

Town of Palm Beach Long Term Financial Plan FY2009-FY2013

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Introduction



Long Term Financial Plan Overview

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

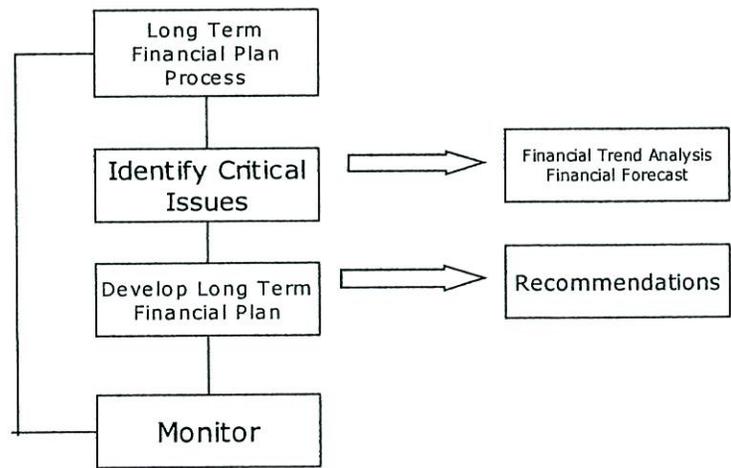
The Town of Palm Beach has prepared, a comprehensive Long Term Financial Plan every year since 2003 except in 2008, when a more intensive Comprehensive Review of Town Operations (CRTO) was completed. The Long Term Financial Plan (LTFP) is intended to serve as a tool, providing the Mayor, Town Council and staff with the insight required to address issues impacting the Town's financial condition. This plan consists of the following sections:

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

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

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

Long Term Financial Planning Process



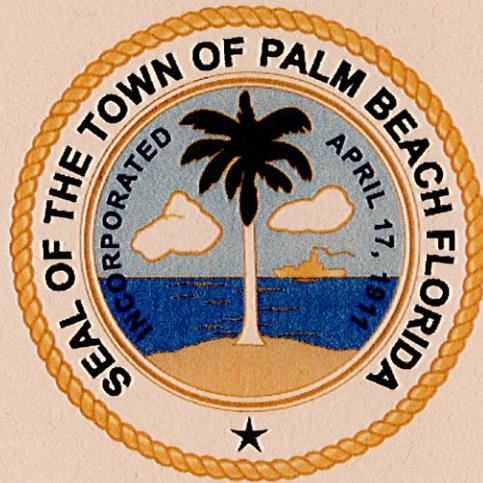
Introduction



The planning process results in the preparation of a financial plan consisting of various components such as an analysis of financial trends; an assessment of problems or opportunities facing the Town and actions needed to address these issues; and a long-term forecast of revenues and expenditures. A financial plan identifies key assumptions and choices related to achievement of goals and 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.

TOWN OF PALM BEACH



CURRENT FINANCIAL CONDITION

Current Financial Condition



Current Financial Condition

General Fund FY09 Status

Due to the current economic downturn, staff has been monitoring the FY09 budget very closely. Monthly updates have been sent to the Mayor and Town Council detailing the status of the General Fund revenues and expenditures. We are taking all actions identified in Phase 1 of the Town's Revenue Shortfall Policy that was adopted on August 13, 2002. As it relates to employee vacancies we are actually in Phase 3 which calls for implementing a "hiring freeze". The Town Manager is not authorizing any new vacancies to be filled but will instead hold them vacant indefinitely. Unless the revenue situation worsens, the actions taken by staff should sufficiently protect the Town at this time.

General Fund Revenues

Several of the budgeted revenues for FY09 are under the budget standard through January. These include state revenue sources as well as other fees. The State has informed municipalities to anticipate cuts to the original estimates that they provided for fuel taxes, state shared revenues and state sales tax. These cuts amount to approximately \$67,000. Building permit revenue to date is under the budget standard by 6%. If this trend continues, these revenues could end the year significantly under budget. Parking meter and ticket fees are under budget due to the transition to a new parking system and in part to reduced usage caused by the downturn in the economy. Revenues that are exceeding expectations include utility taxes, public safety fees, interest, business tax receipts, the non ad valorem assessment for solid waste fees, and property taxes. Business tax receipts, property taxes and the non ad valorem revenues for solid waste are received early in the fiscal year. These revenue sources are expected to finish the year at or above the budget standard. Utility taxes are higher than the budget because revenues received from telecommunications and water utility taxes are higher than anticipated. Public safety fees are seasonal and should finish the year near the budget standard. Interest income is higher than anticipated due to higher than expected returns on the funds invested with the Florida League of Cities Investment Trust. We expect the trend of higher returns to diminish, but expect this revenue source to finish the year higher than the budget standard. Overall, early estimates indicate total revenues to finish the year approximately \$500,000 below the budget standard.

General Fund Expenditures

Through January, expenditures for most departments were below the budget standard of 33%. Annual payments of longevity made in December have caused a few departments to exceed the budget standard. In total through January, budgeted expenditures were at 29% of the budget, or 4% lower than the budget standard. In FY08, total expenditures finished the year at 94.5% of budget. We expect to finish the year well under the budgeted expenditures due to the hiring freeze and reductions in expenditures where ever possible. The current anticipated revenue shortfall should be offset by reductions in expenditures. Unless the revenue status significantly worsens, or if we experience a major storm event during the summer, the budget should end the year without a deficit.

Current Financial Condition



Recreation Enterprise Fund FY09 Status

The Recreation Enterprise Fund revenues currently exceed the budget standard. This is due to the receipt of annual lease payments and tennis permits. Total revenues for FY09 may not meet expectations. The Town docks have sold all annual leases except one. In addition, transient business is down due to the poor economy. The closing of the Par 3 will have a negative impact on the revenues for FY09. Expenditures for the Par 3 will be lower, but not enough to offset the decline in revenues. The original FY09 budget estimated a \$432,250 profit after transfers and contingency. Due to the anticipated declines, it is estimated that this fund will end the year near break even.

TOWN OF PALM BEACH



CURRENT STATUS OF RESERVES

Reserve Status

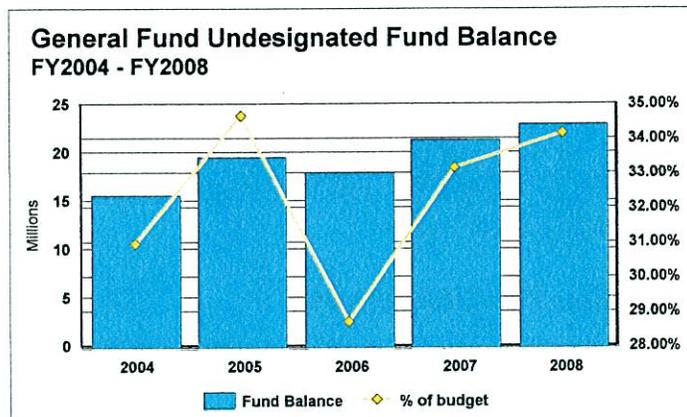


Town of Palm Beach Reserves

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 FY2009 General Fund operating budget of \$64,772,800 is \$16,193,200. At the end of FY2008, the Undesignated Fund Balance for the General Fund is estimated to be \$23,005,185. This amount represents 35% of FY2009 budgeted operating expenditures or \$6,811,985 over the required minimum level of 25%.



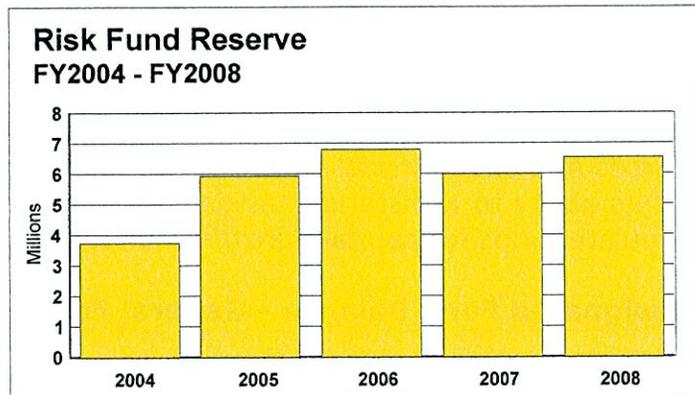
The General Fund Undesignated Fund Balance has consistently exceeded the required minimum level of 25%. The chart details the General Fund Undesignated Fund Balance and the percent of budgeted expenditures the balance represents. Transfers that have been reserved from fund balance for the FY09 budget total \$3,516,600 include: the contingency reserve (\$953,800), public safety software upgrade (\$350,000), digital plan review and document imaging software (\$230,000), Reach 8 litigation defense (\$1,000,000), North Fire Station traffic Signal (\$60,000), and the first year cost of the buyout (\$922,800). In addition, reserves for the second year of the early retirement incentive buyout (\$922,800) and the final year of the town-wide software implementation cost (\$350,000) have been set aside from fund balance for the FY10 budget. The FY10 reservation leaves \$21,732,385 as the current undesignated General Fund Balance which represents 33.5% of the FY09 General Fund expenditure budget or \$5,539,185 over the required minimum level of 25%.



Reserve Status

Reserves - Risk Fund

The total reserve balance for the risk fund is estimated at \$6,589,271 for FY08. Out of this reserve balance the Reserve for Catastrophic Exposures/Emergencies - Risk Fund is funded. The trend is the Risk Reserve is shown in the table.

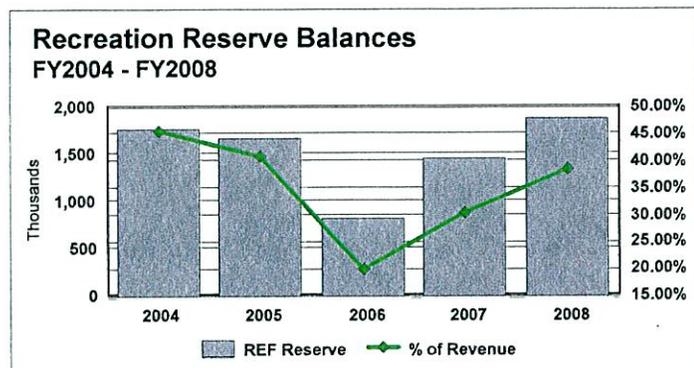


Reserve for Catastrophic Exposures/Emergencies - Risk Fund

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 totaling \$1,211,775 for FY09. 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 FY08, the unrestricted net asset balance for the Recreation Enterprise Fund (REF) is \$4,798,209. Of the \$4,798,209 in estimated unrestricted net assets, \$1,772,062 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



Reserve Status

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 for maintenance and improvements is estimated to have a balance of \$223,753 at the end of FY08.

The Recreation Enterprise Fund established an equipment replacement reserve 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 is estimated to be \$321,863 as of September 30, 2008.

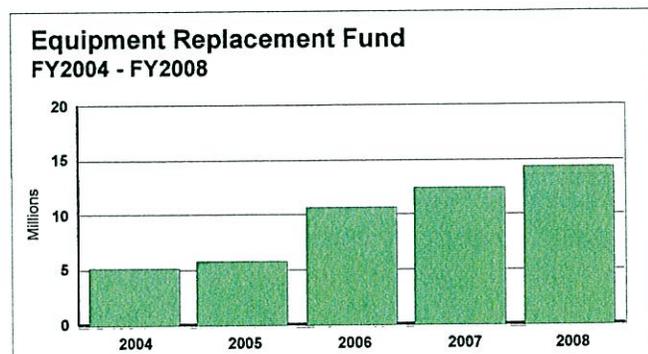
Capital projects are also reserved out of the unrestricted net assets. The estimated reserve for Recreation capital projects, excluding the Par 3 renovation is \$167,213. The Par 3 renovation is to be funded through donations and \$2 million from the Town.

After reducing the unrestricted net assets for the dock replacement reserve, the M&I reserve, capital projects, the equipment replacement reserve, and the reserve for encumbrances the balance is \$1,868,076. This amount represents 38% of FY2009 operating revenues or \$656,301 over the required minimum level of 25%.

At the February 10, 2009, Town Council meeting the Town Council approved the use of the dock replacement reserve and the maintenance and improvement reserve to fund the Town's \$2,000,000 commitment to the Par 3 project. The balance in these reserves as of January 31, 2009 was \$2,072,664. The M&I reserve was set aside specifically for the purpose of improvements at the Par 3 and will not be repaid. The Dock Replacement Reserve will be repaid over a period of 12 years. The Town Council may consider replenishing the Dock Replacement Reserve with a bank loan at a future date.

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





Reserve Status

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 ensures compliance with the fixed asset inventory and depreciation schedule required by GASB34.

The Town Council approved a change in FY06 from depreciation based on acquisition cost to depreciation based upon replacement value. This will ensure sufficient reserves to replace large capital items with long useful lives such as fire-rescue trucks and public works vehicles.

The balance in the equipment replacement fund for year end FY2008 is \$14,343,984. For FY2009 the income including the depreciation transfer will total \$2,230,466 and expenditures for capital equipment are budgeted at \$2,810,000.

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 in FY05 budget. This reserve reduces the budgetary fluctuations due to the payout of accrued leave time to employees when they leave Town service. 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. The appropriation for the pay-out of eligible accrued vacation, sick and compensatory time for FY2009 from this reserve is \$618,500. The balance in the reserve as of September 30, 2008 is \$2,962,197. The long term liability for this reserve was substantially reduced in 2006 when the vacation leave accrual was reduced by three days for existing employees and by 50% for all employees hired on or after October 11, 2006.

Health Insurance Reserve

The Health Insurance Fund has a significant reserve balance that was 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 required 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 balance of the reserve in the Health Fund, at the end FY08 is \$1,660,969. These reserves will be used to guard against any deficiencies in the Town's self insurance health fund.

Reserve Status



OPEB (Other Post Employment Benefits) Trust

As mentioned in the above section, an OPEB trust was established to fund the liability for post employment benefits. The OPEB trust funds are overseen by the Town's Investment Advisory Committee. During FY07 this Committee worked with a performance monitor to develop an investment plan and to select money managers for this fund. The reserve funds were invested in various fixed and equity investments. The balance in this trust is \$15,785,880 as of September 30, 2008. The actuarially determined transfer from the General Fund for the OPEB liability for FY09 is \$1,649,000.

Contingency Reserves

Contingency reserves were established for the General Fund, Capital Fund, Leisure Services Enterprise Fund, Leisure Services Enterprise Fund - Capital Fund, Risk Insurance Fund and 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 FY09 budget, an additional amount of \$51,224 was added to the reserve during the final budget hearing. 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 Enterprise Capital Fund Contingency. The Equipment Replacement Fund contingency is appropriated at \$100,000. The table below identifies the contingency balances appropriated in the FY2008 budget and the proposed FY2009 budget:

Contingency Reserves FY2008 and FY2009

Fund	FY2008 Budget	FY2009 Budget
General Fund	\$926,000	\$1,005,024
Capital Fund	\$334,600	\$241,600
Equipment Replacement Fund	\$100,000	\$100,000
Risk Fund	\$500,000	\$500,000
Health Fund	\$500,000	\$500,000
Recreation Enterprise Fund	\$199,000	\$217,350

Reserve Status



Undesignated Fund Balance/Retained Earnings Summary

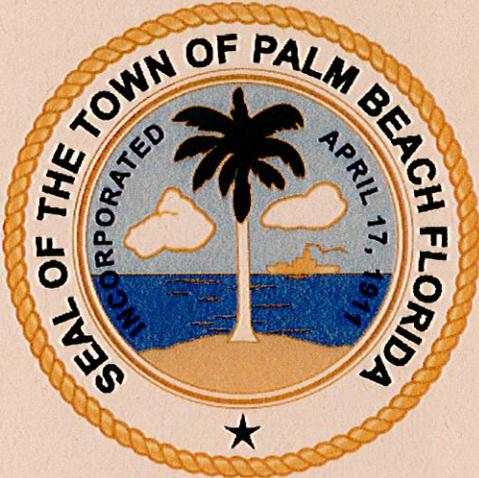
All reserves are at or over the policy established minimum. The financial strength of the Town can be measured by the health of its reserves. The rating agencies look closely at the fund balance levels and the financial policies in place when rating a municipality. During FY2003, when the rating agencies 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 three hurricanes in 2004-2005 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 FY2004 through FY2008.

Reserve Balances Fiscal Years 2004 - 2008

Fund	2004	2005	2006	2007	2008
General Fund	\$15,625,847	\$19,580,424	\$17,985,964	\$21,346,801	\$23,005,185
Compensated Absence (GF)	2,496,068	2,795,916	2,972,258	3,242,924	2,962,197
Equipment Replacement Fund	5,214,800	5,784,030	10,765,871	12,492,176	14,343,984
Recreation Ent Fund	1,757,958	1,661,465	814,569	1,449,420	1,868,076
Recreation ERF	0	0	249,553	288,267	321,863
Dock Replacement	1,295,094	1,460,517	1,534,824	1,620,173	1,772,062
Par 3 M&I Reserve	76,109	76,109	120,488	176,067	223,753
Health Fund	16,356,507	17,046,436	18,369,182	1,740,326	1,660,969
Risk Fund	3,782,648	5,957,681	6,840,190	6,013,314	6,589,271
Health - OPEB Trust	0	0	0	17,401,883	15,785,880
Pension Funds	<u>144,719,097</u>	<u>160,203,485</u>	<u>172,045,119</u>	<u>198,737,626</u>	<u>167,937,995</u>
Total	191,324,128	214,566,063	231,698,018	264,508,977	236,471,235

TOWN OF PALM BEACH



FORECAST SUMMARY



Forecast Summary

Forecast Summary

Staff has prepared a forecast of General Fund revenues and expenditures for FY10 through FY13. The details of the forecast can be found behind the *Forecast Detail* tab.

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

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

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

	FY2010	FY2011	FY2012	FY2013	
Rolled Back Millage Rate Increase	2.57%	1.4%	1.3%	2.7%	State Projections of Personal Income Growth
Investment Yields	1.5%	2.5%	3.0%	3.5%	10 year Average Return is 3.44% and the Current Yield is 1.52%
General Inflation	2.0%	2.5%	2.5%	2.5%	Federal Reserve Forecasts
Salaries & Wages	3.5%	5.5%	6.0%	6.0%	Merit and CPI estimates
Employee Benefits	9.0%	10.5%	9.0%	9.0%	Estimates based upon discussions with Town actuaries and health consultants
Property Insurance	20%	20%	20%	20%	Based upon Insurance Market Trend Information
Liability Insurance	10%	10%	10%	10%	Based upon Insurance Market Trend Information
W/C Insurance	5%	5%	5%	5%	Based upon Insurance Market Trend Information

Revenue Forecast Assumptions

The State of Florida caps all local government millage rates at the rolled back rate (rate that produces the same taxes as the prior year, exclusive of taxes from new construction) plus



Forecast Summary

the growth in personal income. A government can override the cap by extraordinary vote (4 affirmative votes in Palm Beach) for up to a 10% increase over the rolled back rate, and with a unanimous vote for an increase in excess of 10%. The State of Florida has provided estimates for personal income growth. These estimates were used to estimate property tax revenue increases.

Short term investment yields were derived using the Fed Funds forecast consensus from Bloomberg. The median forecast for FY10 anticipates the Fed Funds rate to increase to 1% by the second quarter of 2010. Our investment yield trends above the Fed Funds rate so we used 1.5% for the year. For FY2011 we anticipated the Fed Funds rate to increase, so we conservatively estimated investment yields at 2.5%. Since it is difficult to forecast rates over the long term, we based our FY12 and FY13 forecast on rates that were closer to our ten-year average of 3.44%.

Revenue from non ad valorem taxes which include franchise fees, utility service taxes and local option gas taxes are expected to remain at the same level for FY10 as the estimated FY09 year end results, which we expect to decrease 2.13% from FY08. For FY11 - FY13, the forecast includes an increase of approximately 3% for each year which is slightly less than the average 10 year trend for these revenue sources. The trend information has been consistent for these sources of revenue and our past estimates have been very close to the actual amounts received.

Building permit revenue can be very volatile and is budgeted conservatively. The current FY09 budget represents a 31% decrease from the FY08 actual results. The forecast for FY10 represents a decrease of about 4.8% from the FY09 budget based on the expectation that the downturn will continue through much of FY10. The forecast for FY11 - FY13, increases the revenues close to the conservative FY09 budgeted amounts.

Intergovernmental revenues represent revenues received from the State, grant funds, and county sources. The forecast for FY10 represents over a 10% decline in revenue from the FY09 budget. The decrease is based upon information from the State regarding the declines in revenue from State sources. For FY11 through FY13, we anticipate increases closer to the rate of inflation for these revenues. No grant funds are included throughout the forecast period.

Charges for services represent public safety charges such as special assignment overtime, fire prevention fees, false alarm charges, EMS service fees, commercial solid waste charges, parking meter collections, lien search fees and copy charges. For FY10 we forecast a 8.2% decrease in revenue from the FY09 budget. The decrease is due to the elimination of parking meters in some parts of town, decreases in special detail usage, false alarm fees, and compacted garbage fees. For FY11 - 13, we conservatively anticipate a 2% increase in revenues each year due either to fee increases or anticipated improvements in the economy. The average increase for the past 10 years has been 5.4%.

Fine and Forfeiture revenue include parking ticket fines and penalties, code enforcement fines, right of way violations and moving violations. We currently anticipate the FY09 revenues to finish the year approximately 8% below budget. For FY10, further declines are anticipated due to decreases in parking ticket fines and penalties caused by fewer meters and the economic downturn. The FY10 budget anticipates a 17% decline from the FY09



Forecast Summary

budget. For FY11 through FY13, we estimated the revenues to remain flat at the FY10 levels. The declines in parking ticket fees is expected to be permanent due to fewer meters.

Miscellaneous revenues represent revenues from rooftop rent agreements, charitable solicitation fees, donations, revenue for state highway maintenance, and Kreusler Park Administration Fees, and other miscellaneous revenues. For FY10, a decrease of 4% is anticipated. For future years, rent increases are built into the leases and represent the only increase in this revenue source.

Expenditure Forecast Assumptions

General inflationary increases ranging from 2% to 2.5% per year were used to forecast commodities, contractual and depreciation expenditures. Both the Federal Reserve and The *Livingston Survey* from the Federal Reserve Bank of Philadelphia forecasts inflation for 2010 at between 1.9 and 2.1%. Their forecast for 2011 indicate that inflation projections increase to 2.3% and longer run projections range from 2.2 to 2.4%. To be conservative we used 2.5% for the longer term forecast.

Historical trends for Salaries & Wage increases show an average increase of about 6% per year for combined merit and competitive pay increases. The FY10 estimate is based upon a decrease in the trend due to the affects of the recent buyout and the estimate does NOT include a competitive pay increase. For FY11, the estimate increases to include a competitive pay increase and the remaining affects of the lower salaries due to the buyout. For FY12 and FY13 we expect the increases to be closer to the historical trend of 6%. (Later in this report staff outlines recommended or potential cuts in personnel for the Town Council to consider as a means by which to reduce these projected increases in Salaries and Wages.)

Employee Benefit increases are based upon discussions with the Town's retirement and health insurance actuaries. Throughout the forecast period, we used a 10% increase in health insurance costs. For FY10, we estimate a total increase for employee benefits of 9% representing a 10% increase in health insurance costs and an increase of \$750,000 for retirement funding. In FY11 we anticipate the retirement contribution to increase by \$1,000,000 due to FY09 losses in the funds. This will increase the assumption to 10.5%. For FY12 and FY13, we are estimating a 9% increase in employee benefits which represent additional funding for the retirement fund of \$750,000 for each year.

Risk insurance premiums have been estimated for FY2010 - FY2013 using the following assumptions: Property Insurance 20% per year, Liability Insurance 10% per year, Worker's Compensation 5% per year. The current volatile insurance market makes it difficult to forecast increases over the long term, but we feel the above estimates reflect a conservative forecast for these expenses.

General Fund contingency appropriation has been estimated to be 1.5% of the forecasted expenditures as required by the policy. The General Fund contingency is funded from fund balance rather than through operating revenues.



Forecast Summary

The table below shows the summary forecast for the General Fund.

	FY09	FY10	FY11	FY12	FY13
Revenues	67,335,600	66,674,543	67,389,182	68,864,875	70,677,654
Expenditures	67,335,600	66,600,083	66,521,715	70,772,286	75,196,000
% Increase/ (Decrease)	N/A	-1.09%	-0.12%	6.39%	6.25%
Millage Rate	3.2512	3.2548	3.2152	3.1727	3.1737
% Increase/ (Decrease)	N/A	0.11%	-1.22%	-1.32%	0.03%
Amount* needed to balance budget	0	74,460	867,467	(1,907,411)	(4,518,346)

* Positive amounts represents surpluses, negative amounts represents deficits.

Once the original baseline LTFP was prepared, staff began with a deficit of approximately \$985,000 for FY10. The Town Manager instructed the departments to find expenditure reductions to offset the deficit. Staff worked hard to identify ways to maintain levels of service and trim costs beyond the cuts already made in response to the State property tax legislation passed in 2007 and 2008 and during the Comprehensive Review of Town Operations (CRTO).

The above forecast includes the following adjustments to the baseline assumptions:

- The first year savings from the early retirement buyout
- The elimination of extraordinary longevity
- The elimination of the PB Cats donation
- The conversion of the driver/delivery person from full time to part time with no benefits
- Reduction of fuel costs from the FY09 budget which were forecasted using a price per gallon of over \$4
- The reduction of 3 police officers with no reduction of community protection
- Reclassification of an evidence/property specialist to an assistant position
- Elimination of an administrative assistant position in the detective bureau
- The reclassification several of positions within public works to lesser pay grades
- Elimination of a laborer position to be replaced with a temporary contract position
- Elimination of the Risk Assistant position in the Town Manager's Office
- Addition of debt service for the Town Hall project on the Revenue Note issued in FY09

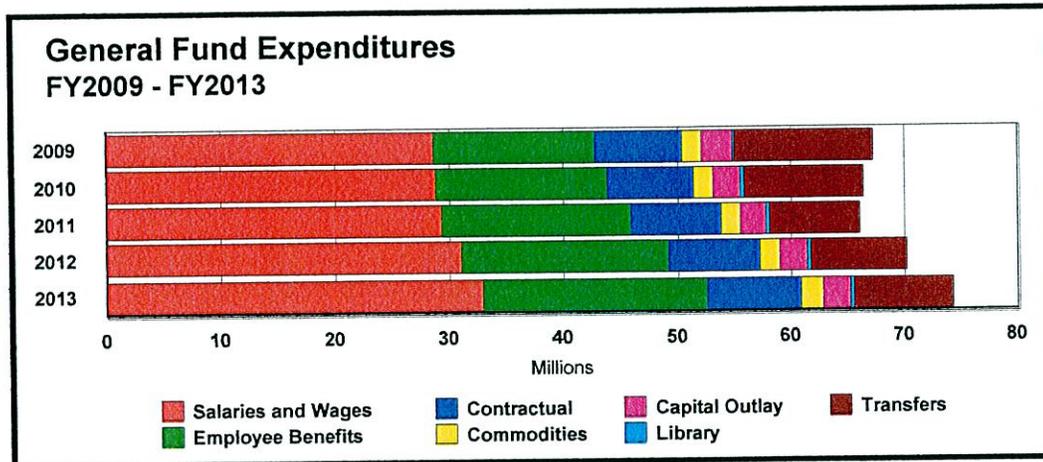
The Town of Palm Beach has made public safety a community priority. The above reductions in police officers do not represent a reduction in service levels. Chief Reiter and the two Majors have recommended the elimination because they have operated with 77 or fewer sworn officers (out of 80 authorized officers) for 4 years and the level of service



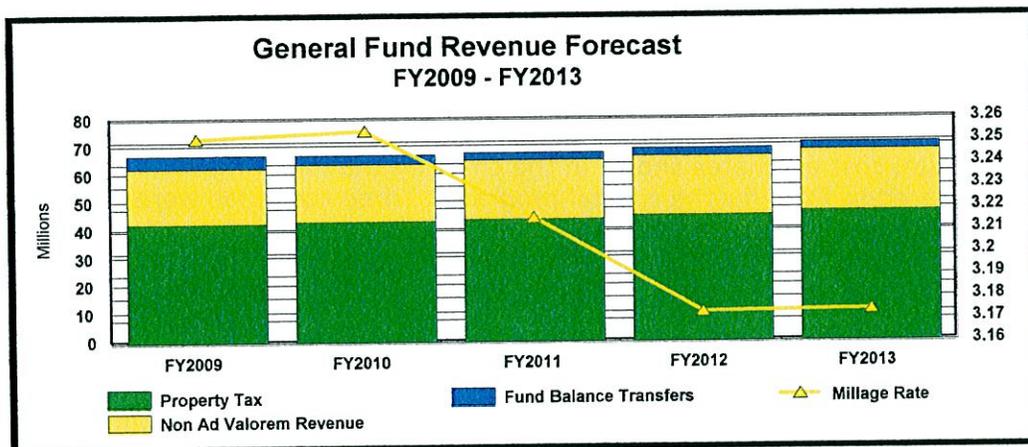
Forecast Summary

delivered to the community has not been negatively affected.

Overall, the forecast expenditures increase by an average rate of 2.57% during the forecast period. The chart on the following page shows the forecasted expenditures by category for the forecast period.



The General Fund revenues increase by an average annual rate of 1.23% which is less than the expenditure increase. This indicates that in FY12 - FY13, there are deficits that will need to be addressed. The chart below shows the revenues for FY09 - FY13 and the estimated millage rate for the forecast period.



The following items are **NOT** included in the forecast for FY10:

- No competitive pay increase for employees (\$300,000 for each 1%)
- No increase to bring the police officers salaries to #1 in county (\$380,000 for 6% to stay ahead of Palm Beach Gardens)
- No funding for Reach 8 financing or other coastal projects or debt service
- No additional funding for capital projects over the FY09 baseline amount



Forecast Summary

If the above items were added to the FY10 forecast it would cause either an increase in the millage rate or force a reduction in the current service levels.

The raises for police officers and a competitive pay increase for all employees would cause a millage rate increase. The approximate cost of the potential 6% increase to bring the police officers to #1 in the County would be \$380,000. The approximate cost for each 1% general pay increase for all employees would be \$300,000. At this time, we are not aware of the amount, if any, of across-the-board salary increases that will be granted by other local governmental employers for FY10. We know that the third year of the Palm Beach Gardens police contract calls for a 6% increase for all officers, which would cause the Town's officers to fall out of the #1 status. At this time we expect the Palm Beach Gardens contract to be honored.

The Reach 8 financing proposal will be presented at the March 10th Town Council meeting. The amounts below represent the estimated debt service on a revenue note that would be issued late in 2009 (during FY10) with debt service payments commencing in FY11.

Reach 8

	FY10	FY11	FY12	FY13
Current Forecast	66,600,083	66,521,715	70,772,286	75,196,000
Reach 8 Financing	0	2,130,263	2,130,263	2,130,263
Millage Rate	3.2548	3.3687	3.3217	3.3183
% Increase (Decrease) Over Prior Year	0.11%	3.50%	-1.39%	-0.10%

The future coastal cost estimates shown in the chart on the following page were based upon estimates prepared in FY07 for the coastal program. Three scenarios were presented: a minimum program which included monitoring and renourishment of Mid Town in the future, at an estimated cost of \$2,500,000 per year, a mid-range program that included renourishment of Mid Town and Reach 7 in the future and monitoring programs, at an annual cost of \$6,500,000. And a maximum program that included the renourishment of Mid Town and Reach 7 and also Reach 5 at an annual cost of \$8,500,000. These figures are provided again at this time for order of magnitude purpose only. Staff will prepare new estimates for the options recommended by the Shore Protection Board in the months ahead.

Forecast Summary



Coastal Program Scenarios

	FY10	FY11	FY12	FY13
Current Forecast	66,660,083	66,521,715	70,772,286	75,196,000
Coastal Projects \$2,500,000 PY	2,500,000	2,500,000	2,500,000	2,500,000
Millage Rate	3.4403	3.3953	3.3475	3.3434
% Increase (Decrease) Over Prior Year	5.82%	-1.31%	-1.41%	-.12%
Coastal Projects \$6,500,000 PY	6,500,000	6,500,000	6,500,000	6,500,000
Millage Rate	3.7371	3.6834	3.6273	3.6150
% Increase (Decrease) Over Prior Year	14.94%	-1.44%	-1.52%	-.34%
Coastal Projects \$8,500,000 PY	8,500,000	8,500,000	8,500,000	8,500,000
Millage Rate	3.8855	3.8275	3.7672	3.7508
% Increase (Decrease) Over Prior Year	19.51%	-1.49%	-1.58%	-.43%

The costs for the 20 year plan shown in the chart below were based upon the plan presented to the Public Works Committee which showed a ramping up of the PAYGO contribution. The current forecast includes \$1,817,000 per year for capital projects. The capital plan amounts represent the amount needed each year over and above the \$1,817,000. The total amount for the capital program levels off in FY13 at \$6,125,000.

20 Year Capital Plan

	FY10	FY11	FY12	FY13
Current Forecast	66,600,083	66,521,715	70,772,286	75,196,000
20 Year Capital Plan	1,458,000	2,308,000	3,308,000	4,308,000
Millage Rate	3.3630	3.3815	3.4041	3.4662
% Increase (Decrease) Over Prior Year	3.44%	.55%	.67%	1.83%



Forecast Summary

As indicated in the Capital Funds Forecast section of the document, there is an annual shortfall ranging from \$283,000 in FY10 to \$483,000 in FY13 for the current 5 year program, for a total of \$1,732,000 over the four year period. The annual forecast kept the annual general fund contribution to the capital fund equal to the FY09 budgeted amount. The Town Council may wish to consider reserving a portion of the excess fund balance (\$1,732,000) to allocate to capital projects on an annual basis.

As the above charts indicate, the millage rate increases for some of the scenarios in the first year can be substantial. In fact, if one of the two large PAYGO coastal plans were adopted, a unanimous override would be required to increase the millage rate, since the increase would be well over a 10% increase over rolled back.

The Town is in a strong financial position to be able to endure the current revenue shortfalls without extensive cuts in service levels. However, adequately funding the capital needs of the Town will require tax increases, with or without the issuance of debt, or would require deep cuts to operating costs and service levels.

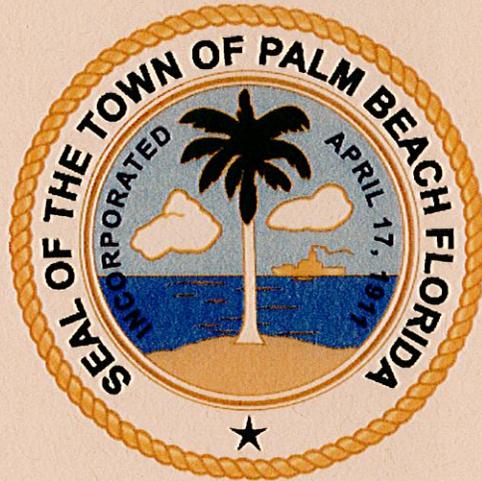
Planning for the FY10 Budget

The Long Term Financial Plan is a baseline forecast. It is not a budget. During preparation of the FY10 proposed budget over the next several months, staff will work hard to identify additional opportunities to improve the bottom line projections contained in this report.

If the Town Council would like to explore additional cost reductions to offset the capital costs outlined above, staff can update the CRTO, including the review of benefits, for the Town Council to determine which cuts to service levels or benefit costs should be implemented or explored further. Since the baseline forecast has been established, staff can prepare different models based upon parameters chosen by the Town Council.

We look forward to working with the Finance and Taxation Committee and the full Town Council to effectively finance the Town's short-term and long-term needs.

TOWN OF PALM BEACH



GENERAL FUND FINANCIAL TREND ANALYSIS



General Fund Trend Analysis

General Fund Trend Analysis

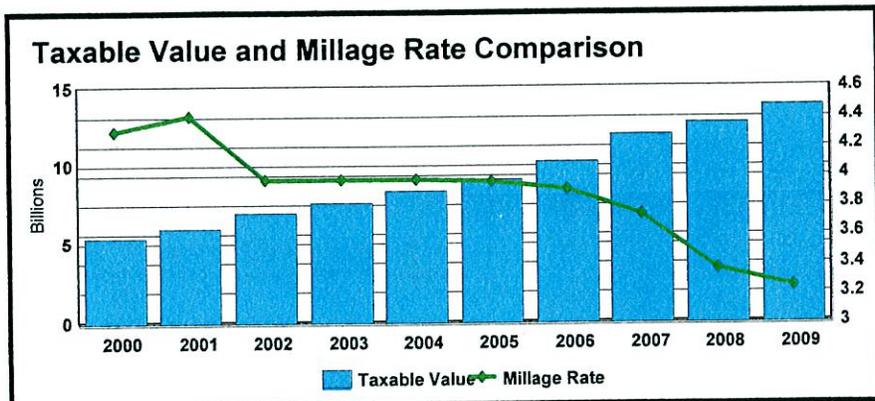
Financial Trend analysis assists the Town in evaluating its financial condition. The trend analysis describes the fluctuations in the major categories of General Fund revenues and departmental expenditures. The trends present a picture of the Town's financial strengths and weaknesses and allows staff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

General Fund Revenue Trend

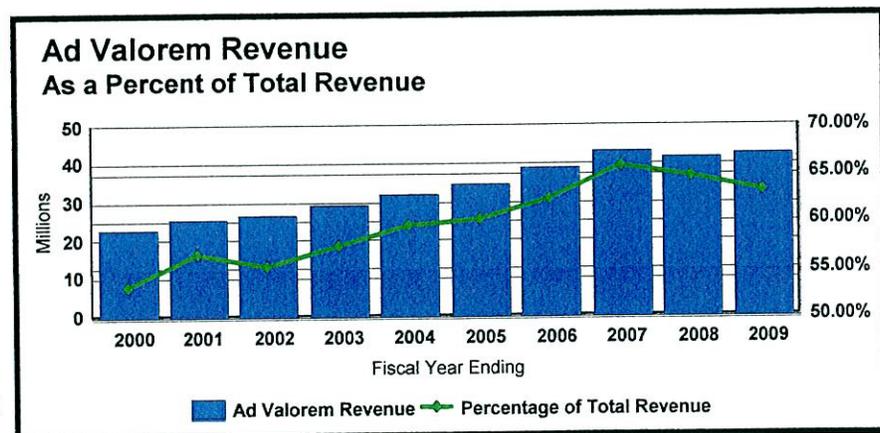
Revenues determine the capacity of a municipality to provide services. Important issues to consider when reviewing revenue trends are growth, flexibility, diversity, reliability and administration. Revenues should grow at a rate equal to or greater than the combined effects of inflation and expenditures.

Ad Valorem Tax Revenue

Ad valorem tax revenue has been steadily increasing since 2000. At the same time the total millage rate has decreased. Since 2000, the Town's taxable value has increased from \$5,428,850,566 to \$13,773,998,042 (154% increase). The Town's ad valorem revenue has increased during the same period from \$22,587,000 to \$42,542.921 (88% increase), while the total millage rate has declined from 4.6452 in FY00 to a millage rate of 3.2512 (a decline of 30%) for the FY09 Budget.



Increases in taxable value have been due to the following factors:
 Numerous development and redevelopment projects in the Town, significant increases in the market values of waterfront properties, and significant increases in the market values of all other homes in the Town. Even during the downturn in the economy, the taxable





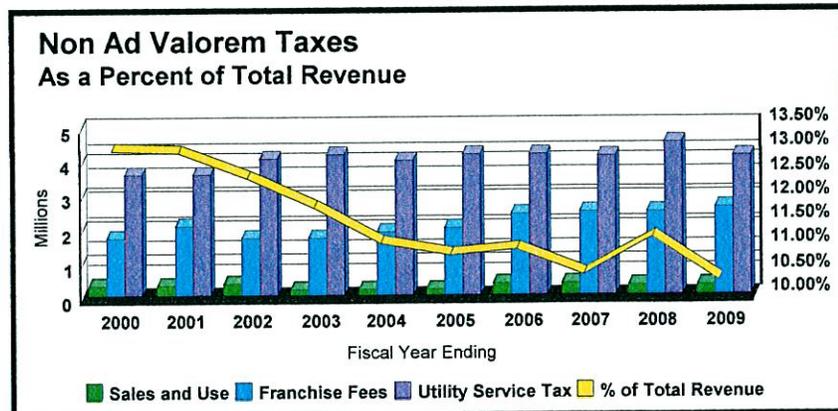
General Fund Trend Analysis

value increased 8% from FY2008 to FY2009. Ad valorem tax revenue accounts for 63% of total General Fund revenue. In FY09 most municipalities in Palm Beach County experienced a decline in taxable value, Palm Beach was one of a few town's that showed an increase. Even though the trend for taxable value has shown large increases over the past 10 years, we do not expect this trend to continue in the near future. We expect taxable value for FY10 to be flat or decline.

Current State law caps all local government millage rates at the rolled-back rate (rate that produces the same taxes as the prior year, exclusive of taxes from new construction) plus growth in personal income. For the upcoming fiscal year, the personal income growth amount is 2.57%. Estimates from the State of Florida show personal income growth decreasing to 1.4% for FY11 and 1.3% for FY12 then increasing to 2.7% for FY13.

Non Ad Valorem Tax Revenue

Utility service tax and franchise fee revenue have experienced stable growth until recent years. The communications services tax has declined since it was instituted in 2002, but has increased in FY08 and FY09 due to an audit of the address database reallocated revenues between municipalities in the state. In FY2009, the budgeted revenue for franchise fees anticipates a slight decrease with budget amounts comparable to FY07 year end actual amounts. Utility service taxes in total have decreased based upon anticipated decreases due to the downturn in the economy. Sales and use tax decrease in FY09 due to the economy and is expected to decrease further in FY10.



Non-ad valorem taxes have decreased as a percentage of total revenue during the past 10 years with a slight increase in FY06 and FY08. Non-ad valorem taxes represent 10.5% of total General Fund revenue. Total non ad valorem tax revenue is anticipated to decrease by 8% in FY2009. Non ad valorem taxes represent the second largest source of revenue. Future revenues are expected to remain stable based upon recent trends.

License and Permit Revenue

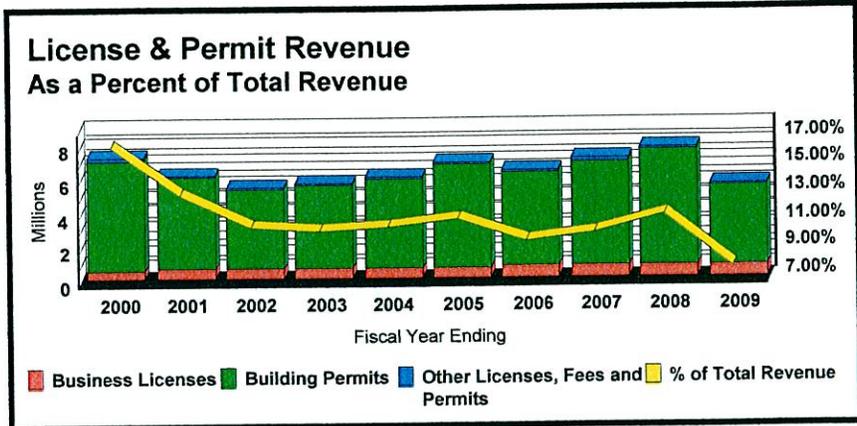
License and permit revenue includes: occupational licenses, building permit revenues and parking permits.

Since FY2000, revenues from licenses and permits have maintained historically high levels. The year-end estimates for FY2008 are higher than had been anticipated in the budget due



General Fund Trend Analysis

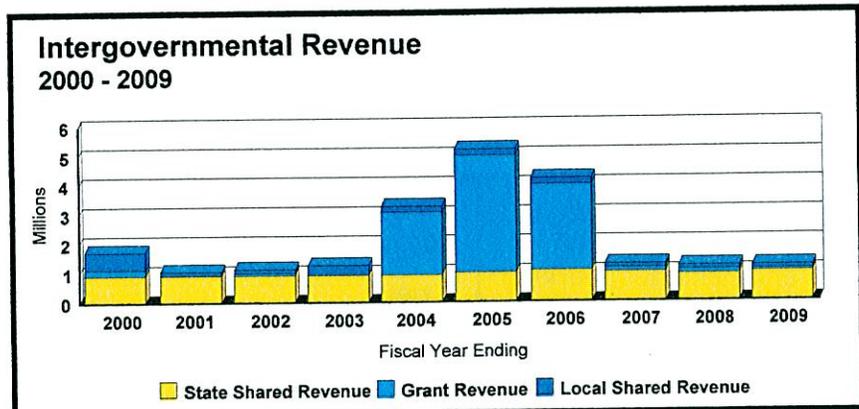
to additional redevelopment projects. FY2009 revenues have been budgeted conservatively and are based on projects that are expected to be constructed in FY2009. In 2007, a rate study was completed and many of the building permit rates were adjusted. Additional fees have also been added in recent years. Business license revenues are expected to remain stable for FY2009.



License and permit revenues currently represent 8% of total General Fund revenues. The current economic environment is causing revenues from permits to decline. For fiscal year 09 to date, building permit revenue is significantly lower than the same period in FY08. 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.



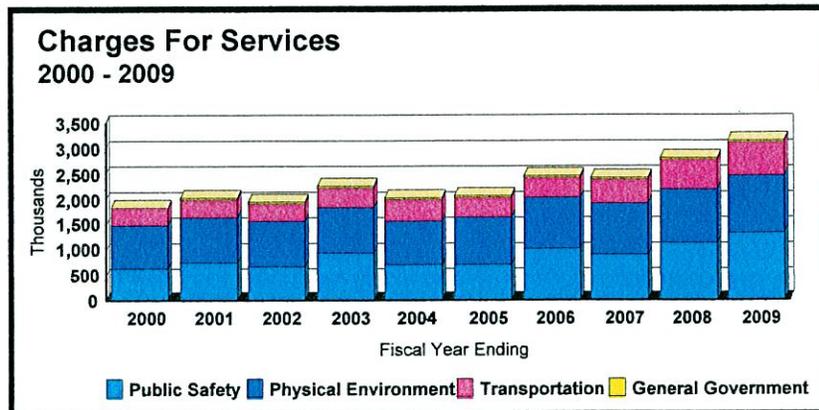
In FY2000, the Town received \$558,918 from the City of West Palm Beach for a settlement agreement on the East Central Regional Wastewater Treatment Facility and \$201,619 from FEMA for funding for storm recovery. The spike in revenues for FY04 through FY06 is due to reimbursements from FEMA for the hurricane recovery efforts. Since FY06, the revenues have been stable with no measurable increases or decreases, however, the recent economic downturn has caused sales tax and revenue sharing revenues to decrease for FY09. For FY09, the Town expects to receive approximately \$110,000 from the Palm Beach County 911 Reimbursement fund and \$73,600 has been included in the budget for anticipated grant receipts. Revenues from intergovernmental sources equal 1.9% of total General Fund revenue and are expected to decline for the next few years.



General Fund Trend Analysis

Charges for Services

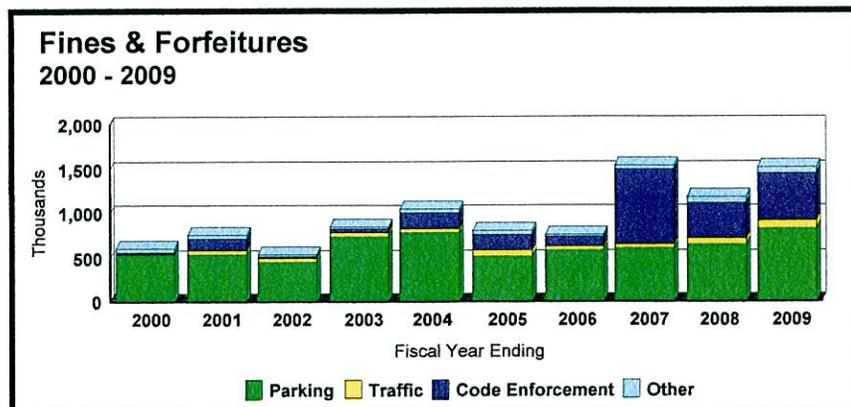
The Town charges for various services, including public safety fees, solid waste fees and parking meter collections. The most significant source of revenues in this category are from public safety special assignment charges, EMS fees and solid waste disposal fees. The fees for special assignments for police and fire were increased in FY06 and again in FY09 to cover



the costs of providing the service. In FY03, two new fees were established, an EMS transport service fee and a direct connect alarm service fee. EMS fees increased by 104% in FY06 due to improved collections of delinquent accounts. After FY06 the fees have remained stable. In FY06, new fire prevention fees were adopted that generated \$50,600 for the first year revenue and in FY09 \$101,600 has been budgeted for these fees. False alarm fees were increased in FY08. Solid waste revenues are anticipated to increase by 9% in FY09 due to an increase in fees. Revenues from parking meters increased in FY08 due to a fee increase. Parking meter fees are expected to decline in FY09 due to the removal of meters in various locations throughout town and less demand due to the economic downturn. Revenues for charges for Town services are 4.7% of total General Fund revenues.

Fines and Forfeitures

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



Parking fine and penalty revenue has not maintained a stable trend.

Fluctuations are due to increases in the fine amounts in FY01 and FY08.

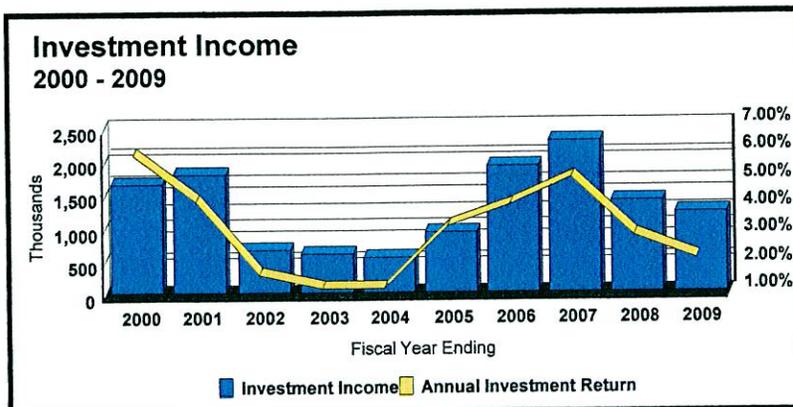
Other increases were due to improved collection efforts by a new collection agency especially for out of state parking tickets. The Town's code enforcement efforts since FY06 have resulted in the increased revenues. Many large code enforcement fines have been collected. Fines and Forfeitures represent 2.3% of total General Fund Revenue.



General Fund Trend Analysis

Investment Income

The trend in Investment income for the past 10 years has been very volatile. Interest rate fluctuations are the main cause of the volatility. From FY2002 through FY2004 historically low interest rates caused investment income to decline and due to the current low rates we expect investment income to decline again. In FY2003 the Town Council approved the formation of an Investment Advisory

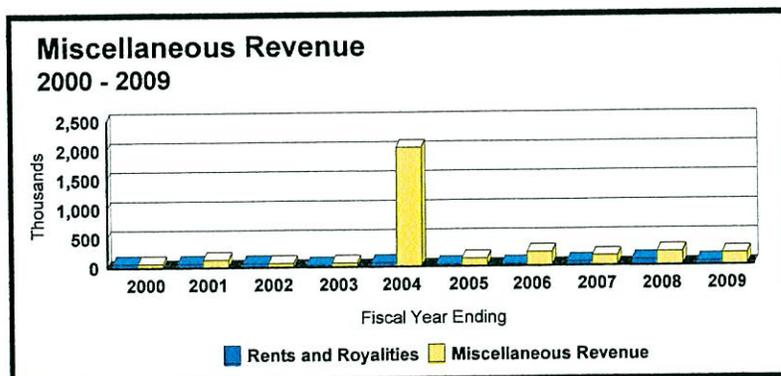


Committee. This committee was instructed to develop an investment plan for Town surplus reserves. The committee recommended that a portion of the Town's reserves be invested with the Florida League of Cities Investment Pools. The Town had the remaining balance of the surplus investments with the State Board of Administration Investment Pool. The Town liquidated this investment prior to the State freezing the pool late in 2007. The funds were transferred to the Evergreen Investments Institutional U.S. Government Money Market Fund.

As of September 30, 2008, investments the Florida League of Cities pool has returned 5.02% on the 1 - 3 Year Bond Fund and 6.16% on the Intermediate Bond Fund and the Evergreen money market fund earned 2.25% to produce a blended yield of 3.37%. For FY2009, an interest rate of 2.5% was used to calculate the budgeted amount for investment income. Based upon the current market environment, budgeted revenue may not be achieved for FY09. Investment income represents 1.8% 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 FY2009 are expected to remain stable. Miscellaneous revenue represents .5% of total revenue.

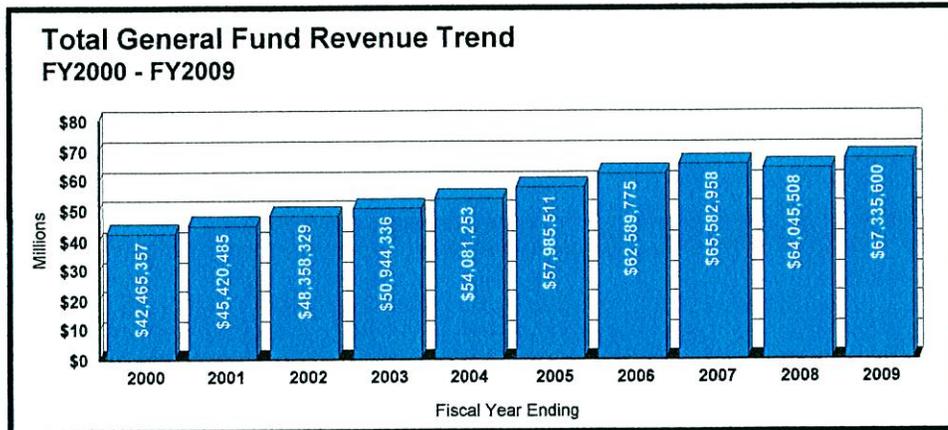




General Fund Trend Analysis

Revenue Trend Summary and Conclusion

Total General Fund Revenues have increased at an average annual rate of 4.7% since FY00. This trend is due to increases in ad valorem revenue, building permit revenues, and fine revenue. One time revenues in FY2004 for the sale of Town owned property and FEMA reimbursements in FY2004 through FY2006 also contribute to increase the annual average.



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. Overall, the non ad valorem revenue trend has been stable. The FY2009 budget represents conservative estimates for non ad valorem revenues.



General Fund Trend Analysis

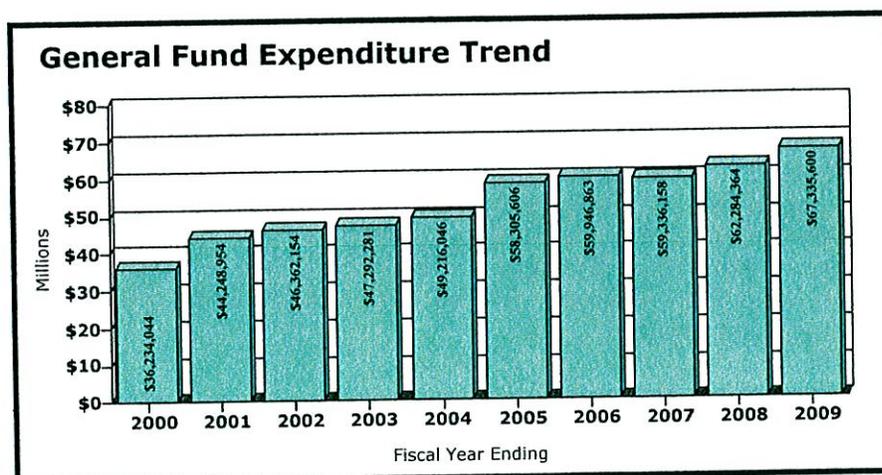
General Fund Expenditure Trend Analysis

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

A municipality should consider its 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 FY2009, the total General Fund budget increased by 4.7% which includes transfers from fund balance for one-time expenditures. The General Fund operating budget increased 2.5% over FY2008. Increases in the FY2009 budget relate to employee pay for performance and competitive pay increases, the cost of the first year of the early retirement buyout, increases in health care costs, increases in fuel costs, and transfers to the Coastal Protection Fund for pending litigation. Expenditure increases in FY2001, FY2002 and FY2003 were due in large part to the transfers to the Capital Improvement Program for drainage projects, transfers to the Coastal Protection Fund for beach projects, and transfers to the Debt Service Fund. In FY2004 and FY2005 expenditures related to the response to and recovery from Hurricanes Frances and Jeanne caused expenditures to increase by over \$6,000,000. Over the 10 year trend time-line, pension costs have increased from a low of \$1,054,861 to a high in FY08 of \$7,506,403 a 611% increase. In FY09, retirement costs decreased by \$636,848. Since 2000, a total of 21.87 FTEs have been added to the budget. Twelve of the additional personnel were in the Fire-Rescue Department. Many of the expenditures for capital projects were financed with transfers from fund balance. A significant portion of the expenditures related to the hurricanes have been reimbursed from FEMA and state sources. Overall, expenditure increases have not caused the millage rate to increase. In fact, since FY00, the total millage rate has decreased from 4.6452 to 3.2512 (30%).



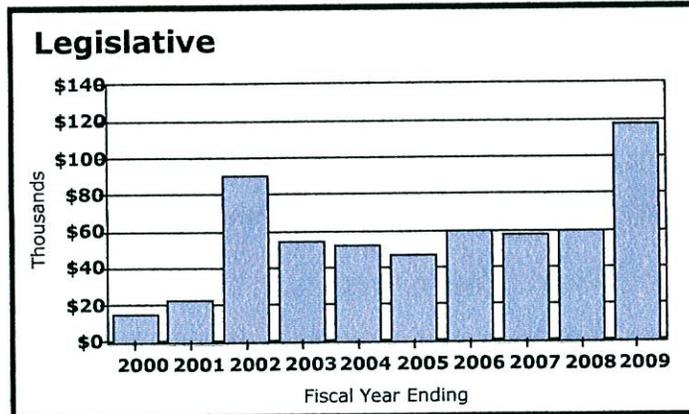
General Fund Trend Analysis



Departmental Expenditure Trend Analysis

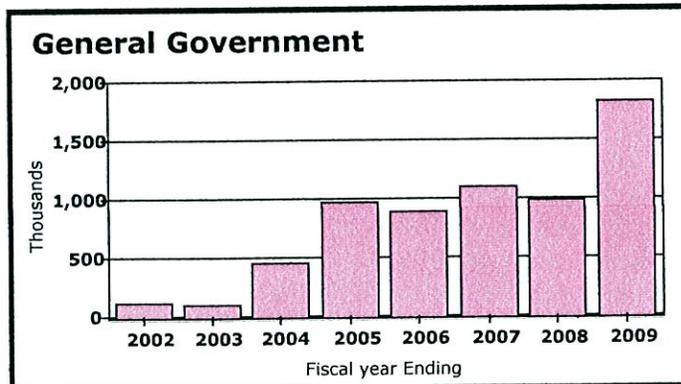
Legislative

The legislative program includes funding for the Mayor and Town Council and for interaction with other government related agencies. The Legislative budget in 2002 increased due to costs associated with the formation of a Strategic Planning Board. This board released its report in FY03. The budget remained higher than in the past due to expenditures relating to lobbying services. In FY09, the Town Council directed an increase in the lobbying budget for additional services in Washington. The legislative program represents .17% of the total General Fund Budget.



General Government

The General Government budget represents the cost of general government services and activities which are not specifically or reasonably classified elsewhere within the departmental program classifications. This program was established with the FY05 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 (which has been eliminated for FY10 and beyond), annual report and calendar, holiday decorations and the July 4th celebration. In FY05, initial pay-outs for compensated absences, a citizen survey, and a compensation study were included in this budget causing the large increase in expenditures. Decreases in the compensated absence pay-outs for FY2006 is the cause for the decrease in expenditures. In FY09, the first year cost of the retirement buyout is included in this program which caused the large increase. The buyout was funded with a transfer from reserves rather than through operating revenues. The compensated absence pay-outs also are funded from reserves. General Government expenditures represent 2.7% of total General Fund expenditures.

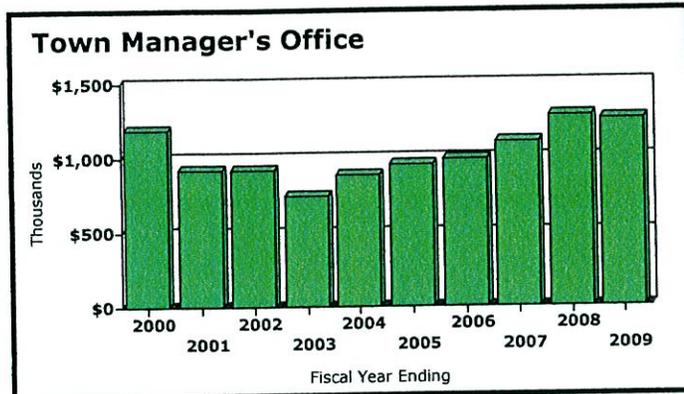




General Fund Trend Analysis

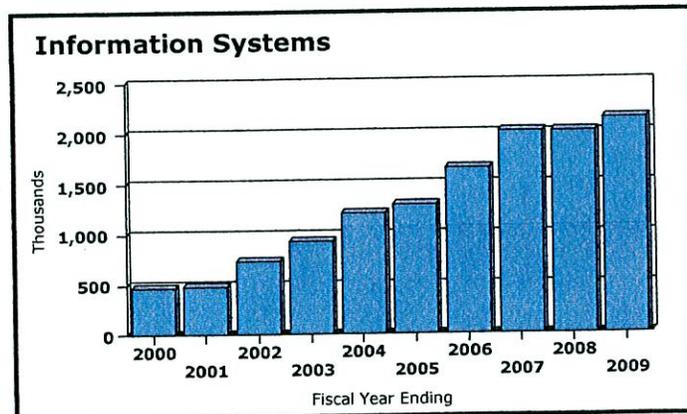
Town Manager's Office

The Town Manager's budget includes expenditures related to administration and advice and litigation. 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 FY08 increased from FY07 due to expenditures related to advice and litigation. The Town Manager's Office expenditures represent 1.9% of General Fund expenditures.



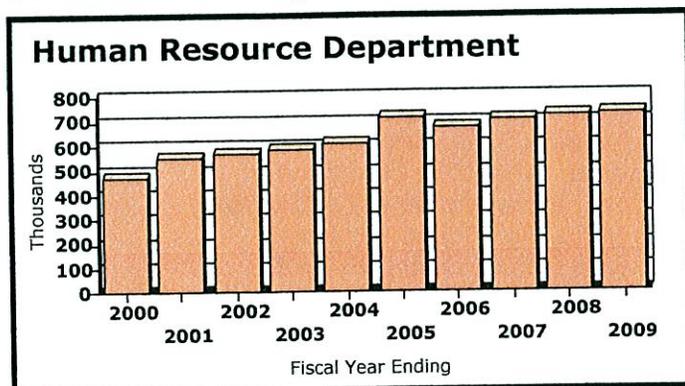
Information Systems

Increases from 2001 through 2005 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. In FY2006, Information Systems expenditures increased due to funding for the initial implementation of a new software system including additional equipment related to the implementation. The new financial software and other components related to building permits were implemented in FY07 and FY08. New software for Public Safety is planned for FY09 and FY10. Information Systems expenditures represent 3.2% of total General Fund expenditures.



Human Resource Department

The Human Resource Department budget for FY09 will decrease 8.5% from the FY08 budget. This decrease is due to cuts made in recruiting and training. In FY05, the increase is due significant recruitment expenditures due to numerous retirements. Human Resource expenditures represents 1.1% of the total General Fund Budget.

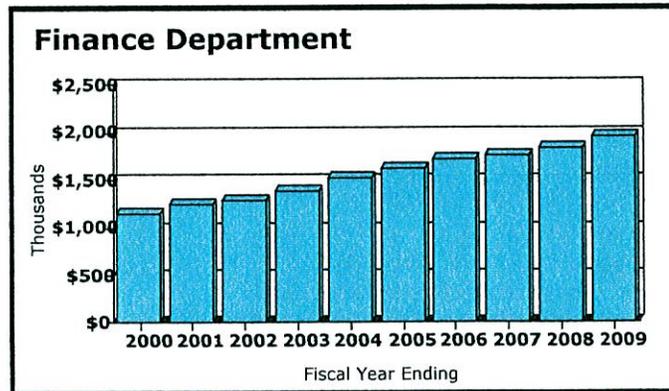




General Fund Trend Analysis

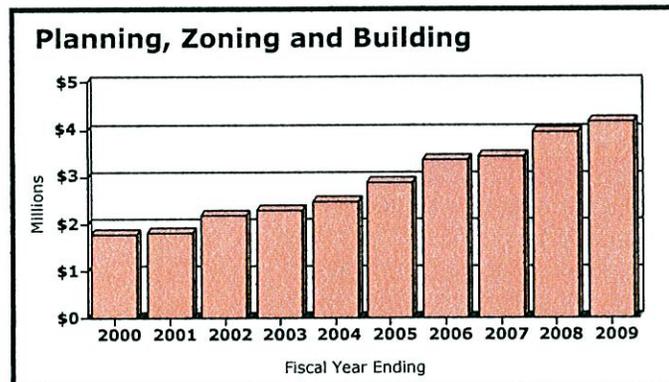
Finance Department

The FY09 budget for the Finance Department, which includes the Purchasing Division and the Town Clerk's Office, increased by 2.7% due to increases in the costs of employee benefits, the pay for performance plan and competitive pay increases. Increases throughout the decade have been mainly due to salary and benefit increase and increases in audit fees, bank fees and other contractual expenses. The Finance Department represents 2.9% of the total General Fund budget.



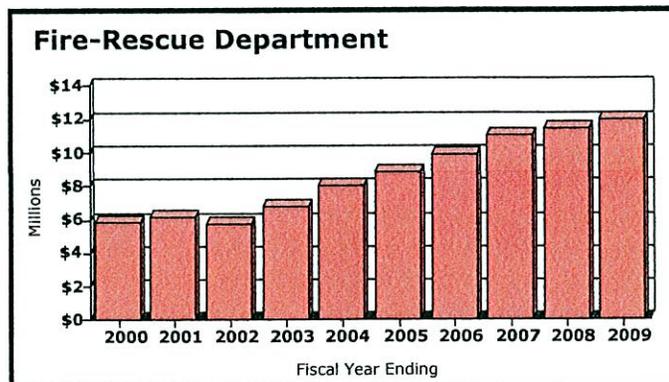
Planning, Zoning and Building Department

In FY06, the Planning, Zoning and Building Department (PZ&B) budget increased by 15.4% due the expansion of the Fire Prevention program including the addition of 3 additional personnel. A part time code enforcement officer was also added to the budget. In FY08, the code enforcement division was established and personnel from the police department were charged to this budget to expand the code enforcement efforts. 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 6.17% of the total General Fund budget.



The Fire-Rescue Department

The increase in FY03 was due to the addition of 4 new positions to improve emergency response service. The increase in FY2004 was due to the addition of three shift commander positions, increased salary and wage costs and a significant increase in employee benefit costs. FY2005 expenditures increased due to significant overtime from hurricanes and shortages in staffing. The increase in FY06 is due to funding for the



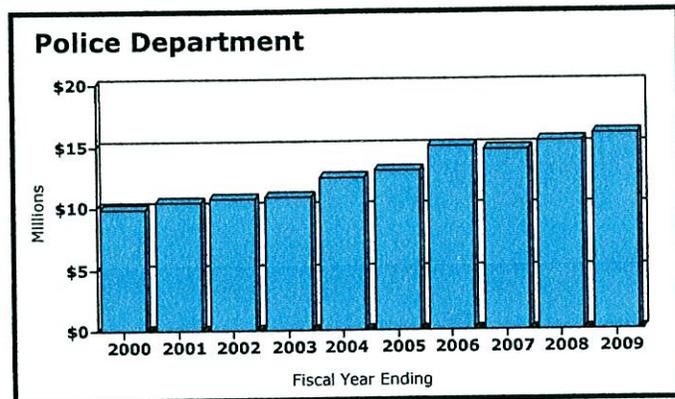


General Fund Trend Analysis

purchase of SCBA equipment and increases for pay for performance, competitive pay increases and increases in employee benefit costs. The increase in FY07 was due to significant increases in retirement costs. Increases in FY08 include salary and benefit increases and increases in depreciation for the modification to the equipment replacement program. Fire-Rescue Department expenditures represent 17.9% of the total General Fund budget.

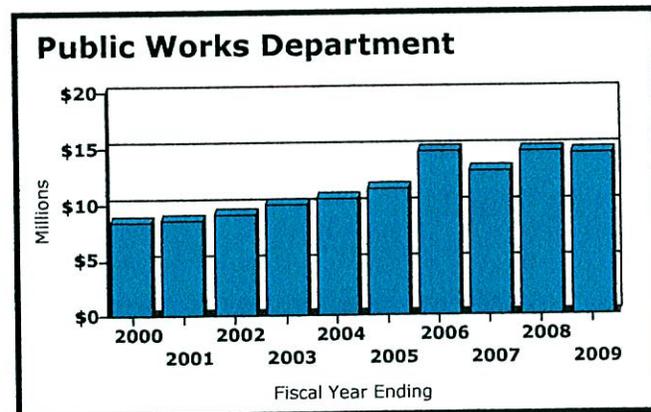
The Police Department

Increases in FY04 and FY05 were due to overtime related to the hurricanes. In FY06, Police Department expenditures increased due to the funding for a radio system. In FY08, funding for the electronic chalking for parking enforcement was included in the budget. Police Department expenditures represent 23.8% of the total General Fund budget.



The Public Works Department

The increase shown in FY03, is due to the consolidation of all building maintenance accounts into the Public Works budget. In FY04, the increase is due to higher employee benefits costs and the cost to implement the expanded lethal yellowing plan. FY05 expenditures increased due to overtime related to the hurricane efforts, and the addition of an additional Assistant Director position. The FY06 increase is due to the addition of two new positions, a Mechanic and Equipment Operator, which were necessary to maintain the additional stormwater pump stations. In



In addition, increased employee benefit costs, increases for the pay for performance plan and the competitive pay increase also caused the public works budget to increase. The increase in FY08 was due to the purchase of a parking kiosk system, and the contractual costs for coastal projects was included in the budget. In FY09, the decrease is due to the transfer of the contractual costs for the coastal projects to the coastal protection capital fund. Public Works expenditures represent 21.6% of the total General Fund budget.

Transfers to Other Funds

The transfer to other funds increased in FY09 by 16.3%. A summary of the transfer variances is outlined below:

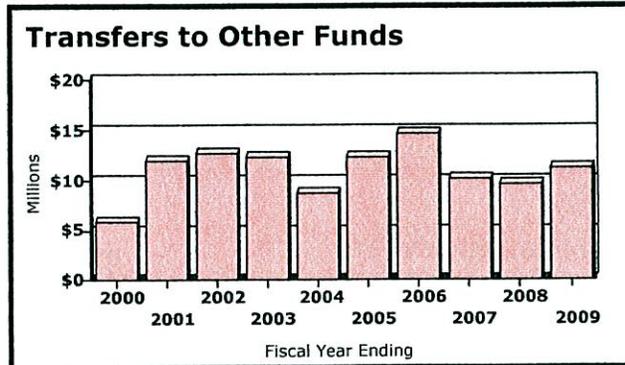
- The transfer to the Internal Service Fund for Risk Management (property, liability



General Fund Trend Analysis

and workers compensation) decreased by \$474,000 (19.8%) due to decreases in insurance costs.

- The transfer to the Capital Improvement Fund decreased by \$279,000 (13.3%).
- A transfer to the Coastal Protection Fund of \$2,000,000 was added to the FY09 budget for pending litigation.
- The transfer to the debt service fund increased by \$138,000 (3.8%)
- The transfer to the OPEB trust fund increased by \$183,000 (12.5%).



The substantial increase for FY01 through FY03 was due to transfers to the Coastal Protection Fund for beach renourishment debt service, transfers for the drainage improvement projects, the transfer to establish the equipment replacement fund, and transfers to the Revenue Bond debt service fund. The decline in FY04 was due to a decrease in the capital improvement fund transfer for drainage. The increase in FY05 was due to additional funding for the Town Hall renovation project. In FY06, the increase was due to the additional funding transferred to the equipment replacement fund for the modification from acquisition cost to replacement cost funding. The most significant increase in FY09 was for the transfer to the coastal fund which was funded from reserves. Transfers represent 16.3% of the General Fund budget.

General Fund Expenditure Trend By Type

Since 2000, total expenditures have increased at an average annual rate of 6.98%. Expenditures early in the decade 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 and enhance the equipment replacement reserve, the transfer to the compensated absence reserve and hurricane response and recovery costs.

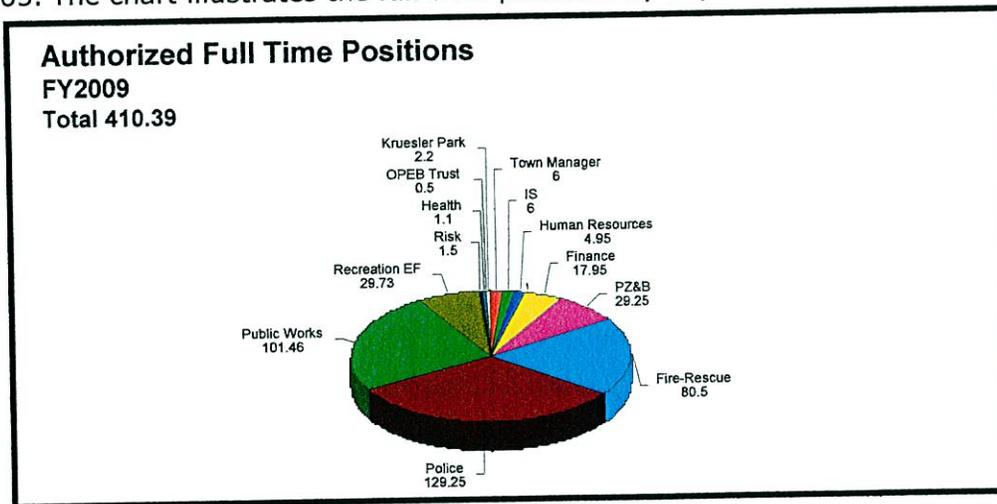
The five year average increase (FY05 through FY09) in expenditures, by type is summarized below:

Expenditure Type	5 Year Average Annual Increase
Salary & Wages	5.91%
Employee Benefits	7.27%
Contractual Services	4.35%
Commodities	7.64%
Capital Outlay	16.98%
Other - Transfers to other funds	11.81%

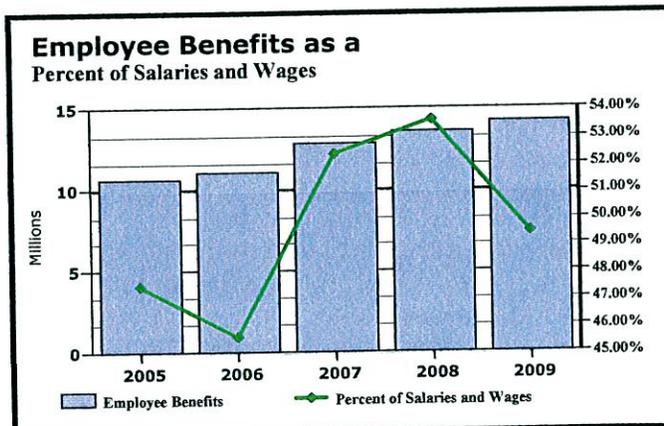


General Fund Trend Analysis

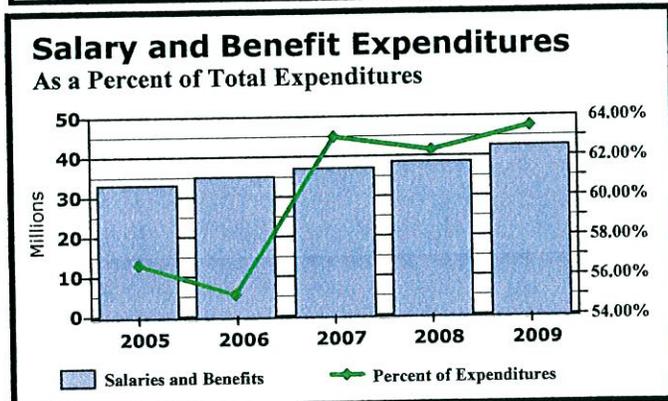
Salary and Wage increases are due to across the board competitive pay increases, step increases (for police officers and firefighters) and pay for performance increases (for civilian employees) and 4.12 new positions during the 5 year period. Increases due to compensation studies and the establishment of the compensated absence reserve have also added to the average increase. The overtime related to the hurricanes also increased wages during FY2005. The chart illustrates the full time positions by department for FY09.



Employee Benefits increases are due to increased funding for Retirement Funding and Health Insurance and increases in personnel. Retirement funding since 2005 has increased a total of \$2,576,886 (37%). Health insurance funding also increased during the period. The establishment of the GASB required OPEB trust in FY07 caused the annual contribution to retiree health care to increase by \$1,068,720 or 28%. Due to the increases in retirement and health insurance funding, employee benefits as a percent of salaries and wages has increased in FY07 and FY08 to a high of 53%. Decreases in retirement funding in FY09 caused the ratio to decrease to 49%.



Total Salary and Benefit costs are a significant portion of the total General Fund Budget. Since FY2005 the costs of salaries and benefits have increased from 56% to 63% of total expenditures for FY2009. In total, salary and benefit costs increased 10% for FY2009.





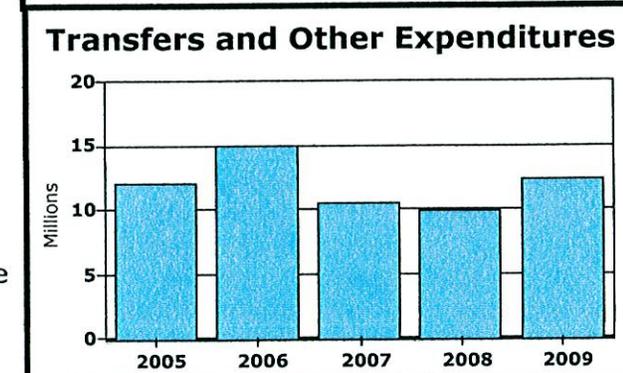
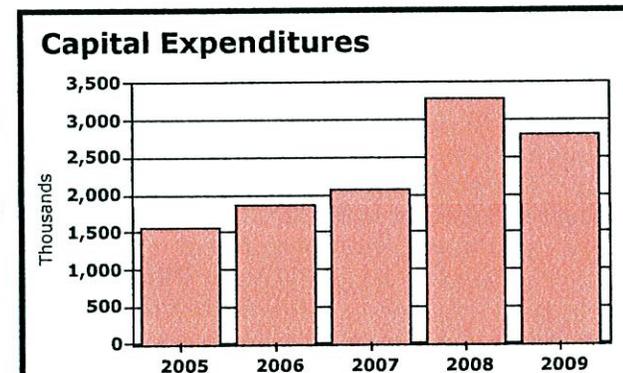
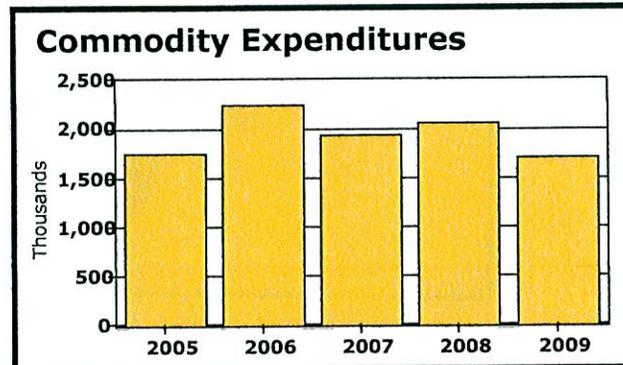
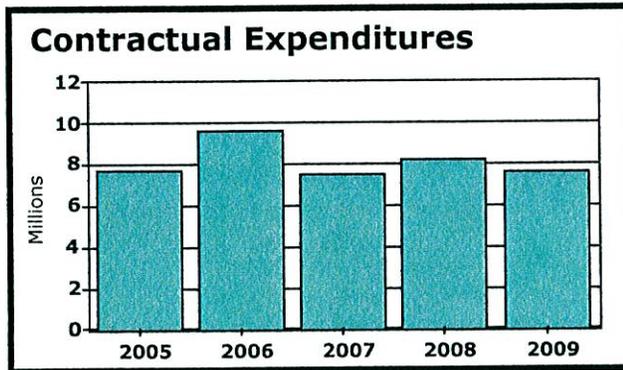
General Fund Trend Analysis

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 FY05 and FY06. In FY09, contractual expenditures decreased by 7.8% due primarily to cuts in the coastal protection program. If you back out hurricane expenditures the 5 year average increase is .79%.

The FY06 increase in **commodities** can be attributed to increased fuel costs and funding for the first year implementation of a new townwide software program. Significant cuts in the FY09 budget offset by higher fuel costs led to a net 1.5% decrease in the commodity expenditures.

Capital Outlay expenditures primarily represent depreciation charged to each department for the equipment replacement fund. Also, new equipment purchases that do not replace existing equipment are coded to these accounts. In FY06 a new police radio system was purchased and in FY08, the increase is due to the modification of the equipment replacement fund from acquisition cost depreciation to replacement cost depreciation. In addition, new parking kiosks and an electronic chalking program were implemented.

Transfers and other expenditures has increased by an average of 11.8% since FY05. In FY06, a transfer to the equipment replacement fund for the cumulative cost of the modification from acquisition cost to replacement cost depreciation funding. In FY09 the increase was due to the \$2 million transfer to the coastal projection fund for the pending litigation.



General Fund Trend Analysis



Historical Summary of Authorized Positions

Since FY05 there has been an increase of 4.13 FTEP personnel included in the budget. This represents a 1% increase. The table below indicates the number of authorized positions by Department since FY05:

	FY2005	FY2006	FY2007	FY2008	FY2009
Town Manager	6.00	6.00	6.00	6.00	6.00
Information Systems	6.00	6.00	6.00	6.00	6.00
Human Resources	4.90	4.90	4.90	4.90	4.95
Finance	18.00	18.00	18.00	18.00	17.95
Planning, Zoning and Building	24.50	27.50	27.50	29.00	29.25
Fire-Rescue	79.50	80.00	80.00	80.00	80.50
Police	131.00	131.00	131.00	129.50	129.25
Public Works	99.74	101.88	101.80	101.91	101.50
Capital Fund	1.00	1.00	1.00	0.00	0.00
Recreation EF	29.83	30.28	32.23	29.17	29.70
Risk	2.00	2.00	2.00	2.00	1.50
Health	1.60	1.60	1.60	1.60	1.10
OPEB Trust	0.00	0.00	0.00	0.00	0.50
Kruesler Park	2.20	2.20	2.20	2.20	2.20
Total	406.27	412.36	414.23	410.28	410.40

A summary of the 4.13 new positions that have been added since FY2005 by Department include:

Human Resources (.05)

- Change in Allocation of personnel to Health and OPEB Trust

Finance (-.05)

- Allocation of personnel to OPEB Trust (2009)

Planning, Zoning & Building (4.75)

- 2 Fire Inspectors (2006)
- Administrative Secretary Fire Prevention (2006)
- ½ Support Services Captain from Police (2007)
- ½ Support Services Sergeant from Police (2007)
- ½ Parking/Code Enforcement Specialist from Police (2007) Increase to .75 in (2008)

Fire-Rescue (1.0)

- Part Time Mechanic's Assistant (2009)

Police (-1.75)

- ½ Support Services Captain to Code Enforcement (2007)
- ½ Support Services Sergeant to Code Enforcement (2007)
- ½ Parking/Code Enforcement Specialist to Code Enforcement (2007) Decrease to .75 (2008)

Public Works (1.76)

- Mechanic I (2006)
- Equipment Operator (2006)
- Transfer of FTE Allocation to LSEF .26 FTE
- Transfer of Construction Manager from Capital Fund to Public Works (2008)
- Reduction to Part Time Mechanic (2009)
- Reduction of Laborer (2009)

Capital Fund (-1.0)

- Transfer of Construction Manager from Capital Fund to Public Works (2008)

Recreation Enterprise Fund (-.13)

- Increase in Part Time Personnel .88 FTE
- Decrease in Public Works Allocation -.26 FTE
- Recreation Supervisor (2007)
- Conversion of Tennis Pro from employee to contractual (2008)
- Elimination of a Registration Clerk -.75 (2008)

Risk Fund (-.5)

- Administrative Secretary - full time to part time (2009)

Health Fund (-.5)

- Transfer of personnel allocation to OPEB Trust

OPEB Trust (.5)

- Transfer of personnel allocation from Health Fund

TOWN OF PALM BEACH



DEBT SERVICE FUND TREND ANALYSIS

Debt Service Fund Trend Analysis



Debt Service Fund Trend Analysis

General Obligation Bond

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

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, including the construction of the central fire-rescue station and the renovation of Town Hall.

The Revenue 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



Debt Service Fund Trend Analysis

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.

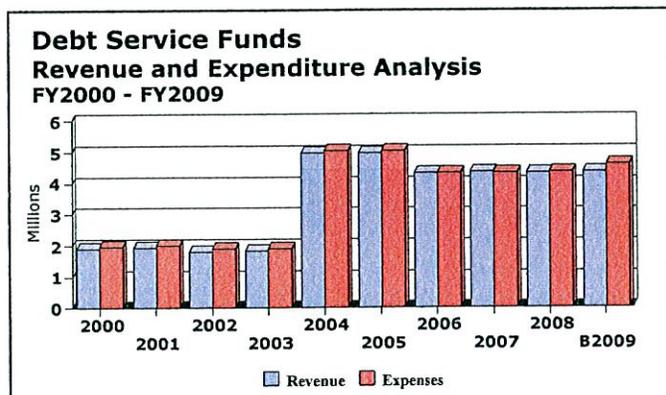
2008 Revenue Note

On June 10, 2008, the Town Council authorized the issuance of a \$10,000,000 bank note for the Town Hall renovation project. A portion of the proceeds of the note, \$2,000,000, was transferred to the Coastal Protection Fund for the Sand Transfer Plan project. Payments on the note will begin in 2011. Interest through 2011 was capitalized in the note. Payments for FY2009 and FY2010 will be made from the capitalized interest. The revenue note is a variable rate note priced at 63.7% of BBA LIBOR Daily Floating Rate plus 71.5 basis points. The term of the note is for 20 years.

Debt Service Fund Trends

The consolidated debt service funds revenue and expenditures trends are shown in the table. 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

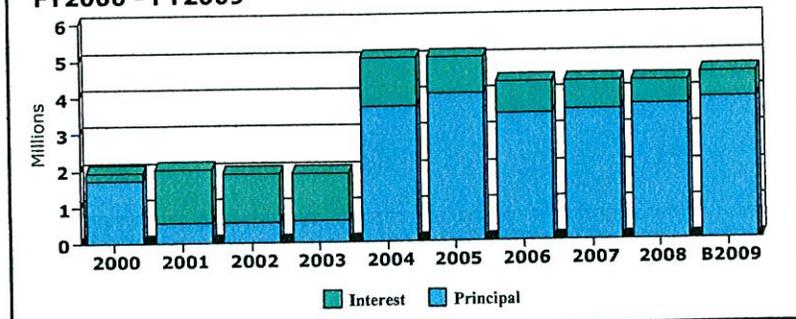




Debt Service Fund Trend Analysis

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.

**Debt Service Funds
Principal and Interest Trends
FY2000 - FY2009**



The chart details the principal and interest trends since 2000 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 revenue note requires quarterly interest payments through 2010 and then quarterly principal and interest payments through the life of the note. The annual debt service requirements for the outstanding revenue bonds and note through 2017 are shown below:

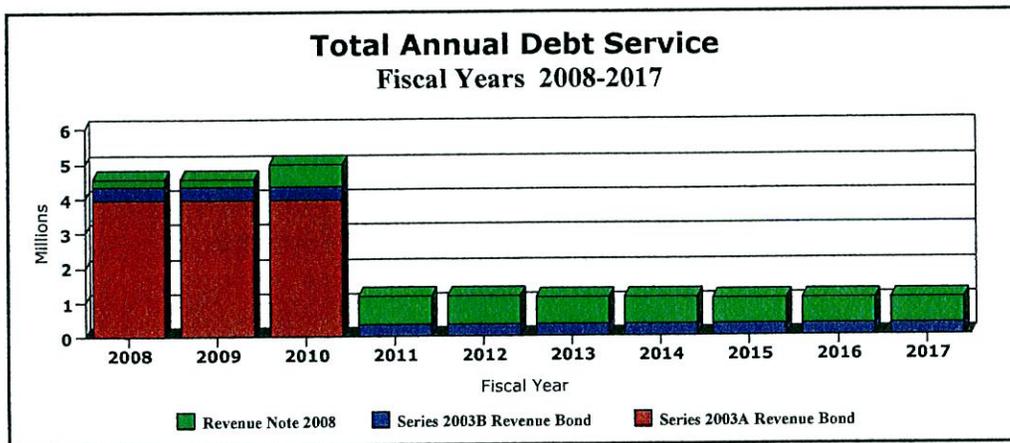
Fiscal Year	2003A Revenue Bond	2003B Revenue Bond	2008 Revenue Note	Total
2008	3,952,223	377,940	0	4,330,163
2009	3,955,313	379,365	250,783	4,585,461
2010	3,952,069	380,221	246,000	4,578,290
2011	0	380,578	678,325	1,058,903
2012	0	380,445	809,949	1,190,394
2013	0	379,913	795,681	1,175,594
2014	0	379,118	766,504	1,145,622
2015	0	377,972	747,698	1,125,670
2016	0	381,373	733,922	1,115,295
2017	0	379,363	720,146	1,099,509
Total	\$11,859,605	\$3,416,925	\$5,028,862	\$20,305,392



Debt Service Fund Trend Analysis

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

The chart below shows the Town's total annual debt service for FY2008 through FY2017. As the chart shows, the debt service declines dramatically in FY2011 after the 2003A bonds are paid in full.



Legal Debt Margin

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

Preliminary Assessed Valuation	<u>\$13,773,998,042</u>
Legal Debt Margin:	
Debt Limitation - 5% of assessed value	<u>\$ 688,699,902</u>

Debt Summary

Outstanding debt as of September 30, 2008

General Fund Pledge Obligations	\$ 0
Non-Ad Valorem Revenue Bonds	<u>23,205,000</u>
Total Gross Debt	<u>\$23,205,000</u>

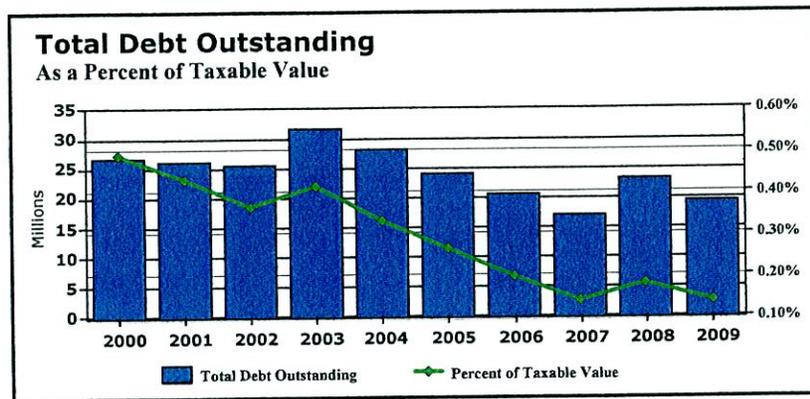


Debt Service Fund Trend Analysis

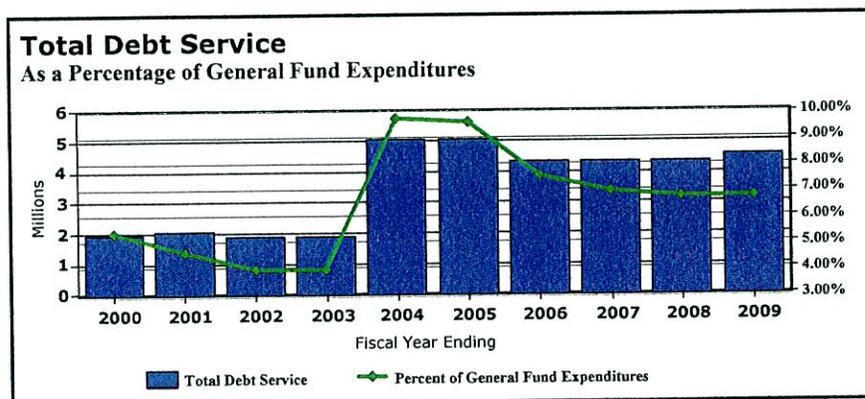
Debt Ratios:

		<u>Per Capita</u>
Population	9,735	
Taxable Value	\$13,773,998,042	\$1,414,895
Total Gross Debt	23,205,000	\$2,384

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



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



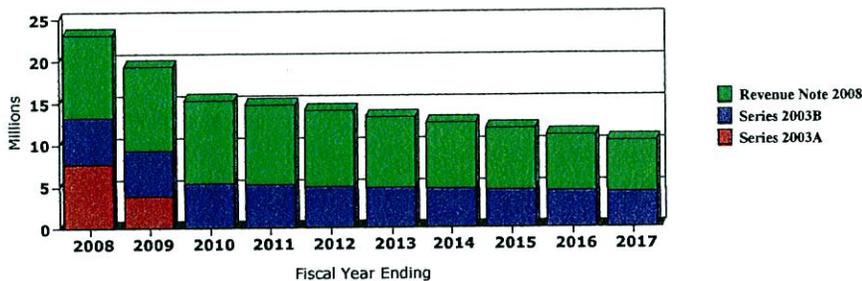
Debt Service Fund Trend Analysis



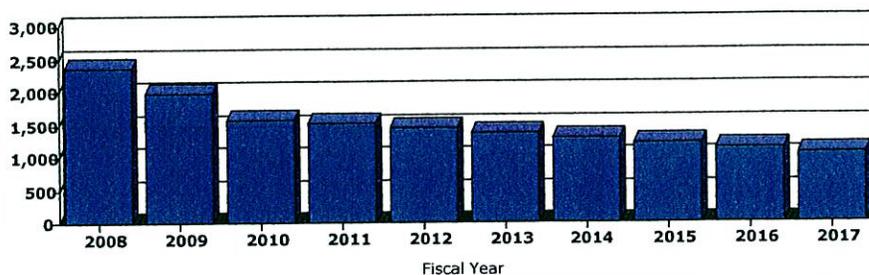
Town of Palm Beach Principal Debt Outstanding FY2008 - FY2017

Fiscal Year Ending	2003A Revenue Bond	2003B Revenue Bond	2008 Revenue Note	Total Debt Outstanding	Debt Per Capita 9,676
2008	7,630,000	5,575,000	10,000,000	23,205,000	2,398
2009	3,885,000	5,445,000	10,000,000	19,330,000	1,998
2010	0	5,310,000	10,000,000	15,310,000	1,582
2011	0	5,170,000	9,565,000	14,735,000	1,523
2012	0	5,025,000	8,985,000	14,010,000	1,448
2013	0	4,875,000	8,405,000	13,280,000	1,372
2014	0	4,720,000	7,840,000	12,560,000	1,298
2015	0	4,560,000	7,280,000	11,840,000	1,224
2016	0	4,390,000	6,720,000	11,110,000	1,148
2017	0	4,215,000	6,160,000	10,375,000	1,072

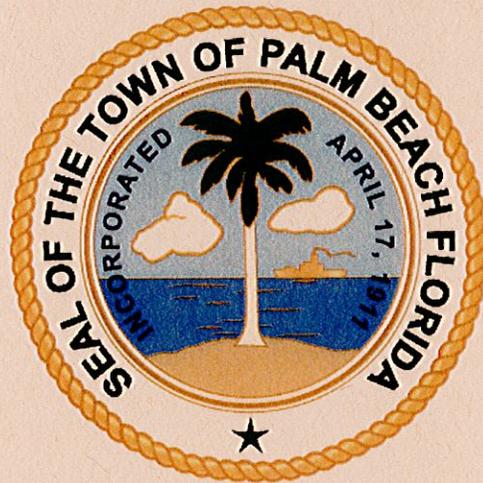
Principal Debt Outstanding
Fiscal Years 2008-2017



Outstanding Debt Per Capita
Fiscal Years 2008 - 2017



TOWN OF PALM BEACH



CAPITAL FUND TREND ANALYSIS



Capital Funds Trend Analysis

Capital Funds Trend Analysis

Introduction

The Town has four General Government Capital Funds: the Capital Improvement Program (Fund 307), the Comprehensive Coastal Management Plan (CCMP)(Funds 308 and 309) and the Town Facilities Project Fund (Fund 310). In addition to the General Government Capital Funds, the Town has one Enterprise Capital Fund reported in the Recreation Enterprise Fund (403).

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 benefits to taxpayers by providing for our infrastructure needs in a timely manner, at the lowest overall cost. This funding policy will also reduce, the Town's future dependency on bonds for capital improvements, and will enhance the long term financial stability of the Town of Palm Beach.

Town staff recently prepared a 20 year Capital Plan and presented it to the Public Works and Finance and Taxation Committees. The plan outlines the estimated costs associated with the eventual replacement, not just repair and maintenance, of the Town's aging infrastructure. More details of the plan are included in the Capital Funds forecast section of this document.

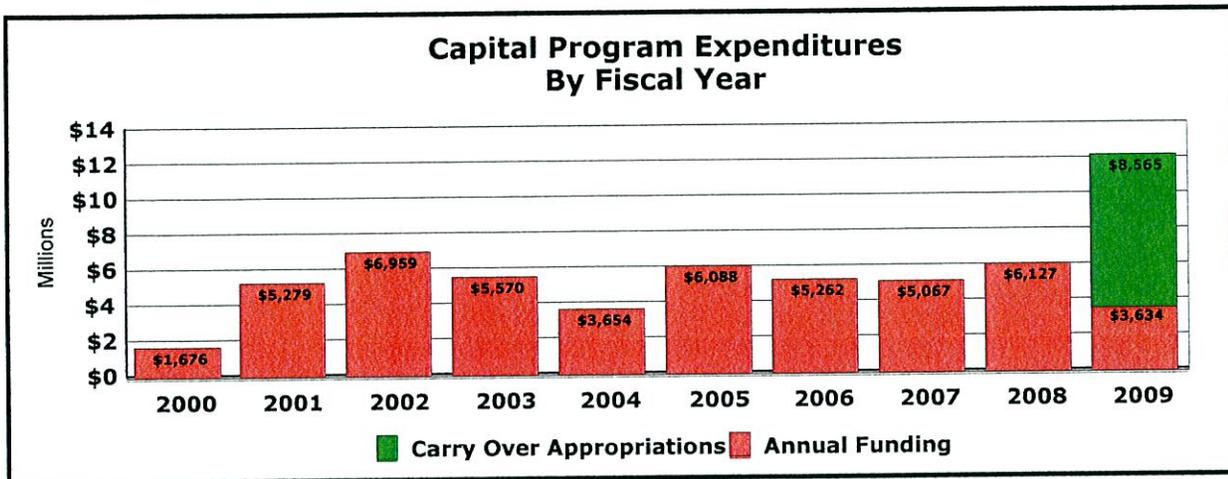
While the Capital Improvement Program encompasses a five year period, only the first year of the CIP is actually adopted each year by the Town Council for funding and implementation. The out years of the CIP are not a budget, but they provide appropriate financial information for prudent budget and planning 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 FY2000 through FY2009. Fiscal years 2000 through 2008 reflect actual expenditures, whereas fiscal year 2009 reflects budgeted amounts. The FY2009 budget year, includes the approved, but unexpended, appropriations from prior years. Of the approximately \$12,199,000 budgeted for FY2009, approximately \$8,565,000 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.

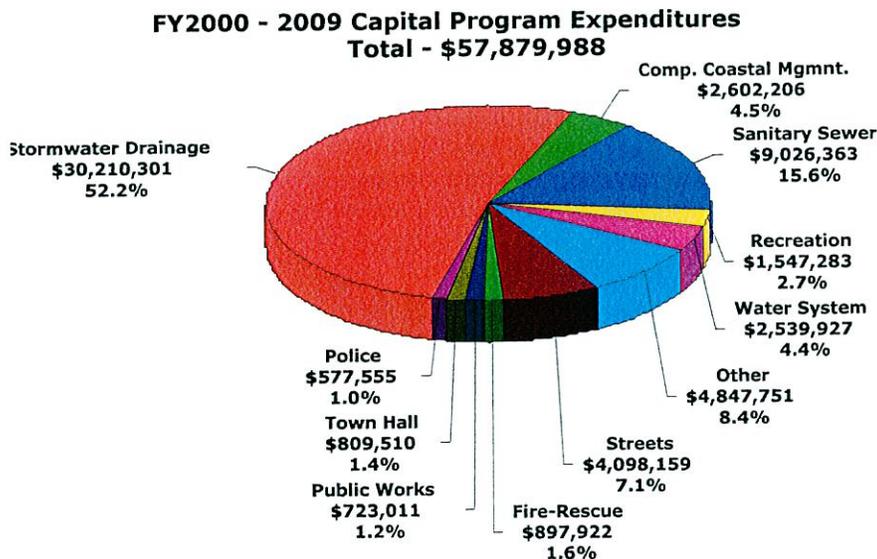


Capital Funds Trend Analysis

Prior to FY2000, Coastal Management expenditures were included in the Capital Improvement Program. The total expended for coastal matters from the Capital Fund between FY2000 and FY2007 was approximately \$2,603,000. The expenditures related to preliminary engineering and design for the coastal protection program and the sand transfer plant.



Of the approximately \$12,199,000 budgeted in FY2009, \$3,879,000 is attributable to stormwater drainage. Additional reasons for the spike in FY2009 include, as previously mentioned, unexpended rollover money budgeted in prior years of approximately \$8,565,000 (\$2,249,000 for drainage) and an additional appropriation of \$1,075,000 for sanitary sewer improvements. The chart below indicates total funds expended/budgeted from FY2000 through FY2009 by project type.



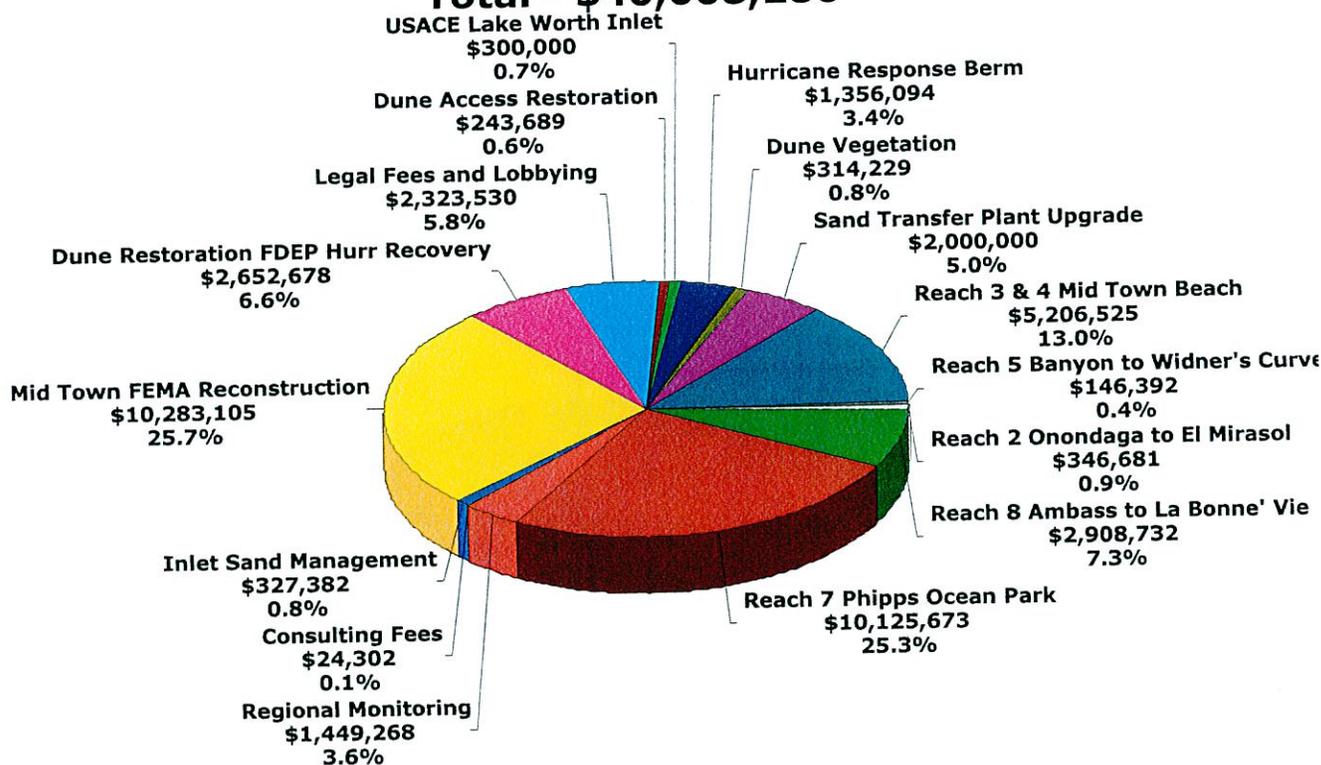


Capital Funds Trend Analysis

Comprehensive Coastal Management Plan

The Comprehensive Coastal Management Plan is accounted for in funds 308 and 309. Fund 308 accounts for the pay-as-you-go portion of the Beach Restoration Project. Fund 309 accounts for the Beach Restoration construction costs financed with proceeds from the 2000 Revenue Bond issued for \$23,530,000 and refunded in 2003. The proceeds of the bonds are used for beach improvement, restoration and renourishment through the placement of sand and possible construction of groin fields and environmental mitigation for beach stabilization in all or a portion of the beaches located in Town. The following chart reflects life-to-date expenditures for the plan.

FY2001 - 2009 Comprehensive Coastal Management Plan Expenditures Total - \$40,008,280





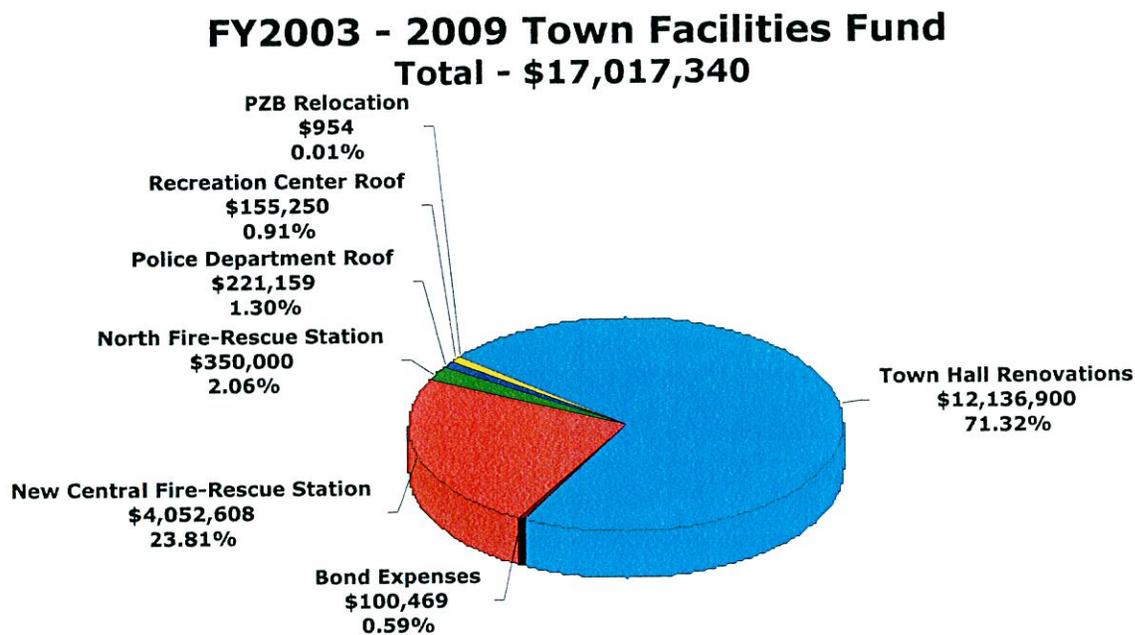
Capital Funds Trend Analysis

Town Facilities Project Fund

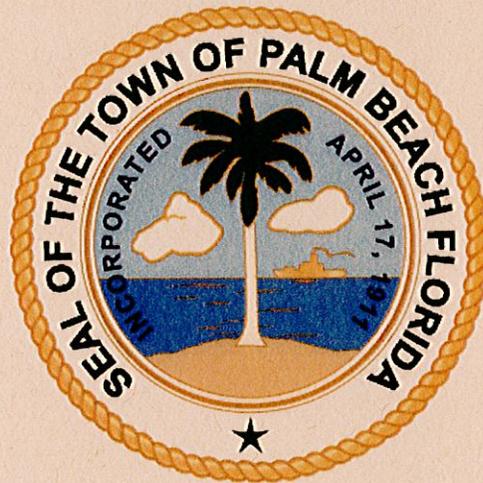
This fund accounts for construction costs for the New Central Fire-Rescue Station, Town Hall Renovations and Town facility projects. Proceeds of the 2003 revenue bonds were earmarked for financing the acquisition, construction and equipping of the new Fire-Rescue facility (including an emergency operations center) and renovation of Town Hall (including security upgrades). In 2008, a revenue bond totaling \$10,000,000 was issued to fund the \$8,000,000 of the Town Hall Renovation Project. The balance of the bond proceeds was transferred to the Coastal Protection Fund for the Sand Transfer Plant project. The remaining 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.



TOWN OF PALM BEACH



INTERNAL SERVICE FUND TREND ANALYSIS

Internal Service Fund Trend Analysis



Internal Service Fund Trend Analysis

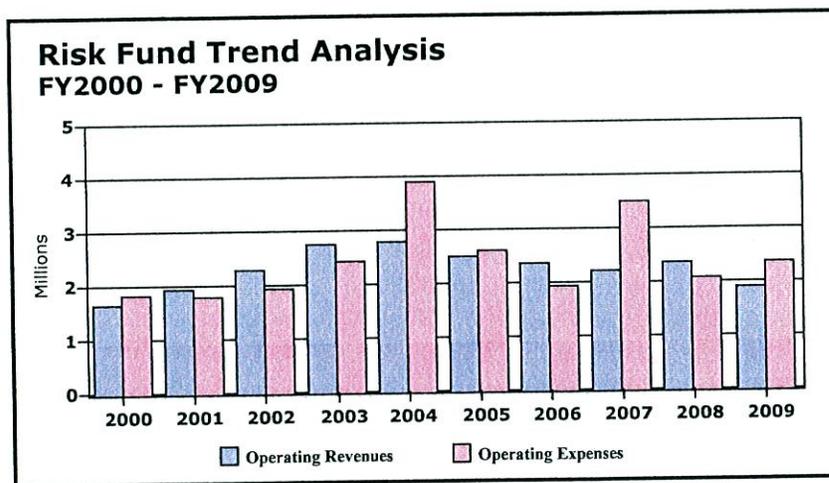
The Town is self-insured for certain general liability, property, group health and worker's compensation claims. The Risk Management program and the Health Insurance activities are accounted for in the Internal Service Fund. In addition, the Equipment Replacement Fund is also included in the Internal 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 FY09 budget, the transfer from the General Fund decreased \$474,000 (19.8%) from the FY08 transfer. This decrease is due to reductions in premiums.

The chart below details the operating revenue and operating expense trends for FY00 - FY09. The average annual increase in expenditures related to insurance is 10% since FY00. For FY09, the increase in insurance cost is 16%. In FY2004, the payment of the settlement of a suit caused expenditures to increase dramatically. In addition, expenditures in FY04 and FY05 increased due to hurricane related claims. The average annual increase in other expenditures is 7.5%.



Net Assets -Risk Fund

Since FY00, insurance costs had been steadily increasing until we marketed the insurance

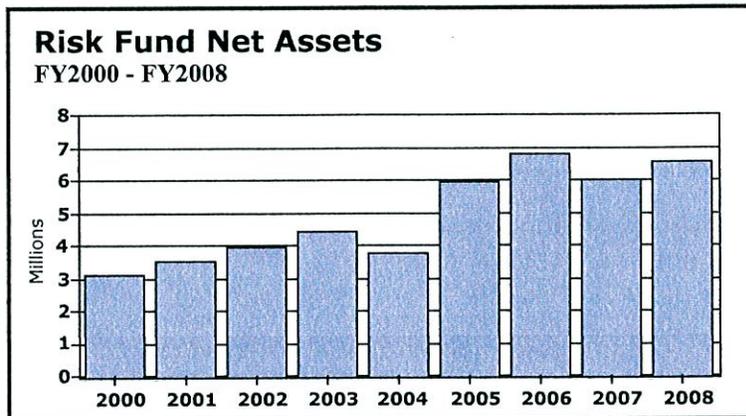
Internal Service Fund Trend Analysis



package which resulted in a decline in costs of 19% for FY04. Further reductions in costs occurred in FY2006 but due to tight insurance market conditions after the hurricanes of FY04 and FY05, insurance costs increased by 29% for FY07.

A reserve for catastrophic exposures/emergencies in the amount of \$2,500,000 and a contingency reserve for \$500,000 has been appropriated from the retained earnings of the fund in the FY09 budget. These appropriations are not reduced from the Net Assets shown in the graph below.

The Risk Fund net assets had increased from FY00 through FY03 due to positive claims experience. The payment of the settlement of a lawsuit caused net assets to decrease in FY04. The General Fund reimbursed the Risk Fund for the settlement in FY05. Positive claim experience in FY06 increased net assets, but a charge to the reserves decreased net assets in FY07. The ending net assets for FY08 is estimated to be approximately \$6,500,000, an increase of 9% from FY07.



The impacts of the two hurricanes to the Risk Fund did not have a severe negative impact to the reserves of the fund. Funding received from FEMA and insurance proceeds reduced the impact of the cost of recovery efforts and damage repairs.

Health Insurance Fund

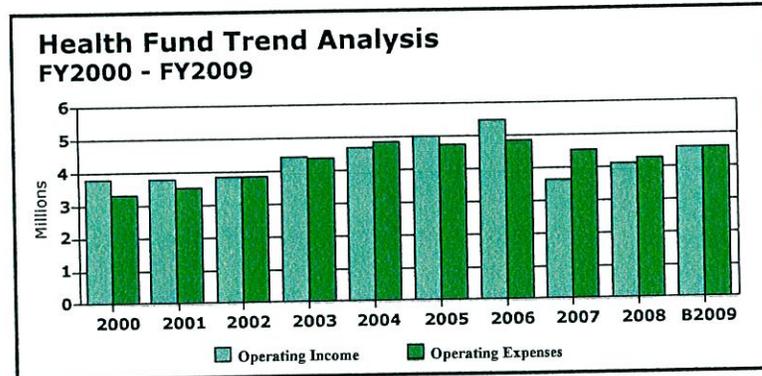
The Health Insurance program consists of medical, dental, life, long-term disability, accidental death and dismemberment, supplemental life insurance, specific reinsurance, aggregate reinsurance, medical conversion, COBRA, network access fees, utilization review, consulting services, flexible spending program, Retirement Health Savings Accounts, and claims administration for active employees. 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 FY09 is \$3,900,000. The transfer represents an increase of \$898,652 (30%) over FY08. This increase represents sufficient funding to offset estimated fixed and claims costs.

The chart below details the operating revenue and expenditure trends since FY00. Until FY2003, operating revenues exceeded operating expenses. The transfer from the General Fund had been fixed at \$3,700,000 from FY1992 through FY2003. From FY03 through FY06

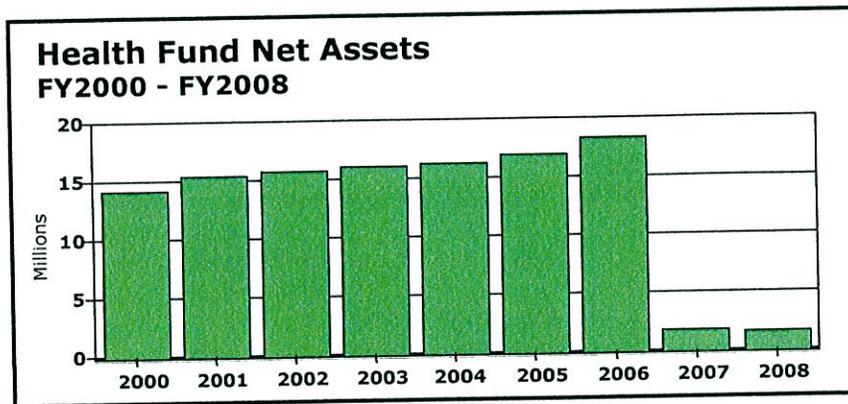
Internal Service Fund Trend Analysis



the transfer from the General Fund increased to cover the increasing costs. In FY07, the OPEB trust was established and the retiree contributions and costs were transferred to the new trust causing the decreases in revenues and expenditures. Once one year of history was established, adjustments were made to the Town contribution in FY09 to balance revenues and expenditures.



The chart below shows the trend of net assets in the Health Fund. The net asset reserve accumulated for many years in anticipation of the establishment of the OPEB trust. The Government Accounting Standards Board (GASB) developed standards for post employment benefits, which includes the establishment of a liability for actuarially determined costs of retiree health benefits. During FY2007 a trust fund was established using a portion (\$16,000,000) of the reserves of the Health Funds for the payment of post employment benefits. The balance of the health reserve of approximately \$1,660,000 is available to offset any large unanticipated claim expenditures that may occur.



Equipment Replacement Reserve Fund

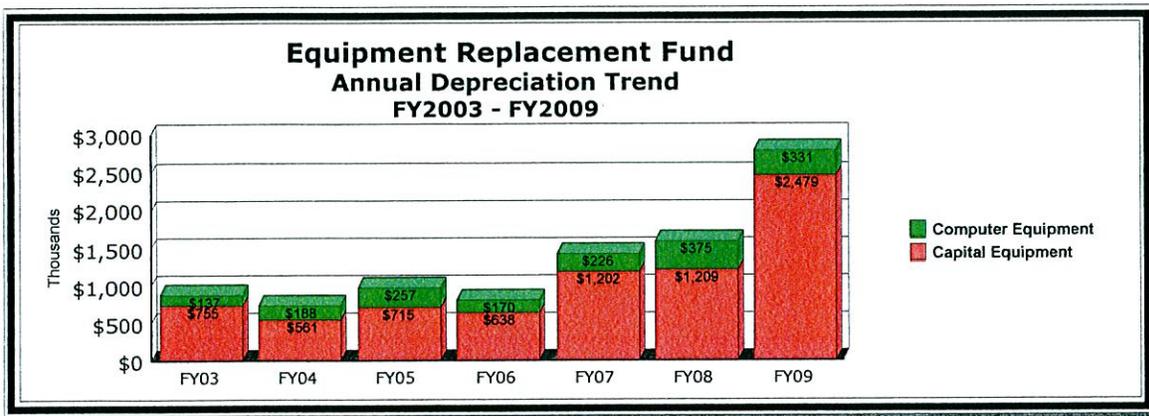
The purpose of the Equipment Replacement Fund is to create a reserve to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful lives. The fund will significantly reduce budgetary fluctuations due to the purchase of large costly pieces of equipment.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

Internal Service Fund Trend Analysis

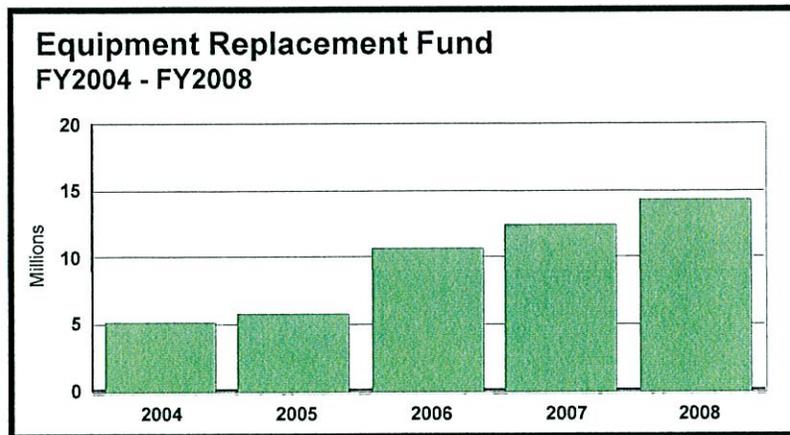


This fund was established in FY2002 with \$4,386,000 (from excess General Fund balance). In FY2006 the fund was modified to reflect replacement cost depreciation funding. The cost of the modification was \$4,205,523 and was funded from excess General Fund balance. The trend for the annual depreciation amount will increase over time as new equipment items are purchased and depreciated over the years adding to the current inventory of equipment.

A trend of the annual depreciation from FY2003 through FY2009 is shown in the chart below.



The reserve level for the Equipment Replacement fund since FY04 is shown in the chart below.



Benchmark Analysis



Benchmark Analysis

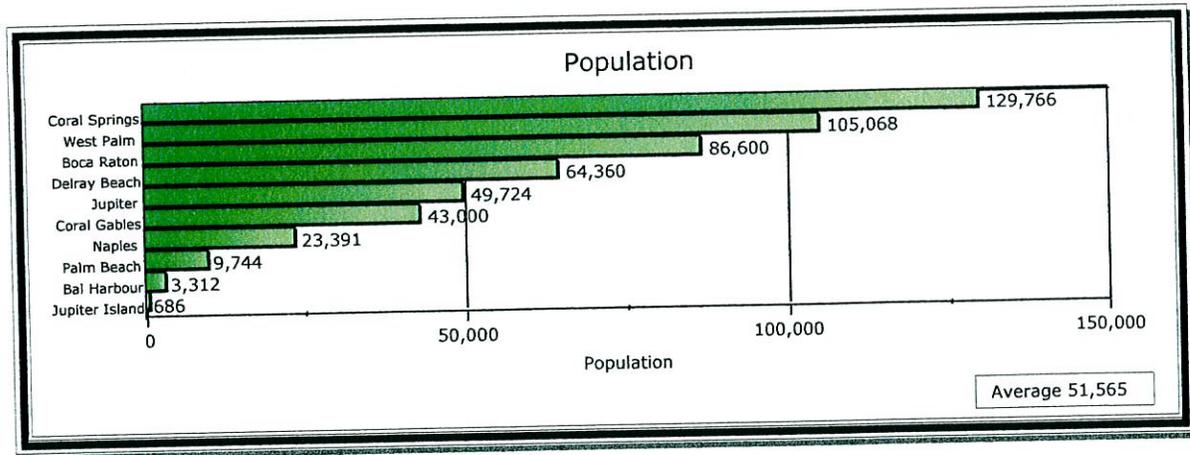
Introduction

In an effort to determine how the Town of Palm Beach compares financially with other Florida municipalities, the following benchmarks have been prepared and analyzed. The data included on the survey were obtained from September 30, 2007 audited financial statements. The year round (not seasonal) population figure of 9,744 was used for the Town in the per capita analyses. The benchmark detail is provided, in table format, at the end of this section.

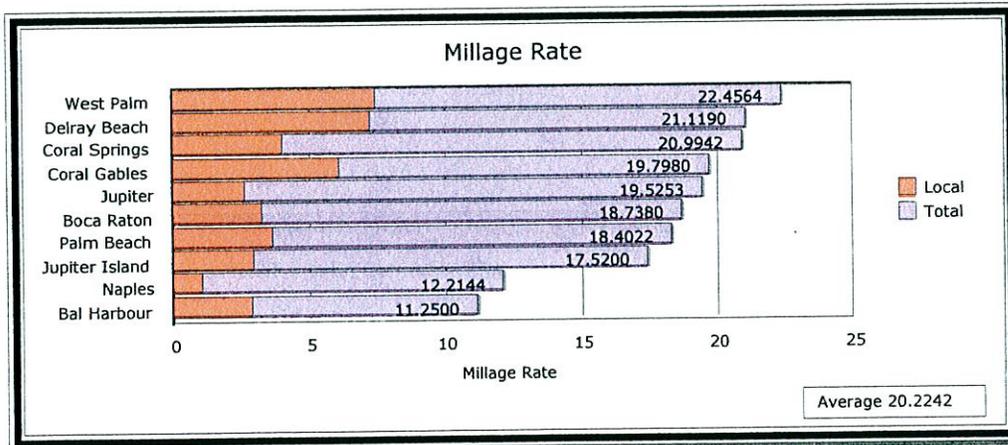
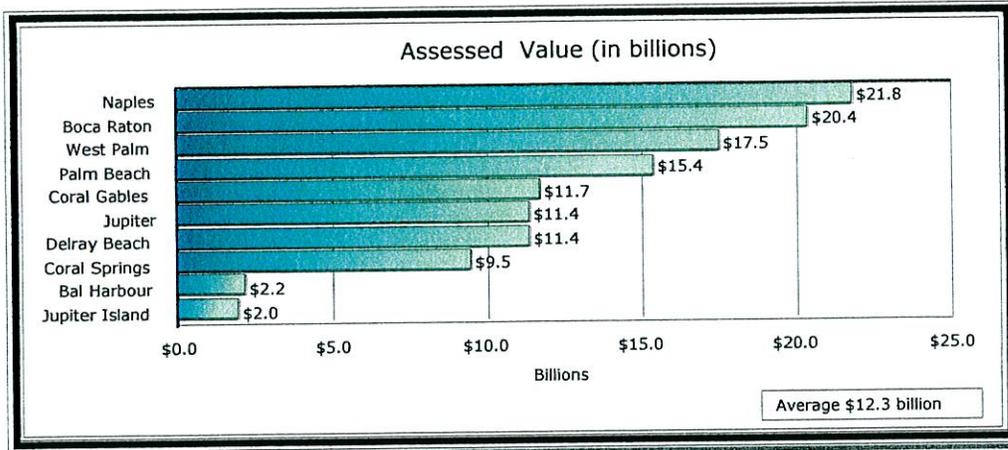
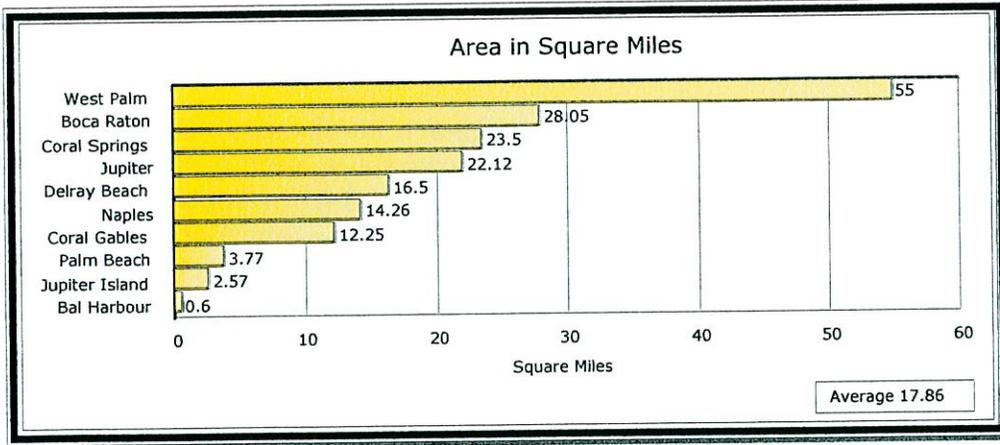
Municipalities used in the analysis were selected because most are Florida coastal communities with favorable credit ratings. The municipalities include: Boca Raton, Coral Springs, Delray Beach, Naples, Jupiter, Jupiter Island, West Palm Beach, Bal Harbour and Coral Gables.

Demographic Comparison

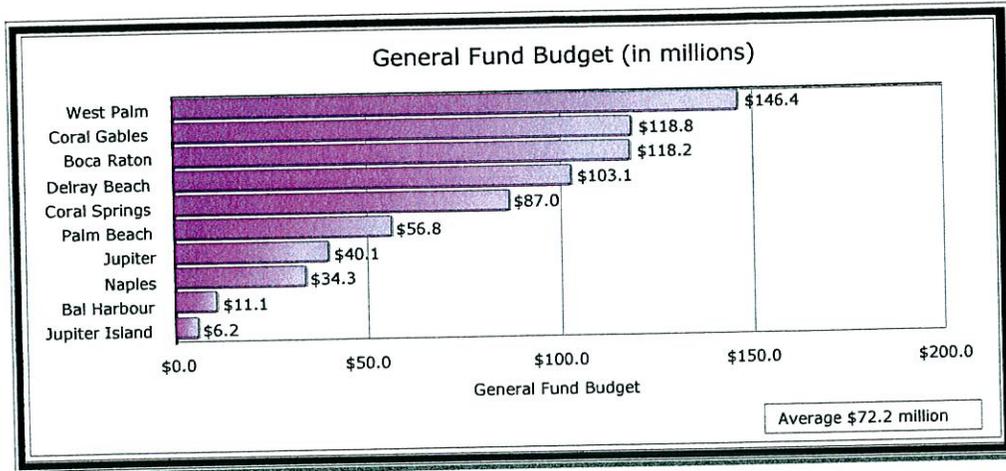
Population, Geographic Area, Assessed Value, Tax Rate, and General Fund Budget information is included to show how Palm Beach compares in general terms to the municipalities surveyed.



Benchmark Analysis



Benchmark Analysis



Unreserved General Fund Balance

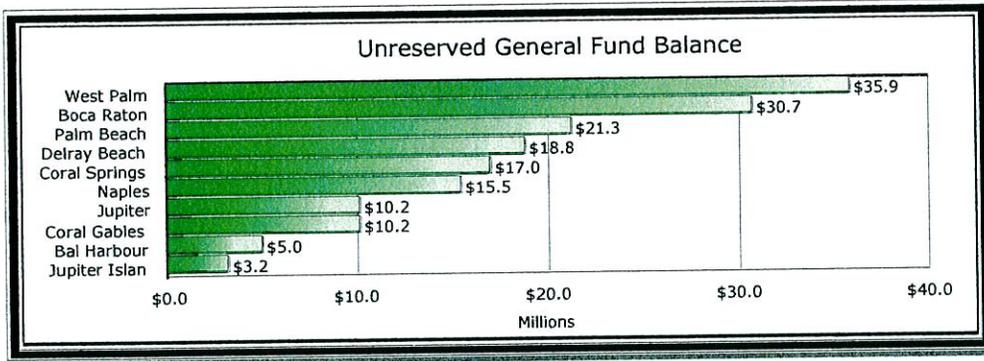
Unreserved Fund Balance comparisons are shown on the chart on the following page. Reserved and designated fund balance were not considered because these categories are set aside for specific purposes and are not available for appropriation. As you can see from the chart on the following page, the unreserved fund balances range from a low of \$3,200,000 to a high of \$35,900,000. Of the municipalities surveyed, Palm Beach has the third 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 35% of budgeted expenditures.

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

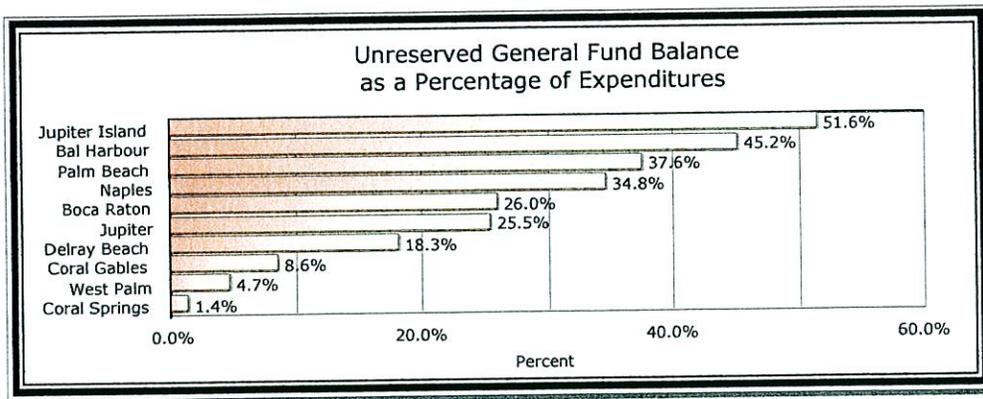
The size of the fund balance can affect the ability to withstand financial emergencies and also is a method of accumulating funds for capital purchases without having to borrow. A declining fund balance may indicate difficulty in maintaining a stable tax and revenue structure or adequate level of services.

Benchmark Analysis



Unreserved General Fund Balance as a Percentage of Expenditures

Unreserved General Fund Balance is normally compared to expenditures when determining the adequacy of fund balance. The dollar amount transferred to other funds has been added to operating expenditures for the purpose of this analysis. The ratio of fund balance to expenditures indicated in the chart below ranges from a low of 8.03% for Coral Gables to a high of 52.78% for Bal Harbour. Palm Beach is the fourth 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.

Benchmark Analysis

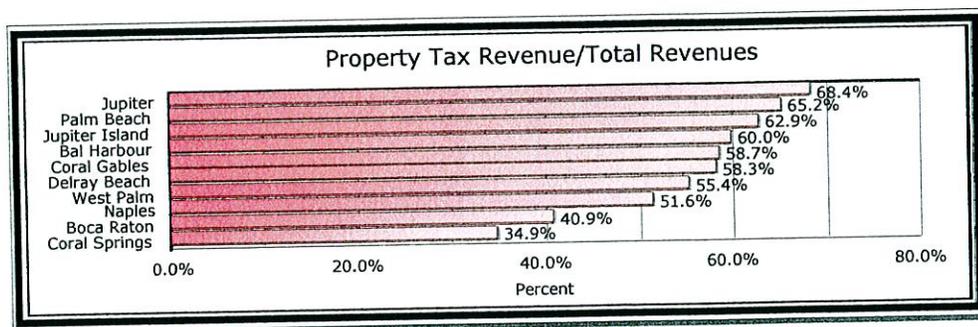


The chart below contains the results from our Reserve Survey of local governments. We obtained their General Fund Reserve policies and used information contained in their September 30, 2007 financial statements to determine their reserve levels. Five of the fourteen governments surveyed have reserve policy levels at or above the Town's 25%.

General Fund Reserve Analysis							
Municipality	Policy	Expenditure Budget	Undesignated Fund Balance (UFB)	UFB Reserve Percentage	Unreserved Designated for Emergencies (UDE)	Total UFB and UDE	UFB & UDE Reserve Percentage
Bal Harbour	N/A	11,084,840	5,011,338	45.21%	0	5,011,338	45.21%
Boca Raton	10-15%	118,190,100	30,746,633	26.01%	5,200,000	35,946,633	30.41%
Boynton Beach	10%	72,340,420	18,320,003	25.32%	7,234,042	25,554,045	35.32%
Coral Gables	N/A	118,762,192	10,169,006	8.56%	0	10,169,006	8.56%
Coral Springs	17%	87,005,857	1,248,972	1.44%	15,769,211	17,018,183	19.56%
Delray Beach	15-25%	103,115,460	18,828,235	18.26%	0	18,828,235	18.26%
Juno Beach	50%	6,425,323	2,804,988	43.66%	0	2,804,988	43.66%
Jupiter	25%	40,129,683	10,221,918	25.47%	0	10,221,918	25.47%
Jupiter Island	N/A	6,232,920	3,215,785	51.59%	955,000	4,170,785	66.92%
Naples	10%	34,340,205	11,935,038	34.76%	3,506,034	15,441,072	44.96%
Palm Beach	25%	56,770,448	21,346,801	37.60%	0	21,346,801	37.60%
Palm Beach County	25-30%	982,828,890	240,764,804	24.50%	0	240,764,804	24.50%
Wellington	23-27%	45,701,541	18,438,526	40.35%	3,000,000	21,438,526	46.91%
West Palm Beach	10%	146,374,250	6,843,005	4.68%	29,071,139	35,914,144	24.54%

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 and no special taxing districts contributes to a higher than normal ratio.



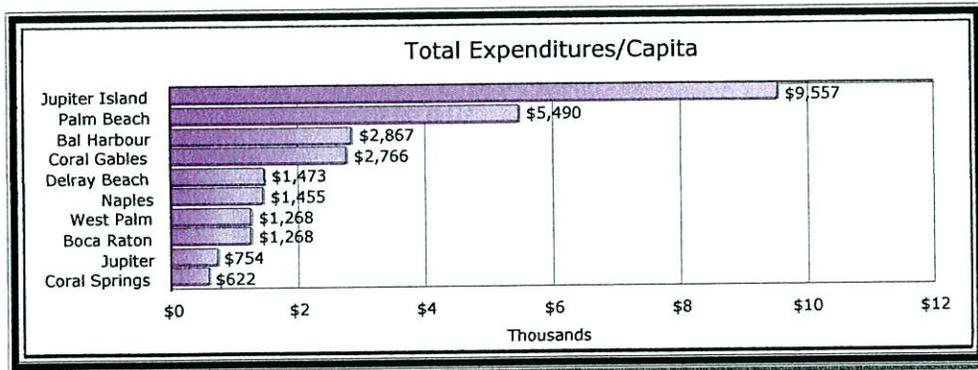
Benchmark Analysis



Total Expenditures Per Capita

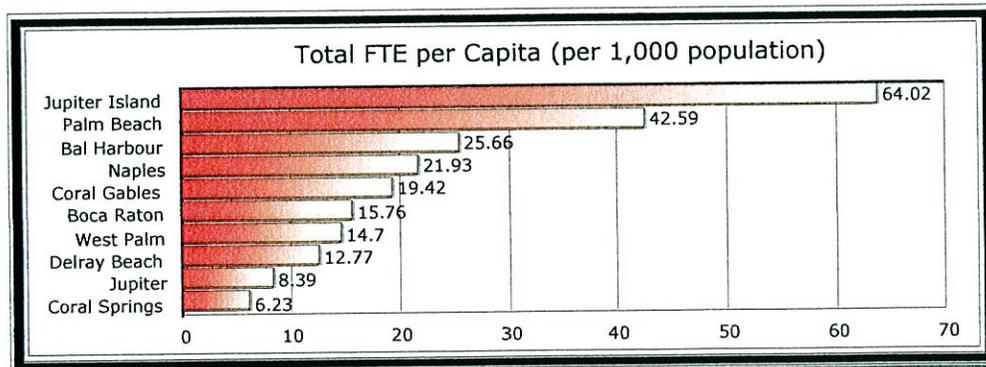
The following chart represents the average amount expended per capita for General Fund operating purposes. Municipalities should monitor their expenditures per capita to ensure that the cost of providing services not exceed the municipality's ability to pay for the services.

The Town's per capita rate is high because the Town operates three (3) fire-rescue stations staffed with 80 certified personnel and a police station with 80 authorized sworn officers. The Public Works Department provides five days per week residential garbage pick-up and is responsible for managing multi-million dollar capital projects funds as well as beach restoration projects.



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

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

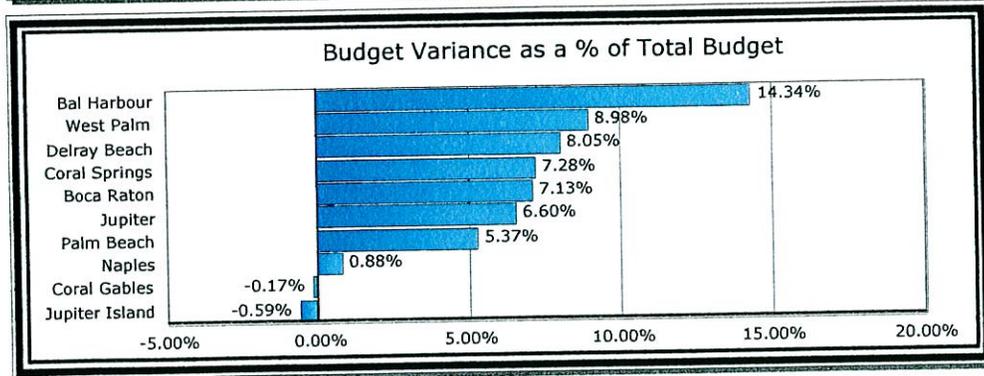
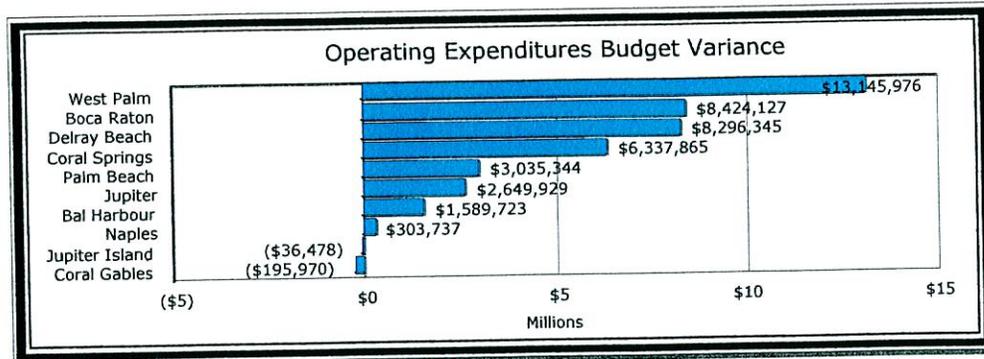


Benchmark Analysis



Operating Expenditure Budget Variance

The charts below indicate the extent to which General Fund expenditures were over or under budget for fiscal year ended September 30, 2007. 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.

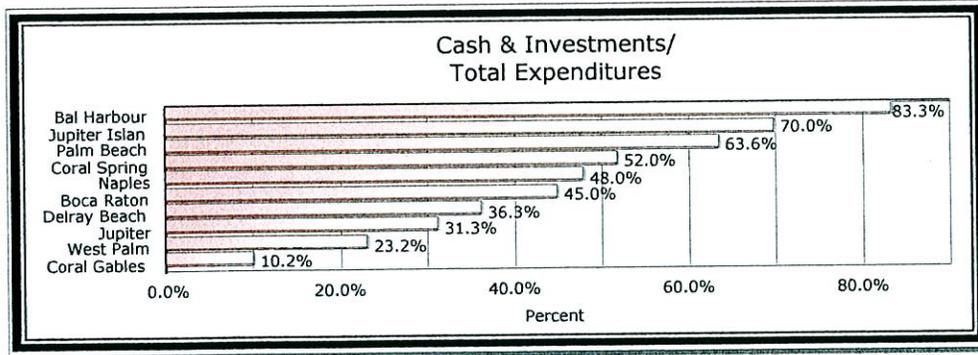


A low positive ratio indicated no use of fund balance for current operating purposes and responsible budgetary preparation and management. A low ratio also indicates that the citizenry is not being over or under taxed for the services provided.

Cash & Investments/Total Expenditures

A good measure of a municipality's short-term financial condition is its cash position. The information portrayed on the chart on the following page is calculated by dividing cash and short-term investments by actual operating expenditures for the General Fund for fiscal year ended September 30, 2007. As the percentage approached 100%, a greater share of one year's worth of operating expenditures can be paid for with cash. Decreasing percentages may indicate that the municipality has overextended itself or that it may be having difficulty raising the cash needed to meet its current needs.

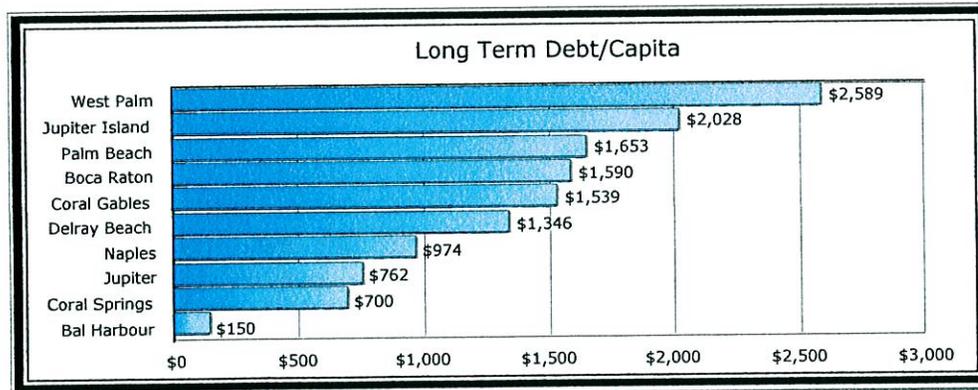
Benchmark Analysis



Long Term Debt Per Capita

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

Long Term Debt should not exceed the local government’s resources for repaying the debt. Increases in this benchmark may indicate that the municipality has a decreasing level of flexibility in how resources are allocated or a decreasing ability to pay its long term debt. The Town’s debt per capita is \$1,653, which is well under it’s debt limitation of 5% of assessed value. The Debt/Capita amounts in the chart range from \$150 to a high of \$2,589. The Town’s debt per capita is scheduled to decline dramatically after FY2010, once the 2003 revenue bonds are paid in full.

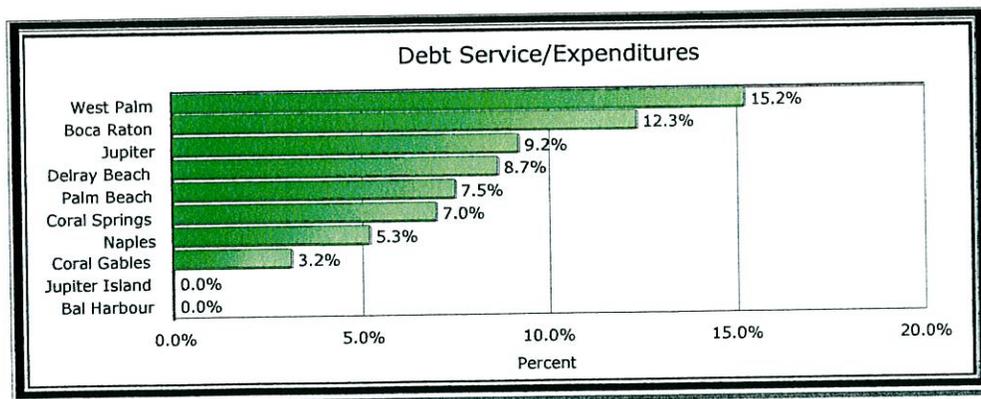


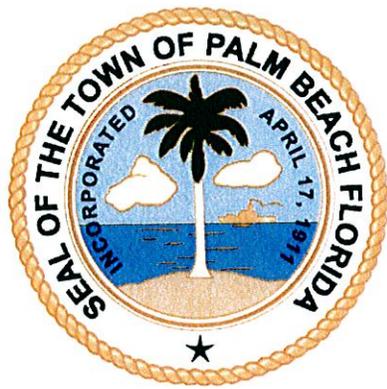
Benchmark Analysis



Debt Service/Expenditures

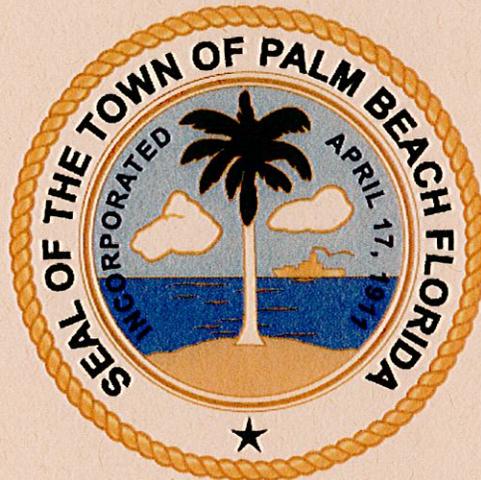
This chart indicates the Portion of General and Debt Service Fund Expenditures that are expended for debt service. The debt expenses for the Town totaled \$4.3 million for fiscal year ended September 30, 2007.





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TOWN OF PALM BEACH



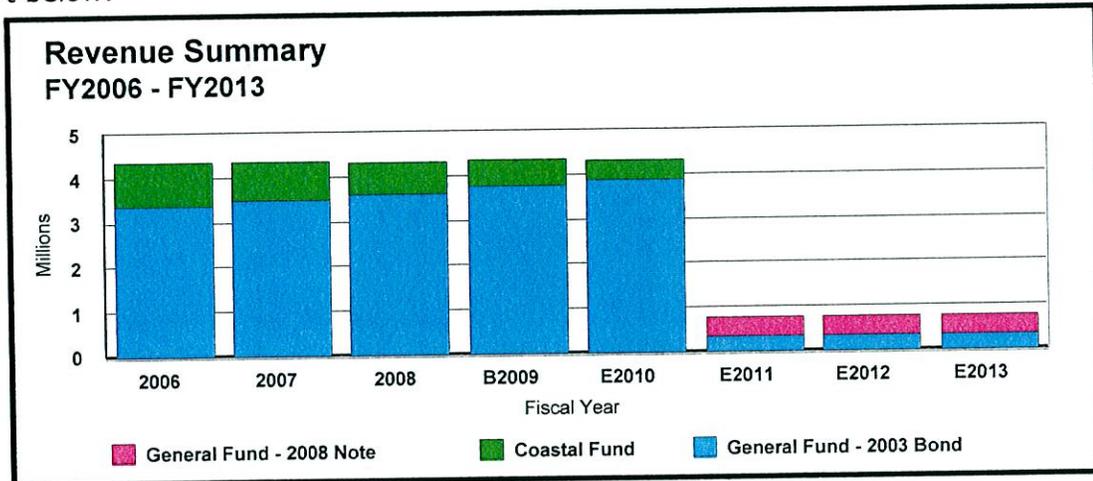
DEBT SERVICE FUND FORECAST



Debt Service Fund Forecast

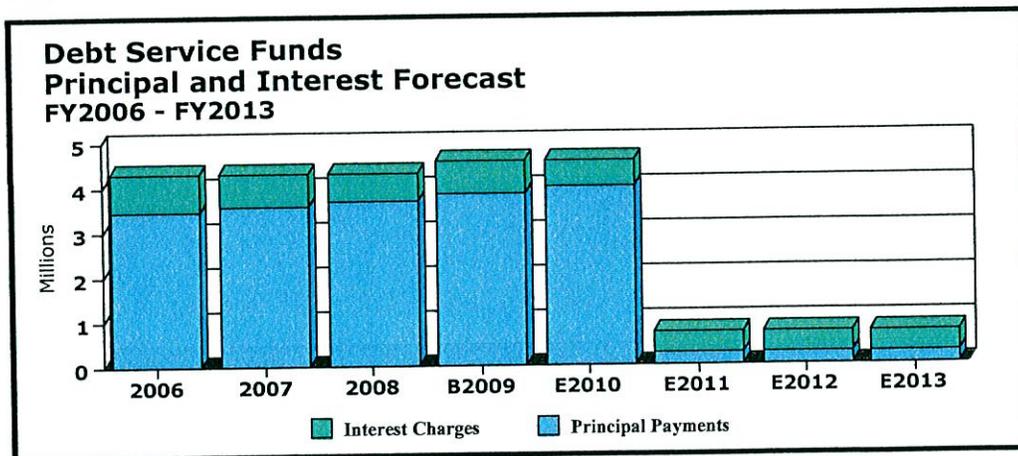
Debt Service Fund Forecast

The 2003 Revenue Bonds are funded by General Fund non ad valorem revenue, funds from the Coastal Protection Management Fund, bond proceeds and investment income. The 2008 Revenue note is funded through General Fund non ad valorem revenues. Assuming no additional debt is issued in the future, the forecasted revenues and the sources are shown in the chart below:

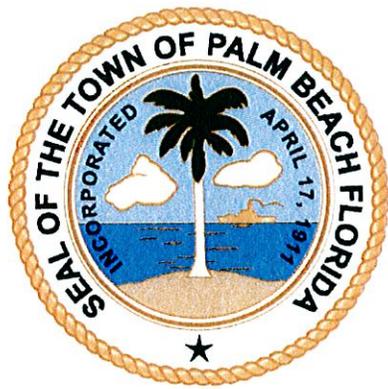


Once the coastal bonds are retired, there will be approximately \$2,790,000 in FY11 of non ad valorem capacity that could be used to finance new capital projects without a millage rate impact.

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

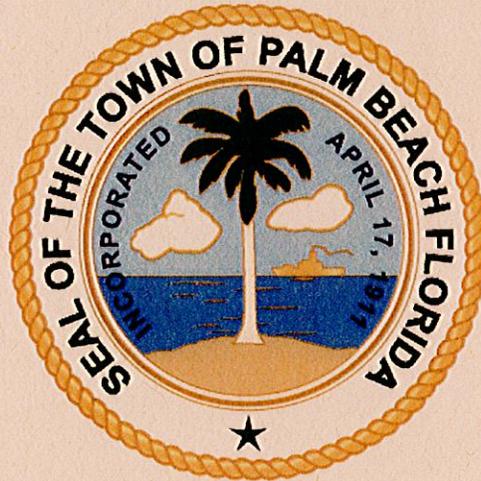


Debt service will remain stable until FY2010 when the 2003A Series Bond, which refinanced the Coastal Protection bond, will be paid in full. Thereafter, unless additional debt is issued, the debt service that will remain will be the 2003B Series bond for the Town facilities projects which will be paid in full in FY2033 and the 2008 revenue note which will be paid in full in 2028.



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TOWN OF PALM BEACH



CAPITAL FUND FORECAST

Capital Funds Forecast



Capital Funds Forecast

The Town has four General Government Capital Funds: the Capital Improvement Program (Fund 307), the Comprehensive Coastal Management Plan (CCMP)(Funds 308 and 309) and the Town Facilities Construction Fund (Fund 310). In addition to the General Government Capital Funds, the Town has one Enterprise Capital Fund reported in the Recreation Enterprise Fund (403).

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. The CIP has encompassed a five year period and the first year is adopted. Staff has been working with the Town Council to develop a 20 year capital plan. The original five year forecast is shown below as well as the preliminary forecast for the 20 year program.

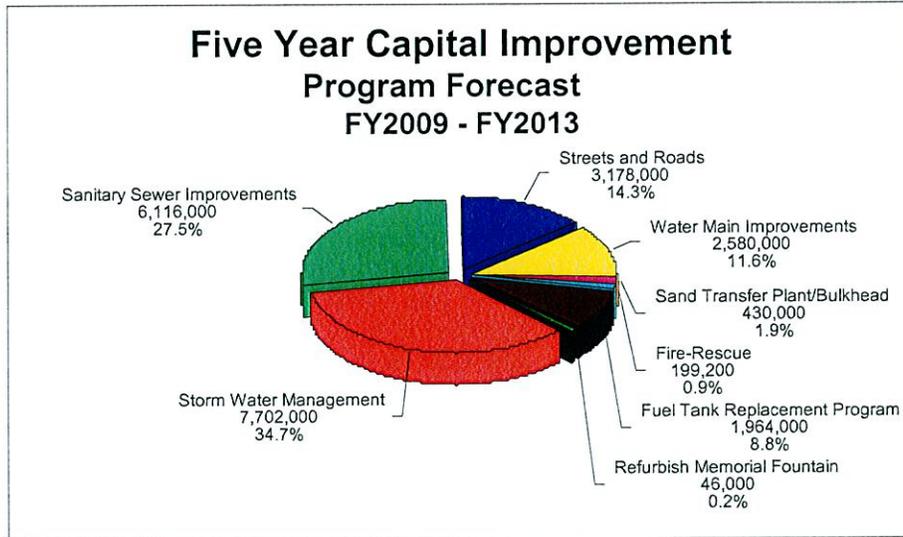
Fund (307) - Capital Improvement Program: Five Year Plan

Project	FY09 Apprvd Including Carryover	FY10 Proposed	FY11 Proposed	FY12 Proposed	FY13 Proposed	Total
Storm Water Management						
General Improvements	\$2,311,000	\$650,000	\$650,000	\$650,000	\$650,000	\$4,911,000
Rehab Storm Pump Structures	991,000	300,000	500,000	500,000	500,000	2,791,000
Total Storm Water Management	3,302,000	950,000	1,150,000	1,150,000	1,150,000	7,702,000
Sanitary Sewer Improvements	2,016,000	1,025,000	1,025,000	1,025,000	1,025,000	6,116,000
Streets and Roads	1,178,000	500,000	500,000	500,000	500,000	3,178,000
Water Main Improvements	580,000	500,000	500,000	500,000	500,000	2,580,000
Bury FPL Overhead Lines	430,000	0	0	0	0	430,000
Fire-Rescue	199,200	0	0	0	0	199,200
Refurbish Memorial Fountain	46,000	0	0	0	0	46,000
Fuel Tank Replacement Program	1,964,000	0	0	0	0	1,964,000
Total	\$9,715,200	\$2,975,000	\$3,175,000	\$3,175,000	\$3,175,000	\$22,215,200
Total Per the 20 year Plan		\$4,150,000	\$5,000,000	\$6,000,000	\$7,000,000	
Difference		(\$1,175,000)	(\$1,825,000)	(\$2,825,000)	(\$3,825,000)	
Offsetting Revenues						
Interest		\$375,000	\$375,000	\$375,000	\$375,000	\$1,500,000
WPB Water Main Improvements		\$500,000	\$500,000	\$500,000	\$500,000	\$2,000,000
General Fund Forecasted Transfer		\$1,817,000	\$1,817,000	\$1,817,000	\$1,817,000	\$7,268,000
Total Offsets		\$2,692,000	\$2,692,000	\$2,692,000	\$2,692,000	\$10,768,000
Annual Shortfall for Base 5 Year Program		(\$283,000)	(\$483,000)	(\$483,000)	(\$483,000)	
Annual Shortfall for Proposed 20year Capital Plan		(\$1,458,000)	(\$2,308,000)	(\$3,308,000)	(\$4,308,000)	

Capital Funds Forecast



The following chart reflects the five year Capital Improvement Program forecast by project area from the carryover balance and budget for FY2009 and the forecast period through FY2013.



5 year Capital Program

The table on the previous page indicates an annual shortfall for the 5 year program ranging from \$283,000 in FY10 and increasing to \$483,000 for the next 3 years, for a total shortfall of \$1,732,000. The funding for the Capital program was set at the FY09 level of \$1,817,000 for the entire forecast period. The Town Council may wish to consider reserving a portion of the excess fund balance to fund the future capital needs.

20 year Capital Program

A long term capital plan is being developed to assist with planning and budgeting for the eventual replacement, not just repair and maintenance, of the Town's aging infrastructure. A substantial increase in the annual cost of this program is anticipated in future years. The program will include replacement of the sanitary sewer forcemains and lift stations, rehabilitation of the older stormwater pump stations, and facility projects such as roof replacements. These projects are necessary to maintain the existing infrastructure and existing level of service to Town residents. The 20 year plan anticipates annual expenditures ramping up from \$4,150,000 to \$7,000,000 per year during the period from FY10 through FY13.

Comprehensive Coastal Management Plan

The Comprehensive Coastal Management Plan, adopted in 1998, is currently funded with the

Capital Funds Forecast



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 program. Funds are used for beach restoration and renourishment through the placement of sand and possible construction of groin fields or other structures and environmental mitigation.

FY09 projects include Reach 8 Beach Nourishment with Artificial Reef Construction and the Sand Transfer Plant Upgrade. Construction of the Reach 8 Project is contingent on receiving State and Federal permits, following a decision by an Administrative Law Judge regarding the legal challenge to the State permit. Town-wide physical and environmental monitoring is scheduled to be performed to satisfy the Town's existing coastal permit requirements.

Further coastal projects will require recommendation by the newly established Shore Protection Board, and approval by Town Council. The scope of the program will be addressed by the Shore Protection Board with related funding decisions being made directly by the Town Council.

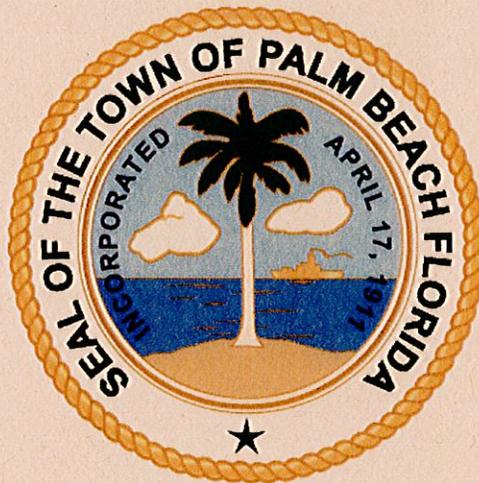
Town Facilities Construction Fund

The proceeds of the 2008 Revenue Bond of \$8,000,000 were pledged for this project. The additional \$2,000,000 from the bond proceeds were transferred to the Coastal Protection Fund for the Sand Transfer Plant Upgrade. Town Hall Renovations began in 2008 and the first phase of the project is near completion. The anticipated completion date for the Town Hall renovation project is June 2010.



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TOWN OF PALM BEACH



INTERNAL SERVICE FUND FORECAST

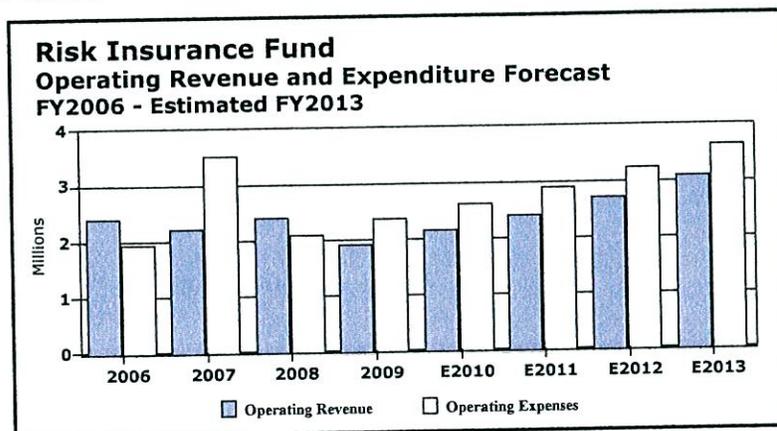
Internal Service Funds Forecast



INTERNAL SERVICE FUNDS FORECAST

Risk Insurance Fund Forecast

The forecast for the Risk Insurance Fund assumed a 10% increase for liability insurance, a 5% increase for workers' compensation insurance and a 20% increase in property coverage for each of the forecasted years. The forecasted increase for property insurance is based upon the insurance marketplace. The Town is also conducting a property appraisal of Town facilities through our insurance carrier. The appraisal will likely increase the values of the facilities, resulting in an increase in premium. The last property appraisal was conducted in 2003. The increase in worker's compensation is based upon estimates of the impact of recent court decisions on premium costs. The Liability estimate is based upon the insurance marketplace and changes in Town exposures and claim loss history. For other expenditures, the assumptions used for the General Fund forecast were used for the Risk fund as well. The results are as follows:



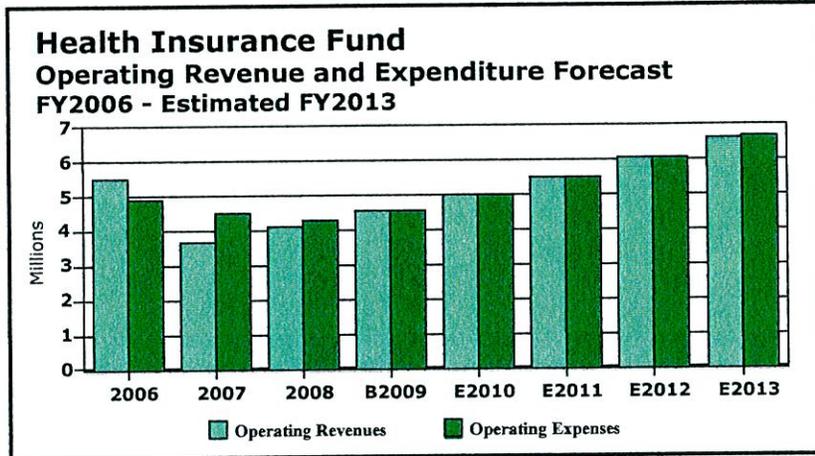
The operating deficits are offset by investment earnings on surplus funds. The transfer from the General Fund is anticipated to increase by an average of 12.7% per year for each of the forecasted years.

Each year a reserve for catastrophic exposures in the amount of \$2,500,000, deductibles for public officials coverage and uninsured losses of \$250,000, 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.

Health Insurance Fund Forecast

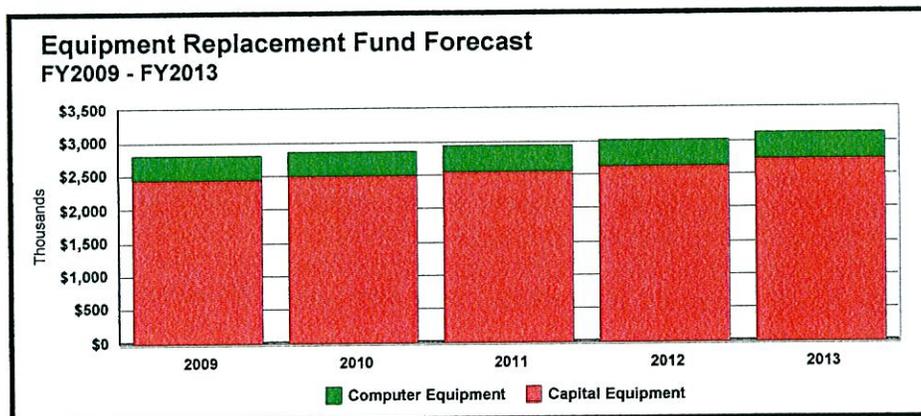
The forecast for the Health Insurance Fund assumed a 10% increase in insurance costs for each of the years in the forecast period. The General Fund assumptions were used to forecast the other salary and contractual expenditures for the fund. The resulting operating revenues and expenditures are shown on the chart on the following page:

Internal Service Funds Forecast

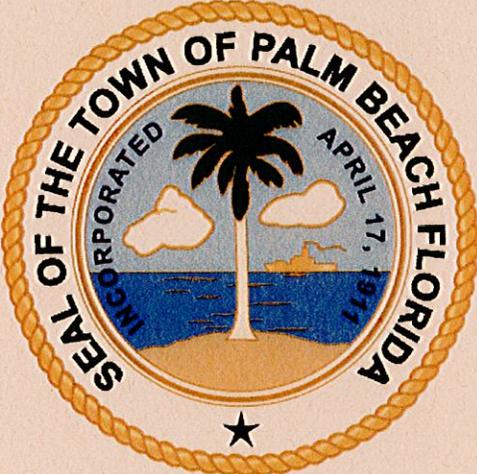


Equipment Replacement Fund

The Equipment Replacement Fund depreciation has been forecasted using the inflation multiplier. A transfer from the General Fund is made for the annual depreciation to the Equipment Replacement Fund. This fund has eased the affects of the recent budget constraints caused by State property tax reform measures and the recent economic downturn. Capital equipment and computer equipment is purchased from the fund and does not cause the extreme fluctuations in the budget that would otherwise have been caused by purchases of expensive equipment such as fire apparatus. We will be able to maintain the quality of our fleet, without affecting the general fund budget with severe increases.



TOWN OF PALM BEACH



GENERAL FUND REVENUE FORECAST

Town of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Taxes - Budget								
Ad Valorem	39,008,774	43,096,605	41,457,250	42,543,000	43,868,000	44,635,000	45,365,000	46,741,000
Percentage Increase/(Decrease)		10.48%	-3.80%	2.62%	3.11%	1.75%	1.64%	3.03%
Percent of Total Revenue	62.32%	65.71%	64.73%	63.18%	65.79%	66.23%	65.88%	66.13%
Sales & Use								
Local Option 6 cents	248,530	247,764	229,605	230,000	215,000	219,300	223,686	228,160
Local Option 5 cents	111,680	113,089	108,180	111,000	105,000	107,100	109,242	111,427
Total Sales & Use	360,210	360,853	337,785	341,000	320,000	326,400	332,928	339,587
Franchise Fees								
Electricity	2,146,494	2,244,536	2,217,498	2,350,000	2,300,000	2,369,000	2,440,070	2,513,272
Telephone	0	0	0	0	0	0	0	0
Gas	287,317	233,951	230,046	235,000	230,000	236,900	244,007	251,327
Cable TV	0	0	0	0	0	0	0	0
Total Franchise Fee	2,433,811	2,478,487	2,447,544	2,585,000	2,530,000	2,605,900	2,684,077	2,764,599
Utility Service								
Electricity	2,035,294	2,039,667	2,060,247	2,150,000	2,150,000	2,214,500	2,280,935	2,349,363
Telephone	0	0	0	0	0	0	0	0
Simplified Telecommunication Tax	1,111,351	1,090,969	1,475,645	1,050,000	1,200,000	1,236,000	1,273,080	1,311,272
Water	756,825	733,994	730,479	670,000	730,000	751,900	774,457	797,691
Gas	249,735	245,057	222,781	240,000	225,000	231,750	238,703	245,864
Propane	14,639	(3,731)	7,355	7,000	8,000	8,240	8,487	8,742
Total Utility Service	4,167,844	4,105,957	4,496,507	4,117,000	4,313,000	4,442,390	4,575,662	4,712,932
Total Non Advalorem Taxes								
Percentage Increase/(Decrease)		-0.24%	4.85%	-3.28%	1.70%	2.96%	2.96%	2.96%
Percent of Total Revenue	11.12%	10.59%	11.37%	10.46%	10.74%	10.94%	11.03%	11.06%
Total Taxes								
Percentage Increase/(Decrease)		8.86%	-2.60%	1.74%	2.91%	1.92%	1.82%	3.02%
Percent of Total Revenue	73.45%	76.30%	76.10%	73.64%	76.54%	77.18%	76.90%	77.19%

City of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Licenses & Permits								
Business Licenses								
Town Business Licenses	706,700	721,704	717,442	725,000	720,000	756,000	756,000	793,800
Business License Penalties	14,959	19,170	24,094	22,000	20,000	21,000	21,000	22,000
Total Occ Licenses	721,659	740,875	741,535	747,000	740,000	777,000	777,000	815,800
Building Permits								
Building	5,042,477	5,410,918	5,253,615	3,822,200	3,500,000	3,800,000	3,800,000	3,800,000
Radon Gas	50	44	64	100	100	100	100	100
Electrical	101,069	97,275	352,862	100,000	225,000	225,000	225,000	225,000
Plumbing	22,705	24,168	232,280	50,000	90,000	90,000	90,000	90,000
Except/Variance Application	84,440	88,800	143,962	55,000	100,000	100,000	100,000	100,000
Consultants Fees	17,037	19,257	46,335	17,500	0	0	0	0
Special Plan Review	246,000	432,350	381,200	370,000	300,000	300,000	300,000	300,000
Community Service	0	(100)	0	0	0	0	0	0
Special Detail Inspections	0	0	3,885	0	1,000	1,000	1,000	1,000
Abandonments	3,333	1,000	480	0	1,000	1,000	1,000	1,000
Reinspection Fees	0	0	3,700	30,000	3,000	3,000	3,000	3,000
Architectural Fees	47,350	60,291	129,810	100,000	100,000	100,000	100,000	100,000
Landmarks Submittal	5,025	5,200	19,065	10,000	10,000	10,000	10,000	10,000
Tax Abatement Program	0	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Mechanical Permits	58,533	60,648	265,823	75,000	100,000	100,000	100,000	100,000
Landscape Permit	0	0	0	40,000	20,000	40,000	40,000	40,000
Building Permit Search Fee	0	160	9,895	10,000	10,000	10,000	10,000	10,000
Dune Vegetation Fee	0	0	700	10,500	5,000	5,000	5,000	5,000
Contractor Registration Fees	0	0	0	0	10,000	10,000	10,000	10,000
Total Building Permits	5,628,019	6,201,211	6,844,876	4,691,300	4,476,300	4,796,300	4,796,300	4,796,300
Other License Fees & Permits								
Right of Way permits	109,088	144,877	170,978	150,000	150,000	150,000	150,000	150,000
Gainesville Plan	3,705	3,975	5,495	9,000	12,000	12,000	12,000	12,000
Arlington Plan	10,820	13,050	9,770	15,000	10,000	10,000	10,000	10,000
Newsrack Enclosure Admin Fee	540	540	590	600	0	0	0	0
Total Other License Fees & Permits	124,153	162,442	186,833	174,600	172,000	172,000	172,000	172,000
Total Licenses & Permits	6,473,831	7,104,528	7,773,244	5,612,900	5,388,300	5,745,300	5,745,300	5,784,100
Percentage Increase/(Decrease)		9.74%	9.41%	-27.79%	-4.00%	6.63%	0.00%	0.68%
Percent of Total Revenue	10.34%	10.83%	12.14%	8.34%	8.08%	8.53%	8.34%	8.18%

Town of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Intergovernmental								
State Shared Revenue	237,381	263,057	256,460	260,000	250,000	257,500	265,225	273,182
State Revenue Sharing	23,025	16,886	21,028	18,500	18,500	19,055	19,627	20,215
Alcoholic Beverage Lic	832,433	726,402	675,694	720,000	685,000	705,550	726,717	748,518
Local Govt Sales Tax	25,948	26,012	27,832	26,000	26,000	26,780	27,583	28,411
Fire Supp. Comp.	4,083	3,167	750	4,000	4,000	4,120	4,244	4,371
Fuel Tax Refund	9,438	11,568	10,906	9,000	9,000	9,270	9,548	9,835
Total State Shared Revenue	1,132,308	1,047,091	992,669	1,037,500	992,500	1,022,275	1,052,943	1,084,532
Grant Revenue								
Grants - Local Units	45,922	55,412	78,030	50,000	0	0	0	0
Grants - Federal	114,971	70,884	5,282	21,100	0	0	0	0
Grants - State	1,931	8,835	2,527	2,500	0	0	0	0
Grants - FEMA	2,722,377	0	54,137	0	0	0	0	0
Total Grant Revenue	2,885,201	135,131	139,976	73,600	0	0	0	0
Shared Revenue - Local								
County Occ. Licenses	26,107	27,939	24,700	25,000	25,000	25,000	25,000	25,000
911 Equipment Reimbursement	178,529	107,029	90,970	110,300	100,000	100,000	100,000	100,000
\$12.50 Citation Monies	0	12,137	0	15,000	15,000	15,000	15,000	15,000
Total Shared Revenue - Local	204,636	147,106	115,670	150,300	140,000	140,000	140,000	140,000
Total Intergovernmental	4,222,145	1,329,328	1,248,316	1,261,400	1,132,500	1,162,275	1,192,943	1,224,532
Percentage Increase/(Decrease)	6.75%	-68.52%	-6.09%	1.05%	-10.22%	2.63%	2.64%	2.65%
Percent of Total Revenue		2.03%	1.95%	1.87%	1.70%	1.72%	1.73%	1.73%

City of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Charges for Services								
General Government								
BEP Code Sales	153	40	10	100	100	100	100	100
Map/Sales Code	1,931	1,385	0	500	0	0	0	0
Certification Copy	647	915	608	500	500	500	500	500
Misc Copies	1,840	1,943	3,255	2,000	2,000	2,000	2,000	2,000
Meeting Tapes Sales	650	690	230	600	600	600	600	600
Lien Search Fee	25,345	19,411	14,841	15,000	10,000	12,000	13,000	14,000
Microfiche	15,316	16,500	15,260	12,000	8,000	8,000	8,000	8,000
Data Processing Services	180	210	210	0	0	0	0	0
Total General Government	46,062	41,094	34,413	30,700	21,200	23,200	24,200	25,200
Public Safety								
Special Detail - other	322,290	321,349	327,275	486,000	470,000	484,100	498,623	513,582
Police ID Cards	26,230	19,743	20,144	34,900	20,000	20,000	20,000	20,000
Burglar Alarm False Alarm Fees	31,300	31,500	177,650	120,000	140,000	140,000	140,000	140,000
Burglar Alarm Registration Fee	39,473	46,278	40,491	50,000	50,000	50,000	50,000	50,000
Burglar Alarm Penalties	5,528	4,682	17,054	8,000	13,000	13,000	13,000	13,000
Direct Connect Alarm Fee	9,250	4,500	8,000	5,000	5,000	5,000	5,000	5,000
Valet Parking Permit	4,500	3,000	6,650	6,000	6,000	6,000	6,000	6,000
Tent Permits	5,710	5,000	8,625	6,000	6,000	6,000	6,000	6,000
Special Detail - Fire	116,446	58,230	80,529	109,000	80,000	80,000	80,000	80,000
Room Rental Dep - South Fire	515	210	210	300	0	0	0	0
Washer/Extractor Revenue	700	0	0	0	0	0	0	0
Fire False Alarms	0	100	26,750	50,000	25,000	25,000	25,000	25,000
Fire Prevention Fireworks	4,000	2,040	4,000	4,000	10,000	10,000	10,000	10,000
Fire Prevention Bonfires	2,100	3,880	1,800	3,000	2,000	2,000	2,000	2,000
Fire Hydrant	2,500	525	1,250	2,800	1,500	1,500	1,500	1,500
Fire Prevention Hot Work	825	1,575	9,465	1,500	10,000	10,000	10,000	10,000
Fire Prevention Technical Fire Insp	2,000	8,110	16,670	13,800	40,000	40,000	40,000	40,000
Fire Prevention Public Assembly	1,860	2,030	2,680	1,500	2,000	2,000	2,000	2,000
Fire Prevention Annual Ins Fee	35,496	45,915	55,969	75,000	75,000	75,000	75,000	75,000
Bldg Insp Fund Fees	69	386	39	100	100	100	100	100
MVA non transport revenue	0	0	0	30,000	30,000	30,000	30,000	30,000
EMS Transport Fees	428,294	349,534	341,880	340,000	340,000	350,200	360,706	371,527
Total Public Safety	1,039,086	908,587	1,147,131	1,346,900	1,325,600	1,349,900	1,374,929	1,400,709

Town of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Physical Environment								
Special Solid Waste	7,620	7,590	9,975	40,800	35,000	35,000	35,000	35,000
Solid Waste	723,774	756,677	769,628	793,100	816,893	841,400	866,642	892,641
Comp. Garbage Collection Fee	209,391	208,016	206,119	235,000	343,512	353,817	364,432	375,365
Beach Cleaning Citizen's Assoc	45,927	49,780	55,350	56,700	58,000	58,000	58,000	58,000
Historic Specimen Tree Fee	0	0	0	13,500	0	0	0	0
Easement Acquisition	5,000	0	0	0	0	0	0	0
Total Physical Environment	991,712	1,022,063	1,041,072	1,139,100	1,253,405	1,288,217	1,324,074	1,361,006
Transportation								
Parking Meter - Royal Palm Way	8,673	12,243	21,570	20,000	17,000	17,000	17,000	17,000
Parking Meter - Ocean Front	203,982	230,315	302,464	308,000	250,000	250,000	250,000	250,000
Parking Meter - Lake Front	57,566	54,744	58,158	79,000	60,000	60,000	60,000	60,000
Parking Meter - Phipps Ocean	26,656	53,691	74,276	51,000	50,000	50,000	50,000	50,000
Parking Meter - Peruvian	74,386	75,899	79,511	109,000	76,000	76,000	76,000	76,000
Parking Meter - Main Post Office	2,327	2,238	1,537	4,400	0	0	0	0
Parking Meter - Bradley Place	11,735	18,853	25,062	28,000	20,000	20,000	20,000	20,000
Parking Meter - Phipps Plaza	6,871	7,159	5,943	11,000	0	0	0	0
Parking Meter - North County	6,262	6,592	5,456	10,300	0	0	0	0
Parking Meter - South County	12,126	15,561	11,575	21,000	0	0	0	0
Other Parking Placard Programs	0	0	0	0	500	500	500	500
Total Transportation	410,584	477,295	585,551	641,700	473,500	473,500	473,500	473,500
Total Charges for Services	2,487,444	2,449,038	2,808,166	3,158,400	3,073,705	3,134,817	3,196,703	3,260,415
Percentage Increase/(Decrease)		-1.54%	14.66%	12.47%	-2.68%	1.99%	1.97%	1.99%
Percent of Total Revenue	3.97%	3.73%	4.38%	4.69%	4.61%	4.65%	4.64%	4.61%

City of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Fines & Forfeitures								
Penalty - Other Parking	168,439	160,198	156,754	170,000	150,000	150,000	150,000	150,000
Penalty - Parking Meters	91,831	84,477	64,572	80,000	40,000	40,000	40,000	40,000
Fines - Other Parking	204,571	239,919	315,570	339,000	325,000	325,000	325,000	325,000
Fines - Parking Meters	127,377	132,218	116,603	211,000	85,000	85,000	85,000	85,000
Moving Violations	38,633	36,996	62,413	100,000	38,000	38,000	38,000	38,000
Row Parking Violation Fines	15,706	33,946	53,185	65,000	55,000	55,000	55,000	55,000
Revenue/2nd Funding	4,101	708	7,391	4,200	6,000	6,000	6,000	6,000
Code Compliance Fee	110,767	828,183	377,400	500,000	500,000	500,000	500,000	500,000
Code Compliance Administrative Fee	3,792	21,404	25,130	25,000	40,000	40,000	40,000	40,000
Boot Fees	4,850	3,400	4,300	27,000	25,000	25,000	25,000	25,000
Total Fines & Forfeitures	770,067	1,541,448	1,183,318	1,521,200	1,264,000	1,264,000	1,264,000	1,264,000
Percentage Increase/(Decrease)	1.23%	100.17%	-23.23%	28.55%	-16.91%	0.00%	0.00%	0.00%
Percent of Total Revenue		2.35%	1.85%	2.26%	1.90%	1.88%	1.84%	1.79%
Investment Earnings								
Interest Checking	161,543	166,588	104,721	63,000	60,000	100,000	150,000	150,000
FMI/T Interest	1,500,025	1,812,977	576,970	1,003,300	1,000,000	1,250,000	1,500,000	1,500,000
Interest Money Market	1,304	18	466,044		100,000	125,000	150,000	150,000
Ad Valorem Interest	108,954	150,184	130,585	60,000	60,000	75,000	90,000	100,000
Treasury Interest	70,889	91,700	59,897	50,000	50,000	75,000	100,000	100,000
Interest ECR	60,078	65,659	30,535	25,000	20,000	25,000	30,000	30,000
Total Interest Earnings	1,902,793	2,287,127	1,368,751	1,201,300	1,290,000	1,650,000	2,020,000	2,030,000
Percentage Increase/(Decrease)	3.04%	20.20%	-40.15%	-12.23%	7.38%	27.91%	22.42%	0.50%
Percent of Total Revenue		3.49%	2.14%	1.78%	1.93%	2.45%	2.93%	2.87%
Miscellaneous								
Rents & Royalties								
Vending Machine Commissions	453	406	329	500	500	500	500	500
Peruvian Ave Parking Lot	0	0	0	17,000	0	0	0	0
Rooftop Leases	39,181	80,345	110,781	68,000	70,000	72,100	74,263	76,491
Total Rents & Royalties	39,634	80,751	111,110	85,500	70,500	72,600	74,763	76,991
Donations	900	0	10000	10000	10,000	10,000	10,000	10,000
Sales of Fixed Assets								
Surplus Furn & Equip	0	0	190	0	0	0	0	0
Inventory Adjustments	(71,280)	8,633	0	0	0	0	0	0
Total Sales of Fixed Assets	(71,280)	8,633	190	0	0	0	0	0

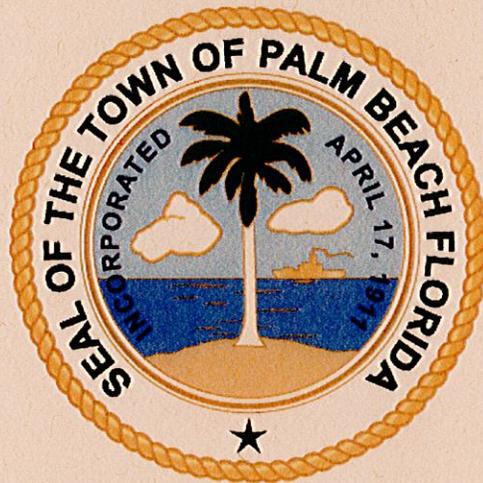
Town of Palm Beach Florida
General Fund Revenue
FY 2006 - 2013

	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Estimated FY2010	Estimated FY2011	Estimated FY2012	Estimated FY2013
Miscellaneous Other								
Insurance Proceeds	104,784	0	0	0	0	0	0	0
Kreusler Park Admin	20,584	54,004	84,663	52,000	55,000	55,000	55,000	55,000
Medical Care Guide	0	0	16,970	0	0	0	0	0
Rebate for Town Towing	2,246	3,054	1,523	2,000	2,000	2,000	2,000	2,000
State Highway lighting Maint	59,272	62,828	71,243	70,000	70,000	70,000	70,000	70,000
Charitable Solicitations Fee	26,790	21,840	34,880	54,000	70,000	70,000	70,000	70,000
Charitable Solicitations Advertising Fee	24,079	20,340	26,820	25,000	0	0	0	0
Charitable Solicitations Late Fee	825	675	525	800	500	500	500	500
Miscellaneous Revenue	5,022	27,462	16,362	10,000	10,000	10,000	10,000	10,000
Total Miscellaneous Other Revenue	243,602	190,203	252,986	213,800	207,500	207,500	207,500	207,500
Total Miscellaneous	212,856	279,586	374,286	309,300	288,000	290,100	292,263	294,491
Percentage Increase/(Decrease)		31.35%	33.87%	-17.36%	-6.89%	0.73%	0.75%	0.76%
Percent of Total Revenue	0.34%	0.43%	0.58%	0.46%	0.43%	0.43%	0.42%	0.42%
Interfund Transfers	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Transfer for Compensated Absence and Other one time items	0	0	0	4,135,100	2,657,038	1,583,000	1,646,000	1,712,000
Total Revenues	\$62,589,775	\$65,582,958	64,045,168	67,335,600	66,674,543	67,389,182	68,864,875	70,677,654
Percentage Increase/(Decrease)		4.78%	-2.34%	5.14%	0.63%	1.07%	2.19%	2.63%



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TOWN OF PALM BEACH



GENERAL FUND EXPENDITURE FORECAST

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
111																
LAW & POLICY REVIEW																
Contractual	44,651	44,938	44,512	103,400	44,512	105,468	108,105	111,348	114,688							
Commodities	15,436	12,977	15,332	14,000	14,280	14,280	14,637	15,076	15,528							
TOTAL LAW & POLICY REVIEW	60,087	57,915	59,843	117,400	119,748	119,748	122,742	126,424	130,217							
		-3.61%	3.33%	96.18%	2.00%	2.50%	3.00%	3.00%	3.00%							
113																
GENERAL GOVERNMENT																
Salaries/Wages	484,970	604,338	714,401	1,521,000	1,521,000	1,521,000	600,000	600,000	600,000							
Employee Benefits	78,100	101,297	88,048	115,800	38,222	42,235	46,036	50,180	50,180							
Contractual	333,187	396,270	188,962	191,700	115,668	118,560	122,116	125,780	125,780							
Commodities	0	1,124	1,787	0	0	0	0	0	0							
Capital Outlay	2,447	2,056	2,367	2,400	2,400	2,400	2,400	2,400	2,400							
TOTAL GENERAL GOVERNMENT	898,704	1,105,085	995,566	1,830,900	1,677,290	1,677,290	763,195	770,553	778,360							
		22.96%	-9.91%	83.91%	-8.39%	-54.50%	0.96%	1.01%	1.01%							
121																
TOWN MANAGER																
Salaries/Wages	514,814	543,231	575,904	614,800	636,318	671,315	711,594	754,290	754,290							
Employee Benefits	163,118	181,239	193,674	213,600	232,824	257,271	280,425	305,663	305,663							
Contractual	21,134	14,068	17,012	17,400	17,748	18,192	18,737	19,300	19,300							
Commodities	11,618	10,536	8,639	10,000	10,200	10,455	10,769	11,092	11,092							
Capital Outlay	0	0	0	0	0	0	0	0	0							
TOTAL TOWN MANAGER	710,683	749,073	795,228	855,800	897,090	957,233	1,021,525	1,090,344	1,090,344							
		5.40%	6.16%	7.62%	4.82%	6.70%	6.72%	6.74%	6.74%							
122																
ADVICE & LITIGATION																
Contractual	280,481	356,827	493,174	402,500	410,550	420,814	433,438	446,441	446,441							
TOTAL ADVICE & LITIGATION	280,481	356,827	493,174	402,500	410,550	420,814	433,438	446,441	446,441							
		27.22%	38.21%	-18.39%	2.00%	2.50%	3.00%	3.00%	3.00%							
123																
HUMAN RESOURCES																
Salaries/Wages	362,650	381,681	384,467	397,500	364,735	378,465	401,173	425,243	425,243							
Employee Benefits	130,955	139,797	155,912	166,100	168,759	171,678	187,129	203,970	203,970							
Contractual	151,802	158,502	151,420	135,000	137,700	141,143	145,377	149,738	149,738							
Commodities	28,810	27,307	32,745	27,500	28,050	28,751	29,614	30,502	30,502							
Capital Outlay	2,367	1,587	1,452	1,500	1,500	1,500	1,500	1,500	1,500							
TOTAL HUMAN RESOURCES	676,584	708,874	725,996	727,600	700,744	721,536	764,792	810,954	810,954							
		4.77%	2.42%	0.22%	-3.69%	2.97%	5.99%	6.04%	6.04%							

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
INFORMATION SYSTEMS	125															
Salaries/Wages	435,995	449,908	470,254	490,800	507,978	535,917	568,072	602,156								
Employee Benefits	151,754	172,206	182,471	188,400	205,356	226,918	247,341	269,602								
Contractual	434,942	412,868	534,253	544,200	620,000	635,500	654,565	674,202								
Commodities	182,213	132,012	157,636	67,400	74,000	75,850	78,126	80,469								
Capital Outlay	444,109	855,573	679,465	850,000	523,600	373,415	375,350	375,661								
TOTAL INFORMATION SYSTEMS	1,649,013	2,022,566	2,024,078	2,140,800	1,930,934	1,847,600	1,923,454	2,002,090								
		22.65%	0.07%	5.77%	-9.80%	-4.32%	4.11%	4.09%								
FINANCE	131															
RECORDS MANAGEMENT	131															
Salaries/Wages	165,423	176,034	192,553	206,000	168,090	177,335	187,975	199,254								
Employee Benefits	69,702	76,690	81,354	88,900	86,601	95,694	104,307	113,694								
Contractual	41,975	38,893	71,171	63,000	52,020	53,321	54,920	56,568								
Commodities	4,059	4,313	2,793	4,200	4,284	4,391	4,523	4,659								
Capital Outlay	821	821	1,338	1,300	1,300	1,300	1,300	1,300								
FINANCIAL MANAGEMENT	281,980	296,751	349,210	363,400	312,295	332,041	353,025	375,474								
Salaries/Wages	589,460	611,808	607,268	639,000	661,365	697,740	739,604	783,981								
Employee Benefits	215,629	235,202	246,955	265,100	288,959	319,300	348,037	379,360								
Contractual	147,226	130,606	140,842	145,600	148,512	152,225	156,792	161,495								
Commodities	15,430	18,711	12,585	12,800	13,056	13,382	13,784	14,197								
Capital Outlay	1,588	1,588	1,651	1,700	1,700	1,700	1,700	1,700								
PURCHASING	969,333	997,915	1,009,300	1,064,200	1,113,592	1,184,347	1,259,917	1,340,733								
Salaries/Wages	332,799	315,896	330,149	360,700	345,550	364,555	386,428	409,614								
Employee Benefits	125,475	136,014	134,001	150,911	140,274	155,003	168,953	184,159								
Contractual	10,101	8,204	10,293	8,600	8,772	8,991	9,261	9,539								
Commodities	6,574	7,808	14,539	8,600	8,772	8,991	9,261	9,539								
Capital Outlay	2,704	1,967	2,449	2,449	2,449	2,449	2,449	2,449								
	477,653	469,889	491,432	531,260	505,816	539,989	576,352	615,299								
TOTAL FINANCE	\$1,728,966	\$1,764,556	\$1,849,942	\$1,958,860	\$1,931,703	\$2,056,377	\$2,189,293	\$2,331,507								
		2.06%	4.84%	5.89%	-1.39%	6.45%	6.46%	6.50%								

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
PLANNING/BUILDING/ZONING																
PLANNING & ZONING																
Salaries/Wages	266,324		228,871	302,600	364,142	302,600	309,051	326,049	345,612	366,348						
Employee Benefits	99,092		97,666	119,200	115,250	119,200	125,699	138,897	151,398	165,024						
Contractual	363,483		254,668	249,600	335,442	249,600	254,592	260,957	268,786	276,849						
Commodities	6,648		5,691	7,500	5,287	7,500	7,650	8,076	8,319	8,319						
Capital Outlay	0		3,278	0	0	0	0	12,000	0	0						
211	735,547		590,175	678,900	820,121	678,900	696,992	745,744	773,872	816,540						
PERMIT ISSUANCE																
Salaries/Wages	550,780		534,013	609,300	519,079	609,300	627,521	662,034	701,756	743,862						
Employee Benefits	209,103		216,079	261,800	215,648	261,800	283,662	313,446	341,656	372,405						
Contractual	255,574		273,134	271,400	252,385	271,400	276,828	283,749	292,261	301,029						
Commodities	15,695		9,512	14,600	13,782	14,600	14,892	15,264	15,722	16,194						
Capital Outlay	13,552		11,616	105,100	9,965	105,100	10,100	10,100	10,100	10,100						
212	1,044,703		1,044,354	1,262,200	1,010,859	1,262,200	1,213,002	1,284,593	1,361,496	1,443,590						
INSPECTION/COMPLIANCE																
Salaries/Wages	543,000		614,665	574,200	550,493	574,200	594,297	626,983	664,602	704,478						
Employee Benefits	212,074		248,863	233,500	213,895	233,500	254,515	281,239	306,551	334,140						
Contractual	235,571		284,597	224,200	316,137	224,200	228,684	234,401	241,433	248,676						
Commodities	15,495		16,786	20,700	22,591	20,700	21,114	21,642	22,291	22,960						
Capital Outlay	13,134		11,726	13,600	8,600	13,600	13,600	13,600	13,600	13,600						
213	1,019,274		1,176,636	1,066,200	1,111,717	1,066,200	1,112,210	1,177,865	1,248,477	1,323,855						
LANDMARKS PRESERVATION																
Salaries/Wages	44,060		55,189	58,200	52,471	58,200	57,132	60,274	63,891	67,724						
Employee Benefits	19,601		21,934	23,300	22,777	23,300	23,697	26,185	28,541	31,110						
Contractual	46,825		45,494	61,900	53,673	61,900	63,138	64,716	66,658	68,658						
Commodities	607		387	1,100	305	1,100	1,122	1,150	1,185	1,220						
Capital Outlay	0		0	0	0	0	0	0	0	0						
214	111,093		123,004	144,500	129,226	144,500	145,089	152,326	160,275	168,712						
FIRE PREVENTION																
Salaries/Wages	264,473		319,950	331,600	339,751	331,600	343,206	362,082	383,807	406,836						
Employee Benefits	126,701		170,664	195,100	187,682	195,100	212,659	234,988	256,137	279,189						
Contractual	5,864		7,180	7,700	5,137	7,700	7,854	8,050	8,292	8,541						
Commodities	17,929		17,675	14,500	5,272	14,500	14,790	15,160	15,615	16,083						
Capital Outlay	31,624		0	0	0	0	0	0	0	0						
215	446,590		515,470	548,900	537,842	548,900	578,509	620,281	663,851	710,649						
CODE ENFORCEMENT																
Salaries/Wages	0		0	284,100	196,702	284,100	294,044	310,216	328,829	348,559						
Employee Benefits	0		0	132,400	114,960	132,400	144,316	159,469	173,821	189,465						
Contractual	0		0	30,100	13,894	30,100	30,702	31,470	32,414	33,386						
Commodities	0		0	9,300	7,501	9,300	9,486	9,723	10,015	10,315						
Capital Outlay	0		0	0	0	0	0	0	0	0						
216	0		0	455,900	333,057	455,900	478,548	510,878	545,079	581,725						
TOTAL PLANNING ZONING & BUILDING																
	\$3,357,207		\$3,449,639	\$4,156,600	\$3,942,822	\$4,156,600	\$4,224,349	\$4,491,686	\$4,753,049	\$5,045,070						
			2.75%	5.42%	14.30%	5.42%	1.63%	6.33%	5.82%	6.14%						

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
LIBRARY																
LIBRARY SERVICES	321	235,000	247,000	272,400	259,350	272,400	272,400	272,400	286,020	300,321	315,337	331,104				
TOTAL LIBRARY		\$235,000	\$247,000	\$272,400	\$259,350	\$272,400	\$272,400	\$286,020	\$300,321	\$315,337	\$331,104					
			5.11%	5.03%	5.00%	5.03%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%				
FIRE-RESCUE																
FIRE ADMINISTRATION	411															
Salaries/Wages		397,751	440,991	520,600	384,553	520,600	520,600	530,541	559,721	593,304	628,902					
Employee Benefits		167,213	230,633	274,200	239,241	274,200	298,333	298,333	329,658	359,327	391,667					
Contractual		58,825	51,987	48,290	48,461	48,290	49,256	49,256	50,487	52,002	53,562					
Commodities		26,042	19,295	18,990	18,593	18,990	19,370	19,370	19,854	20,450	21,063					
Capital Outlay		10,383	19,611	47,517	47,517	47,517	48,467	48,467	49,679	51,169	52,704					
TOTAL FIRE-RESCUE		660,214	762,516	909,597	738,366	909,597	945,967	1,009,399	1,076,252	1,147,898						
OPERATIONS	417															
Salaries/Wages		5,541,580	5,660,223	6,136,900	5,678,541	6,136,900	6,299,942	6,299,942	6,646,438	7,045,225	7,467,938					
Employee Benefits		2,506,834	3,343,392	3,689,000	3,601,644	3,689,000	3,961,729	3,961,729	4,377,711	4,771,704	5,201,158					
Contractual		51,169	121,712	70,200	61,229	70,200	82,200	82,200	84,255	86,783	89,386					
Commodities		383,672	387,602	312,000	338,183	312,000	287,090	287,090	294,267	303,095	312,188					
Capital Outlay		404,924	440,539	638,900	651,063	638,900	701,678	701,678	719,220	740,797	763,020					
Other		94,999	94,999	0	93,403	0	0	0	0	0	0					
TOTAL OPERATIONS		8,983,178	10,048,468	10,847,000	10,424,064	10,847,000	11,332,639	12,121,891	12,947,604	13,833,691						
TRAINING	418															
Salaries/Wages		110,362	110,573	111,200	119,342	111,200	115,892	115,892	122,266	129,602	137,378					
Employee Benefits		43,260	57,928	61,719	63,447	61,719	61,274	61,274	67,707	73,801	80,443					
Contractual		64,569	77,889	86,900	74,050	86,900	88,638	88,638	90,854	93,580	96,387					
Commodities		10,759	21,796	8,400	19,085	8,400	8,568	8,568	8,782	9,046	9,317					
Capital Outlay		0	3,975	0	8,384	0	0	0	0	0	0					
TOTAL TRAINING		228,950	272,161	268,219	284,308	268,219	274,372	289,610	289,610	306,028	323,525					
TOTAL FIRE-RESCUE		9,872,343	11,083,144	12,024,816	11,446,738	12,024,816	12,552,977	13,420,900	14,329,884	15,305,114						
			12.26%	5.05%	3.28%	5.05%	4.39%	6.91%	6.77%	6.81%						

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget														
POLICE DEPARTMENT																
ADMIN. MANAGEMENT																
Salaries/Wages	640,487	706,100	648,842	658,370	648,842	658,370	648,842	658,370	648,842	658,370	648,842	658,370	648,842	658,370	648,842	658,370
Employee Benefits	254,533	272,200	287,092	228,948	287,092	228,948	287,092	228,948	287,092	228,948	287,092	228,948	287,092	228,948	287,092	228,948
Contractual	54,041	47,300	48,645	58,924	48,645	58,924	48,645	58,924	48,645	58,924	48,645	58,924	48,645	58,924	48,645	58,924
Commodities	53,986	47,500	49,129	40,401	49,129	40,401	49,129	40,401	49,129	40,401	49,129	40,401	49,129	40,401	49,129	40,401
Capital Outlay	5,787	2,800	1,713	2,775	1,713	2,775	1,713	2,800	1,713	2,800	1,713	2,927	1,713	3,015	1,713	3,106
Other	3,176	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1,012,010	1,075,900	1,035,421	989,419	1,035,421	989,419	1,035,421	1,075,900	1,035,421	1,075,900	1,035,421	1,090,972	1,035,421	1,163,004	1,035,421	1,236,951
ORG. CRIME/VICE/NARC																
Salaries/Wages	329,406	579,800	270,648	274,188	270,648	274,188	270,648	579,800	270,648	579,800	270,648	401,650	270,648	425,749	270,648	451,294
Employee Benefits	210,728	379,200	237,702	238,811	237,702	238,811	237,702	379,200	237,702	379,200	237,702	321,317	237,702	350,236	237,702	381,757
Contractual	39,235	33,800	30,665	27,889	30,665	27,889	30,665	33,800	30,665	33,800	30,665	33,288	30,665	34,287	30,665	35,315
Commodities	16,004	14,000	11,178	11,178	11,178	11,178	11,178	14,000	11,178	14,000	11,178	12,177	11,178	12,542	11,178	12,919
Capital Outlay	5,009	11,400	8,384	11,401	8,384	11,401	8,384	11,400	8,384	11,400	8,384	11,919	8,384	12,276	8,384	12,645
	600,381	1,018,200	558,424	563,468	558,424	563,468	558,424	1,018,200	558,424	1,018,200	558,424	780,351	558,424	835,090	558,424	893,930
RECORDS INF. SYSTEMS																
Salaries/Wages	137,707	155,000	144,209	151,285	144,209	151,285	144,209	155,000	144,209	155,000	144,209	169,248	144,209	179,403	144,209	190,167
Employee Benefits	70,980	87,700	76,198	79,953	76,198	79,953	76,198	87,700	76,198	87,700	76,198	105,630	76,198	115,137	76,198	125,499
Contractual	10,167	12,200	11,329	9,429	11,329	9,429	11,329	12,200	11,329	12,444	11,329	12,755	11,329	13,138	11,329	13,532
Commodities	5,281	4,300	3,036	4,870	3,036	4,870	3,036	4,300	3,036	4,386	3,036	4,496	3,036	4,631	3,036	4,769
Capital Outlay	191	200	191	191	191	191	191	200	191	200	191	200	191	200	191	200
	224,325	259,400	234,964	245,727	234,964	245,727	234,964	259,400	234,964	273,048	234,964	292,329	234,964	312,509	234,964	334,168
TRAINING/PER/PUB ENF																
Salaries/Wages	218,081	179,900	222,949	176,419	222,949	176,419	222,949	179,900	222,949	186,197	222,949	196,437	222,949	208,224	222,949	220,717
Employee Benefits	95,160	75,800	93,547	68,449	93,547	68,449	93,547	75,800	93,547	82,622	93,547	91,297	93,547	99,514	93,547	108,470
Contractual	24,969	47,700	22,580	20,237	22,580	20,237	22,580	47,700	22,580	43,554	22,580	44,643	22,580	45,982	22,580	52,462
Commodities	28,087	7,500	34,658	36,158	34,658	36,158	34,658	7,500	34,658	7,650	34,658	7,841	34,658	8,076	34,658	8,319
Capital Outlay	4,182	5,100	3,661	5,139	3,661	5,139	3,661	5,100	3,661	5,202	3,661	5,332	3,661	5,492	3,661	5,657
	370,479	316,000	377,396	306,403	377,396	306,403	377,396	316,000	377,396	325,225	377,396	345,551	377,396	367,288	377,396	395,624
COMMUNICATIONS																
Salaries/Wages	819,821	930,500	817,281	864,982	817,281	864,982	817,281	930,500	817,281	963,068	817,281	1,016,036	817,281	1,076,998	817,281	1,141,618
Employee Benefits	410,823	506,000	442,587	463,036	442,587	463,036	442,587	506,000	442,587	551,540	442,587	609,452	442,587	664,302	442,587	724,090
Contractual	759,150	165,600	109,018	119,531	109,018	119,531	109,018	165,600	109,018	168,912	109,018	173,135	109,018	178,329	109,018	183,679
Commodities	13,542	8,300	10,842	9,887	10,842	9,887	10,842	8,300	10,842	8,466	10,842	8,678	10,842	8,938	10,842	9,206
Capital Outlay	11,345	70,400	23,921	234,867	23,921	234,867	23,921	70,400	23,921	71,808	23,921	73,603	23,921	75,811	23,921	78,086
	2,014,680	1,680,800	1,403,649	1,692,303	1,403,649	1,692,303	1,403,649	1,680,800	1,403,649	1,763,794	1,403,649	1,880,904	1,403,649	2,004,379	1,403,649	2,136,678
CRIME SCENE/EVIDENCE																
Salaries/Wages	225,620	239,800	203,962	193,686	203,962	193,686	203,962	239,800	203,962	236,393	203,962	249,395	203,962	264,358	203,962	280,220
Employee Benefits	109,716	129,500	118,291	122,754	118,291	122,754	118,291	129,500	118,291	136,447	118,291	150,774	118,291	164,344	118,291	179,135
Contractual	16,265	16,300	13,661	10,669	13,661	10,669	13,661	16,300	13,661	16,626	13,661	17,042	13,661	17,553	13,661	18,079
Commodities	18,726	19,000	17,568	11,083	17,568	11,083	17,568	19,000	17,568	19,380	17,568	19,865	17,568	20,460	17,568	21,074
Capital Outlay	10,365	12,300	9,827	12,347	9,827	12,347	9,827	12,300	9,827	12,546	9,827	12,860	9,827	13,245	9,827	13,643
	380,692	416,900	363,309	350,538	363,309	350,538	363,309	416,900	363,309	421,392	363,309	449,934	363,309	479,961	363,309	512,151

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
PATROL SERVICES																
428																
Salaries/Wages	4,393,965	4,439,925	4,529,282	4,976,500	5,150,678	5,433,965	5,760,003	6,105,603								
Employee Benefits	2,389,711	2,672,538	2,872,385	2,827,300	3,054,960	3,375,731	3,679,547	4,010,706								
Contractual	110,045	184,931	115,536	137,600	140,352	143,861	148,177	152,622								
Commodities	272,025	322,639	338,527	318,300	288,666	295,883	304,759	313,902								
Capital Outlay	427,850	260,997	297,495	303,800	309,876	317,623	327,152	336,966								
	7,573,597	7,881,030	8,153,225	8,563,500	8,944,532	9,567,062	10,219,637	10,919,799								
CRIMINAL INVESTIGATION																
429																
Salaries/Wages	879,088	874,766	727,542	708,300	700,422	738,945	783,281	830,278								
Employee Benefits	556,816	615,271	576,737	411,500	435,501	481,229	524,539	571,748								
Contractual	22,219	17,148	12,561	15,600	15,912	16,310	16,799	17,303								
Commodities	17,036	12,845	16,605	16,800	15,336	15,719	16,191	16,677								
Capital Outlay	23,873	32,571	51,098	51,100	52,173	53,477	55,082	56,734								
	1,499,032	1,552,601	1,384,543	1,203,300	1,219,344	1,305,680	1,395,892	1,492,740								
PARKING CONTROL																
430																
Salaries/Wages	315,604	301,023	401,887	379,200	392,472	414,058	438,901	465,236								
Employee Benefits	165,510	171,200	219,472	221,700	241,653	267,027	291,059	317,254								
Contractual	10,452	10,561	6,219	17,900	18,258	18,714	19,276	19,854								
Commodities	8,264	7,553	10,290	11,200	11,424	11,710	12,061	12,423								
Capital Outlay	24,259	28,884	237,217	42,200	43,044	44,120	45,444	46,807								
	524,089	519,221	875,087	672,200	706,851	755,629	806,741	861,574								
BEACH RESCUE																
432																
Salaries/Wages	449,066	452,081	473,404	492,300	509,531	537,555	569,808	603,996								
Employee Benefits	242,494	275,943	281,497	285,400	311,086	343,750	374,688	408,409								
Contractual	2,552	4,812	4,210	5,500	5,610	5,750	5,923	6,100								
Commodities	13,607	10,005	9,837	12,300	12,546	12,860	13,245	13,643								
Capital Outlay	84,410	14,057	35,955	15,600	15,912	16,310	16,799	17,303								
	792,130	756,897	804,903	811,100	854,685	916,224	980,463	1,049,452								
TOTAL POLICE	14,991,415	14,682,913	15,365,615	16,017,300	16,261,668	17,384,636	18,564,963	19,833,067								
		-2.06%	4.65%	4.24%	1.53%	6.91%	6.79%	6.83%								

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget										
PUBLIC WORKS																
ADMIN MANAGEMENT																
511 Salaries/Wages	565,721	610,000	592,358	610,000	549,356	610,000	549,356	610,000	604,068	637,292	637,292	675,529	716,061			
Employee Benefits	182,859	215,400	194,640	215,400	198,946	215,400	198,946	215,400	234,786	259,439	259,439	282,788	308,239			
Contractual	37,754	34,900	30,232	34,900	47,747	34,900	47,747	34,900	35,598	36,488	36,488	37,583	38,710			
Commodities	6,229	8,700	11,924	8,700	7,706	8,700	7,706	8,700	8,874	9,096	9,096	9,369	9,650			
Capital Outlay	0	0	0	0	0	0	0	0	0	0	0	0	0			
	792,564	869,000	829,154	869,000	803,755	869,000	803,755	869,000	883,326	942,314	942,314	1,005,269	1,072,660			
STREET REPAIR/MAINT																
521 Salaries/Wages	62,910	101,800	67,913	101,800	94,688	101,800	94,688	101,800	99,916	105,411	105,411	111,736	118,440			
Employee Benefits	38,763	42,100	42,226	42,100	36,928	42,100	36,928	42,100	41,588	45,955	45,955	50,091	54,599			
Contractual	150,520	165,600	144,433	165,600	162,505	165,600	162,505	165,600	168,912	173,135	173,135	178,329	183,679			
Commodities	274,277	13,700	19,572	13,700	13,189	13,700	13,189	13,700	13,974	14,323	14,323	14,753	15,196			
Capital Outlay	3,245	13,900	5,179	13,900	150,072	13,900	150,072	13,900	14,178	14,532	14,532	14,968	15,417			
	529,714	337,100	279,324	337,100	457,382	337,100	457,382	337,100	338,568	353,357	353,357	369,877	387,331			
TRAFFIC CONTROL																
523 Salaries/Wages	86,953	102,700	76,084	102,700	79,032	102,700	79,032	102,700	106,295	112,141	112,141	118,869	126,001			
Employee Benefits	32,223	42,600	35,126	42,600	37,335	42,600	37,335	42,600	46,434	51,310	51,310	55,927	60,961			
Contractual	55,038	47,000	37,821	47,000	30,194	47,000	30,194	47,000	47,940	49,139	49,139	50,613	52,131			
Commodities	24,581	28,200	31,853	28,200	28,118	28,200	28,118	28,200	28,764	29,483	29,483	30,368	31,279			
Capital Outlay	1,933	11,700	12,319	11,700	4,660	11,700	4,660	11,700	11,934	12,232	12,232	12,599	12,977			
	200,726	232,200	193,203	232,200	179,340	232,200	179,340	232,200	241,367	254,304	254,304	268,376	283,349			
STREET LIGHTING																
524 Salaries/Wages	149,190	109,800	143,437	109,800	134,468	109,800	134,468	109,800	113,643	119,893	119,893	127,087	134,712			
Employee Benefits	47,303	46,100	44,066	46,100	44,963	46,100	44,963	46,100	50,249	55,525	55,525	60,522	65,969			
Contractual	218,060	237,900	137,184	237,900	254,777	237,900	254,777	237,900	242,658	248,724	248,724	256,186	263,872			
Commodities	32,398	31,400	38,035	31,400	65,926	31,400	65,926	31,400	32,028	32,829	32,829	33,814	34,828			
Capital Outlay	7,515	23,700	13,945	23,700	23,745	23,700	23,745	23,700	24,174	24,778	24,778	25,522	26,287			
	454,466	448,900	376,667	448,900	523,878	448,900	523,878	448,900	462,752	481,750	481,750	503,131	525,669			
STORM SEWER MAINT																
531 Salaries/Wages	165,153	286,100	175,796	286,100	265,637	286,100	265,637	286,100	296,114	312,400	312,400	331,144	351,012			
Employee Benefits	124,789	171,400	141,609	171,400	156,323	171,400	156,323	171,400	186,826	206,443	206,443	225,023	245,275			
Contractual	219,173	126,100	327,803	126,100	201,988	126,100	201,988	126,100	128,622	131,838	131,838	135,793	139,866			
Commodities	95,265	48,700	51,321	48,700	64,623	48,700	64,623	48,700	49,674	50,916	50,916	52,443	54,017			
Capital Outlay	6,259	108,300	5,258	108,300	80,548	108,300	80,548	108,300	100,466	102,978	102,978	106,067	109,249			
	610,640	740,600	701,788	740,600	769,119	740,600	769,119	740,600	761,702	804,574	804,574	850,469	899,419			
SANITARY SEWER MAINT																
532 Salaries/Wages	739,088	691,500	665,765	691,500	570,365	691,500	570,365	691,500	694,204	732,385	732,385	776,328	822,907			
Employee Benefits	263,688	314,700	273,454	314,700	280,836	314,700	280,836	314,700	336,383	371,703	371,703	405,157	441,621			
Contractual	149,611	123,800	173,306	123,800	187,787	123,800	187,787	123,800	126,276	129,433	129,433	133,316	137,315			
Commodities	186,759	73,100	125,560	73,100	125,755	73,100	125,755	73,100	74,562	76,426	76,426	78,719	81,080			
Capital Outlay	94,634	143,700	59,852	143,700	60,471	143,700	60,471	143,700	136,574	139,988	139,988	144,188	148,514			
	1,433,780	1,346,800	1,297,937	1,346,800	1,225,215	1,346,800	1,225,215	1,346,800	1,367,999	1,449,935	1,449,935	1,537,707	1,631,437			

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Budget									
SANITARY SEWER TRTMTNT																
533																
Contractual	1,314,517	1,243,526	1,243,526	1,549,038	1,549,038	1,550,000	1,550,000	1,581,000	1,581,000	1,620,525	1,620,525	1,669,141	1,669,141	1,719,215	1,719,215	
RESIDENTIAL COLLECTION																
541																
Salaries/Wages	466,857	461,064	461,064	491,057	491,057	680,300	680,300	704,111	704,111	742,837	742,837	787,407	787,407	834,651	834,651	
Employee Benefits	224,835	253,381	253,381	283,317	283,317	312,200	312,200	337,422	337,422	372,851	372,851	406,408	406,408	442,985	442,985	
Contractual	927	1,059	1,059	480	480	1,300	1,300	1,326	1,326	1,359	1,359	1,440	1,440	1,442	1,442	
Commodities	41,530	47,748	47,748	69,023	69,023	58,000	58,000	59,160	59,160	60,639	60,639	62,458	62,458	64,332	64,332	
Capital Outlay	32,732	33,815	33,815	41,826	41,826	41,800	41,800	35,236	35,236	36,117	36,117	37,200	37,200	38,316	38,316	
	766,882	797,067	797,067	885,703	885,703	1,093,600	1,093,600	1,137,255	1,137,255	1,213,803	1,213,803	1,294,873	1,294,873	1,381,726	1,381,726	
COMMERCIAL COLLECTION																
542																
Salaries/Wages	430,264	444,528	444,528	461,896	461,896	476,000	476,000	492,660	492,660	519,756	519,756	550,942	550,942	583,998	583,998	
Employee Benefits	163,276	171,946	171,946	181,155	181,155	196,700	196,700	214,403	214,403	236,915	236,915	258,238	258,238	281,479	281,479	
Contractual	202,590	197,689	197,689	211,276	211,276	241,100	241,100	238,022	238,022	243,973	243,973	251,292	251,292	258,830	258,830	
Commodities	31,035	36,975	36,975	54,232	54,232	48,700	48,700	49,674	49,674	50,916	50,916	52,443	52,443	54,017	54,017	
Capital Outlay	27,573	29,983	29,983	39,654	39,654	39,700	39,700	40,494	40,494	41,506	41,506	42,752	42,752	44,034	44,034	
	854,738	881,121	881,121	948,212	948,212	1,002,200	1,002,200	1,035,253	1,035,253	1,093,066	1,093,066	1,155,666	1,155,666	1,222,358	1,222,358	
REFUSE DISPOSAL																
543																
Contractual	99,647	89,098	89,098	86,120	86,120	100,000	100,000	102,000	102,000	104,550	104,550	107,687	107,687	110,917	110,917	
	99,647	89,098	89,098	86,120	86,120	100,000	100,000	102,000	102,000	104,550	104,550	107,687	107,687	110,917	110,917	
YARD TRASH COLLECTION																
544																
Salaries/Wages	939,338	892,032	892,032	930,268	930,268	985,600	985,600	937,600	937,600	989,168	989,168	1,048,518	1,048,518	1,111,429	1,111,429	
Employee Benefits	478,524	485,545	485,545	498,359	498,359	547,700	547,700	582,280	582,280	643,419	643,419	701,327	701,327	764,447	764,447	
Contractual	1,811,031	42,722	42,722	36,625	36,625	17,500	17,500	42,186	42,186	43,241	43,241	44,538	44,538	45,874	45,874	
Commodities	91,799	111,827	111,827	161,108	161,108	98,000	98,000	99,960	99,960	102,459	102,459	105,533	105,533	108,699	108,699	
Capital Outlay	75,655	70,615	70,615	125,666	125,666	125,700	125,700	128,214	128,214	131,419	131,419	135,362	135,362	139,423	139,423	
	3,396,347	1,602,741	1,602,741	1,752,026	1,752,026	1,774,500	1,774,500	1,790,240	1,790,240	1,909,706	1,909,706	2,035,278	2,035,278	2,169,871	2,169,871	
RECYCLING																
545																
Salaries/Wages	149,956	163,297	163,297	172,533	172,533	160,400	160,400	166,014	166,014	175,145	175,145	185,653	185,653	196,793	196,793	
Employee Benefits	77,640	85,234	85,234	82,680	82,680	88,400	88,400	96,356	96,356	106,473	106,473	116,056	116,056	126,501	126,501	
Contractual	0	100	100	96	96	0	0	0	0	0	0	0	0	0	0	
Commodities	13,410	16,108	16,108	25,365	25,365	20,500	20,500	17,910	17,910	18,358	18,358	18,908	18,908	19,476	19,476	
Capital Outlay	19,152	19,152	19,152	32,817	32,817	32,800	32,800	33,456	33,456	34,292	34,292	35,321	35,321	36,381	36,381	
	260,158	283,891	283,891	313,491	313,491	302,100	302,100	313,736	313,736	334,268	334,268	355,939	355,939	379,150	379,150	
BEACH CLEANING																
546																
Salaries/Wages	70,026	78,567	78,567	70,079	70,079	95,600	95,600	98,946	98,946	104,388	104,388	110,651	110,651	117,290	117,290	
Employee Benefits	42,932	45,522	45,522	44,124	44,124	48,500	48,500	52,865	52,865	58,416	58,416	63,673	63,673	69,404	69,404	
Contractual	1,855	0	0	0	0	5,000	5,000	5,100	5,100	5,228	5,228	5,384	5,384	5,546	5,546	
Commodities	5,288	8,269	8,269	10,924	10,924	10,700	10,700	9,164	9,164	9,393	9,393	9,675	9,675	9,965	9,965	
Capital Outlay	5,874	8,220	8,220	12,053	12,053	12,100	12,100	12,342	12,342	12,651	12,651	13,030	13,030	13,421	13,421	
	125,974	140,578	140,578	137,180	137,180	171,900	171,900	178,417	178,417	190,075	190,075	202,414	202,414	215,626	215,626	

**Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13**

PROGRAM	2006		2007		2008		2009		2010		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
PARKS	551															
Salaries/Wages	530,058	461,987	478,778	533,400	545,530	575,534	610,066	646,670								
Employee Benefits	266,159	278,353	292,904	312,700	340,843	376,632	410,528	447,476								
Contractual	613,648	363,795	395,396	399,200	407,184	417,364	429,885	442,781								
Commodities	62,075	80,470	95,641	69,700	69,194	70,924	73,052	75,243								
Capital Outlay	22,188	21,952	31,158	31,200	31,824	32,620	33,598	34,606								
	1,494,128	1,206,557	1,293,877	1,346,200	1,394,575	1,473,073	1,557,129	1,646,776								
PUBLIC WKS FACIL MAINT	554															
Salaries/Wages	186,545	193,377	198,556	244,100	252,644	266,539	282,531	299,483								
Employee Benefits	67,733	74,082	77,089	92,900	101,261	111,893	121,964	132,941								
Contractual	587,144	842,785	686,596	772,700	692,120	709,423	730,706	752,627								
Commodities	40,240	48,357	51,351	47,100	47,042	48,218	49,665	51,155								
Capital Outlay	13,527	11,229	16,983	17,000	17,340	17,774	18,307	18,856								
	895,189	1,169,830	1,030,575	1,173,800	1,110,407	1,153,847	1,203,172	1,255,061								
PARKING METER MAINT&COLL	558															
Salaries/Wages	24,764	28,050	74,413	19,000	19,665	20,747	21,991	23,311								
Employee Benefits	12,010	13,016	16,930	14,100	15,369	16,983	18,511	20,177								
Contractual	7,585	6,152	44,269	22,600	23,052	23,628	24,337	25,067								
Commodities	11,624	6,348	8,632	11,900	12,138	12,441	12,815	13,199								
Capital Outlay	1,405	17,070	337,382	1,400	1,428	1,464	1,508	1,553								
	57,387	70,635	481,627	69,000	71,652	75,263	79,162	83,307								
GEN ENGINEERING SERV	561															
Salaries/Wages	260,651	279,071	377,155	419,600	434,286	458,172	485,662	514,802								
Employee Benefits	78,712	92,073	117,468	128,600	140,174	154,892	168,833	184,028								
Contractual	26,248	16,525	10,654	18,100	18,462	18,924	19,491	20,076								
Commodities	3,903	7,174	6,193	6,300	6,126	6,279	6,468	6,662								
Capital Outlay	3,938	5,205	8,410	8,400	8,568	8,782	9,046	9,317								
	373,452	400,047	519,880	581,000	607,616	647,049	689,499	734,884								
RIGHT OF WAY INSPECT	565															
Salaries/Wages	76,769	75,336	81,798	83,500	86,423	91,176	96,646	102,445								
Employee Benefits	25,352	28,792	29,657	32,500	35,425	39,145	42,668	46,508								
Contractual	969	661	1,210	1,000	1,020	1,046	1,077	1,109								
Commodities	884	981	960	1,200	1,224	1,255	1,292	1,331								
Capital Outlay	0	1,283	1,945	1,900	1,938	1,986	2,046	2,107								
	103,975	107,053	115,570	120,100	126,030	134,607	143,729	153,500								
EQUIP OPERATIONS/MAINT	571															
Salaries/Wages	319,364	299,663	253,267	362,200	337,391	355,948	377,304	399,943								
Employee Benefits	136,056	140,833	146,128	161,900	176,471	195,000	212,550	231,680								
Contractual	60,019	107,117	64,076	48,700	49,674	50,916	52,443	54,017								
Commodities	104,666	109,793	91,778	105,200	106,754	109,423	112,706	116,087								
Capital Outlay	6,118	6,118	10,335	10,300	10,506	10,769	11,092	11,424								
	626,223	663,523	565,584	688,300	680,796	722,055	766,095	813,150								

Town of Palm Beach, Florida
Expenditure Budget and Forecast
FY06 through FY13

PROGRAM	2006	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget
LTFP Assumptions								
Inflationary Increase to Contractual/Commodities/Capital					2%	2.5%	3%	3%
Salary Increases					3.5%	5.5%	6%	6%
Benefit Increases					9%	10.5%	9%	9%

Analysis of Expenses by Category Expense Categories	2006	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget
Salaries/Wages	24,318,537	24,543,973	25,280,657	28,624,800	28,889,611	29,467,555	31,199,608	33,035,584
% Increase		0.93%	3.00%	13.23%	0.93%	2.00%	5.88%	5.88%
\$ Increase		225,435	736,684	3,344,143	264,811	577,944	1,732,053	1,835,976
Employee Benefits	11,090,705	12,839,652	13,541,919	14,167,430	14,985,947	16,544,670	18,033,691	19,656,723
% Increase		15.77%	5.47%	4.62%	5.78%	10.40%	9.00%	9.00%
\$ Increase		1,748,947	702,267	625,511	818,517	1,558,723	1,489,020	1,623,032
Contractual	9,591,749	7,488,710	8,169,201	7,588,890	7,634,272	7,823,124	8,056,911	8,299,813
% Increase		-21.93%	9.09%	-7.10%	0.60%	2.47%	2.99%	3.01%
\$ Increase		(2,103,040)	680,491	(580,311)	45,382	188,852	233,788	242,901
Commodities	2,237,009	1,932,884	2,051,710	1,698,390	1,657,748	1,699,176	1,750,134	1,802,620
% Increase		-13.60%	6.15%	-17.22%	-2.39%	2.50%	3.00%	3.00%
\$ Increase		(304,125)	118,826	(353,320)	(40,642)	41,429	50,957	52,486
Capital Outlay	1,852,144	2,067,238	3,282,121	2,804,666	2,442,411	2,351,323	2,399,187	2,459,164
% Increase		11.61%	58.77%	-14.55%	-12.92%	-3.73%	2.04%	2.50%
\$ Increase		215,095	1,214,883	(477,455)	(362,255)	(91,088)	47,864	59,977
Other	98,176	94,999	93,403	0	0	0	0	0
Library Services	235,000	247,000	259,350	272,400	286,020	300,321	315,337	331,104
% Increase		5.11%	5.00%	5.03%	5.00%	5.00%	5.00%	5.00%
\$ Increase		12,000	12,350	13,050	13,620	14,301	15,016	15,767
TRANSFER TO OTHER FUNDS								
CAPITAL IMPROV. FUND (307/308)	3,812,491	3,378,801	2,096,000	1,817,000	1,817,000	1,817,000	1,817,000	1,817,000
COASTAL PROTECTION FUND (309)				2,000,000	0	0	0	0
DEBT SERVICE FUND (203)	3,402,060	3,529,000	3,652,000	3,790,000	3,922,000	4,059,000	4,191,000	4,323,000
GROUP HEALTH INS. (502)	918,991	993,700	1,466,000	1,649,000	1,824,000	1,999,000	2,174,000	2,349,000
RISK-W/C. LIAB.PROP. (501)	2,390,000	2,220,201	2,392,000	1,918,000	2,013,900	2,114,595	2,220,325	2,331,341
CONTINGENT APPROP.	0	0	0	1,005,024	984,238	983,080	1,045,896	1,111,271
Total Transfers and Other	10,523,542	10,121,702	9,606,000	12,179,024	10,561,138	7,972,675	8,448,221	8,784,612
% Increase		-3.82%	-5.10%	26.79%	-13.28%	-24.51%	5.96%	3.98%
\$ Increase		(401,840)	(515,702)	2,573,024	(1,617,886)	(2,588,463)	475,546	336,391

Total Expenditures	59,946,861	59,336,159	62,284,362	67,335,600	66,457,147	66,158,844	70,203,089	74,369,620
% Increase		-1.02%	4.97%	8.11%	-1.30%	-0.45%	6.11%	5.93%
\$ Increase		(610,703)	2,948,203	5,051,238	(878,453)	(298,303)	4,044,245	4,166,531



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