Acquisition Date	Acquisition Value
Town Docks:			
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	<u>4,679</u>
Subtotal - Docks			\$4,647,635
Par 3 Golf Course:			
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
Recreation Center:			
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	<u>17,264</u>
Subtotal - Recreation Center			\$1,744,615
Tennis Facilities:			
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



Town of Palm Beach
LONG TERM FINANCIAL PLAN



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