TOWN OF PALM BEACH, FLORIDA

COMPREHENSIVE ANNUAL BUDGET

FISCAL YEAR 2012
(October 1, 2011 - September 30, 2012)

Mayor and Town Council

Gail Coniglio, Mayor
David A. Rosow, Town Council President
Robert N. Wildrick, Town Council President Pro-Tem
William J. Diamond, Town Council Member
Richard M. Kleid, Town Council Member
Michael J. Pucillo, Town Council Member

Town Manager

Peter B. Elwell

Prepared by the Finance Department
Jane Struder, Finance Director
(561) 838-5400
www.townofpalmbeach.com

TOWN OF PALM BEACH
ORGANIZATIONAL STRUCTURE

CITIZENS OF PALM BEACH

ELECT

MAYOR
Gail Coniglio

TOWN COUNCIL

PRESIDENT
David A. Rosow

PRESIDENT PRO-TEM
Robert N. Wildrick

William J. Diamond

Richard M. Kleid

Michael J. Pucillo

APPOINTS

TOWN ATTORNEY
John C. Randolph

TOWN MANAGER
Peter B. Elwell

ADVISORY BOARD AND COMMISSIONS

SUPERVISES

FINANCE DIRECTOR
Jane Struder

RECREATION DIRECTOR
Jay Boodheshwar

HUMAN RESOURCES DIRECTOR
Danielle Olson

PLANNING, ZONING AND BUILDING DIRECTOR
John Page

DIRECTOR OF PUBLIC SAFETY
Kirk W. Blouin

PUBLIC WORKS DIRECTOR
H. Paul Brazil

Guide for Readers

The following information might be helpful to the reader in finding information in the budget document for programs, services and financial information. The Town of Palm Beach Budget compiles financial and service delivery data in a single source document for easy reference. This guide explains the budget format and will assist in locating information which may be of particular interest. The budget is intended to serve four purposes.

THE BUDGET AS A POLICY DOCUMENT

As a policy document, the Budget indicates what services the Town of Palm Beach will provide during the upcoming fiscal year, and the reasons for these services. The Budget provides goals and objectives for each organizational unit in the Town of Palm Beach as well as the performance measures upon which programs will be monitored for the forthcoming fiscal year. All Town of Palm Beach funds are described in detail in their respective sections.

THE BUDGET AS AN OPERATIONS GUIDE

As an operations guide, the budget indicates how departments and funds are organized to provide services that will be delivered to the community. The Departments' budget sections provide a mission statement, goals and objectives, organization chart, authorized personnel, revenue and expenditure summaries with descriptions, and performance measures for each Town of Palm Beach Department.

THE BUDGET AS A FINANCIAL PLAN

As a financial plan, the budget outlines the cost of the Town of Palm Beach services and how they will be funded. The Revenues and Expenditures Section provides an overview of the Budget including major revenue and expenditure breakdowns and categories for the following Funds: General, Debt Service, Capital, Enterprise, Internal Service Activity and Trust & Agency. The introductory section includes a budget message, a discussion of the Town of Palm Beach accounting structure and financial policies, a description of the budget preparation process and the financial structure. The budget summary section details the approved budget as well as a comparison of financial activity over a multi-year period with an analysis of the Town reserves.

THE BUDGET AS A COMMUNICATIONS DEVICE

The Budget is designed to be user friendly with summary information in text, charts, tables and graphs. A glossary of financial budget terms is included for your reference. In addition to the reader's guide, the table of contents provides a listing of sections in the order in which they appear in this document. The statistical section includes miscellaneous information relevant to the Town of Palm Beach. Should you have a question about the Town of Palm Beach that this document does not answer, please feel free to call The Finance Department at (561) 838-5444. A Budget in Brief is also available from the Finance Department on the Town's web site, www.townofpalmbeach.com or by mail at, 360 South County Road, Palm Beach, Florida 33480.

Guide for Readers

A STEP BY STEP GUIDE

Given its size and the variety of information it contains, the budget document can be an overwhelming undertaking to review. The purpose of this section is to provide the reader with a guide to the document's contents: where and how to find the information and how to understand or use the information.

The budget document has been prepared in a summary format intended to be easily understood by the general public. The following describes each of its major sections:

Introduction

The budget message or transmittal letter is the best place to start. It is most important in understanding where we have been and where we are going in the upcoming year. The letter provides a broad perspective of services provided and discusses taxes and millage rates, changes in operations, significant differences in revenues and expenditures, and the focus and direction of the budget year.

The introduction section also includes general information about the Town, its budget philosophy and process, financial policies (which form the foundation of the Town's budget development and financial management processes), and other general information.

Budget Summary, General Fund, Revenues, Expenditures, Departmental tabs and Other

The Budget Summary, General Fund, Revenues, Expenditures including Departmental and Other tabs include various presentations of the general fund budget. The Budget Summary section includes summary budget information for all funds and an analysis of Town reserves. The General Fund section includes a financial trend analysis of Revenues and Expenditures. The Revenues tab includes a detailed five-year general fund revenue history, as well as narrative and charts regarding major general fund revenue history. The Expenditures tab includes an exhibit containing four years of expenditure history by program, as well as summary budget charts.

An overview of each department/program, the largest portion of the General Fund budget, is included in this section. Each department's section may include the following: a revenue and expenditure summary, personnel complements, an organizational chart, mission statement, goals and objectives, performance measures and workload indicators.

Debt Service, Capital, Enterprise, Internal Service and Trust & Agency Funds

These sections include budget summaries, program descriptions, trend analyses and income statement analyses for the Town's governmental (other than general), enterprise, internal service and trust & agency funds.

Appendix

The appendix includes property tax and millage rate schedules, donation reserve account detail, financial policies, historical staffing levels, and other exhibits that may be helpful to the reader.

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We sincerely hope this "how-to" has aided in finding and understanding information contained in the Town's budget. If any point is unclear, or if additional information is necessary, please call the Finance Department at (561)838-5444. Should the same requests repeatedly occur, we will make an effort to incorporate clarifications in next year's budget document.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Town of Palm Beach

Florida

For the Fiscal Year Beginning

October 1, 2010

President Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Town of Palm Beach for its annual budget for the fiscal year beginning October 1, 2010.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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TOWN OF PALM BEACH

Office of the Town Manager

October 1, 2011

Dear Honorable Mayor, Town Council
and Citizens of the Town of Palm Beach

I am pleased to present the Comprehensive Annual Budget for the Town of Palm Beach for fiscal year beginning October 1, 2011, and ending September 30, 2012, in accordance with Section 2-541 of the Town's Code of Ordinances and Chapter 95-495 of the laws of the State of Florida. The budget was prepared to comply with generally accepted accounting principles (GAAP) and all applicable Town, State, and Federal requirements. After extensive public participation and careful review by the Mayor and Town Council in several public meetings, formal citizen input was invited at two (2) public hearings. The final budget adoption occurred on September 21, 2011.

This budget document is a financial plan that sets forth the policy framework of the Town and provides the Mayor, Town Council, interested citizens, and staff with information supporting the adopted policies. The document includes aggregate financial and organizational data as well as individual program descriptions and expenditure information for every functional area of the Town.

Due to the continued economic downturn, the Town Council decided to adopt one main goal for FY12:

- Maintain all adopted levels of service without any increase in taxes.

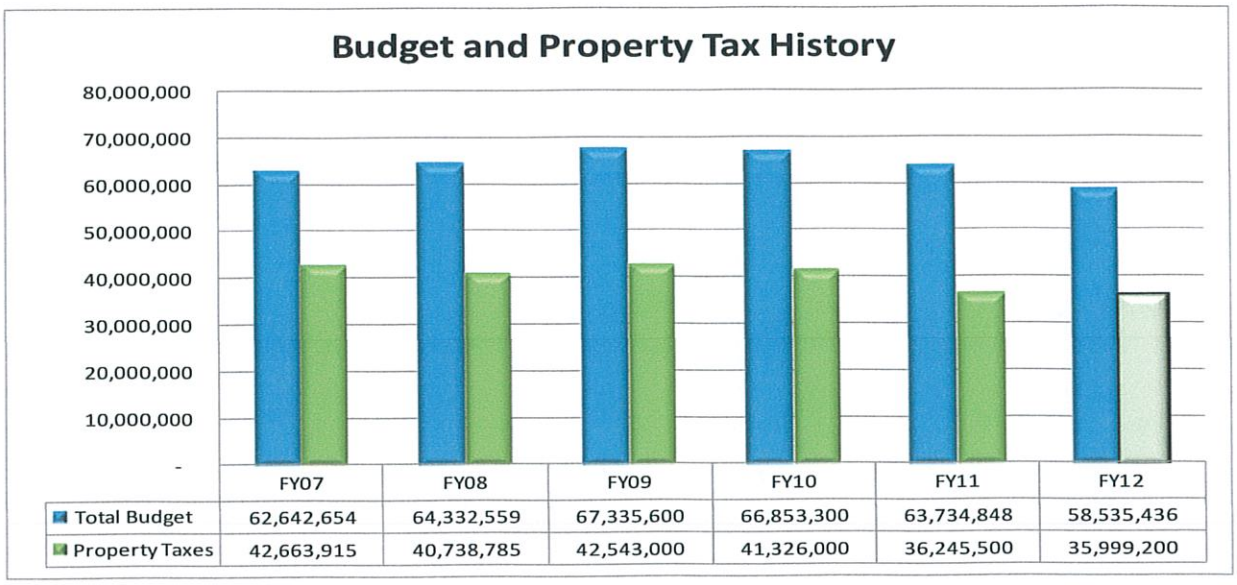
To accomplish this goal, staff started with the long term financial plan forecast for FY12 as a baseline and then found additional ways to cut expenditures and increase non-tax revenues, while generally maintaining service levels and addressing coastal funding for next year. Overall, the budget reflects a 8.2% decrease from the FY11 budget.

Further details regarding the Townwide Vision, Goals and Key Results Measures can be found in the section immediately following the budget message.

The Path to Fiscal Sustainability

Since FY08, the Town has diligently worked to reduce costs and improve efficiencies wherever possible. The General Fund budget has decreased $8,477,164 (12.6%) from the FY09 peak. Annual property tax revenue has decreased $6,664,715 (15.67%) from the FY07 peak. The millage rate has been maintained at 3.2512 from FY09 through FY12. The chart below shows the budget and property tax history for FY07 - FY11 and the proposed budget and property taxes for FY12. The FY12 budget is the Town's lowest budget since FY06. All expense categories have decreased with the exception of "transfers" which contains $3,960,000 for the coastal protection

program. Since FY07, 52.58 positions have been cut from the Town's budget. This year, benefit costs have been reduced from 26.7% to 20.8% of the total budget.



The recent budget cuts have improved the Town's long term financial forecasts. The 2009 LTFP showed deficits beginning in FY12 and increasing through the forecast period (FY20). The current forecast shows surpluses for the next few years and small manageable deficits beginning in FY18. Since FY08, and continuing for FY12, service levels have remained basically the same.

The LTFP presented in April 2009 showed the following forecast for FY12 - FY20:

LTFP Forecast as of April 2009	FY12	FY13	FY14	FY15	FY16	FY20
Revenues	67,311,540	69,280,626	71,388,922	73,565,312	75,625,541	84,495,429
Expenditures	68,977,924	72,776,820	77,238,099	81,876,195	86,140,002	104,748,413
Surplus/(Deficit)	-1,666,384	-3,496,194	-5,849,177	-8,310,883	-10,514,460	-20,252,980

As stated above, the FY12 budget contains a transfer of $3,960,000 for coastal protection projects that was not included in the 2009 LTFP. There is still no funding for coastal projects in the forecast for FY13 and beyond, but the forecasted surplus could be used to offset a portion of the future coastal protection costs through FY17. The current updated forecast is as follows:

Projections Based On FY12 Budget	FY12	FY13	FY14	FY15	FY16	FY20
Revenues	**58,535,436**	**59,927,491**	**61,529,625**	**63,092,226**	**64,662,666**	**71,418,288**
Expenditures	**58,535,436**	**56,865,405**	**59,341,511**	**61,323,741**	**63,362,135**	**72,607,480**
Surplus/(Deficit)	**0**	**3,062,086**	**2,188,114**	**1,768,485**	**1,300,531**	**(1,189,192)**

GENERAL FUND

FY2012 Budget Highlights

The FY12 budget represents excellent work by all Town departments. The department directors were instructed to submit budgets that were below the April 2011 Long Term Financial Plan forecasts for their departments. Collectively, they achieved this goal and delivered over $843,000 of additional savings.

Revenues

In the General Fund, total revenues are expected to decrease by $5,199,412 (-8.2%) from the adopted FY11 budget. The changes by revenue type are shown below:

Revenue	FY2011	FY2012	FY11 vs. FY12 Difference	% Change
Ad Valorem Taxes	$36,245,500	$35,999,200	($246,300)	-0.7%
Non Ad Valorem Taxes	7,829,000	7,642,000	(187,000)	-2.4%
Licenses & Permits	6,104,300	5,734,800	(369,500)	-6.1%
Intergovernmental	1,129,000	1,052,000	(77,000)	-6.8%
Charges for Services	3,351,803	3,670,736	318,933	9.5%
Fines and Forfeitures	841,000	843,000	2,000	0.2%
Investment Earnings	1,366,000	1,110,000	(256,000)	-18.7%
Miscellaneous	287,500	250,100	(37,400)	-13.0%
Interfund Transfers	2,039,000	800,000	(1,239,000)	-60.8%
Transfer From Fund Balance and Other Funds	4,541,745	1,433,600	(3.108,145)	-68.4%
Total Revenue Budget	$63,734,848	$58,535,436	($5,199,412)	-8.2%

Ad Valorem Revenue

The LTFP called for property taxes to remain level from FY11 to FY12, so the millage rate would generate the same amount of tax revenue in both years. The table above shows a decline in ad valorem taxes from budget-to-budget due to the decline in the Town's taxable value of .46%. The approved operating millage rate of 3.2512 mills (which was also adopted in FY09, FY10, and FY11) causes the FY12 ad valorem revenue to decline by $246,300 from FY11.

Non Ad Valorem Revenue

Total non ad valorem revenues (excluding transfers of fund balance) are anticipated to decrease by $1,844,967 from FY11 budgeted revenues. The differences by revenue type are described in detail below:

- Non ad valorem taxes are expected to decrease by $187,000 (-2.4%), due to decreases in local option sales and use taxes and franchise fees.

- Licenses and Permits are expected to decrease by $369,500 (-6.1%). This is primarily due to the reduction in building permit revenue due to the weak economy.

- Intergovernmental Revenues are expected to decrease by $77,000 (-6.7%), due to decreases in state sales tax revenue and grant revenues.

- Charges for Services are expected to increase by $318,933 (9.5%), primarily due to an increase in public safety fees and parking revenues.

- Fines and Forfeitures are expected to increase by $2,000 (0.2%).

- Interest Earnings on the Town's invested funds are expected to decrease $256,000 (-18.7%) from the FY11 budget. The budget is based on the expectation that the current low interest rate environment will continue.

- Miscellaneous Revenue is expected to decrease by $37,400 (-13.0%), due to Palm Beach County's cancellation of the Kreusler Park.

- Interfund transfers represent the transfer from the Recreation Enterprise Fund for services provided by the General Fund. This transfer was increased by ($161,000) for FY12. In FY11, a transfer from the Capital Improvement Fund of $1.4 million was included in the budget,

- The proposed transfer from fund balance is $1,433,600. A portion of the transfer ($626,293) is from the designated reserve for compensated absences to provide for the payment of accrued leave. The balance of the transfer is for contingency funding ($807,307) in compliance with Town policy. For the first time since FY04, no discretionary use of fund balance is included in the transfer.

Expenditures

Total proposed General Fund expenditures of $58,535,436 represent an 8.2% decrease from FY11 operating expenditures. Changes by program are included under separate tabs. Highlights of the overall changes by category of expenses for the FY11 vs. FY12 budgets are set forth on the table below:

Expenditure Category	FY2011	FY2012	FY11 vs. FY12 Difference	% Change
Salary and Wages	$24,220,261	$23,990,487	(229,774)	-1.0%
Employee Benefits	17,651,751	12,183,488	(5,468,263)	-30.9%
Contractual	7,666,045	7,473,563	(192,482)	-2.5%
Commodities	1,569,658	1,549,654	(20,004)	-1.3%
Capital Outlay	2,439,039	1,998,768	(440,271)	-18.0%
Other	10,188,094	11,339,476	1,151,382	11.3%
Total	$63,734,848	$58,535,436	(5,199,412)	-8.2%

Salary and Wages
In FY10 and FY11, due to the combined impacts of State-mandated property tax reform and the international financial crisis, the Town and most other public employers in our area eliminated all employee pay increases. The Town has a pay-for-performance system for general employees and our step pay systems for police officers and firefighters also have a performance baseline. The FY12 budget includes funding ($327,300) for performance-based increases but no funding for any across-the-board pay increase. Although the Town no longer awards across-the-board pay increases, we do plan to adjust pay ranges when market influences make that a prudent and necessary action. (No such adjustment to Town employee pay ranges is necessary this year.) This will provide employees with continued future earning potential that can be achieved through performance-based pay raises.

The total cost of salaries and wages decreased by $229,774 for FY12. The majority of this savings is due to the elimination of 4.68 positions.

Some expenditures included within the salary and wages category are partially or fully offset by non-tax revenues. These expenditures include special assignment overtime, education incentive pay, and Telecommunicator salary reimbursement through County 911 Funding. The revenue offset from these sources is budgeted for $841,000.

Employee Benefits
The decrease in the cost of employee benefits reflects the impact of a $5,577,544 decrease in the estimated retirement contribution and a decrease in the longevity program of $257,686, offset by an increase of $272,700 for the health insurance program.

Contractual
The contractual appropriation decreased by $192,482. Palm Beach County's commitment to assist in the funding of the sand transfer plant caused a $300,000 reduction in contractual services. This decrease is offset by funding the Town is required to provide for the new Palm Beach County Inspector General ($100,000).

Commodities
The decrease in commodities is primarily due to increases in fuel offset by decreases in general supplies throughout the Town.

Capital Outlay
The decrease in capital expenditures is due to a $344,271 reduction in the annual depreciation contribution to the Equipment Replacement Fund. The reduction is the result of a thorough analysis by staff of the useful lives of the equipment, which resulted in extension of useful lives for some items and elimination of some other items. Expenditures for replacement equipment are funded from the Equipment Replacement Fund.

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

The Other category contains a transfer for debt service funding of $3,500,000 which is the same as FY11.

The funding for the Risk Insurance program decreased by $104,719.

The Pay As You Go portion of the capital improvement program has been increased from $500,000 to $1,000,000 to cover the cost of small capital projects not included in the accelerated capital improvement program.

The transfers include $3,960,000 to the Coastal Protection Fund for the coastal program. This amount represents an increase of $870,000 from FY11. It is important to note that the FY11 transfer was funded primarily through a transfer from fund balance. The FY12 transfer is funded without such a transfer.

Funding for the Four Arts Library represents an increase of 3% for a total of $280,600.

The General Fund Contingency for FY12 is funded at 1.5% ($811,307) of total General Fund operating expenditures, per Town policy.

Fund Balance

As of September 30, 2010, the Town's unassigned General Fund balance was $18,394,714. Town policy requires that the General Fund maintain an unassigned fund balance of 25% of budgeted operating expenditures. This requires a minimum unassigned fund balance of $14,646,359 for the FY12 budget. Therefore, the Town's unassigned General Fund balance is $3,748,355 above the policy required minimum for FY12. A surplus of approximately $1 million is anticipated for FY11.

The proposed budget includes a transfer of $1,433,600 from fund balance reserves to fund the following items: contingency reserve ($807,000) and compensated absence payouts ($622,600). The compensated absence payouts will come from the compensated absence reserve. The contingency transfer will come from the Town's unassigned General Fund balance.

Personnel Complement

The total proposed personnel complement (for all funds Townwide) for FY12 is 362.65 full-time equivalent personnel (FTEP), which is a decrease of 4.68 FTEP from the adopted FY11 budget. This is a decrease of 52.58 FTEP (12.7%) since FY07.

The table on the following page provides a summary of FTEs by Department.

Department/Fund	FY2008	FY2009	FY2010	FY2011	FY2012
Town Manager	6.00	6.00	6.00	5.00	5.10
Information Systems	6.00	6.00	6.00	6.00	6.00
Human Resources	4.90	4.90	4.95	4.57	4.57
Finance	18.00	18.00	17.45	17.45	17.45
Planning, Building & Zoning	29.00	29.00	28.75	28.25	28.25
Fire-Rescue	81.00	81.50	90.20	85.40	81.90
Police	129.50	129.50	115.05	102.85	104.35
Public Works	101.91	101.41	97.75	86.35	87.35
Recreation Enterprise Fund	29.17	28.78	29.03	27.48	25.70
Risk Fund	2.00	1.50	1.00	1.00	1.00
Health Fund	1.60	1.10	1.10	0.53	0.53
Kruesler Park	2.20	2.20	2.20	2.00	0.00
OPEB Trust	0.00	0.50	0.50	0.45	0.45
Total Authorized Positions	411.28	410.39	399.98	367.33	362.65

Inventory of Assets

The estimated inventory of parts, supplies, fuel and materials on hand as of October 1, 2011, was $501,054 and the total fixed asset inventory (which includes machinery, equipment, and vehicles with a value over $2,500 and computer equipment with a value over $1,500) is $17,927,531.

OTHER FUNDS

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

Debt Service Funds (205, 206)

The Debt Service Funds provide for the payment of principal and interest on the Town's outstanding bonds. During FY10, the Town authorized the issuance of $57,035,000 for a portion of the Town's 20 year Capital Improvement Program and refunding all of the Town's existing debt. In addition, bonds totaling $14,770,000 were issued for the Worth Avenue Commercial District Project.

The Town's outstanding debt as of September 30, 2011 is shown below:

Year Issued	*Outstanding Principal Balance @ September 30, 2010*	*Purpose*
2010A	$56,065,000	Finance a portion of 20 year CIP and refund outstanding debt.
2010B	$14,475,000	Worth Avenue Commercial District Project
Total	$70,540,000	

As of September 30, 2011, the Town's net bonded debt will amount to only 12.1% of the legal limit of $582,767,032 (5% of preliminary FY12 taxable value of $11,655,340,637).

The Town's credit ratings were reevaluated with the issuance of the 2010 bonds. Moody's Investors Service issued a rating of Aa1 for the Revenue Bonds and a Aaa issuer rating. Standard and Poor's credit rating on the Revenue Bonds is AA+ and the issuer credit rating is AAA. These are the highest ratings these two services issue and represent the highest quality investment grade debt.

The 2010A Series Revenue Bonds total debt service appropriation of $3,631,800 is partially funded from non-ad valorem revenues, of which $124,500 is funded through the Recreation Enterprise Fund for the Town's portion of the Par 3 Renovation. The non-ad valorem revenue transfer from the General Fund for FY12 is $3,500,000.

The 2010B Series Revenue Bonds debt service appropriation of $864,300 is funded through non ad valorem assessments on the property owners within the Worth Avenue Assessment District.

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

For FY12 the following projects have been funded in the Pay As You Go capital budget:

- Storm water improvements - $105,000
- Sanitary sewer improvements - $155,000
- Milling & Resurfacing Program - $500,000 (An increase from $250,000 in FY11)
- Water Main Improvements (WPB) - $800,000 (Offset by reimbursement from West Palm Beach)
- Police Facility Air Conditioning Replacement - $250,000

Projects that are to be funded in FY12 from the Bond Proceeds Fund for the 20 year CIP program are listed under the Capital Funds tab.

Coastal Protection

The CCMP Construction Fund (309) is used to fund the construction costs of the coastal projects.

The amount reflected in the budget ($3,960,000) will be sufficient to finance all activities recommended by the Shore Protection Board for FY12. No funding has been allocated for any future coastal projects. The coastal management plan recommended by the Shore Protection Board will require the appropriation of significant sums (millions of dollars each year) to pay for the design, permitting, construction, and monitoring of future projects.

Recreation Enterprise Fund (403)

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

REVENUE

Although signs continue to point to a recovering economy, it is expected to be slow for the near future. In response to this expectation, staff has taken a very conservative approach to projecting revenue for FY12. Growing participation (rather than raising fees) will be the strategy for growing revenue in the immediate future.

Tennis revenue projections are slightly higher for FY12 due to an expected increase in participation, particularly in the junior program. Annual and daily tennis fees will be held at their current levels.

Recreation Center revenues are also expected to be slightly higher. Several new and enhanced programs have been implemented and more are planned for FY12.

Town docks revenue is expected to remain flat, although inquiries into annual leases are on the rise. There are no recommended increases to dockage rates for FY12. The Town Docks did not attain 100% occupancy in FY10 or FY11, transient revenues also have declined (although data shows longer transient vessel stays recently), and area rates are not expected to increase until occupancy percentages increase. Last year, the opportunity to offer winter monthly rates presented itself and its implementation has been successful in regaining some revenue.

Although Par 3 revenues are not climbing at the rate staff had hoped for, revenue did rise during FY11 and is expected to increase further in FY12. It is important to note that the stagnant economy and market saturation continue to be two of the main challenges to the golf course's business. Therefore, no fee increases are recommended for FY12. The revenue projections for FY12 more than offset the expenditure budget increases, with cost recovery expected to exceed 100%.

EXPENDITURES

The FY12 REF operating budget represents an overall decrease from the FY11 budget. Marina funding is proposed to remain flat and all other programs will decrease their expenditures. Salaries and pension benefits will decrease due to pension reform and a reduction of 2 (two) full-time staff members, offset by minor increases in part-time staffing expenditures that are necessary to continue an expected standard of service. Contractual and commodity expenditures continue to be strictly controlled but it is expected the actual costs will increase slightly.

The transfer to the General Fund has increased from $550,000 to $800,000. There is no use of the Recreation Enterprise Fund- Fund Balance.

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

Internal Service Funds (501, 502, 520)

The transfer to Risk Fund (501) has decreased by $104,719 from FY11 to FY12.

The employer contribution to the Health Insurance Fund (502) has increased by $272,700 from FY11 to FY12. During FY11 the health insurance program experienced a few large claims which have caused the program costs to increase over the LTFP estimate of 8%. The FY12 budget for the Employer Contribution is based upon the LTFP estimates and the excess will be funded as a "one off" from the net assets of the Health Insurance Fund (since that portion of the increase was caused by the anomaly of a few catastrophic claims occurring in a single year).

The Equipment Replacement Fund (520) contains the accumulated depreciation of all fixed assets over the established thresholds of $2,500 for capital equipment and $1,500 for computer equipment. The annual depreciation transfer for FY12 is $1,859,768. This amount represents a decrease of $344,271. The decrease is due to the results of a comprehensive analysis by staff of the useful lives of all equipment, which resulted in the removal of 87 assets from the list (they will not be replaced) and the extension of the useful life of 382 assets. Of the total depreciation for FY12, $301,000 represents the annual depreciation for computer equipment and $1,558,768 represents the annual depreciation for other fixed assets. In FY12, the total expenditures for equipment purchases will be $1,481,550. A detailed listing of equipment purchases is located in the Internal Service Funds section of this budget document.

Trust Funds - Retirement (600, 606, 607)

The Town staff administers the Town of Palm Beach General Employees' Retirement Plan (600). The Town of Palm Beach Police Officers' Pension Plan (606) and Town of Palm Beach Firefighters' Pension Plan (607) are administered by a separate contract.

The appropriation for pension funding is based upon the actuaries' estimate of the cost of the Town Manager's proposed hybrid pension plan. Town Council has approved implementation of that plan for Town firefighters. The Town is still negotiating with the police officers and the results of the negotiations will be known later this year. The contribution for the hybrid pension plan for all Town funds for FY12 represents a decrease of $5,577,544 (61.33%) in Town taxpayer pension funding from FY11.

The Town contribution comparison for FY11 vs. FY12 is shown in the table below:

	FY11	FY12	$ Change	% Change
General Employees	$2,927,020	$651,882	($2,275,138)	-77.83%
Lifeguards	148,364	15,600	(132,764)	-89.49%
Police	2,828,758	1,213,681	(1,615,077)	-57.09%
Firefighters	3,189,802	1,635,237	(1,554,565)	-48.74%
Total	$9,093,944	$3,516,400	($5,577,544)	-61.33%

Total Employer Funding
FY2008 - FY2012

	FY08	FY09	FY10	FY11	FY12
General	$2,488,986	$2,319,374	$2,507,174	$2,927,020	$651,882
Lifeguards	125,916	100,754	109,310	148,364	15,600
Police	2,366,346	2,090,160	2,261,552	2,828,758	1,213,681
Fire-Rescue	2,525,215	2,359,327	2,647,210	3,189,802	1,635,237
Total	$7,506,463	$6,869,615	$7,525,246	$9,093,955	$3,516,400

Employer Funding Per Employee
FY2008 - FY2012

	FY2008	FY2009	FY2010	FY2011	FY2012
General	11,229	10,464	11,882	14,803	3,060
Lifeguards	13,991	11,195	13,664	16,485	1,733
Police	30,732	27,145	30,562	39,842	17,338
Fire-Rescue	33,227	31,044	36,263	44,303	23,031

Since FY2000 the funded ratio for the each of the pension plans has decreased from a high of between 112% and 125% to the current funding level of between 73% and 84%. The trend from 2004 is shown in the table on the following page:

As of Fiscal Year End	FY04	FY05	FY06	FY07	FY08	FY09	FY10
General & Lifeguards	91%	87%	88%	93%	88%	81%	79%
Police	85%	85%	86%	92%	90%	85%	84%
Fire-Rescue	85%	77%	77%	82%	80%	74%	73%

Health Insurance (OPEB) Trust (610)

The actuarially determined transfer to the OPEB trust from the General Fund in the FY12 budget is $1,493,000. This amount is $40,000 less than FY11. The trust was established to account for and fund the liability for retiree health benefits. The contributions are funded like pension benefits, taking into account the accrued cost for current employee benefits as well as the costs of retired employee benefits. The Town's balance in the OPEB fund is well ahead of other government agencies across the country.

Worth Avenue Special Assessment District

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

FINANCIAL POLICIES

The Town has 18 formally adopted financial policies. The establishment of specific reserve policies is an important part of prudent financial management and the practice is strongly recommended by the Government Finance Officers Association (GFOA) and the National Advisory Committee on State and Local Budgeting (NACSLB).

In 2011, the Town implemented a fund balance policy consistent with the requirements of GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions.*

Copies of the Town's financial policies can be found in the back of this document in the appendix.

ACKNOWLEDGMENTS

Preparation of this budget was a team effort involving the Mayor and Town Council, all Town departments, and the staff of the Town Manager's Office. I am particularly grateful for the dependably sound advice of Finance Director Jane Struder who, along with Assistant Finance

Director Cheryl Somers and Accounting Supervisor Amy Wood, provided overall leadership and coordination on this project.

Respectfully submitted,

Peter B. Elwell
Town Manager

cc: Department Directors
Thomas G. Bradford, Deputy Town Manager
Spencer D. Wilson, Information Systems Manager

Strategic Planning and Key Results Measurement

In 2003, the Town of Palm Beach developed and adopted a strategic plan. The development of the strategic plan involved input from elected officials, citizens, the business community, and staff. In conjunction with the Town's strategic plan, staff developed an organizational vision statement which included input from all employees. Both the strategic plan and the vision statement, in addition to annually adopted Townwide goals, help us to form our department and program goals. Outlined in the following pages is a summary of our strategic plan, organizational vision, and departmental key result measures.

Strategic Planning

In 2001, the Town Council formed a Strategic Planning Board comprised of then Mayor Lesly Smith and four other Town residents. The board held a series of meetings and community forums to receive input from citizens, the business community, staff and others. The strategic plan was formally approved by the Town Council in 2003. The strategic plan is summarized below:

A Legacy Worth Keeping

Palm Beach is a fully developed community, world renowned for its extraordinary beauty, quality of life, and small-town character. Our permanent and seasonal residents love our barrier island community and are determined to preserve our legacy. We do not seek to change Palm Beach, but rather to protect our community's assets, correct any deficiencies, and to manage inevitable change so as to maintain our tradition of excellence.

As we envision our future ten years from now, we see Palm Beach remaining true to the inspired legacy of our founders, a Mediterranean-style mecca of stunning architecture and natural beauty, acclaimed shopping, restaurants and hotels, a cosmopolitan culture, and an involved citizenry committed to civic and philanthropic causes and excellence in Town Government.

Quality and Responsive Town Government

Town government is supported by a respected Mayor and Town Council, a skilled and dedicated staff, and by the active volunteer participation of many citizens. Palm Beach provides residents with the highest level of safety and security through its vigilance and commitment to high quality training and state-of-the-art equipment. The Town has maintained its fiscal strengths with resourceful budgeting and prudent management.

In the future, we envision...

Continued high quality services and facilities provided in a responsive, resourceful manner. A structure of government guided by clear mandates and performance goals for Town administration and for appointed boards and commissions, continued technological innovation, and excellent internal and external communication.

Pro-active initiatives and continuous vigilance to anticipate and avert threats to public safety, enabling Palm Beachers to live secure in safe neighborhoods.

Solid fiscal strength and strong alliances with state and federal partners. Actions will be taken and communicated to residents to instill confidence that optimum services are provided for taxes paid.

Public Facilities and Infrastructure

While completely developed, the Town of Palm Beach recognizes a number of redevelopment challenges and functional deficiencies among its current capital facilities. Traffic has increased and parking is at a premium. Beach erosion has become severe, threatening oceanfront property and diminishing a key scenic and recreational asset. Drainage deficiencies and occasional water shortages continue to pose a threat.

In the future we envision...

Beaches fully restored and maintained for the protection of oceanfront property, enjoyment of residents, and scenic enhancement.

Modernized, reliable infrastructure systems, including improved facilities for water distribution and storm drainage. Capital projects will be completed expeditiously and with an effort to limit the disruption they inevitably will cause to adjacent property owners.

Convenient network of roads and parking, less hampered by congestion and sufficient to meet local needs without encouraging additional traffic or visitation.

Character and Quality of Life

While Palm Beach is built out, growth continues in the form of redevelopment and changes in use raising questions and concerns about over-development, scale, and

our historic legacy. The Town is proud of its lush landscaped setting, its historic architecture, and its array of shopping and other amenities, but concerns are expressed about expanded tourism, visitation and traffic, straining our limited service capacity. The Town recognizes that among our greatest resources are our people and their involvement in civic groups, charities, cultural activities, and faith-based organizations.

> *In the future we envision...*
>
> *A community that has guarded against over-development, encouraging redevelopment consistent in scale with existing neighborhoods, reflective of our heritage.*
>
> *A town with a rich menu of cultural choices, enabling Palm Beach to continue to combine the intimacy and convenience of small town life with the cultural sophistication and variety of a city.*
>
> *Palm Beach will remain a friendly community which embraces its diversifying population, nurtures young families and children, and welcomes new residents and visitors. Palm Beachers will continue their heritage of support to worthy causes and their involvement in civic affairs creating new opportunities for all to participate fully in the life of the community.*

Town Staff Vision

In 2005, Town staff developed and implemented an organizational vision and values statement. A Visioning Committee of 20 employees representing each department and every level of authority developed the draft vision and values statement that was reviewed by all Town employees. The final vision and values statement is shown on the following page:

OUR VISION

The Town of Palm Beach delivers the highest quality service by continuously improving and always striving to be the standard by which others are measured.

Our Town
Rich in history...
Rich in service...
Always exceptional!

OUR VALUES

The employees of the Town of Palm Beach commit to and are guided by the following values:

Respect for everyone
Highest ethical standards
Cooperation and teamwork
Commitment to quality
Spirit of innovation
Open, timely communication
Personal responsibility and accountability

This is a commitment by the employees of the Town of Palm Beach.
Our success as a team is dependent upon our actions being consistent with the vision & values we profess.

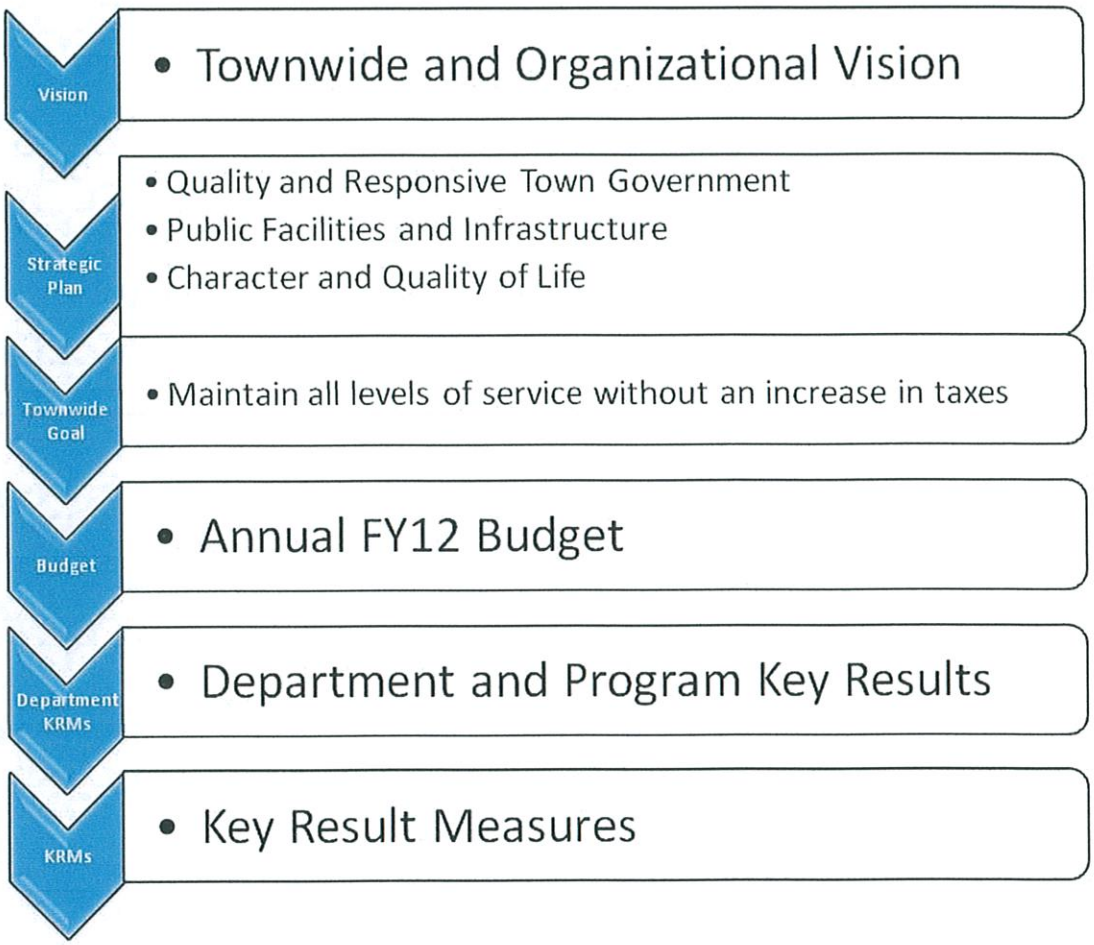
The Vision/Strategic Plan/Key Result Process

The Townwide vision and strategic plan developed by the Strategic Planning Board and the organizational vision developed by Town staff complement each other. The Staff recognizes the Town's rich history and commitment to excellence that has made the Town an exceptional place to live and work.

The strategic plan and organizational vision guide the decision making process as the elected officials and staff develop annual Townwide, department and program goals, and the annual budget. We then use KRM's to track our progress in achieving the goals that have been set.

The process is depicted in a flowchart on the following page and elements of the process are described in greater detail in this section. The department and program key results and measurement methodology are described in greater detail in the department sections of this document. Two measures have been designed to apply to all departments. The results of these two measures are described in detail in this section.

The Vision/Strategic Plan/KRM Process



FY2012 Townwide Goal

For FY12, the Town Council adopted only one main Townwide goal:

- Maintain all levels of service without any increase in taxes.

All decisions during the FY12 budget process were made based upon maintaining levels of service without increasing taxes. The Town succeeded in implementing this goal by not reducing levels of service and adopting the same millage rate that was adopted in FY09, FY10 and FY11 of 3.2512.

The FY12 budget has substantially improved the Town's financial position relating both to the reduction of projected future deficits and to addressing matters that were identified in the April 2011 Long Term Financial Plan. Two matters remain unresolved, adoption of the pension changes for all employees and the development of a plan to finance future coastal expenditures. Both of these matters will be addressed during FY12.

FY2012 Department Goals

Each Department has developed department wide and program key results with measures to determine how well the departments and programs are achieving the desired outcomes or results. The department wide key results relate either to the Strategic Plan or to the top 5 priority goals for the fiscal year adopted by the Town Council. The linkage is shown in the following table:

Department Key Results	Linkage to Strategic Plan/Townwide Goals
Town Manager	
• Employee work environment is positive, encourages open communication, and is regularly monitored for ways to improve.	Quality and responsive Town Government
• Accomplish Mayor and Town Council's top priority goals for the year	Townwide goals
• Maintain or improve Mayor and Town Council's scores on Town Manager's annual performance evaluation	Quality and responsive Town Government
Human Resources	
• Recruit and retain a productive workforce	Quality and responsive Town Government
• Maintain a pay system that is competitive in the marketplace	Quality and responsive Town Government
• Establish and maintain policies that are administered consistently throughout the Town.	Quality and responsive Town Government
• Administer an employee health plan that is understandable, useful and competitive.	Quality and responsive Town Government
• Maintain a cost efficient and highly competitive health care plan.	Quality and responsive Town Government
Finance	
• Budget is balanced and is a clear operational and financial representation of Town services, investments, revenues and expenditures	Quality and responsive Town Government
• Strong, sustainable fiscal position with established policies to guide decision-making.	Quality and responsive Town Government
Planning, Zoning & Building	
• Promoting and maintaining quality of construction and safety of building systems through complete review of plans and protective inspections.	Character and Quality of Life
• Customers fully informed of Department programs through adequate education/information.	Quality and responsive Town Government
• Department activities promote a variety of Town-serving businesses.	Quality and responsive Town Government
• Department activities promote and maintain desirable neighborhoods.	Character and Quality of Life

• Review of construction plans in a timely manner which exceeds industry standards.	Quality and responsive Town Government
Fire-Rescue	
• Improve response time to meet the industry standards for arrival at all emergency incidents to begin conducting EMS and Fire operations.	Quality and responsive Town Government
• Reduce number of vehicle accidents and personnel injuries	Quality and responsive Town Government
• Reduce property loss in residential buildings	Quality and responsive Town Government
• Continually improve the CPR and AED capability of the Town through training and education	Quality and responsive Town Government
Police	
• The perception of safety in the community in enhanced through effective policing practices	Character and Quality of Life
• Proactive measures result in the prevention and reduction of crime and protection of life and property	Character and Quality of Life
• Police operations and programs are effective in maintaining or increasing the quality of life in the community.	Character and Quality of Life
• A successful police mission is accomplished via education, training and community partnerships.	Quality and responsive Town Government
Public Works	
• The citizens of the community will be proud of the appearance of Palm Beach and the effectiveness of public services and consider both as points of pride.	Character and Quality of Life
• Create and maintain a work environment in which employees find motivation relevance, and appreciation for the work they do.	Quality and responsive Town Government
• The Town's facilities and infrastructure will be designed, constructed and maintained for optimum efficiency and effectiveness.	Public Facilities and Infrastructure

Department KRM Results

Department's have prepared key results representing the most critical targets for their operations. In addition, key results and measurement methodology have been prepared for each program area. Two of the measures were identical for each department, an efficiency measure and a measure of customer service. The results for these measures are described in more detail below. The other department and program specific results are shown in the department section of the budget document.

Efficiency Results

Efficiency measures assess the relationship between program inputs and outputs. The Global efficiency KRM for all departments is stated as follows:

***KRM**: Desired outcomes are achieved in most efficient manner.*
Measurement: Increase in department budget over prior year.
Linkage to Strategic Plan: Quality and Responsive Town Government

The efficiency measure results for each department are shown in the table below:

Department	Gross Increase/Decrease
Town Manager	-5.4%
Information Systems	-3.4%
Human Resources	4.9%
Finance	-6.6%
Planning, Zoning & Building	-7.4%
Fire-Rescue	-20.1%
Police	-16.5%
Public Works	-5.3%
Total Budget	**-8.2%**

The total General Fund budget showed a gross decrease of -8.2% for FY12. A majority of the decrease is attributable to the proposed pension changes.

Location

Palm Beach is located on a barrier island east of West Palm Beach, Florida in Palm Beach County. The land area of the Town is approximately 3.77 square miles with 12.1 miles of coastline on the Atlantic Ocean. The Town is also bound on the west by 15.9 miles of Intracoastal frontage (Lake Worth), on the north by the Palm Beach Inlet, and on the south by the Town of South Palm Beach.

DEMOGRAPHICS

Palm Beach at a Glance

Date of Incorporation	April 17, 1911
Form of Government	Council/Manager
Land Area	3.77 Square Miles
FY2012 General Fund Budget	$58.5 Million
Taxable Property Valuation	$11.66 Billion

Town of Palm Beach Demographics

Population

2010 (Census) (a)	8,348
2009 (Univ of Florida Est)	9,650
2008 (Univ of Florida Est)	9,797
2007 (Univ of Florida Est)	9,744
2006 (Univ of Florida Est)	9,735
2000	9,676
1990	9,814
1980	9,432
1980	9,086
1960	6,055
1950	3,886

Resident Statistics

Median Age	66.6 yrs.
Avg. Household Size	1.74
Median Home Value	$924,100

Racial Composition

Caucasian & Other Races	94.5%
Hispanic/Latino	3.9%
African American	.6%
Asian	1.0%

Bond Ratings

	2010 Revenue Bond	Issuer's Rating
Moody's	Aa1	Aaa
S&P	AA+	AAA

(a) Under Review by Census Count Resolution Program

Service Statistics

Police Stations	1
Fire-Rescue Stations	3
Public Elementary School	1
Public Library	1
Recreation Facilities	
Tennis Courts	14
Par 3 Golf Course	1
Marina (88 slips)	1
Community Building	1
Playfields	5
Bicycle Paths	9.3 miles
Picnic Tables	77
Outdoors Grills	28
Recreation Areas	
Phipps Ocean Park	24 acres
Seaview Park	4.6 acres
Neighborhood Parks	
Bradley Park	4.5 acres
Kaplan Park	.3 acres
Special Use Parks	
Public Park on Beach	3.0 acres
Municipal Beach	5.60 acres
Peruvian/So. County Road	.24 acres
Southern Blvd. Causeway	9.60 acres
Nature Islands	39 acres

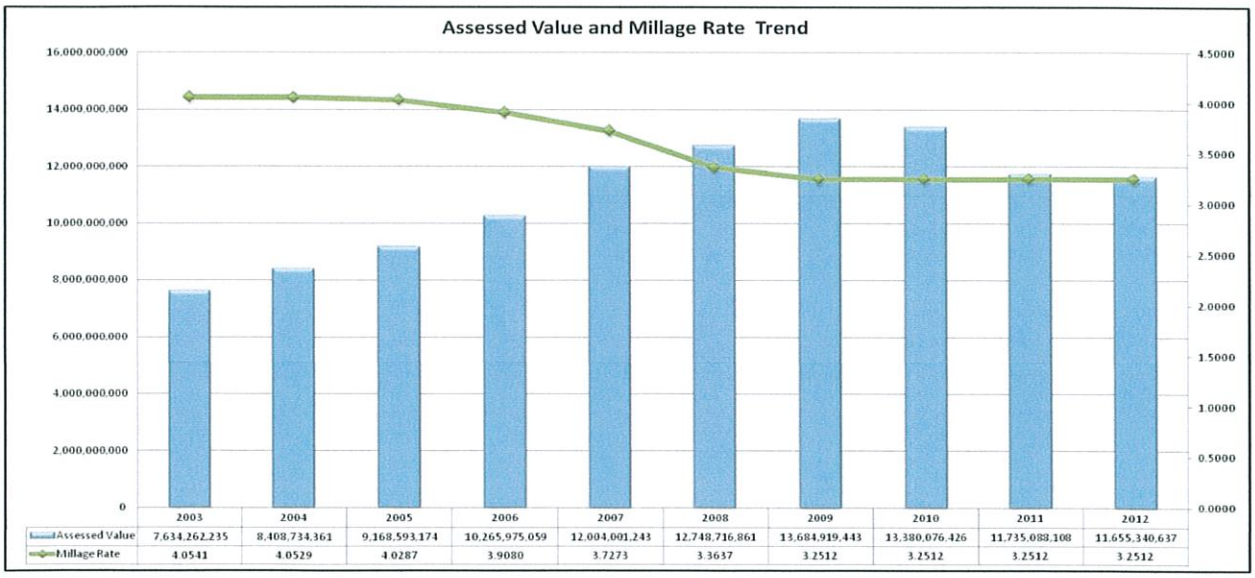
Registered Voters 8,091

Assessed Valuation and Millage Rate

The Town Council approved a millage rate of 3.2512 for FY12. The millage rate has remained at 3.2512 since FY09. Taxable value declined .46% to $11,655,340,637 for FY12. Ad Valorem revenue of $35,999,200 is included in the FY12 budget. Town adopted final millage rate is below rollback and maximum millage rates. The decrease in tax revenue from the rollback rate is $104,033. The chart below identifies the millage rate options available to the Town and the Town's adopted final millage rate.

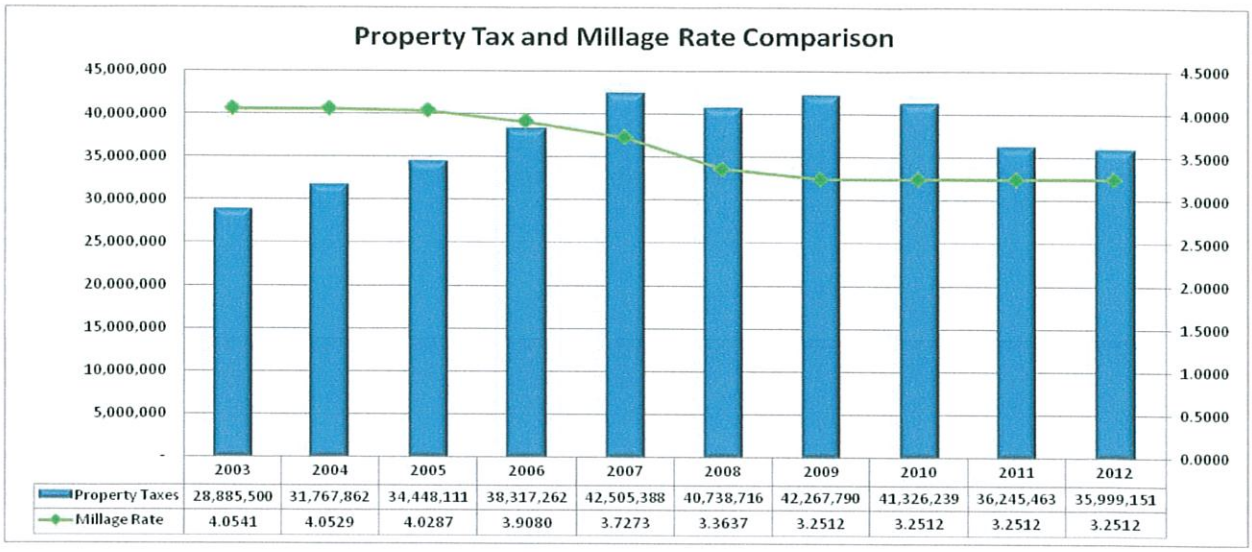
	Millage Rate	Tax Revenue
Rollback Millage Rate	3.2606	$36,103,233
Majority Maximum Millage Rate	3.8405	$42,524,219
2/3 Vote Maximum Millage Rate	4.2246	$46,777,194
Town Adopted Final Millage Rate	3.2512	$35,999,200

The majority maximum millage rate is prior year maximum rate plus a 1.0055% increase in personal income growth and the 2/3 vote maximum rate is 110% of the majority maximum rate.



Taxable value peaked in FY2009 at $13.68 billion. Since FY09, the Town's taxable value has declined over $2 billion or 14.8%. Since the millage rate has remained stable for the past 4 years, property tax revenue has declined by $6,268,639. The tax revenue trend is shown on the chart on the following page.

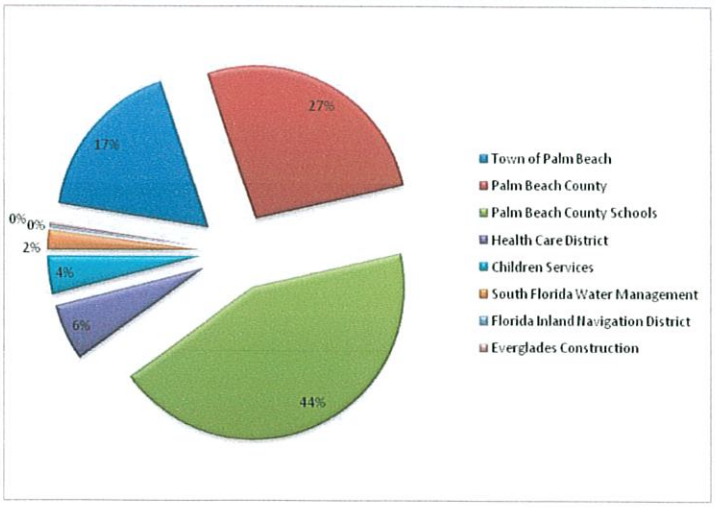
Assessed Valuation and Millage Rate



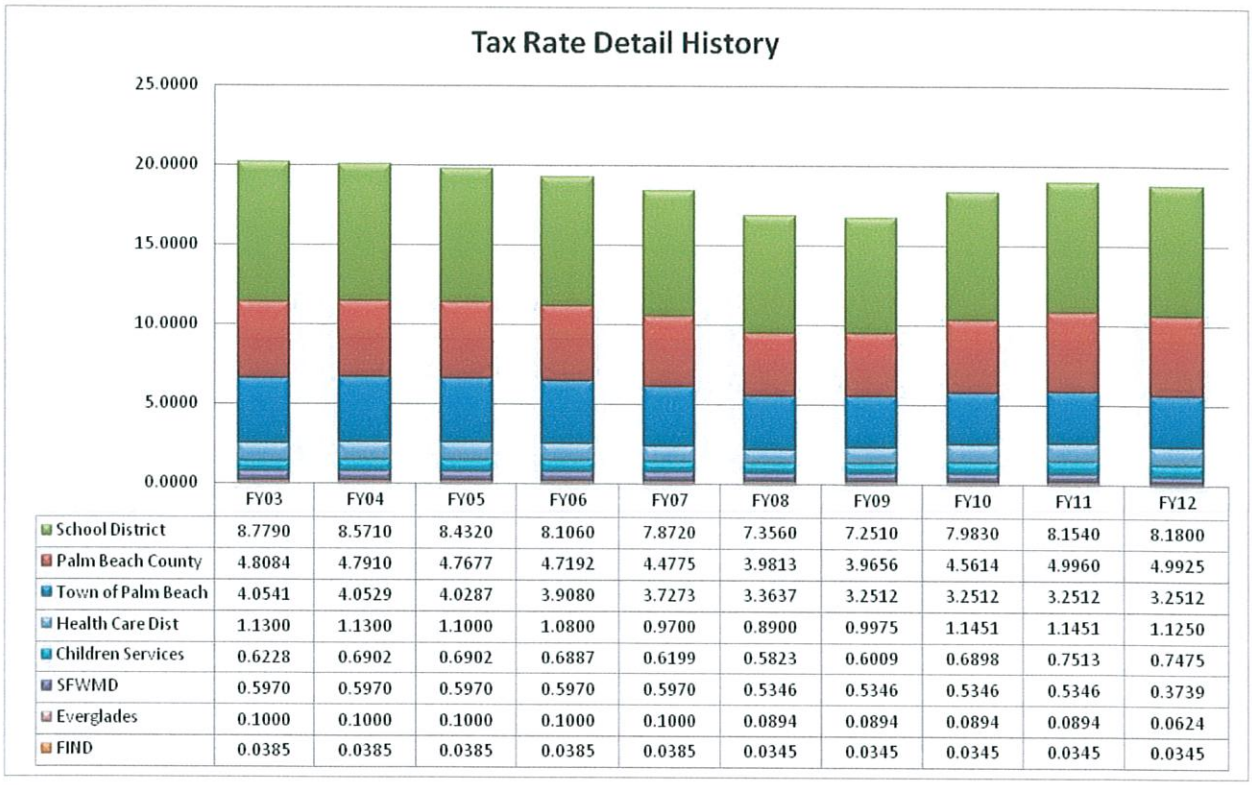
The Town millage rate represents 17.32% of the total tax bill. The table below illustrates the difference between the FY11 vs. FY12 total tax bill by taxing district for a Palm Beach property owner with a taxable value of $1 million.

Impact on owner of $1 million property

Taxing Authority	FY11 Millage Rate	FY12 Millage Rate	FY12 Tax $1 Million Value	Change Per $1 million Value	% Change	% of Total Tax Bill
Palm Beach	3.2512	3.2512	$3,251	$0	0.00%	17.32%
Palm Beach County	4.9960	4.9925	$4,993	-$4	-0.07%	26.60%
Palm Beach County School District	8.1540	8.1800	$8,180	$26	0.32%	43.59%
South Florida Water Mgmt	0.5346	0.3739	$374	-$161	-30.06%	1.99%
Children Services	0.7513	0.7475	$748	-$4	-0.51%	3.98%
Florida Inland Navigation	0.0345	0.0345	$35	$0	0.00%	0.18%
Health Care District	1.1451	1.1250	$1,125	-$20	-1.76%	5.99%
Everglades Construction	0.0894	0.0624	$62	-$27	-30.20%	0.33%
Grand Total	18.9561	18.7670	$18,767	-$189	-1.00%	100.00%

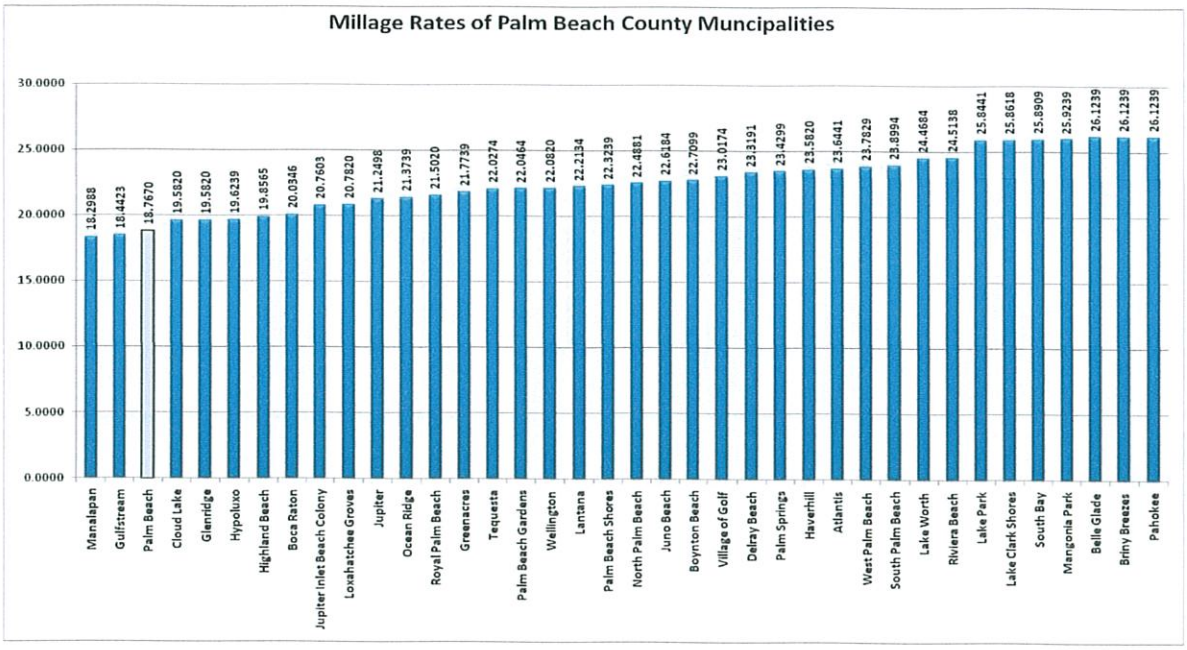


Assessed Valuation and Millage Rate

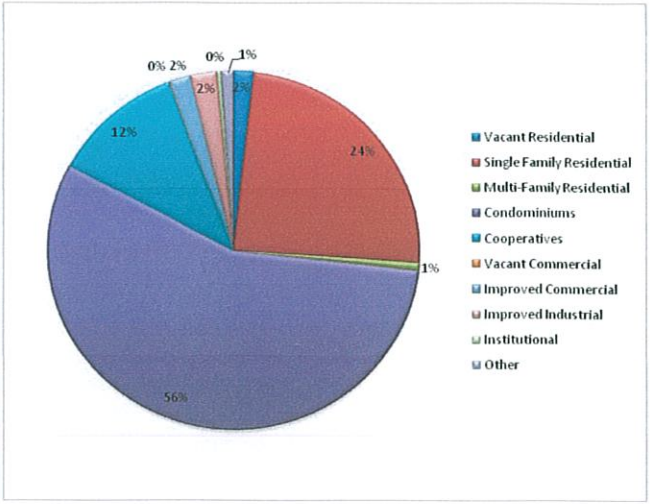


	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
School District	8.7790	8.5710	8.4320	8.1060	7.8720	7.3560	7.2510	7.9830	8.1540	8.1800
Palm Beach County	4.8084	4.7910	4.7677	4.7192	4.4775	3.9813	3.9656	4.5614	4.9960	4.9925
Town of Palm Beach	4.0541	4.0529	4.0287	3.9080	3.7273	3.3637	3.2512	3.2512	3.2512	3.2512
Health Care Dist	1.1300	1.1300	1.1000	1.0800	0.9700	0.8900	0.9975	1.1451	1.1451	1.1250
Children Services	0.6228	0.6902	0.6902	0.6887	0.6199	0.5823	0.6009	0.6898	0.7513	0.7475
SFWMD	0.5970	0.5970	0.5970	0.5970	0.5970	0.5346	0.5346	0.5346	0.5346	0.3739
Everglades	0.1000	0.1000	0.1000	0.1000	0.1000	0.0894	0.0894	0.0894	0.0894	0.0624
FIND	0.0385	0.0385	0.0385	0.0385	0.0385	0.0345	0.0345	0.0345	0.0345	0.0345

The chart above shows the 10 year trend in millage rates for all taxing authorities. The Town's total millage rate is the third lowest in Palm Beach County as shown below.

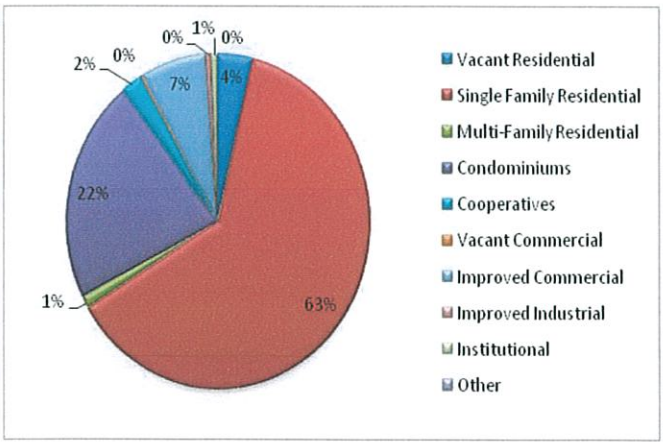


Property Breakdown by Number of Parcels



The Town has a total of 9,514 total parcels. Residential units total 8,972 or 94% of all parcels. Condominiums represent the greatest percentage of total parcels in the Town at 56% or 5,334 parcels. Single family residential parcels are the second largest group at 2,313 parcels or 24% of the total. Properties with a Homestead exemption represent 38% of the total parcels in the Town. Commercial and industrial parcels total 409 and the balance is made up of government, institutional and miscellaneous parcels.

Property Breakdown by Taxable Value



The taxable value of parcels in the Town totals $11.6 billion. Residential parcels represent 91% of the total value of parcels and single family residential represents 63% of the total value. Commercial and industrial properties represent 7.8% of the total value of parcels. Properties with a homestead exemption represent $5.4 billion (46%) of the total taxable value.

Historical Single Family Building Permits

Since 2008, building permit revenue has declined due to the downturn in the economy. In FY11, permit revenue and permit activity increased. A total of 8,345 permits were issued in FY11 compared to 7,727 for FY10. Total permit valuation for FY11 was $179,215,325 compared to $117,361,908 for FY10. Single family new construction building permit activity for FY11 has been higher than anticipated but still well below the activity during 2003 through 2005. The trend in single family permit activity and total permit revenue is shown in the chart on the following page.

Assessed Valuation and Millage Rate

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Permits Issued	17	24	26	25	21	21	22	11	7	13
Permit Revenue	4,781,034	4,906,964	5,273,284	6,073,756	5,628,019	6,201,211	6,844,876	4,701,645	3,934,213	5,077,300

We expect permit activity to continue to improve for FY12. Applications for the ARCOM review process have increased which signal an increase in future permits.

The improvement in permit activity and new construction should result in an improvement or stabilization of the Town's taxable value.

Town History

According to early settler accounts, Palm Beach received its name from a shipwreck named the "Providencia". The ship washed ashore in January of 1878 with a load of coconuts bound from Havana to Barcelona. Early settlers lost no time claiming salvage and planting the coconuts which were not native to South Florida in an effort to launch tropical South Florida on a commercial coconut industry.

In 1893 millionaire industrialist Henry M. Flagler and his second wife honeymooned in St. Augustine. Impressed with the beauty and history of the area, he envisioned an "American Riviera". Flagler left home at age 14 with an eighth-grade education. Later, with John D. Rockefeller and Samuel Adams, he founded Standard Oil, and the rest is history. Having invested large sums in several hotels in the St. Augustine area, Flagler extended his holdings southward. He bought and improved existing railways anticipating the tremendous potential for South Florida. His railway was named the Florida East Coast Railway.

Flagler's agents soon were buying acres of land on the island of Palm Beach. Many early homesteaders found themselves very wealthy, as orders had been given to buy "at any price". Ground was broken May 1, 1893, and on February 11, 1894, the Royal Poinciana Hotel, the largest wood structure in the world, opened in Palm Beach and welcomed 17 guests. A month after the opening, the first train pulled from the station on Loftin Street (later used as an office and warehouse by the Town of Palm Beach) in West Palm Beach on the newly built bridge across Lake Worth to deliver vacationing residents, some in their own private railway cars, to the new hotel. Henry Flagler built his own house in 1902, Whitehall, as a wedding present for his third wife, Mary Lily Kenan. Whitehall is now the Henry Morrison Flagler Museum and is open to the public.

Flagler continued to develop the Royal Poinciana Hotel property and built a second hotel, the Palm Beach Inn, on the beachfront portion of the Royal Poinciana's property. When the Palm Beach Inn burned in 1903 the first Breakers Hotel was built. Destroyed by a fire in 1925, it was rebuilt as the splendid hotel it is today. The Breakers is listed in the National Register of Historic Places.

On April 17, 1911, a meeting of the registered and qualified voters of Palm Beach, Florida, was held at the Palm Beach Hotel for the purpose of incorporating the Town of Palm Beach. Thirty-four qualified voters voted to incorporate the Town.

In 1918, before the end of World War I, Addison Mizner, an established New York architect who was born in California and studied in Spain, accepted an invitation from Paris Singer to recuperate from a leg injury in Palm Beach. As Mizner's health improved his boredom turned into creativity, and he transformed Singer's bungalow into a Chinese villa. The conversion was a success, but Singer looked forward to a larger project. Having established two hospitals in France, Paris Singer decided to build a convalescent home in Palm Beach for service men returning from the war. The buildings were completed, but before the opening of the club house in January 1919, the "Touchstone Convalescent Club" had been transformed into the exclusive Everglades Club on Worth Avenue where it still is today. Mizner's era had begun and was to continue along the southeast Florida coast through the 1920's.

The Town of Palm Beach soon began long range plans to develop and protect this island paradise, and the beauty which Town residents now enjoy is due to the efforts of several

generations of planning activity. In 1929, the Garden Club of Palm Beach joined the Town and formally sponsored the preparation of a Town Plan. The overall goal of the 1929 Plan stated the following:

> *"One attractive and well managed public bath and beach, the concentration of general traffic upon a limited number of streets, beautification without especial reference to main arteries of travel, and a system of leisurely and convenient byways free from automobiles, punctuated with gardens: this is a plan which will localize recreation seeking crowds, discourage trespassing, and provide safety and quiet for residents of Palm Beach."*

Also included in the plan was the following statement:

> *"There are many communities which can be said to be beautiful. The places in which charm is the additional attribute are very few. The element of charm is the thing which lifts a community out of the ordinary and makes it distinctive. The attribute of charm may be produced by an intelligent development of physical advantages in an unusual way."*

Today's Comprehensive Plan in Palm Beach builds on the early foundation as an effort to preserve the quality and beauty of Palm Beach.

The Town of Palm Beach has 8,104 registered voters in 2011 with approximately 9,650 full time residents. The population swells to approximately 25,000 during "season" which is from November to April. Residents and visitors enjoy the very best in dining, shopping, and luxurious surroundings. Worth Avenue shops attract visitors worldwide.

In 2011, the Town celebrated its Centennial with a season full of activities and events. A Centennial Commission was formed in August 2009 to engage with the community, residents and businesses alike, to identify ways to celebrate the 100th anniversary of the Town's incorporation on April 17, 2011. After more than a year of planning, dozens of events marked the Centennial year, culminating with a weekend of celebration from April 15 - 17, 2011.

Financial Policies

The Town of Palm Beach financial policies, compiled below, set forth the basic framework for the overall financial management of the Town. These policies assist the Town Council's decision-making process and provide guidelines for evaluating both current activities and proposals for future programs. Copies of Town Council adopted policies are located in the appendix section of this document.

General Policies

- Annually prepare a budget, submit it to the Town Council for approval and publicly issue a budget document.
- Identify costs and funding sources before recommending approval of capital and operating budgets.
- Provide for sound financial planning, the best possible bond rating, funding of depreciation and adequate working capital in all funds.
- Take measures to protect against catastrophic losses through a combination of insurance, funded self insurance, and cash reserves.
- Follow the Town of Palm Beach Charter when preparing the Town's budget.
- Estimate and review the long-term costs associated with proposed new programs or services.
- Assign all program costs as accurately as practical (including interfund transfers when necessary) utilizing intergovernmental service funds where indicated.
- Annually review all existing programs to determine whether a recommendation to the Town Council to maintain, decrease, or increase service levels is appropriate.
- Review annually all administrative policies governing accounting procedures, billing, purchasing, asset use and control, and risk management.

Operating Budget Policies

- Pay for all current year operating expenses with current year revenues and/or available fund balances.
- Provide for adequate funding of all pension plans, as determined by the Town's actuary.

- Make all purchases in an impartial, economical, efficient, and competitive manner, in accordance with all Federal, State and municipal laws and coordinated through the Purchasing Division.

- The budget will be controlled at the program level within each department by the applicable department head. Budget amendment requests and transfers of funds between programs will originate from the applicable department head and the Finance Director and shall be subject to the approval of the Town Manager.

- The Town Manager may authorize transfers between departments if the action is deemed necessary to meet the obligations of the Town.

- Issue a Comprehensive Annual Budget Document and Budget in Brief after adoption.

Capital Budget Policies

- Evaluate the relative merit of each capital project according to the Town Council's goals and priorities.

- Rely on internally generated funds and/or grants to finance its capital needs. Debt will be issued for a capital project only in the case of an emergency, or when inclusion of a project in the Town's pay-as-you-go Capital program will preclude the construction of smaller necessary capital improvements.

- Thoroughly evaluate and update the Capital Improvement Program on an annual basis providing detailed information regarding operational impacts.

Revenue Management Policies

- Levy taxes to provide the desired level of service.

- Annually review all revenue schedules, including taxes, rates, licenses, user fees, and other charges, to insure compliance with Town Council's approved policies.

- Maintain a diversified revenue base to help mitigate the effects of short-term fluctuations in any one revenue source.

- Conservatively estimate annual revenues utilizing established industry standards along with historical trend information.

- Annually review user fees for the Enterprise Fund and set same at a level that fully supports all direct and indirect costs of the fund.

- Review new sources of revenue to fund operating and capital costs consistent with the Town Councils' goals and priorities.

Investment Management Policies

- Prepare a cash flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled to insure cash availability.
- Deposit funds only in financial institutions which are insured by the Federal Deposit Insurance Corporation or are approved for full collateralization by the public deposit protection act or other state statutes.
- Pool cash from all legally permitted funds for investment purposes.
- Maximize the investment rate of return. Adhere to lawful investment options. Safety of the principal shall be the dominant requirement, followed by sufficient liquidity to meet operating requirements, and then yield.
- Insure timely deposit of all collected revenues.

Debt Management Policies

- Periodically approve the issuance of Debt Obligations on behalf of the Town to finance the construction or acquisition of infrastructure and other assets for the purpose of meeting its governmental obligations to its residents.
- Approve the issuance of Debt Obligations to refund outstanding debt when market conditions indicate or for management considerations.
- Assure that such Debt Obligations are issued and administered in such a manner as to ensure and sustain the long-term financial integrity of the Town, to achieve the highest possible credit rating and to preserve and enhance the quality of life, safety and welfare of its citizens.
- Assure that such Debt Obligations shall not be issued or debt proceeds used to finance current operations of the Town except as provided herein.
- Issue Debt Obligations if necessary to minimize the impact of construction or acquisition of infrastructure and other assets on the budget of the Town.
- Consider long-term financing for the acquisition, maintenance, replacement, or expansion of physical assets (including land) only if they have an economic/useful life of at least five years.
- Not issue debt for periods exceeding the useful life or average useful lives of the project or projects to be financed.
- Normally rely on internally generated funds and/or grants to finance its capital needs. Debt will be issued for a capital project only in the case of an emergency, or when

inclusion of a project in the Town's pay-as-you-go capital program will preclude the construction of smaller necessary capital improvements.

- Keep outstanding debt within the limits prescribed by Section 7.01 of the Town Charter.

Accounting, Auditing and Reporting Policies

- Establish and maintain a high degree of accounting competency. Financial accounting and reporting will be done in accordance with methods prescribed by the Governmental Accounting Standards Board and the Government Finance Officers Association, or their equivalents.
- Present monthly and annual reports to the Town Council summarizing financial activity.
- Maintain financial systems to monitor expenditures, revenues and performance of all municipal programs on an ongoing basis.
- Provide full disclosure in annual financial statements and bond representations.
- Use an independent certified public accounting firm to perform an annual audit.
- Publicly issue a Comprehensive Annual Financial Report.
- Comply with all required reporting requirements related to bond issuance terms.

Reserve Policies

- Maintain a contingency reserve in the General Fund equal to 1.5% of the proposed General Fund budget to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council.
- Maintain a contingency reserve in the Capital Fund equal to 10% of the proposed Capital Fund budget to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council.
- Maintain an assigned fund balance in the General Fund equal to a minimum of 25% of current year General Fund budgeted expenditures.
- Maintain a contingency reserve for the Equipment Replacement Fund of $500,000 to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council.
- Maintain a contingency reserve in the Recreation Enterprise Fund equal to 5% of the proposed Recreation Enterprise Fund operating expense budget to address

unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council.

- Maintain a contingency reserve for Recreation capital projects equal to 5% of the budget expenses to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council.

- Maintain a contingency reserve in the Self-Insurance Risk Fund of $500,000 to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council.

- Maintain a contingency reserve in the Self-Insurance Health Fund of $500,000 to address unanticipated expenditures and/or to meet unexpected increases in health insurance costs and claims exposure.

- Establish a reserve to designate fund balance in the amount equal to the Town's unpaid obligations, unfinished projects and prepaid expenses that carry over from one fiscal year into the next.

- Maintain minimum Net Asset levels equal to 25% of the proposed budgeted revenues in the Enterprise Fund.

- Maintain a minimum reserve of $2,500,000 for the Risk Fund designated as a reserve for catastrophic exposures/emergencies.

- Maintain a reserve for funding the replacement costs of General Fund existing equipment, vehicles, and computers when they reach the end of their useful lives. The reserve will be maintained at a rate of 100% of accumulated depreciation (calculated at replacement cost) of the existing equipment.

- Maintain a reserve for funding the replacement costs of Recreation Fund existing equipment, vehicles, and computers when they reach the end of their useful lives. The reserve will be maintained at a rate of 100% of accumulated depreciation (calculated at replacement cost) of the existing equipment.

- Maintain a reserve for funding a dock replacement fund. The reserve will be maintained at a rate of 100% of accumulated depreciation of the current docks.

- Maintain a commitment of fund balance in the General Fund for payment of the liability related to compensated absences. This commitment will be funded at a rate of 100% of the fiscal year end accrued balance.

- Maintain a commitment of fund balance in the General Fund equal to the Town's portion of the future debt service on the 1993 loan for the improvements to the East Central Regional Wastewater Treatment Facility. The reserve will be adjusted annually to reflect the outstanding debt service.

Budget Preparation Process

The accounting policies and reporting practices of the Town conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant policies and practices.

Financial Reporting Entity

For financial reporting purposes, management has defined the reporting entity in accordance with criteria set forth in generally accepted accounting principles. The basic criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the Town's reporting entity.

Included within the reporting entity:
The Town of Palm Beach Employees' Retirement System
The Town of Palm Beach Police Officers Retirement System
The Town of Palm Beach Fire-Rescue Retirement System

The Town administers the Town of Palm Beach Employees' Retirement System. An outside pension consultant administers the Town of Palm Beach Police Officers Retirement System and the Town of Palm Beach Fire-Rescue Retirement System.

The Town and the Systems' participants are obligated to fund the costs based upon actuarial valuations. The Town is authorized to establish benefit levels and to approve the actuarial assumptions used in the determination of contribution levels.

Excluded from the reporting entity:
East Central Regional Wastewater Treatment Facility ("Facility")

The Town participates in an interlocal agreement with Palm Beach County and the Cities of West Palm Beach, Riviera Beach and Lake Worth to provide wastewater treatment. The facility is governed by a Board of Directors comprised of one member from each participating entity. The Board of Directors has the authority to accept and disburse funds, approve an annual budget, transact business, enter into contracts and decide all other

matters related to the Facility. The Town reimburses the Facility based upon usage and also provides funds for renewal and replacement costs. The Town does not exercise significant oversight responsibility nor can the Town significantly influence the Facility's operations and, therefore, the Facility has not been included as part of the reporting entity.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized in the period in which they become susceptible to accrual, that is when they become measurable and available to pay liabilities of the current period.

Property taxes, utility and franchise taxes, intergovernmental revenues and charges for services are susceptible to accrual when collected in the current year or within sixty days subsequent to September 30th, provided that amounts received pertained to billings through the fiscal year just ended. Further, property taxes are recognized as revenue in the fiscal year for which they are levied. Investment earnings are recorded as earned since they are measurable and available. Permits, fines, forfeitures and contributions are not susceptible to accrual because, generally, they are not measurable until received in cash. Revenues collected in advance of the year to which they apply are recorded as deferred revenues.

Expenditures under the modified accrual basis of accounting are generally recognized when the related fund liability is incurred and expected to be liquidated with available resources. Exceptions to this general rule include principal and interest on general long-term debt which are recognized when due.

All Proprietary Fund types and the Pension and Nonexpendable Trust Funds are accounted for using the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when they are incurred.

The Agency Funds are custodial in nature and do not involve measurement of results of operations. They are accounted for under the modified accrual basis of accounting. Assets and liabilities are recognized on the modified accrual basis.

Budget Basis

The budgets of general government type funds are prepared on a modified accrual basis. Briefly, this means that obligations of the Town are budgeted as expenses, but revenues are recognized only when they are actually received. Unencumbered appropriations lapse at fiscal year end.

The enterprise funds, on the other hand, are budgeted on a full accrual basis. Not only are expenditures recognized when a commitment is made but revenues are also recognized when they are obligated to the town.

The Comprehensive Annual Financial Report (CAFR) shows the status of the Town's finances on the basis of "generally accepted accounting principles" (GAAP) and fund expenditures/revenues on both a GAAP basis and budget basis for comparison purposes.

Budgets and Budgetary Requirements

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- Under the Laws of the State of Florida and the Town Code, prior to July 31, the Town Manager submits to the Mayor and Town Council a proposed Annual Budget and Financial Plan for the fiscal year, commencing the following October 1st. The Annual Budget and Financial Plan is prepared by fund, function and activity and includes proposed expenditures and the means of financing them.

- Two Public hearings are conducted to obtain taxpayer comments.

- Prior to October 1st, the budget is legally enacted by the Town Council through passage of a resolution.

- Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the General Fund and Capital Projects Funds. On a Non-GAAP budgetary basis, encumbrances are recorded as expenditures of the current year. On a GAAP basis, encumbrances at year-end are reported as reservations of fund balance for subsequent-year expenditures.

- Budgets are adopted each fiscal year for the General, Debt Service, Capital Projects, Enterprise, Internal Service, and Trust Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles except that budgetary comparisons for the General Fund and Capital Projects include encumbrances as expenditures.

- All annual unencumbered appropriations lapse at fiscal year end.

- Changes or amendments to the budgeted amounts at the fund level must be approved by Ordinance by the Town Council; however, changes within a function or activity may be approved at the administrative level.

Truth in Millage (Trim)

The budget and property tax rate adoption process is governed by the State Statute known as TRIM (truth in millage). In Florida, properties are assessed by the County Property

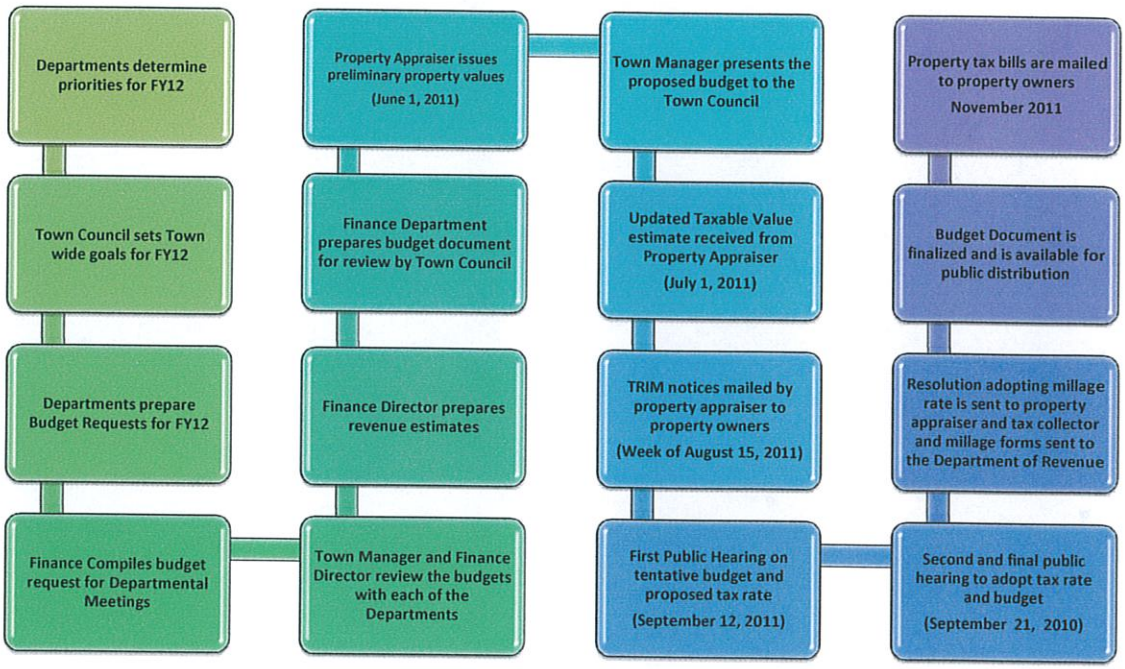
Appraiser and property taxes are collected by the County Tax Collector. Property owners are eligible to receive a homestead exemption of $50,000 on their principal place of residence. All property is assessed at 85% of market value.

By State Law, the Town is required to hold two public hearings for adoption of a property tax rate and budget. The first public hearing is advertised by the Property Appraiser's mailing to each property owner a TRIM notice. In addition to notification of this first public hearing the TRIM notice contains the following information:

- The new assessed value and the assessed value for the prior year and any exemptions on the property;
- The prior year property taxes;
- The tax bill if the rolled-back rate is levied for the new year (the rolled-back rate is that property tax rate which would derive the same amount of revenue based on the new assessed values as was raised in the prior year at the old assessed values); and
- The property tax bill if the proposed budget is adopted.

The second public hearing is advertised by means of a newspaper advertisement which must be published not more than 5 days but not less than 2 days prior to the second public hearing. Accompanying this advertisement is a summary of the revenues and expenditures contained within the budget tentatively approved at the first public hearing.

Flow Chart of Budget Process



Proposed Budget Calendar

January

1	*Town Hall closed - New Year's Day*
11 &12	***Regular monthly Town Council meeting***
17	*Town Hall Closed - Martin Luther King, Jr. Day*

February

15 & 16	***Regular monthly Town Council meeting***
21	*Town Hall closed - President's Day*

March

8 & 9	***Regular monthly Town Council meeting***
11	*Finance to distribute FY12 Proposed Budget instructions and Capital improvement project requests to all departments*
25	*Submit initial CIP request forms to the Public Works Director & Finance*
28	*Capital Improvement Project requests reviewed by the Public Works Director with individual departments*

April

6	***Special Town Council meeting re: Long Term Financial Plan***
12&13	***Regular monthly Town Council meeting***
18	*Public Works Director forwards prioritized CIP requests to Finance Director*
18	*Departmental proposed budget requests due in Finance Department, Full Time Equivalent, Departmental Non-Ad Valorem Revenue estimates*
21	*First review of Information Systems and Recreation Enterprise Fund budgets*
22	*First review of Fire Rescue budget*

January 2011

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
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30	31					

February 2011

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27	28					

March 2011

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27	28	29	30	31		

April 2011

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17	18	19	20	21	22	23
24	25	26	27	28	29	30

Proposed Budget Calendar

May

10 & 11 Regular monthly Town Council Meeting

13 First review of Police budget

19 First review of Planning/Zoning/Building, and Risk budgets Human Resources (including Health & OPEB)

20 First review of Public Works and Capital budgets

26 First review of Town Manager, Finance,& Town Clerk,

27 Budget Document pages sent to departments for updating

30 Town Hall closed - Memorial Day

June

1 Property Appraiser issues preliminary property values

13 Special Town Council Meeting To Consider Staff's Proposed FY12 Budget

14 & 15 Regular monthly Town Council Meeting

July

1 Notice from Property Appraiser of rolled back rate F.S.200.065(1) and Preliminary Certification of Taxable Value for 2009

4 Town Hall closed - Independence Day

12 & 13 Regular monthly Town Council meeting

August

Week of 8 Notice of Proposed Property Taxes is mailed from Palm Beach Property Appraiser to property owners

9 &10 Regular monthly Town Council meeting

May 2011

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29	**30**	31				

June 2011

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July 2011

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31						

August 2011

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21	22	23	24	25	26	27
28	29	30	31			

Proposed Budget Calendar

September

5 *Labor Day - Town Hall closed*

13 & 14 Regular monthly Town Council Meeting

12 5:01pm Town Council first public hearing to approve tentative budget and proposed tax rate for FY12

21 5:01pm Town Council second public hearing to adopt FY12 budget and tax rate

October

1 *Resolution adopting final millage rate is forwarded to Property Appraiser and the Tax Collector*

1 *Complete Certificate of Compliance with Provisions of F.S. Chapter 200 to the Property Tax Administration Program, Department of Revenue*

11 & 12 Regular monthly Town Council meeting

November

8 & 9 Regular monthly Town Council meeting

11 *Veteran's Day - Town Hall closed*

24 & 25 *Thanksgiving Holidays - Town Hall closed*

December

13 & 14 Regular monthly Town Council meeting

23 & 26 *Town Hall closed - Christmas holiday*

30 *New Year's Eve - Town Hall closed*

September 2011

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October 2011

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30	31					

November 2011

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27	28	29	30			

December 2011

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11	12	**13**	**14**	15	16	17
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25	**26**	27	28	**29**	**30**	**31**

Description of Funds and Fund Types

For accounting purposes a state or local government is not treated as a single, integral entity. Rather, a government is viewed instead as a collection of smaller, separate entities known as "funds". The Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards (Codification)*, Section 1300, defines a fund as:

> A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

All of the funds used by a government must be classified into one of seven "fund types." Four of these fund types are used to account for a state or local government's "governmental-type" activities and are known as "governmental funds". Two of these fund types are used to account for a government's "business-type" activities and are known as "proprietary funds". Finally, the seventh fund type is reserved for a government's "fiduciary activities".

Governmental Funds

Four fund types are used to account for governmental-type activities. These are the general fund, special revenue funds, debt service funds, and capital projects funds.

General Fund

The General Fund is used to account for most of the day-to-day operations of the Town, which are financed from property taxes, fees, licenses, permits, fines and forfeitures, intergovernmental and other general revenue. There can only be one general fund. Activities financed by the General Fund include the following:

General Government
Includes expenditures for Compensated Absences and other Town-wide items.

Legislative
Includes expenditures for the Mayor and Town Council.

Town Manager
The budget of the Town Manager includes expenditures for administrative expenses relating to the Town Manager's Office, Advice and Litigation expenses for the Town Attorney and outside counsel and Information Systems.

Human Resources
The Human Resources Department is responsible for the recruitment, screening, and selection of employees to serve the Town. The Department is also responsible for employee benefits administration and compensation analysis. The Town's Occupational Health Clinic is operated under this Department. The Human Resources Director is also the Plan Administrator for the Town's General Employee Retirement System.

Finance
The Finance Department is responsible for the administration, development and monitoring of the operating and capital budgets, preparation of the comprehensive financial reports, investments, debt management, cash management, and the maintenance of accurate financial reporting systems to meet all of the Town needs. The Department also is responsible for the operation and management of the purchasing, payroll and accounts payable functions.

In FY05, the Town Clerk's Office became a division of the Finance Department. The Town Clerk's Office is responsible for the records of the Town as well as conducting elections held within the Town. The Department also processes permits for charitable solicitations, special events, commercial motion picture-making, going-out-of-business sales, and door-to-door solicitations.

Planning, Zoning and Building
The Planning, Zoning and Building Department is responsible for zoning changes and the issuance of permits for building, mechanical, plumbing, electrical, gas, energy, and coastal construction. The Department also assists residents, businesses, and the construction industry in code compliance. The Department strives to preserve the aesthetic, historical, and economic values of Palm Beach.

Fire-Rescue
The Fire-Rescue Department provides fire suppression, fire prevention education, rescue and emergency medical care and ocean rescue functions to the citizens and visitors to the Town. The Department conducts education programs on injury, heart attack and stroke prevention.

Police
The Police Department is responsible for the prevention of crime, preservation of peace, enforcement of laws and ordinances. This is accomplished through the patrol services, organized crime, vice and narcotics (OCVAN), crime scene/evidence, parking control enforcement and communications.

Public Works
The Public Works Department is responsible for the repair, maintenance, and cleaning of streets within the Town, the maintenance of storm sewers and sanitary sewers, the collection and disposal of residential and commercial garbage and yard trash, beach cleaning, the maintenance of the Town parks and buildings, coastal management, and providing the general engineering services for the Town.

Other
Under this classification are expenditures relating to the Four Arts Library, disaster response expenditures and contingent appropriations.

Transfers to other Funds
This classification includes transfers to the capital and debt service funds.

Special Revenue Funds

Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government and which therefore cannot be diverted to other uses. The Town has the following special revenue funds for which an annual budget is not adopted:

- (101) State Forfeiture Fund - Accounts for State confiscated property through the Police Department per Florida State Statutes Section 932.
- (102) Federal Forfeiture Fund - Accounts for federally confiscated property through the Police Department. An annual report is submitted to the United States Department of Justice by November 30th of each year.
- (103) Donations Fund - The Town of Palm Beach receives substantial donations each year from its residents. Most donations are earmarked for specific departments and/or purposes.
- (110) Grant Fund – Accounts for grants received by the Town.
- (120) Underground Utility Assessment Fund – Accounts for assessment projects relating to undergrounding utilities in various assessment areas in the Town.

Debt Service Funds

The Debt Service Funds are used to account for the payment of interest and principal on general and special obligation debts other than those payable from special assessments and debt issued for and serviced by a governmental enterprise. The sources of revenues in these funds are transfer of non ad valorem revenue from the General Fund and transfers of assessment revenue from the Worth Avenue Assessment Area Improvement Fund.

- (205)Revenue Bond Series 2010A – This fund accounts for the accelerated storm water and sanitary sewer construction programs.
- (206)Revenue Bond Series 2010B – This fund accounts for the Worth Avenue Special Assessment District Construction Project.

Capital Projects Funds

The Capital Projects Funds account for all resources used for the acquisition and/or construction of capital infrastructure by the Town except those financed by Enterprise and

Internal Service Funds. The sources of revenue in these funds are revenue bonds, transfers from other funds and grants.

- (307) Capital Improvement Fund - This fund accounts for various construction projects undertaken by the Town. Any unexpended amounts at fiscal year end, are rolled over to the new fiscal year. A five year Capital plan is presented during the budget process, of which only the first year is adopted by the Town Council. This fund is financed on a pay-as-you go basis from the General Fund.
- (309) Comprehensive Coastal Management Plan (CCMP) Construction Fund - This fund was created during Fiscal Year 2000 to account for the Beach Restoration Project construction costs financed with proceeds from the 2000 Revenue Bond.
- (310) Town Facilities Project Fund - This fund was created during Fiscal Year 2003 to account for the construction costs of the new Central Fire-Rescue station and the renovation of Town Hall.
- (311) Worth Avenue Assessment Area Improvement Fund - This fund was created during Fiscal Year 2010 to account for pre-construction and ongoing maintenance costs for Worth Avenue Improvements.
- (312) Accelerated Capital Program Fund – This fund was established as a result of the 2010A Bond Issue to fund Sanitary Sewer and Storm Water projects for the Town.
- (313) Worth Avenue Special Assessment District Fund – This fund was established as a result of the 2010B Bond Issue to fund the Worth Avenue Renovation Project.

Proprietary Funds

Two fund types are used to account for a government's business-type activities (activities that receive a significant portion of their funding through user fees). These are the enterprise funds and the internal service funds.

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises; where the intent of the government's board is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's board has decided that periodic determination of net income is appropriate for accountability purposes.

- (403) Recreation Enterprise Fund - This fund was created in FY2004 and comprises of all recreation activities in the Town. These include: Golf, Tennis, Recreation activities and Marina services. The fund also includes capital projects and the equipment replacement program for the enterprise fund.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency of a government to other department or agencies on a cost reimbursement basis. Accounting for Internal Service Funds as a proprietary fund type is designed to accumulate the total cost (including depreciation) of providing a particular service. Costs for services are reimbursed by the departments or agencies to which the services are provided.

- (501) Risk Management Self Insurance Fund - This fund was established to account for the Town's Property, Liability and Worker's Compensation Insurance costs. Monthly funding transfers are made from the General Fund to the Risk Fund.

- (502) Health Insurance Self Insurance Fund - This fund was established to account for the Town's health insurance costs which include medical, dental, life, long-term disability accidental death/dismemberment and supplemental life insurance. Monthly funding transfers are made from the General Fund to the Health Fund.

- (320) Equipment Replacement Fund - This reserve was established to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful lives. The reserve will significantly reduce the budgetary fluctuation due to purchases of equipment and establish the fixed asset inventory and depreciation schedule required by GASB 34.

Fiduciary Funds

These funds are used when a government holds or manages financial resources in an agent or fiduciary capacity. This single type is subdivided into four "sub-fund types" to account for various types of fiduciary obligations. These are pension trust funds, nonexpendable trust fund, expendable trust fund, and agency funds.

Pension Trust Funds

Pension trust funds are used when governments manage pension plans. The sources of revenues in these funds are transfers from other funds, interest earnings and employee contributions.

- (600) Employees Retirement Fund - This fund accounts for the Town's defined benefit retirement program for General and Lifeguard employees.

- (606) Police Officers Retirement Fund - This fund accounts for the Town's defined benefit retirement program for Police employees.

- (607) Firefighters Retirement Fund - This fund accounts for the Town's defined benefit retirement program for Fire-Rescue employees.

- (610) Other Post Employment Benefits (OPEB) Trust Fund - This fund was established by Ordinance 9-06 to fund the portion of health care benefits paid by the Town for retirees.

Non-Expendable and Expendable Trust Funds

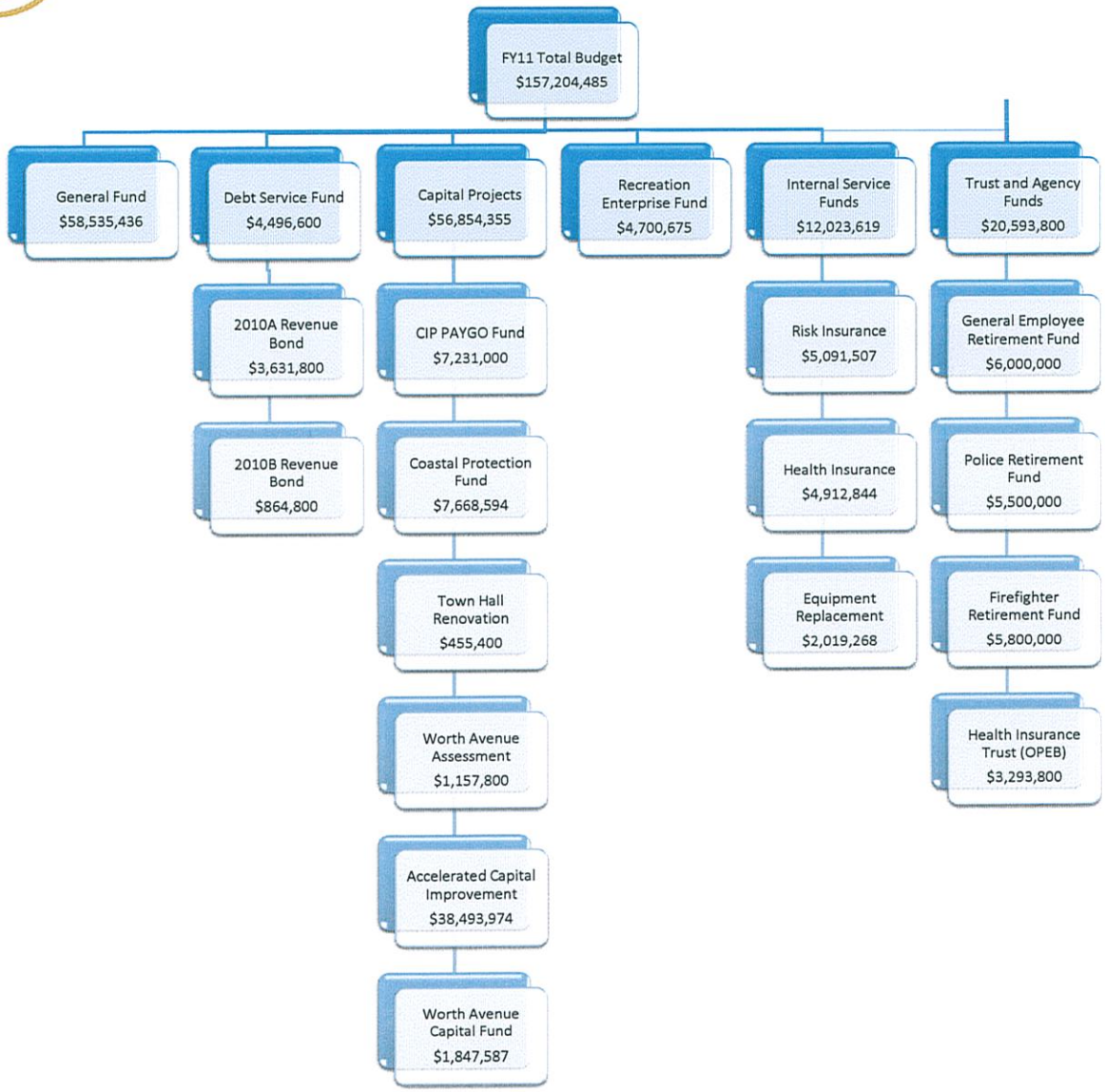
These consist of resources received from non-Town sources and held by the Town as trustee to be expended or invested in accordance with the conditions of the trust. In a non-expendable trust, the government typically is only permitted to spend the investment earnings and not the assets. The Town does not have non-expendable and expendable trust funds at the present time.

Agency Funds

Trust funds typically involve some degree of financial management. Agency funds are used when the government plays a more limited role by just collecting funds on behalf of a third party.

- (603) Kreusler Park Fund - This fund accounts for parking revenues and operating expenses associated with this Palm Beach County owned park that is operated by the Town.

Fund Budget Overview



FY 12 Budget Summary by Fund Type, Revenues and Expenditures

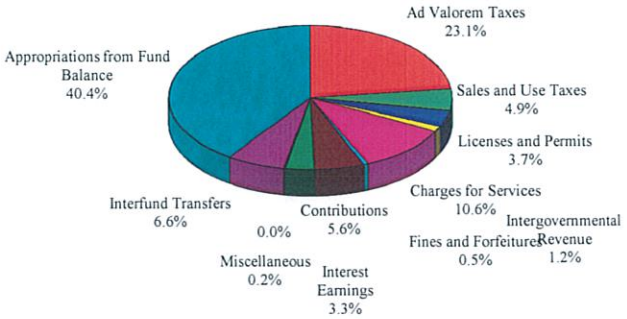
	General	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Totals
Revenues							
Ad Valorem Taxes	$35,999,200	$0	$0	$0	$0	$0	$35,999,200
Non Ad Valorem Taxes	7,642,000	0	0	0	0	0	7,642,000
Licenses and Permits	5,734,800	0	0	0	0	0	5,734,800
Intergovernmental	1,052,000	0	800,000	0	0	0	1,852,000
Charges for Services	3,670,736	0	0	4,666,300	8,195,475	0	16,532,511
Fines and Forfeitures	843,000	0	0	0	0	0	843,000
Contributions	0	0	35,000	0	0	8,784,841	8,819,841
Interest Earnings	1,110,000	1,500	134,000	16,500	184,500	3,646,000	5,092,500
Miscellaneous	250,100	0	0	0	30,000	0	280,100
Special Assessments	0	0	1,058,400	0	0	0	1,058,400
Interfund Transfers	800,000	4,489,800	5,023,400	0	0	0	10,313,200
Subtotal	57,101,836	4,491,300	7,050,800	4,682,800	8,409,975	12,430,841	94,167,552
Appropriations from Fund Balance	1,433,600	5,300	49,803,555	17,875	3,613,644	8,162,959	63,036,933
Total Revenues	$58,535,436	$4,496,600	$56,854,355	$4,700,675	$12,023,619	$20,593,800	$157,204,485
Expenditures							
Salaries and Wages	$24,157,974	$0	$0	$1,340,100	$121,007	$38,300	$25,657,381
Employee Benefits	12,199,091	0	0	380,425	4,759,633	2,293,571	19,632,720
Contractual	7,473,563	0	0	1,129,050	1,651,611	17,392,800	27,647,024
Commodities	1,549,654	0	0	218,600	3,600	300	1,772,154
Capital Outlay	179,000	0	55,863,842	37,000	1,481,550	0	57,561,392
Depreciation	1,859,768	0	0	515,000	0	0	2,374,768
Debt Service	0	4,484,600	0	0	0	0	4,484,600
Interfund Transfers	8,460,000	0	927,700	925,500	0	0	10,313,200
Other	2,656,386	11,500	0	155,000	4,000,000	0	6,822,886
Subtotal	58,535,436	4,496,100	56,791,542	4,700,675	12,017,401	19,724,971	156,266,125
Transfer to Fund Balance/Retained Earnings	0	500	62,813	0	6,218	868,829	938,360
Total Expenditures	$58,535,436	$4,496,600	$56,854,355	$4,700,675	$12,023,619	$20,593,800	$157,204,485

Financial Ratios

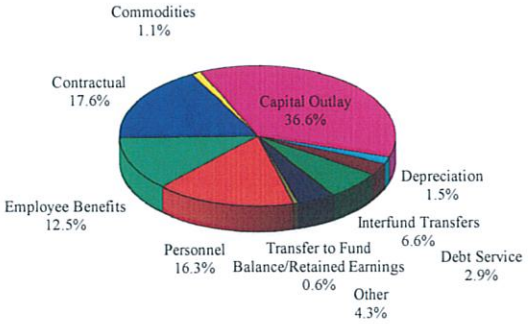
	General	Debt Service	Capital Projects	Enterprise	Internal Service	Trust & Agency	Total
Ad Valorem Taxes as percentage of total fund budget	61.50%	0.00%	0.00%	0.00%	0.00%	0.00%	22.90%
Ad Valorem Taxes per capita (9,735 population)	$3,698	$0	$0	$0	$0	$0	$3,698
Total expenditures per capita (9,735 population)	$6,013	$462	$5,840	$483	$1,235	$2,115	$16,148
Personnel as a percentage of the total budget	41.27%	0.00%	0.00%	28.51%	1.01%	0.19%	16.32%
Capital expenditures as percentage of total fund budget	0.31%	0.00%	98.26%	0.79%	12.32%	0.00%	36.62%
Capital expenditures per capita (9,735 population)	$18	$0	$5,738	$4	$152	$0	$5,913

FY 12 Budget Summary by Fund Type, Revenues and Expenditures

FY12 Budget by Revenue Type
All Funds



FY12 Budget by Expenditure Classification
All Funds



Summary of Major Revenues by Fund Type
FY12 Budget

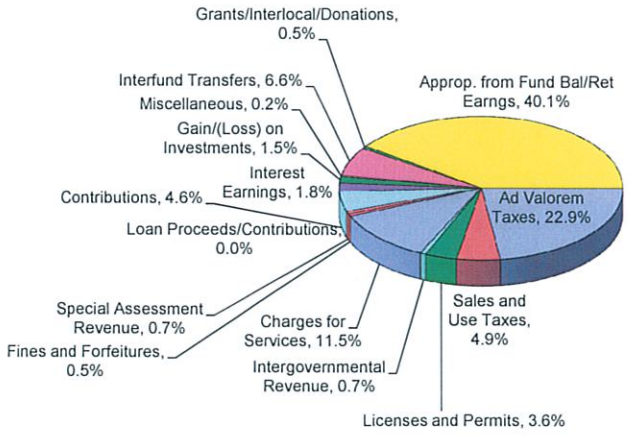
Description	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	FY12 Budget to FY11 Budget % Variance	FY2012 % of Total
General Fund							
Ad Valorem Taxes	$42,887,216	$41,508,571	$36,245,500	$36,635,343	$35,999,200	-0.68%	61.50%
Sales and Use Taxes	8,112,983	8,121,287	7,829,000	7,883,743	7,642,000	-2.39%	13.06%
Licenses and Permits	4,865,780	4,102,881	6,104,300	5,749,007	5,734,800	-6.05%	9.80%
Intergovernmental Revenue	1,193,810	1,038,181	1,129,000	1,319,119	1,052,000	-6.82%	1.80%
Charges for Services	3,277,979	3,194,362	3,351,803	3,461,768	3,670,736	9.52%	6.27%
Fines and Forfeitures	925,373	594,473	841,000	1,297,226	843,000	0.24%	1.44%
Interest Earnings	1,923,217	1,168,998	1,366,000	495,649	1,110,000	-18.74%	1.90%
Miscellaneous	274,359	1,338,488	287,500	674,665	250,100	-13.01%	0.43%
Interfund Transfers	550,000	550,000	2,039,000	2,039,000	800,000	-60.77%	1.37%
Subtotal	64,010,717	61,617,241	59,193,103	59,555,520	57,101,836	-3.53%	97.55%
Appropriations from Fund Balance	1,869,891	3,744,693	4,541,745	2,010,625	1,433,600	-68.44%	2.45%
Total General Fund	$65,880,608	$65,361,934	$63,734,848	$61,566,145	$58,535,436	-8.16%	100.00%
Debt Service Funds							
Interest Earnings	0	1,140	1,500	73	1,500	0.00%	0.03%
Interfund Transfers	0	0	4,481,728	4,480,427	4,488,800	0.16%	99.83%
Subtotal	0	1,140	4,483,228	4,480,500	4,490,300	0.16%	99.86%
Appropriations from Fund Balance	4,525,150	5,351,525	116,565	3,278	6,300	-94.60%	0.14%
Total Debt Service Funds	$4,525,150	$5,352,665	$4,599,793	$4,483,778	$4,496,600	-2.24%	100.00%
Capital Projects Funds							
Interest Earnings	454,303	642,464	551,000	241,934	134,000	-75.68%	0.24%
Grants/Interlocal/Donations	52,691	212,891	4,827,100	3,243,089	800,000	-83.43%	1.41%
Special Assessment Revenue	0	564,419	944,000	989,815	1,058,400	12.12%	1.86%
Loan Proceeds/Contributions	395,004	73,714,837	0	0	0	0.00%	0.00%
Miscellaneaous	15,337	6,054	0	16,213	35,000	100.00%	0.06%
Interfund Transfers	5,717,000	6,820,039	4,850,000	4,664,641	5,023,400	3.58%	8.84%
Subtotal	6,634,335	81,960,704	11,172,100	9,155,692	7,050,800	-36.89%	12.40%
Appropriations from Fund Balance	4,512,436	0	33,935,800	7,708,161	49,803,555	46.76%	87.60%
Total Capital Projects Funds	$11,146,771	$81,960,704	$45,107,900	$16,863,853	$56,854,355	26.04%	100.00%
Enterprise Funds							
Charges for Services	$4,158,832	$4,351,715	$5,017,276	$4,305,704	$4,664,000	-7.04%	99.22%
Interest Earnings	67,710	26,142	22,000	27,312	17,500	-20.45%	0.37%
Grants/Interlocal/Donations	1,768,833	3,500	0	0	0	0.00%	0.00%
Interfund Transfers	0	0	0	0	0	0.00%	0.00%
Miscellaneous	1,007	1,420	400	2,764	1,300	225.00%	0.03%
Subtotal	5,996,382	4,382,777	5,039,676	4,335,780	4,682,800	-7.08%	99.62%
Appropriations from Retained Erng	2,417,616	0	0	50,496	17,875	100.00%	0.38%
Total Enterprise Funds	$8,413,998	$4,382,777	$5,039,676	$4,386,276	$4,700,675	-6.73%	100.00%
Internal Service Funds							
Interest Earnings	$337,576	$299,283	$194,302	$242,297	$184,500	-5.04%	1.53%
Charges for Services	8,788,462	14,390,394	8,494,565	10,304,812	8,225,475	-3.17%	68.41%
Subtotal	9,126,038	14,689,677	8,688,867	10,547,109	8,409,975	-3.21%	69.95%
Appropriations from Retained Erng	0	0	3,750,000	0	3,613,644	-3.64%	30.05%
Total Internal Service Funds	$9,126,038	$14,689,677	$12,438,867	$10,547,109	$12,023,619	-3.34%	100.00%
Trust & Agency Funds							
Intergovernmental Revenue	$746,929	$819,008	$845,000	$845,000	$0	-100.00%	0.00%
Interest Earnings	1,296,204	1,234,782	1,460,000	1,460,000	1,345,000	-7.88%	6.53%
Gain/Loss on Investments	-3,793,680	13,835,768	2,035,000	2,035,000	2,300,000	13.02%	11.17%
Charges for Services	1,649,000	1,550,000	1,533,000	1,533,000	1,493,000	-2.61%	7.25%
Miscellaneous	123,205	84,287	81,000	81,000	101,000	24.69%	0.49%
Contributions	9,669,753	10,677,511	11,967,544	11,967,544	7,191,841	-39.91%	34.92%
Interfund Transfers	0	0	0	0	0	0.00%	0.00%
Subtotal	9,691,411	28,201,356	17,921,544	17,921,544	12,430,841	-30.64%	60.36%
Appropriations from Fund Balance	4,695,942	0	28,616	0	8,162,959	28425.86%	14.36%
Total Trust & Agency Funds	$14,387,353	$28,201,356	$17,950,160	$17,921,544	$20,593,800	14.73%	100.00%

Summary of Major Revenues by Fund Type
FY12 Budget

Description	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	FY12 Budget to FY11 Budget % Variance	FY2012 % of Total
All Funds							
Ad Valorem Taxes	$42,887,216	$41,508,571	$36,245,500	$36,635,343	$35,999,200	-0.68%	22.90%
Sales and Use Taxes	8,112,983	8,121,287	7,829,000	7,883,743	7,642,000	-2.39%	4.86%
Licenses and Permits	4,865,780	4,102,881	6,104,300	5,749,007	5,734,800	-6.05%	3.65%
Intergovernmental Revenue	1,940,739	1,857,189	1,974,000	2,164,119	1,052,000	-46.71%	0.67%
Charges for Services	17,874,273	23,486,471	18,396,644	19,605,284	18,053,211	-1.87%	11.48%
Fines and Forfeitures	925,373	594,473	841,000	1,297,226	843,000	0.24%	0.54%
Special Assessment Revenue	0	564,419	944,000	989,815	1,058,400	12.12%	0.67%
Loan Proceeds/Contributions	395,004	73,714,837	0	0	0	#DIV/0!	0.00%
Contributions	9,669,753	10,677,511	11,967,544	11,967,544	7,191,841	-39.91%	4.57%
Interest Earnings	4,079,010	3,372,809	3,594,802	2,467,265	2,792,500	-22.32%	1.78%
Gain/(Loss) on Investments	-3,793,680	13,835,768	2,035,000	2,035,000	2,300,000	13.02%	1.46%
Miscellaneous	413,908	1,430,249	368,900	774,642	387,400	5.01%	0.25%
Interfund Transfers	6,267,000	7,370,039	11,370,728	11,184,068	10,312,200	-9.31%	6.56%
Grants/Interlocal/Donations	1,821,524	216,391	4,827,100	3,243,089	800,000	-83.43%	0.51%
Approp. from Fund Bal/Ret Earngs	18,021,035	9,096,218	42,372,726	9,772,560	63,037,933	48.77%	40.10%
Total All Funds	$113,479,918	$199,949,113	$148,871,244	$115,768,705	$157,204,485	5.60%	100.00%

This table summarizes by fund type, the major revenue categories indicating category percentages of total fund revenues and percent of change from the prior year.

FY12 Budget by Revenue Type - All Funds



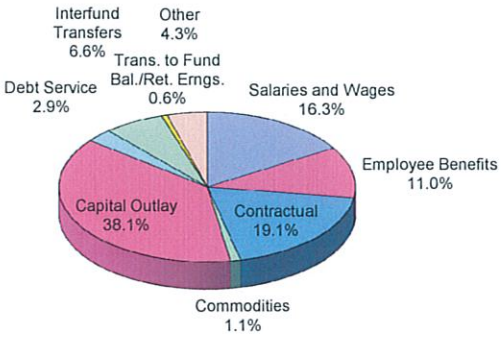
Summary of Expenditure Classifications by Fund Type
FY12 Budget

Description	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	FY12 Budget to FY11 Budget % Variance	FY2012 % of Total
General Fund							
Salaries and Wages	$27,346,557	$26,359,068	$24,845,261	$24,396,539	$24,157,974	-2.77%	41.27%
Employee Benefits	$15,555,126	$15,767,000	$17,026,751	$16,906,261	$12,199,091	-28.35%	20.84%
Contractual	8,709,551	7,117,367	7,666,045	6,963,089	7,473,563	-2.51%	12.77%
Commodities	1,748,273	1,625,718	1,569,658	1,493,951	1,549,654	-1.27%	2.65%
Capital Outlay	2,723,701	2,518,061	2,439,039	2,547,679	2,038,768	-16.41%	3.48%
Interfund Transfers	7,607,000	9,797,857	7,090,000	7,090,000	8,460,000	19.32%	14.45%
Other	2,190,400	2,176,863	3,098,094	2,168,626	2,656,386	-14.26%	4.54%
Subtotal	65,880,608	65,361,934	63,734,848	61,566,145	58,535,436	-8.16%	100.00%
Transfer to Fund Balance	0	0	0	0	0	0.00%	0.00%
Total General Fund	$65,880,608	$65,361,934	$63,734,848	$61,566,145	$58,535,436	-8.16%	100.00%
Debt Service Funds							
Debt Service	$4,523,650	$5,351,915	$4,359,663	$4,359,663	$4,484,600	2.87%	99.73%
Other	1,500	750	11,500	8,851	11,500	0.00%	0.26%
Interfund Transfers	0	0	116,565	115,264	0	-100.00%	0.00%
Subtotal	4,525,150	5,352,665	4,487,728	4,483,778	4,496,100	0.19%	99.99%
Transfer to Fund Balance	0	0	112,065	0	500	-99.55%	0.01%
Total Debt Service Funds	$4,525,150	$5,352,665	$4,599,793	$4,483,778	$4,496,600	-2.24%	100.00%
Capital Projects Funds							
Capital Outlay	$9,246,771	$23,202,343	$41,384,800	$13,508,328	$55,863,842	34.99%	98.26%
Interfund Transfers	1,900,000	0	3,525,163	3,339,804	927,700	-73.68%	1.63%
Other	0	16,537,104	186,000	15,721	0	-100.00%	0.00%
Subtotal	11,146,771	39,739,447	45,095,963	16,863,853	56,791,542	25.93%	99.89%
Transfer to Fund Balance	0	42,221,257	11,937	0	62,813	426.20%	0.11%
Total Capital Projects Funds	$11,146,771	$81,960,704	$45,107,900	$16,863,853	$56,854,355	26.04%	100.00%
Enterprise Funds							
Salaries and Wages	$1,401,152	$1,378,879	$1,369,804	$1,226,627	$1,340,100	-2.17%	28.51%
Employee Benefits	$561,560	$553,094	$645,344	$625,654	$380,425	-41.05%	8.09%
Contractual	1,109,617	1,100,808	1,171,950	1,024,504	1,129,050	-3.66%	24.02%
Commodities	163,515	184,734	189,100	204,215	218,600	15.60%	4.65%
Capital Outlay	4,628,154	546,415	543,500	540,738	552,000	1.56%	11.74%
Debt Service	0	24,900	125,500	125,338	0	-100.00%	0.00%
Interfund Transfers	550,000	550,000	550,000	639,000	925,500	68.27%	19.69%
Other	0	10,543	176,700	200	155,000	-12.28%	3.30%
Subtotal	8,413,998	4,349,373	4,771,898	4,386,276	4,700,675	-1.49%	100.00%
Transfer to Retained Earnings	0	33,404	267,778	0	0	-100.00%	0.00%
Total Enterprise Funds	$8,413,998	$4,382,777	$5,039,676	$4,386,276	$4,700,675	-6.73%	100.00%
Internal Service Funds							
Salaries and Wages	$171,075	$122,322	$121,042	$118,128	$121,007	-0.03%	1.01%
Employee Benefits	$3,193,634	$4,539,032	$5,702,239	$5,702,311	$4,759,633	-16.53%	39.59%
Contractual	2,815,974	2,389,594	776,760	1,152,921	1,651,611	112.63%	13.74%
Commodities	5,570	65,025	7,500	13,296	3,600	-52.00%	0.03%
Capital Outlay	14,824	1,857,259	0	1,449,252	1,481,550	100.00%	12.32%
Interfund Transfers	0	0	0	0	0	0.00%	0.00%
Other	0	307,206	3,500,000	64,229	4,000,000	14.29%	33.27%
Subtotal	6,201,077	9,280,438	10,107,541	8,500,137	12,017,401	18.90%	99.95%
Transfer to Retained Earnings	2,924,961	5,409,239	2,331,326	2,046,972	6,218	-99.73%	0.05%
Total Internal Sevice Funds	$9,126,038	$14,689,677	$12,438,867	$10,547,109	$12,023,619	-3.34%	100.00%
Trust & Agency Funds							
Contractual	$14,387,353	$15,160,146	$15,184,200	$7,326,257	$19,724,971	29.90%	95.78%
Transfer to Fund Balance	0	13,041,210	2,765,960	10,595,287	868,829	-68.59%	4.22%
Total Trust & Agency Funds	$14,387,353	$28,201,356	$17,950,160	$17,921,544	$20,593,800	14.73%	100.00%

Summary of Expenditure Classifications by Fund Type
FY12 Budget

Description	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	FY12 Budget to FY11 Budget % Variance	FY2012 % of Total
Total: All Funds							
Salaries and Wages	$28,918,784	$27,860,269	$26,336,107	$25,741,294	$25,619,081	-2.72%	16.30%
Employee Benefits	$19,310,320	$20,859,126	$23,374,334	$23,234,226	$17,339,149	-25.82%	11.03%
Contractual	27,022,495	25,767,915	24,798,955	16,466,771	29,979,195	20.89%	19.07%
Commodities	1,917,358	1,875,477	1,766,258	1,711,462	1,771,854	0.32%	1.13%
Capital Outlay	16,613,450	28,124,078	44,367,339	18,045,997	59,936,160	35.09%	38.13%
Debt Service	4,523,650	5,376,815	4,485,163	4,485,001	4,484,600	-0.01%	2.85%
Interfund Transfers	10,057,000	10,347,857	11,281,728	11,184,068	10,313,200	-8.58%	6.56%
Trans. to Fund Bal./Ret. Erngs.	2,924,961	60,705,110	5,489,066	12,642,259	938,360	-82.90%	0.60%
Other	2,191,900	19,032,466	6,972,294	2,257,627	6,822,886	-2.14%	4.34%
Subtotal All Funds	$113,479,918	$199,949,113	$148,871,244	$115,768,705	$157,204,485	5.60%	100.00%

FY12 Budget by Expenditure Classification
All Funds



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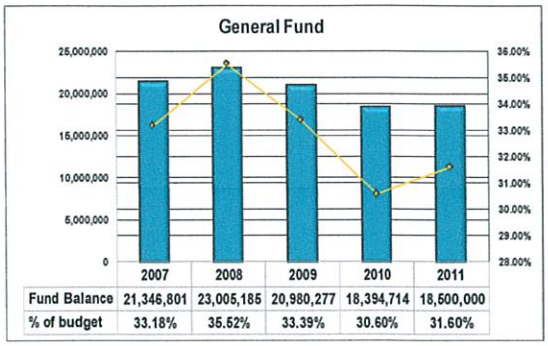
Town of Palm Beach Reserves

The Town Council has adopted eighteen financial policies, fifteen 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.

Unassigned Fund Balance - General Fund

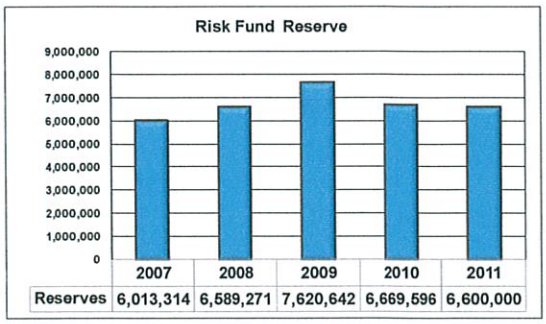
Pursuant to adopted policy, the unassigned fund balance for the General Fund is to be maintained at a minimum level of 25% of current year General Fund budgeted expenditures. This minimum level is to be maintained to protect the Town against economic downturns, temporary revenue shortfalls, unpredicted one-time expenditures, and for tax rate stabilization purposes. Twenty-five percent of the FY12 General Fund operating budget of $58,585,436 is $14,646,359. At the end of FY10, the Unassigned Fund Balance for the General Fund was $18,394,714 after the transfers for the FY11 budget. This amount represents 31% of FY12 budgeted operating expenditures or $3,748,355 over the required minimum level of 25%.

The General Fund Unassigned Fund Balance has consistently exceeded the required minimum level of 25%. The chart details the General Fund Unassigned Fund Balance and the percent of budgeted expenditures the balance represents. Transfers that have been reserved from fund balance for the FY12 budget total $1,433,600 and include: the contingency reserve ($807,000), and compensated absence payouts ($622,600).



Reserves - Risk Fund

The total reserve balance for the risk fund is $6,669,596 as of September 30, 2010. A slight decrease to the reserve is estimated for FY11. Out of this reserve balance the Town funds the Reserve for Catastrophic Exposures/Emergencies - Risk Fund in the amount of $2,500,000 and the Contingency Reserve for $500,000. The trend for the Risk Fund Reserve is shown in the table. The decline in reserves in FY10 was due to higher than expected claims in FY10.



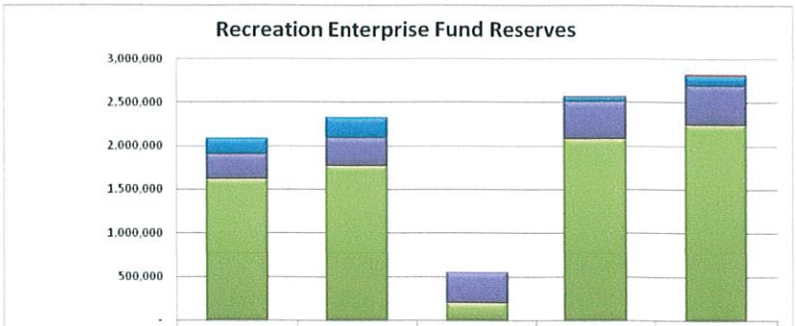
Reserve for Catastrophic Exposures/Emergencies - Risk Fund

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 $1,170,700 for FY12. 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.



	2007	2008	2009	2010	2011
M&I Tennis	-	-	-	8,446	16,418
M&I Golf	176,067	223,753	-	50,872	108,772
Equipment Replacement	288,267	321,863	351,468	426,749	458,002
Dock Replacement	1,620,173	1,772,063	196,718	2,084,181	2,240,125

At the end of FY10, the unrestricted net asset balance for the Recreation Enterprise Fund (REF) is $2,891,749. This balance is represents 62% of the budgeted revenues of the fund. Of the unrestricted net asset reserve amount, funds have been set aside in a Dock Replacement reserve, maintenance and improvement reserves for golf and tennis, and an equipment replacement fund. As of September 30, 2011, $2,240,125 has been set aside in the Dock Replacement Reserve. The Dock Replacement reserve was created to fund the replacement cost of the construction of the Town's docks whenever it is determined they must be replaced. The replacement reserve is to be maintained at 100% of accumulated depreciation plus accumulated interest earned on the reserve.

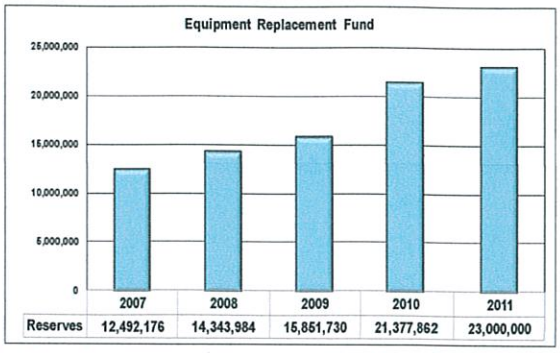
The Par 3 Golf Course charges an additional $2 per round to fund a maintenance and improvement reserve. This reserve is for maintenance and improvements. At the end of FY11, the balance is $108,772.

In FY10, a maintenance and improvement fee was implemented for the Tennis program. The balance in the reserves at the end of FY11 totaled $16,418. These funds will be set aside in a reserve for improvements to the tennis centers.

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 $458,002 as of September 30, 2011.

Equipment Replacement Fund

The Townwide Equipment Replacement Fund was established with a transfer of $4,386,910 from the General Fund Unassigned Fund balance in the FY2002 budget. The amount represented the accumulated depreciation of the Town's fixed assets through FY2002. This reserve is intended to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful life. This reserve significantly reduces the budgetary fluctuations due to purchases of large pieces of equipment and ensures compliance with the fixed asset inventory and depreciation schedule required by GASB34.



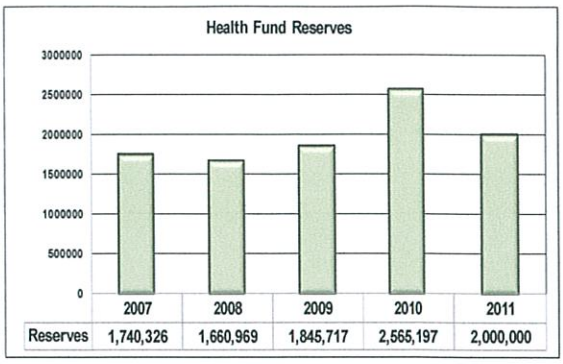
The Town Council approved a change in FY06 from depreciation based on acquisition cost to depreciation based upon replacement value. This will ensure sufficient reserves to replace large capital items with long useful lives such as fire-rescue trucks and public works vehicles.

The balance in the equipment replacement fund for year-end FY10 is $21,377,862. For FY11 the fund is expected to increase to $23,000,000. For FY12, the income including the depreciation transfer will total $1,987,768 and expenditures for capital equipment are budgeted at $1,481,550.

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

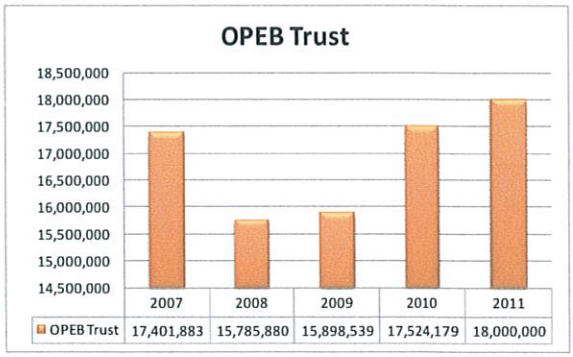
The Town Council approved the establishment of a Reserve for Compensated Absences in the FY05 budget. This reserve reduces the budgetary fluctuations due to the payout of accrued leave time to employees when they leave Town service. This reserve is funded at a rate of 100% of the fiscal year end accrued 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 balance in the reserve as of September 30, 2011 is expected to be $2,999,312. The appropriation for the pay-out of eligible accrued vacation, sick and compensatory time for FY12 from this reserve is $622,600.

Health Insurance Reserve



The Health Insurance Fund had 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 54 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 reserves that had been accumulated in this fund. The balance of the reserve in the Health Fund, at the end FY10 was $2,565,197. The reserve is expected to decrease in FY11 due to the higher than expected claims for the year. These reserves guard against any deficiencies in the Town's self insurance health fund.

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. The balance in this trust is $17,524,179 as of September 30, 2010. The reserve is expected to increase in FY11. The actuarially determined transfer from the General Fund for the OPEB liability for FY12 is $1,493,000.

Contingency Reserves

Contingency reserves were established for the General Fund, Capital Fund, Equipment Replacement Fund, Recreation Enterprise 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 FY12 budget. The Capital Fund Contingency is appropriated at 10% of the capital budget, the Equipment Replacement Fund, Risk and Health Contingency Reserves are appropriated at $500,000. The Recreation Enterprise Fund Contingency is funded at 5% of the operating expenses.

The table on the following page identifies the contingency balances appropriated in the FY11 budget and the FY12 budget:

Contingency Reserves
FY2011 and FY2012

Fund	FY2011 Budget	FY2012 Budget
General Fund	$929,468	$807,397
Capital Fund	$136,000	$181,000
Equipment Replacement Fund	$500,000	$500,000
Risk Fund	$500,000	$500,000
Health Fund	$500,000	$500,000
Recreation Enterprise Fund	$176,700	$155,000

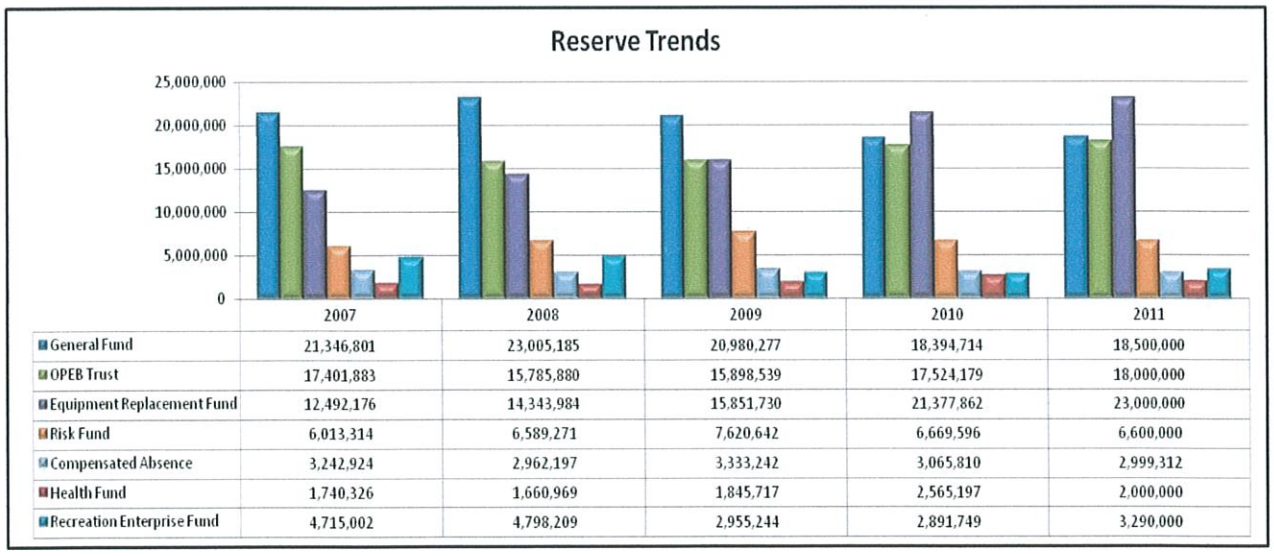
Unassigned Fund Balance/Net Asset Summary

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. Recently the rating agencies reviewed the Town's credit ratings, in preparation for the issuance of the 2010 Bonds. They cited the Town's healthy reserves, solid fiscal policies, and conservative management practices as some of the reasons for our exceptional bond ratings. Moody's Investors Service gave the Town a Aa1 for the 2010 Revenue Bonds and confirmed the Town's Aaa issuer credit rating. Standard and Poor's issued a AA+ credit rating on the 2010 Revenue bonds confirmed the Town's issuer credit rating of AAA. These Revenue Bond ratings and issuer credit ratings are the highest ratings these two services issue and represent the highest quality investment grade debt.

The table and the chart on the following page summarizes the trend of the unassigned fund balance, net asset balances, compensated absence, and replacement reserve balances for FY07 through an estimated FY11.

Reserve Balances
Fiscal Years 2007 - 2011

Fund	2007	2008	2009	2010	2011
General Fund	21,346,801	23,005,185	20,980,277	18,394,714	18,500,000
Compensated Absence (GF)	3,242,924	2,962,197	3,333,242	3,065,810	2,999,312
Equipment Replacement Fund	12,492,176	14,343,984	15,851,730	21,377,862	23,000,000
Recreation Ent Fund	2,698,119	2,259,042	1,050,115	354,082	483,101
Recreation ERF	288,267	321,863	351,468	426,749	458,002
Dock Replacement	1,620,173	1,772,062	196,718	2,084,181	2,240,125
Par 3 M&I Reserve	176,067	223,753	0	50,872	108,772
Tennis M&I reserve	0	0	0	8,446	16,418
Health Fund	1,740,326	1,660,969	1,845,717	2,565,197	2,000,000
Risk Fund	6,013,314	6,589,271	7,620,642	6,669,596	6,600,000
Health - OPEB Trust	17,401,883	15,785,880	15,898,539	17,524,179	18,000,000
Pension Funds	198,737,626	167,937,995	163,129,393	174,544,804	170,000,000
Total	265,757,676	236,862,201	230,257,841	247,066,492	244,405,730



Capital Expenditures

Per Town of Palm Beach policy, capital expenditures for tangible property are defined as having a useful life of more than one year and meeting the following threshold values:
1) Infrastructure - $50,000
2) Machinery, Equipment (other than computers), Vehicles and Office Furniture - $2,500
3) Computers - $1,500
A summary of FY12 budgeted capital expenditures can be found on the following page.

Infrastructure

Infrastructure construction valued at $50,000 and greater is budgeted for in the Capital Improvement Fund. Construction Projects for Beach Restoration are budgeted for in the Comprehensive Coastal Management Fund. Construction Projects for Town buildings are budgeted for in the Town Facilities Fund. Minor construction valued at less than $50,000 is budgeted for in the General Fund ($107,500).

Tangible/Intangible Property

Purchases for new tangible/intangible property are budgeted in the General Fund ($31,500) and purchases for replacement tangible/intangible property are budgeted in the Equipment Replacement Fund (ERF)($1,316,992). The ERF was created on October 1, 2001 and was initially funded with Undesignated General Fund Balance to cover the accumulated depreciation through September 30, 2001 based on the initial purchase price of the property. On September 30, 2006, additional Undesignated General Fund Balance was transferred to the ERF to bring the funding to accumulated depreciation on the replacement value of the property. On an annual basis, depreciation is budgeted within the general fund departmental program budgets ($1,859,768) and transferred to the ERF.

Recreation Enterprise Fund

The Recreation Enterprise Fund budgets for depreciation ($515,000) and tangible property ($37,000).

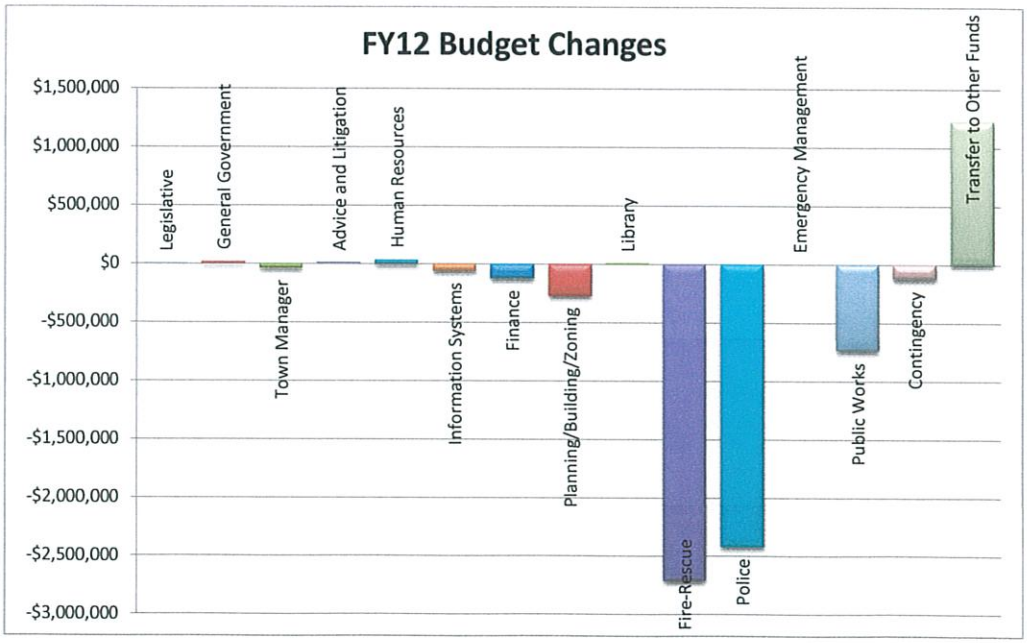
Capital Expenditures

FY2012 Townwide Capital Expenditures

Department/ Description	General Fund	Equipment Replacement Fund	Capital Funds	Recreation Fund	Total
Information Systems Subtotal	***$320,397***	***$283,850***	***$0***	***$0***	***$604,247***
Annual Depreciation	302,897	0	0	0	302,897
Major Computer Equip (>$1,500)	17,500	283,850	0	0	301,350
Human Resources Subtotal	***750***	***0***	***0***	***0***	***750***
Annual Depreciation	750	0	0	0	750
Finance Subtotal	***3,963***	***0***	***0***	***0***	***3,963***
Annual Depreciation	3,963	0	0	0	3,963
Planning/Zoning/Building Subtotal	***24,278***	***35,742***	***0***	***0***	***60,020***
Annual Depreciation	17,278	0	0	0	17,278
Plan Review/Records Shelving	4,500	0	0	0	4,500
GIS Hardware	2,500	0	0	0	2,500
(2) Ford Fusions	0	35,742	0	0	35,742
Fire-Rescue Subtotal	***590,600***	***0***	***0***	***0***	***590,600***
Annual Depreciation	590,600	0	0	0	590,600
Police Subtotal	***347,103***	***540,200***	***0***	***0***	***887,303***
Annual Depreciation	347,103	0	0	0	347,103
(4) Patrol Vehicles	0	100,000	0	0	100,000
Town-wide Camera System	0	400,000	0	0	400,000
(2) Motorcycles	0	16,200	0	0	16,200
Equipment Storage Trailer	0	7,500	0	0	7,500
Audio/Visual Recording System	0	16,500	0	0	16,500
Public Works Subtotal	***711,677***	***457,200***	***45,357,374***	***0***	***46,526,251***
Annual Depreciation	597,177	0	0	0	597,177
(3) Trash Trucks	0	171,000	0	0	171,000
Maintenance Trucks	0	47,600	0	0	47,600
Recycling Truck	0	137,600	0	0	137,600
RovverX Sewer Camera System	0	85,000	0	0	85,000
Ford Pick-up Truck	0	16,000	0	0	16,000
On street Master Controller	7,000	0	0	0	7,000
Storm Sewer Rehabilitation	47,000	0	0	0	47,000
Sanitary Sewer Rehabilitation	60,500	0	0	0	60,500
Pay-as-you-go Projects	0	0	1,810,000	0	1,180,000
Coastal Projects	0	0	3,960,000	0	3,960,000
Worth Avenue Assessment District	0	0	1,093,400	0	1,093,400
2010A Accelerated Projects	0	0	38,493,974	0	38,493,974
Recreation Department Subtotal	***0***	***0***	***0***	***552,000***	***552,000***
Annual Depreciation	0	0	0	515,000	515,000
Golf Course Equipment	0	0	0	37,000	37,000
Grand Total	***$1,998,768***	***$1,316,992***	***$45,357,374***	***$552,000***	***$49,225,134***

Town of Palm Beach, Florida
General Fund Revenues and Expenditures
Budget Comparison
Fiscal Years 2011 - 2012

	Adopted Budget FY11	Budget FY2012	FY11 vs. FY12 $ Difference	FY11 vs. FY12 % Change
Revenues				
Ad Valorem Taxes	$36,245,500	$35,999,200	-$246,300	-0.7%
Non Ad Valorem Taxes	7,829,000	7,642,000	-$187,000	-2.4%
Licenses & Permits	6,104,300	5,734,800	-$369,500	-6.1%
Intergovernmental	1,129,000	1,052,000	-$77,000	-6.8%
Charges for Services	3,351,803	3,670,736	$318,933	9.5%
Fines and Forfeitures	841,000	843,000	$2,000	0.2%
Investment Earnings	1,366,000	1,110,000	-$256,000	-18.7%
Miscellaneous Revenues	287,500	250,100	-$37,400	-13.0%
Interfund Transfers	639,000	800,000	$161,000	25.2%
Transfer from CIP	1,400,000	0	-$1,400,000	100.0%
Transfer From Fund Balance	4,541,745	1,433,600	-$3,108,145	-68.4%
Total Revenues	**$63,734,848**	**$58,535,436**	**-$5,199,412**	**-8.2%**
Expenditures				
Department				
Legislative	$64,700	$65,800	$1,100	1.7%
General Government	743,800	756,297	$12,497	1.7%
Town Manager	739,407	699,496	-$39,911	-5.4%
Advice and Litigation	407,800	415,900	$8,100	2.0%
Human Resources	639,549	671,057	$31,508	4.9%
Information Systems	1,709,463	1,651,100	-$58,363	-3.4%
Finance	1,885,390	1,760,314	-$125,076	-6.6%
Planning/Building/Zoning	3,661,090	3,390,209	-$270,881	-7.4%
Library	272,400	280,572	$8,172	3.0%
Fire-Rescue	13,529,929	10,817,000	-$2,712,929	-20.1%
Police	14,630,636	12,211,577	-$2,419,059	-16.5%
Emergency Management	48,900	48,900	$0	0.0%
Public Works	13,953,090	13,215,400	-$737,690	-5.3%
Contingency	929,468	807,307	-$122,161	-13.1%
Transfer to Other Funds	10,519,226	11,744,507	$1,225,281	11.6%
Total Expenditures	**$63,734,848**	**$58,535,436**	**-$5,199,412**	**-8.2%**
Revenues Over/(Under) Expenditures	**$0**	**$0**		



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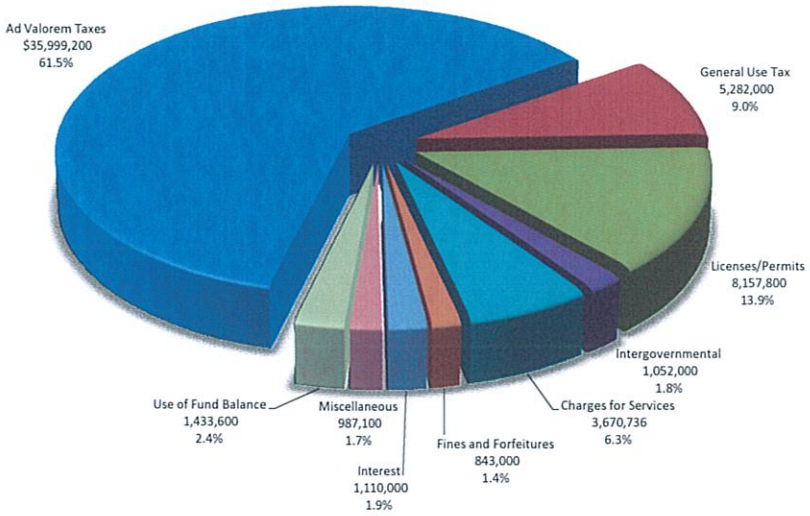
General Fund Revenues

Revenues by Type



Ad Valorem Taxes	$	35,999,200
General Use Tax		5,282,000
Licenses/Permits		8,157,800
Intergovernmental		1,052,000
Charges for Services		3,670,736
Fines and Forfeitures		843,000
Interest		1,110,000
Miscellaneous		987,100
Use of Fund Balance		1,433,600
	$	58,535,436

General Fund Revenues

Acct #	Title	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Variance	% of Total Budget
311.000	**Ad Valorem Taxes**							
311.100	Current Ad Valorem Taxes	42,684,473	40,783,538	36,245,500	36,245,463	35,999,200	-0.68%	61.50%
311.200	Back Taxes	202,744	725,033	-	-	-	0.00%	0.00%
		42,887,217	41,508,571	36,245,500	36,245,463	35,999,200	-0.68%	61.50%
312.000	**Sales, Use and Fuel Taxes**							
312.410	1-6 Cents Local Opt Fuel Tax	219,656	219,474	220,000	202,082	200,000	-9.09%	0.34%
312.420	1-5 Cents Local Opt Fuel Tax	104,421	102,195	107,000	95,790	100,000	-6.54%	0.17%
		324,077	321,669	327,000	297,872	300,000	-8.26%	0.51%
314.000	**Utility Services Taxes**							
314.100	Electricity Utility	2,049,223	2,187,115	2,200,000	2,125,000	2,200,000	0.00%	3.76%
314.200	Simplified Telecom Tax	1,206,636	1,172,387	1,250,000	1,125,000	1,125,000	-10.00%	1.92%
314.300	Water Utility	1,098,824	1,248,114	1,250,000	1,370,000	1,400,000	12.00%	2.39%
314.400	Gas Utility	243,777	265,560	260,000	230,000	250,000	-3.85%	0.43%
314.800	Propane Utility	9,628	6,683	7,000	7,000	7,000	0.00%	0.01%
		4,608,088	4,879,859	4,967,000	4,857,000	4,982,000	0.30%	8.51%
316.000	**Business Tax Receipts**							
316.000	Business Tax Receipts	702,592	689,352	700,000	700,000	720,000	2.86%	1.23%
316.100	Business Tax Receipt Penalties	23,995	26,666	21,000	30,000	25,000	19.05%	0.04%
		726,587	716,018	721,000	730,000	745,000	3.33%	1.27%
322.000	**Building Permits**							
322.100	Building	3,369,320	2,677,534	3,800,000	3,000,000	3,500,000	-7.89%	5.98%
322.150	Radon Gas	28	22	100	100	100	0.00%	0.00%
322.200	Electrical	314,084	295,390	225,000	300,000	250,000	11.11%	0.43%
322.300	Plumbing	180,038	166,873	150,000	150,000	150,000	0.00%	0.26%
322.410	Permit Penalty	-	-	-	8,000	10,000	100.00%	0.02%
322.500	Except/Var. App.	127,850	121,200	110,000	140,000	120,000	9.09%	0.21%
322.510	Consultants Fees	24,190	18,711	20,000	20,000	15,000	-25.00%	0.03%
322.520	Special Plan Review Fee	293,500	262,800	275,000	240,000	240,000	-12.73%	0.41%
322.530	Reinspection Fees	2,450	2,775	5,000	4,000	5,000	0.00%	0.01%
322.700	Special Detail - PZB	3,120	2,550	-	2,000	-	0.00%	0.00%
322.750	Abandonments	2,948	(1)	1,000	1,000	1,000	0.00%	0.00%
322.800	Architectural Fees	118,486	99,020	110,000	105,000	105,000	-4.55%	0.18%
322.850	Landmarks Submittal	15,245	18,470	15,000	15,000	15,000	0.00%	0.03%
322.860	Tax Abatement Program	-	-	1,200	1,200	1,200	0.00%	0.00%
322.900	Mechanical Permits	224,850	241,859	175,000	200,000	200,000	14.29%	0.34%
322.905	Contractor Registration Fee	13,356	10,800	10,000	10,000	10,000	0.00%	0.02%
322.910	Landscape Permit	2,450	135	10,000	10,000	50,000	400.00%	0.09%
322.915	Miscellaneous Permit Fees	-	-	-	6,000	-	0.00%	0.00%
322.920	Building Permit Search Fee	8,330	14,675	15,000	15,000	15,000	0.00%	0.03%
322.930	Dune Vegetation Fee	1,400	1,400	5,000	5,000	2,000	-60.00%	0.00%
322.940	Permit Revision Fee	-	-	150,000	55,000	120,000	-20.00%	0.21%
		4,701,645	3,934,213	5,077,300	4,287,300	4,809,300	-5.28%	8.22%
323.000	**Franchise Fees**							
323.100	Electricity Franchise	2,225,166	2,009,808	2,300,000	2,000,000	2,200,000	-4.35%	3.76%
323.400	Gas Franchise	229,066	159,993	235,000	160,000	160,000	-31.91%	0.27%
		2,454,232	2,169,801	2,535,000	2,160,000	2,360,000	-6.90%	4.03%
329.000	**Other Licenses, Fees and Permits**							
329.100	Right Of Way Permits	100,285	111,427	100,000	100,000	100,000	0.00%	0.17%
329.200	Gainesville Plan	4,330	5,190	8,000	5,300	10,000	25.00%	0.02%
329.300	Arlington Plan	10,005	10,385	18,000	10,000	20,000	11.11%	0.03%
329.470	Flood Plain Management Permit Fee	-	-	180,000	10,000	50,000	-72.22%	0.09%
329.500	Newsrack Enclosure Admin Fee	530	323	-	500	500	100.00%	0.00%
329.930	Charitable Solicitations Fee	44,310	41,140	56,000	56,000	56,000	0.00%	0.10%
329.940	Charitable Solicit. Adv. Fee	4,200	-	-	-	-	0.00%	0.00%
329.960	Char Solit Late Filing Fee	475	200	5,000	7,000	7,000	40.00%	0.01%
		164,135	168,665	367,000	188,800	243,500	-33.65%	0.42%
331.000	**Federal Grants**							
331.220	Bullet Proof Vests Grant	3,401	2,527	4,000	4,000	4,000	0.00%	0.01%
331.230	Fdle Justice Assistance Grant	-	1,596	14,000	14,000	1,500	-89.29%	0.00%
331.240	Fema Grant - Fire-Rescue	-	-	-	206,150	-	0.00%	0.00%
		3,401	4,123	18,000	224,150	5,500	-69.44%	0.01%
335.000	**State Shared Revenues**							
335.120	State Revenue Sharing	249,704	250,051	250,000	250,000	250,000	0.00%	0.43%
335.150	Alcoholic Beverage Lic	20,720	20,609	19,000	20,000	20,000	5.26%	0.03%
335.180	Local Govt. Sales Tax	602,980	603,022	650,000	620,000	590,000	-9.23%	1.01%
335.230	Fire Supplemental Compensation	30,441	35,359	30,000	30,000	30,000	0.00%	0.05%
335.240	911 Equip Reimbursement	176,165	70,297	110,000	110,000	106,000	-3.64%	0.18%
335.290	Seized Tag	1,717	1,217	3,000	2,500	2,500	-16.67%	0.00%
335.490	Fuel Tax Refund	9,815	9,575	9,000	11,500	10,000	11.11%	0.02%
		1,091,542	990,130	1,071,000	1,044,000	1,008,500	-5.84%	1.72%

General Fund Revenues

Acct #	Title	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Variance	% of Total Budget
337.000	**Grants From Other Local Units**							
337.200	Ems Grant - Palm Beach County	58,870	-	-	-	-	0.00%	0.00%
		58,870	-	-	-	-	0.00%	0.00%
338.000	**Shared Revenues-Other Local Units**							
338.200	County Occ. Licenses	22,924	23,098	25,000	23,000	23,000	-8.00%	0.04%
338.600	$12.50 Citation Monies	17,073	23,126	15,000	15,000	15,000	0.00%	0.03%
		39,997	46,224	40,000	38,000	38,000	-5.00%	0.06%
342.000	**Public Safety**							
342.100	Special Assignment Ot - Other	796,091	596,334	650,000	650,000	650,000	0.00%	1.11%
342.120	Police Id Cards	21,202	22,555	20,000	20,000	20,000	0.00%	0.03%
342.130	Burglar Alarm False Alarm Fees	91,400	88,870	75,000	90,000	90,000	20.00%	0.15%
342.140	Burglar Alarm Registration Fee	50,393	46,799	50,000	50,000	50,000	0.00%	0.09%
342.150	Burglar Alarm - Penalties	7,043	5,439	7,000	7,000	7,000	0.00%	0.01%
342.160	Burglar Alarm - Direct Connect	1,100	5,000	6,000	6,000	6,000	0.00%	0.01%
342.170	Valet Parking Permit	5,150	1,450	6,000	8,000	6,000	0.00%	0.01%
342.200	Tent Permits	3,311	3,115	6,000	8,000	8,000	33.33%	0.01%
342.210	Special Detail-Fire	47,114	43,903	55,000	55,000	55,000	0.00%	0.09%
342.220	Fire Prev Bonfires	300	3,300	3,000	4,000	3,000	0.00%	0.01%
342.225	Fire Prev Fire Hydrant	50	-	500	500	500	0.00%	0.00%
342.230	Fire Prev Hot Work	16,339	15,475	12,000	14,000	15,000	25.00%	0.03%
342.240	Fire Prev Public Assembly	1,773	2,505	2,000	2,000	2,000	0.00%	0.00%
342.250	False Fire Alarms	10,500	5,750	10,000	5,000	10,000	0.00%	0.02%
342.300	Fire Prev Fireworks	10,000	10,000	10,000	10,000	10,000	0.00%	0.02%
342.500	Bldg. Insp. Fund Fees	38	54	100	4,000	100	0.00%	0.00%
342.510	Fire Prev Technical Fire Insp	39,527	25,413	40,000	40,000	40,000	0.00%	0.07%
342.520	Fire Prev Annual Ins Fee	111,548	123,516	120,000	120,000	120,000	0.00%	0.21%
342.600	Ems Transport Fees	326,308	451,417	345,000	345,000	450,000	30.43%	0.77%
		1,539,187	1,450,895	1,417,600	1,438,500	1,542,600	8.82%	2.64%
343.000	**Physical Enviornment**							
343.400	Special Solid Waste	15,458	11,245	10,000	10,000	15,000	50.00%	0.03%
343.410	Solid Waste	825,367	814,063	816,900	816,900	848,000	3.81%	1.45%
343.430	Comp. Garbage Collection Fee	233,495	225,691	242,500	242,500	250,000	3.09%	0.43%
343.440	SWA Recycling Revenue	-	41,105	50,000	60,000	60,000	20.00%	0.10%
343.900	Beach Cleaning Citizen's Assoc	57,564	2,869	-	-	-	0.00%	0.00%
343.910	Easement Acquisition	-	-	-	1,000	-	0.00%	0.00%
343.920	Historic Speciman Tree Fee	-	3,978	4,000	4,000	5,000	25.00%	0.01%
		1,131,884	1,098,951	1,123,400	1,134,400	1,178,000	4.86%	2.01%
344.000	**Transportation**							
344.505	Prkg Meter Royal Palm Way Lot	15,009	11,082	17,000	12,000	18,720	10.12%	0.03%
344.515	Prkg Meter Ocean Front	326,288	336,986	450,000	500,000	522,296	16.07%	0.89%
344.520	Prkg Meter Lake Front	56,795	54,438	63,000	56,000	102,760	63.11%	0.18%
344.525	Prkg Meter Phipps Ocean Front	90,791	87,483	122,000	100,000	100,000	-18.03%	0.17%
344.530	Prkg Meter Peruvian	70,655	92,594	80,000	85,000	88,360	10.45%	0.15%
344.540	Prkg Meter Bradley Place	18,928	13,525	15,000	10,000	24,000	60.00%	0.04%
344.560	Parking Meter Royal Palm Way	-	34,152	25,000	42,000	42,000	68.00%	0.07%
344.599	Other Parking Placard Programs	828	2,165	2,500	10,000	10,000	300.00%	0.02%
		579,294	632,425	774,500	815,000	908,136	17.25%	1.55%
349.000	**Other Charges for Services**							
349.310	Bldg/Elec/Plumbing Code Sales	138	-	100	-	100	0.00%	0.00%
349.320	Map/Sales Code	-	-	100	-	100	0.00%	0.00%
349.400	Certification Copy	267	1,023	503	500	500	-0.60%	0.00%
349.420	Misc Copies	5,158	2,323	3,000	6,000	6,000	100.00%	0.01%
349.430	Meeting Tapes Sales	510	250	600	300	300	-50.00%	0.00%
349.450	Lien Search Fee	12,031	19,183	20,000	25,000	25,000	25.00%	0.04%
349.480	Microfiche/Scanned Documents	9,514	10,036	12,000	10,000	10,000	-16.67%	0.02%
349.500	Data Processing Services	-	835	-	-	-	0.00%	0.00%
		27,618	33,650	36,303	41,800	42,000	15.69%	0.07%
351.000	**Judgments and Fines**							
351.100	Fines - Other Parking	344,665	216,157	325,000	325,000	332,000	2.15%	0.57%
351.110	Fines - Parking Meters	125,103	91,965	110,000	110,000	110,000	0.00%	0.19%
351.120	Row Parking Violation Fines	28,244	7,850	15,000	15,000	20,000	33.33%	0.03%
351.150	Moving Violations	40,665	38,046	40,000	40,000	40,000	0.00%	0.07%
351.160	Court Order Badger	1,582	7,760	-	-	-	0.00%	0.00%
351.300	Revenue/2nd $ Funding	5,100	5,450	6,000	6,000	6,000	0.00%	0.01%
351.600	Boot Fees	30,550	17,050	20,000	25,000	25,000	25.00%	0.04%
351.800	Penalty - Other Parking	164,246	104,994	150,000	131,000	140,000	-6.67%	0.24%
351.900	Penalty - Parking Meters	60,600	51,259	60,000	50,000	60,000	0.00%	0.10%
		800,755	540,531	726,000	702,000	733,000	0.96%	1.25%
354.000	**Violations of Local Ordinances**							
354.400	Code Compliance Fines	337,997	45,742	100,000	375,000	100,000	0.00%	0.17%
354.410	Code Compliance Admin Fee	14,055	8,200	15,000	8,000	10,000	-33.33%	0.02%
		352,052	53,942	115,000	383,000	110,000	-4.35%	0.19%

General Fund Revenues

Acct #	Title	2009 Actual	2010 Actual	2011 Budget	2011 Projected	2012 Budget	% Variance	% of Total Budget
361.000	**Interest and Other Earnings**							
361.100	Interest - Checking	30,474	26,754	40,000	15,000	25,000	-37.50%	0.04%
361.120	Fmivt Interest	1,726,442	1,034,497	1,200,000	500,000	1,000,000	-16.67%	1.71%
361.125	Fmivt Interest - Ecr	-	-	6,000	-	-	-100.00%	0.00%
361.130	PFM/TD Bank Interest Income	-	24,203	60,000	10,000	25,000	-58.33%	0.04%
361.131	PFM/TD Bank Interest Income ECR	-	649	-	-	-	0.00%	0.00%
361.150	Investment Earnings/Ad Valorem	95,887	82,873	60,000	60,000	60,000	0.00%	0.10%
361.161	Evergreen MM Interest	58,293	12	-	-	-	0.00%	0.00%
361.163	Evergreen MM Interest ECR	5,841	10	-	-	-	0.00%	0.00%
361.170	Treasury Interest	6,280	-	-	-	-	0.00%	0.00%
		1,923,217	1,168,998	1,366,000	585,000	1,110,000	-18.74%	1.90%
362.000	**Rents and Royalties**							
362.120	Room Rental Dep - South Fire	200	25	-	-	-	0.00%	0.00%
362.130	Vending Machine Commissions	320	237	500	300	400	-20.00%	0.00%
362.140	Rooftop Lease	43,971	102,439	90,000	90,000	92,700	3.00%	0.16%
		44,491	102,701	90,500	90,300	93,100	2.87%	0.16%
364.000	**Disposition of Fixed Assets**							
364.410	Surplus Furn & Equipment	-	256	-	2,300	-	0.00%	0.00%
364.430	Sale of Land	-	1,046,900	-	-	-	0.00%	0.00%
		-	1,047,156	-	2,300	-	0.00%	0.00%
366.000	**Contributions/Donations from Private Sources**							
366.500	Donations - Ibis Isle Landscape						0.00%	0.00%
		-	-	-	-	-	0.00%	0.00%
369.000	**Other Miscellaneous Revenues**							
369.200	Medical Care Guide						0.00%	0.00%
369.300	Insurance Proceeds	15,322	24,421	-	-	-	0.00%	0.00%
369.400	Kreusler Park Admin	61,388	37,381	54,000	54,000	-	-100.00%	0.00%
369.500	State Highway Lighting Maint	-	71,243	70,000	70,000	70,000	0.00%	0.12%
369.540	Rebate For Town Towing	1,691	1,646	2,000	1,500	2,000	0.00%	0.00%
369.550	Control Pay Advance Revenue Share	1,013	1,911	-	2,000	2,000	100.00%	0.00%
369.990	Miscellaneous Revenue	79,211	52,387	10,000	435,000	20,000	100.00%	0.03%
		158,625	188,989	136,000	562,500	94,000	-30.88%	0.16%
381.000	**Interfund Transfer**							
381.180	Use Of Fund Balance	-	-	6,084,098	-	1,433,600	-76.44%	2.45%
381.150	Transfer From CIP	-	-	1,400,000	1,400,000	-	-100.00%	0.00%
381.970	Interfd Transfer-Marina	525,000	525,000	614,000	614,000	800,000	30.29%	1.37%
381.980	Interfd Transfer - Golf	25,000	25,000	25,000	25,000		-100.00%	0.00%
		550,000	550,000	8,123,098	2,039,000	2,233,600	-72.50%	3.82%
		64,166,914	61,607,511	65,277,201	57,866,385	58,535,436	-10.33%	100.00%

MAJOR REVENUE SOURCES

PROPERTY TAX

General Description

Under State law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the property appraiser of each county and tax collector of each county. Municipalities are not permitted to levy property taxes at a rate of more than 10 mills for operating millage. There is no limitation as to rate or amount of ad valorem taxes levied for the purpose of paying debt service on general obligation bonds, pursuant to Florida Statues, but the Town, according to Section 7.01 of the Town Charter, cannot have a total indebtedness which exceeds an amount equal to five percent (5%) of the total assessed value of the taxable property within the Town's corporate limits. The laws of the State regulating tax assessment are designed to assure a consistent property valuation method statewide. The State Constitution does, however, permit different assessment standards for agricultural land, land used exclusively for noncommercial recreational purposes, tangible personal property held for sale as stock-in-trade and livestock.

Property Assessment Procedure

Municipal ad valorem taxes are levied based upon the assessed valuation of taxable real and tangible personal property located within the boundaries of the municipality. Property valuations are determined each year as of January 1 by the Property Appraiser. A tax roll is prepared by July 1 and each taxpayer whose property is subject to taxation is given notice of the assessment of such property. The property owner has the right to file an appeal with the Value Adjustment Board, which considers petitions relating to assessments and exemptions. The Value Adjustment Board certifies the assessment roll upon completion of the hearing of all appeals.

Exemptions

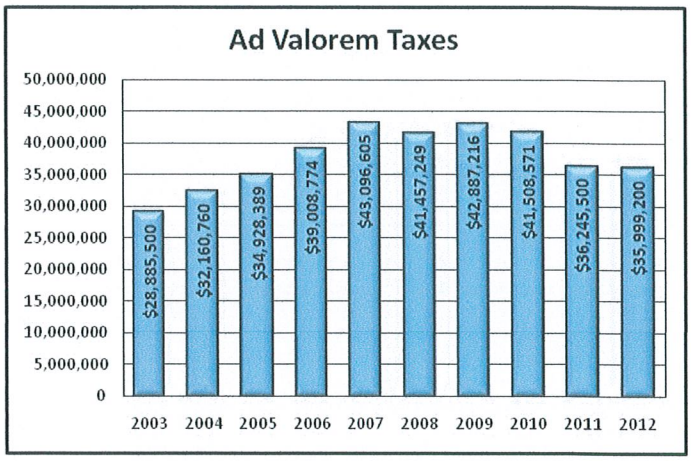
Every person who has the legal title or beneficial title in equity to real property in the State of Florida and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is entitled to an exemption from ad valorem taxation by counties of $25,000 for a property with an assessed value of up to $50,000. Beginning at $50,000 and continuing through an assessed value of $75,000 the additional benefit will increase with the increase in property value. A property with an assessed value of $75,000 or more will receive the full $50,000 exemption. Other exemptions from the ad valorem tax include property owned by certain permanently and totally disabled persons; active military personnel; disabled veterans; renewable energy source improvements; inventory; historic properties; property used by hospitals, nursing homes, homes for special services and property used by homes for the aged; educational property; property owned and used by labor organizations; community centers; governmental property; property owned by not-for-profit sewer and water companies; and the first $500.00 of property of every widow and widower.

Levy of Ad Valorem Taxes

The Town is required to establish a budget for each fiscal year. The Town is required to compute a proposed millage rate necessary to fund the tentative budget other than the portion of the budget to be funded from sources other than ad valorem taxes. After a procedure involving notice, hearings and public comment, the tentative budget and millage rate become final when approved by the Town Council. This procedure creates the tax roll which is then turned over to the Tax Collector on or about the first Monday in October.

Tax Collection Procedure

Upon receipt of the certified tax roll, the Tax Collector is required to mail to each taxpayer appearing on the assessment roll a tax notice stating, among other things, the amount of current taxes, including any ad valorem taxes due from the taxpayer. In general, each taxpayer is required to pay all taxes shown in the tax notice without preference in payment of any particular increment of the tax bill.



The Statutes relating to the enforcement of county ad valorem taxes (and thus municipal property taxes) provide that such taxes become due and payable on November 1 of the year in which assessed or as soon thereafter as the certified tax roll is received by the Tax Collector. If paid during November or the following three (3) months, the taxpayer is granted a discount which is equal to four percent (4%) in November and which decreases pro rata monthly to one percent (1%) in February. All taxes become delinquent on April 1 following the year in which they are assessed or immediately after sixty (60) days have expired from the mailing of the original tax notice, whichever is later, and the tax collector is required to collect taxes prior to the date of delinquency and to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of tax notices to taxpayers results in a delay throughout the process.

Property Tax Reform

The State of Florida adopted property tax reform measures during FY07. This tax reform legislation required counties and municipalities to roll back their millage rates for FY06-07 funding levels and then reduce that amount by a percentage of 0, 3, 5, 7, or 9 based upon a formula that analyzes their taxing performance over the past five years. The Town's assigned percentage was 5% due to reductions in the millage rate that had been adopted since FY02.

For the FY12 budget, millage rate increases are limited to the rolled back rate (the rate that produces the same taxes as the prior year, exclusive of taxes from new construction) plus growth in personal income. Local governments are allowed to override the cap by

extraordinary vote, either a 2/3 vote of the Council for up to a 10% increase over the rolled back rate, or a unanimous vote of the Council for an increase in excess of 10%. For FY12 the Town adopted the same millage rate as FY11, FY10 and FY09 which resulted in a decrease in taxes due to an .46% decrease in taxable value.

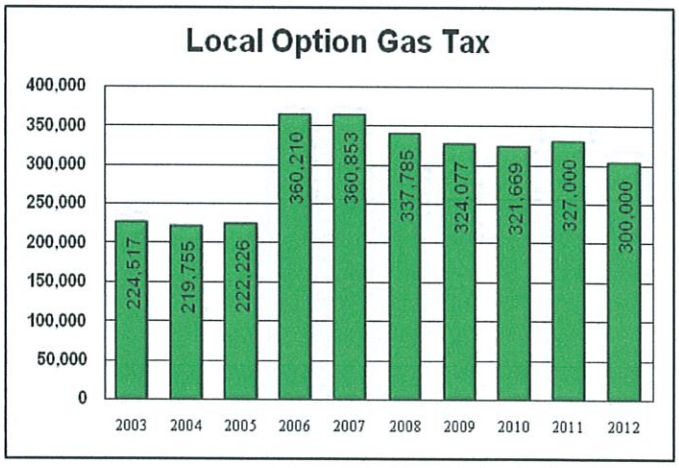
The chart below identifies the FY12 TRIM options available to the Town.

Options	Millage Rate	Tax Revenue
Rollback Millage Rate	3.2606	$36,103,233
Majority Maximum Millage Rate	3.8405	$42,524,219
2/3 Vote Maximum Millage Rate	4.2246	$46,777,194
Town Adopted Final Millage Rate	3.2512	$35,999,200

Shared Revenue

Local Option Gas Tax

Local governments are authorized to impose a tax of 1 cent to 6 cents on every gallon of motor fuel and special fuel sold at the retail level. Local Option Gas Taxes are enacted by an inter-local agreement concerning the distribution of the tax proceeds is established between the local governments in the county.



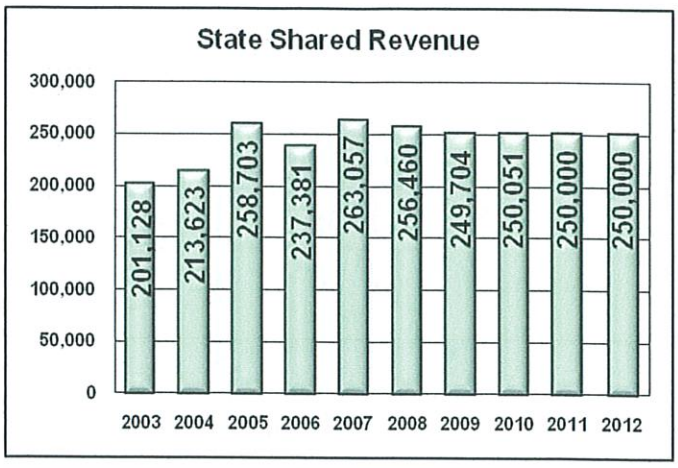
The Town participates in two separate and distinct inter-local agreements relative to Local Option Gas Tax as follows:

a. In 1986, an inter-local agreement was signed which provided a distribution formula for the six cent gas tax in effect of 1/3 of all sums collected to municipalities and 2/3 of all sums collected to the county.

b. A second inter-local agreement was signed in August 1993 providing a distribution formula for an additional five cent gas tax which the state legislation authorized the county commission to levy and the county commission approved on July 20, 1993. The approved distribution formula is 21% of all sums collected by the County from the State are distributed to municipalities and 79% of all sums collected are distributed to the County. The agreement is written to terminate at such time as the gas tax proceeds are no longer collected and distributed, with the distribution formula scheduled for review annually.

The Local Option Gas Tax budget for FY12 is based upon estimates provided by the State of Florida.

State Shared Revenue

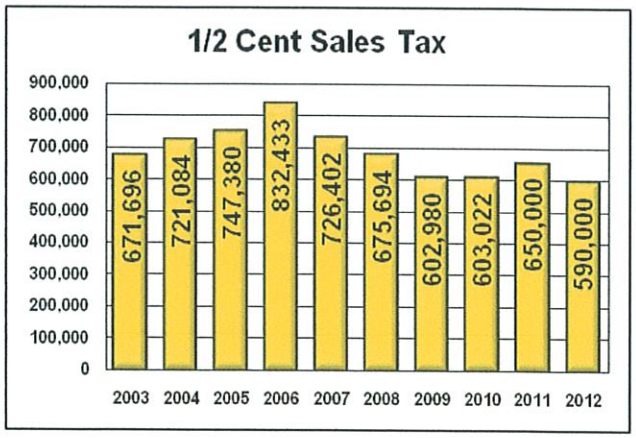


Sharing of certain state revenues with cities and counties began in Florida at least as early as 1931. Financial rescue of the counties from their overwhelming road debts from the 1920's came principally through sharing of the state's motor fuel tax. Little sharing with cities occurred until the state cigarette tax collections were made available to them in 1949. The Florida Revenue Sharing Act of 1972 was a major attempt by the legislature to ensure an equitable distribution at a minimum level of revenue across counties and municipalities.
The current structure of the revenue sharing program has three revenue sources for municipalities: Cigarette tax, one-cent municipal gas tax and the state alternative fuel decal users fee. There are several criteria a local government must meet in order to qualify to receive funds. For governments eligible in 1972: Levy ad valorem taxes (excluding debt service and other special millage) that will produce the equivalent of three mills per dollar of assessed valuation on the 1973 property tax base, or collect an equivalent amount of revenue from an occupational license tax, or a utility tax (or both) in combination with the ad valorem tax. Other requirements include annual post audits of financial accounts, certification of compliance with TRIM.

Funds for the above referenced revenue sources are collected in a trust and net of administrative costs, are distributed monthly to qualified recipients based on an apportionment formula comprised of three factors: weighted population, sales tax, and relative ability to raise revenue. The State provides estimates each year for budgeting purposes.

Revenues have remained flat for the past few years. The budget for FY12 is based upon estimates provided by the State of Florida.

Half Cent Sales Tax



In 1982, the State authorized the Local Government Half Cent Sales Tax Program. The program includes three distributions of state sales tax revenue collected. The ordinary distribution to eligible county and municipal governments is possible due to the transfer of 8.814 percent of net sales tax proceeds to the Local Government Half-cent Sales Tax Clearing Trust Fund. The emergency and supplemental distributions are possible due to the transfer of .095% of net sales tax proceeds to the Trust Fund. The emergency and supplemental distributions are available to select counties that meet certain fiscal-related eligibility requirements.

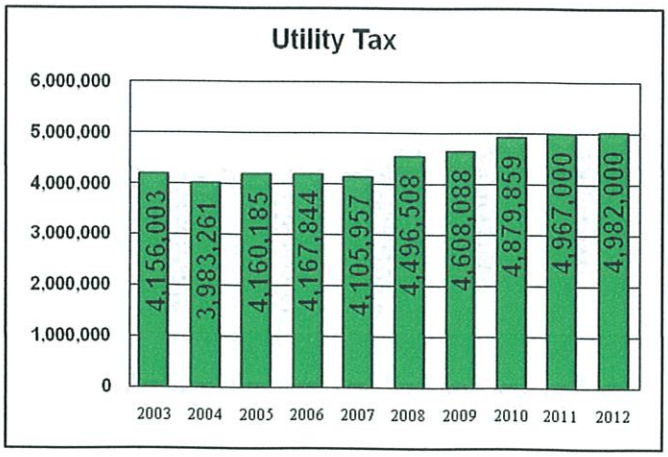
Like the sales tax itself, the proceeds from the sales tax distributed to local governments are subject to cyclical variations based on the level of economic activity within the particular month. In 1987, the State expanded the base upon which the sales tax is levied by including several services formerly exempted. Effective February 1, 1988, the sales tax on goods was increased to 6%. The current rate in affect for Palm Beach County is 6.5%. The State provides estimates for budgeting purposes.

SHARED REVENUE COLLECTIONS				
Fiscal Year	**Local Option Gas Tax**	**State Shared Revenue**	**Half Cent Sales Tax**	**Total**
2012 (Budgeted)	300,000	250,000	590,000	**1,140,000**
2011 (Anticipated)	297,872	250,000	620,000	**1,167,872**
2010	321,669	250,051	603,022	**1,174,742**
2009	324,077	249,704	602,980	**1,176,761**
2008	337,785	256,460	675,694	**1,269,939**
2007	360,853	263,057	726,402	**1,350,312**
2006	360,210	237,381	832,433	**1,430,024**
2005	222,226	258,703	747,380	**1,228,309**
2004	219,755	213,623	721,084	**1,154,462**
2003	224,517	201,128	671,696	**1,097,341**

UTILITY TAX

Pursuant to F.S.166.231, the Town levies a utility tax, or public service tax on the purchase of electricity, metered or bottled gas and water service. The Town levies this tax at the state allowed maximum of 10% for all services.

In FY01, the Florida Legislature adopted the Communications Tax Simplification law that went into effect on October 1, 2001. This legislation combined the Telecommunications utility tax as well as the Telecommunications franchise fee and cable franchise fee into one tax rate on a broad base of services. The Town adopted Resolutions 42-01 and 43-01 which set the tax rates for this tax. The rate is 5.1% plus .12% (additional rate for not charging separate permit fees) totaling 5.22%.



Collections from these taxes vary depending on utility usage. The water and electricity utility tax depends to a great extent

on weather conditions. Fluctuations may be experienced from these revenue sources which are beyond the ability of the Town to predict or control. The budget for utility tax is based on historical trends. Recent revenue trends have been positive. Electricity, gas and water utility taxes have exceeded budget expectations.

Utility Tax						
Fiscal Year	**Electricity**	**Communications Services Tax**	**Water**	**Gas**	**Propane**	**Total**
2012 (Budgeted)	2,200,000	1,125,000	1,400,000	250,000	7,000	**4,982,000**
2011 (Anticipated)	2,125,000	1,125,000	1,370,000	230,000	7,000	**4,857,000**
2010	2,187,115	1,172,387	1,248,114	265,560	6,683	**4,879,859**
2009	2,049,223	1,206,636	1,098,824	243,777	9,628	**4,608,088**
2008	2,060,247	1,475,646	730,479	222,781	7,355	**4,496,508**
2007	2,039,667	1,090,969	733,994	245,057	(3,731)	**4,105,956**
2006	2,035,294	1,111,351	756,825	249,735	14,639	**4,167,844**
2005	1,976,980	1,120,892	811,967	245,599	4,747	**4,160,185**
2004	1,917,830	1,213,252	648,605	198,849	4,725	**3,983,261**
2003	1,968,539	1,311,508	693,893	177,862	4,201	**4,156,003**

FRANCHISE FEES

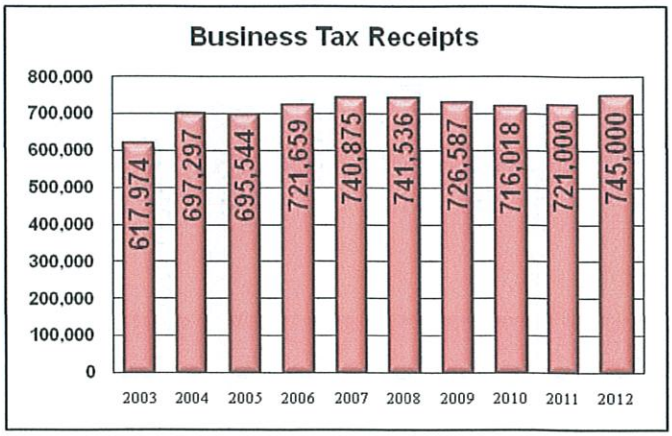
Public utilities operating within the Town of Palm Beach must pay to the Town a franchise fee in return for the right to do business within the Town and for the right to use public rights-of-way. The table on the following page shows the franchise agreements currently in effect. The budget for franchise fees is based upon historical trends.

As mentioned under the Utility Tax section, the Communications Tax Simplification Law eliminated the franchise fees for telephone and cable companies and replaces it with a single rate on a broad base of telecommunication and cable services. The trend in franchise fee revenue is shown in the table on the following page.

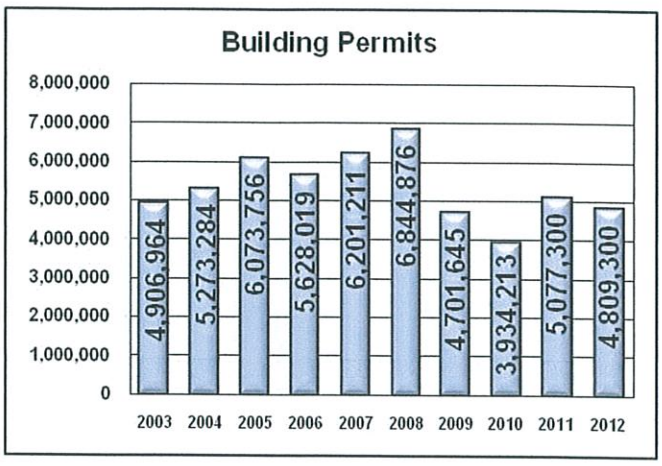
Franchise Fees			
Fiscal Year	**Electricity**	**Gas**	**Total**
Provider	**Florida Power and Light**	**Florida Public Utilities**	
Effective Date	**3/10/81**	**4/13/93**	
Term	**30 years**	**30 years**	
Rate	**6%**	**6%**	
2012 (Budget)	2,200,000	160,000	**2,360,000**
2011 (Anticipated)	2,000,000	160,000	**2,160,000**
2010	2,009,808	159,993	**2,169,801**
2009	2,225,166	229,066	**2,454,232**
2008	2,217,498	230,046	**2,447,544**
2007	2,244,536	233,951	**2,478,487**
2006	2,146,494	287,317	**2,433,811**
2005	1,758,406	231,574	**1,989,980**
2004	1,689,108	192,087	**1,881,195**
2003	1,564,384	161,837	**1,726,221**

Business Tax Receipts

Any person engaging in or managing any business, occupation or profession, within the limits of the Town of Palm Beach must have a license and pay a Business Tax. All licenses must be secured at the time the business begins operation and are renewed thereafter each October 1. The fee for each license is based on the business in which the entity is engaged. This revenue source has trended flat. A fee increase was approved for FY12.



Building Permits



Permits must be issued to any individual or business that performs construction work within the corporate limits of the Town of Palm Beach. Permits are issued for building, electrical, plumbing, and mechanical construction. The revenue from building permits fluctuates based upon current economic conditions and major construction projects. In FY08, building permit fees were lowered based upon a cost allocation study that was completed during FY07. From FY02 through FY08, building permit revenue had been exceeding expectations. Current economic conditions have caused a decline in this revenue source. In FY11, revenue from these sources slightly exceeded budget expectations. This revenue source is budgeted conservatively for FY12 due to the current downturn in construction on the island.

Solid Waste Disposal

Commercial establishments, including apartments, are charged for collection and disposal costs based upon the type of facility being serviced. Town Council, from time to time, will adjust the rate structure to cover anticipated costs. The Solid Waste Authority of Palm Beach County assesses commercial facilities for a portion of their disposal costs while the Town is responsible for the remaining cost.

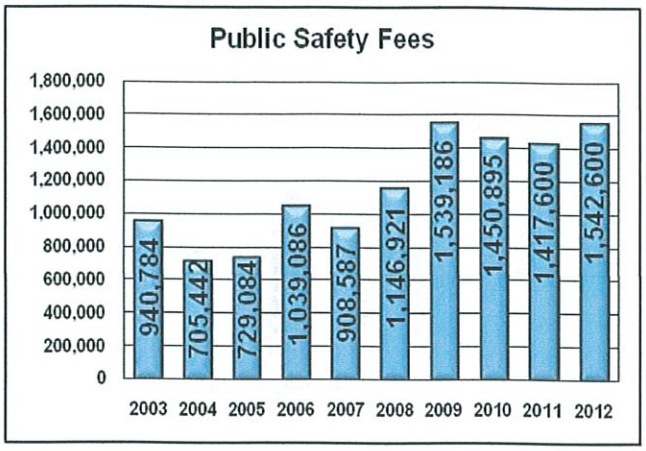
The Town is the sole provider of garbage service to its residents and all commercial properties. Most commercial properties are serviced five times per week, except restaurants which are serviced seven times per week.

The solid waste disposal charges are billed as a non-ad valorem assessment on the customer's property tax bill.

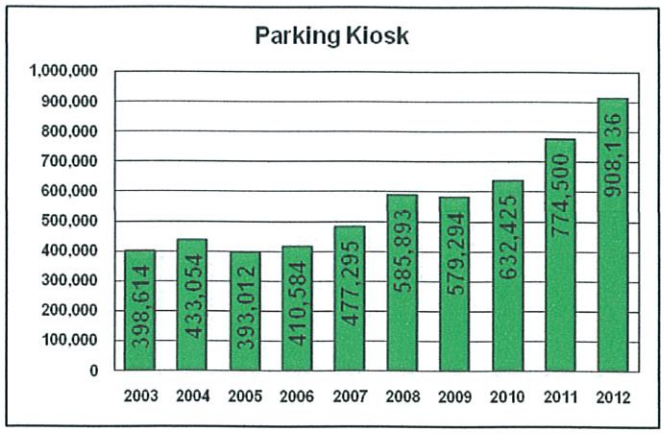
Public Safety Fees

Public Safety Fees include special detail charges for police and fire-rescue services, alarm registration fees and false alarm fees, fire prevention fees and EMS transport fees.

The increase in fees in recent years is due to the implementation of new fees. The Town began charging for EMS transport fees in FY03 and fire prevention fees in FY06. In FY08 false alarm charges were increased. In FY09 special detail charges were increased. For FY12, an increase was approved for EMS transport fees.



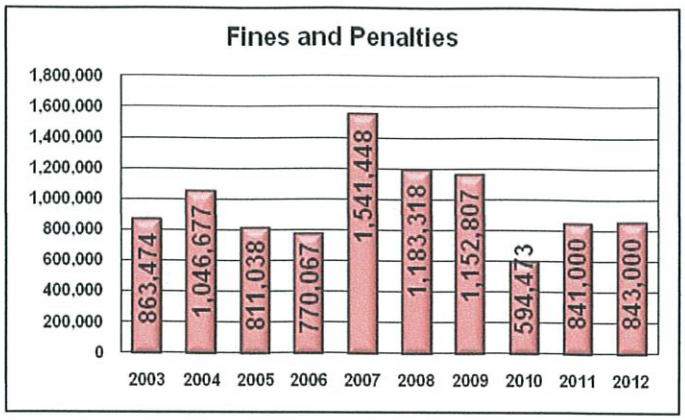
Parking Kiosk Fees



The Town has parking kiosks in various commercial locations in Town. The revenue also includes parking placards that are issued for parking meters on the ocean and on the lake front. The largest source of revenue from meters is from the ocean front meters at Mid-town beach. This revenue amounts to approximately 60% of the total parking meter revenue. The increase in FY08 is due to the increase in parking meter charges from $1 per hour to $2 per hour. Revenues in FY09 declined due to the reduction of revenue during the installation of new parking kiosks. The increase for FY11 is due to the increase in parking meter charges from $2 to $5 per hour at the meters located at Mid-Town Beach and Phipps Ocean Park. The revenue increase in FY12 is due to an increase in permit and parking placard fees as well as better than expected revenue collections from the FY11 increase.

Fines and Penalties

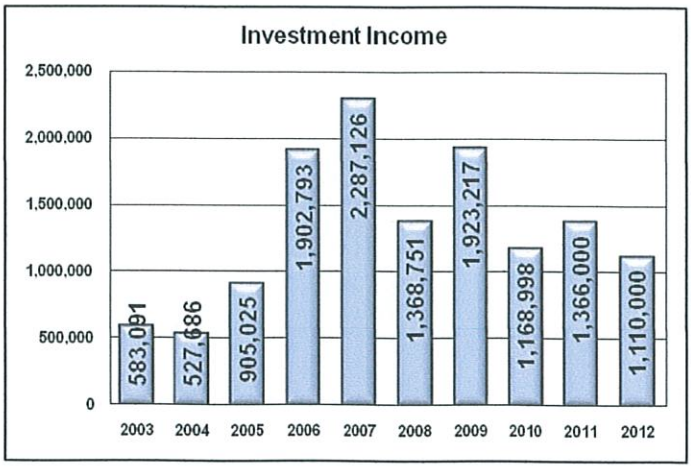
Parking fines and penalties and code enforcement penalties make up a significant portion of this revenue source. Revenues from these sources have increased in recent years due to improved collection efforts. In FY03, a collection agency was hired for parking tickets and revenues increased due to the collection of old tickets and penalties. In addition to parking and code compliance fines, right of way parking violation fines, and moving



violations are included in this category of revenues. The large increase in FY07 is due to increased intensity of code enforcement efforts resulting in increases in fines due to violations of water restrictions and other code violations. In FY08, fees for parking tickets were increased to a minimum of $35. The decline in FY10 is due to lower code enforcement fine collection. The budget for FY12 was based upon the current revenue trends.

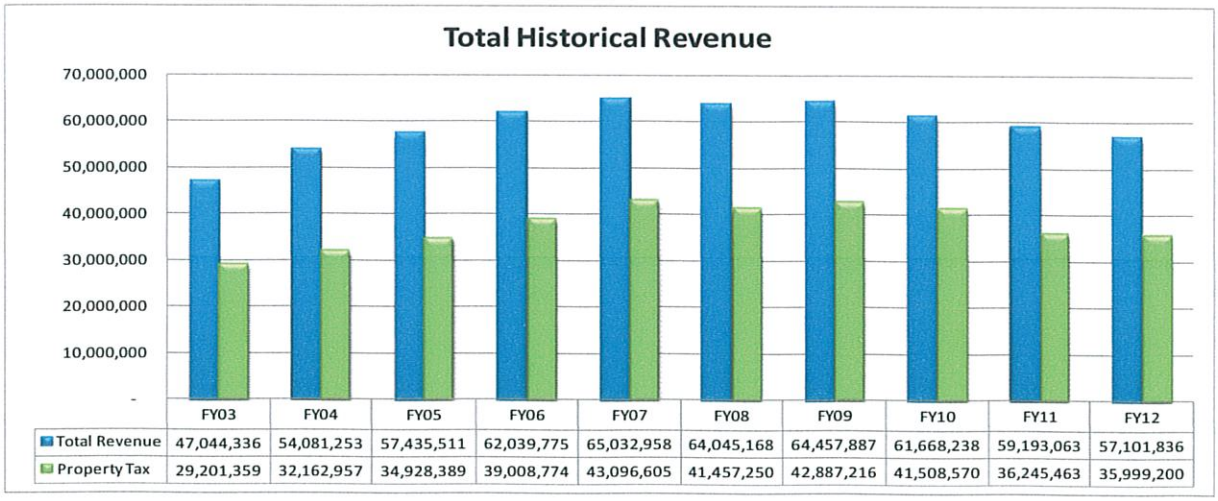
Investment Income

Low interest rates from FY03 through FY05 caused investment income to decline. In FY02 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. For FY06 and FY07, higher rates of return resulted in increases in investment income. In 2009 the Investment Advisory Committee recommended hiring PFM asset management to manage a portion of the surplus funds. The current historically low rates have caused the decline in revenues. The FY12 budget was based upon current trends.



General Fund Revenue Trend Summary

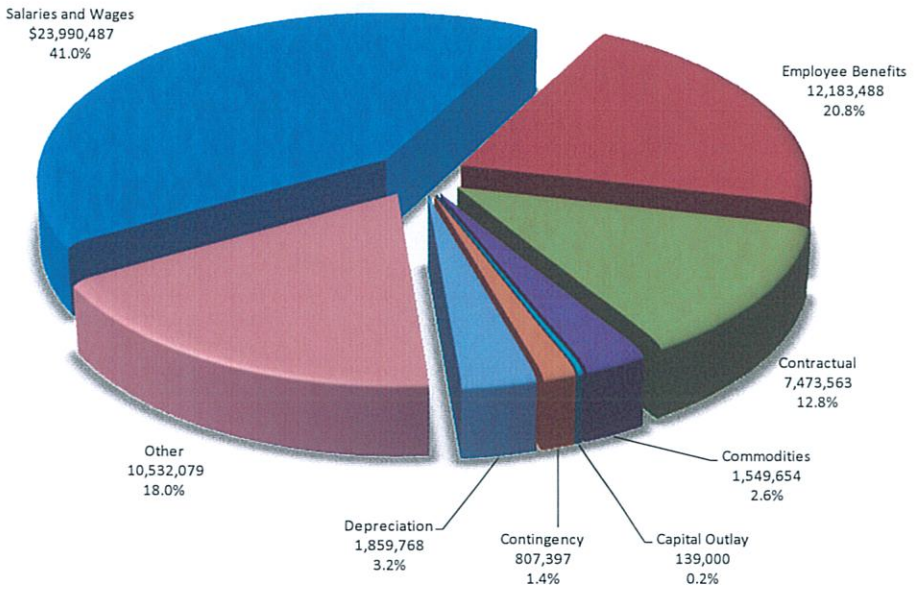
Total General Fund revenues have increased at an average annual rate of 2.3% since FY03. This trend is due to increases in ad valorem revenues, building permit revenues, fine revenue, one time revenues from the sale of Town owned property and FEMA reimbursements in FY04, FY05 and FY06. Declines since FY09 are mainly due to reductions in property taxes due to decreases in the Town's taxable value and reductions in building permit income. The 10 year trend is shown in the chart below.



	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Total Revenue	47,044,336	54,081,253	57,435,511	62,039,775	65,032,958	64,045,168	64,457,887	61,668,238	59,193,063	57,101,836
Property Tax	29,201,359	32,162,957	34,928,389	39,008,774	43,096,605	41,457,250	42,887,216	41,508,570	36,245,463	35,999,200

General Fund Expenditures

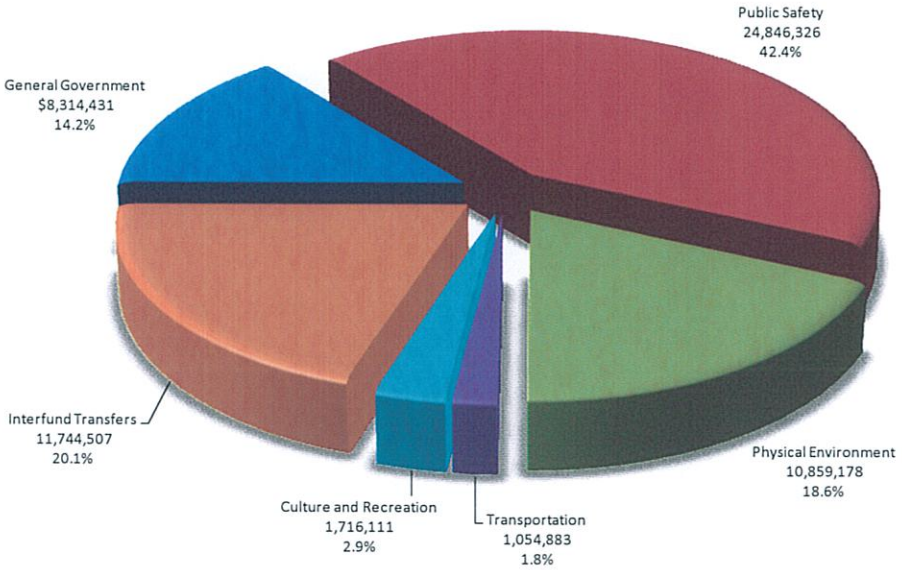
Expenditures by Type



Salaries and Wages	$	23,990,487
Employee Benefits		12,183,488
Contractual		7,473,563
Commodities		1,549,654
Capital Outlay		139,000
Contingency		807,397
Depreciation		1,859,768
Other		10,532,079
	$	58,535,436

General Fund Expenditures

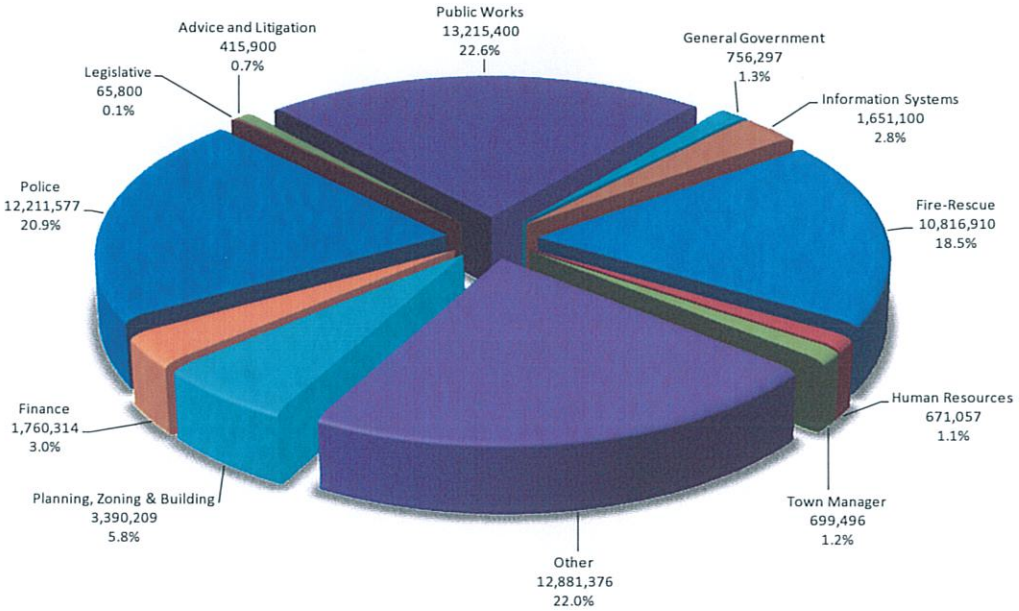
Expenditures by Function



General Government	$	8,314,431
Public Safety		24,846,326
Physical Environment		10,859,178
Transportation		1,054,883
Culture and Recreation		1,716,111
Interfund Transfers		11,744,507
	$	58,535,436

General Fund Expenditures

Expenditures by Department



Legislative	$	65,800
General Government		756,297
Town Manager		699,496
Advice and Litigation		415,900
Information Systems		1,651,100
Human Resources		671,057
Finance		1,760,314
Planning, Zoning & Building		3,390,209
Fire-Rescue		10,816,910
Police		12,211,577
Public Works		13,215,400
Other		12,881,376
	$	58,535,436

General Fund Expenditures

Program		FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change	% of Total GF Budget
LEGISLATIVE	111	115,179	110,603	82,434	66,290	65,800	-20.18%	0.11%
GENERAL GOVERNMENT	113	1,842,778	1,861,964	974,246	939,058	756,297	-22.37%	1.29%
TOWN MANAGER'S OFFICE	121	824,988	725,473	739,407	732,171	699,496	-5.40%	1.19%
ADVICE & LITIGATION	122	475,310	478,667	410,620	487,200	415,900	1.29%	0.71%
INFORMATION SYSTEMS	125	2,139,389	1,832,402	1,740,978	1,706,763	1,651,100	-5.16%	2.82%
HUMAN RESOURCES	123	655,429	602,351	648,124	639,549	671,057	3.54%	1.15%
FINANCE								
Records Management	131	353,158	286,518	326,532	261,026	292,012	-10.57%	0.50%
Financial Management	141	1,039,216	1,008,509	1,063,219	1,007,619	976,668	-8.14%	1.67%
Purchasing	144	496,846	479,116	495,639	495,639	491,634	-0.81%	0.84%
		1,889,220	1,774,143	1,885,390	1,764,284	1,760,314	-6.63%	3.01%
PLANNING/ZONING/BUILDING								
Planning & Zoning	211	657,133	633,574	574,206	574,206	541,770	-5.65%	0.93%
Permit Issuance	212	1,028,903	963,562	1,067,740	1,037,356	945,300	-11.47%	1.61%
Inspection/Compliance	213	1,142,542	1,136,919	1,109,654	1,109,654	1,073,500	-3.26%	1.83%
Landmarks Preservation	214	147,407	158,664	173,851	140,120	134,200	-22.81%	0.23%
Fire Prevention	215	429,691	568,327	494,890	496,540	370,400	-25.16%	0.63%
Code Enforcement	216	395,289	327,419	309,102	254,936	325,039	5.16%	0.56%
		3,800,965	3,788,465	3,729,443	3,612,812	3,390,209	-9.10%	5.79%
LIBRARY SERVICES	321	272,400	272,400	272,400	272,400	280,572	3.00%	0.48%
FIRE-RESCUE								
Fire Administration	411	810,944	912,714	860,530	753,212	650,100	-24.45%	1.11%
Operations	417	10,943,245	11,267,730	11,762,705	11,663,291	9,354,910	-20.47%	15.98%
Training	418	273,454	253,162	338,867	338,861	249,200	-26.46%	0.43%
Beach Rescue	432	734,588	769,729	806,703	744,303	562,700	-30.25%	0.96%
		12,762,231	13,203,335	13,768,805	13,499,667	10,816,910	-21.44%	18.48%
POLICE								
Administrative Management	421	1,018,707	1,037,683	990,830	979,762	876,628	-11.53%	1.50%
Org Crime/Vice/Narcotics	422	692,613	633,959	797,730	661,567	619,702	-22.32%	1.06%
Records Information Systems	423	256,601	214,130	198,232	195,035	137,509	-30.63%	0.23%
Training/Per/Pub Enf	424	296,706	289,355	248,937	323,739	286,317	15.02%	0.49%
Communications	425	1,735,782	1,648,757	1,595,295	1,353,720	1,237,031	-22.46%	2.11%
Crime Scene/Evidence	426	386,326	367,839	344,318	333,814	243,886	-29.17%	0.42%
Patrol Services	428	8,757,286	8,404,673	8,713,884	8,621,406	7,291,585	-16.32%	12.46%
Criminal Investigation	429	1,095,085	1,178,029	1,184,970	1,159,380	967,880	-18.32%	1.65%
Parking Control	430	659,937	670,672	616,601	609,811	551,039	-10.63%	0.94%
		14,899,043	14,445,097	14,690,797	14,238,234	12,211,577	-16.88%	20.86%
PUBLIC WORKS								
Administrative Management	511	845,750	858,727	910,022	910,022	800,285	-12.06%	1.37%
Street Repair/Maintenance	521	564,199	275,423	421,534	421,534	363,293	-13.82%	0.62%
Traffic Control	523	210,416	207,694	221,253	221,253	215,734	-2.49%	0.37%
Streeet Lighting	524	473,836	426,191	476,761	476,761	475,856	-0.19%	0.81%
Storm Sewer Maintenance	531	792,141	629,337	858,206	858,206	782,084	-8.87%	1.34%
Sanitary Sewer Maintenance	532	1,260,970	1,263,830	1,325,752	1,325,752	1,237,375	-6.67%	2.11%
Sanitary Sewer Treatment	533	1,438,498	1,480,304	2,335,084	2,335,084	1,616,466	-30.77%	2.76%
Residential Collection	541	855,730	869,185	890,582	890,582	841,640	-5.50%	1.44%
Commercial Collection	542	944,259	934,371	1,035,463	1,035,463	975,849	-5.76%	1.67%
Refuse Disposal	543	48,307	60,147	111,980	111,980	100,000	-10.70%	0.17%
Yard Trash Collection	544	1,697,484	1,629,019	1,667,407	1,667,407	1,581,026	-5.18%	2.70%
Recycling	545	295,132	299,248	304,373	304,373	261,350	-14.13%	0.45%
Beach Cleaning	546	143,784	95,478	110,292	110,292	93,075	-15.61%	0.16%
Parks	551	1,284,790	1,107,154	1,259,912	1,259,912	1,208,264	-4.10%	2.06%
Facilities Maintenance	554	1,048,309	926,752	975,827	975,827	946,621	-2.99%	1.62%
Parking Meter Maint & Collections	558	136,935	167,697	143,947	143,947	171,657	19.25%	0.29%
General Engineering Services	561	548,050	497,589	453,807	453,807	475,481	4.78%	0.81%
Right of Way Inspections	565	119,213	117,034	125,242	125,242	98,843	-21.08%	0.17%
Equip Operations/Maintenance	571	548,283	580,815	579,571	579,571	544,501	-6.05%	0.93%
Coastal Management	581	769,820	532,893	793,450	793,450	426,000	-46.31%	0.73%
		14,025,906	12,958,888	15,000,465	15,000,465	13,215,400	-11.90%	22.58%
TRANSFER TO OTHER FUNDS								
Cap Impr Program (307/308/310/320)	611	1,817,000	4,828,957	500,000	500,000	1,000,000	100.00%	1.71%
Coastal Protection Fund (309)	611	2,000,000	1,046,900	3,090,000	3,090,000	3,960,000	28.16%	6.77%
Debt Service Fund (205))	612	3,790,000	3,922,000	3,500,000	3,500,000	3,500,000	0.00%	5.98%
Group Health Retirees (610)	621	1,649,000	1,550,000	1,533,000	1,533,000	1,493,000	-2.61%	2.55%
Risk-W/C,Liab,Prop (501)	622	1,918,000	1,904,463	1,896,226	1,896,226	1,791,507	-5.52%	3.06%
Employee Retirement Fund (600)	624	-	-	-	-	-	0.00%	0.00%
		11,174,000	13,252,320	10,519,226	10,519,226	11,744,507	11.65%	20.06%
EMERGENCY/DISASTER RESPONSE	710	1,003,769	57,901	48,900	48,900	48,900	0.00%	0.08%
CONTINGENT APPROPRIATIONS	711	-	-	929,468	-	807,397	-13.13%	1.38%
General Operating Fund (001) Total		54,706,607	52,111,689	54,921,477	53,007,793	46,790,929	-14.80%	79.94%
Transfers to Other Funds		11,174,000	13,252,320	10,519,226	10,519,226	11,744,507	11.65%	20.06%
TOTAL GENERAL FUND		65,880,607	65,364,009	65,440,703	63,527,019	58,535,436	-10.55%	100.00%

Legislative

PROGRAM: LEGISLATIVE 111

Pursuant to the Town's Charter, the Mayor and Town Council are elected at large by the electors of the Town. The Town Council enacts ordinances and resolutions, reviews and adopts the annual budget, and establishes policies and other measures which promote the general welfare of the Town and protect the health and safety of its citizens. Town Council members are elected for two-year terms, two in odd numbered years and three in even numbered years. The Mayor runs in odd numbered years for a two-year term and is not a voting member of the Council, but may vote to break a tie and may veto ordinances and resolutions, subject to Town Council override. Elected officials serve without pay.

This program also includes a funding allocation for Mayor and Town Council interaction with other government related agencies. These agencies include the Palm Beach County League of Cities, the Florida League of Cities, the Countywide Intergovernmental Coordination Program, and other local, State and Federal government organizations. Formal and informal interaction with other government representatives improves existing information exchange networks, and enables Town officials to provide better services to the community and protect the Town's interests in Federal, State, and County legislative and administrative matters.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	-	0.00%
Contractual	101,797	100,487	71,334	55,165	53,300	-25.28%
Commodities	13,382	10,116	11,100	11,125	12,500	12.61%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	115,179	110,603	82,434	66,290	65,800	-20.18%

Contractual:
The decrease is due to a reduction in the telephone base expenditures.

Commodities:
Membership dues were increased to reflect slight increases for the various local organizations and the addition of the Florida League of Cities.

General Government

PROGRAM: GENERAL GOVERNMENT 113

In accordance with Florida's Uniform Accounting System Manual, this program represents the cost of general government services and activities which are not specifically or reasonably classified elsewhere within departmental program classifications of the Town's General Fund budget. The majority of the activities in this program are overseen by the Town Manager's Office.

Expenditure Summary

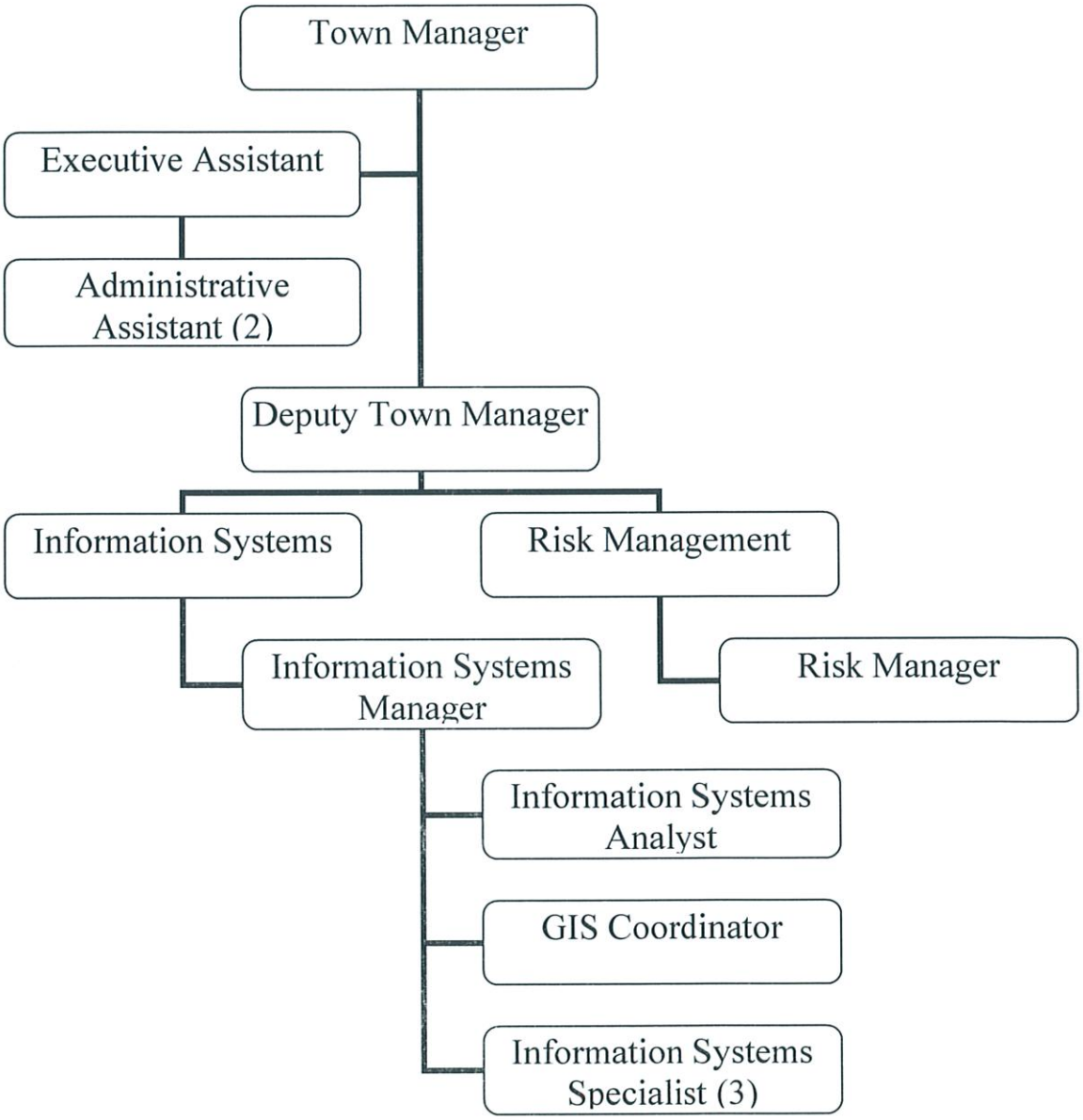
	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	1,539,181	1,445,576	714,000	714,000	622,600	-12.80%
Contractual	278,484	377,719	257,846	222,658	133,500	-48.22%
Commodities	-	-	-	-	-	0.00%
Capital Outlay	22,713	36,269	-	-	-	0.00%
Depreciation	2,400	2,400	2,400	2,400	197	-91.79%
Other	-	-	-	-	-	0.00%
TOTALS	1,842,778	1,861,964	974,246	939,058	756,297	-22.37%

Employee Benefits:
FY2011 was the last year of payouts under the Town's 2008 Early Retirement Incentive Program.

Contractual:
The decrease in contractual is due to expenditures that have been funded in prior years through contingency allocations. This includes the Internal Auditor, Palm Beach Island Cats donation, and the Energy Efficiency matching grant funds. Decreases were offset by the addition of $100,000 for the Town's share of the cost of the County's Inspector General and a 15% increase in the allocation for holiday decorations.

Town Manager

MISSION: The Town Manager's Office is dedicated to effectively advising the Mayor and Town Council regarding policy formation; keeping the Mayor, Town Council and community informed on Town government issues of importance; and setting overall administrative direction for all operating departments. The Town Manager, as the primary administrative official of the Town, provides the linkage between the policies set by the Mayor and Town Council and the operations of the Town staff.



Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Accomplish Mayor and Town Council's top priority goals for the year.	OBJECTIVES: Assess degree to which each identified goal was accomplished. Update: The budget has been reduced by $5.2 million, property taxes have been reduced for the third consecutive year, and there has been no material reduction in the level of service being provided to the community.
GOAL: Maintain or improve Mayor and Town Council's scores on Town Manager's annual performance evaluation.	OBJECTIVES: Assess degree to which evaluation scores are maintained or increased. Update: Scores increased in 10 categories and decreased in 2 categories. Overall composite score increased from 3.9 to 4.8 (out of 5).
GOAL: Employee work environment is positive, encourages open communication, and is regularly monitored for ways to improve.	OBJECTIVES: Document new and expanded methods of improved communication vertically and horizontally throughout the organization. Update: This particular goal has been especially important and especially difficult to achieve during an extended period of economic distress and budget reductions. We continue to strive to achieve this goal through a variety of written and verbal communications and occasional meetings to explain changes and discuss alternatives.
GOAL: Department operations are provided in most efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this department will not increase from year to year, except to reflect increases in levels of service. Update: The total general fund budget dedicated to programs 111, 113, 121 and 122 increased from 3.07% in FY11 to 3.30% in FY12.

PROGRAM: ADMINISTRATIVE MANAGEMENT 121

Mission: Town Manager's Office provides oversight and direction to all Town departments to promote continuous improvement of service delivery consistent with Town Council policy.

Main Activities:

- Advise Mayor and Town Council to promote the adoption of sound policy decisions.
- Promote the Town's vision/values.
- Communicate clearly and continuously with residents, elected officials, staff, and others both inside and outside the community.
- Monitor and manage staff progress on Town programs and projects.
- Deliver exceptional customer service to residents, elected officials, staff, and others both inside and outside the community.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	593,467	502,137	500,184	500,184	514,262	2.81%
Employee Benefits	212,367	207,443	214,223	214,223	160,234	-25.20%
Contractual	9,124	7,338	15,800	8,879	15,900	0.63%
Commodities	10,030	8,555	9,200	8,885	9,100	-1.09%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	824,988	725,473	739,407	732,171	699,496	-5.40%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases for those employees not at the top of their pay range.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Town Manager	1.00	1.00	1.00	1.00	1.00
Deputy Town Manager	1.00	1.00	1.00	1.00	1.00
Director of Recreation and Special Projects	-	-	-	-	0.10
Assistant Town Manager	1.00	1.00	1.00	-	-
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	2.00	2.00	2.00
	6.00	6.00	6.00	5.00	5.10

Advice and Litigation

PROGRAM: ADVICE AND LITIGATION 122

The Town Attorney advises the Town's elected officials and staff regarding legal matters concerning the Town of Palm Beach. The Town Attorney represents the Town in lawsuits, hearings, and other litigation matters and prepares contracts, deeds, ordinances, resolutions and other legal instruments for the Town. The Town Attorney, or his designee, attends Town Council, Architectural Commission, Code Enforcement Board, Landmarks Preservation Commission, Planning and Zoning Commission and other Town meetings to provide legal advice and direction regarding issues related to the deliberations of the Mayor, Town Council, Boards and Commissions. The Town Attorney is a contractual position serving at the pleasure of the Town Council. This program also includes funding for special counsel who advises and represents the Town in all collective bargaining and other labor related matters.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	-	0.00%
Contractual	475,310	478,667	410,620	487,200	415,900	1.29%
Commodities	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	475,310	478,667	410,620	487,200	415,900	1.29%

Contractual:
The litigation-labor account was increased due to anticipated costs for various labor issues.

Information Systems

PROGRAM: INFORMATION SYSTEMS 125

Mission: This division exists to maximize the capacity of information systems and technology to leverage human potential in service to the Town of Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Provide support and services to each department allowing them to best perform their jobs
- Provide the technology needed to give the Town the most efficient means to serve the community
- Support collaboration of emerging technology among Town personnel and residents
- Keep an electronic and technologic consensus between Town employees that allows for a more educated, informed and connected government
- Centralized systems support, service, programming and server high availability
- PC maintenance, upgrades, software concurrency
- Coordinate, regulate and educate regarding all computer, telephone and electronic systems
- Coordinate the continued implementation of replacement computers and systems as required.
- Oversee GIS Systems Activities and assist Departments with the use of these systems

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	485,716	485,364	483,100	482,600	488,300	1.08%
Employee Benefits	185,380	202,482	228,763	228,763	167,500	-26.78%
Contractual	649,568	629,689	618,320	589,500	601,400	-2.74%
Commodities	102,022	89,246	60,295	58,400	75,400	25.05%
Capital Outlay	386,703	95,621	20,500	17,500	17,500	-14.63%
Depreciation	330,000	330,000	330,000	330,000	301,000	-8.79%
Other	-	-	-	-	-	0.00%
TOTALS	2,139,389	1,832,402	1,740,978	1,706,763	1,651,100	-5.16%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Savings generated by the elimination of Business Recovery Services and reduction of Internet costs. These savings are somewhat offset by the increase in Software Maintenance costs.

Commodities:
Increase in Hardware under $1,500 costs over last year's reduced amount. This increase will bring the cost back to a normal annual amount that will be maintained in future years.

Capital Outlay:
Reduction in the purchase of Hardware over $1,500 as well as a reduction in depreciation for FY12.

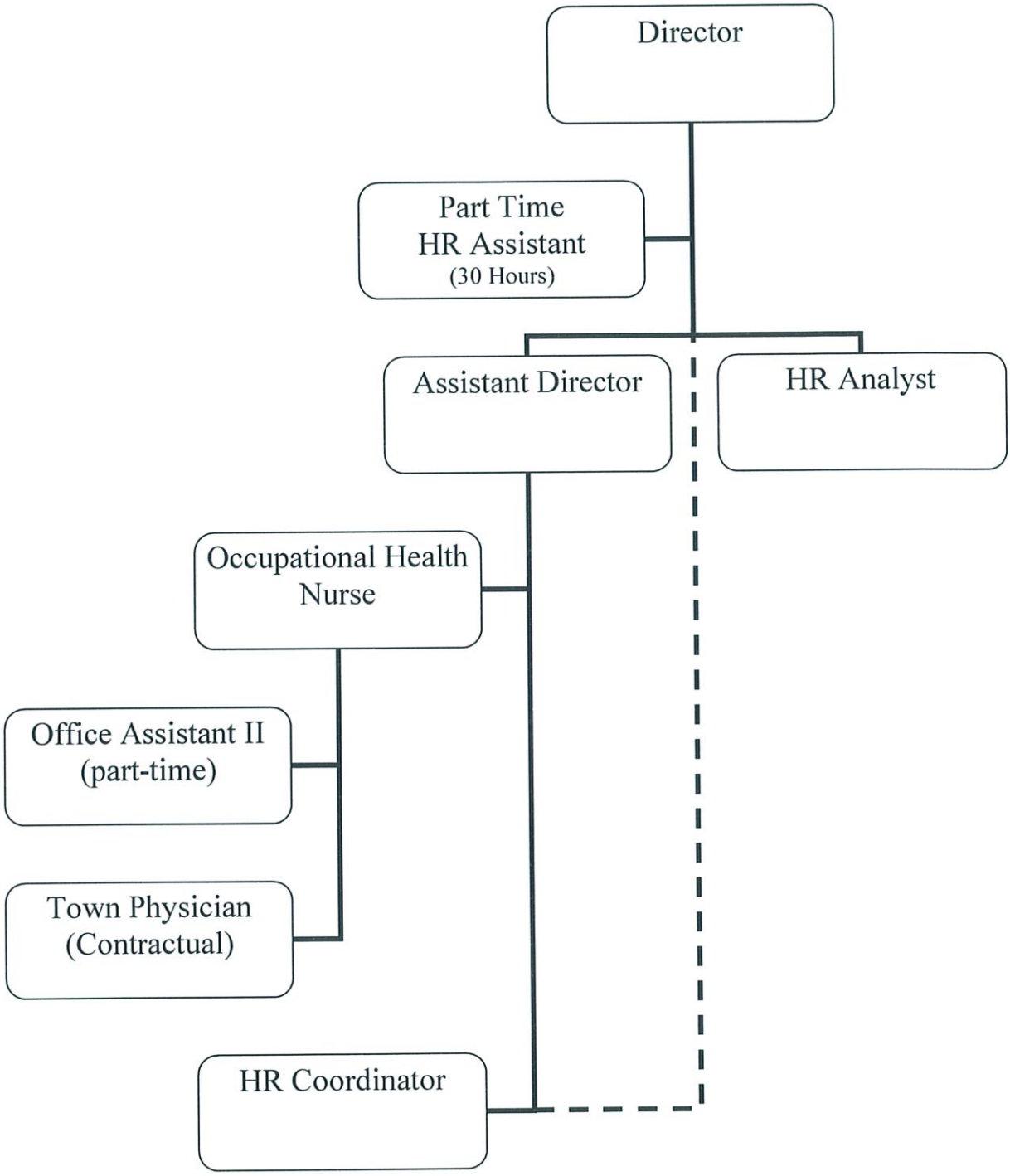
Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Systems Analyst	1.00	1.00	1.00	1.00	1.00
GIS Coordinator	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	3.00	3.00	3.00	3.00	3.00
	6.00	6.00	6.00	6.00	6.00

GOALS AND OBJECTIVES	
GOAL: 100% systems availability	OBJECTIVES: Track downtime % and report exceptions Update: During FY11 there were no unscheduled events that created an extended outage. Systems were available during business hours as well as for the departments that function 24/7
GOAL: Assure data integrity and security	OBJECTIVES: Protection systems in place with security exceptions noted Update: Backups and redundancy measures have all been completed and checked on a regular basis. Physical as well as software security have all been reviewed and are correctly in place per the Town policy. Additional security measures related to password changes have been implemented and are currently in place.
GOAL: Employees will have the knowledge to take advantage of available systems and software.	OBJECTIVES: Classes provided and customer satisfaction by user surveys Update: There have not been any Information Systems funded classes but there has been training one on one as well as training for specific software. Information Systems has been involved in the training in the use of Laserfiche as this product has been pushed out to departments throughout the fiscal year. Updates to Eden and OSSi have come with the training necessary to take advantage of the new features.
GOAL: Maximum interoperability among a broad spectrum of applications	OBJECTIVES: Success rate of bringing data and software together and customer satisfaction Update: Several projects this year have taken data that has been collected within Eden or OSSi and have combined the data with other information for the purpose of providing comprehensive reporting. This has been accomplished in HR, Finance and Police Records. Interfaces with the Town's GIS and the property appraiser have also been accomplished. This also includes data sent out to vendors for Collections, billing and other government agencies as requested.

GOAL: High service level to minimize limitations to productive work...24/7 timely response to priority requests	OBJECTIVES: Timeliness of response to call and customer satisfaction (Work Order Completion Rate) Update: Most work orders are completed in less than 8 business hours. Critical issues are handled within 1 to 4 hours including non business hours. Some work orders related to projects or tasks that require research or additional resources will generally take between 8 and 24 business hours to complete. A few projects that require more than just IS Staff and involve software or hardware vendor assistance can take from a week or more to complete.
GOAL: Maintain an advanced knowledge base of emergent technologies among I.S. staff	OBJECTIVES: Relevant training hours and report new ideas and approaches Update: During this fiscal year, staff has attended three seminars. All of this training is necessary in order to continue to have the Town grow with the technology and to use the technology to its fullest potential.
GOAL: Plan and implement multi year software systems plan	OBJECTIVES: Successful implementation and conversion to new systems Update: Various projects that relate to the existing software systems that has been implemented have spun off and additional work with Eden and OSSi will continue as the Town strives to take advantage of all of the technology that is available.
GOAL: Conduct the work of Information Systems in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except re reflect increases in levels of service. Update: The percentage of general fund budget dedicated to this program increased from 2.68% in FY11 to 2.82% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Computer Availability	100%	100%	100%	100
Computer Upgrades – Hardware & Software (# of Implementations)	170	155	145	160
Computer Connectivity (%)	100%	100%	100%	100
Number of Failures (Reliability)	1	0	1	1
Provide Training and Support (# of People Trained/Assisted)	150	100	145	120
Number of Work Orders (Avg per Year)	2105	2318	1858	1973
Number of Devices Supported	391	398	344	359
Number of Devices per Employee	67	68	57	60
Response Times to Work Orders (ASAP)	3-4 hrs	2-4 hrs	4 hrs	4 hrs
Number of Off-Hour Calls for Service	20	19	18	31
Off Hour Response Time	1-3 hrs	1-2 hrs	1-2 hrs	1-2hrs

Human Resources


Director
Part Time
HR Assistant
(30 Hours)
Assistant Director
HR Analyst
Occupational Health
Nurse
Office Assistant II
(part-time)
Town Physician
(Contractual)
HR Coordinator

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Recruit and retain a productive workforce.	OBJECTIVES: Maintain an employee turnover rate of 8.5% or lower. During the 2011 fiscal year, there were 18 separations from Town employment resulting in a 5.4% annual turnover rate. State and national median turnover rates during this same period is 16.8%.
GOAL: Maintain a pay system that is competitive in the marketplace.	OBJECTIVES: Conduct exit interviews to insure that less than 5% of employees leave for similar employment in the public sector because of pay. Maintain pay that is in the top quartile relevant to the measurement of benchmark positions as they relate to the market and to job content. Eleven people retired and the remaining seven separated employment. Four exit interviews were returned and lack of recognition, health reasons, inability to advance, quality of supervision, work conditions, compensation/pay, and retirement benefits were cited as their primary reason for separation. A review of job descriptions and pay scales are planned for the upcoming fiscal years 12 & 13.
GOAL: Establish and maintain policies that are administered consistently throughout the Town.	OBJECTIVES: Continue to revise and update Employee Personnel Manual and educate the organization on its use. The Employee Personnel Manual is reviewed and updated on an annual basis. The next expected release to occur on or before October 31, 2011. Employees are provided with a list of the section changes and requested to provide Human Resources with their signature of receipt. The review includes any necessary revisions based on any changes to Federal and/or State law or organizational changes, and electronic updates are provided to all employees.
GOAL: Administer an employee health plan that is understandable, useful, and competitive.	OBJECTIVES: Ensure employees' awareness and perception of the value of the benefit through informal employee feedback at open enrollment and during the year. Held open enrollment meetings to inform employees of the 2011 plan changes. Successfully transitioned from Ameritas to Humana for dental coverage without disruption to employees/retirees.

	Held orientation for new hires and provided overview of employee benefits. Provide benefit related information to employees on a quarterly basis through the quarterly newsletter
GOAL: Maintain a cost efficient and highly competitive health care plan.	OBJECTIVES: Maintain a health care plan with benefits that are in the top quartile of plans offered by Palm Beach County governmental employers and ensure that cost increases to the plan do not exceed annual increases experienced by the national and regional trends as determined by the Town's Third Party Administrator. Conducted a comprehensive review of the plans to identify areas where changes could be made in order to keep premium increase at the national and regional trend for both employees and the Town.

PROGRAM: HUMAN RESOURCES 123

Main Activities: The most important things we do to fulfill the Town's mission are to provide cost effective and competitive compensation and benefit plans to employees; shield the Town from costly litigation related to employment issues; and provide support to employees, which enables them to serve the Town with pride.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	363,230	301,376	334,356	334,356	335,727	0.41%
Employee Benefits	158,365	166,729	166,021	164,241	113,021	-31.92%
Contractual	111,261	113,539	115,043	108,325	197,254	71.46%
Commodities	21,073	19,207	31,204	31,127	24,305	-22.11%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	1,500	1,500	1,500	1,500	750	-50.00%
Other	-	-	-	-	-	0.00%
TOTALS	655,429	602,351	648,124	639,549	671,057	3.54%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
The proposed 71.46% increase to contractual costs is predominantly due to the addition of non-recurring projects that, once implemented, will maintain currency with Department of Labor and related employment regulations; greatly improve operational efficiency; and streamline performance/position management. The first project is a town-wide analysis of position exemption status according to the Fair Labor Standards Act. This will ensure that positions are properly identified as being legally eligible or ineligible for overtime (non-exempt or exempt). As part of this project, position descriptions will be evaluated for accuracy and written in a manner that is in accordance with the Americans with Disabilities Act and its amendments. The development of a new performance evaluation system within the EDEN enterprise system is also proposed. Integrating the evaluation system within EDEN will eliminate redundancy in the evaluation process, improve the efficiency of processing annual performance evaluations for employees, and allow for the utilization of existing data within the EDEN system ensuring the integrity of the data. Performance evaluations are linked to pay-for-performance increases for our non-bargaining unit and bonus eligible employees; therefore, the reliability and accuracy of the system is paramount to ensuring the continued application of proper increases. Further, the system will integrate the vision and values of the Town with the updated job descriptions to ensure currency and relevancy of each evaluation. Finally, as the Department works to evaluate and improve operations and services, we have found it necessary to contract on a negligible scale with Tyler Technologies to redesign elements of EDEN based on organizational needs that, when complete, will improve position budgeting capabilities.

The recurring items that contributed to increases within the Contractual program items relates to recruitment and employee training. Additional funding has been allocated for the development and delivery of town wide training programs that will include employment law and supervisory skills. There is also an insignificant increase is required due to changes in Florida statutes which requires advanced pre-

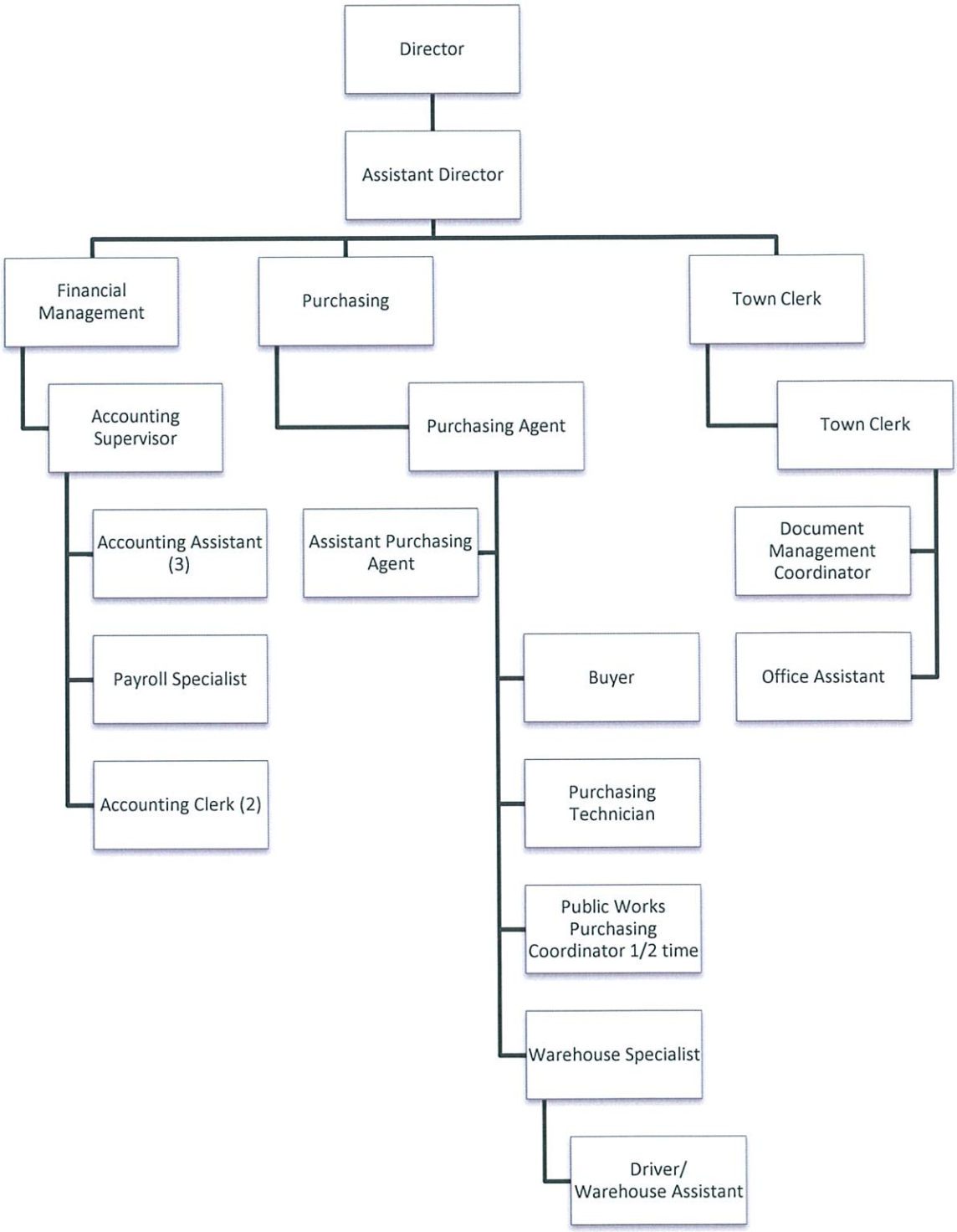
employment background screening of those who work with children. This applies to existing employees, new hires, and volunteers within the summer camp and other Recreation Department programs. The additional cost is approximately $40 per screening.

Commodities:
Reductions in this area are a result of an evaluation of medical supplies and testing services associated with the Town Clinic and the ability to maintain flat inventory levels during periods of minimal recruitment activity.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Director of Human Resources	0.80	0.80	0.80	0.80	0.80
Assistant Director	1.00	0.80	0.80	0.60	0.60
Occupational Health Nurse	1.00	1.00	1.00	1.00	1.00
Human Resources Analyst	0.30	0.60	0.60	0.90	0.90
HR Coordinator	-	-	-	-	0.35
HR Assistant	1.30	1.25	1.25	0.90	0.50
Secretary II/Clinic (p/t)	0.50	0.50	0.50	0.37	0.37
	4.90	4.95	4.95	4.57	4.52

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Respond to Requests for Applications	2226	2398	2100	2280
Process and Screen Applications	1407	1499	471	1319
Administer Employment and Promotional Exams	693	932	117	283
Provide Training and Orientation to New Employees	17	47	3	18
Process Employee Performance Evaluations	360	390	360	344

Finance


Director
Assistant Director
Financial Management
Purchasing
Town Clerk
Accounting Supervisor
Purchasing Agent
Town Clerk
Accounting Assistant (3)
Assistant Purchasing Agent
Document Management Coordinator
Payroll Specialist
Buyer
Office Assistant
Accounting Clerk (2)
Purchasing Technician
Public Works Purchasing Coordinator 1/2 time
Warehouse Specialist
Driver/ Warehouse Assistant

DEPARTMENT: FINANCE

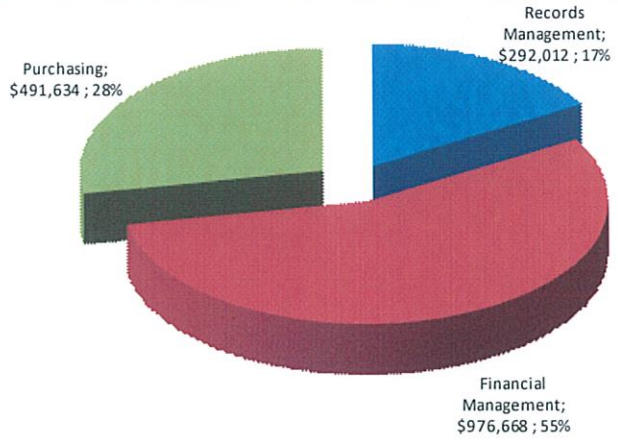
Mission: The Finance Department is dedicated to providing the highest quality service through a commitment to excellence, integrity and teamwork. We serve the finance, purchasing and record management needs of the Town Council, citizens, Town Manager, Town employees and general public. We provide publications and information to inform citizens and other interested parties regarding the financial position and operations of the Town. We use Generally Accepted Accounting Principles and GFOA budgeting standards to assure that policy makers and the community are well informed and the Town remains fiscally strong. It is important to us to perform our duties efficiently effectively, reliably, and accurately. We take pride in serving our elected officials, our fellow employees and our community.

Revenue Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Charitable Solicitations Fee	44,310	41,140	56,000	56,000	56,000	0.00%
Charitable Solicit. Adv. Fee	4,200	-	-	-	-	0.00%
Char Solit Late Filing Fee	475	200	5,000	7,000	7,000	40.00%
Meeting Tapes Sales	510	250	600	300	300	-50.00%
Lien Search Fee	12,031	19,183	20,000	25,000	25,000	25.00%
Control Pay Advance Revenue Share	1,013	1,911	-	2,000	2,000	100.00%
	62,539	62,684	81,600	90,300	90,300	10.66%

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	1,160,643	1,090,809	1,118,900	1,050,794	1,147,815	2.58%
Employee Benefits	489,453	483,725	535,740	533,515	377,586	-29.52%
Contractual	209,836	163,323	201,620	154,174	208,000	3.16%
Commodities	23,839	30,886	23,730	20,401	22,950	-3.29%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	5,449	5,400	5,400	5,400	3,963	-26.61%
Other	-	-	-	-	-	0.00%
TOTALS	1,889,220	1,774,143	1,885,390	1,764,284	1,760,314	-6.63%



	FY2009	FY2010	FY2011	FY2012
Total Full Time Equivalent Employees	17.95	17.45	17.45	17.95

Changes in FTEs: +.5 Public Works Purchasing Coordinator

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Budget is balanced and is a clear operational and financial representation of Town services, investments, revenues and expenditures.	OBJECTIVES: Budget is recognized by the GFOA in the certificate of achievement program. Received GFOA Distinguished Budget Presentation Award.
GOAL: Strong, sustainable fiscal position with established policies to guide decision-making.	OBJECTIVES: Maintain AAA Issuer Rating with Moody's and Standard and Poor's Fund Balance exceeds 25% of the operating budget. AAA ratings with Moody's and Standard and Poor's. S&P reaffirmed the Town's AAA Issuer Rating and AA+ Revenue Bond ratings, due to Town's strong, sustainable finances and strong financial management policies. Fund Balance is 31% of the operating budget.

PROGRAM: RECORDS MANAGEMENT 131

Mission: This division exists to provide reliable record keeping and efficient election management that meets the standards of the community.

Main Activities: The most important things we do to fulfill the mission are:

- Take minutes and transcribe in an accurate and timely fashion
- Maintain official codes and documents
- Coordinate and manage municipal elections
- Process and issue various permits
- Fulfill public records requests
- Ensure record availability both electronically and by hard copy

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	197,329	169,903	169,306	137,000	162,534	-4.00%
Employee Benefits	83,308	78,579	89,456	89,031	55,482	-37.98%
Contractual	66,498	33,963	61,970	30,224	68,250	10.13%
Commodities	4,723	2,773	4,500	3,471	4,600	2.22%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	1,300	1,300	1,300	1,300	1,146	-11.85%
Other	-	-	-	-	-	0.00%
TOTALS	353,158	286,518	326,532	261,026	292,012	-10.57%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases. Decreased due to recent turnover in Town Clerk position.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Increased educational reimbursement expenses due to an additional employee pursuing a work related degree. Amount also increased for the scanning of historical documents.

Commodities:
Increased cost of publications

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Town Clerk	1.00	1.00	1.00	1.00	1.00
Document Management Coordinator	1.00	1.00	1.00	1.00	1.00
Secretary III	1.00	1.00	1.00	1.00	1.00
	3.00	3.00	3.00	3.00	3.00

GOALS AND OBJECTIVES	
GOAL: Conduct all municipal elections in accordance with State law.	OBJECTIVES: 100% of election notices are published within the time limit required by State law. 100% of candidates meet filing deadlines for campaign contribution and expenditure reports and personal financial statements. No elections were held in FY 2011. All pre-elections activities were in 100% compliance with applicable municipal and state laws.
GOAL: Publish Town Council Actions, Audio and Town Council Meeting Minutes in accordance with acceptable standards.	OBJECTIVES All Town Council Summary Actions, Audio and Town Council meeting minutes are reported and posted in a timely manner. 100% of Town Council Summary Actions for FY 2011 were completed and posted within the required timeframes. All Town Council meeting minutes for FY 2011 were transcribed in time to be approved at the next Town Council meeting. All audio files were posted to the website within the required timeframes.
GOAL: Maintain record of all legislative actions of the Town Council and ensure document accessibility of all official records.	OBJECTIVES: All ordinances, resolutions, agreements, contracts, bulletin board/legal notice postings, board/commission applications, and vehicle certificates of title are processed within regulatory requirements, or within four working days. Includes 266 ordinances, 144 resolutions, 114 agreements/contracts, 40 board/commission applications, 23 vehicle certificates of title, and 329 bulletin board postings. All ordinances were published for legal notice within the time limit required by State law. All official documents were scanned and added to the Town website to ensure accessibility. All 100 years of ordinances are now available on the Town Clerks' webpage. A major Town-wide Records Management Program and digital conversion of Town records has been initiated, with the purpose of standardizing records management processes and increasing internal and external efficiency, accessibility, and transparency. Town-wide implementation of the Town's electronic documents management system, Laserfiche, has been rolled out. The Town Clerk's Office held 16 Laserfiche training sessions, with approximately 75 attendees from all departments. Additional training is planned for FY 2012.

GOAL: Process all public records requests and permits issued by the Town Clerk's office in a timely manner.	OBJECTIVES: 100% of the various permits that the Town Clerk's Office issues are issued within the required timeframes. 100% of the public records requests received are responded to within the required timeframes. All permits and records requests were processed within the required timeframes. Staff has implemented electronic processing of its Charitable Solicitation Permits, and is already in the process of converting to electronic processing of the other permits issued by the Office. Part of the new Records Management plan will address standardization and enhanced efficiency in fulfilling requests, as well as making additional documents types available to the public via the Town's website.
GOAL: Conduct the work of the Town Clerk's Office in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .51% in FY 2011 to .50% in FY 2012. The overall department budget decreased 10.57% between FY 2011 and FY 2012. Digitization of records has made staff more efficient in responding to records requests. The Town Clerk has reviewed miscellaneous policies and expenditures, with the result of increased efficiency, reduced costs, and compliance with changing legal requirements, and has offered recommendations to other departments as well.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Charitable Solicitation Permits Issued	119	158	88	117
All Other Permits Issued	13	13	14	15
Meetings Attended – Minutes Transcribed	65	93	85	*59
Board/Commission Applications Processed	65	79	88	40
Public Records Requests	130	237	260	**105

* Reduction due to Town Manager's Office handling meetings/minutes during the transition between Town Clerks, and the Town Manager's Office taking over the Shore Protection Board meetings.

** Reduction due to requests being sent directly to other departments.

PROGRAM: FINANCIAL MANAGEMENT 141

Mission: This division exists to provide central accounting, fiscal control and professional advice and recommendations in the formation of sound fiscal policies to ensure long term financial strength for the Town of Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Advise the Town Council and Manager regarding financial matters
- Development and recommend administrative and Council fiscal policy
- Provide internal checks and balances regarding financial control and purchasing procedures
- Develop and submit an annual budget that is reliable and balanced
- Direct purchasing activities in an efficient effective manner
- Participate in professional organizations to stay current and seek validation

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	625,780	596,069	624,800	589,000	628,700	0.62%
Employee Benefits	265,082	267,935	291,319	289,519	207,200	-28.88%
Contractual	133,738	122,036	132,100	116,400	128,700	-2.57%
Commodities	12,916	20,769	13,300	11,000	11,700	-12.03%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	1,700	1,700	1,700	1,700	368	-78.35%
Other	-	-	-	-	-	0.00%
TOTALS	1,039,216	1,008,509	1,063,219	1,007,619	976,668	-8.14%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Printing budget decreased due to effort to produce items in house rather than contracting the work. Postage budget also decreased due to adjustment to historical usage.

Commodities:
Decrease in office supply cost.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Finance Director	1.00	0.95	0.95	0.95	0.95
Assistant Finance Director	1.00	1.00	1.00	1.00	1.00
Accounting Supervisor	1.00	1.00	1.00	1.00	1.00
Accounting Assistant	1.00	1.00	1.00	2.00	2.00
Accounting Clerk	4.00	4.00	3.00	3.00	3.00
Secretary	1.00	1.00	1.00	-	-
Payroll Specialist	-	-	1.00	1.00	1.00
	9.00	8.95	8.95	8.95	8.95

GOALS AND OBJECTIVES	
GOAL: Budget is an understandable policy document, operations guide, financial plan and communications device.	OBJECTIVES: Each department has Hey Result Measures that are useful to them in managing operations as measured by internal survey and feedback. Annually receive the GFOA Distinguished Budget Presentation Award with a goal to receive an outstanding award designation. Received GFOA Distinguished Budget Presentation Award.
GOAL: Maximize rate of return on investments while applying the GFOA Best Practices guidelines	OBJECTIVES: The Towns annualized rate of return exceeds that of the benchmark rate of return for each investment. The Town's total blended return of .97% did not exceed the benchmark rate of 1.15%.
GOAL: Sound financial and accountability system with established policies to guide decision-making.	OBJECTIVES: AAA Bond rating, clean audit report with a minimal amount of management comments. Maintained AAA Bond Rating.
GOAL: Conduct the work of Financial Management in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to Financial Management remained steady at 1.67%.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Parking Tickets Issued	17,038	13,390	12,385	14,589
Parking Tickets Paid	15,462	11,997	11,050	12,392
Parking Ticket Collection Rate (not including penalties)	90.8%	89.6%	89.2%	84.9%
GO Bond Ratings				
Moody's Investor Services	Aaa	Aaa	Aaa	Aaa
Standard & Poor's	AAA	AAA	AAA	AAA
Investment Yield – Blended	3.37%	2.7%	2.01%	.97%

PROGRAM: PURCHASING 144

Mission: The Purchasing Division provides professional procurement services to the Town Departments while ensuring compliance with Florida State Statutes, and Town Purchasing Policies and Procedures. These services include purchase of supplies, equipment and services in an efficient, effective manner as well as managing the purchasing card program, the fixed asset inventory, central stores warehouse, and surplus property.

Main activities: The most important things we do to fulfill the mission are:

- Develop and administer purchasing policies consistent with established policies and procedures and sound business practice.
- Continually seek to improve procurement and inventory processes while providing top quality service and products.
- Ensure delivery of critical purchases on time
- Maintain positive vendor relationships
- Evaluate warehouse stock to minimize long term storage and obsolete materials

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	337,534	324,837	324,794	324,794	356,581	9.79%
Employee Benefits	141,063	137,211	154,965	154,965	114,904	-25.85%
Contractual	9,600	7,324	7,550	7,550	11,050	46.36%
Commodities	6,200	7,344	5,930	5,930	6,650	12.14%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	2,449	2,400	2,400	2,400	2,449	2.04%
Other	-	-	-	-	-	0.00%
TOTALS	496,846	479,116	495,639	495,639	491,634	-0.81%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Costs for administering annual inventory previously unbudgeted.

Commodities:
Increase in professional association membership dues and fuel.

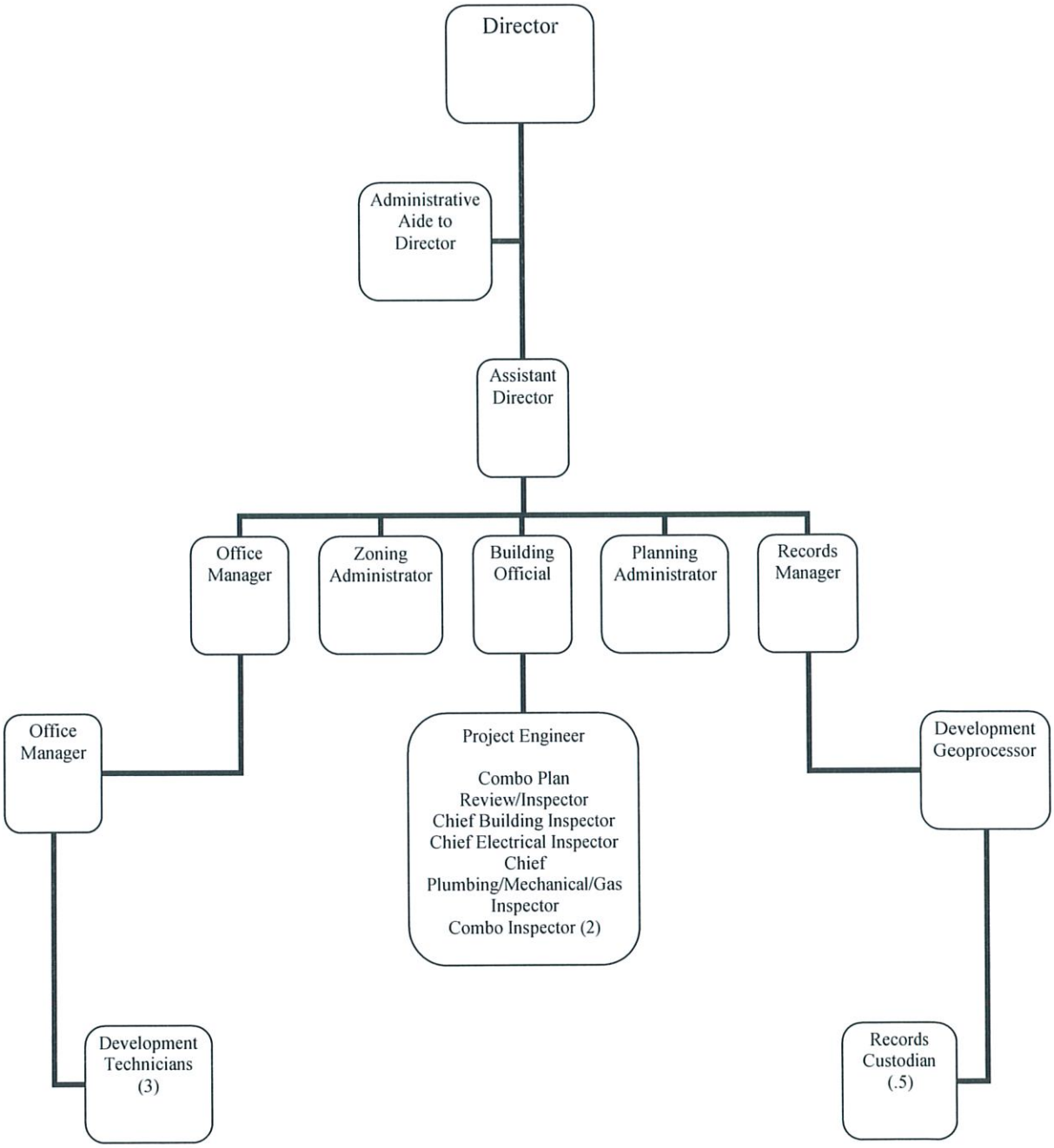
Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Purchasing Agent	1.00	1.00	1.00	1.00	1.00
Assistant Purchasing Agent	1.00	1.00	1.00	1.00	1.00
Buyer	1.00	1.00	1.00	1.00	1.00
Purchasing Technician	1.00	1.00	1.00	1.00	1.00
Warehouse Coordinator	1.00	1.00	1.00	1.00	1.00
Public Works Purchasing Coordinator	-	-	-	-	0.50
Driver/Delivery Person	1.00	1.00	0.50	0.50	0.50
	6.00	6.00	5.50	5.50	6.00

GOALS AND OBJECTIVES	
GOAL: Manage inventory to meet Town Departments' requirements without overstock, understock or waste.	OBJECTIVES: Evaluation of inventory usage and elimination of obsolete items. Obtain fixed annual pricing for highly used items whenever possible. Annual contract pricing is in place for many warehouse items. Continue to increase amount on annual contract. Evaluation of purchasing card for repeat purchases has resulted in addition of items to the warehouse inventory resulting in volume cost savings and ready access to users.
GOAL: Good relationships with vendors to secure best bids from best vendors	OBJECTIVES: Maintain unbiased vendor selections. Use of the internet for advertising of lower value procurements to increase vendor participation. Conducted de-briefing sessions with unsuccessful bidders.
GOAL: Conduct the work of the Purchasing Department in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .78% in FY11 to .84% in FY12. An additional position was added partially funded by Purchasing. This position is dedicated to handling Public Works increased work load partially due to the increased activity from the Accelerated Capital Improvement Plan
GOAL: Provide value added services to the Town through the procurement process.	OBJECTIVES: Review current purchasing methods and identify alternate means of procurement that will result in cost savings for the Town. Numerous opportunities for cost savings have been identified. The number of informal quotations has increased from 45 to 84.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Purchase Orders Written	1965	1579	1366	1447
Bids, RFPs, RFQs	28	25	29	34
Warehouse:				
Number of issues	3082	(A)	(A)	(A)
Dollar value	$260,865	(A)	(A)	(A)
Cost Avoidance	$67,297	$63,766	$73,262	$87,450
Dollars Spent Using Purchasing Card Program	$1,079,490	$1,013,301	$990,737	$733,189

(A) Due to the conversion to a new software system, and the need to write custom reports, this information is not available at the present time.

Planning, Zoning, Building


Director
Administrative Aide to Director
Assistant Director
Office Manager
Zoning Administrator
Building Official
Planning Administrator
Records Manager
Office Manager
Project Engineer
Combo Plan Review/Inspector
Chief Building Inspector
Chief Electrical Inspector
Chief Plumbing/Mechanical/Gas Inspector
Combo Inspector (2)
Development Geoprocessor
Development Technicians (3)
Records Custodian (.5)

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Promoting and maintaining quality of construction and safety of building systems through complete review of plans and protective inspections.	OBJECTIVES: The new computer system will provide in quantifiable measures the number of comments during plan review and the number of times plans are returned which will enable department to identify areas where additional education would be beneficial to contractors. Track the percentage of failed inspections before and after development and implementation of the checklists. Measure the ISO rating and individual component scores from year to year. PZB has instituted additional checklists, and continues quarterly meetings with contractors. The use of reinspect fees has been judiciously applied to provide incentive for conformance to building codes, and the department has recently formulated a report that monitors percentage of failed inspections which will be used to assess additional education needs.
GOAL: Customers fully informed of Department programs through adequate education/information.	OBJECTIVES: Develop and disseminate brochures on Department programs and track through pre and post-survey the level of public awareness of Department programs. Many forms and guidelines have been posted and are now available on the Town's website. The permit application process is now visible online as well. Contractors can now track their application online and view any comments as soon as they are posted. This functionality has been instrumental in reducing call volume to the Department. Contractor meetings are held regularly with participation from Police, Code Enforcement, Fire and the Public Works Departments. Contractors are now able to research inspection results online and view a list of any items requiring correction. The ability to schedule and cancel their inspections on line has recently been added. Use of the web is increasing, as evidenced by increased registrations online, and decreased call volume. Owners are using the web to check status of permits. More inspections are being scheduled on the web, and contractors are able to download plan review comments and address them, which is decreasing the turn-around time for plan review.

GOAL: Department activities promote a variety of Town-serving businesses.	OBJECTIVES: Develop strategies for promoting Town-serving businesses. Track change in types of businesses and average size of businesses annually. The Town adopted new regulations which increased the square-foot threshold for businesses required to provide town-serving documentation and eliminated the requirement to provide annual town-serving documentation in many of its commercial districts.
GOAL: Department activities promote and maintain desirable neighborhoods.	OBJECTIVES: Conduct an annual evaluation of neighborhood condition, and develop strategies for those areas where condition or desirability is decreasing. Track property values as an indicator of change. PZB is currently processing an application for a Comprehensive Plan and Zoning amendment for an overlay area in the C-TS district intended to promote the revitalization of a portion of the Royal Poinciana area in conjunction with the proposed redevelopment of the Testa property.
GOAL: Review of construction plans in a timely manner which exceeds industry standards.	OBJECTIVES: Develop guidelines for the optimum review time required by permit type, including reviews by other Departments. Work with other Departments in promoting conformance to the guidelines. Track the length of time to process permits, establish a base line and track this measure over time. PZB instituted a new clock feature which allows the Building Division to track processing times by action and by review group. This information will assist the Division in allocating personnel and other resources during cyclical periods.

DEPARTMENT: PLANNING, ZONING AND BUILDING

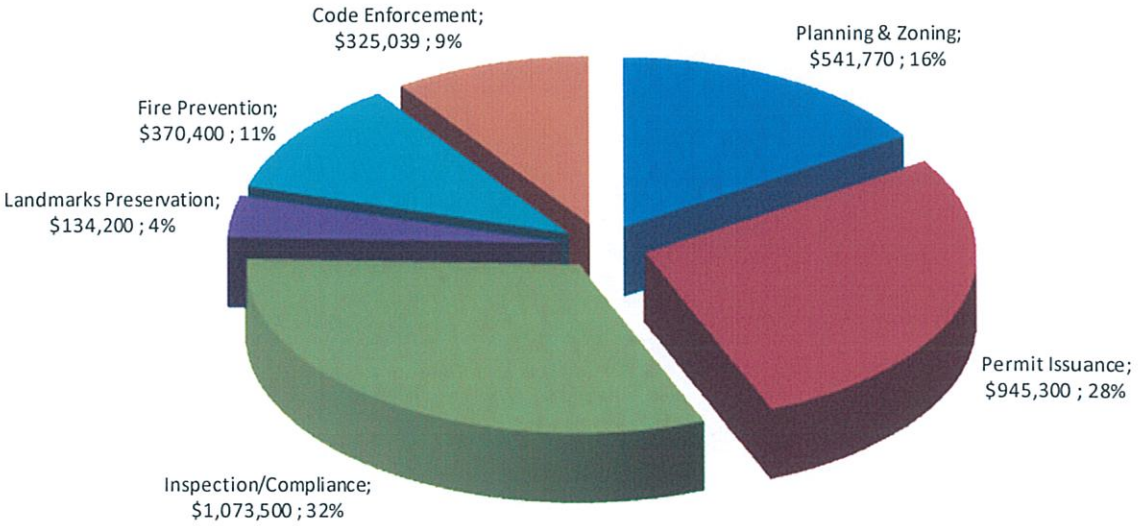
Mission: The Planning, Zoning and Building Department identifies, recommends and implements the vision of the community, as expressed through the policies of the Town Council, relative to the development, redevelopment and use of real property, to ensure the beauty, quality of life and character of the Town, and the health, safety and welfare of our residents, businesses and visitors, while providing the highest quality of service to our customers.

Revenue Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Business Tax Receipts	702,592	689,352	700,000	700,000	720,000	2.86%
Business Tax Receipt Penalties	23,995	26,666	21,000	30,000	25,000	19.05%
Building	3,369,320	2,677,534	3,800,000	3,000,000	3,500,000	-7.89%
Radon Gas	28	22	100	100	100	0.00%
Electrical	314,084	295,390	225,000	300,000	250,000	11.11%
Plumbing	180,038	166,873	150,000	150,000	150,000	0.00%
Permit Penalty	-	-	-	8,000	10,000	100.00%
Except/Var. App.	127,850	121,200	110,000	140,000	120,000	9.09%
Consultants Fees	24,190	18,711	20,000	20,000	15,000	-25.00%
Special Plan Review Fee	293,500	262,800	275,000	240,000	240,000	-12.73%
Reinspection Fees	2,450	2,775	5,000	4,000	5,000	0.00%
Special Detail - PZB	3,120	2,550	-	2,000	-	0.00%
Abandonments	2,948	(1)	1,000	1,000	1,000	0.00%
Architectural Fees	118,486	99,020	110,000	105,000	105,000	-4.55%
Landmarks Submittal	15,245	18,470	15,000	15,000	15,000	0.00%
Tax Abatement Program	-	-	1,200	1,200	1,200	0.00%
Mechanical Permits	224,850	241,859	175,000	200,000	200,000	14.29%
Contractor Registration Fee	13,356	10,800	10,000	10,000	10,000	0.00%
Landscape Permit	2,450	135	10,000	10,000	50,000	400.00%
Miscellaneous Permit Fees	-	-	-	6,000	-	0.00%
Building Permit Search Fee	8,330	14,675	15,000	15,000	15,000	0.00%
Dune Vegetation Fee	1,400	1,400	5,000	5,000	2,000	-60.00%
Permit Revision Fee	-	-	150,000	55,000	120,000	-20.00%
Right Of Way Permits	100,285	111,427	100,000	100,000	100,000	0.00%
County Occ. Licenses	22,924	23,098	25,000	23,000	23,000	-8.00%
Tent Permits	3,311	3,115	6,000	8,000	8,000	33.33%
Bldg. Insp. Fund Fees	38	54	100	4,000	100	0.00%
Bldg/Elec/Plumbing Code Sales	138	-	100	-	100	0.00%
Map/Sales Code	-	-	100	-	100	0.00%
Certification Copy	267	1,023	503	500	500	-0.60%
Microfiche/Scanned Documents	9,514	10,036	12,000	10,000	10,000	-16.67%
	5,564,709	4,798,984	5,942,103	5,162,800	5,696,100	-4.14%

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	2,027,641	2,004,828	1,959,567	1,887,760	1,978,675	0.98%
Employee Benefits	904,138	940,507	978,623	975,170	627,896	-35.84%
Contractual	765,775	774,700	689,433	650,162	680,560	-1.29%
Commodities	67,448	48,327	83,120	81,020	78,800	-5.20%
Capital Outlay	24,763	8,903	7,500	7,500	7,000	-6.67%
Depreciation	11,200	11,200	11,200	11,200	17,278	54.27%
Other	-	-	-	-	-	0.00%
TOTALS	3,800,965	3,788,465	3,729,443	3,612,812	3,390,209	-9.10%



	FY2009	FY2010	FY2011	FY2012
Full Time Equivalent Employees	29.00	28.75	27.25	26.75

Changes to FTE's:

- Reallocation of Police Captain to the Police Department

PROGRAM: PLANNING AND ZONING 211

Mission: This division exists to stabilize and preserve the aesthetic, historical and economic values of Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Coordination and support of commissions
- Conduct planning and zoning studies, and recommend changes where necessary
- Develop, recommend, implement and enforce policies in a highly professional manner
- Maintain all maps and data contained in the Comprehensive Plan and Land Development Regulations
- Interpret zoning code, Comprehensive Plan and Land Development Regulations and process applications
- Keep citizens informed of policies and procedures and solicit input from citizens
- Work continually to improve the efficiency and effectiveness of systems and staff

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	316,387	310,637	313,700	313,700	318,700	1.59%
Employee Benefits	109,634	111,538	125,904	125,904	87,300	-30.66%
Contractual	225,878	204,771	121,102	121,102	123,000	1.57%
Commodities	5,234	6,628	13,500	13,500	12,600	-6.67%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	170	100.00%
Other	-	-	-	-	-	0.00%
TOTALS	657,133	633,574	574,206	574,206	541,770	-5.65%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
No significant increase.

Commodities:
Decrease due to reduction in office furniture purchases.

GOALS AND OBJECTIVES	
GOAL: The community receives accurate and consistent information about its zoning code, LDR and Comprehensive Plan	OBJECTIVES: Decrease in amount of conflicting information and time involved in resolving conflicts. The Department continues to record its interpretations and communicate those to staff through a log of interpretations and regular staff meetings.
GOAL: The Comprehensive Plan and zoning amendments process is clear, straightforward and regulatory applications are structured so as to elicit complete and correct information.	OBJECTIVES: Time spent answering questions, mistakes on applications and work contemplated is clear and understood. The Department has adopted a new "paperless" process for the submission of development review applications. This has standardized the application process which has improved the completeness and accuracy of applications.
GOAL: Staff continually examines and improves systems and procedures for greatest efficiency and effectiveness.	OBJECTIVES: Outreach efforts, benchmarking and organizational participation reported with new ideas and systems applied. With the adoption of new procedures for development review applications referenced above, the department has been able to provide timely information to its users. For example, residents who are not in town, but wish to see applications and plans, can receive them digitally in minutes. Neighbors, applicants, and their representatives can conduct meetings remotely, while each is viewing plans and applications.
GOAL: Conduct the work of Planning and Zoning in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service The percentage of general fund budget dedicated to this program increased from .89% in FY11 to .93% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Zoning Applications	55	56	57	80
Zoning Study Items	19	17	20	10
Zoning Inquiries	4000	3040	2100	2250
ARCOM Applications	104	115	77	117
ARCOM Staff Approvals	101	285	343	282

PROGRAM: PERMIT ISSUANCE 212

Mission: This division exists to provide for the life safety and welfare of Palm Beach citizens and visitors through the permitting and enforcement of building codes and accurate and accessible historical records of all Departmental files, and promote and maintain high architectural standards of physical structures in Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Review building permit applications and plans for adherence to Town codes and policies and issue building permits
- Communicate town requirements with contractors, designers, property owners and other Town departments
- Ensure that contractors working in the Town have a valid contractor license
- Coordinate and support the Architectural Commission
- Keep citizens informed and educated
- Process applications for architectural approval of proposed construction projects as directed by codes and policy
- Record departmental revenues accurately
- Organize, digitize and retrieve Departmental records for public use

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	568,977	541,351	563,384	533,000	541,700	-3.85%
Employee Benefits	240,517	226,364	253,667	253,667	163,500	-35.55%
Contractual	160,739	168,626	224,200	224,200	212,300	-5.31%
Commodities	31,307	15,718	21,389	21,389	20,800	-2.75%
Capital Outlay	24,763	8,903	2,500	2,500	7,000	180.00%
Depreciation	2,600	2,600	2,600	2,600	-	-100.00%
Other	-	-	-	-	-	0.00%
TOTALS	1,028,903	963,562	1,067,740	1,037,356	945,300	-11.47%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction due to decrease in digitations costs due to budget considerations.

Commodities:
Reduction due to decreased computer and furniture costs.

Capital Outlay:
Increase due to the purchase of storage shelving in the Records and Plan Review areas.

GOALS AND OBJECTIVES	
GOAL: The quality of life meets or exceeds the community's expectation	OBJECTIVES: Annual community survey indicates satisfaction level of 90% or better An annual community survey was not funded in 2011.
GOAL: Timely issuance of construction related permits with attention to all Town codes and requirements	OBJECTIVES: Average 10-day turnaround with exceptions reported beyond 20 days for unique projects and user feedback survey and complaints logged. The department continues to process permits in less than 10 days on average. The new clock feature is assisting the department in monitoring its processing times.
GOAL: Timely and accurate record keeping including timely digitization	OBJECTIVES: Current property records (other than plans) to be scanned within one working day of generation. Current plans scanned within six months. Backlog of property records not yet digitized, to be scanned within two years, and backlog plans to be scanned within three years. The initial permit documents are scanned within minutes of receipt. The balance are currently being scanned on an average of two days. Current plans are scanned within six months. The backlog of records and plans are scanned as funding permits.
GOAL: Conduct the work of Permit Issuance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 1.64% in FY11 to 1.61% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Construction Permits Issued	7,438	7,946	7,727	8,345
Certificates of Occupancy Issued	46	27	12	14
Master Property Files Digitally Maintained	2,650	2,650	2,650	2,650
Number of Record Digitized	48,500	38,488	51,766	72,150
Number of Days to Scan Current Records	5	3	3	2
Property Record Inquiries On-Site	833	668	788	933
Property Record Inquiries – Telephone	1,050	1,285	1440	1,560
Number of Special Plan Reviews Conducted*	2,161	3,752	3,577	1,454

* Special Plan Reviews were tracked by permits in FY2008. In FY09 and beyond, they are tracked by pages.

PROGRAM: INSPECTION & COMPLIANCE 213

Mission: This division exists to provide protective services to the residents and businesses of the Town through professional and responsible enforcement of building codes and Town policies related to unimproved land, development, construction activities, and issuance of business tax receipts.

Main Activities: The most important things we do to fulfill the mission are:

- Inspection of construction sites to ensure compliance with appropriate State and Town codes and land development regulations
- Issuance of permits for right of way parking and storm water improvements
- Review of commercial operations for conformance to the zoning code and issuance of business tax receipts

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	606,353	578,302	582,300	582,300	584,800	0.43%
Employee Benefits	222,167	237,905	250,623	250,623	180,000	-28.18%
Contractual	291,986	299,540	232,800	232,800	262,800	12.89%
Commodities	13,436	12,572	30,331	30,331	29,400	-3.07%
Capital Outlay	-	-	5,000	5,000	-	-100.00%
Depreciation	8,600	8,600	8,600	8,600	16,500	91.86%
Other	-	-	-	-	-	0.00%
TOTALS	1,142,542	1,136,919	1,109,654	1,109,654	1,073,500	-3.26%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Increase in this category is attributable to the increased workload for inspections in FY11, and anticipated in FY12, as evidenced by larger projects currently commencing and under design in FY2011. This increase is shown in the contract inspections line item.

Commodities:
Reduction in costs is attributable to the conversion of printed codes and manuals to digitized versions, such as the new Florida Building Code to be issued in FY12.

GOALS AND OBJECTIVES	
GOAL: Inspections are completed in a professional manner by the end of the next working day with results readily available.	OBJECTIVES: Results of all inspections posted on day of inspection. All inspections are performed and resulted on the day scheduled.

GOAL: Provisions of the Town's Code of Ordinances and business tax receipts administered consistently and timely	OBJECTIVES: Process business tax receipts within 1-5 working days. Business tax receipts that do not need zoning approval processed within 1-2 days. Business Tax Receipts were processed in an average of 10 days, and 4 days for those where no zoning approval was required. An internal audit conducted during the year revealed no findings in the administration of the program.
GOAL: Delinquent payments of business tax receipts reduced.	OBJECTIVES: Software in process of acquisition to measure this result. Specifics will be established upon installation. The department increased its collections activities, in conjunction with Code Enforcement, which resulted in a reduction of outstanding fees.
GOAL: Maintain professional certifications to ISO standards	OBJECTIVES: Maintenance of professional certifications at twice the minimum CEUs required. The department is maintaining its CEUs in excess of twice the minimum required.
GOAL: Conduct the work of Inspection and Compliance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 1.74% in FY11 to 1.83% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Construction Inspections	25,112	22,032	17,692	20,488
Number of Business Tax Receipts 9/30	2269	2201	2098	2,091

PROGRAM: LANDMARKS PRESERVATION 214

Mission: This division exists to serve the Town's desire to maintain its rich history and quality of life by stabilizing and preserving the historic and economic value of significant physical structures and other property.

Main Activities: The most important things we do to fulfill the mission are:

- Coordinate and support the Landmark Preservation Commission
- Develop, recommend and enforce policies that serve historic preservation
- Keep citizens informed and educated
- Process "Certificates of Appropriateness for Change" as directed by codes and policy
- Discuss and entertain requests for possible designation of properties as historic
- Maintain accurate records and files

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	52,367	54,618	54,400	54,400	55,200	1.47%
Employee Benefits	21,886	22,759	25,520	25,520	16,300	-36.13%
Contractual	72,268	81,020	91,831	58,100	60,600	-34.01%
Commodities	886	267	2,100	2,100	2,100	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	147,407	158,664	173,851	140,120	134,200	-22.81%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Actual difference in this category is minimal. Obligated funds were carried over from FY10 to FY11, which elevated budget levels for a one-year period only.

GOALS AND OBJECTIVES	
GOAL: Landmarks are preserved consistent with the Town's expectations and policy	OBJECTIVES: Citizen satisfaction survey An annual community survey was not funded in 2011.
GOAL: Make sure Landmarked properties are maintained to acceptable standards	OBJECTIVES: Coordination with Code Enforcement and onsite inspections by Preservation Foundation. The department completed a town-wide state historic site survey which identified potential landmarks and the condition of existing Landmarks. Actions were taken accordingly.
GOAL: Conduct the work of Landmarks Preservation in an efficient manner.	OBJECTIVES: Evaluate changes made to historic properties. Review monthly certificates of appropriateness. Evaluate properties that are considered to be worthy of landmark designation. The percentage of general fund budget dedicated to this program increased from .22% in FY11 to .23% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Landmark Properties Designations/Undesignations Considered	10	7	9	2
Tax Abatements Considered	4	3	3	1
Certificate of Appropriateness Applications	26	18	31	36
Designation Reports Updated	4	1	3	2

PROGRAM: FIRE PREVENTION 215

Mission: This division exists to enforce Federal, State and local life safety codes to protect life and property to improve the community.

Main Activities: The most important things we do to fulfill the mission are:

- Investigate all fires for cause and origin
- Educate the community on life saving skills, fire prevention and community risk reduction programs
- Conduct annual fire safety inspections
- Conduct community risk analysis
- Create or revise ordinances to enhance fire prevention
- Generate revenue through fire inspection and permit fees

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	233,889	335,588	263,960	265,860	264,300	0.13%
Employee Benefits	180,236	212,862	224,130	224,180	97,100	-56.68%
Contractual	4,096	12,978	-	-	1,800	100.00%
Commodities	11,470	6,899	6,800	6,500	7,200	5.88%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	429,691	568,327	494,890	496,540	370,400	-25.16%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit and step increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
The increase in this category covers the cost of required certifications for the Fire Marshal and Assistant Fire Marshal.

Commodities:
Cost increases are for essential publications such as the National Fire Protection Association codes and standards and the Florida Fire Prevention Code.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Fire Marshal	1.00	1.00	1.00	1.00	1.00
Assistant Fire Marshal	2.00	2.00	2.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	1.00
	4.00	4.00	4.00	3.00	3.00

GOALS AND OBJECTIVES	
GOAL: Enhance fire protection of community through a fire inspection program	OBJECTIVES: Identify fire risks in all inspectible properties and make corrections through Fire Prevention Inspections The Fire Prevention and Life Safety Division completed 1,726 inspections throughout the Town. This figure represents 100% ratio of identifiable properties which are inspected annually.
GOAL: Improve the reliability and validity of the fire alarm systems in the community	OBJECTIVES: Reduce false fire alarm activations by 5% each year The Fire Prevention and Life Safety Division inspection program is working aggressively towards buildings with troubled fire alarm systems, to have their fire alarm systems either fixed or replaced. This coupled with revising the current Town Code of Ordinance regarding alarm systems to reduce false fire alarm system activations.
GOAL: Conduct the work of Fire Prevention in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service The percentage of general fund budget dedicated to this program decreased from .78% in FY11 to .63% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Occupancies Inspected	1650	1850	1700	1726
Code Violations Corrected	285	326	232	251
Hours of Inspection	969	982	970	960
Number of Buildings	653	682	685	685
Fire Loss	$933,870	$62,300	$60,745	$62,295
Value of Properties Protected	13.77B	13.249B	11.68B	11.73B
Plans Reviewed	381	312	682	862
Technical Inspections	104	148	238	153
Fire Prevention Revenue	$92,801	$179,855	$185,219	$200,328
Citizens' Fire Academy Participants	25	23	15	0

PROGRAM: CODE ENFORCEMENT 216

Mission: The Code Enforcement Unit is responsible for the enforcement of codes and ordinances relating to quality of life, public safety and health, building and licensing, sanitation, nuisance, parks and recreation, trees and shrubs, and landmark preservation. The Code Enforcement Unit pro-actively conducts inspections and investigates code and ordinance violations, citing violators when necessary, and prosecuting violations either through the Town Code Enforcement Board or when applicable, the County Court system.

Main Activities: The most important things we do to fulfill the mission are:

- Conduct inspections and investigate code and ordinance violations
- Issue code enforcement citations to violators
- Attend Code Enforcement Board meetings/hearings
- Prepare and maintain correspondence and board meeting minutes

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	249,668	184,332	181,823	138,500	213,975	17.68%
Employee Benefits	129,698	129,079	98,779	95,276	83,696	-15.27%
Contractual	10,808	7,765	19,500	13,960	20,060	2.87%
Commodities	5,115	6,243	9,000	7,200	6,700	-25.56%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	608	100.00%
Other	-	-	-	-	-	0.00%
TOTALS	395,289	327,419	309,102	254,936	325,039	5.16%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases and a change in the distribution of the Parking/Code Enforcement Specialist position to 75% Code Enforcement Unit and 25% Parking Enforcement Unit (Program 430).

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Increase is the result of expenses associated with the calibration of sound meters and the cost to advertise delinquent code enforcement fines.

Commodities:
Reduction is the result of decreased external vehicle maintenance, uniform expenses, and other miscellaneous office supplies.

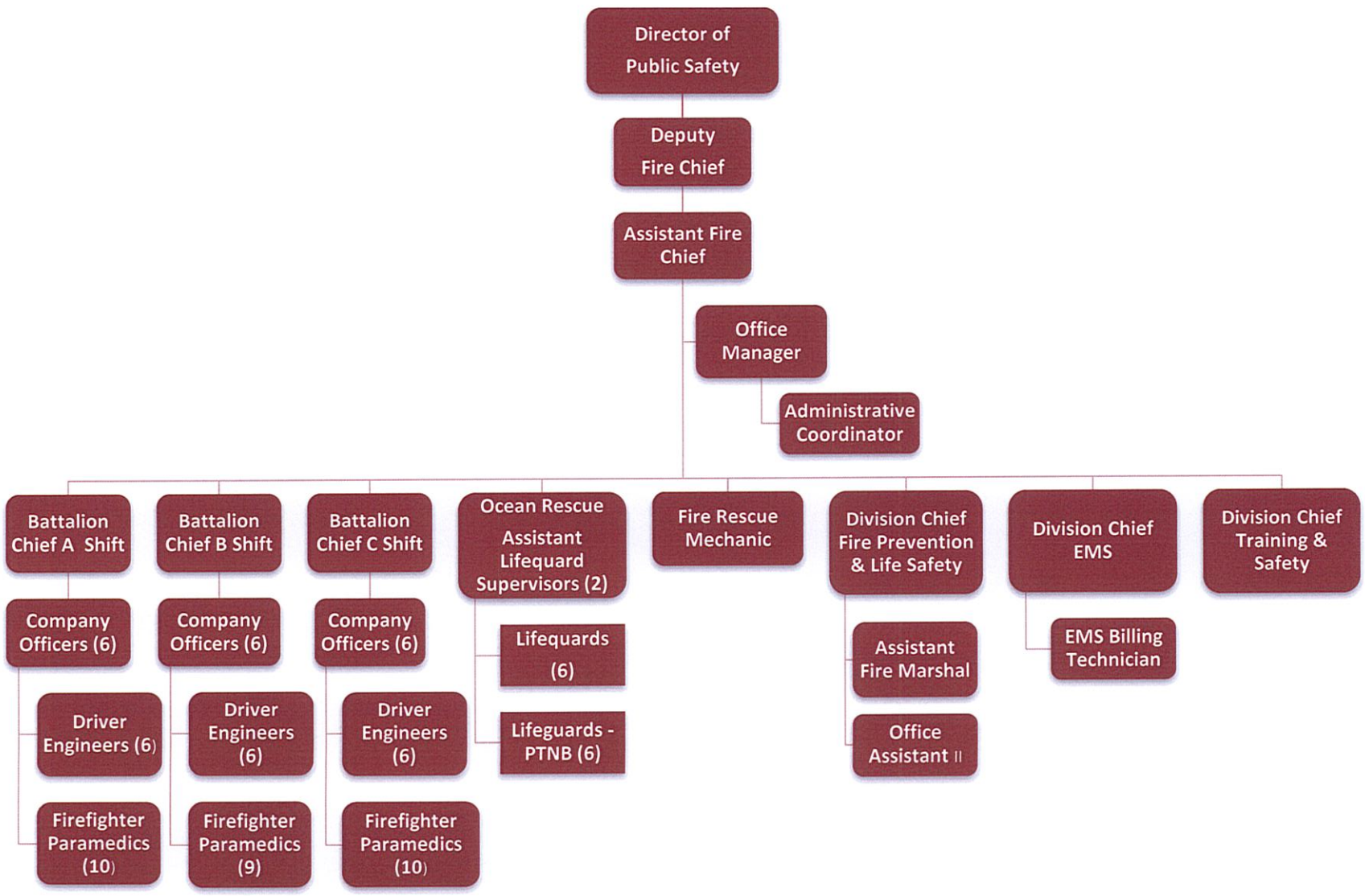
Workload Indicators	FY2008	FY2009	FY2010	FY2011
Code Violation Complaints	2083	1527	1022	1,622
Code Violations Issued	572	350	215	381
Code Violation Cases Scheduled for CEB	280	143	121	172

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Support Services Captain	0.50	0.50	0.50	0.50	-
Support Services Sergeant	0.50	0.50	0.50	-	-
Code Enforcement Officer II	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer I	1.50	1.50	1.50	1.50	1.50
Parking/Code Enforcement Manager	-	-	-	0.50	0.50
Parking/Code Enforcement Specialist	0.50	0.75	0.75	0.75	0.75
	4.00	4.25	4.25	4.25	3.75

GOALS AND OBJECTIVES	
GOAL: Promote compliance to ordinances by the construction and landscape industries through education and increased enforcement.	OBJECTIVES: Develop and disseminate brochures on ordinances that pertain to the construction and landscape industries. Compile statistics on the number of warnings and enforcement actions taken against the construction and landscape industries. The unit continues to review and update brochures as necessary as ordinances are updated or changed. The brochures are disseminated at National Night Out, at the quarterly contractors meeting and mailed to landscape companies if they are observed in violation. With the implementation of the Comcate software, information on enforcement action is readily obtainable at any time so the need to compile statistics is not necessary.
GOAL: Continually examine and improve systems/procedures for greater efficiency and effectiveness of code enforcement.	OBJECTIVES: Conduct outreach efforts to the community and construction/landscape industries to educate, exchange information and ideas at a minimum of once per year. On at least a quarterly basis, conduct training and provide direction to police and code enforcement officers on current code enforcement initiatives. The Planning, Zoning and Building Department has a scheduled quarterly meeting with contractors which are attended by code enforcement officers and occasionally by crime prevention personnel.
GOAL: Conduct the work of Code Enforcement in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of the general fund budget dedicated to this program increased from .48% in FY11 to .56% in FY12.

Fire-Rescue

Town of Palm Beach Fire Rescue



Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Improve response times to meet the industry standards for arrival at all emergency incidents to begin conducting EMS and Fire Operations	OBJECTIVES: Average Response Time - 8 minutes or less 90% of the time. EMS Transports - Transport to designated hospitals 90% of the time The first Palm Beach Fire Rescue unit arrived on the scene of emergency calls in 8 minutes or less 95.50% of the time. Achieved 100% compliance transporting patients to designated hospitals.
GOAL: Reduce number of vehicle accidents and personnel injuries	OBJECTIVES: Safety Committee - Review 90% of all accident and injury reports Achieved 100% compliance
GOAL: Reduce property loss in residential buildings	OBJECTIVES: Confine fires to Building of Origin in at least 90% of all residential fires 100% confinement of fires to building of origin in 10 structure fires for FY 11.
GOAL: Continually improve the CPR and AED capability of the Town through training and education	OBJECTIVES: Provide American Heart Association CPR & AED programs for target groups within the Town. Completed CPR & AED training for residents and employees of local businesses. We reach our target to teach 32 or more CPR & AED classes to Town residents and businesses with a total number of 640 people trained.

DEPARTMENT: FIRE-RESCUE

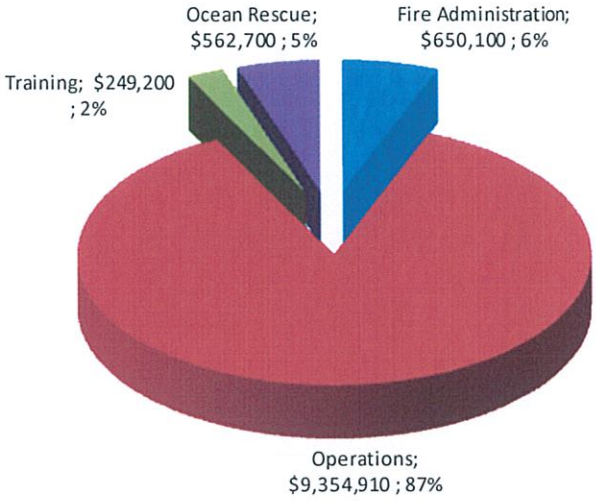
Mission: To provide for a high-quality of life for the residents and visitors to the Town of Palm Beach through the protection of life and property, provision of pre-hospital care for the sick and injured, and mitigation of man made and natural emergencies. We will accomplish this through the effective and efficient delivery of emergency and non-emergency services.

Revenue Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Fema Grant - Fire-Rescue	-	-	-	206,150	-	0.00%
Fire Supplemental Compensation	30,441	35,359	30,000	30,000	30,000	0.00%
Special Detail-Fire	47,114	43,903	55,000	55,000	55,000	0.00%
Fire Prev Bonfires	300	3,300	3,000	4,000	3,000	0.00%
Fire Prev Fire Hydrant	50	-	500	500	500	0.00%
Fire Prev Hot Work	16,339	15,475	12,000	14,000	15,000	25.00%
Fire Prev Public Assembly	1,773	2,505	2,000	2,000	2,000	0.00%
False Fire Alarms	10,500	5,750	10,000	5,000	10,000	0.00%
Fire Prev Fireworks	10,000	10,000	10,000	10,000	10,000	0.00%
Fire Prev Technical Fire Insp	39,527	25,413	40,000	40,000	40,000	0.00%
Fire Prev Annual Ins Fee	111,548	123,516	120,000	120,000	120,000	0.00%
Ems Transport Fees	326,308	451,417	345,000	345,000	450,000	30.43%
Room Rental Dep - South Fire	200	25	-	-	-	0.00%
	594,100	716,663	627,500	831,650	735,500	17.21%

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	7,263,455	7,218,660	6,938,435	6,780,245	6,526,313	-5.94%
Employee Benefits	4,273,040	4,523,287	5,074,043	5,064,971	3,253,997	-35.87%
Contractual	168,447	185,866	294,439	277,501	199,200	-32.35%
Commodities	341,657	328,923	332,038	303,350	246,800	-25.67%
Capital Outlay	77,815	148,299	281,250	225,000	-	-100.00%
Depreciation	637,817	798,300	848,600	848,600	590,600	-30.40%
Other	-	-	-	-	-	0.00%
TOTALS	12,762,231	13,203,335	13,768,805	13,499,667	10,816,910	-21.44%



	FY2009	FY2010	FY2011	FY2012
Full Time Equivalent Employees	80.5	90.2	86.4	82.9

Changes to FTEs:

- -1.0 Eliminate Supervisor Lifeguard position
- -1.0 Eliminate Fire-Rescue Chief
- +1.0 Deputy Fire Chief
- -1.0 Assistant Fire Chief
- -1.0 Eliminate Fire Lieutenant
- -1.0 Eliminate Driver/Engineer EMT
- +.50 Addition of Director of Public Safety

PROGRAM: FIRE ADMINISTRATION 411

Mission: This division exists to oversee the Fire-Rescue department to ensure that the community is provided with the highest quality of life through the protection of life and property.

Main Activities: The most important things we do to fulfill the mission are:

- Plan for the future to meet the needs of the community
- Provide leadership and direction for personnel
- Acquire resources to enable the department to function properly
- Maintain adequate staffing level with trained and competent personnel
- Develop and justify budget requests to meet future needs
- Generate revenue through EMS transport billings

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	446,777	519,067	424,840	322,750	386,600	-9.00%
Employee Benefits	250,214	283,070	301,292	298,062	177,800	-40.99%
Contractual	52,829	48,080	69,098	70,700	70,900	2.61%
Commodities	13,607	13,997	16,800	13,200	10,100	-39.88%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	47,517	48,500	48,500	48,500	4,700	-90.31%
Other	-	-	-	-	-	0.00%
TOTALS	810,944	912,714	860,530	753,212	650,100	-24.45%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases. The Fire Chief position was eliminated and replaced with a Director of Public Safety shared with the Police Department.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
The overall increase for this category is related to new software maintenance for Locution and Pro QA for Public Safety Communications system.

Commodities:
The implementation of a new inventory and tracking system for supplies resulted in a savings and a decrease in needed funding. Funding for memberships was also reduced.

Fund	Department	Program
001	40	411
General	Fire-Rescue	Fire Administration

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Fire-Rescue Chief	1.00	1.00	1.00	1.00	-
Director of Public Safety	-	-	-	-	0.50
Deputy Fire Rescue Chief	-	-	-	-	1.00
Assistant Chief, Administration	1.00	1.00	1.00	1.00	-
Administrative Lieutenant	1.00	1.00	1.00	-	-
Office Manager	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00
Medical Billing Specialist	1.00	1.00	1.00	1.00	1.00
	6.00	6.00	6.00	5.00	4.50

GOALS AND OBJECTIVES	
GOAL: Maximize EMS transport revenue through efficient, timely filing of claims	OBJECTIVES: Maintain collection rate of 85% or better The collection rate on FY11 invoices was 85.34%
GOAL: Conduct the work of Fire Administration in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 1.35% in FY11 to 1.11% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
EMS Transport Revenue	$341,880	$384,368	$385,834	$382,723

PROGRAM: OPERATIONS 417

Mission: This division exists to protect life and property through fire protection and suppression, excellent pre-hospital care for sick and injured, and mitigation of natural and man-made emergencies.

Main Activities: The most important things we do to fulfill the mission are emergency response for:

- Fire protection and suppression
- Advanced Life Support services and EMS transport
- Hazardous condition response
- Technical Rescue

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	6,258,953	6,119,075	5,938,495	5,940,495	5,616,413	-5.42%
Employee Benefits	3,685,787	3,900,549	4,378,081	4,372,245	2,888,397	-34.03%
Contractual	37,645	65,845	77,941	60,101	47,300	-39.31%
Commodities	308,345	299,762	302,738	281,250	231,800	-23.43%
Capital Outlay	77,815	148,299	281,250	225,000	-	-100.00%
Depreciation	574,700	734,200	784,200	784,200	571,000	-27.19%
Other	-	-	-	-	-	0.00%
TOTALS	10,943,245	11,267,730	11,762,705	11,663,291	9,354,910	-20.47%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit and step increases. Eliminate Lieutenant and Driver/Engineer EMT positions.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reductions in Contracted Services include services that will be performed in-house such as hydrant and hose testing, the elimination of radio and repair cost due to the new radio system, and reduction in maintenance costs.

Commodities:
Decrease is mainly a result of reduction in cost of medical supplies due to new inventory and tracking system and reduction in uniform allowances.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Assistant Chief, Operations	1.00	1.00	1.00	1.00	1.00
Battalian Chief	3.00	3.00	3.00	3.00	3.00
EMS Division Chief	1.00	1.00	1.00	1.00	1.00
Lieutenant	18.00	18.00	18.00	18.00	17.00
F/F, Driver/Engineer, Paramedic or EMT	18.00	18.00	18.00	18.00	17.00
Firefighter, Paramedic or EMT	32.00	32.00	32.00	28.00	28.00
Fleet Manager	-	-	-	0.20	0.20
Master Mechanic	1.00	1.00	1.20	1.20	1.20
Mechanic Assistant	0.50	0.50	-	-	-
	74.50	74.50	74.20	70.40	68.40

GOALS AND OBJECTIVES	
GOAL: Maintain optimum fire response time to enhance life safety and property protection	OBJECTIVES: First unit response time of 8 minutes or less from receipt of alarm to arrival 90% of the time The first Palm Beach Fire Rescue unit arrived on the scene of emergency calls in 8 minutes or less 93.86% of the time.
GOAL: Minimize property loss as a result of structure fires	OBJECTIVES: Contain structure fires to building of origin 80% of the time 100% confinement of fires to building of origin in 10 structure fires for FY11.
GOAL: Maintain optimum response time for ALS/EMS to enhance life safety support	OBJECTIVES: First ALS unit response time of 8 minutes or less 90% of the time The first Palm Beach Fire Rescue unit arrived on scene of medical emergencies in 8 minutes or less 95.50% of the time.
GOAL: Minimize time between arrival and transport on cardiac, stroke and trauma alerts	OBJECTIVES: Meet or exceed industry standards for treatment and rapid transport Administered ongoing training at the FAU simulation lab, and via Field Training Officers to ensure compliance
GOAL: Maintain EMT/Paramedic re-certification of all personnel as required	OBJECTIVES: Achieve 100% of required training to maintain certification required by Florida State Statute Achieved 100% compliance
GOAL: Conduct the work of Operations an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 18.08% in FY11 to 15.98% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Number of Medical Calls	1507	1319	1311	1464
Average Response Time (EMS)	6:17	4:32	5:04	5:12
Number of Patients	1595	1352	1358	1423
Number of Transports	971	920	954	1026
Number of Fire Calls	1369	1175	1021	1147
Average Response Time (Fire)	7:23	5:34	6:23	6:10
Fire Loss	$1,671,190	$215,500	$40,345	$62,295

PROGRAM: TRAINING 418

Mission: This division exists to provide fire and EMS training to all personnel to ensure state of the art, competent and safe operations to best serve the citizens of Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Develop and deliver pertinent classroom and hands-on training for Fire, EMS, Haz Mat, Technical Rescue and all aspects for fire-rescue operations
- Seek opportunities for training that continually keep the department on the cutting edge of the fire-rescue field

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	121,542	116,899	116,500	116,500	116,500	0.00%
Employee Benefits	65,429	58,849	69,467	69,461	49,400	-28.89%
Contractual	75,095	69,096	145,600	146,600	80,200	-44.92%
Commodities	11,388	8,318	7,300	6,300	3,100	-57.53%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	273,454	253,162	338,867	338,861	249,200	-26.46%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Use of a new mobile training tower to conduct more in-house training reduced Contracted Services significantly. Funding for some education expenses as well as for Community Education were reduced or eliminated.

Commodities:
Funding for minor operating equipment used for training drills was reduced and non-essential publications were eliminated.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Division Chief - Training/Safety	1.00	1.00	1.00	1.00	1.00

GOALS AND OBJECTIVES	
GOAL: Enhance Incident Command System capabilities for managing critical incidents	OBJECTIVES: Provide National Incident Management System (NIMS) training for 100% of fire-rescue department personnel. Conducted training for 100% of operations personnel on ICS-700 and ICS-100 NIMS program. Conduct training for 100% of Command Officers on ICS-200 and ICS-300 NIMS program.
GOAL: Enhance EMS response capabilities through Medical Director approved training programs	OBJECTIVES: Provide training for 80% of department personnel in EMS training using props for simulation under controlled conditions Conducted Medical protocol testing for 100% of new paramedics with Mega-Code Kelly under the direction of the Department's Medical Director. Field Training Officers provide ongoing monthly training for 80% of operations personnel.
GOAL: Enhance Fire Suppression response capabilities through NFPA approved firefighting training	OBJECTIVES: Provide training for 80% of department personnel in fire training using props for simulation under controlled conditions Conducted Live Fire training for 80% of personnel using the Burn Building located at the PBCFR Regional Training Center and the Mobile Training Tower
GOAL: Enhance Fire Suppression survival capabilities through NFPA approved firefighting training	OBJECTIVES: Provide training for 80% of department personnel in fire fighting survival training using props for simulation under controlled conditions Conducted Emergency Self-contained Breathing Apparatus firefighting survival training for 80% of personnel using obtained building located on the island at 251 Royal Palm.
GOAL: Enhance Fire Suppression survival capabilities through NFPA approved firefighting training	OBJECTIVES: Provide training for 80% of department personnel in fire fighting survival training using props for simulation under controlled conditions Conducted Emergency Bailout firefighting survival training for 100% of operations personnel using the 6 story tower located at the PBCFR Regional Training Center

GOAL: Enhance a standard mechanism for the evaluation of minimum acceptable performance during training or initial fire suppression and rescue activities.	OBJECTIVES: Provide training for 80% of department personnel in fire suppression and rescue activities using the NFPA 1410 basic evolution drills. Conducted monthly NFPA 1410 basic evolution drills for 80% of the department personnel on initial fire suppression and rescue activities. Field Training Officers coordinated these drills with members assigned to their shift.
GOAL: Enhance Hazardous Materials response capabilities through NFPA approved Haz. Mat. Training	OBJECTIVES: Provide training for 80% of department personnel an 8 hour Hazardous Materials refresher course at the Operations level. This objective was not met this period; it is scheduled for the summer of 2012.
GOAL: Enhance Fire Suppression response capabilities through approved Truck Operations training.	OBJECTIVES: Provide training for 80% of department personnel in Truck Operations using props for simulation under controlled conditions and classroom training. Conducted Live Fire training for 80% of personnel using the 6 story tower located at the PBCFR Regional Training Center for truck operation tactics.
GOAL: Enhance EMS response capabilities through Medical Director approved ITLS training.	OBJECTIVES: Provide training for 80% of department personnel through the Medical Director on an approved PHTLS certification course. Conducted PHTLS training for 80% of personnel under the direction of the Medical Director.
GOAL: Enhance EMS response capabilities through Medical Director approved ACLS training.	OBJECTIVES: Provide training for 100% of department Paramedic personnel through the Medical Director on an approved ACLS certification course. Conducted ACLS training for 100% of department Paramedic personnel under the direction of the Medical Director.

GOAL: Enhance EMS response capabilities through Emergency Response to Terrorism Course	OBJECTIVES: Provide training for 80% of department personnel with a 4 hour EMS Emergency Response to Terrorism training course through on-line sessions. This objective not achieved, will be completed in 2012
GOAL: Conduct the work of training an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .53% in FY11 to .43% in FY12
GOAL: Enhance Hazardous Materials response capabilities through a Radiation Safety course	OBJECTIVES: Provide training for 80% of personnel with a 3 hour Radiation Safety training course through on-line sessions Conducted training for 80% of personnel for the development of skills necessary to recognize basic concepts of radiation and radiation protection to comply with OSHA 29 CFR 1910.97
GOAL: Enhance emergency vehicle operator response capabilities through Fleet Program training courses.	OBJECTIVES: Provide training for 100% of personnel with a 6 hour Fleet Driving Program course through on-line sessions Conducted training on-line for 100% of emergency vehicle operators for the development of skills necessary to respond safely on emergency and non-emergency activities.
GOAL: Enhance Officers and Step-up Officers leadership, management and organizational behaviors through Brunacini's Functional Boss Behaviors training courses through on-line sessions	OBJECTIVES: Provide training for 100% of Officers and Step-up officers with a 4 hour Brunacini Functional Boss Behaviors training course through on-line sessions Conducted training on-line for 100% of Officers and Step-up Officers for the development of skills necessary for leadership, management and organizational behaviors.

GOAL: Enhance Fire Suppression response capabilities through training drills	OBJECTIVES: Conduct training drills for 80% of department personnel under simulated and controlled conditions Conducted 8 (3-hour) drills yearly, 4 multiple-company (3-hour) drills yearly, 2 night (3-hour) drills yearly for 80% of the personnel

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Annual Training Hours	0*	10,944	11,785	17,039

* This figure represents the documented training hours with the Target Safety on-line resource system. Actual hands on training, daily equipment familiarization checks and driver training etc. are not captured within this data result.

PROGRAM: OCEAN RESCUE 419

Mission: This division exists to provide for the safety and security of beach patrons.

Main Activities: The most important things we do to fulfill the mission are:

- Ensure that lifeguards maintain top physical conditioning
- Participate in first-aid training programs, parking enforcement and local sea turtle conservation program
- Inform public of hazards through signs, condition boards, flags, beach report and verbal
- Continually train staff in environmental conditions and hazards, medical skills, and rescue techniques
- Take proactive measures to ensure the safety of swimmers

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	436,183	463,619	458,600	400,500	406,800	-11.30%
Employee Benefits	271,610	280,819	325,203	325,203	138,400	-57.44%
Contractual	2,878	2,845	1,800	100	800	-55.56%
Commodities	8,317	6,846	5,200	2,600	1,800	-65.38%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	15,600	15,600	15,900	15,900	14,900	-6.29%
Other	-	-	-	-	-	0.00%
TOTALS	734,588	769,729	806,703	744,303	562,700	-30.25%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Most expenses were moved to the Operations program for efficiency or were eliminated.

Commodities:
Items were reduced or moved to other programs (maintenance, fuel, medical supplies and office supplies) for efficiency.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Supervisor Lifeguard	1.00	1.00	1.00	1.00	-
Assistant Supervisor Lifeguard	2.00	2.00	2.00	2.00	2.00
Lifeguard	7.00	7.00	7.00	7.00	7.00
	10.00	10.00	10.00	10.00	9.00

GOALS AND OBJECTIVES	
GOAL: Meet or exceed national standards for physical fitness.	OBJECTIVES: Report standards compliance. National Standard: 500 meters in less than 10 minutes. All lifeguards met the national standard.
GOAL: Meet or exceed national standards for training requirements and certification.	OBJECTIVES: Number of training exercises compared to standards. The national standard is a minimum of 16 hours annually per lifeguard. The unit has performed 55 training exercises.
GOAL: Obtain eventual EMT certification for all lifeguards to provide first responder services and receive Advanced Agency Certification from USLA.	OBJECTIVES: Report percentage of lifeguards with EMT certification annually. The unit currently has 67% of it's staff EMT or paramedic certified.
GOAL: Reduce rescues needed by employing effective prevention tactics.	OBJECTIVES: Report number of rescues and preventive measures compared year to year in relationship to beach attendance. Update 2010 2011 Beach Attendance 437,066 431,867 Rescues 53 33 Preventative Actions 3,993 3561
GOAL: Conduct the work of Ocean Rescue in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 1.27% in FY11 to .96% in FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Beach Attendees Protected	544,507	478,745	437,066	431,867
Preventative Actions	6658	4223	3993	3561
Rescues	32	40	53	33
Enforcements	6155	4958	4125	3968

Police

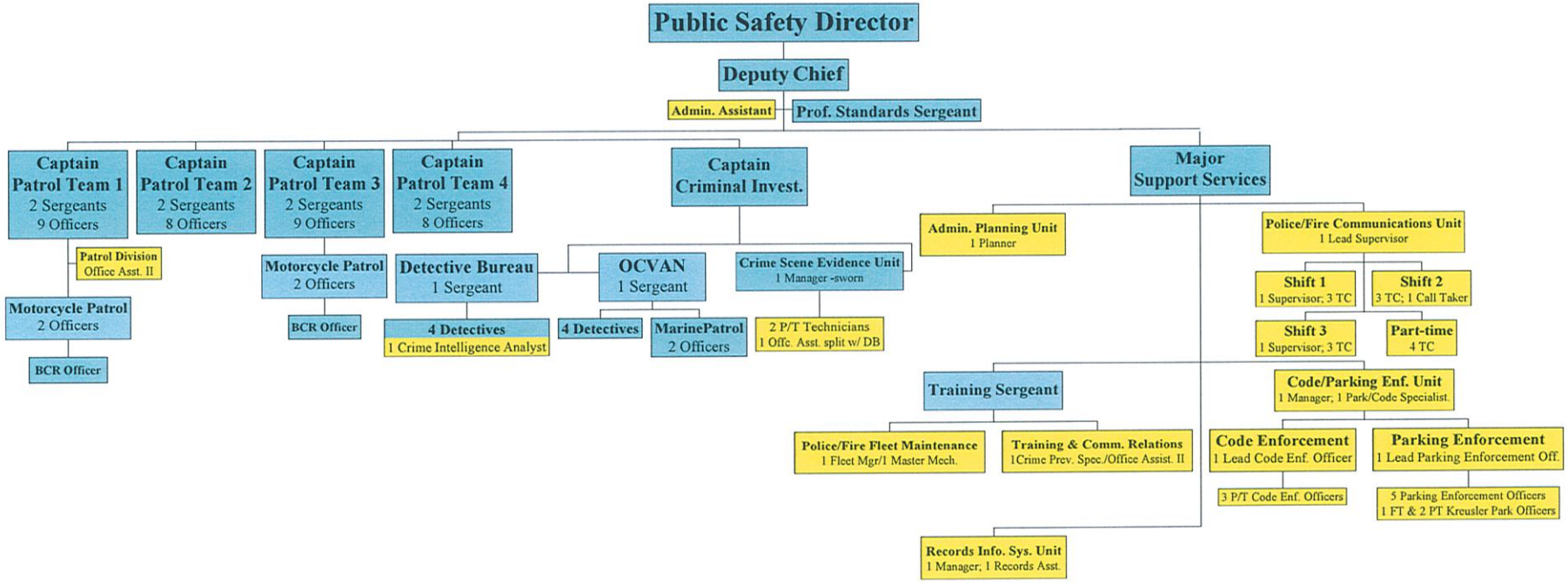
PALM BEACH POLICE DEPARTMENT

ORGANIZATIONAL CHART

FY12 Budget

Staffing Level

Position	Authorized #
Public Safety Director	1
Deputy Chief	1
Major	1
Captains	5
Sergeants	12
Police Officers	51
Total Sworn	71
Total Civilain:	
Full Time	33
Part Time	11



Sworn Positions

Civilian Positions

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: The perception of safety in the community is enhanced through effective policing practices.	OBJECTIVE: Provide 10% of available patrol time to alternative methods; foot, bicycle, ATV, & boat patrol. Update: The 2010 Allocation Study shows that the Patrol Unit had 5,444 days available for patrol and therefore should have spent 544 days (or 13,056 hours) on alternative patrol activities. According to the Monthly Activity Reports for FY11, patrol spent approximately 11,696 hours (or 487 days) hours on alternative patrols.
GOAL: Pro-active measures result in the prevention and reduction of crime and protection of life and property.	OBJECTIVE: Educate and equip residents and the business community with the tools necessary to report and deter crime. Update: The police department held 24 business meetings, conducted 36 education programs/tours, and performed 5 security surveys. Based on calendar year statistics. 2010 U.S. Violent Crime decreased 6% 2010 Florida Violent Crime decreased 10.2% 2010 P.B. Serious Crime decreased by 6.12%
GOAL: Police operations and programs are effective in maintaining or increasing the quality of life in the community.	OBJECTIVE: Provide annual training to officers on Code Enforcement issues. OBJECTIVE: Conduct selective enforcement in areas identified by community comments or police personnel. Update: Patrol officers receive Code Enforcement training/updates as needed during roll call/line up training and as part of the in-service training program. Patrol officers spent 1,411 hours conducting selective enforcement during FY11.

GOAL: A successful police mission is accomplished via education, awareness, training, and community partnerships.	OBJECTIVE: Memberships to Palm Beach Crime Watch and the Palm Beach Marine Crime Watch equal or exceed 10% of the resident population as defined by the US Census Bureau. Update: The current membership is approx. 650 memberships (family memberships are counted as one regardless of number of actual family members). The 2010 U.S Census states that the Town of Palm Beach has a resident population of 8,348. OBJECTIVE: The Palm Beach Police Department's internet web site experiences an average of at least 100 successful hits per day. Update: The Palm Beach Police Department launched its new website in late January 2011. For the period of February to September the site had 22,761 hits or approximately 94 hits per day. OBJECTIVE: Provide Citizen and Teen Police Academy programs to at least 75 persons per year. Update: The Police Department did not hold either academy in FY2011 due to budget constraints. The department is expected to conduct one of each academy in FY12 allowing for 37 participants.

DEPARTMENT: POLICE

Mission: The Palm Beach Police Department is dedicated to:

- the prevention of crime and the protection of life and property;
- the preservation of peace, order and safety;
- the enforcement of laws and ordinances; and,
- the safeguarding of constitutional guarantees

Through pro-active and creative means.

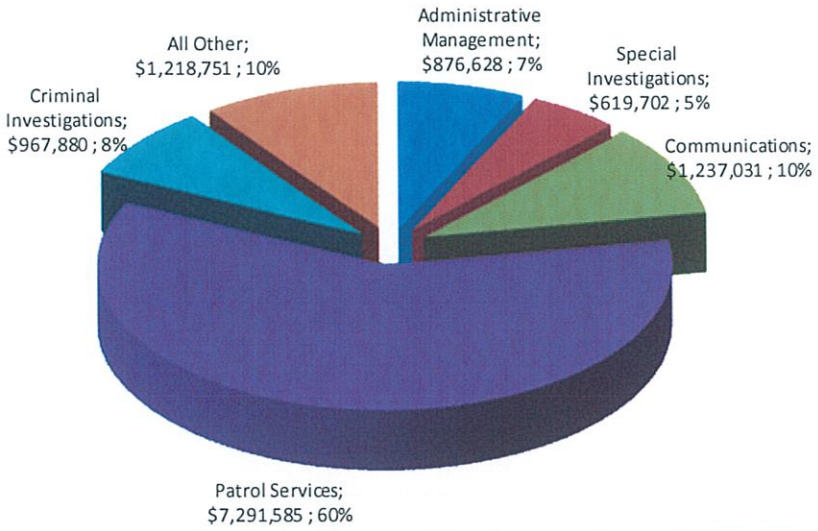
Revenue Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Bullet Proof Vests Grant	3,401	2,527	4,000	4,000	4,000	0.00%
Fdle Justice Assistance Grant	-	1,596	14,000	14,000	1,500	-89.29%
911 Equip Reimbursement	176,165	70,297	110,000	110,000	106,000	-3.64%
Seized Tag	1,717	1,217	3,000	2,500	2,500	-16.67%
$12.50 Citation Monies	17,073	23,126	15,000	15,000	15,000	0.00%
Special Assignment Ot - Other	796,091	596,334	650,000	650,000	650,000	0.00%
Police Id Cards	21,202	22,555	20,000	20,000	20,000	0.00%
Burglar Alarm False Alarm Fees	91,400	88,870	75,000	90,000	90,000	20.00%
Burglar Alarm Registration Fee	50,393	46,799	50,000	50,000	50,000	0.00%
Burglar Alarm - Penalties	7,043	5,439	7,000	7,000	7,000	0.00%
Burglar Alarm - Direct Connect	1,100	5,000	6,000	6,000	6,000	0.00%
Valet Parking Permit	5,150	1,450	6,000	8,000	6,000	0.00%
Fines - Other Parking	344,665	216,157	325,000	325,000	332,000	2.15%
Fines - Parking Meters	125,103	91,965	110,000	110,000	110,000	0.00%
Row Parking Violation Fines	28,244	7,850	15,000	15,000	20,000	33.33%
Moving Violations	40,665	38,046	40,000	40,000	40,000	0.00%
Revenue/2nd $ Funding	5,100	5,450	6,000	6,000	6,000	0.00%
Boot Fees	30,550	17,050	20,000	25,000	25,000	25.00%
Penalty - Other Parking	164,246	104,994	150,000	131,000	140,000	-6.67%
Penalty - Parking Meters	60,600	51,259	60,000	50,000	60,000	0.00%
Code Compliance Fines	337,997	45,742	100,000	375,000	100,000	0.00%
Code Compliance Admin Fee	14,055	8,200	15,000	8,000	10,000	-33.33%
Rebate For Town Towing	1,691	1,646	2,000	1,500	2,000	0.00%
	2,323,651	1,453,569	1,803,000	2,063,000	1,803,000	0.00%

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	8,619,334	8,128,776	7,768,279	7,534,014	7,681,283	-1.12%
Employee Benefits	4,890,265	4,966,617	5,512,807	5,364,259	3,482,366	-36.83%
Contractual	389,679	391,637	451,195	374,824	361,815	-19.81%
Commodities	396,110	382,710	370,449	377,070	339,010	-8.49%
Capital Outlay	116,855	28,457	41,167	41,167	-	-100.00%
Depreciation	486,800	546,900	546,900	546,900	347,103	-36.53%
Other	-	-	-	-	-	0.00%
TOTALS	14,899,043	14,445,097	14,690,797	14,238,234	12,211,577	-16.88%

Fund	Department
001	45
General	Police



	FY2009	FY2010	FY2011	FY2012
Full Time Equivalent Employees	129.25	115.05	102.85	102.85

Changes to FTEs:

- +.50 Director of Public Safety
- +1.0 Deputy Police Chief
- -1.0 Police Chief
- -1.0 Police Major
- +.50 Captain

PROGRAM: ADMINISTRATIVE MANAGEMENT 421

Mission: This division exists to manage, support and evaluate all functions of the Police Department in order to provide highly effective and efficient law enforcement for Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Provide leadership and motivation
- Administer a budget that supports necessary activities
- Develop, review, and enforce department policy to promote the goals and objectives of the Town, the Department and the Union.
- Develop staff members for future leadership roles.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	641,563	645,348	621,933	621,233	585,704	-5.83%
Employee Benefits	271,589	307,670	278,992	281,699	221,967	-20.44%
Contractual	48,930	39,432	39,700	32,780	31,800	-19.90%
Commodities	53,825	42,433	47,405	41,250	36,000	-24.06%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	2,800	2,800	2,800	2,800	1,157	-58.68%
Other	-	-	-	-	-	0.00%
TOTALS	1,018,707	1,037,683	990,830	979,762	876,628	-11.53%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases. Salaries and benefits have also decreased as a result of the administrative change in the Chief of Police position to the position of Public Safety Director whose budget is shared with the Fire-Rescue Department.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction is the result of decreases in travel/training, business expenses, wireless internet charges, postage and other building maintenance expenses.

Commodities:
Reduction is the result of decreases in uniform purchase/replacement accounts for both sworn and civilian members of the department.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

Fund	Department	Program
001	45	421
General	Police	Administrative Management

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Director of Public Safety	-	-	-	-	0.50
Police Chief	1.00	1.00	1.00	1.00	-
Deputy Police Chief	-	-	-	-	1.00
Major	2.00	2.00	2.00	2.00	1.00
Sergeant	1.00	1.00	1.00	1.00	1.00
Administrative Planner	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	-	-
	7.00	7.00	7.00	6.00	5.50

GOALS AND OBJECTIVES	
GOAL: Overall citizens are satisfied with the services of the Police Department.	OBJECTIVES: To address citizen issues and evaluate ideas to better serve the community. During the budget process command staff continues to evaluate cost savings ideas while ensuring the quality of community services by adequately staffing the Patrol Unit which is the core function of the department. Members of the department received twenty-seven (27) commendations from the public during the fiscal year.
GOAL: Maintain a professional law enforcement agency.	OBJECTIVES: Review and update policies and procedures based on studies and recommendations of professional law enforcement associations that determine law enforcement "best practices". Twenty-one (21) general orders or standard operating procedures were reviewed and revised during 2011. Additionally, one inter-local agreement was entered into establishing best practices in the handling of the homeless population in Palm Beach County.
GOAL: Conduct the work of Administrative Management in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service The percentage of general fund budget dedicated to this program decreased from 1.54% in FY11 to 1.50% in FY12.

PROGRAM: ORGANIZED CRIME VICE AND NARCOTICS (OCVAN) 422

Mission: This division exists to minimize the impact of specialized criminal activity (drug enforcement, computer/internet, major financial, organized and vice) within the Town of Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Interview potential targets and associates
- Conduct surveillance
- Make arrests, seize property and assets, establish confidential informants
- Network with other agencies and intelligence groups
- Analyze all intelligence to disseminate
- Maintain intelligence files
- Unmarked crime suppression activities and general support of patrol and investigation
- Reducing residential burglary through proactive strategic and tactical operations

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	309,378	335,231	421,714	313,000	392,364	-6.96%
Employee Benefits	339,852	253,779	324,416	299,967	184,297	-43.19%
Contractual	21,174	20,808	28,900	24,000	23,000	-20.42%
Commodities	10,809	12,741	11,300	13,200	13,300	17.70%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	11,400	11,400	11,400	11,400	6,741	-40.87%
Other	-	-	-	-	-	0.00%
TOTALS	692,613	633,959	797,730	661,567	619,702	-22.32%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based step increases and is offset by a change in the proposed salary of an entry level detective.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction is the result of decreases in investigative funds, travel/training expenses, and external vehicle maintenance.

Commodities:
Increase is the result of higher fuel expenses and internal vehicle maintenance.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

Fund	Department	Program
001	45	422
General	Police	OCVAN

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Sergeant	1.00	1.00	1.00	1.00	1.00
Officer	4.00	7.00	4.00	4.00	4.00
	5.00	8.00	5.00	5.00	5.00

GOALS AND OBJECTIVES	
GOAL: Maximize intelligence function relative to crime in Palm Beach	OBJECTIVES: Active participation in various intelligence organizations and collection, analysis and dissemination of intelligence information directly effecting criminality in Palm Beach. Members of the unit regularly attend monthly intelligence meetings as part of the Regional Domestic Security Task Force for the tri-county area. The unit has two (2) detectives who participate on a part-time basis in the State Attorney's Task Force on Public Corruption and the Internet Crimes Against Children Task Force.
GOAL: Adequate intelligence records and effective use of confidential informants.	OBJECTIVES: Measured by number of arrests, investigations, investigations using confidential informants, and number of surveillance hours. Arrests: 10 Investigations w/ informants: 3 Surveillance Hours: 833
GOAL: Police personnel are well informed of applicable intelligence.	OBJECTIVES: Intelligence bulletins prepared and disseminated. Sixty-six (66) intelligence bulletins were distributed during FY11.
GOAL: Conduct the work of the Organized Crime, Vice and Narcotics Unit in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service The percentage of general fund budget dedicated to this program decreased from 1.25% in FY11 to 1.06% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Total Cases Investigated	259	315	250	184
Total Intelligence Reports (Received)	135	144	151	67
Disseminated Intelligence Bulletins	48	32	39	66
Surveillance Hours	369	1116	859	833

PROGRAM: RECORDS INFORMATION SYSTEM UNIT 423

Mission: This division exists to provide a centralized collection point for all police activity records and disseminate this information to all in an accurate and meaningful way.

Main Activities: The most important things we do to fulfill the mission are:

- Input all records and data into computer system
- Destroy records in accordance with General Records Schedule for Local Government Agencies and Law Enforcement Agencies
- Provide the public and department with requested reports and records
- Maintain an accurate inventory of police equipment and all police property

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	156,154	112,000	111,528	108,600	79,075	-29.10%
Employee Benefits	87,231	84,297	69,404	69,135	41,499	-40.21%
Contractual	8,537	13,588	12,300	12,300	11,800	-4.07%
Commodities	4,479	4,045	4,800	4,800	4,200	-12.50%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	200	200	200	200	935	367.50%
Other	-	-	-	-	-	0.00%
TOTALS	256,601	214,130	198,232	195,035	137,509	-30.63%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases which are offset by the reduction in anticipated salary due to the entry level opening as the result of an employee's retirement.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Slight reduction is the result of a decrease in printing expenses (i.e. business cards, forms, etc.)

Commodities:
Reduction is the result of anticipated decrease in the replacement of minor office furniture/equipment.

Depreciation:
Increase is the result of the purchase of a shredder in FY10.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Records Manager	1.00	1.00	1.00	1.00	1.00
Records Information Assistant I	2.00	2.00	1.00	1.00	1.00
	3.00	3.00	2.00	2.00	2.00

GOALS AND OBJECTIVES	
GOAL: Availability of information to the public and the police department.	OBJECTIVES: Entering records into the department computerized records management system no later than the next business day after the record has been received. All officers have been trained on OSSI RMS system and are required to complete their reports by the end of their shift. Reports are available to the public and command staff the next day.
GOAL: Effective access to public records.	OBJECTIVES: Provide records requested by the public and police department no later than 3 business days from receipt of the request. During the fiscal year there were 892 records request made from the public. The average turnaround time was less than 2 days.
GOAL: Timely and accurate accounting of all department property, equipment, and firearms.	OBJECTIVES: Accurate yearly audit of Fixed Assets and department property. The department's annual fixed asset inventory was completed on August 31, 2011. Quarterly unit inspections are completed to ensure equipment is accounted for and in operational order.
GOAL: Conduct the work of the Records Information System Unit in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .31% in FY11 to .23% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Incident Reports	1330	1049	1896	1147
Citations/Violations Processed	3904	4268	4676	5960

PROGRAM: TRAINING & COMMUNITY RELATIONS UNIT (TCR) 424

Mission: This division exists to enhance public safety by providing education and training to the community and the Police Department staff that will both enhance crime prevention and encourage citizen involvement.

Main Activities: The most important thing we do to fulfill the mission are:

- Provide education programs for citizens, businesses and schools as a result of Palm Beach Crime Watch, Inc.
- Recruit, place and manage volunteers for a variety of assignments
- Provide current training necessary for certification, retention, and advancement
- Provide accurate information to the public and news media regarding police activities
- Plan, process and track external training requests
- Develop new programs that stay abreast with current crime trends

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	179,068	185,067	103,851	176,000	184,986	78.13%
Employee Benefits	75,663	78,759	117,486	125,189	82,998	-29.35%
Contractual	31,207	13,779	16,900	11,500	10,000	-40.83%
Commodities	5,668	6,650	5,600	5,950	3,550	-36.61%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	5,100	5,100	5,100	5,100	4,783	-6.22%
Other	-	-	-	-	-	0.00%
TOTALS	296,706	289,355	248,937	323,739	286,317	15.02%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit and step increases and the transfer of the Training Sergeant to the Training and Community Relations Unit from the Patrol Unit.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction is the result of decreases in other contracted services (i.e. outside trainers), travel/training expenses, and vehicle and equipment maintenance expenses.

Commodities:
Reduction is the result of decreases in membership dues and publications and subscription offset by an increase in fuel expenses.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

Fund	Department	Program
001	45	424
General	Police	Training & Community Relations

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
BCR Manager	1.00	1.00	1.00	-	-
Training Coordinator	-	-	-	-	-
Crime Prevention Specialist	1.00	1.00	1.00	1.00	1.00
Office Assistant II	1.00	1.00	1.00	1.00	1.00
Sergeant	-	-	-	-	1.00
	3.00	3.00	3.00	2.00	3.00

GOALS AND OBJECTIVES	
GOAL: Public safety is enhanced by responsible community involvement.	OBJECTIVES: Number of Crime Watch members and citizens involved in Crime Watch programs. There are currently 650 Crime Watch members. (Family memberships count as one regardless of the number of family members.) Due to budget constraints, the Police Department did not hold a Citizen or Teen Academy in 2011. It is anticipated that the department will conduct one of each program in FY2012 allowing for 37 participants.
GOAL: To create a cohesive working relationship and open lines of communication with residents and members of the business community.	OBJECTIVE: Citizens participation in police department crime prevention/community involvement efforts/activities/programs. The police department held many community/business events during FY11 including National Night Out, Emergency Response Team Training, Take 25, Community Shred Events, Department Tours (Boy/Girl Scouts), Community Helpers Day (Rehab Center), and Crime Prevention Expo. There are currently 106 members of the Volunteers in Police Service and 19 volunteers currently work on a regular basis assisting department staff.
GOAL: Create and maintain an organizational environment that is professionally rewarding, challenging, and that promotes employee commitment and ownership.	OBJECTIVES: Provide organizational development opportunities through the department's in-service training program and professionally appropriate outside seminars and training classes. During the fiscal year employees were provided educational/training opportunities totaling 5,986.5 hours. Of those hours, 2,084 were in-service training hours provided to 112 employees and 99 employees attended external training/development seminars or classes totaling 3,902.5 hours

GOAL: Conduct the work of Business and Community Relations in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget that is dedicated to this program increased from .39% in FY11 to .49% in FY12. It should be noted that expenses associated with many Crime Prevention activities are subsidized by Palm Beach Crime Watch, Inc.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Crime Prevention Activities	80	96	98	65
Volunteers	103	111	114	106
Palm Beach Crime Watch Members	1128	984	659*	650*

* Previous years calculated using different formula. This number reflects the number of actual member records which includes all family and individual records.

PROGRAM: COMMUNICATIONS UNIT 425

Mission: This division exists to enhance public safety by providing the community and field personnel with professional and rapid response to all calls for public safety assistance through effective training of personnel and continual evaluation of success and need.

Main Activities: The most important things we do to fulfill the mission are:

- Receive emergency and non-emergency calls for service
- Coordinate appropriate response of Public Safety services
- Provide emergency medical instructions
- Operate and control interoperable radio systems for police and fire rescue
- Support field personnel by processing and relaying information

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	966,896	901,529	770,483	705,000	757,139	-1.73%
Employee Benefits	501,469	521,989	529,945	374,753	323,042	-39.04%
Contractual	131,325	119,522	140,500	119,700	103,600	-26.26%
Commodities	9,378	7,817	15,300	15,200	7,750	-49.35%
Capital Outlay	56,314	-	41,167	41,167	-	-100.00%
Depreciation	70,400	97,900	97,900	97,900	45,500	-53.52%
Other	-	-	-	-	-	0.00%
TOTALS	1,735,782	1,648,757	1,595,295	1,353,720	1,237,031	-22.46%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases. Decrease is the result of entry level salary replacing tenured employee salary.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan. Additional reductions are the result of converting a telecommunicator position to two (2) part-time no benefit positions.

Contractual:
Reduction is the result of decreases in professional development/training, telephone, data line, and radio expenses.

Commodities:
Reduction is the result of purchasing 24/7 seating in FY11 which is a periodic expense.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

Fund	Department	Program
001	45	425
General	Police	Communications

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Telecommunications Manager	1.00	1.00	1.00	-	-
Lead Telecommunications Supervisor	-	-	-	-	1.00
Telecommunications Supervisor	4.00	4.00	4.00	3.00	2.00
Telecommunicator	11.00	11.00	11.00	10.00	10.00
Call-Taker	1.00	1.00	1.00	1.00	1.00
	17.00	17.00	17.00	14.00	14.00

GOALS AND OBJECTIVES	
GOAL: Provide residents/businesses with efficient and effective police/fire dispatch to ensure a rapid and coordinated response by emergency personnel.	OBJECTIVES: Dispatch emergency calls within 90 seconds on the average from the time the call is received. During FY11, 2,400 priority one calls for service were received and dispatch on the average in 1 minute and 22 seconds.
GOAL: Citizen satisfaction in Communication's role in receiving and processing calls for service.	OBJECTIVE: Provide callers with competent pre-arrival instructions and relaying information to emergency responders prior to arrival. Throughout FY11, Communications has completed training and software enhancements relevant to both police and fire-rescue functions. Radio communications, automated fire dispatching and training on Priority Dispatch Emergency Medical software have assisted in Communications staff working as a cohesive team with police and fire-rescue emergency personnel.
GOAL: Employees are well-trained and maintain appropriate skills and abilities.	OBJECTIVE: 100% compliance with all training requirements. In FY11, all full time telecommunicators became Certified State of Florida Telecommunicators. This is a mandatory certification by October 2012. All Telecommunicators complete a minimum of 40 hours of continuing education training on various topics including emergency medical dispatching.
GOAL: Conduct the work of the Communications Unit in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service The percentage of general fund budget dedicated to this program decreased from 2.44% in FY11 to 2.11% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Police Calls	80,193	76,863	52,603*	50,160*
Fire Calls	2361	2291	1011*	1204*
Medical Calls	1641	1319	1430*	1419*

* Number of recorded calls is reduced due to elimination of tracking out of service codes.

PROGRAM: CRIME SCENE/EVIDENCE UNIT 426

Mission: This division exists to enhance public safety and assist the crime solving process through the forensic investigation of crime scenes.

Main Activities: The most important things we do to fulfill the mission are:

- Collect, record and preserve physical evidence found at crime scenes
- Prepare detailed investigative reports
- Sketching and photography, as needed
- Conduct laboratory analysis of forensic evidence
- Examination and comparison of latent fingerprints
- Preparation of cases for trial
- Submission of evidence to appropriate forensic laboratories for analysis
- Perform crime prevention services for the community to include fingerprinting and identification cards

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	218,167	201,556	174,982	172,982	149,772	-14.41%
Employee Benefits	126,532	132,301	127,936	127,322	68,464	-46.49%
Contractual	13,756	11,201	16,400	11,300	12,940	-21.10%
Commodities	15,571	10,481	12,700	9,910	8,910	-29.84%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	12,300	12,300	12,300	12,300	3,800	-69.11%
Other	-	-	-	-	-	0.00%
TOTALS	386,326	367,839	344,318	333,814	243,886	-29.17%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases which are offset by a reduction due to the retirement of a tenure employee.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan. Additional reduction is the result of converting a full-time with benefits Crime Scene Technician to two (2) part-time no benefits positions.

Contractual:
Reduction is the result of decreases in Professional Development/training and equipment maintenance contracts due to warranty coverage on new equipment.

Commodities:
Reduction is the result of decreases in evidence processing supplies and the purchase of minor equipment from Forfeiture accounts.

Depreciation:
Reduction is the result of a review of the units fixed assets and elimination of equipment as a results of cost saving measures.

Fund	Department	Program
001	45	426
General	Police	Crime Scene/Evidence

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Police Officer/Manager	1.00	1.00	1.00	1.00	1.00
Crime Scene Technician II	2.00	2.00	2.00	1.00	1.00
Evidence and Property Specialist	1.00	1.00	-	-	-
Office Assistant II	-	-	0.50	0.50	0.50
	4.00	4.00	3.50	2.50	2.50

GOALS AND OBJECTIVES	
GOAL: Proper collection and storing of property and evidence.	OBJECTIVES: Successful inspections/audits of the unit's property and evidence. In accordance with department policy, the CSEU Manager completes a Semi-Annual Inspection of unit operations/personnel in January and July of each year and inspects unit equipment to ensure operational readiness. The Criminal Investigations Unit Captain conducted a random unannounced inspection on 12/30/10 and the Professional Standards Sergeant completed an annual audit of property and evidence on 10/26/10. Additionally, on November 9, 2010 the CSEU Manager conducted a court approved Narcotics Burn.
GOAL: Thorough and timely development and submission of evidence.	OBJECTIVES: Utilization of the Automated Fingerprint Identification System; comparison of latent fingerprints; submission of forensic evidence for DNA analysis and comparison. Latent fingerprint comparisons 1,800 Identifications 60 Evidence Submitted 993
GOAL: Provide town residents and businesses useful services.	OBJECTIVES: Voluntary ID cards produced; civilian fingerprinting program; reproduction of audio, video and photographic evidence. Voluntary ID Cards Issued 1,097 Civilians Fingerprinted 186 Audio/Video Reproductions 541
GOAL: Conduct the work of the Crime Scene/Evidence Unit in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .54% in FY11 to .42% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Latent Print Comparisons	5820	2947	6427	1800
Fingerprint Identifications	30	36	18	60
Crime Scenes Processed	58	35	39	20

PROGRAM: PATROL 428

Mission: This division exists to protect life and property, prevent and suppress crime, preserve the public order and apprehend violators of laws and ordinances in order to create an environment where citizens feel safe and secure.

Main Activities: The most important things we do to fulfill the mission are:

- Provide first level of law enforcement response
- Use cruisers, motorcycles, bicycles, ATV's, marine units and foot patrol as appropriate to the situation
- Investigate suspicious persons and incidents to deter and detect criminal activity
- Establish 'omnipresence' through frequent and conspicuous patrol throughout the community
- Resolve various types of problems and conflicts in order to preserve the peace
- Enforce traffic regulations, investigate accidents and maintain an orderly flow of traffic
- Employ a proactive approach to deter and prevent crime

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	5,136,408	4,711,991	4,641,901	4,532,000	4,598,749	-0.93%
Employee Benefits	2,878,214	2,938,466	3,371,144	3,396,810	2,117,561	-37.19%
Contractual	119,776	135,397	143,595	121,136	119,475	-16.80%
Commodities	271,047	282,362	249,244	263,460	244,900	-1.74%
Capital Outlay	60,541	28,457	-	-	-	0.00%
Depreciation	291,300	308,000	308,000	308,000	210,900	-31.53%
Other	-	-	-	-	-	0.00%
TOTALS	8,757,286	8,404,673	8,713,884	8,621,406	7,291,585	-16.32%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit and step increases which is offset by the reduction due to the transfer of the Training Sergeant to program 424 (Training and Community Relations Unit).

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction is the result of decreases in Professional Development and association expenses, reduced wireless services, and external vehicle maintenance repairs.

Commodities:
Reductions in minor equipment purchases and equipment purchases being made from Forfeiture accounts were offset by increases in fuel expenses and bullet proof vest expenses for expired vests.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

Fund	Department	Program
001	45	428
General	Police	Patrol

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Captain	4.00	4.00	4.00	3.00	4.00
Sergeant	10.00	11.00	11.00	9.00	8.00
Officer	44.00	43.00	43.00	42.00	42.00
Office Assistant II	1.00	1.00	1.00	1.00	1.00
Mechanic	1.00	-	-	-	-
Master Mechanic	1.00	2.00	1.00	0.80	0.80
Fleet Manager	-	-	1.00	0.80	0.80
	61.00	61.00	61.00	56.60	56.60

GOALS AND OBJECTIVES	
GOAL: Citizens, businesses, and visitors feel safe and secure in the community.	OBJECTIVES: Visible patrol to deter and prevent crime. Vehicle patrol 41,911 Foot patrol 7,454 Bike patrol 1,507 ATV patrol 173
GOAL: Traffic safety is improved by enforcement of traffic laws and crash prevention activities.	OBJECTIVES: Report property damage and personal injury resulting from traffic crashes and maintain a traffic enforcement index not less than 20%. Est. Property Damage $772,904 Hazardous Moving Violations 409 Injuries 34 Traffic Index (Hazardous Moving Violations/Injuries) 12%
GOAL: Conduct the work of the Patrol Unit in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 13.66% in FY11 to 12.46% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Calls for Service	39,182	31,508	(A)	(B)50,160
Arrest by Patrol Officers	1,401	1,882	1,980	1,618
Business Security Checks	67,380	87,128	108,179	136,631
Closed House Checks	5,297	4,209	6,119	7,541
Field Interview Reports	945	1,984	1,822	961
Intelligence Report	112	128	174	106

(A) Number not available at this time due to conversion to new software system
(B) Total calls for service includes police self-initiated calls (37,979).

PROGRAM: CRIMINAL INVESTIGATION UNIT 429

Mission: This division exists to investigate, solve and suppress crime and apprehend criminals in order to provide a sense of personal safety and security to citizens and business owners.

Main Activities: The most important things we do to fulfill the mission are:

- Interviewing of witnesses and interrogation of suspects
- Victim contact and follow-up
- Coordinate the flow of investigations and information among other jurisdictions and units
- Dignitary protection for qualified recipients
- Unmarked crime suppression activities.
- Reduce residential burglary through proactive strategic and tactical operatives.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	633,221	688,292	626,032	610,844	627,999	0.31%
Employee Benefits	388,753	421,484	480,838	476,228	298,981	-37.82%
Contractual	10,091	8,675	14,500	9,508	8,500	-41.38%
Commodities	11,920	8,478	12,500	11,700	10,900	-12.80%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	51,100	51,100	51,100	51,100	21,500	-57.93%
Other	-	-	-	-	-	0.00%
TOTALS	1,095,085	1,178,029	1,184,970	1,159,380	967,880	-18.32%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit and step increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction is the result of decreases in Professional Development/training and the funds maintained in the investigative expenses account.

Commodities:
Reduction is the result of decreases in external vehicle maintenance and minor equipment purchases and repairs.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Captain	1.00	1.00	1.00	1.00	1.00
Sergeant	2.00	1.00	1.00	1.00	1.00
Officer	8.00	5.00	5.00	4.00	4.00
Crime Intellegence Analyst	1.00	1.00	1.00	1.00	1.00
Office Assistant II	1.00	1.00	0.50	0.50	0.50
	13.00	9.00	8.50	7.50	7.50

GOALS AND OBJECTIVES	
GOAL: Thorough case investigation by interviewing witnesses and suspects.	OBJECTIVES: Clearance rates at or above the national average. There were 145 reported Serious (Part 1) Crimes (which consist of Violent and Property Crimes) in Palm Beach of which 52 were cleared by arrest or exceptional means, making the departments FY11 clearance rate 35.8%. The 2010 national average clearance rate for Violent Crimes was 47.2% and Property Crimes was 18.3%.
GOAL: Victim satisfaction of police department support and contact.	OBJECTIVES: Positive contact with victim/witness throughout investigation beginning with initial response. Responding officers provide victims/witnesses with contact information and a Victim/Witness brochure. Detectives and other members of the department are trained in Crisis Intervention techniques. The Office of the Governor conducts an annual Victims' Rights Compliance Review. The department's Crime Prevention Unit held various community events to educate and help protect persons from becoming victims to including Bullying Prevention, Social Network Safety, Women's Safety presentation, etc.
GOAL: Effective communication with other units and organizations to assist in investigations.	OBJECTIVES: Attendance at outside unit and/or agency information gathering meetings and distribution of pertinent investigative information. Detectives attend regularly scheduled intelligence meetings throughout the county and are actively involved in the creation of the Sexual Assault Response Team, a countywide initiative. Detectives have also committed to assist in the FBI's newly formed human trafficking task force. During FY11, 35 intelligence bulletins have been distributed to patrol personnel as well as being disseminated throughout the county. Weekly, a synopsis is sent to patrol outlining all the serious crimes and FIC's (Field Interview Cards) completed during that time period.
GOAL: Conduct the work of the Criminal Investigation Unit in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 1.86% in FY11 to 1.65% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Number of Crimes Investigated	242	228	214	231
Investigative Clearance Rate (Part 1)	38.8%	40%	35%	35.8%

PROGRAM: PARKING CONTROL UNIT 430

Mission: This division exists to provide for the efficient use of limited public parking availability through active enforcement of all parking ordinances, rules and regulations.

Main Activities: The most important things we do to fulfill the mission are:

- Patrol parking areas on a regular basis to identify and ticket violators
- Address inquiries and complaints from the public
- Handle pedestrian and vehicular traffic at schools and major intersections
- Apply vehicle immobilization device as necessary
- Review construction plans for traffic hazards, traffic flow and parking for special events as needed

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	378,479	347,762	295,855	294,355	305,495	3.26%
Employee Benefits	220,962	227,872	212,646	213,156	143,557	-32.49%
Contractual	4,883	29,235	38,400	32,600	40,700	5.99%
Commodities	13,413	7,703	11,600	11,600	9,500	-18.10%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	42,200	58,100	58,100	58,100	51,787	-10.87%
Other	-	-	-	-	-	0.00%
TOTALS	659,937	670,672	616,601	609,811	551,039	-10.63%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases and a change in the distribution of the Parking/Code Enforcement Specialist position to 25% Parking Enforcement Unit and 75% Code Enforcement Unit (Program 216).

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Increase is the result of maintenance contract on the electronic chalking system.

Commodities:
Reduction is the result of decrease in office supplies, minor equipment purchases and external vehicle maintenance.

Depreciation:
Reduction is the result of a review of the unit's fixed assets and elimination of equipment as a result of cost saving measures.

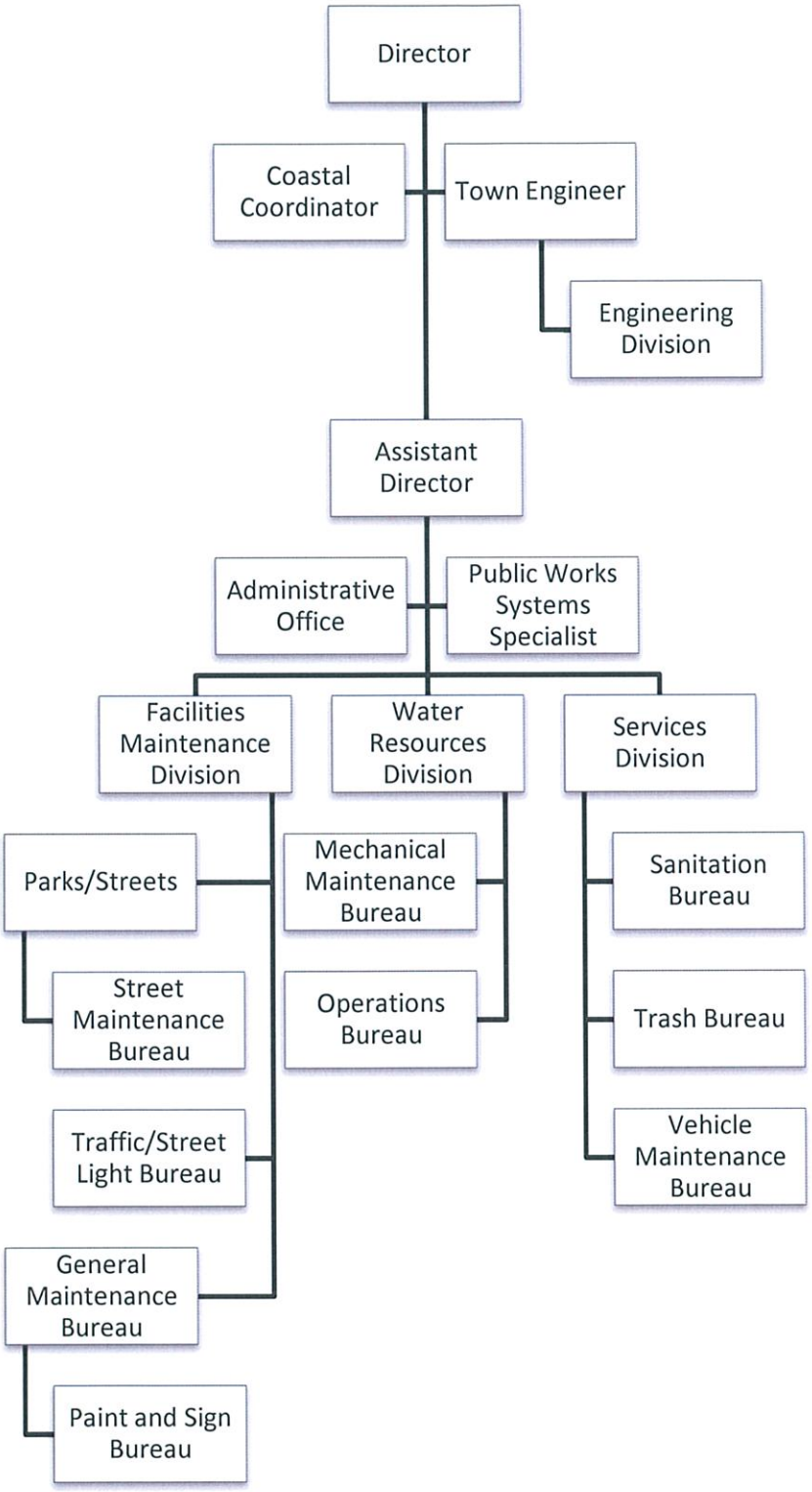
Fund	Department	Program
001	45	430
General	Police	Parking Control

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Captain	0.50	0.50	0.50	0.50	-
Sergeant	0.50	0.50	0.50	-	-
Parking/Code Enforcement Manager	-	-	-	0.50	0.50
Lead Parking Control Officer	1.00	1.00	1.00	1.00	1.00
Parking Enforcement Officer	5.00	5.00	5.00	5.00	6.00
Code/Parking Enforcement Specialist	0.50	0.25	0.25	0.25	0.25
	7.50	7.25	7.25	7.25	7.75

GOALS AND OBJECTIVES	
GOAL: Maximize motorist obedience of parking laws and rules.	OBJECTIVES: Educational efforts and the number of parking tickets and warnings issued for violations. Staff attended community meetings to discuss new parking fine proposals. Flyers were distributed to merchants regarding the permit program and to the public to educate them on the use of parking Kiosk. A demonstration was provided at the annual community National Night Out Against Crime event in August 2011.
GOAL: Citizens think the department's enforcement of parking/traffic laws and rules is successful.	OBJECTIVES: Provide substantial parking enforcement presence during all enforcement hours at all locations in the Town. Parking Enforcement personnel conducted 1,706 hours of foot patrol and 7,836 hours of vehicle patrol during FY11.
GOAL: Conduct the work of the Parking Control Unit in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .96% in FY11 to .94% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Parking Tickets	10,981	9,339	8,573	11,553
Kiosk Tickets	5,851	4,103	3,955	3,164
Traffic Boots	79	95	60	75

Public Works


Director
Coastal Coordinator
Town Engineer
Engineering Division
Assistant Director
Administrative Office
Public Works Systems Specialist
Facilities Maintenance Division
Water Resources Division
Services Division
Parks/Streets
Mechanical Maintenance Bureau
Sanitation Bureau
Street Maintenance Bureau
Operations Bureau
Trash Bureau
Traffic/Street Light Bureau
Vehicle Maintenance Bureau
General Maintenance Bureau
Paint and Sign Bureau

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: The citizens of the community will be proud of the appearance of Palm Beach and the effectiveness of public services and consider both as points of pride.	OBJECTIVES: A citizen satisfaction survey will be conducted. Results from satisfaction survey(s) should indicate more than 90% approval rating in the combined categories of "excellent" or "good" as related to Town appearance and public services. Public Works areas were covered within the scope of the 2005 town wide satisfaction survey and received approval ratings as stated above. No new survey is anticipated for this fiscal year.
GOAL: Create and maintain a work environment in which employees find motivation, relevance, and appreciation for the work they do.	OBJECTIVES: An employee survey will be conducted to determine employee morale, motivation, relevance and appreciation for tasks and work performed by Public Works Department personnel. Results from employee survey should indicate over 90% approval rating in combined categories of "excellent" or "good" in areas of motivation, relevance and appreciation. An unscientific, voluntary survey was completed and about half of the employees participated. Employees were asked about moral, motivation, relevance, and appreciation. Summarized Rating Results: 35.7% Excellent, 23.8% Good, 25.6% Fair, and 14.9% Poor. Results will be shared with managers and supervisors.
GOAL: The Town's facilities and infrastructure will be designed, constructed and maintained for optimum efficiency and effectiveness.	OBJECTIVES: We will utilize only qualified consultants selected by using the Consultants' Competitive Negotiation Act to plan and design the Town's infrastructure and facility needs. All consultants and design professionals will be instructed to take into consideration future maintenance requirements of any facilities designed. For construction needs, either pre-qualified contractors with an excellent performance record or formal bid contractors will be hired for public projects. Several consultants were hired using the Consultants' Competitive Negotiation Act in FY11, including those for Civil Engineering Design Services, architectural, structural, and mechanical engineering. The Town is continuing work on Worth Avenue using the construction manager at risk method that may also be used on the Accelerated Capital Improvement project.

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DEPARTMENT: PUBLIC WORKS

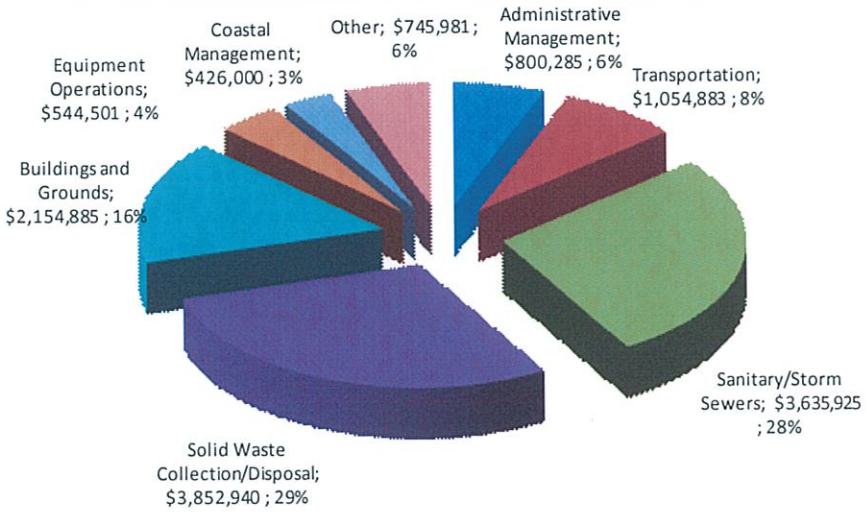
Mission: Public Works exists to create and maintain an attractive, safe, pleasing, and clean environment for the citizens of Palm Beach and an efficient, effective environment for all of the employees who serve this community by applying systems and techniques that provide for excellent operation/maintenance/repair of public buildings and grounds, continuous upgrading of general infrastructure, coastal protection, engineering and construction services.

Revenue Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Special Solid Waste	15,458	11,245	10,000	10,000	15,000	50.00%
Solid Waste	825,367	814,063	816,900	816,900	848,000	3.81%
Comp. Garbage Collection Fee	233,495	225,691	242,500	242,500	250,000	3.09%
SWA Recycling Revenue	-	41,105	50,000	60,000	60,000	20.00%
Beach Cleaning Citizen's Assoc	57,564	2,869	-	-	-	0.00%
Historic Speciman Tree Fee	-	3,978	4,000	4,000	5,000	25.00%
	1,131,884	1,098,951	1,123,400	1,133,400	1,178,000	4.86%

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	5,411,273	5,245,740	5,117,440	5,117,440	5,318,112	3.92%
Employee Benefits	2,675,748	2,662,012	2,696,311	2,696,311	1,885,288	-30.08%
Contractual	4,548,411	3,838,236	5,868,517	5,868,517	4,560,134	-22.29%
Commodities	772,488	709,788	680,978	680,978	740,189	8.69%
Capital Outlay	191,323	56,812	180,880	180,880	114,500	-36.70%
Depreciation	426,663	446,300	456,339	456,339	597,177	30.86%
Other	-	-	-	-	-	0.00%
TOTALS	14,025,906	12,958,888	15,000,465	15,000,465	13,215,400	-11.90%



	FY2009	FY2010	FY2011	FY2012
Full Time Equivalent Employees	101.46	97.75	86.35	86.85

Changes to FTEs:

- +.5 Public Works Purchasing Coordinator

PROGRAM: ADMINISTRATIVE MANAGEMENT 511

Mission: This division exists to provide guidance, inspiration, resources and direction to the Public Works Department to ensure that the multiple functions we perform are both efficient through our commitment to continual improvement and effective in meeting the expectations of the citizens we serve.

Main Activities: The most important things we do to fulfill the mission are:

- Provide oversight to all Public Works programs to ensure we maintain or improve levels of service and safety measures
- Implement the Town's Capital Improvement Plan, the Drainage Improvement Plan, and the Comprehensive Coastal Management Plan.
- Manage all projects authorized by the Town Council.
- Continually seek new and better ways to accomplish our mission.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	586,710	584,130	604,028	604,028	575,243	-4.77%
Employee Benefits	212,409	231,765	253,946	253,946	175,342	-30.95%
Contractual	30,485	36,818	42,898	42,898	40,500	-5.59%
Commodities	16,146	6,014	9,150	9,150	9,200	0.55%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	845,750	858,727	910,022	910,022	800,285	-12.06%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduced copy machine charges.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Public Works Director	1.00	1.00	1.00	1.00	1.00
Assistant Director	1.00	1.00	1.00	1.00	1.00
Town Engineer	0.50	0.50	0.50	0.50	-
Project Administrator	0.50	-	-	-	-
Office Manager	1.00	1.00	1.00	1.00	1.00
Office Assistant II	2.00	3.00	3.00	2.00	2.00
Records Maintenance Asst I	1.00	1.00	1.00	1.50	1.50
Public Works Purchasing Coordinator	-	-	-	-	0.50
Public Works Systems Specialist	1.00	1.00	1.00	1.00	1.00
	8.00	8.50	8.50	8.00	8.00

GOALS AND OBJECTIVES	
GOAL: Positive work environment that encourages personal and team commitment to our vision and values.	OBJECTIVES: Low turnover rate and positive employee feedback Only one non-retirement resignation in the last fiscal year. 6% non-retirement the previous year.
GOAL: Services provided to residents and other Town employees are sources of pride to all.	OBJECTIVES: Achieve satisfaction level of 90% or better from Town's citizen survey. A mean 87% of residents felt Public Works meets or exceeds their expectations for service (2005 Citizen's Survey). No new survey has been conducted by the Town.
GOAL: Conduct the work of Administrative Management in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from 1.42% in FY11 to 1.37% in FY12.

PROGRAM: STREET REPAIR & MAINTENANCE 521

Mission: This bureau exists to maintain, repair, and clean streets in order to provide a safe, smooth riding surface throughout the town and to assure that we have safe sidewalks, bikeways, and trail systems.

Main Activities: The most important things we do to fulfill the mission are:

- Employ state of the art techniques to do an excellent job
- Do the job right the first time
- Work to continually improve quality and efficiency
- Survey streets to prioritize work program
- Respond to emergencies and priorities in a timely fashion

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	76,184	78,207	111,696	111,696	111,030	-0.60%
Employee Benefits	35,916	29,646	62,586	62,586	41,678	-33.41%
Contractual	428,457	140,861	220,769	220,769	178,555	-19.12%
Commodities	9,742	8,209	7,650	7,650	9,221	20.54%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	13,900	18,500	18,833	18,833	22,809	21.11%
Other	-	-	-	-	-	0.00%
TOTALS	564,199	275,423	421,534	421,534	363,293	-13.82%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction of contractual pothole repair and parking lot resurfacing.

Commodities:
Minor increases in fuel and paving material costs.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Facilities Maintenance Manager	0.10	0.10	0.10	0.10	0.10
Streets/Parks Supervisor	0.11	0.11	0.11	0.11	0.11
Supervisor/Streets	0.75	-	-	-	-
Equipment Operator I/Streets	0.75	1.50	1.50	1.80	1.80
Irrigation and Spray Technician	0.01	0.01	0.01	0.01	0.01
	1.72	1.72	1.72	2.02	2.02

GOALS AND OBJECTIVES	
GOAL: Ride surfaces throughout the Town are smooth and safe. Citizens are satisfied with the quality of streets and bike trail systems.	OBJECTIVES: Observation and feedback from users. Continued to pursue multi-year paving and resurfacing program.
GOAL: Sidewalks and bike trail systems are safe and free from hazards.	OBJECTIVES: Observation and feedback from users, and periodic inspections. Continues to be swept, seal coated and paved 56,250 sq .yd. , 22 sidewalk squares replaced, 720 tons of debris removed from Town street sweeping.
GOAL: Apply state of the art techniques to our work.	OBJECTIVES: Engage in forums to continually learn new ideas and apply reporting improvements. Working with contractor on new products to repair pavements with surface damage, using top coat polymer system.
GOAL: Conduct the work of Street Repair and Maintenance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .60% in FY11 to .62% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Storm Inlets Cleaned and Inspected	1640	1640	1640	1640
Streets Resurfaced	102,602 sy	129,000 sy	37,279 sy	56,250 sy
Sidewalk Squares Replaced	200 sy	200 sy	200 sy	222 sy
Potholes Patched	20 sy	20 sy	80 sy	75 sy

PROGRAM: TRAFFIC CONTROL 523

Mission: This bureau exists to provide and maintain traffic signals and control signs to ensure safe, well marked street systems.

Main Activities: The most important things we do to fulfill the mission are:

- Preventive maintenance and inspection programs to proactively address issues
- Repair/replace signals and signs as necessary on Town's required level of service plan
- Upgrade signage and install new signs by required replacement schedule

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	84,957	89,890	95,283	95,283	92,865	-2.54%
Employee Benefits	39,840	28,959	38,722	38,722	29,954	-22.64%
Contractual	29,857	38,755	45,888	45,888	50,491	10.03%
Commodities	51,062	45,190	29,246	29,246	30,361	3.81%
Capital Outlay	-	-	7,000	7,000	7,000	0.00%
Depreciation	4,700	4,900	5,114	5,114	5,063	-1.00%
Other	-	-	-	-	-	0.00%
TOTALS	210,416	207,694	221,253	221,253	215,734	-2.49%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Increased dependence on outside vendors is necessary to maintain level of service.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Facilities Maintenance Manager	0.10	0.20	0.20	0.20	0.20
Electrician Supervisor	0.18	0.17	0.17	0.17	0.17
Streets/Parks Supervisor	0.01	0.01	0.01	0.01	0.01
General Maintenance Supervisor	0.01	0.01	0.01	0.01	0.01
Parks Supervisor I	0.11	0.11	0.11	-	-
Parks Laborer	0.01	0.01	0.01	-	-
Electrician II	0.45	0.42	0.42	0.42	0.42
Building Maintenance Worker	0.04	0.04	0.04	0.04	0.04
Street & Sign Painter	0.47	0.47	0.47	0.47	0.47
	1.38	1.44	1.44	1.32	1.32

GOALS AND OBJECTIVES	
GOAL: Minimize or eliminate traffic signal discrepancies, to ensure safe traffic movement on roads.	OBJECTIVES: Respond to outages or problems within prescribed level of service schedule. Accomplish preventive maintenance work to minimize outages. Responded to 39 outages. Replaced 95 Traffic signals, LED & signal heads Installed 12 countdown crosswalk timers.
GOAL: Town signs and pavement markings always have excellent appearance and meet Town's parking and traffic needs.	OBJECTIVES: Respond to discrepancies reported and perform periodic maintenance/replacement. Completed annual maintenance of traffic markings for curbs/streets. Signs are typically replaced every 5 years.
GOAL: Residents and visitors will be satisfied with our work.	OBJECTIVES: Satisfaction is measured by a satisfaction level of 90% or better from Town's citizen survey. No survey has been done since 2005.
GOAL: Conduct the work of Traffic Control in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .35% in FY11 to .37% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Inspections Performed on System	2	2	2	2
Traffic Control Signs Replaced	579	406	391	373
Street Name Signs Replaced	136	177	46	107
Control Lines Painted	18,483 ft	22,707 ft	26,448 ft	27,300 ft
Thermoplastic Lines Refurbished	17,998 ft	16,340 ft	15,780 ft	15,357 ft
Traffic Signal Replacement (LED)	51	41	37	37

PROGRAM: STREET LIGHTING 524

Mission: This bureau exists to maintain reliable, safe and effective street lighting systems that contribute to safe streets in the Town and protect endangered sea turtles from light intrusion during nesting season.

Main Activities: The most important things we do to fulfill the mission are:

- Conduct preventive maintenance annually on the 1,251 street lights in Town.
- Perform "locates" for underground wiring to minimize the likelihood of damage due to digging.
- Replacement of older poles on predetermined schedule for uniform lighting.
- Surveillance - check every 2 months; July 1 - Sept. 30.
- Timely installation of turtle shields (March 1 to Nov. 1) 129 turtle shades, twice/yr.
- Preventive maintenance, emergency repairs, and normal maintenance of the electrical system in all town buildings (554).
- Preventive maintenance, emergency repairs, and electrical maintenance of storm and sewer pump station controls, telemetry systems, and back-up generator systems (531 and 532).

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	133,721	148,529	113,795	113,795	112,932	-0.76%
Employee Benefits	46,829	36,873	39,815	39,815	34,530	-13.27%
Contractual	211,534	165,619	257,010	257,010	261,900	1.90%
Commodities	58,052	50,970	41,505	41,505	42,108	1.45%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	23,700	24,200	24,636	24,636	24,386	-1.01%
Other	-	-	-	-	-	0.00%
TOTALS	473,836	426,191	476,761	476,761	475,856	-0.19%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Electrician Supervisor	0.46	0.46	0.46	0.46	0.46
Electrician II	0.88	0.88	0.88	0.89	0.89
Facilities Maintenance Manager	0.10	0.10	0.10	0.10	0.10
	1.44	1.44	1.44	1.45	1.45

GOALS AND OBJECTIVES	
GOAL: Lighting system is functionally effective and efficient, and is electrically and structurally safe. Number and duration of outages is minimized.	OBJECTIVES: Monitor street light outages. Accomplish required maintenance and repairs needed. Emergencies responded to on the day received Responded to 86 outages. Continuing with inspections and replacements as needed.
GOAL: Turtle shades installed to comply with environmental guidelines.	OBJECTIVES: No complaints received regarding Town-owned lighting violations (i.e. full compliance with turtle shade requirements). Installing new street light standards which do not require turtle shade installations. Responded to one complaint regarding a turtle shade that had vibrated out of place and needed correction.
GOAL: Conduct the work of Street Lighting in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .75% in FY11 to .81% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Inspections of Entire System	12	12	12	12
Turtle Shades Placed/Removed	258	258	258	250

PROGRAM: STORM SEWER MAINTENANCE 531

Mission: This bureau exists to protect the health, safety and property of residents and businesses by effectively operating and maintaining the storm system.

Main Activities: The most important things we do to fulfill the mission are:

- Perform highest level of preventive maintenance to provide 100% equipment readiness at all times
- Clean, inspect and repair storm water collection and pumping systems to keep them fully functional
- Respond quickly to rainfall and storm events
- Evaluate and improve systems to meet or exceed design standards
- Anticipate rainfall events in order to allocate proper resources
- Track rainfall and storm duration for analysis and future planning

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	253,515	241,414	350,928	350,928	341,358	-2.73%
Employee Benefits	164,928	169,584	170,165	170,165	119,070	-30.03%
Contractual	142,128	135,400	205,151	205,151	213,750	4.19%
Commodities	45,779	54,455	51,869	51,869	56,960	9.82%
Capital Outlay	177,491	19,984	70,000	70,000	47,000	-32.86%
Depreciation	8,300	8,500	10,093	10,093	3,946	-60.90%
Other	-	-	-	-	-	0.00%
TOTALS	792,141	629,337	858,206	858,206	782,084	-8.87%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Commodities:
Anticipated increase in fuel and minor operating equipment. Partially offsetting reduction in operating supplies.

Capital Outlay:
Depreciation per Finance Department calculation of required operating expense contribution.

Fund	Department	Program
001	50	531
General	Public Works	Storm Sewer Maintenance

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Building Maintenance Worker	0.02	0.02	0.02	0.02	0.02
Electrician II	0.42	0.42	0.42	0.42	0.42
Electrician Supervisor	0.10	0.10	0.10	0.10	0.10
Equipment Operator I/WRD	1.25	1.25	1.25	0.25	0.25
Equipment Operator II/WRD	0.25	0.25	0.25	0.25	0.25
Irrigation and Spray Technician	0.01	0.01	0.01	0.01	0.01
Laborer II/WRD	0.25	0.25	0.25	-	-
Mechanic I/WRD	1.50	1.50	1.50	1.50	1.50
Mechanic II/WRD	0.38	0.38	0.38	0.38	0.38
Maintenance Mechanic Unit Supervisor	0.38	0.38	0.38	0.38	0.38
Parks Laborer	0.03	0.02	-	-	-
Parks Supervisor I	0.02	0.02	0.02	-	-
Tree Trimmer	0.04	0.04	0.04	0.04	0.04
Wastewater Operator I/WRD	1.25	1.25	1.25	1.75	2.00
Wastewater Operator II/WRD	0.38	0.38	0.38	0.38	0.38
WRD Manager	0.30	0.30	0.30	0.30	0.30
	6.58	6.57	6.55	5.78	6.03

GOALS AND OBJECTIVES	
GOAL: Flooding reduced or eliminated and storm sewer systems are capable and available to handle storm and flood situations, within Town's adopted level of service.	OBJECTIVES: Complete all station inspections, accomplish preventive maintenance, and ensure telemetry reliability and operation. Prevent operational down-time, and prevent street flooding or house flooding. All station inspections and systems checked on schedule – 72 preventive maintenance (PMs) work orders completed in FY11 – each visit entails multiple tasks. 72 total PM events were scheduled for FY11. Repaired or replaced 5 storm water pumps in FY11 (3 hydraulic pumps and 2 electric submersible pumps). Conducted 274 storm-sewer basin inspections and high-pressure cleaned 245 feet of storm sewer mains. Performed 2,297 mark-outs generated from the Florida One-Call Center.
GOAL: Meet 100% of the environmental compliance requirements imposed by governmental authorities.	OBJECTIVES: Monitor 100% of the environmental compliance requirements imposed by governmental authorities, with no reported deficiencies. No reported deficiencies. NPDES documentation submitted in timely and accurate fashion. 100% compliance.
GOAL: Respond to, investigate, and resolve valid customer inquiries and telemetry system problems.	OBJECTIVES: Timely corrective action is taken on valid problems identified. Telemetry system is 100% functional with no failures or outages affecting operations this period. Responded to 62 specific complaints of various issues this fiscal year, ie; WPB water, owner issues, etc, and resolved all issues. Responded to 4 after-hours rainfall events.

Fund	Department	Program
001 General	50 Public Works	531 Storm Sewer Maintenance

GOAL: Conduct the work of Storm Sewer Maintenance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 1.31% in FY11 to 1.34% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Weekly Check Storm Water Pump Stations	728	728	728	728
Bi-Annual Preventive Maintenance on Components	70	70	50	28
System Pumps Repaired In-House	4	4	6	3
Telemetry of Each Station Checked 5 days/wk	3900	3900	3458	3640

PROGRAM: SANITARY SEWER MAINTENANCE 532

Mission: This bureau exists to protect the health and well being of residents, businesses and visitors by operating a sanitary sewer system that prevents sewage back-up, spillage or odor impact and is 100% reliable.

Main Activities: The most important things we do to fulfill the mission are:

- Schedule and conduct proper preventive maintenance and repairs on all systems.
- Troubleshoot and repair all mechanical problems the "right way", the first time.
- Televise gravity lines and repair as necessary.
- Closely monitor run time for pumps.
- Reduce inflow and infiltration into systems to reduce treatment costs.
- Upgrade stations to improve efficiency.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	629,858	671,238	607,168	607,168	677,464	11.58%
Employee Benefits	300,141	334,296	326,239	326,239	232,297	-28.80%
Contractual	147,070	127,454	178,917	178,917	112,581	-37.08%
Commodities	130,201	73,248	76,202	76,202	81,100	6.43%
Capital Outlay	-	2,794	80,000	80,000	60,500	-24.38%
Depreciation	53,700	54,800	57,226	57,226	73,433	28.32%
Other	-	-	-	-	-	0.00%
TOTALS	1,260,970	1,263,830	1,325,752	1,325,752	1,237,375	-6.67%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
FY11 expenditures included unanticipated engineering study of hydrogen sulfide levels in the sanitary sewer system. FY12 budget reduced to a level that is consistent with previous years actual expenditures

Commodities:
Anticipated increase in fuel and water. Partially offsetting decrease in building, equipment, and telemetry repair.

Capital Outlay:
Depreciation per Finance Department calculation of required operating expense contribution.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Building Maintenance Worker	0.06	0.02	0.02	0.02	0.02
Electrician II	0.60	0.60	0.60	0.63	0.63
Electrician Supervisor	0.13	0.13	0.13	0.13	0.13
Equipment Operator I/WRD	0.75	0.75	0.75	0.75	0.75
Equipment Operator II/WRD	0.75	0.75	0.75	0.75	0.75
Equipment Operator/Parks	0.06	0.06	0.06	-	-
General Maintenance Supervisor	0.01	0.01	0.01	0.01	0.01
Irrigation and Spray Technician	0.01	0.01	0.01	0.01	0.01
Laborer	0.75	0.75	0.75	-	-
Maintenance Mechanic Unit Supervisor	0.62	0.62	0.62	0.62	0.62
Mechanic I/WRD	1.50	1.50	1.50	1.50	1.50
Mechanic II/WRD	0.62	0.62	0.62	0.62	0.62
Parks Laborer	0.10	0.06	0.02	-	-
Street & Sign Painter	0.01	0.01	0.01	0.01	0.01
Tree Trimmer	0.04	0.04	0.04	0.04	0.04
Wastewater Operator I/WRD	3.75	3.75	3.75	4.75	5.00
Wastewater Operator II/WRD	0.62	0.62	0.62	0.62	0.62
WRD Manager	0.70	0.70	0.70	0.70	0.70
	11.08	11.00	10.96	11.16	11.41

GOALS AND OBJECTIVES	
GOAL: No spills, overflows, or backups. Stations and systems for handling sanitary waste are 100% operational, with preventive maintenance (PM) and repairs done in a timely manner, to ensure no operational down-time.	OBJECTIVES: Spills, overflows, or backups are monitored. Repairs and preventive maintenance are completed in timely manner. 100% compliance – 208 preventive maintenance work orders completed this fiscal year. Telemetry was 100% operational with no outages. Accomplished 21 "cap-off" inspections and 40 connection/re-connection inspections of sewer mains/laterals. Repaired or replaced 4 Air Relief Valves and conducted 62 ARV Inspections. Conducted 273 manhole inspections and high-pressure cleaned 165,692 feet (31.4 miles) of sanitary sewer mains. Grouted 3 storm water pipes to eliminate infiltration.
GOAL: Maintain 100% compliance with EPA regulations.	OBJECTIVES: Report compliance rate and exceptions. 100% compliance. No violations noted or received.
GOAL: Respond to, investigate, and resolve valid customer inquiries and telemetry system problems.	OBJECTIVES: Outages or complaints are promptly resolved. Had no telemetry failures or outages during the year. 68 customer calls received of various issues (Majority customer responsibility.) all resolved.

Fund	Department	Program
001 General	50 Public Works	532 Sanitary Sewer Maintenance

GOAL: Conduct the work of Sanitary Sewer Maintenance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 2.01% in FY11 to 2.11% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Reduce Inflow and Infiltration	2%	1%	<1%	<1%
Inspect/Operate Sanitary Pump Stations	3592	3592	3592	3592
Semi-annual Preventive Maintenance on Sanitary Components	186	186	224	196
Telemetry of Each Station Checked 5 days/wk	13,480	13,840	13,530	15,600
Quarterly Test Each Station Alarm Points	224	230	230	240
Inspect and Repair/Replace Manholes	200	235	262	273

PROGRAM: SANITARY SEWAGE TREATMENT 533

This program reflects the costs of treating our sanitary sewage which is pumped either directly to the East Central Regional Water Reclamation Facility or to the East Central Regional Water Reclamation Facility via the City of Lake Worth.

In September 1992, the Town entered into a joint interlocal agreement (the "Agreement") with Palm Beach County and three municipalities (West Palm Beach, Riviera Beach and Lake Worth) whereby prior separate agreements were consolidated into a single unified agreement to establish rules and procedures for the operation and management of the East Central Regional Wastewater Treatment Facility (ECR) in which each participating entity had an ownership interest. ECR was created to receive, treat, and dispose of sewage generated within each municipality and the County. The initial term of the Agreement is for thirty years with a renewable term of thirty years. In the event ECR is sold or disposed of, proceeds of the sale or disposition shall be prorated among the entities, based on their reserve capacity as of the date of disposition. As of September 30, 2009, the Town had a 7.8125% interest in ECR.

The Agreement provides for the establishment of a Governing Board (the "Board"), consisting of one representative from each entity participating in the Agreement, to administer the ECR. Under the Agreement, the Board has the power to enter into contracts, employ personnel and enter into debt in accordance with Section 163.01(7) of Florida Statutes. In accordance with the Agreement, the City of West Palm Beach operates and manages ECR on behalf of the Board.

All costs of operating the ECR, excluding depreciation, are shared by each of the entities based on actual flows of wastewater. Costs associated with capital projects, renewal and replacement, and debt service are shared among the participating governments based on their pro-rata share of reserve capacity. Since the Town's interest in ECR represents an equity interest primarily in capital assets and since the Town's investment was funded from General Fund monies, the Town's net investment in ECR is recorded in the General Fixed Asset Account Group based upon the Town's 7.8125% interest in the net assets of ECR. To date, ECR has only experienced losses as a result of depreciation on contributed fixed assets. The Town does not believe that the joint venture is accumulating significant financial resources or experiencing financial stress that may cause a future benefit or burden to the Town.

Alternative pumping methods are being developed to reduce dependency on other utilities and reduce program costs.

Based on a "Participatory Agreement" signed by all participants in April 1993, ECR constructed improvements amounting to approximately $22,377,000, which was financed by the State of Florida Department of Environmental Protection Revolving Loan Fund. Pledged revenue consisting of all fees and payments received by ECR will be used to repay the debt. As of August 31, 2011, the outstanding balance due to the State Loan Fund was $6,507,894.

Each entity's interest as of September 30, 2011 is as follows:

Participant	Reserve Capacity %
City of West Palm Beach	26.56%
Palm Beach County	33.60%
City of Lake Worth	19.53%
City of Riviera Beach	12.50%
Town of Palm Beach	7.81%

Fund	Department	Program
001	50	533
General	Public Works	Sanitary Sewage Treatment

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	-	0.00%
Contractual	1,438,498	1,480,304	2,335,084	2,335,084	1,616,466	-30.77%
Commodities	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	1,438,498	1,480,304	2,335,084	2,335,084	1,616,466	-30.77%

Contractual:
FY2012 estimate is in line with previous year's actual expenses. FY2011 budget estimate includes a $640,400 carry over due to a billing dispute with Lake Worth. These funds are carried forward each year at the beginning of the fiscal year, therefore, FY2012 will increase by this amount as well.

PROGRAM: RESIDENTIAL COLLECTION 541

Mission: This bureau exists to promote the health of the community through the efficient and effective removal of residential waste on a regular schedule prescribed by ordinance.

Main Activities: The most important things we do to fulfill the mission are:

- Collect garbage four days per week and recyclable materials once per week.
- Minimize the impact of garbage odors, pest attraction and unpleasant appearance.
- Collect with the least disruption possible.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	473,165	483,865	498,303	498,303	499,891	0.32%
Employee Benefits	297,053	308,421	300,895	300,895	202,788	-32.61%
Contractual	420	675	800	800	800	0.00%
Commodities	43,292	41,024	54,750	54,750	51,950	-5.11%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	41,800	35,200	35,834	35,834	86,211	140.58%
Other	-	-	-	-	-	0.00%
TOTALS	855,730	869,185	890,582	890,582	841,640	-5.50%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Commodities:
No appreciable change

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Building Maintenance Worker	0.02	0.02	0.02	0.02	0.02
Equipment Operator I/6 yd	7.20	7.20	7.20	6.20	6.20
Equipment Operator II 20/60 yd	0.88	0.88	0.88	0.88	0.88
Equipment Operator III 20/60 yd	0.75	0.75	0.75	0.75	0.75
General Maintenance Supervisor	0.01	0.01	0.01	0.01	0.01
Laborer I/Trash	2.00	2.00	1.00	0.50	0.50
Parks Laborer	-	-	-	0.05	0.05
Sanitation Supervisor	0.40	0.40	0.40	0.40	0.40
Services Manager	0.28	0.28	0.28	0.28	0.28
	11.54	11.54	10.54	9.09	9.09

GOALS AND OBJECTIVES	
GOAL: Meet the collection schedule 100% of the time.	OBJECTIVES: Report exceptions to the desired result. No exceptions, collection service provided as scheduled 100% of the time.
GOAL: Residents are satisfied with the level and quality of service.	OBJECTIVES: Satisfaction is measured by on schedule completion of routes, and resident satisfaction based on correlation of complaints received to residents served. Approximately 2,533 residential households are serviced daily. Only 22 complaints or reports of garbage misses this fiscal year.
GOAL: Conduct the work of Residential Collection in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 1.40% in FY11 to 1.44% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Tons Collected	7150	6592	6435	6362
Reported Misses	8	8	10	22

PROGRAM: COMMERCIAL COLLECTION 542

Mission: This bureau exists to serve the commercial and business garbage collection and disposal needs of the community.

Main Activities: The most important things we do to fulfill the mission are:

- Steady, consistently excellent scheduled service without missing pickups.
- Maintain positive customer relationships with commercial customers.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	457,203	431,570	473,825	473,825	474,525	0.15%
Employee Benefits	195,246	196,670	224,120	224,120	148,726	-33.64%
Contractual	221,671	236,991	249,289	249,289	244,700	-1.84%
Commodities	30,439	28,640	47,000	47,000	38,000	-19.15%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	39,700	40,500	41,229	41,229	69,898	69.54%
Other	-	-	-	-	-	0.00%
TOTALS	944,259	934,371	1,035,463	1,035,463	975,849	-5.76%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Commodities:
Fuel cost reduced to reflect actual usage.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Equipment Operator II 20/60 yd	0.12	0.12	0.12	0.12	0.12
Equipment Operator II/20 yd	2.00	2.00	2.00	2.00	2.00
Equipment Operator III 20/60 yd	0.25	0.25	0.25	0.25	0.25
Laborer I/Sanitation	4.00	4.00	4.00	3.00	3.00
Sanitation Supervisor	0.40	0.40	0.40	0.40	0.40
Services Manager	0.15	0.15	0.15	0.15	0.15
	6.92	6.92	6.92	5.92	5.92

GOALS AND OBJECTIVES	
GOAL: Meet the collection schedule 100% of the time.	OBJECTIVES: Report exceptions to the desired result. Collection service was provided as scheduled 100% of the time at accessible locations. (Note: The only exceptions are those customer locations that were inaccessible due to parked vehicles, locked gates, etc).
GOAL: Business owners are satisfied with the level and quality of service.	OBJECTIVES: Satisfaction is measured by low number or lack of complaints or a satisfaction level of 90% or better from business survey. Approximately 142 locations with 357 dumpsters/cans that are serviced Monday-Friday throughout the Town, including restaurants, condos, retail and public buildings and locations. Weekend service is provided to establishments required by Town Ordinance. 5 complaints were received this fiscal year, with no verified misses.
GOAL: Conduct the work of Commercial Collections in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 1.62% in FY11 to 1.67% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Tons Collected	2382	2200	2144	2120
Reported Misses	5	0	0	0

PROGRAM: REFUSE DISPOSAL 543

Mission: This program exists to serve the community's health and welfare by transporting residential and commercial garbage to the county solid waste authority for appropriate processing disposal.

Main Activities: The most important things we do to fulfill the mission are:

- Operate transfer station to efficiently and effectively transport all residential and commercial garbage to the Solid Waste Authority for disposal.
- Function as part of the team that collects garbage and delivers it to the transfer station to assure proper coordination and efficiency.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	-	0.00%
Contractual	48,307	60,147	111,980	111,980	100,000	-10.70%
Commodities	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	48,307	60,147	111,980	111,980	100,000	-10.70%

Contractual:
Reduced to reflect estimated volume. Partially offset by minor anticipated tipping fee increase.

GOALS AND OBJECTIVES	
GOAL: Transport done in a timely and efficient manner.	OBJECTIVES: 100% of waste collected will be transported within required parameters with exceptions reported. Approximately 9,140.09 tons of combined residential and commercial garbage transported to SWA for disposal for FY11.
GOAL: Disposal costs at the SWA reduced through operational initiatives.	OBJECTIVES: Recycling tonnage remained constant to reduce SWA costs and yard trash credit secured through renewal each year. Approximately 1633 tons of discarded recyclable garbage was diverted from residential and commercial garbage FY11 into the recycling program.
GOAL: Conduct the work of Refuse Disposal in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .18% in FY11 to .17% in FY12.

PROGRAM: YARD TRASH COLLECTION 544

Mission: This bureau exists to collect yard trash from streets, rights of way and off road 'stash' areas in a safe, timely, efficient and effective manner to keep the Town attractive and drainage inlets clear.

Main Activities: The most important things we do to fulfill the mission are:

- Provide weekly curbside collection, transport and disposal of yard waste from all properties in the Town.
- Perform our job with commitment to leaving the pick up site clean and free of waste residue.
- Keep storm drains clear for proper drainage.
- See ourselves as partners with other Public Works divisions to serve community drainage needs.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	899,957	870,662	809,834	809,834	823,700	1.71%
Employee Benefits	524,282	483,187	542,211	542,211	374,055	-31.01%
Contractual	46,634	47,573	86,054	86,054	99,100	15.16%
Commodities	100,911	99,397	98,800	98,800	133,800	35.43%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	125,700	128,200	130,508	130,508	150,371	15.22%
Other	-	-	-	-	-	0.00%
TOTALS	1,697,484	1,629,019	1,667,407	1,667,407	1,581,026	-5.18%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Additional ground water monitoring required at the two land fill sites.

Commodities:
Additional fuel costs anticipated.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Building Maintenance Worker	0.02	0.02	0.02	0.02	0.02
Crane Operator/Trash	3.00	3.00	3.00	3.00	3.00
Electrical Supervisor	0.01	0.01	0.01	0.01	0.01
Electrician II	0.01	0.01	0.01	0.01	0.01
Equipment Operator I/Streets	0.25	0.25	0.25	-	-
Equipment Operator I/Trash	8.00	8.00	8.00	8.00	8.00
General Maintenance Supervisor	0.01	0.01	0.01	0.01	0.01
Irrigation and Spray Technician	0.01	0.01	0.01	0.01	0.01
Laborer I/Trash	7.00	7.00	6.00	4.50	4.50
Refuse Disposal Operator	1.00	1.00	1.00	1.00	1.00
Services Manager	0.30	0.30	0.30	0.30	0.30
Streets Supervisor	0.25	0.25	0.25	-	-
Streets/Parks Supervisor	0.02	0.02	0.02	0.02	0.02
Trash Supervisor	0.90	0.90	0.90	0.90	0.90
	20.78	20.78	19.78	17.78	17.78

GOALS AND OBJECTIVES	
GOAL: Service provided meets or exceeds the expectations of the residents.	OBJECTIVES: Satisfaction is measured by low number or lack of complaints - report exceptions and improve to correct problems. Routes are completed as scheduled daily. No exceptions, collection service was provided as scheduled 100% of the time. All complaints investigated and resolved. Approximately 169,500 c.y. of yard trash has been collected during FY11.
GOAL: Storm drain blockage minimized due to yard trash pickup practices.	OBJECTIVES: Report all exceptions to Town's yard waste pickup schedules. Supervisors issued 115 code violations/warnings in FY11 to assure trash was placed out legally, down from 131 warnings last year.
GOAL: Conduct the work of Yard Trash Collection in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in level of service. The percentage of general fund budget dedicated to this program increased from 2.60% in FY11 to 2.70% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Collect, Transport and Dispose of Yard Trash	166,289 cy	179,520 cy	189,110 cy	169,500 cy

PROGRAM: RECYCLING 545

Mission: This bureau exists to provide premier collection services to the residents, businesses and visitors in an efficient, safe and courteous manner.

Main Activities: The most important things we do to fulfill the mission are:

- Collect and dispose of recyclables on schedule.
- Demonstrate excellent customer service in all we do.
- Publicize and encourage participation in recycling programs.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	162,819	163,179	155,035	155,035	155,377	0.22%
Employee Benefits	85,642	88,831	98,735	98,735	63,976	-35.20%
Contractual	-	-	-	-	-	0.00%
Commodities	13,871	13,738	16,500	16,500	18,800	13.94%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	32,800	33,500	34,103	34,103	23,197	-31.98%
Other	-	-	-	-	-	0.00%
TOTALS	295,132	299,248	304,373	304,373	261,350	-14.13%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Commodities:
Additional fuel costs anticipated.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Equipment Operator I/6 yd	1.80	1.80	1.80	1.80	1.80
Equipment Operator I/Trash	1.00	1.00	1.00	-	-
Laborer I/Trash	-	-	-	1.00	1.00
Sanitation Supervisor	0.20	0.20	0.20	0.20	0.20
Services Manager	0.17	0.17	0.17	0.17	0.17
	3.17	3.17	3.17	3.17	3.17

GOALS AND OBJECTIVES	
GOAL: Residents are satisfied with recycling services.	OBJECTIVES: Satisfaction is measured by low number or lack of complaints, and active resident recycling participation. Out of 2,533 households, 2,229 recycle, along with a majority of businesses. 240 curb side bins and 20 commercial bins were distributed this fiscal year to facilitate recycling efforts.
GOAL: Services provided on schedule 100% of the time.	OBJECTIVES: Report exceptions or complaints. Recycling services were not necessary this year on holidays.
GOAL: Conduct the work of Recycling in an efficient manner	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .48% in FY11 to .45% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Residential Participation Rate	80%	80%	80%	88%
Commercial Participation Rate	80%	80%	80%	80%
Tons Collected	1840	1579	1644	1,629

PROGRAM: BEACH CLEANING 546

Mission: This bureau exists to positively contribute to the quality of life in Palm Beach by keeping the public beaches clean, safe and attractive by removing litter and debris.

Main Activities: The most important things we do to fulfill the mission are:

- Remove trash and litter from designated public beach areas as scheduled.
- Determine ways to be most efficient and effective in our work.
- Report and assist as applicable with the removal of any beach hazards.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	76,930	46,727	54,662	54,662	54,662	0.00%
Employee Benefits	47,899	31,707	36,109	36,109	24,273	-32.78%
Contractual	-	-	-	-	-	0.00%
Commodities	6,855	4,744	8,000	8,000	6,990	-12.63%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	12,100	12,300	11,521	11,521	7,150	-37.94%
Other	-	-	-	-	-	0.00%
TOTALS	143,784	95,478	110,292	110,292	93,075	-15.61%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Commodities:
Anticipated fuel usage reduced based on actual consumption.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Beach Cleaner	1.75	1.75	1.00	1.00	1.00
Equipment Operator I/Trash	0.14	-	-	-	-
Trash Supervisor	0.10	0.10	0.10	0.10	0.10
	1.99	1.85	1.10	1.10	1.10

GOALS AND OBJECTIVES	
GOAL: Clean, safe and attractive beaches that meet citizens expectations.	OBJECTIVES: Satisfaction is measured by low number or lack of complaints. All litter removed from beach. Services were reduced to Public Beach areas only. About 788 bags (44 lbs. per bag) of litter and debris was removed from the beaches.
GOAL: Improve beach conditions by cleaning beach areas to the wrack line once per week while meeting environmental constraints.	OBJECTIVES: Set schedule and meet 100% of the time. Cleaning schedule was met 100% of the time in all available areas (Note: Some sections may not be accessible due to high ties, erosion, scarp formations, etc – this may occasionally result in approximately 90% overall coverage). Work completed within environmental permit constraints.
GOAL: Continually seek better ways to perform our function to be more efficient and effective.	OBJECTIVES: Seek opportunities to expand innovative possibilities and report success. Personnel attended permit conditions meeting to exchange and share information and beach cleaning criteria.
GOAL: Conduct the work of Beach Cleaning in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .17% in FY11 to .16% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Public Beach Wrack Line Cleaned Weekly	52	52	52	52
Non-Biotic Waste Collected, Tons	312	20	20	17.3

PROGRAM: LANDSCAPE MAINTENANCE 551

Mission: This bureau exists to maintain all Town parks, green spaces, and entry ways into the Town of Palm Beach to the highest standards.

Main Activities: The most important things we do to fulfill the mission are:

- Maintain public areas to optimum condition adhering to established work program.
- Trim palm trees on regular schedule.
- Provide light maintenance to some privately owned historic/specimen trees.
- Manage contractor to inoculate 2600 +/- palm trees 3x yearly that are susceptible to lethal yellowing disease.
- Continually seek new approaches and improved systems to enhance efficiency and effectiveness.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	419,868	308,605	295,579	295,579	330,517	11.82%
Employee Benefits	295,884	248,233	180,378	180,378	125,894	-30.21%
Contractual	469,024	458,864	708,078	708,078	649,972	-8.21%
Commodities	68,814	59,652	43,505	43,505	54,905	26.20%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	31,200	31,800	32,372	32,372	46,976	45.11%
Other	-	-	-	-	-	0.00%
TOTALS	1,284,790	1,107,154	1,259,912	1,259,912	1,208,264	-4.10%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduced contractual expenses based on previous years actual expense.

Commodities:
Anticipated increase in irrigation water and fuel costs

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Royal Palms Trimmed, 2x/yr	550	550	550	550
Lethal Yellowing Inoculation	$35,191	$33,741	$35,560	$36,132

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Building Maintenance Worker	0.16	0.16	0.16	0.16	0.16
Electrician II	0.04	0.04	0.04	0.06	0.06
Electrician Supervisor	0.01	0.01	0.01	0.01	0.01
Equipment Operator/Parks	1.93	1.93	1.93	-	-
Equipment Operator/Streets	-	-	-	0.20	0.20
Facilities Maintenance Manager	0.35	0.35	0.35	0.35	0.35
General Maintenance Supervisor	0.03	0.03	0.03	0.03	0.03
Irrigation and Spray Technician	0.91	0.91	0.91	0.91	0.91
Nursery Worker	0.90	0.90	0.90	-	-
Parks Laborer	3.82	2.90	1.98	1.85	1.85
Parks Supervisor I	0.84	0.84	0.84	-	-
Street & Sign Painter	0.01	0.01	0.01	0.01	0.01
Streets/Parks Supervisor	0.81	0.81	0.81	0.81	0.81
Tree Trimmer	1.80	1.80	1.80	1.80	1.80
Wastewater Operator I/WRD	-	-	-	0.50	-
	11.61	10.69	9.77	6.69	6.19

GOALS AND OBJECTIVES	
GOAL: Healthy trees that will resist storm damage and enhance aesthetics of Palm Beach.	OBJECTIVES: Percent of trees lost per year due to disease or storm damage and cost of replacement. We lost 37 coconut palms due to diseases caused by an early cold winter. We saved another 20 with treatment for bud rot. Replaced 2 palms and one citrus tree on Worth Ave. as warranty items.
GOAL: Citizens satisfaction with the quality of our work in the parks and medians.	OBJECTIVES: Satisfaction is measured by low number or lack of complaints or a satisfaction level of 90% or better from citizen survey. No current survey was conducted. Coconut trimming is done twice a year now and the program has been highly successful.
GOAL: Maintenance schedule adhered to 100% of the time.	OBJECTIVES: Report exceptions to scheduled work. All areas maintained on a daily basis, no exceptions noted. Work covers over 35 acres of turf maintenance, trimming over 700 trees and maintaining 9 Town parks. Lethal yellowing inoculations were completed for FY2011. Also added areas to maintenance list based on TMO guidance (Quadrille property and Town Hall north end).
GOAL: Conduct the work of Landscape Maintenance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 1.92% in FY11 to 2.06% in FY12.

PROGRAM: FACILITY MAINTENANCE 554

Mission: This bureau's main function is to maintain Town facilities to a high standard, providing timely repairs and making residents proud of the Town.

Main Activities: The most important things we do to fulfill the mission are:

- Ensure a clean, safe, and positive work environment for staff and visitors.
- Set and follow maintenance schedules.
- Repair, maintain and inspect all Town structures.
- Do our work efficiently always seeking better tools, techniques and methods.
- Ensure a clean, safe and positive work environment.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	283,530	277,095	148,787	148,787	211,011	41.82%
Employee Benefits	95,257	98,652	75,711	75,711	71,452	-5.63%
Contractual	605,164	470,362	689,073	689,073	605,263	-12.16%
Commodities	47,358	58,852	44,645	44,645	45,589	2.11%
Capital Outlay	-	4,491	-	-	-	0.00%
Depreciation	17,000	17,300	17,611	17,611	13,306	-24.44%
Other	-	-	-	-	-	0.00%
TOTALS	1,048,309	926,752	975,827	975,827	946,621	-2.99%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Estimated electrical cost lowered based on recent years usage. Partially offset by slightly increased water, natural gas, and janitorial costs.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Building Maintenance Worker	1.16	1.22	1.22	0.22	0.22
Electrician II	0.42	0.42	0.42	0.42	0.42
Electrician Supervisor	0.08	0.08	0.08	0.08	0.08
Facility Maintenance Manager	0.25	0.25	0.25	0.25	0.25
General Maintenance Supervisor	0.76	0.78	0.78	0.78	0.78
Irrigation and Spray Technician	0.01	0.01	0.01	0.01	0.01
Nursery Worker	0.09	0.09	0.09	-	-
Parks Laborer	-	-	-	0.10	0.10
Street Sign Painter	0.41	0.41	0.44	0.41	0.41
	3.18	3.26	3.29	2.27	2.27

GOALS AND OBJECTIVES	
GOAL: Citizens are proud of the appearance of Town buildings.	OBJECTIVES: Satisfaction is measured by a low number or lack of complaints from residents or a satisfaction level of 90% or better from citizen survey. No recent survey has been conducted.
GOAL: Provide a clean, safe and aesthetically pleasing work environment for the public and Town employees.	OBJECTIVES: Satisfaction is measured by low number or lack of complaints and requests for service and visual inspection. A/C ductwork cleaned every 3 years to provide clean air quality. 100% of preventive maintenance work was completed. Duct work was cleaned in Public Works, Recreation and South Fire station.
GOAL: Conduct the work of Facility Maintenance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from 1.44% in FY11 to 1.62% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Building Inspections	72	144	112	164
A/C Duct Cleaning	4	1	1	4
Buildings Painted	1	6	8	6
Benches Pressure Cleaned	74	74	74	78
Public Containers Pressure Cleaned	42	42	52	52

PROGRAM: METER MAINTENANCE AND COLLECTION 558

Mission: This bureau exists to provide revenue collection and maintenance of metered parking system in order to maximize revenue.

Main Activities: The most important things we do to fulfill the mission are:

- Keep all meters reliable, accurate and in service through a regular maintenance program.
- Collect meter revenue on a scheduled basis.
- Maximize efficiency of operations by inspecting mechanical and electrical systems with each collection.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	46,983	32,509	27,900	27,900	28,267	1.32%
Employee Benefits	15,660	13,833	15,442	15,442	10,046	-34.94%
Contractual	48,227	61,554	42,944	42,944	63,630	48.17%
Commodities	10,833	14,658	17,900	17,900	18,707	4.51%
Capital Outlay	13,832	29,543	23,880	23,880	-	-100.00%
Depreciation	1,400	15,600	15,881	15,881	51,007	221.18%
Other	-	-	-	-	-	0.00%
TOTALS	136,935	167,697	143,947	143,947	171,657	19.25%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Bank service charges increased to reflect actual costs as well as an increase due to installation of additional kiosks.

Capital:
Previous years budgets included funds for the purchase of additional kiosks. No funds are budgeted this year.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
General Maintenance Supervisor	0.12	0.10	0.10	0.10	0.10
Building Maintenance Worker	0.46	0.39	0.39	0.40	0.40
	0.58	0.49	0.49	0.50	0.50

Fund	Department	Program
001	50	558
General	Public Works	Meter Maintenance/Collection

GOALS AND OBJECTIVES	
GOAL: Meters are functional and efficient at all times.	OBJECTIVES: Monitor the number of meters repaired. Meters are inspected weekly, parking enforcement officers also report issues and daily computer generated reports are reviewed. Approximately 964 reported problems were investigated.
GOAL: Collections made as needed.	OBJECTIVES: Meters are collected as required (when full). Cashbox levels are remotely monitored as well as alarms indicating that any of the 42 meters are out of service. 92 collections were completed. Approximately $738,835 in revenue was collected for an increase of 9.08%.
GOAL: Conduct the work of Meter Maintenance and Collection in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .19% in FY11 to .29% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Inspections	104	104	104	86
Collections	104	104	104	92

PROGRAM: GENERAL ENGINEERING SERVICES 561

Mission: This division exists to apply sound engineering and architectural principles to plan, budget, design, and build infrastructure that maximizes functionality and minimizes maintenance, repair and replacement costs.

Main Activities: The most important things we do to fulfill the mission are:

- Prepare budget estimates for infrastructure projects.
- Plan, design and oversee construction of public facilities.
- Complete design, cost estimates, and construction of miscellaneous minor projects not planned or budgeted elsewhere.
- Coordinate with other entities to address engineering issues and address complaints.
- Continually seek new and better ways to provide our services.
- Conduct development review and contract administration.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	385,483	345,506	287,540	287,540	355,518	23.64%
Employee Benefits	122,615	125,076	114,723	114,723	87,551	-23.68%
Contractual	24,483	12,720	36,039	36,039	16,900	-53.11%
Commodities	7,069	5,687	6,750	6,750	7,450	10.37%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	8,400	8,600	8,755	8,755	8,062	-7.92%
Other	-	-	-	-	-	0.00%
TOTALS	548,050	497,589	453,807	453,807	475,481	4.78%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
FY11Budget was increased to accommodate a specific project. FY2012 budget estimate is reduced to reflect anticipated expenses.

Commodities:
Anticipated increase in fuel costs.

Fund	Department	Program
001	50	561
General	Public Works	Engineering Services

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Assistant Director	0.90	0.90	0.90	-	-
Construction Manager	1.00	1.00	1.00	-	-
Project Administrator	0.50	-	-	-	-
Senior Project Engineer	-	-	-	1.00	1.00
Project Engineer	1.00	1.00	1.00	2.00	2.00
Project Manager	1.00	1.00	1.00	-	-
Town Engineer	-	-	-	-	0.50
	4.40	3.90	3.90	3.00	3.50

GOALS AND OBJECTIVES	
GOAL: Projects are completed in timely manner in a cost effective way.	OBJECTIVES: Projects meet established schedules within the approved budgets. 90% of design projects completed on time and 100% completed within budget.
GOAL: Minimize disruption to Town residents and employees by scheduling and project management efficiencies.	OBJECTIVES: Answer 95% of project inquiries within 48 hours and positively resolve 90% of inquiries to complainant's satisfaction. 90% of inquiries answered within 48 hours and approximately 95% of responses were resolved to complainant's satisfaction.
GOAL: Conduct the work of General Engineering Services in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .68% in FY11 to .81% in FY12.

PROGRAM: RIGHT OF WAY INSPECTIONS 565

Mission: This bureau exists to contribute to the well being of the community by permitting, overseeing and inspecting work activities in the Town's rights of way and easements to ensure quality work with minimal disruption.

Main Activities: The most important things we do to fulfill the mission are:

- Adhere to all guidelines set by the Town.
- Issue permits in compliance with the Town's ROW manual.
- Minimize inconvenience to the public.
- Make sure contractors restore to Town standards and regulate to that end.
- Provide permit and inspection service in a timely manner.
- Observe work activities to ensure compliance with permit conditions and ROW manual regulations.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	83,722	80,925	83,424	83,424	71,006	-14.89%
Employee Benefits	31,839	32,893	37,378	37,378	23,344	-37.55%
Contractual	680	709	1,000	1,000	1,000	0.00%
Commodities	1,072	607	1,506	1,506	1,548	2.79%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	1,900	1,900	1,934	1,934	1,945	0.57%
Other	-	-	-	-	-	0.00%
TOTALS	119,213	117,034	125,242	125,242	98,843	-21.08%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Assistant Director	0.10	0.10	0.10	-	-
Public Works Inspector	1.00	1.00	1.00	1.00	1.00
	1.10	1.10	1.10	1.00	1.00

GOALS AND OBJECTIVES	
GOAL: 90% of all properly completed permit applications are issued within 72 hours.	OBJECTIVES: Each permit application is monitored for this result and reported. 95% of properly completed applications were returned to PZB for permit issuance within 72 hours of receipt, not including work scheduled with long lead time.
GOAL: Conduct the work of Right of Way Inspections in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program decreased from .20% in FY11 to .17% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Permits Processed	1385	931	848	1027
Violations	327	166	71	102

PROGRAM: EQUIPMENT OPERATION & MAINTENANCE 571

Mission: This bureau exists to maintain the Town's fleet of vehicles and equipment in top condition at the lowest operating cost.

Main Activities: The most important things we do to fulfill the mission are:

- Schedule and perform preventive maintenance inspections for the Town's vehicles and equipment.
- Service and repair equipment to optimize operating time.
- Prepare specifications and plan for new vehicle purchases on a scheduled replacement.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	217,248	243,441	251,935	251,935	248,981	-1.17%
Employee Benefits	142,120	159,772	131,197	131,197	82,653	-37.00%
Contractual	55,399	28,553	62,100	62,100	72,300	16.43%
Commodities	123,153	138,549	123,650	123,650	131,150	6.07%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	10,363	10,500	10,689	10,689	9,417	-11.90%
Other	-	-	-	-	-	0.00%
TOTALS	548,283	580,815	579,571	579,571	544,501	-6.05%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction in staff from previous years has lead to an increase in temporary labor costs.

Commodities:
Reduction in staff from previous years has lead to an increase in external vehicle maint.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Mechanic I	-	-	-	0.50	0.50
Mechanic III	3.00	2.50	3.50	2.00	2.00
Mechanic IV	1.00	1.00	1.00	1.00	1.00
Office Assistant II	1.00	1.00	1.00	1.00	1.00
Services Manager	0.10	0.10	0.10	0.10	0.10
Vehicle Maintenance Supervisor	1.00	1.00	-	-	-
	6.10	5.60	5.60	4.60	4.60

GOALS AND OBJECTIVES	
GOAL: Safe operation of vehicles and equipment so each bureau's operations are not compromised.	OBJECTIVES: Equipment related accident and injury rates caused by poor maintenance are reduced and documented. Vehicles and equipment are serviced and inspected in a structured preventative maintenance program. One accident due to equipment related causes; failed tire.
GOAL: Maximum productivity achieved by equipment always being available and ready.	OBJECTIVES: Equipment down time is tracked and recorded. 999 PMs work orders were scheduled. 669 repairs were scheduled with 1, 282 hours for an average of 1.9 hrs. down time per repair.
GOAL: Conduct the work of Equipment Operation and Maintenance in an efficient manner.	OBJECTIVES: The percentage of general fund budget dedicated to this program will not increase from year to year, except to reflect increases in levels of service. The percentage of general fund budget dedicated to this program increased from .91% in FY11 to .93% in FY12.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Preventive Maintenance Scheduled Services	2112	729	1343	999

PROGRAM: COASTAL MANAGEMENT 581

Mission: This division exists to provide increased storm protection to upland structures and create and maintain recreational beaches to the high standards set for the Town of Palm Beach.

Main Activities: The most important things we do to fulfill the mission are:

- Effectively and efficiently implement the Town's Comprehensive Coastal Management Plan (CCMP).
- Review and revise the CCMP to ensure that it addresses current conditions and is consistent with Federal and State regulations.
- Permit and construct beach restoration projects and conduct coastal monitoring identified in the CCMP.
- Maintain and operate the Palm Beach Inlet Sand Transfer Plant and all inlet dredging activities.
- Ensure the Town receives the maximum benefit of inlet dredging activities.
- Increase public awareness on related issues.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	139,420	148,248	147,718	147,718	153,765	4.09%
Employee Benefits	22,188	43,614	47,939	47,939	37,659	-21.44%
Contractual	600,373	334,877	595,443	595,443	232,226	-61.00%
Commodities	7,839	6,154	2,350	2,350	2,350	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	769,820	532,893	793,450	793,450	426,000	-46.31%

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Reduction in sand transfer plant, regional monitoring, and legal fees.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Coastal Projects Coordinator	-	1.00	1.00	1.00	1.00
Town Engineer	1.00	0.50	0.50	0.50	0.50
	1.00	1.50	1.50	1.50	1.50

GOALS AND OBJECTIVES	
GOAL: Successful, on schedule construction of projects identified in CCMP.	OBJECTIVES: Report percentage completion on schedule to plan and exceptions, for permitted construction projects. 100% of permitted work completed.
GOAL: Beach projects maintained to Town standards.	OBJECTIVES: Projects constructed in conformance with CCMP. Project longevity meets design expectations. Dune rehabilitation project met anticipated performance goals.
GOAL: Comply with all State and Federal permit requirements including long-term physical and biological monitoring programs 100% of the time.	OBJECTIVES: No permit violations with exceptions reported. No permit violations occurred during this reporting period.
GOAL: Improve as much as possible Sand Transfer Plant facility and operations.	OBJECTIVES: Progress toward facility upgrade accomplished. Phase II permits submitted.

Other

PROGRAM: LIBRARY SERVICES 321

The Town contracts with The Society of the Four Arts Library to provide library services to its residents. The library maintains exceptional collection of books, audio, and video tapes and periodicals on the arts. It also sponsors special events and activities for its patrons. This annual appropriation takes the place of, and is substantially less than, property taxes that would be levied upon the residents by the Palm Beach County Library District.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	-	0.00%
Contractual	-	-	-	-	-	0.00%
Commodities	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	272,400	272,400	272,400	272,400	280,572	3.00%
TOTALS	272,400	272,400	272,400	272,400	280,572	3.00%

PROGRAMS: TRANSFERS 611 TO 625

The following are transfers made from the general fund into other funds within the Town.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Capital Improvement Fund (307)	1,817,000	4,828,957	500,000	500,000	1,000,000	100.00%
Coastal Protection Fund (309)	2,000,000	1,046,900	3,090,000	3,090,000	3,960,000	28.16%
Debt Service Fund (205)	3,790,000	3,922,000	3,500,000	3,500,000	3,500,000	0.00%
Group Health Retirees (610)	1,649,000	1,550,000	1,533,000	1,533,000	1,493,000	-2.61%
Risk - W/C, Liab, Prop	1,918,000	1,904,463	1,896,226	1,896,226	1,791,507	-5.52%
Retirement - General Employee	-	-	-	-	-	0.00%
TOTALS	11,174,000	13,252,320	10,519,226	10,519,226	11,744,507	11.65%

PROGRAM: EMERGENCY MANAGEMENT 710

Mission: This division exists to ensure the Town is at an acceptable level of readiness for response to hazards affecting Palm Beach in accordance with the National Incident Management System (NIMS) guidelines.

Main Activities: The most important things we do to fulfill the mission are:

- Conduct NIMS compliancy training to Town officials, employees, volunteers and contractors as needed
- Maximize coordination and cooperation for emergency response planning among the different departments through the Emergency Planning Team (EPT).
- Assist in the development and coordination of emergency plans for more effective response efforts as needed.
- Assist with any community outreach programs relating to public emergency preparations and awareness.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	-	0.00%
Contractual	1,001,879	56,166	46,600	46,600	46,600	0.00%
Commodities	190	35	600	600	600	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	1,700	1,700	1,700	1,700	1,700	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	1,003,769	57,901	48,900	48,900	48,900	0.00%

PROGRAM: CONTINGENT APPROPRIATIONS 711

This program contains the budget for the General Fund Contingency account.

The budget for the General Fund Contingency Account is established at 1.5% of the proposed budget and is adjusted throughout the year by Town Council approved transfers. Appropriations are transferred out of this line item and into line items designated by Town Council. Expenditures are not reflected in this program, but in the program approved by Town Council.

The Contingent Appropriations Program reflects expenditures which are not readily identifiable to a Program, and are not under the direction of any one Department.

Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	% Change
Salaries and Wages	-	-	-	-	0.00%
Employee Benefits	-	-	-	-	0.00%
Contractual	-	-	-	-	0.00%
Commodities	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	0.00%
Depreciation	-	-	-	-	0.00%
Other	953,800	967,000	929,468	807,397	-13.13%
TOTALS	953,800	967,000	929,468	807,397	-13.13%
Percent of Budget	1.5%	1.5%	1.5%	1.5%	

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General Obligation Bonds

General Obligation Bonds offer maximum security to investors through the pledge of the municipality's 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.

At this time, no General Obligation Bonds are outstanding.

Revenue Bonds

During 2010, the Town paid the 2003A bonds in full. In addition, the Town issued 2010A Public Improvement Revenue and Refunding Bonds in the principal amount of $57,035,000, and 2010B Worth Avenue Commercial District Project bonds in the principal amount of $14,770,000.

The 2010A bonds refunded the 2003B bonds ($5,310,000), the 2008 Revenue Note ($10,000,000), and a 2009 Line of Credit ($600,000) which was issued for the Worth Avenue Project. The balance of the proceeds is to be used to fund a portion of the Town's 20 year Capital Improvement Program totaling $41,232,000 and $1,740,844 is to be used to reimburse the Town for the Town's portion of the Par 3 Golf Course Project.

The 2010B bonds were used to fund the Worth Avenue Commercial District streetscape project. The Town imposed a capital special assessment against real property in the Worth Avenue Commercial District to pay the costs of the Worth Avenue Projects. The assessments will be payable over a thirty year period. The assessments will be security for the 2010B bonds.

The Revenue Bonds are revenue obligations of the Town payable solely from and secured solely by the pledged revenues. Pledged revenues shall consist primarily of Non-Ad Valorem Revenues budgeted and appropriated annually by the Town for the purpose of paying debt service on the Bonds. The Town covenants that in each fiscal year while any bonds are outstanding, the total non-self-supporting debt service in any fiscal year of the Town will not exceed 50% of Non-Ad Valorem Revenues of the Town.

The Town has covenanted and agreed that it will not incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless the Town can show that following the incurrence of such additional indebtedness, (I) the total amount of Non-Ad Valorem Revenues (based upon the most recent Fiscal Year) will be greater than twice the then 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 2010 Revenue Bond, the Town's issuer's 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 Moody's Investors Service issuing a rating of Aa1 for the 2010 Revenue bonds and gave the Town a Aaa issuer's rating. Standard and Poor's issued a Revenue bond rating of AA+ gave the Town a AAA issuer's rating. The ratings for both the Bond and issuer credit are the highest ratings these two rating services issue and represent the highest quality investment grade debt.

Debt Administration

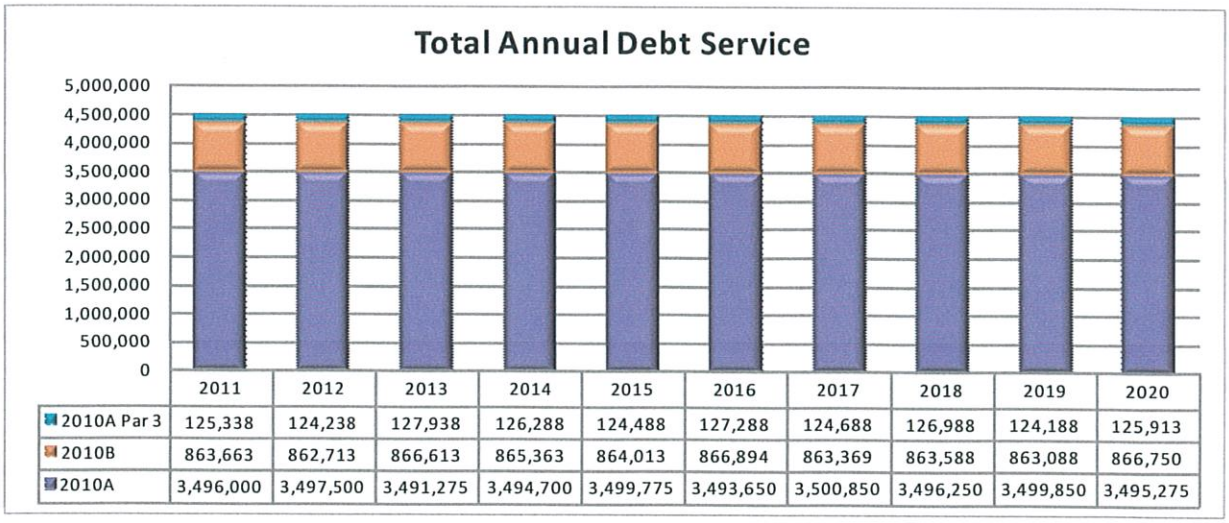
For perspective regarding the future debt obligations, a 10 year summary of debt service, outstanding debt, and debt per capita is found below.

Debt Service Payments

Principal payments are due on January 1, and interest payments are due on January 1 and July 1 of each year. The annual debt service requirements for the outstanding revenue bonds through 2020 are shown below:

Fiscal Year	2010A Revenue Bond	2010A Revenue Bond -Par 3	2010B Revenue Bond	Total
2011	3,496,000	125,338	863,663	4,485,001
2012	3,497,500	124,238	862,713	4,484,451
2013	3,491,275	127,938	866,613	4,485,826
2014	3,494,700	126,288	865,363	4,486,351
2015	3,499,775	124,488	864,013	4,488,276
2016	3,493,650	127,288	866,894	4,487,832
2017	3,500,850	124,688	863,369	4,488,907
2018	3,496,250	126,988	863,588	4,486,826
2019	3,499,850	124,188	863,088	4,487,126
2020	3,495,275	125,912	866,750	4,487,937
Total	$34,965,125	$1,257,354	$8,646,054	$44.868.533

The chart below shows the Town's total annual debt service for the 2010 Revenue bond for the period of FY2011 through FY2020.



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
2010A Par 3	125,338	124,238	127,938	126,288	124,488	127,288	124,688	126,988	124,188	125,913
2010B	863,663	862,713	866,613	865,363	864,013	866,894	863,369	863,588	863,088	866,750
2010A	3,496,000	3,497,500	3,491,275	3,494,700	3,499,775	3,493,650	3,500,850	3,496,250	3,499,850	3,495,275

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	$11,655,340,637
Legal Debt Margin:	
Debt Limitation - 5% of assessed value	$ 582,767,032

Debt Summary

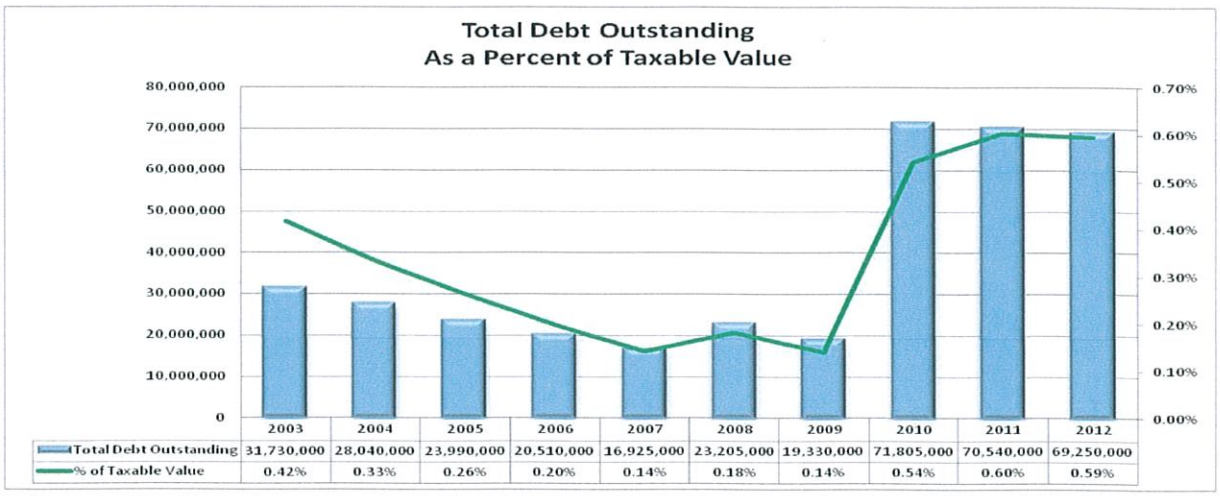
Outstanding debt as of September 30, 2011

Gross bonded debt (all debt with a General Obligation Pledge)	$ 0
General Fund Pledge Obligations:	
Non-Ad Valorem Revenue Bonds	70,540,000
Total Gross Debt	$70,540,000

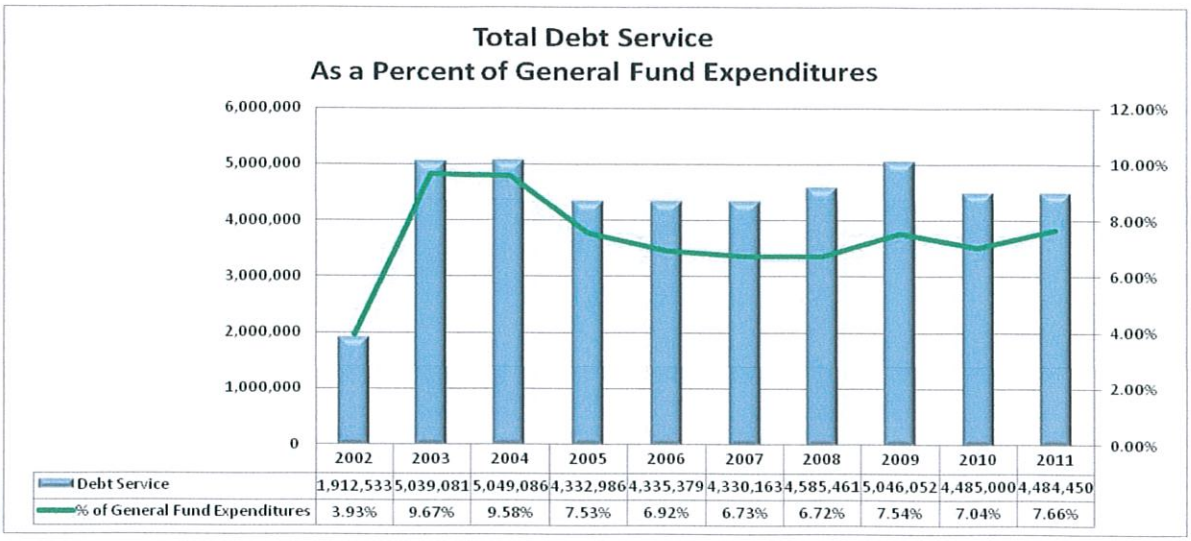
Debt Ratios:

		Per Capita
Population	9,735	
Taxable Value	$11,655,340,637	1,197,262
Total Gross Debt	70,540,000	7,246

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



The chart below shows total debt service as a percentage of general fund expenditures.

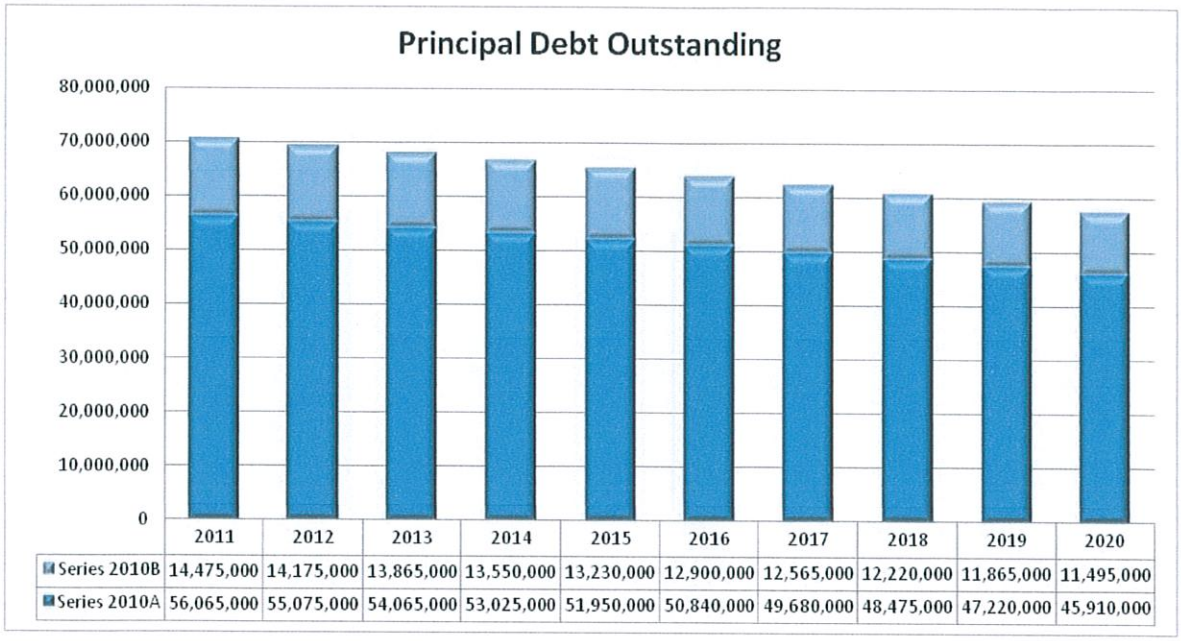


Town of Palm Beach
Principal Debt Outstanding
FY2011 - FY2020

Fiscal Year Ending	2010A Revenue Bond	2010B Revenue Note	Total Debt Outstanding	Debt Per Capita 9,735
2011	56,065,000	14,475,000	70,540,000	7,246
2012	55,075,000	14,175,000	69,250,000	7,114
2013	54,065,000	13,865,000	67,930,000	6,978
2014	53,025,000	13,550,000	66,575,000	6,839
2015	51,950,000	13,230,000	65,180,000	6,695
2016	50,840,000	12,900,000	63,740,000	6,548
2017	49,680,000	12,565,000	62,245,000	6,394
2018	48,475,000	12,220,000	60,695,000	6,235
2019	47,220,000	11,865,000	59,085,000	6,069
2020	45,910,000	11,495,000	57,405,000	5,897

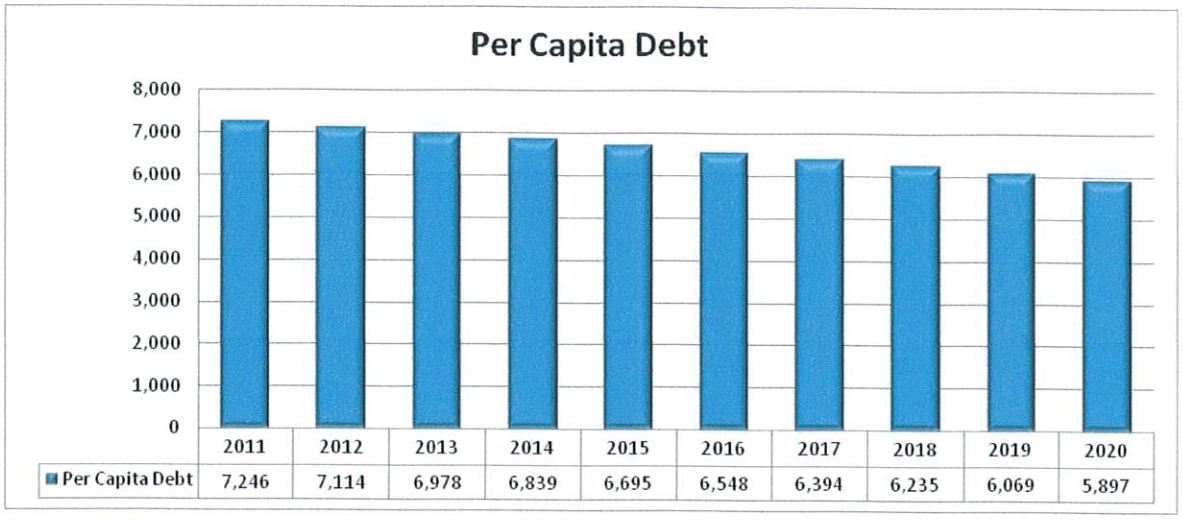
Debt Administration

The chart below shows the total principal debt outstanding for FY11 through FY20.



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Series 2010B	14,475,000	14,175,000	13,865,000	13,550,000	13,230,000	12,900,000	12,565,000	12,220,000	11,865,000	11,495,000
Series 2010A	56,065,000	55,075,000	54,065,000	53,025,000	51,950,000	50,840,000	49,680,000	48,475,000	47,220,000	45,910,000

The chart below shows total outstanding debt per capita for FY11 through FY20.



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Per Capita Debt	7,246	7,114	6,978	6,839	6,695	6,548	6,394	6,235	6,069	5,897

Fund 205 - 2010A CIP Revenue Bond
Revenue and Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest Earnings	0	0	1,000	500	1,000	0.00%
Transfer from General Fund	0	0	3,500,000	3,500,000	3,500,000	0.00%
Transfer from REF	0	0	0	0	124,500	100.00%
Transfer from Debt Serv Funds	0	0	116,565	116,565	0	-100.00%
Bond Proceeds (Capitalized Interest)	0	663,665	0	0	0	0.00%
TOTALS	0	663,665	3,617,565	3,617,065	3,625,500	0.22%
Expenditures						
Debt Service Interest	0	516,551	2,581,000	2,581,000	2,631,800	1.93%
Debt Service Principal	0	0	915,000	915,000	990,000	7.58%
Other Expenses	0	0	10,000	8,000	10,000	0.00%
TOTALS	0	516,551	3,506,000	3,504,000	3,631,800	3.46%
TOTAL REVENUES OVER/(UNDER) EXPENDITURES	0	147,114	111,565	113,065	(6,300)	
Beginning Fund Balance	0	0	147,114	147,114	260,179	
ENDING FUND BALANCE	0	147,114	258,679	260,179	253,879	

REVENUES
Interest Earnings:
Represents interest earned on reserves of fund.

EXPENDITURES
Debt Service Interest/Principal:
Represents the amount of interest/principal due on the 2010A Revenue Bond.

Other Bond Expenses:
Represents amounts due for expenses for fund.

Fund 206 - 2010B Worth Avenue Revenue Bond
Revenue and Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest Earnings	0	0	500	0	500	100.00%
Transfer from Worth Ave Assessment Fund	0	0	865,163	865,163	864,300	100.00%
Bond Proceeds (Capitalized Interest)	0	200,065	0	0	0	-100.00%
TOTALS	0	200,065	865,663	865,163	864,800	-0.10%
Expenditures						
Debt Service Interest	0	200,065	568,663	568,663	562,800	184.50%
Debt Service Principal	0	0	295,000	295,000	300,000	100.00%
Other Expenses	0	0	1,500	1,500	1,500	0.00%
TOTALS	0	200,065	865,163	865,163	864,300	-0.10%
TOTAL REVENUES OVER/(UNDER) EXPENDITURES	0	0	500	0	500	
Beginning Fund Balance	0	0	0	0	0	
ENDING FUND BALANCE	0	0	500	0	500	

REVENUES
Interest Earnings:
Represents interest earned on reserves of fund.

EXPENDITURES
Debt Service Interest:
Represents the amount of interest due on the 2010B Revenue Bond.

Debt Service Principal:
Represents the amount of principal due on the 2010B Revenue Bond.

Other Bond Expenses:
Represents amounts due for expenses for fund.

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CAPITAL FUNDS

Introduction:

The Capital Improvement Fund section includes accomplishments for the current fiscal year by fund as well as summary schedules that reflect each ongoing project and/or projects with carry-over funds from prior years that will be utilized at some point in the future for a designated purpose.

Description of Funds:

The Town accounts for six Capital Funds as described below:

1) Capital Improvement Program - Pay-as-you-go (307)

This fund accounts for capital projects not covered by the remaining five capital funds. While the Capital Improvement Program encompasses a five year period, only the first year of the Program is actually adopted each year by the Town Council for funding and implementation. The out years of the Program are not a budget but provides appropriate financial information for prudent budget and planning recommendations and assists the Town's Elected Officials and Management Staff in the decision making process. Through budgetary action, the first year of the Program becomes the Capital Projects allocation which is funded from the General Operating Budget for the Town.

2) Comprehensive Coastal Management Plan (CCMP) (309)

This fund accounts for the Beach Restoration Project construction costs financed with proceeds from the 2000 Revenue Bond (refunded in 2003). The proceeds of the Bonds are being 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.

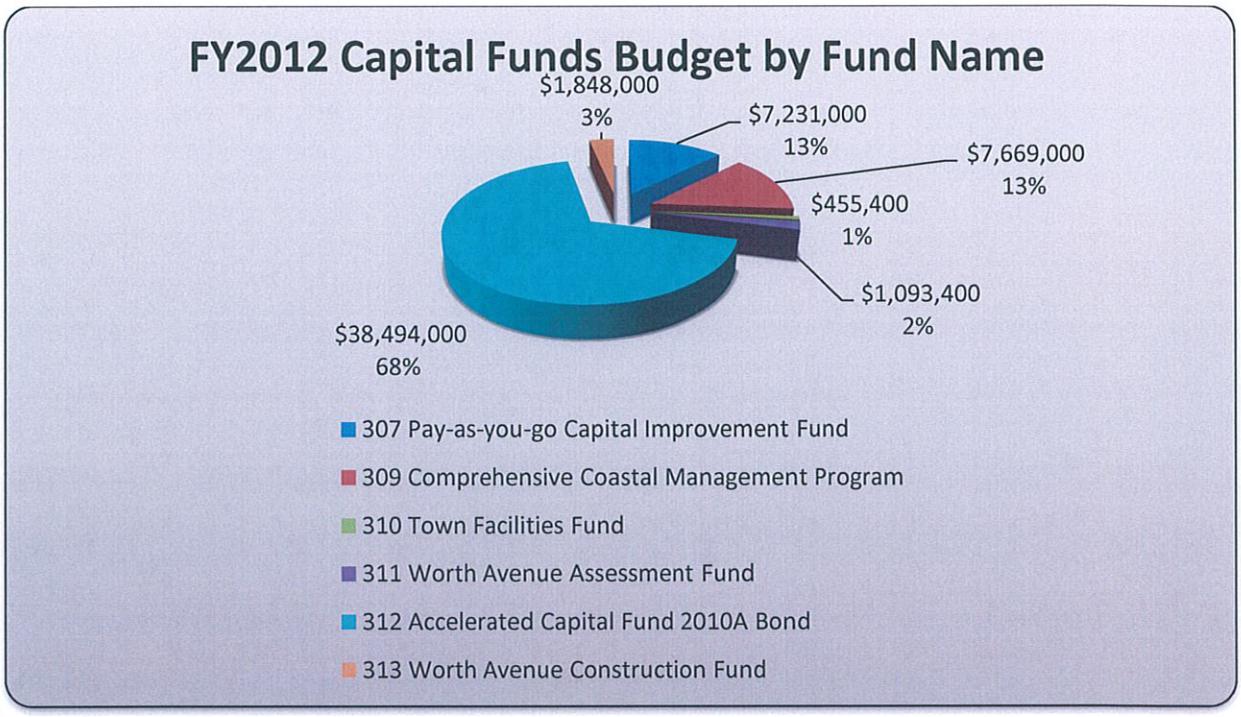
3) Town Facilities (310)

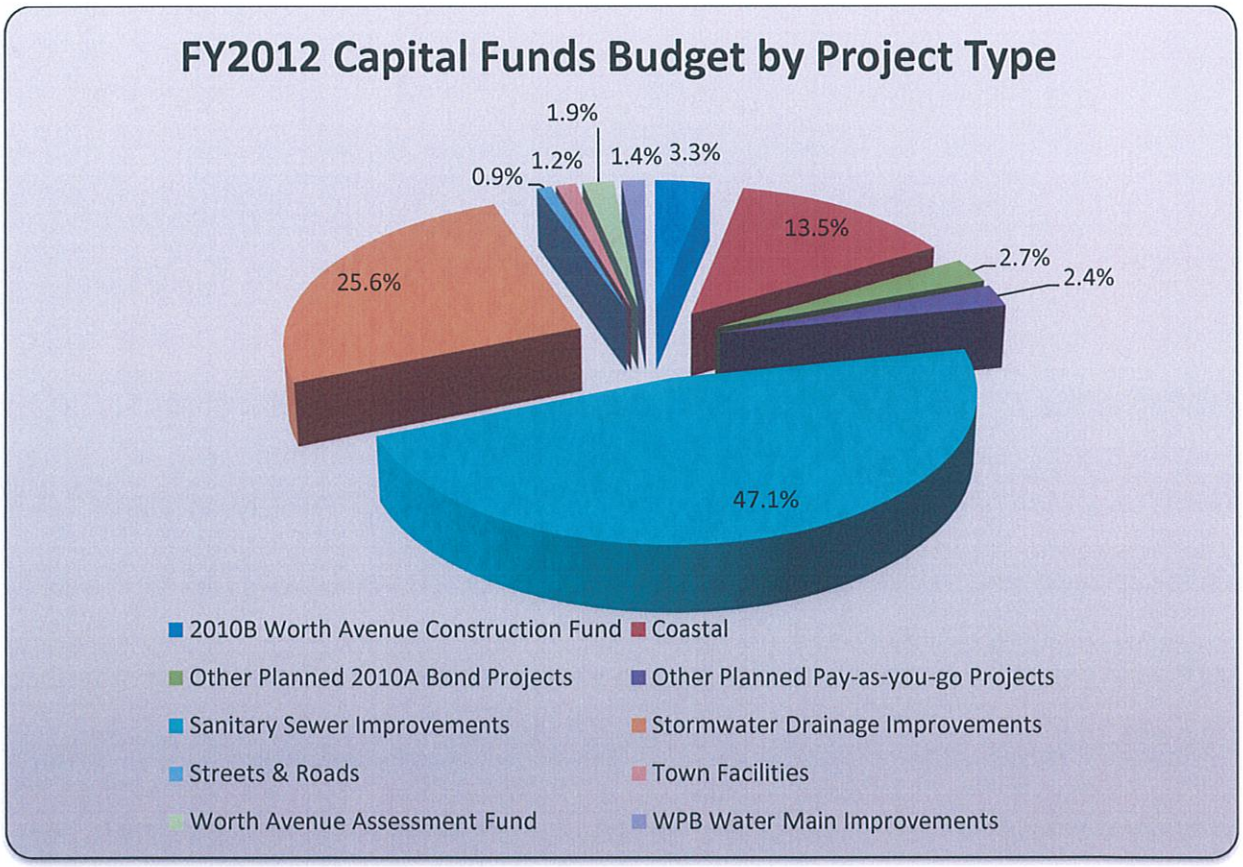
This fund accounted for construction costs for the Central Fire-Rescue Station and Town Hall Renovations with proceeds from the 2003 and 2008 Revenue Bonds and transfers from the Capital Improvement and General Funds. The proceeds of the bonds were used for financing the acquisition, construction and equipping of the Central Fire-Rescue facility (including an emergency operations center) and the renovation of Town Hall (including security upgrades).

4) Worth Avenue Assessment District (311)
This fund was initially established to account for the Worth Avenue Assessment District pre-construction costs. On an ongoing basis, the fund will be used to account for maintenance costs associated with the district.

5) Accelerated Capital Improvement Fund 2010A Bond Issue (312)
This fund was established as result of the 2010A bond issue to account for storm water, sanitary sewer and other projects outlined in the bond document.

6) Worth Avenue Assessment District Construction Fund 2010B Bond Issue (313)
This fund was established as a result of the 2010B bond issue to account for Worth Avenue Assessment District construction costs.


FY2012 Capital Funds Budget by Fund Name
$1,848,000
3%
$7,231,000
13%
$7,669,000
13%
$455,400
1%
$1,093,400
2%
$38,494,000
68%
307 Pay-as-you-go Capital Improvement Fund
309 Comprehensive Coastal Management Program
310 Town Facilities Fund
311 Worth Avenue Assessment Fund
312 Accelerated Capital Fund 2010A Bond
313 Worth Avenue Construction Fund


FY2012 Capital Funds Budget by Project Type
1.9%
1.2%
1.4%
3.3%
0.9%
13.5%
2.7%
2.4%
25.6%
47.1%
2010B Worth Avenue Construction Fund
Coastal
Other Planned 2010A Bond Projects
Other Planned Pay-as-you-go Projects
Sanitary Sewer Improvements
Stormwater Drainage Improvements
Streets & Roads
Town Facilities
Worth Avenue Assessment Fund
WPB Water Main Improvements

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Five Year Capital Improvement Pay-as-you-go Program

Project Description	FY11 Carry-over Budget	Proposed Year 1 FY2012	Subtotal	Projected Requirements Year 2 FY2013	Year 3 FY2014	Year 4 FY 2015	Year 5 FY 2016	Thru FY2016
Storm Water System	*$ 1,855,000*	*$ 105,000*	*$ 1,960,000*	*$ 150,000*	*$ 145,000*	*$ 130,000*	*$ 130,000*	*$ 2,515,000*
General Improvements	1,825,000	105,000	1,930,000	150,000	145,000	130,000	130,000	2,485,000
Rehabilitate Storm Pump Stations	30,000	0	30,000	0	0	0	0	30,000
Sanitary Sewer System	*$ 2,301,000*	*$ 155,000*	*$ 2,456,000*	*$ 200,000*	*$ 190,000*	*$ 180,000*	*$ 180,000*	*$ 3,206,000*
General Improvements	523,000	105,000	628,000	150,000	140,000	130,000	130,000	1,178,000
WPB Central Pump Bypass & Reserve	245,000	50,000	295,000	50,000	50,000	50,000	50,000	495,000
Rehabilitate Sanitary Pump Stations	693,000	0	693,000	0	0	0	0	693,000
Rehabilitate Force Mains	400,000	0	400,000	0	0	0	0	400,000
Replace Single-Family Exp. Stations	440,000	0	440,000	0	0	0	0	440,000
Streets and Roads	*$ 15,000*	*$ 500,000*	*$ 515,000*	*$ 500,000*	*$ 500,000*	*$ 500,000*	*$ 500,000*	*$ 2,515,000*
Milling & Resurfacing Program	15,000	500,000	515,000	500,000	500,000	500,000	500,000	2,515,000
Lake Worth Lagoon Bulkheads	*$ 27,200*	*$ -*	*$ 27,200*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 27,200*
Bury FPL Overhead Lines	*$ 161,000*	*$ -*	*$ 161,000*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 161,000*
Refurbish Memorial Fountain	*$ 37,000*	*$ -*	*$ 37,000*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 37,000*
Water Main Improvements WPB (1)	*$ -*	*$ 800,000*	*$ 800,000*	*$ 800,000*	*$ 800,000*	*$ 800,000*	*$ 800,000*	*$ 4,000,000*
Mangrove Mitigation	*$ 6,000*	*$ -*	*$ 6,000*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 6,000*
A-39 Contamination Assessment	*$ 30,000*	*$ -*	*$ 30,000*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 30,000*
Facilities	*$ 70,000*	*$ 250,000*	*$ 320,000*	*$ 160,000*	*$ 175,000*	*$ 200,000*	*$ 200,000*	*$ 1,055,000*
North Fire Station Flashing Beacon	70,000	0	70,000	0	0	0	0	70,000
North Fire Station Emergency Generator	0	0	0	0	175,000	0	0	175,000
Police Facility Air Conditioning Replacement	0	250,000	250,000	0	0	0	0	250,000
Phipps Ocean Prk North Restroom Replmnt	0	0	0	160,000	0	0	0	160,000
Old Purchasing	0	0	0	0	0	200,000	0	200,000
South Fire Rehabilitation	0	0	0	0	0	0	100,000	100,000
Public Works Rehabilitation	0	0	0	0	0	0	100,000	100,000
Total Expenditures	*$ 4,502,200*	*$ 1,810,000*	*$ 6,312,200*	*$ 1,810,000*	*$ 1,810,000*	*$ 1,810,000*	*$ 1,810,000*	*$ 13,552,200*
Offsetting Revenues:		*FY2012*		*FY2013*	*FY2014*	*FY 2015*	*FY 2016*	*Total*
Interest	$ -	$ 10,000		$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 50,000
Florida Dept. of Transportation	6,000	0		0	0	0	0	6,000
Water Main Improvements WPB (1)	0	800,000		800,000	800,000	800,000	800,000	4,000,000
Total Offsets	*$ 6,000*	*$ 810,000*		*$ 810,000*	*$ 810,000*	*$ 810,000*	*$ 810,000*	*$ 4,056,000*
Net Transfer from General Fund	*$ 4,496,200*	*$ 1,000,000*		*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 9,496,200*

(1) Offsetting revenue from WPB

Fund 307 - Capital Improvement Program
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Transfer from General Fund (001)	1,817,000	4,828,957	500,000	500,000	1,000,000	100.00%
Loan Proceeds	395,003	96,500	0	0	0	0.00%
Interest on Investments	177,275	90,990	60,000	36,500	10,000	-83.33%
Grants/Local Revenue	329,543	9,722	800,000	7,750	800,000	0.00%
TOTALS	2,718,821	5,026,169	1,360,000	544,250	1,810,000	33.09%
Expenses						
Projects	6,293,809	2,507,898	1,360,000	1,426,119	7,050,000	418.38%
Transfer to 001 General Fund	0	0	0	1,400,000	0	0.00%
Transfer to 313 2010B Worth Ave Construction Fund	0	0	310,000	268,685	0	-100.00%
Capital Contingency	0	0	186,000	45,000	181,000	-2.69%
TOTALS	6,293,809	2,507,898	1,856,000	3,139,804	7,231,000	289.60%
TOTAL REVENUES OVER/(UNDER) EXPENSES	(3,574,988)	2,518,271	(496,000)	(2,595,554)	(5,421,000)	
Beginning Fund Equity	9,096,526	5,521,538	8,039,809	8,039,809	5,444,255	
ENDING FUND EQUITY	5,521,538	8,039,809	7,543,809	5,444,255	23,255	

Capital Improvement Program - Pay-as-you-go

REVENUES

Transfer from General Fund (001):
This represents the annual pay-as-you-go funding transferred from the General Fund to the Capital Fund.

Loan Proceeds:
This represents the draw down on the Worth Avenue Assessment District line of credit established to fund pre-2010 bond issue expenses for this project

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investment.

Grants/Local Revenue:
Revenue from FEMA, Florida Department of Transportation, Palm Beach County and City of West Palm Beach is reflected in this line item.

EXPENDITURES

Projects:
A detailed schedule of projects can be found in this section.

Transfer to 001 General Fund:
This represents the return of the unexpended balance from the original $2,600,000 transferred from Undesignated General Fund Balance in FY2010.

Transfer to 2010B Worth Avenue:
This transfer represents the City of West Palm Beach share of Water Main Improvements for Worth Avenue.

Contingency:
10% of budgeted projects per policy.

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COMPREHENSIVE COASTAL MANAGEMENT PROGRAM FY11 ACCOMPLISHMENTS & FY12 ACTION PLAN

SHORE PROTECTION BOARD

On July 8, 2008, the Town Council created the Shore Protection Board (SPB) to "act in an advisory capacity to the Town Council and shall make recommendations to the Town Council on all matters relating to shore protection in the Town of Palm Beach." On December 9, 2008, Town Council appointed seven (7) Board members who held their first meeting on December 17, 2008.

Coastal Management Work Plan

On February 11, 2009, the Town Council directed the Board "to accelerate its meetings, identify a contingency plan for Reach 7 and 8, and provide a long term plan of action (with options) for Town Council consideration in November 2009." Per direction of the Town Council, the Shore Protection Board submitted a Coastal Management Work Plan on November 9, 2009, which the Town Council accepted as a "blue print" for future coastal management activities in the Town of Palm Beach.

During the 2010 calendar year, the Board has continued an adaptive management approach to their 10-year Work Plan. As more information has become available, some items originally suggested for FY 2011 have been adjusted for future years. The current status of the proposal for FY12 is set forth below and the five-year plan summary is presented in a color coded table at the end of this report. The Board will continue to update and further consider project planning and budgeting early in the 2012 calendar year.

COASTAL PROJECTS UPDATES

Included as an element of the Comprehensive Coastal Management Plan, the Town's shoreline was divided into eight (8) segments, or "reaches". Each reach has a unique set of characteristics, based on upland uses, existing armoring, shoreline condition, shoreline orientation, and previous coastal management projects constructed, among others. The Board planned projects are specific for each reach. The information provided below has been separated and is consistent with the work current being performed, or to be performed, within each reach.

Reach 1 (LAKE WORTH INLET TO ONONDAGA AVENUE)

Current Action

Continue Inlet Maintenance Dredging; to include settling basin, harbor channel, and turning basins. Placement of all beach-compatible sand will be placed on the dry beach and within the permitted beach profile.

Town working with the U.S.Army Corps of Engineers to expand the settling basin.

Ensure operation and maintenance the Sand Transfer Plant.

2010 Townwide Physical Monitoring Report, dated April 2011

Reach 1 continues to gain significant volume of sand due to ongoing placement efforts. Movement of the accumulated placed material to the south does not appear to be occurring at appreciable levels, leading to the long-term gains in shoreline position and volumes.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Bypass an average annual volume of 202,000 cubic yards of sand to the downdrift beaches; place all beach compatible material dredged during channel maintenance on downdrift beaches in areas of greatest need; extension of the discharge pipeline to increase bypassing efficiency with discharge points located at the south jetty, and approximately 1,000 feet and 2,500 feet south of the south jetty.

Comprehensive Coastal Management Plan, 1998 Update

Reach 1 has been subjected to direct sand placement in recent years as a result of dredged sand disposal from the maintenance of Lake Worth Inlet. With the continued Sand Transfer Plant discharge of sand onto the north end of Palm Beach Island and placement of beach-quality maintenance dredge sand by the U.S. Corps of Engineers, two principal Lake Worth Inlet Management Plan objectives of sand bypassing across the Inlet and maintenance of the navigation channel are partially satisfied.

Reach 1 Related Shore Protection Board Recommended Actions, November 2009

Sand Transfer Plant, Phase I Construction - The rehabilitation of the mechanical and electrical systems with structural restoration of the plant itself.

> The Town recently completed renovation of the 52-year-old sand bypassing plant. Although the structural and exterior restoration was not completed until May 2010, the mechanical components were all replaced in time for the plant to resume operations in late December 2009. The total cost of the project was approximately $2,200,000 Town staff was able to secure a $300,000 grant from the Florida Inland Navigation District, which brought the net Town cost down to approximately $1,900,000.
>
> STATUS: Completed in April 2010.

Engineered Beach Designation - The SPB requested that the Town hire a consultant to prepare the necessary documentation to potentially qualify Reach 1 as an "Engineered Beach" as defined by FEMA.

> STATUS: Report ready for submittal to FEMA should an emergency declaration get issued which includes the Town of Palm Beach.

Reach 2 (ONONDAGA AVENUE TO EL MIRASOL)

Due to the extensive amount of hardbottom in Reach 2, is it unlikely that a JCP permit for beach restoration could be obtained. In lieu of a beach restoration project, Town staff has identified alternative projects that would introduce additional sand to Reach 2. The addition of a second discharge for the Sand Transfer Plant will dispose beach quality sand in the nearshore (sand bar vicinity). The purpose of placing sand on or near the sand bar is to continue the natural southerly flow of sand that has been interrupted by the channel and inlet jetties. The 3000-foot pipeline extension south of the inlet is expected to assist the Reach 2 beaches with modest accretion.

Should the second discharge create a small stable beach throughout Reach 2, a dune project may be considered to add high quality sand with vegetation to create a more natural beach and dune cross shore profile. Dune projects provide a line of defense from storms and benefit the Town's entire coastal system.

Coastal Protection Funds

Current Action

Engineering/Design/Permitting of Sand Transfer Plant, Phase II

Continued evaluation and monitoring of existing coastal structures as requested by the SPB.

2010 Townwide Physical Monitoring Report, dated April 2011

Reach 2 (along with a small portion of Reach 3) is the only area within the Town of Palm Beach that has exhibited long-term volumetric losses. These losses are significant and are likely attributable to the lack of appreciable transport of sand out of Reach 1 into this reach. The extensive seawalls within the reach limit the potential for shoreline recession in response to these losses and it is notable that the area exhibited a net volumetric gain over the past year.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Place all beach compatible material dredged during channel maintenance on downdrift beaches in areas of greatest need; extension of the discharge pipeline to increase bypassing efficiency with discharge points located at the south jetty, and approximately 1,000 feet and 2,500 feet south of the south jetty; maintain the projects through monitoring and nourishment using sand from offshore sources; construct a feeder beach to reestablish littoral transport for Reach 2.

Comprehensive Coastal Management Plan, 1998 Update

Because of high erosion rates in Reach 2, supplemental sand placement must occur.

Reach 2 Related Shore Protection Board Recommended Actions, November 2009

Sand Transfer Plant, Phase II - Installation of a second discharge to be located in Reach 2, south of Reef Road.

> STATUS: Engineering/Design/Permitting underway

Groin Analysis - Following the Groin Assessment performed, a Town consultant analyzed the functionality of the Town's groin system. A plan to prioritize rehabilitation was developed for SPB consideration.

> STATUS: Report submitted in 2011. The SPB has incorporated analysis considerations within the Plan B budget document. Groin rehabilitation in Reach 2 is not included in the SPB's most recent 10-year plan.

Maintenance Dredge Sand Permitting, Placement Extension - Previous maintenance dredging events performed by the U.S. Corps of Engineers have been conducted under an agreement with the Town of Palm Beach to place sand on the dry beach at the incremental cost versus placing the sand in the nearshore. The dry beach placement has been restricted to Reach 1 and the northern portion of Reach 2. The SPB would like to expand the dry beach placement areas to include other sections of Town, such as the remainder of Reach 2.

> STATUS: Town Council appropriated funds in the FY 2011 budget for this effort. Continued legal discussions regarding the Lake Worth Inlet maintenance operations have delayed this effort.

Reach 3 (EL MIRASOL TO VIA BETHESDA)

Current Action

Continued Post-Construction Physical Monitoring of 2006 Beach Nourishment Project (Permitting for Mid-Town Beach Renourishment expected to begin in 2012)

Continued evaluation and monitoring of existing coastal structures as requested by the SPB.

2010 Townwide Physical Monitoring Report, dated April 2011

Reaches 3 & 4

With the exception of the northernmost portion of Reach 3, this area has gained significantly both in terms of shoreline position and beach volume in the long term. These gains are directly attributable to beach nourishment efforts in this area. Without these efforts this area would have continued to erode consistent with conditions prior to the initiation of the beach nourishment program.

Direct sand placement in Reach 3 occurred during both the 2002-2003 and 2006 Mid-Town beach projects.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Maintain the projects through monitoring and nourishment using sand from offshore sources.

Comprehensive Coastal Management Plan, 1998 Update

The management solution for Reach 3 is beach restoration to occur simultaneously with the renourishment of the Mid-Town project.

Reach 3 Related Shore Protection Board Recommended Actions, November 2009

Beach Nourishment Permitting - The permitting for the next beach project in Mid-Town is scheduled to begin in 2012, with expected construction for an interim beach restoration in November 2014.

> STATUS: Town Council appropriated funds in the FY 2011 and FY 2012 budgets to begin the permitting effort. A proposal for the work will be presented for SPB recommendation and Town Council approval in 2012.

Groin Analysis - Following the Groin Assessment performed, a Town consultant analyzed the functionality of the Town's groin system. A plan to prioritize rehabilitation was developed for SPB consideration.

> STATUS: Report submitted in 2011. The SPB has incorporated analysis considerations within the Plan B budget document. Groin rehabilitation in Reach 3 is not included in the SPB's most recent 10-year plan.

Reach 4 (VIA BETHESDA TO 270 FEET SOUTH OF BANYAN ROAD)

Current Action

2010-2011 Dune Restoration Construction completed in December 2010 - January 2011 and project performance monitoring, including environmental monitoring, is being conducted.

Permitting for beach renourishment expected to begin in 2012.

The Town, its consultants, and FDEP, are evaluating project influences on the offshore natural resources from the 2003 and 2006 beach restoration projects. A mitigation plan, as necessary, is to be developed prior to remediation implementation.

2010 Townwide Physical Monitoring Report, dated April 2011

Reaches 3 & 4

With the exception of the northernmost portion of Reach 3, this area has gained significantly both in terms of shoreline position and beach volume in the long term. These gains are directly attributable to beach nourishment efforts in this area. Without these efforts this area would have continued to erode consistent with conditions prior to the initiation of the beach nourishment program. Over the past year this area exhibited a minimal change in shoreline position and a slight increase in volume in the deeper portions of the beach profile. Two areas of localized hot spot erosion are notable over the past year in the vicinity of R-96 and R-100. This behavior is consistent with historic performance of the area. Significant mitigation of this erosive trend is anticipated with the ongoing (2010-2011) placement of approximately 50,000 cubic yards of new material from an upland sand source within this area.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Maintain the projects through monitoring and nourishment using sand from offshore sources.

Comprehensive Coastal Management Plan, 1998 Update

The management solution is the renourishment of the Mid-Town project. The Mid-Town groin field should be inspected and maintained to support to the beachfill project.

Reach 4 Related Shore Protection Board Recommended Actions, November 2009

FEMA Dune/Beach Sand - To be conducted simultaneously with the FEMA project in Reach 7, the Mid-Town beach (Clarke Avenue Beach to the south end of the Municipal Beach) will receive sand appreciable to the losses attributed from Tropical Storm Fay.

> The dune project will serve as an interim measure until the next Mid-Town renourishment project is constructed. The Shore Protection Board is requesting an appropriation in the proposed FY 2011 coastal budget to begin the permitting effort for beach renourishment in Mid-Town.
>
> STATUS: Construction completed in January 2011.

Beach Nourishment Permitting - The permitting for the next beach project in Mid-Town is scheduled to begin in 2012, with expected construction for an interim beach restoration in November 2014.

STATUS: Town Council appropriated funds in the FY 2011 and FY 2012 budgets to begin the permitting effort. A proposal for the work will be presented for SPB recommendation and Town Council approval in 2012. The scope of the next Mid-Town beach renourishment may include the construction of a new groin at the south end of Mid-Town Municipal Beach near Gulfstream Road.

Reach 5 (270 FEET SOUTH OF BANYAN ROAD TO 170 FEET NORTH OF WIDENER'S CURVE)

Reach 5 continues to benefit from repeated restorations of Reaches 3 and 4. During permitting for the renourishment of Reaches 3 and 4 in FY 2013, the Town may consider the construction of a low profile dune with vegetation in Reach 5. The Shore Protection Board's revised plan "B" does not include a possible FY 2015 dune project in Reach 5 as initially considered in the SPB's 2009 plan.

Current Action

Continued evaluation and monitoring of existing coastal structures as requested by the SPB.

Continue physical monitoring.

2010 Townwide Physical Monitoring Report, dated April 2011

Reach 5 has exhibited long-term gains in both shoreline and volume due to the movement of material from the beach nourishment projects within Reaches 3 and 4. These trends are likely to continue provided the nourishment source remains. Lacking this source, this reach would likely revert to a net erosion/recession condition consistent with conditions present prior to the initiation of the beach nourishment program.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Maintain the projects through monitoring and nourishment using sand from offshore sources; construct restoration projects in environmentally suitable areas of Reach 5.

Comprehensive Coastal Management Plan, 1998 Update

Proposed improvements include beachfill and a groin field at the south terminus of the reach.

Reach 5 Related Shore Protection Board Recommended Actions, November 2009

Groin Analysis - Following the Groin Assessment performed, a Town consultant analyzed the functionality of the Town's groin system. A plan to prioritize rehabilitation was developed for SPB consideration.

STATUS: Report submitted in 2011. The SPB has incorporated analysis considerations within the Plan B budget document. Groin rehabilitation in Reach 5 is not included in the SPB's most recent 10-year plan.

Dune Restoration - The SPB recognizes that Reach 5 has maintained a healthy beach due to the sand moving down from Reaches 3 and 4. The SPB may consider adding sand into the beach and dune system in Reach 5. Placement of sand in the form of dunes will create a line of defense for the beachfront owners to improve the storm protection to South Ocean Boulevard. This action will add more sand to naturally be added into the littoral drift during a storm event, eventually bringing sand into the Reach 6 area.

> STATUS: Budget forecasting by the SPB during the FY 2012 budget development resulted in the removal of the dune project from FY 2015. Additional consideration will be given by the SPB during the annual budget development in 2012.

Reach 6 (170 FEET NORTH OF WIDENER'S CURVE TO SLOAN'S CURVE)

Current Action

Continued evaluation and monitoring of existing coastal structures as requested by the SPB.

Continue physical monitoring.

2010 Townwide Physical Monitoring Report, dated April 2011

Like Reach 5, Reach 6 has benefitted from the transport of material into the area from the Mid-Town beach nourishment project; though the rates of gain are less than noted in Reach 5 due to reach proximity to the beach nourishment sand source. Over this past year Reach 6 has continued to exhibit slight gains in both shoreline position and volume.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Maintain the projects through monitoring and nourishment using sand from offshore sources.

Comprehensive Coastal Management Plan, 1998 Update

Due to high longshore transport energies evident in this Reach, coupled with the large trough located between 70 and 350 feet from shore and the extensive hardbottom resources, direct placement of sand in this shoreline segment is not recommended.

Reach 6 Related Shore Protection Board Recommended Actions, November 2009

Groin Analysis - Following the Groin Assessment performed, a Town consultant analyzed the functionality of the Town's groin system. A plan to prioritize rehabilitation was developed for SPB consideration.

STATUS: Report submitted in 2011. The SPB has incorporated analysis considerations within the Plan B budget document. Groin rehabilitation in Reach 3 is not included in the SPB's most recent 10-year plan.

Dune Restoration - Because of the limited amount of sand going into Reach 7 from Reach 6, the condition of the Reach 7 beaches is a SPB concern. With most of the Reach 6 shoreline consisting of nearshore hardbottom resources, a beach nourishment project is not practical. A thought to be considered by the SPB is to cover the revetment with sand, or place dune sand east of the revetment where the opportunity presents itself. Creating a more natural beach and dune profile in Reach 6 may provide a volume of sand during storm events to assist the north end of Reach 7 with storm recovery.

STATUS: Budget forecasting by the SPB during the FY 2012 budget development resulted in the removal of the dune project from FY 2015. Additional consideration will be given by the SPB during the annual budget development in 2012.

Groin Analysis - Following the Groin Assessment performed, a Town consultant analyzed the functionality of the Town's groin system. A plan to prioritize rehabilitation was developed for SPB consideration.

STATUS: Report submitted in 2011. The SPB has incorporated analysis considerations within the Plan B budget document. Groin rehabilitation in Reach 6 is not included in the SPB's most recent 10-year plan.

Reach 7 (SLOAN'S CURVE TO THE AMBASSADOR HOTEL)

The Shore Protection Board has made the Reach 7 beaches a top priority for additional coastal management activities.

Current Action

2011 Dune Restoration Construction completed in January 2011 - March 2011 and project performance monitoring, including environmental monitoring, is being conducted.

Engineering and design, Renourishment with the introduction of groins (underway). Permitting expected to begin in the late spring/early summer of 2012.

Continued Post-Construction Physical Monitoring of 2006 Beach Nourishment Project and 2011 Partial Beach Nourishment Project.

2010 Townwide Physical Monitoring Report, dated April 2011

Over the past year Reach 7 experienced slight increases in net shoreline position and volume. Gains within Reach 7 are largely attributable to beach nourishment efforts, through performance over the past year suggests additional volumetric gains within deeper portions of the active beach profile in addition to beach nourishment sources. Short term losses are due primarily to anticipated diffusion of material to the south.

Long term recession is noted at the northern portion of the reach south of the Sloan's curve revetment. Despite the placement of significant volumes of sand to the immediate south of this area, long term recession has occurred in this area which is likely attributable to the downdrift impacts from this structure.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy**:** Maintain the projects through monitoring and nourishment using sand from offshore sources.

Comprehensive Coastal Management Plan, 1998 Update

Beach fill project and the construction of a groin field.

Reach 7 Related Shore Protection Board Recommended Actions, November 2009

FEMA Dune/Beach Sand - To be conducted simultaneously with the FEMA project in Reach 4, the Phipps Ocean Park engineered beach project area, extending north to the Sloan's Curve area, will receive sand appreciable to the losses attributed from Tropical Storm Fay.

> The dune project will serve as an interim measure until the next Phipps Ocean Park nourishment project is constructed.
>
> STATUS: 2011 Dune Restoration Construction completed in January 2011 - March 2011 and project performance monitoring, including environmental monitoring, is being conducted.

Beach Nourishment - The 2006 beach restoration project life interval was interrupted by the tropical systems in 2007 and 2008. The SPB recommends renourishment of the 2006 project.

> STATUS: Advanced design of beach nourishment with structures is currently underway. Permitting is set to begin in the late spring/early summer following completion of advanced design (and SPB recommendation and Town Council authorization).

Reach 8 (THE AMBASSADOR HOTEL TO LA BONNE VIE)

Based on the Final Order by Administrative Law Judge Robert Meale, FDEP Secretary Michael Sole issued a denial of the Reach 8 beach restoration project in 2009.

Although the project was denied, the Town was able to secure the state cost-share funding until June 2011 through a grant amendment. The purpose of the time extension was to provide ample time to develop a revised project. A permit application for South End Palm Beach Restoration was submitted to the regulatory agencies in September 2010. With this project in the permitting phase, the Town will again seek a grant amendment to extend the life of the agreement through the anticipated construction.

A revised project was designed in an innovative stepped approach to strategically place sand and allow the natural movement of sand to help sustain a minimum beach profile in Reach 8. The Town has received positive feedback from the Surfrider Foundation regarding the revised project. The design and volume of the revised project is consistent with recommendations by both Administrative Law Judge Robert Meale and the petitioners who opposed the Town in the previous Reach 8 beach project administrative hearing. (The Surfrider Foundation was the primary petitioner in that hearing.) The permit application for the revised proposed beach restoration project in Reach 8 was developed, and is currently being permitted, by Coastal Systems International.

The Town is considering structural options for Reach 8. Town Council approved $500,000 in the FY 2010 coastal budget to enter into an interlocal agreement with Palm Beach County to conduct an Environmental Impact Statement (EIS) to validate a potential breakwater project or find another structural alternative to provide erosion control in the south end of Reach 8. Scoping for the EIS for the Central Palm Beach County Comprehensive Erosion Control Project is underway.

Inclusion of the beach restoration project in Reach 8 (South End Palm Beach Restoration) into the County's EIS is being considered. An EIS for the southern portion of the Reach 8 project, south of the Lake Worth Pier, is essential for USACE review and permit consideration.

Current Action

2011 Dune Restoration Construction completed in March 2011 and project performance monitoring is being conducted

South End Palm Beach Restoration, Permitting

Central Palm Beach County Comprehensive Erosion Control Project, Managed by Palm Beach County ERM, Environmental Impact Statement (EIS) in development

Request for FDEP to further consider critical beach erosion designation in Reach 8

2010 Townwide Physical Monitoring Report, dated April 2011

The northern portions of Reach 8 have benefitted significantly from the migration of material from the Reach 7 nourishment efforts. This has led to gains in shoreline volume and position for the portion of Reach 8 north of the pier and this trend is gradually migrating to portions of the reach immediately south of the pier. The region south of the pier has not benefitted to the same extent and has exhibited a long-term shoreline recession since 1990.

FDEP Strategic Beach Management Plan, May 2010 Update

Strategy: Maintain the projects through monitoring and nourishment using sand from offshore sources; construct restoration projects in environmentally suitable areas of Reach 8; conduct dune restoration where feasible.

Comprehensive Coastal Management Plan, 1998 Update

Beach fill project, and the construction of a groin field within the last 2,000 feet of Reach 8.

Reach 8 Related Shore Protection Board Recommended Actions, November 2009

FEMA Dune/Beach Sand - To be conducted simultaneously with the FEMA project in Reaches 4 and 7, the Reach 8 beaches, south of the Lake Worth pier, will receive sand appreciable to the losses attributed from Tropical Storm Fay.

> State and federal permitting has been underway and permits are expected to be received in time to construct a 25,000-cubic-yard dune project soon after November 1, 2010. Work needs to occur between November 1 and March 31 due to the sea turtle nesting season.
>
> The dune project will serve as an interim measure until the potential Reach 8 beach restoration project is constructed.
>
> STATUS: 2011 Dune Restoration Construction completed in January 2011 - March 2011 and project performance monitoring is being conducted

Beach Restoration - A small scale beach nourishment project in Reach 8.

> STATUS: Permit application submitted in September 2010. In permitting. EIS required by USACE.

Structures Study - Palm Beach County has been pursuing a breakwater project to provide erosion control for the South Palm Beach/Lantana beaches. The SPB recommended that the Town Council join in the breakwater study with the County for the purpose of determining the long-term regional approach to shoreline management in this area. Subsequently, the Town Council signed two interlocal agreements with Palm Beach County on coastal projects.

> A significant step in the permitting process is to conduct an Environmental Impact Statement (EIS) study. The expected time frame for this study is approximately 18 months, or mid-2011.

Critical Beach Erosion Designation - The entire Town shoreline is considered "critically eroded" by the state, except for portions of Reach 8 south of the Lake Worth pier. Attempts have been made by Town consultants to have all of Reach 8 included in the "critically eroded" designation. Each attempt has resulted in the state failing to recognize this area as "critically eroded", although this designation is provided for beaches immediately north and south of the non-designation.

> STATUS: No response from FDEP has been received.

Townwide Regional Monitoring

The Regional Monitoring program is ongoing and currently includes annual aerial cartographic photography used to monitor nearshore hardbottom, topographic and bathymetric surveys to monitor current sand movement throughout the Town, and a sediment budget analysis that provides long-term tracking of sand movement throughout the Town.

Additional monitoring activities include:

Biological monitoring related to the engineered beach projects in Reaches 3, 4, and 7

Sea turtle monitoring in Reaches 1, 2, 3, 4, 7 and 8

Annual tilling of the beaches within the nourishment areas

If necessary, escarpment reductions on engineered beaches during sea turtle nesting season

Fund 309 - Comprehensive Coastal Management Program

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest Earnings	222,005	127,037	78,000	45,000	20,000	-74.36%
Transfer from 001 General Fund	3,900,000	1,046,900	3,090,000	3,090,000	3,960,000	28.16%
FEMA/FDEP/Fed Government Grant Reimb.	217,704	73,553	4,027,100	3,122,000	0	-100.00%
TOTALS	4,339,709	1,247,490	7,195,100	6,257,000	3,980,000	-44.68%
Expenses						
FEMA Project	0	0	4,100,000	2,656,900	0	-100.00%
Projects	1,986,555	3,467,853	3,090,000	3,440,700	7,668,594	148.17%
TOTALS	1,986,555	3,467,853	7,190,000	6,097,600	7,668,594	6.66%
TOTAL REVENUES OVER(UNDER) EXPENSES	2,353,154	(2,220,363)	5,100	159,400	(3,688,594)	
Beginning Retained Earnings	7,716,696	10,069,850	7,849,487	7,849,487	8,008,887	
ENDING FUND EQUITY	10,069,850	7,849,487	7,854,587	8,008,887	4,320,293	

Fund 309 - Comprehensive Coastal Management Program Bond Proceeds Construction Fund

REVENUES

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investments.

Transfer from General Fund (001):
This line item represents money transferred from the General Fund for the CCMP Program.

FEMA/FDEP/Federal Government Reimbursement:
Anticipated FEMA/FDEP/Federal Government reimbursement for beach projects.

EXPENDITURES

Projects:
The FY12 budget amounts per five year plan

FY 2012 Proposed Coastal Management Program Budget

INCLUDING 10-YEAR (FY 2012 - FY 2021) FORECAST

Red = Permit Required Purple = Influenced by Pending Town/USACE Litigation

309 ACCOUNT ITEMS [CAPITAL]

Item #	Project	Previous Budget: SPB Plan FY09/FY10/FY11	Previous Budget: Unencumbered, As of 3/7/11	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
	TOWNWIDE												
1	Offshore Sand Search	1,000,000	146,000										
2	Groin Assessment	60,000											
3	Groin Analysis	200,000	6,000										
4	*Groin Rehabilitation (Reaches 2-6)*	200,000	200,000										
5	General Coastal (Engineering/Legal/Lobbying)	200,000	100,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
6	Easement Review	5,000											
10	SPB Operating Funds	65,000	15,000										
	LAKE WORTH INLET IMP												
11	***Sand Transfer Plant Phase I Construction***	2,550,000	38,000										
12	Sand Transfer Plant Phase II Permitting	350,000	187,000										
16	Tri-Party Dredging Permitting	150,000	150,000										
17	Lawsuit Technical Assistance	50,000	50,000										
18	Maint. Dredge Sand Permitting, Placement Extension	200,000	200,000		100,000								
19	Biological Monitoring 0.8 acre reef	108,000	48,000										
20	Expanded Settling Basin Study	200,000	200,000										
	REACH ONE												
22	Engineered Beach Designation	13,000											
23	Sea Turtle Monitoring/Beach Tilling/Escarpment Removal	166,000	135,000	60,000	61,000	62,000	63,000	64,000	76,000	77,000	78,000	79,000	80,000
	REACH TWO												
27	*North Ocean Boulevard Seawall*	50,000	50,000	250,000		*4,000,000*							
28	Sea Turtle Nesting Monitoring	29,000	12,000										
	REACH THREE/FOUR (MID-TOWN)												
29	Beach Nourishment Permitting	150,000	150,000	100,000	100,000								100,000
30	Beach Nourishment Construction						2,700,000			12,000,000			
	Groins at Gulfstream Rd.			20,000			*1,700,000*						
31	*Beach Nourishment Construction Mitigation*			*3,000,000*									
32	Sea Turtle Monitoring/Beach Tilling/Escarpment Removal	177,000	147,000	60,000	61,000	62,000	63,000	64,000	76,000	77,000	78,000	79,000	80,000
33	Biological Monitoring	308,000	140,000	100,000	105,000	110,000	165,000	121,000	128,000	184,000	141,000	148,000	155,000
34	FEMA Beach/Dune Sand	−2,200,000	238,000										
	REACH SEVEN (PHIPPS), NORTH OF THE LAKE WORTH PIER												
43	Beach Renourishment Permitting	300,000	300,000	50,000									200,000
44	Beach Renourishment Construction					9,000,000							
45	Structures Feasibility Study	150,000	22,000										
46	Structures Permitting	175,000	45,000	50,000									
47	*Structures Construction*					*3,000,000*							
48	*Structures Construction Mitigation*					*2,500,000*							
49	Dune Restoration/Phipps North to Sloans	423,000											
50	Sea Turtle Monitoring/Beach Tilling/Escarpment Removal	198,000	168,000	60,000	61,000	52,000	63,000	64,000	76,000	77,000	78,000	79,000	80,000
51	Biological Monitoring	607,000	463,000	100,000	205,000	163,000	171,000	179,000	188,000	198,000	208,000	218,000	229,000
52	FEMA Beach/Dune Sand	1,900,000	280,000										
	REACH EIGHT, SOUTH OF THE LAKE WORTH PIER												
53	Critical Beach Erosion Designation	10,000	10,000										
54	Beach Restoration Permitting	320,000											
55	Beach Restoration Construction												
56	*Beach Restoration Mitigation*						*1,000,000*						
57	Dune Restoration (R-129 to R-134)	1,200,000	208,000			500,000			1,400,000			1,600,000	
58	Structures Study (Env. Impact Statement)	500,000											
59	Potential Structures Permitting				200,000								
60	*Structures Construction*												
61	*Structures Mitigation*												
62	Sea Turtle Monit./Bch Tilling/Escarpmnt Removal	117,000	81,000	60,000	62,000	64,000	66,000	68,000	71,000	74,000	78,000	82,000	86,000
63	Biological Monitoring												
64	Reach 8 Project Engineering Report						10,000	10,000		10,000	10,000		10,000
		14,331,000	**3,789,000**										

309 ACCOUNT, "PAY-AS-YOU-GO"		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
COLUMN SUB-TOTALS:	Permit Required	440,000	555,000	513,000	3,291,000	560,000	615,000	12,687,000	661,000	685,000	710,000
Recommended	Permit Required	960,000	1,005,000	10,063,000	3,351,000	620,000	2,065,000	12,747,000	721,000	2,335,000	1,070,000

309 ACCOUNT, BONDABLE [ALL APPLICABLE PROJECTS *ITALICIZED* ABOVE]		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
COLUMN SUB-TOTALS:	Permit Required	3,000,000	0	0	1,000,000	0	0	0	0	0	0
Recommended	Permit Required	3,000,000	0	9,500,000	2,700,000	0	0	0	0	0	0
LEVELIZED FOR 30 YEARS:		1,011,333	1,011,333	1,011,333	1,011,333	1,011,333	1,011,333	1,011,333	1,011,333	1,011,333	1,011,333

581 ACCOUNT ITEMS [OPERATING]											
65	Annual Sediment Budget	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
66	Physical Monitoring	65,000	68,000	72,000	75,000	79,000	83,000	87,000	91,000	96,000	101,000
67	Sand Transfer Plant Operating	50,000	368,000	385,000	405,000	425,000	447,000	469,000	492,000	517,000	543,000
68	LWI IMP Physical Monitoring	17,000	18,000	19,000	20,000	21,000	22,000	23,000	24,000	25,000	26,000
69	Mid-Town Physical Monitoring	35,000	37,000	38,000	40,000	42,000	45,000	47,000	49,000	52,000	54,000
70	Mid-Town Bch. Project Engineering Report				10,000	10,000		10,000	10,000	10,000	10,000
71	Phipps Ocean Park Project Physical Monitoring	25,000	26,000	28,000	29,000	30,000	32,000	34,000	35,000	37,000	39,000
72	Phipps Ocean Park Project Engineering Report		10,000	10,000	10,000	10,000	10,000		10,000		
73	Reach 8 Project Physical Monitoring	25,000	26,000	28,000	29,000	30,000	32,000	34,000	35,000	37,000	39,000
74	Coastal Management Program Operating Expenses	199,000	205,000	213,000	220,000	227,000	235,000	244,000	254,000	258,000	262,000

581 ACCOUNT		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
COLUMN SUB-TOTALS:	Permit Required	52,000	18,000	19,000	70,000	73,000	22,000	80,000	83,000	87,000	90,000
Recommended	Permit Required	426,000	768,000	803,000	848,000	884,000	916,000	958,000	1,010,000	1,042,000	1,084,000

309 AND 581 ACCOUNTS [CAPITAL + OPERATING], BONDABLE PROJECTS LEVELIZED		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
COASTAL MANAGEMENT PROGRAM GRAND TOTALS	Permit Required	1,503,333	1,584,333	1,543,333	4,372,333	1,644,333	1,648,333	13,778,333	1,755,333	1,783,333	1,811,333
Recommended	Permit Required	2,397,333	2,784,333	11,877,333	5,210,333	2,515,333	3,992,333	14,716,333	2,742,333	4,388,333	3,165,333

REVISED PLAN RECOMMENDED BY SHORE PROTECTION BOARD Summary of Costs		
	FY 2012 - FY 2021 RAW TOTAL	**$58,876,000**
	BONDABLE TOTAL	**$15,200,000**
	10-YEAR RAW TOTAL MINUS BONDABLE	**$43,676,000**
	BONDABLE PAYBACK ANNUAL COST	**$1,013,333**
	AVG. ANN. COST (WITHOUT BONDABLE)	**$4,367,600**
	TOTAL AVG. ANNUAL COST (W/ BOND.)	**$5,380,933**

PRIOR PLAN for comparison purposes		
	FY 2012 - FY 2021 RAW TOTAL (RED, GREEN, & GOLD)	**$140,625,000**
	BONDABLE TOTAL	**$26,850,000**
	10-YEAR RAW TOTAL MINUS BONDABLE	**$113,775,000**
	BONDABLE PAYBACK ANNUAL COST	**$1,790,000**
	AVG. ANN. COST (WITHOUT BONDABLE)	**$11,377,500**
	TOTAL AVG. ANNUAL COST (W/ BOND.)	**$13,167,500**

LAKE WORTH INLET ACTIVITIES, Pending Litigation				FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
13	*Sand Transfer Plant Phase II Mitigation*	0	0		*2,000,000*								
14	*Sand Transfer Plant Phase II Construction*	0	0		*3,850,000*								
21	Incremental Cost for Dry Beach Placement (1 Event)	1,000,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
COLUMN SUB-TOTALS:				**500,000**	**6,350,000**	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**	**500,000**

3/24/2011

309 AND 581 ACCOUNTS [CAPITAL + OPERATING], RAW		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
COASTAL MANAGEMENT PROGRAM GRAND TOTALS	Permit Required	3,492,000	573,000	532,000	4,361,000	633,000	637,000	12,767,000	744,000	772,000	800,000
Recommended	Permit Required	4,386,000	1,773,000	20,366,000	6,899,000	1,504,000	2,981,000	13,705,000	1,731,000	3,377,000	2,154,000

NOTE: This is the revised 10-year Coastal Protection Plan recommended by the Shore Protection Board. With one minor change at line #59, it also is the "Plan B" alternative recommended by Town staff. The Town's budget can provide sufficient funding for this program without a tax increase in FY12 and probably also in FY13. To ensure the proper scope of this program and address the long term funding needed to complete it, the Finance and Taxation Committee and the full Town Council will be addressing these matters in 2011.

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Fund 310 - Town Facilities Project Fund
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest on Investments	62,045	10,294	2,000	1,300	1,000	-50.00%
Preservation Foundation Donations	0	200,000	0	0	0	0.00%
Historic Preservation Grant	227,547	0	0	0	0	0.00%
Miscellaneous	0	1,055	0	3,764	0	0.00%
TOTALS	289,592	211,349	2,000	5,064	1,000	-50.00%
Expenses						
Trans to (309) CCMP	1,900,000	0	0	0	0	0.00%
Projects	4,875,886	4,744,035	0	49,600	455,400	100.00%
TOTALS	6,775,886	4,744,035	0	49,600	455,400	100.00%
TOTAL REVENUES OVER/(UNDER) EXPENSES	(6,486,294)	(4,532,686)	2,000	(44,536)	(454,400)	
Beginning Retained Earnings	12,036,619	5,550,325	1,017,639	1,017,639	973,103	
ENDING FUND EQUITY	5,550,325	1,017,639	1,019,639	973,103	518,703	

Fund 310 - Town Facilities Project Fund

REVENUES

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investment.

Preservation Foundation Donations:
Represents donations for Town Hall Renovations.

Historic Preservation Grant:
Represents funding for Town Hall Renovations.

Miscellaneous:
This item represents revenue received for FPL rebates.

EXPENDITURES

Projects:
The FY12 amount represents potential Town Facilities projects

Fund 311 -
Worth Avenue Assessment Area Improvement Fund
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest on Investments	0	2,783	1,000	1,000	1,000	0.00%
Loan Proceeds	0	97,524	0	0	0	0.00%
Transfer from 313	0	0	0	0	63,400	100.00%
Donations	0	0	0	3,600	35,000	100.00%
Special Assessment Revenue	0	564,419	1,037,000	989,800	1,058,400	2.00%
TOTALS	0	664,726	1,038,000	994,400	1,157,800	11.54%
Expenses						
Projects	0	612,132	0	0	0	0.00%
Transfer to Debt Service 206 2010B	0	0	865,163	865,163	862,713	0.00%
Maintenance Costs	0	0	150,000	150,000	230,687	53.79%
TOTALS	0	612,132	1,015,163	1,015,163	1,093,400	7.71%
TOTAL REVENUES OVER/(UNDER) EXPENSES	0	52,594	22,837	(20,763)	64,400	
Beginning Retained Earnings		0	52,594	52,594	31,831	
ENDING FUND EQUITY	0	52,594	75,431	31,831	96,231	

Fund 311 - Worth Avenue Assessment Project Fund

REVENUES

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investment.

Loan Proceeds:
Represents funding for Worth Avenue preconstruction costs.

Donations:
Represents donations received for Worth Avenue items.

Special Assessment Revenue:
Non Ad Valorem Revenue collected from property owners for Worth Avenue special assessments.

EXPENDITURES

Projects:
Portion of Worth Avenue preconstruction costs incurred prior to 2010B bond issue.

Transfer to Debt Service 206 2010B Fund:
Annual debt service on 2010B Revenue Bonds.

Maintenance Costs:
Maintenance costs for Worth Avenue.

Fund 312 - Accelerated Capital Fund 2010A Bond Issue
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest on Investments	0	394,988	400,000	101,700	100,000	-75.00%
Bond Proceeds	0	43,525,618	0	0	0	0.00%
TOTALS	0	43,920,606	400,000	101,700	100,000	-75.00%
Expenses						
Debt Service Costs	0	546,496	0	0	0	0.00%
Transfer to 313 2010B Worth Ave Bond Fund	0	0	950,000	805,956	0	-100.00%
Projects (a)	0	2,636,580	0	1,639,300	38,493,974	100.00%
TOTALS	0	3,183,076	950,000	2,445,256	38,493,974	3952.00%
TOTAL REVENUES OVER/(UNDER) EXPENSES	0	40,737,530	(550,000)	(2,343,556)	(38,393,974)	
Beginning Retained Earnings	0	0	40,737,530	40,737,530	38,393,974	
ENDING FUND EQUITY	0	40,737,530	40,187,530	38,393,974	0	

(a) FY2012 projects are funded with unexpended roll-over balances from FY2011 and/or appropriations of fund balances approved by Town Council resolution.

Fund 312 - Accelerated Capital Fund 2010A Bond Issue

REVENUES

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investment.

Bond Proceeds:
Represents funding for 2010A Bond Issue Projects.

EXPENDITURES

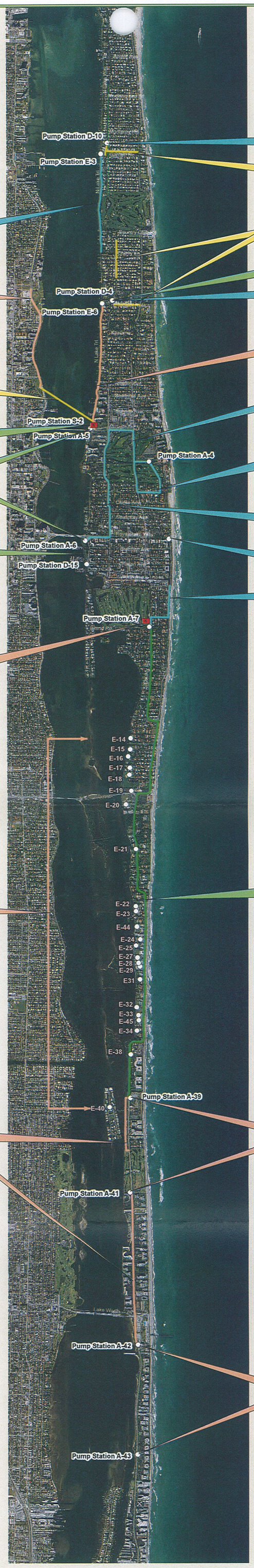
Debt Service Costs:
Debt service costs for 2010A Bond Issue.

Transfer to 313 2010B Worth Avenue Bond Fund:
This transfer represents the Town's share of Sanitary and Storm Sewer improvement for Worth Avenue.

Projects:
A detailed schedule of projects can be found in this section.

Town of Palm Beach

Accelerated Capital Improvement Program



D-10 Pump Station Improvements
Upgrade Existing Stormwater Pump Station
(FUTURE PROJECT)

North Lake Way & Laurian Lane Infrastructure Improvements
Construction: June - Nov. 2011
Construct New Stormwater Pipes Including Infrastructure Improvements

E-3, Garden Road to Cherry Lane, Force Main Replacement
Replace existing 12 - IN FM with new 12 - IN FM
(FUTURE PROJECT)

North Lake Way & Tangier Infrastructure Improvements
Construction: June - Nov. 2011
Construct New Stormwater Pipes Including Infrastructure Improvements

D-4 Pipe Repair
Construction: June - Aug. 2012
Install Lining for Existing Stormwater Pipes in D-4 Basin

North Flagler Drive Force Main
Construction: May - Nov. 2013
Construct New Force Main in West Palm Beach

D-4 Pump Station Improvements
Upgrade Existing Stormwater Pump Station
(FUTURE PROJECT)

E-6, Bradley Park to Tangier Avenue, Force Main Replacement
Construction: April - Oct. 2013
Replace existing 12-in FM with new 12-in FM

Subaqueous Force Main Crossing
Construction Feb. - Oct. 2011
Replacement of Existing Force Main with Alternate Route

Barton Avenue to Bradley Park Force Main Replacement
Replace existing 20 - IN FM with new 20 - IN FM
(FUTURE PROJECT)

Pump Station S-2 Inline Booster Station
Construction: May - Nov. 2012
Construct new Inline Station
to replace Pump Station S-2

Pinewalk Force Main Replacement
Take existing 8 - IN FM out of service
and construct new 8 - IN FM
(FUTURE PROJECT)

Pump Stations A-5 & A-6 Improvements
Construction: May - Sept. 2012
Upgrade Existing Pump Stations

A-6 to Royal Poinciana Way Force Main Replacement
Replace existing 16 - IN FM with new 16 - IN FM
(FUTURE PROJECT)

D-15 (D-6 & D-7) Pump Station Rehabilitation
Construction: April - Nov. 2012
Upgrade Existing Stormwater Pump Stations

Ocean Outfall Junction Box Rehabilitation
Strucural Repairs to Outfall Box Junction
(FUTURE PROJECT)

A-7 to Hammon Avenue Force Main Replacement
Replace Existing 16-IN FM with New 16-IN FM.
(FUTURE PROJECT)

Pump Station A-7 Inline Booster Station
Construction: April - Nov. 2013
Upgrade Existing Pump Station &
Construct New A-7 Inline Booster Station

A-39 to A-7 Force Main Replacement
Construction: April - Nov. 2012
Replace existing 12 - IN FM
with new 18 - IN FM

Ejector Pump Station Upgrades
Construction April - Nov. 2013
Upgrade E-Stations

Pump Stations A-39 & A-41 Improvements
Construction: April - Nov. 2013
Upgrade Existing Pump Stations

A-42 to A-41 & Par-3 to A-39 Force Main Replacement
Construction: April - Nov. 2013
A-42 to A-41: Replace Existing 10-IN FM with New 12-IN FM
Par-3 to A-39: Replace Existing 4 - IN FM with New 16 - IN FM

Pump Stations A-42 & A-43 Improvements
Construction: April - Nov. 2013
Upgrade Existing Pump Stations

Town Wide Projects

- Sanitary Gravity Main Replacement Program
  Construction April – Nov. 2012
  Replace deteriorated sanitary pipes at various locations.
- Stormwater Corrugated Pipe Replacement Program
  Construction April – Nov. 2012
  Replace deteriorated stormwater pipes at various locations.
- Street Lighting Improvements
  Construction July – Dec. 2011 & April – Nov. 2012
  Replace existing street lighting with new standard decorative fixtures.
- Traffic Signal Improvements
  Construction July - Oct. 2011
  Replace existing loops with video detection cameras.
- Telemetry System Improvements
  Construction April – Nov. 2012
  Update the operating system serving the Town's pump stations.

Legend

Proposed Booster Station

Planned Phasing Year

- 2011
- 2012
- 2013
- Future

FM = Forcemain

0 1,000 2,000
Feet

JACOBS

Town of Palm Beach Accelerated Capital Improvements Program
Budget Report

Program Project	Original 2009 Cost Estimate	2010A Bond Series: Updated Project Estimate	2010A Bond Series: Amount Paid to-date	2010A Bond Series: Percent Complete
Sanitary Pump Station Improvements				
Pump Stations A-5 & A-6 Improvements	$ 150,000	$ 400,000	$ -	
Pump Station A-7 Inline Booster Station	$ 1,465,000	$ 1,465,000	$ 89,876	
Pump Stations A-39 & A-41 Improvements	$ 400,000	$ 400,000	$ 29,295	
Pump Stations A-42 & A-43 Improvements	$ 1,071,000	$ 1,020,000	$ 74,142	
Ejector Pump Stations Upgrades	$ 2,055,000	$ 2,055,000	$ 25,202	
Pump Station S-2 Inline Booster Station	$ 2,300,000	$ 2,300,000	$ 60,534	
Sub-Total Sanitary Pump Stations	***$ 7,441,000***	***$ 7,640,000***	***$ 279,049***	***4%***
Sanitary Collection System Improvements				
A-39 to A-7 Force Main Replacement	$ 5,000,000	$ 9,048,000	$ 396,187	
A-42 to A-41 & Par 3 to A-39 Force Main Replacement	$ 1,200,000	$ 1,200,000	$ 112,389	
A-43 to A-42 Force Main Replacement	$ 517,000	$ -	$ 3,722	
E-6, Bradley Park to Tangier Avenue, Force Main Replacement	$ 890,000	$ 1,300,000	$ -	
S-2 Bypass at A-5 Force Main Replacement	$ 55,000	$ -	$ -	
Currie Park to Tamarind Avenue Force Main Replacement	$ 2,070,000	$ -	$ -	
S-2 to Tangier Avenue Force Main Replacement	$ 2,560,000	$ -	$ -	
Cocoanut Row to S. Ocean Blvd. Force Main Replacement	$ 505,000	$ -	$ -	
Subaqueous Force Main Crossing	$ -	$ 1,875,900	$ 1,116,563	
North Flagler Drive Force Main	$ -	$ 2,250,000	$ 54,319	
Sanitary Gravity Main Replacement Program	$ 1,000,000	$ 1,000,000	$ 6,532	
Sub-Total Sanitary Collection System	***$ 13,797,000***	***$ 16,673,900***	***$ 1,689,712***	***10%***
Stormwater Drainage Improvements				
D-4 Pipe Repair	$ 700,000	$ 700,000	$ 9,732	
D-15 (D-6 & D-7) Pump Station Rehabilitation	$ 3,690,000	$ 8,150,000	$ 787,487	
North Lake Way & Tangier Avenue Infrastructure Improvements	$ 1,215,000	$ 1,407,000	$ 441,135	
North Lake Way & Laurian Lane Infrastructure Improvements	$ 885,000	$ 968,500	$ 220,506	
Stormwater Corrugated Pipe Replacement Program	$ 1,000,000	$ 1,000,000	$ 50,000	
D-4 Pump Station Improvements - Design	$ 105,000	$ 140,000	$ 106,457	
D-10 Pump Station Improvements - Design	$ 50,000	$ 130,000	$ 109,883	
Sub-Total Drainage Improvements	***$ 7,645,000***	***$ 12,495,500***	***$ 1,725,200***	***14%***
Other Planned Projects				
Street Lighting Improvements	$ 1,780,000	$ 1,809,000	$ 69,023	
Traffic Signal Improvements	$ 370,000	$ 370,000	$ 280,334	
Worth Avenue Improvements	$ 950,000	$ 805,956	$ 805,956	
Program Administration	$ 720,000	$ 719,960	$ 166,218	
ECR Pelletizer - Biosolids Improvements	$ 1,241,000	$ -	$ -	
Telemetry System Improvements	$ -	$ 400,000	$ 6,929	
Sub-Total Other Planned Projects	***$ 5,061,000***	***$ 4,104,916***	***$ 1,328,460***	***32%***
Future Bond Projects				
A-6 to Royal Poinciana Way Force Main Replacement	$ 1,200,000			
A-7 to Hammon Avenue Force Main Replacement	$ 524,000			
E-3, Garden Road to Cherry Lane, Force Main Replacement	$ 650,000			
Barton Avenue to Bradley Park Force Main Replacement	$ 1,000,000			
D-4 Pump Station Improvements - Construction	$ 1,515,000			
D-10 Pump Station Improvements - Construction	$ 1,965,000			
Ocean Outfall Junction Box Rehabilitation	$ 265,000			
Pinewalk Force Main Replacement	$ 121,000			
Sub-Total - Future Projects	***$ 7,240,000***			
ACIP PROGRAM BUDGET	**$ 41,184,000**	**$ 40,914,316**	**$ 5,022,422**	***12%***
2010 A BOND SERIES	**$ 41,232,000**			
UNALLOCATED CONTINGENCY	***$ 48,000***	***$ 317,684***		

Updated through 11/1/2011

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

PUMP STATIONS A-5 & A-6 IMPROVEMENTS

Budget

Cost Estimate: $400,000

Project Description

This is an in-house project to replace valves and pumps at sanitary pump stations A-5 and A-6. The wetwells will be recoated as well.

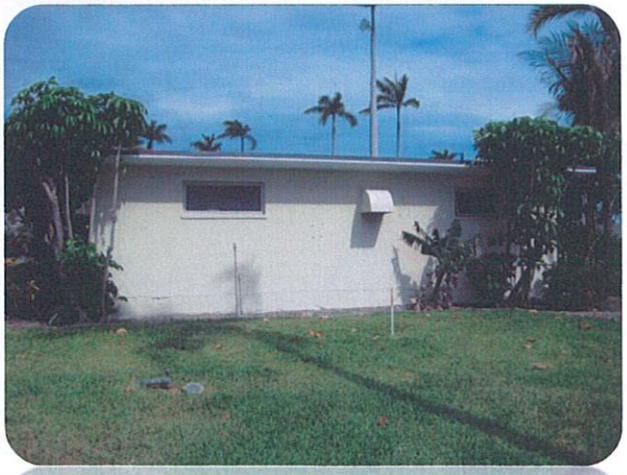
AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This equipment and valve replacement with the wetwell coating will extend the useful life of the pump stations and defer for many years a major rehabilitation project.



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	June 2011 – November 2011
Procurement	November 2011 – April 2012
Construction	May 2012 - September 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

PUMP STATION A-7 INLINE BOOSTER STATION

Budget

Cost Estimate: $1,465,000

Project Description

This project will rehabilitate the existing A-7 sanitary pump station including: replacement and upgrade of mechanical and electrical equipment and wetwell repairs to rehabilitate deteriorated concrete. This project also includes construction of a new in-line booster pump station.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

Construction of a new in-line station will enable the Town to "boost" the pressure of flows being transmitted from the stations upstream of the A-7 pump station to reach another booster station that is planned for the S-2 master station site. This approach will allow the transportation of 100% of the south end sewage flows north to the shared force main with West Palm Beach and onto the East Regional Water Reclamation Facility.

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	July 2010 – December 2011
Permitting	October 2011 - December 2011
Procurement	October 2012 - December 2012
Construction	April 2013 - November 2013

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

PUMP STATIONS A-39 & A-41 IMPROVEMENTS

Budget

Cost Estimate: $400,000

Project Description

This project will rehabilitate sanitary pump stations A-39 and A-41 to increase pumping capacity, upgrade electrical and mechanical systems, complete structural repairs and convert from dry-pit to submersible stations.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This project will increase the reliability of these pump stations by upgrading the wastewater pumps and the electrical and mechanical systems. Completion of any necessary structural repairs and application of wet well coatings will extend the life of the stations.

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	February 2011 – August 2011
Procurement	October 2012 – December 2012
Construction	April 2013 - November 2013

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

PUMP STATIONS A-42 & A-43 IMPROVEMENTS

Budget

Cost Estimate: $1,020,000

Project Description

This project will rehabilitate sanitary pump stations A-42 and A-43 including increase in pumping capacity, upgrade of the electrical and mechanical systems, minor structural repairs, and conversion from dry-pit to submersible stations.

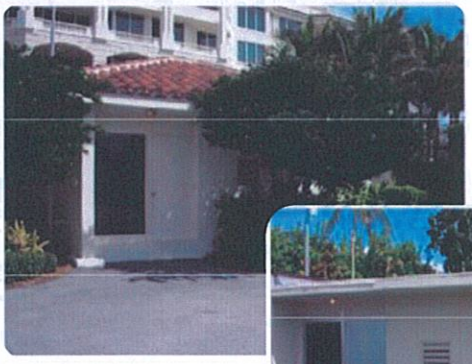
AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This project will increase the reliability of these pump stations by upgrading the wastewater pumps and the electrical and mechanical systems. Completion of any necessary structural repairs and application of wet well coatings will extend the life of the stations.



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	November 2010 - July 2011
Permitting	June 2011 – November 2011
Procurement	October 2012 - December 2012
Construction	April 2013 - November 2013

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

EJECTOR PUMP STATIONS UPGRADES

Budget

Cost Estimate: $2,055,000

Project Description

This project involves development and implementation of a plan to replace or upgrade existing E-stations located throughout the Town. Options include converting to electric submersible, pneumatic pumps, or replacement of stations.

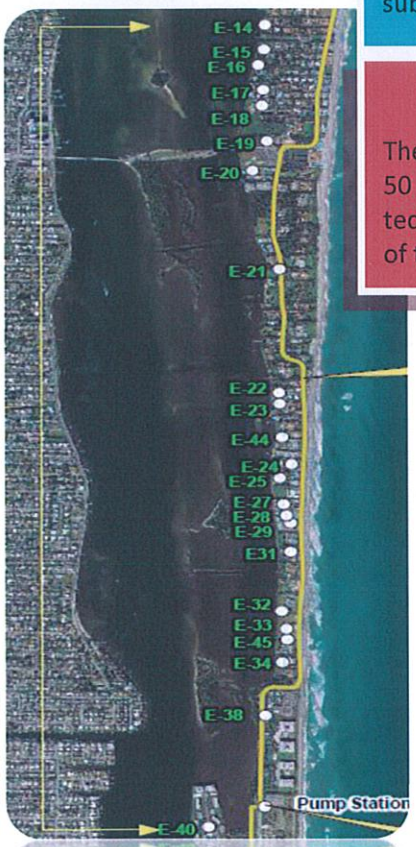
Benefit

The existing sanitary neighborhood stations range in age from 50 to 55 years old. Upgrading these stations to modern technology will reduce the operation and maintenance costs of the existing pneumatic pump stations.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	April 2011-January 2012
Procurement	February 2012-April 2012
Construction	April 2012-November 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

PUMP STATION S-2 INLINE BOOSTER STATION

Budget

Cost Estimate: $2,300,000

Project Description

This project involves construction of a new in-line booster pump station at sanitary pump station S-2. The new station will replace the existing wetwell and submersible pump system.

Benefit

Construction of a new in-line station will enable the Town to abandon Lift Station No. 22 located in West Palm Beach. This will result with operations and maintenance costs savings. The Town had previously budgeted $1,000,000 to upgrade the existing station. By modernizing the station in lieu of upgrading it, the life of the station will be extended and operations costs further reduced.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	April 2011 - December 2011
Permitting	October 2011 - December 2011
Procurement	November 2011 - May 2012
Construction	May 2012 - November 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

A-39 to A-7 FORCE MAIN REPLACEMENT

Budget

Cost Estimate: $9,048,000

Project Description

This project will replace an existing 18-inch force main with a 20-inch force main from Phipps Ocean Park to the intersection of Clarendon Ave and South Ocean Blvd. From there, a new 20-inch force main to Pump Station A-7 at Everglades Golf Course.

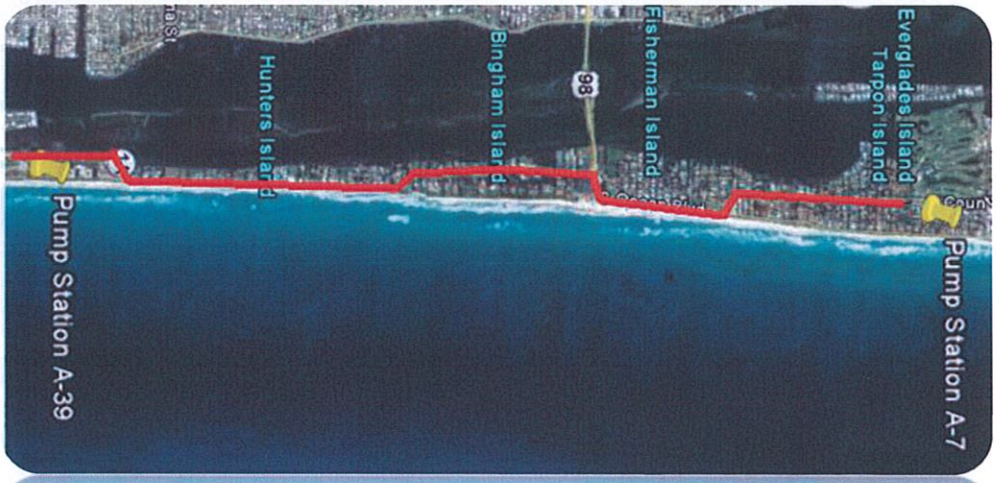
AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This project will replace an aging force main before it breaks and disrupts the roadway and potentially results with environmental impacts. The project will also provide the Town with the ability to direct more flow north to West Palm Beach.



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	February 2010-November 2011
Permitting	October 2010-November 2011
Procurement	June 2011-Dec 2011
Construction	April 2012-November 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

A-42 to A-41 & Par 3 to A-39 FORCE MAIN REPLACEMENT

Budget

Cost Estimate: $1,200,000

Project Description

This project will replace an existing 4-inch force main with a 16-inch force main from the Par 3 golf course to pump station A-39 at Phipps Ocean Park. The project will also replace the existing 10-inch force main with a 12-inch force main from pump station A-42 at 3000 South Ocean Blvd to station A-41 at the Par 3 golf course.

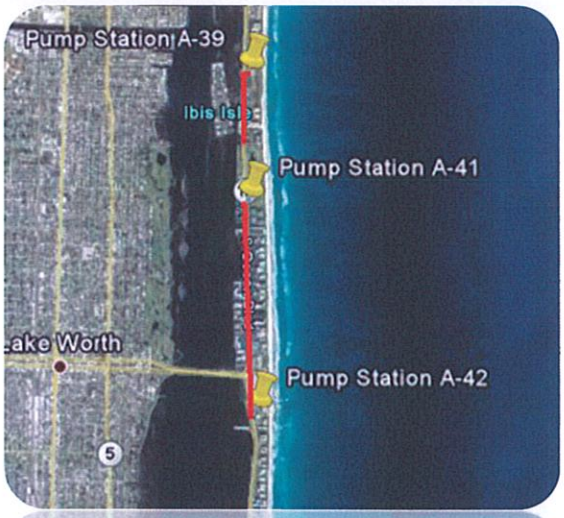
AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This project will replace aging force mains before they break and disrupt the roadway and potentially results with environmental impacts. The project will also provide the Town with the ability to direct more flow north to West Palm Beach.



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule

Phase	Time Frame
Design	October 2010 - April 2011
Permitting	April 2011 - May 2011
Procurement	April 2011 - July 2011
Construction	April 2013 – November 2013

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

E-6, BRADLEY PARK to TANGIER AVENUE, FORCE MAIN REPLACEMENT

Budget

Cost Estimate: $1,300,000

Project Description

This project will replace an existing 12-inch diameter force main with a 12-inch force main along Lake Trail at 325 Tangier Avenue to Station S-2 in Bradley Park.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This project will replace an aging force main before it breaks and disrupts the roadway and potentially results with environmental impacts.

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule

Phase	Time Frame
Design	December 2011 – June 2012
Procurement	October 2012 – December 2012
Construction	April 2013 – October 2013

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

SUBAQUEOUS FORCE MAIN CROSSING

Budget

Cost Estimate: $1,875,900

Project Description

The project will replace the existing 30-inch force main with a 24-inch force main crossing the Intracoastal Waterway from Bradley Park to Providencia Park in West Palm Beach.

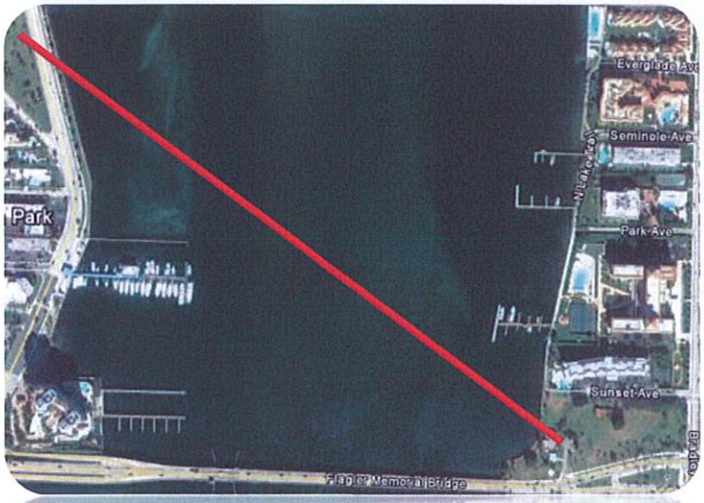
Benefit

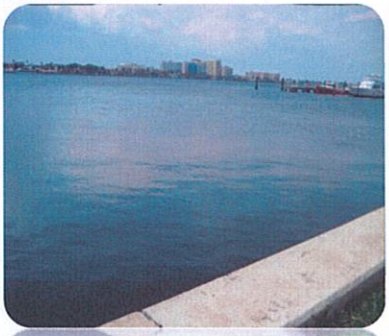
This project offers many benefits including: providing the Town with a second route for transferring sewage off the Island; replacement of an existing 35-year old force main; and capital costs savings realized through partnering with the City of West Palm Beach.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE





For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	March 2010 – September 2010
Permitting	July 2010 – September 2010
Procurement	October 2010 – January 2011
Construction	February 2011 – October 2011

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

NORTH FLAGLER DRIVE FORCE MAIN

Budget

Cost Estimate: $2,250,000

Project Description

This involves construction of a new force main in West Palm Beach from Providencia Park to 23rd Street and North Flagler Drive.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

This project will provide a link between the new subaqueous Intracoastal Waterway force main and the existing force main leading to the East Central Regional Water Reclamation Facility. The project also serves to provide a redundant route to direct the Town's sewage off the Island.

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	May 2011 – May 2012
Procurement	October 2012 – December 2012
Construction	May 2013 - November 2013

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

SANITARY GRAVITY MAIN REPLACEMENT PROGRAM

Budget

Cost Estimate: $1,000,000

Project Description

This project will replace deteriorated sanitary gravity sewer pipes at various locations throughout the Town.

Benefit

This on-going project offers many benefits including: elimination of groundwater infiltration and the cost to treat water at the sewage treatment facility; and elimination of roadway depressions and the associated roadway repair costs.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	July 2011 – December 2011
Procurement	January 2012 - March 2012
Construction	April 2012 - November 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

D-4 PIPE REPAIR

Budget

Cost Estimate: $700,000

Project Description

The D-4 Pipe Study revealed that it is not cost effective to replace the pipe verses continuing to pump the ground water infiltrating into the pipe. One point repair and repairs to five manholes is now the revised scope of work.

Benefit

This offers many benefits including: reducing the amount of groundwater reaching the storm water pump station and eliminating the need to pump the water resulting with savings of electrical costs.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	December 2011 - February 2012
Procurement	March 2012 - May 2012
Construction	June 2012 - August 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

D-15 (D-6 & D-7) PUMP STATION REHABILITATION

Budget

Cost Estimate: $8,150,000

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Description

This project will consolidate stormwater infrastructure in the Lakeside Park area. Specifically the existing wetwells will be rehabilitated in Pump Stations D-6 and D-7. The hydraulic driven pumps will be replaced with electric pumps served by new controls and new back-up generators. All new components will be consolidated into an existing pump station building. This will enable the Town to demolish the existing D-15 building located just south of Australian parking lot.

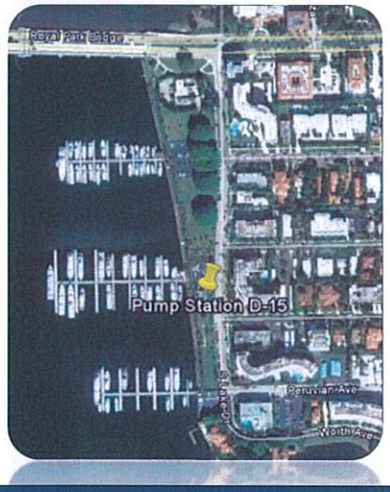
AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

Upgrading this stormwater pump station provides the benefits of: increased reliability of the storm pumps; reduced operation and maintenance costs, and additional open space with the deletion of the D-15 building.



Project Schedule	
Phase	**Time Frame**
Design	October 2010-April 2011
Permitting	November 2010-May 2011
Procurement	February 2011-May 2011
Construction	April 2012-November 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

NORTH LAKE WAY & TANGIER AVENUE INFRASTRUCTURE IMPROVEMENTS

Budget

Cost Estimate: $1,407,000

Project Description

This project includes construction of a new 24-inch diameter storm water trunk line between El Dorado Lane to Plantation Road and along Tangier Avenue. Work specifically includes new drainage line, water main, gravity sanitary sewer, and curbing.

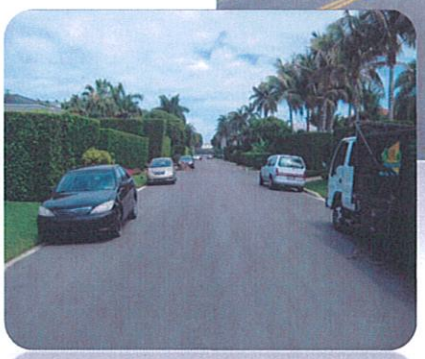
Benefit

Sewer benefits include elimination of groundwater infiltration and the cost to treat water at the sewage treatment facility; elimination of roadway depressions and the associated roadway repair costs. The drainage construction will improve the drainage capabilities within the road.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	January 2010 – October 2010
Procurement	April 2011 - June 2011
Construction	June 2011 - November 2011

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

NORTH LAKE WAY & LAURIAN LANE INFRASTRUCTURE IMPROVEMENTS

Budget

Cost Estimate: $968,500

Project Description

This project includes construction of a new storm sewer, new drainage structures with gutter/curbing, and a new sanitary sewer on Laurian Lane. Construction also includes work on North Lake Way - new 30-inch storm sewer from Garden Road to Via Marlia.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

Sewer benefits include elimination of groundwater infiltration and the cost to treat water at the sewage treatment facility; elimination of roadway depressions and the associated roadway repair costs. The drainage construction will improve the drainage capabilities within the road.

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	January 2010 – April 2011
Procurement	April 2011 - June 2011
Construction	June 2011 - November 2011

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

STORMWATER CORRUGATED PIPE REPLACEMENT PROGRAM

Budget

Cost Estimate: $1,000,000

Project Description

This project will replace deteriorated corrugated metal storm drainage pipes at various locations throughout the Town.

Benefit

This on-going project offers many benefits including: reduces infiltration to pump stations; reduces sand infiltration and resultant loss in storm drainage efficiency; reduces maintenance costs to remove sand; and eliminates pavement depressions.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	July 2011 - December 2011
Procurement	January 2012 - March 2012
Construction	April 2012 - November 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

D-4 PUMP STATION IMPROVEMENTS

Budget

Cost Estimate: $140,000
(Design Only)

Project Description

This project will replace hydraulically driven pumps with electric pumps; upgrade electrical and mechanical systems; and correct any structural deficiencies.

Benefit

Upgrading this stormwater pump station serves to improve the reliability of the Town's drainage system and reduces the potential for flooding.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	November 2010-October 2011
Permitting	Future
Procurement	Future
Construction	Future

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

D-10 PUMP STATION IMPROVEMENTS

Budget

Cost Estimate: $130,000 (Design Only)

Project Description

This project will replace hydraulically driven pumps with electric pumps; upgrade electrical and mechanical systems; and correct any structural deficiencies.

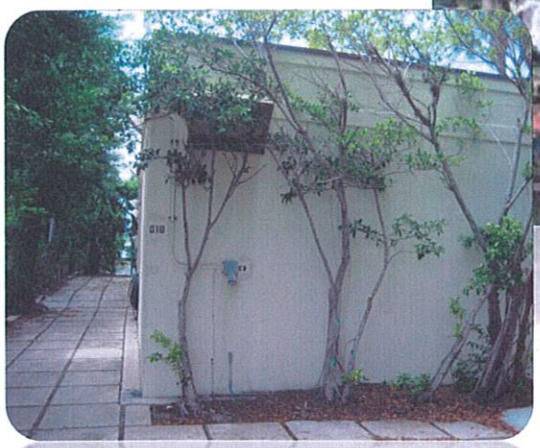
Benefit

Upgrading this stormwater pump station serves to improve the reliability of the Town's drainage system and reduces the potential for flooding.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE



For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	March 2010 - June 2011
Permitting	Future
Construction	Future

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

STREET LIGHTING IMPROVEMENTS

Budget

Cost Estimate: $1,809,000

Project Description

This project involves replacement of the existing street lighting with new standard decorative fixtures at various locations throughout the Town.

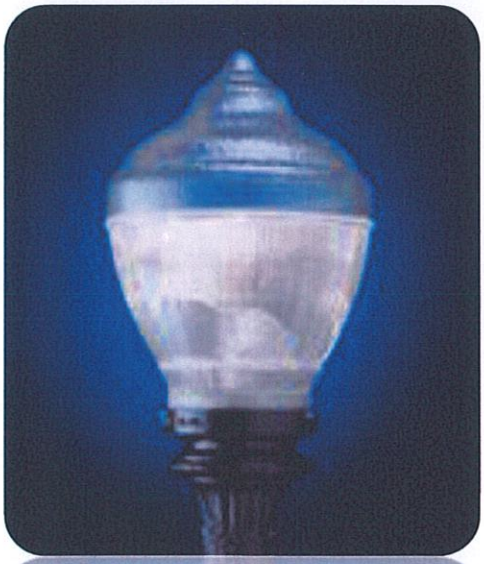
Benefit

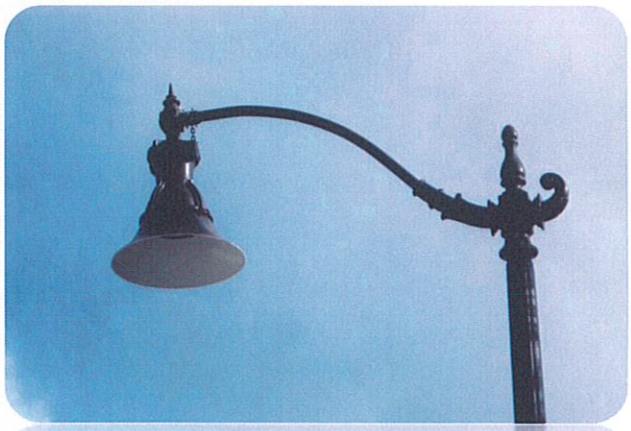
Decorative light fixtures will be more consistent throughout Town limits. Aged lights will be replaced with new reducing operation and maintenance costs.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE





For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Design	November 2010 – April 2011
Permitting	March 2011 - April 2011
Procurement	April 2011 – July 2011
Construction	July 2011 - December 2012

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

TRAFFIC SIGNAL IMPROVEMENTS

Budget

Cost Estimate: $370,000

Project Description

Existing traffic loops will be replaced with video detection cameras at various locations throughout the Town.

Benefit

Systematically upgrading the traffic technology will benefit the Town by having a more reliable system capable of providing historical information as necessary.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Procurement	July 2010 - May 2011
Construction	July 2011 - October 2011

JACOBS Program Manager

TOWN OF PALM BEACH PUBLIC WORKS DEPARTMENT
ACCELERATED CAPITAL IMPROVEMENTS PROGRAM
FACT SHEET

TELEMETRY SYSTEM IMPROVEMENTS

Budget

Cost Estimate: $400,000

Project Description

This project involves assessment of the existing utility telemetry components to determine upgrades needed to improve the Town's ability to monitor, trend, and report overall system performance.

AFFORDABLE TODAY

MAINTAINABLE TOMORROW

SUSTAINABLE IN FUTURE

Benefit

Having accurate real-time data available to operations and maintenance staff will result with quicker resolution of problems and implementation of a more efficient preventative maintenance program.

Telemetry is the heart of internal utility operations.

For more information on this project, please contact the Public Works Department at 561.838.5440.

Project Schedule	
Phase	**Time Frame**
Study	April 2011
Design	June 2011 – December 2011
Procurement	January 2012 - April 2012
Construction	April 2012 - November 2012

JACOBS Program Manager

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FUND (313) - WORTH AVENUE ASSESSMENT DISTRICT - FY12 ACCOMPLISHMENTS

Worth Avenue Improvement Project - was a major streetscape project encompassing large portions of the Worth Avenue Commercial District, including the three primary commercial blocks of historic Worth Avenue. The work was the first major streetscape undertaken within the commercial district since 1983. Initial construction commenced during the spring of 2010 and ended on November 23, 2010. A second phase began in September 2011 and was completed in October 2011. The total cost of the project was approximately $15M. The enhancements were paid for using special non ad valorem assessments to the commercial properties benefitting from the improvements.

The initial improvements included the following components:

- ✓ A clock tower and entry piers to accentuate the easternmost entry to the commercial district at the intersection of Worth Avenue and South Ocean Boulevard.
- ✓ New wider sidewalks topped with tabby concrete to enhance the pedestrian experience.
- ✓ New curbs and gutters
- ✓ New drainage inlets
- ✓ New crosswalks topped with tabby concrete bumped out to provide pedestrian rest areas with street furniture and shade trees.
- ✓ New historic streetlights with energy efficient lighting components.
- ✓ Landscaping up lighting
- ✓ New irrigation systems
- ✓ A new passive park at the southeast corner of the intersection Worth Avenue and South County Road with street furniture and shade trees.
- ✓ A new living landscaped wall adjacent to the new park enhancing pedestrian rest areas.
- ✓ A new piazza encompassing the entirety of the 400 block of Hibiscus Avenue incorporating a fountain, reflecting pool, shade trees and open space area for pedestrians.
- ✓ New on-street parking configuration to comply with applicable code requirements.
- ✓ Conversion of highly visible overhead utility lines to underground service.
- ✓ New electrical system throughout the project area.
- ✓ New mature coconut palms as the primary street tree
- ✓ New landscaping planter beds throughout the project area.
- ✓ New asphalt paving.
- ✓ New street striping.
- ✓ New street signage on historic poles to match new historic streetlights.

Phase II improvements included:

- ✓ Amendments to Hibiscus Plaza including fountain changes to provide a seating component, pergola and landscaping changes.
- ✓ Additional tabby sidewalks.
- ✓ Landscaping additions at 204 and 205 Worth Avenue.
- ✓ Lighting and landscaping changes at the clock tower.
- ✓ Uplighting at the entry piers.
- ✓ Completion of underground utility work.

In addition to the above streetscape features, some infrastructure work was contemplated for renewal and replacement for convenience while the area was under construction. The infrastructure entails the following utility services:

- ✓ New water main in specific segments of the project area.
- ✓ New drainage collection system in specific segments of the project area.
- ✓ New sanitary sewer within the 100 block of Worth Avenue.
- ✓ New gas mains in specific segments of the project area.
- ✓ The conversion of specific overhead utility lines to underground service as mentioned above.

East End of Worth Avenue

Fund 313 -
2010B Worth Avenue Construction Project Fund
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest on Investments	0	16,370	10,000	1,500	2,000	-80.00%
Contributions	0	14,801	0	66,415	0	0.00%
Bond Proceeds	0	13,570,196	0	0	0	0.00%
Transfer from 307 CIP Fund	0	0	310,000	268,685	0	-100.00%
Transfer from 312 2010A Bond Fund	0	0	950,000	805,956	0	-100.00%
TOTALS	0	13,601,367	1,270,000	1,142,556	2,000	-99.84%
Expenses						
Debt Service Costs	0	158,151	0	0	0	0.00%
Transfer to 311	0	0	0	0	63,400	100.00%
Projects/Debt Retirement	0	9,911,085	0	2,829,100	1,784,187	100.00%
TOTALS	0	10,069,236	0	2,829,100	1,847,587	100.00%
TOTAL REVENUES OVER/(UNDER) EXPENSES	0	3,532,131	1,270,000	(1,686,544)	(1,845,587)	
Beginning Retained Earnings	0	0	3,532,131	3,532,131	1,845,587	
ENDING FUND EQUITY	0	3,532,131	4,802,131	1,845,587	0	

Note: Fund equity funds are to be used for completion of Phase I construction work and Phase II improvements approved by the Town Council on May 10, 2011. Thereafter, remaining funds will be used to retire outstanding debt, thereby reducing special assessments to property owners. Retirement of outstanding debt must occur prior to January 1, 2012.

Fund 313 - 2010B Worth Avenue Construction Project Fund

REVENUES

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investment.

Contributions:
Represents contributions for the clock tower for the Worth Avenue project.

Bond Proceeds:
Represents funding for Worth Avenue renovations.

Transfer from 307 CIP Fund:
Represents funding for City of West Palm Beach reimbursed water improvements relating to Worth Avenue renovations.

Transfer from 312 2010A Bond Fund:
Represents funding for Town owned infrastructure relating to Worth Avenue renovations.

EXPENDITURES

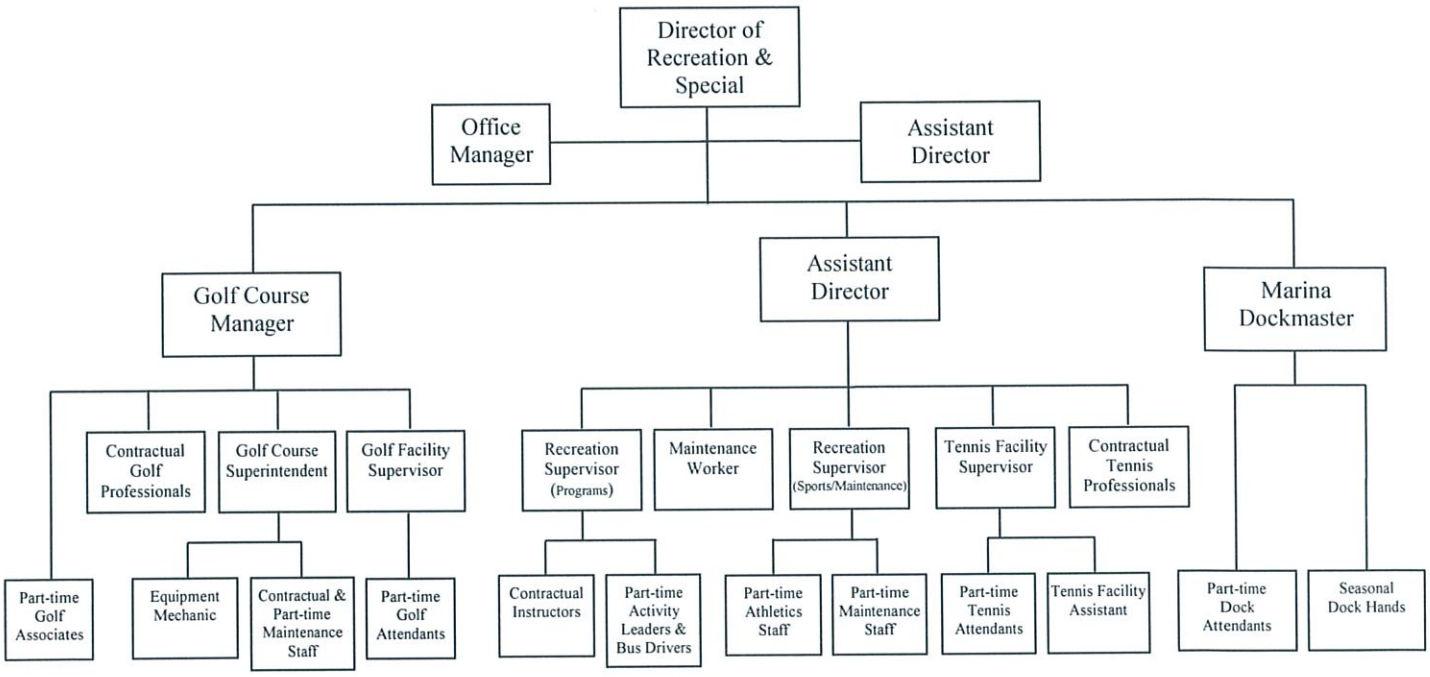
Debt Service Costs:
Debt service costs for the 2010B Bond Issue.

Transfer to 311:
Additional funds to cover Worth Avenue maintenance costs.

Projects:
Worth Avenue Construction Project costs.

Recreation Enterprise Fund

Recreation Enterprise Fund



Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Desired outcomes are achieved in the most efficient manner maintaining a cost recovery rate of 100% for the Golf Course, 40% for the Recreation Center, and 30% for the Tennis Program	OBJECTIVES: Annually measure profit margin and/or recovery rate to represent the business nature of the enterprise fund Golf Course: 2011 Results: 106%* 2010 Results: 79% Recreation Center: 2011 Results: 58%* 2010 Results: 51% Tennis Program: 2011 Results: 47%* 2010 Results: 45% *please note: 2011 results are unaudited
GOAL: Customer satisfaction is achieved (Department average)	OBJECTIVES: Citizen satisfaction survey with a combined "excellent" and "very good" rating of at least 85% 2011 Results: 94% 2010 Results: 96%
GOAL: Retain current Recreation Center participation levels	OBJECTIVES: Track level of participation annually for all Recreation Programs & Special Events 2011 Results: 21,836 2010 Results: 20,666
GOAL: Retain current dock customers	OBJECTIVES: Track percentage of lease retention Lease Retention: 2011 Results: 83% 2010 Results: 81%
GOAL: Marina transient days increase	OBJECTIVES: Measure monthly and total annual usage 2011 Results: 387 visitors for 1,623 days (an average stay of 4.19 days) *Monthly transients days ranged from a decrease of -35% to a high of 192%, resulting in a net increase of 38%* 2010 Results: 437 visitors for 1,178 days (an average stay of 2.69 days)

GOAL: Tennis program usage increase	OBJECTIVES: Measure monthly and total annual usage 2011 Results: 27,868 total usage *Monthly participation ranged from a decrease of -33.43% to a high of 19.16%, resulting in a net increase of 2.93%* 2010 Results: 27,074
GOAL: Golf program usage increase	OBJECTIVES: Measure monthly and total annual usage 2011 Results: 26,598 *Monthly participation ranged from a decrease of -7.27% to a high of 48.39%, resulting in a net increase of 35.29%* 2010 Results: 19,660 Note: Golf Course was closed for renovation in October and November 2009, re-opening in mid-December 2009.

RECREATION ENTERPRISE FUND - 403

Mission: The Mission of the Recreation Enterprise Fund is to provide outstanding recreational opportunities and excellent customer service.

Main Activities: The most important things we do to fulfill the mission are:

- Provide programs and activities at the Recreation Center that reflect both the uniqueness and interests of the community
- Manage slip availability to maximize transient traffic at the Town Docks and set reasonable dockage fees
- Assure that the tennis facilities are operated in a fashion that best serves the community
- Provide a high quality golf experience at a competitive price
- Provide safe, clean, and well-maintained facilities

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Marina	3,231,302	3,069,095	3,274,800	2,807,200	3,087,000	-5.73%
Par 3	455,447	734,881	1,234,676	933,300	1,030,500	-16.54%
Tennis	174,320	205,424	210,500	210,300	225,100	6.94%
Recreation Programs	288,983	312,505	298,700	354,900	323,700	8.37%
Investment Earnings	52,508	24,319	21,000	24,300	16,500	-21.43%
Miscellaneous Revenue, Including Donations	1,793,823	36,553	-	31,600	-	0.00%
TOTALS	5,996,383	4,382,777	5,039,676	4,361,600	4,682,800	-7.08%
Expenses						
Salaries and Wages	1,401,153	1,378,879	1,369,804	1,252,300	1,340,100	-2.17%
Employee Benefits	561,561	553,094	645,344	628,610	380,425	-41.05%
Contractual	1,109,620	1,100,808	1,190,884	1,019,700	1,129,050	-5.19%
Commodities	163,518	184,734	192,025	194,500	218,600	13.84%
Capital Equipment	253,847	1	51,000	31,600	37,000	-27.45%
Other	-	-	-	-	-	0.00%
TOTALS	3,489,699	3,217,516	3,449,057	3,126,710	3,105,175	-9.97%
Operating Revenues Over/(Under) Expenses	2,506,684	1,165,261	1,590,619	1,234,890	1,577,625	
Capital Expenses	(4,091,713)	(229,683)	(309,807)	(10,800)	-	
Depreciation	(282,593)	(506,363)	(492,500)	(492,500)	(515,000)	
Gain/(Loss) on disposal of fixed assets	-	(10,543)	-	-	-	
Transfer to General Fund	(550,000)	(550,000)	(639,000)	(639,000)	(800,000)	
Transfer to Debt Service	-	(24,900)	(125,500)	(125,500)	(125,500)	
Contingency	-	-	(176,700)	-	(155,000)	
TOTAL REVENUES OVER/(UNDER) EXPENSES	(2,417,622)	(156,228)	(152,888)	(32,910)	(17,875)	

Recreation Enterprise Fund

	FY2009	FY2010	FY2011	FY2012
Full Time Equivalent Employees	29.40	29.03	27.48	25.71

Change in FTEs:

- -.10 Allocation of Director of Recreation and Special Projects to Town Manager's Office
- -1.0 General Maintenance Worker
- -1.0 Tennis Facility Supervisor
- -1.64 Golf part time recurring staff
- +.68 Recreation Center part time recurring staff
- +.64 Docks part time recurring staff
- +.65 Part time recurring staff across divisions

PROGRAM: MARINA

Located at Lake Drive Park, the Town Docks has three main piers with a total of 88 slips. Slips are leased annually, seasonally, monthly, or daily. The marina property offers a variety of amenities - three dock buildings, a waste oil collection site, electrical service panels for all vessels, sewage pump-out systems, and three parking lots.

The Dock Master is responsible for daily operations, supervision of employees, slip assignments, safety, and the daily collection of revenues in accordance with established policies.

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Annual Leases	1,512,490	1,386,186	2,284,700	2,158,600	2,300,000	0.67%
Seasonal Leases	944,620	881,695	299,000	173,900	200,000	-33.11%
Transient Rental	664,592	715,020	600,000	384,600	500,000	-16.67%
Electricity	99,322	84,231	85,000	87,100	85,000	0.00%
Ice Sales	67	171	300	200	200	-33.33%
Interest on Dock Replacement Reserve	9,443	1,022	5,000	1,000	1,000	-80.00%
Sales Tax Commissions	394	379	400	500	400	0.00%
Miscellaneous Revenue	374	391	400	1,300	400	0.00%
TOTALS	3,231,302	3,069,095	3,274,800	2,807,200	3,087,000	-5.73%
Expenses						
Salaries and Wages	201,078	178,286	151,606	122,000	194,700	28.42%
Employee Benefits	82,374	81,093	107,796	100,800	62,490	-42.03%
Contractual	599,184	552,931	574,055	513,700	576,550	0.43%
Commodities	7,447	2,631	12,600	5,400	11,300	-10.32%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	890,083	814,941	846,057	741,900	845,040	-0.12%
Operating Revenues Over/(Under) Expenses	2,341,219	2,254,154	2,428,743	2,065,300	2,241,960	

Revenue

Revenues reported in years prior to FY11 were reported by dock (Australian, Peruvian, and Brazilian) rather than category (annual, seasonal, transient).

Annual Leases:
This category represents revenue from vessels under an annual lease at the Town docks.

Seasonal Leases:
This category represents revenue from vessels under a seasonal lease at the Town docks. The variance in FY12 represents some shifting of seasonal to annual leasing as well as anticipated economic impacts.

Transient Rental:
This category represents revenue from transient vessels (those staying on a daily or monthly rate without a long term lease). The variance in FY12 represents anticipated economic impacts.

Electricity:
Use of electricity by dock customers over the 100 amp service included in contracts.

Ice Sales:
Bags of ice are available for purchase at the Town docks.

Sales Tax Commissions:
Discount received from the State of Florida for timely filing and payment of sales tax.
No appreciable change.

Miscellaneous Revenue:
No meaningful changes are expected.

Expenses

Salaries and Wages:
The budget for salaries and wages includes performance based merit pay increases. FY12 includes the new Dockmaster and a portion of the Assistant Director.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
No appreciable change.

Commodities:
No appreciable change.

Recreation Enterprise Fund

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Annual and Seasonal Occupancy %	100%	100%	95%	90%
Annual Occupancy %	98%	94%	92%	83%
Total Transient Vessels	626	649	466	387

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Assistant Director	-	-	-	-	0.50
Dockmaster	1.00	1.00	1.00	1.00	1.00
Assistant Dockmaster	1.00	1.00	1.00	-	-
Seasonal Dock Attendant	1.45	1.45	1.45	1.48	2.12
Public Works Employees	0.33	0.18	0.18	0.15	0.15
	3.78	3.63	3.63	2.63	3.77

PROGRAM: GOLF COURSE

The Par 3 Golf Course is a scenic and challenging facility, featuring holes which range up to 211 yards, with rolling terrain, native landscaping, and lakes. The clubhouse, located across from the first tee and near the full length driving range and putting green, has a full-service pro shop. There is a staff of qualified PGA instructors who conduct adult and junior clinics and private lessons. The Par 3 hosts outings, tournaments, and league play. The maintenance building, located on the west side of South Ocean Blvd., stores all the maintenance equipment needed to groom the golf course.

The Golf Course Manager is responsible for daily supervision of the golf course with the assistance of the Superintendent, Facility Supervisor and a variety of full, part-time and contractual labor service employees. The Manager also administers the golf instruction services (Golf Pro) contract. The cost recovery goal for golf is 100%. Revenues are generated through green fees, cart rentals, club rentals, practice range, and Golf Pro fees.

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Golf Pro Admin Fee	6,000	8,000	12,000	-	12,000	0.00%
Golf Teaching Services	7,374	10,262	14,000	26,100	40,000	185.71%
Resident Permit Fees	6,861	11,509	25,150	9,300	15,000	-40.36%
Non-resident Permit Fees	2,460	6,500	23,600	5,300	9,000	-61.86%
12 Play Pass - Regular Rate	19,505	3,140	14,500	5,400	6,000	-58.62%
12 Play Pass - Guest/Hotel Rate	5,720	3,430	7,440	3,500	8,000	7.53%
12 Play Pass - Resident Rate	89,671	11,560	23,200	3,200	8,000	-65.52%
Greens Fees - Regular Rate	-	245,831	360,595	309,300	312,000	-13.48%
Greens Fees - Guest/Hotel Rate	133,676	33,842	110,400	43,700	45,000	-59.24%
Greens Fees - Resident Rate	-	140,722	231,300	121,700	172,000	-25.64%
Merchandise Sales	-	4,092	4,000	62,400	50,000	1150.00%
Food and Beverage Sales	-	-	18,000	7,200	10,000	-44.44%
Riding Cart Rental	59,507	96,777	114,850	128,700	112,000	-2.48%
Pull Cart Rental	20,863	20,244	33,100	23,400	27,000	-18.43%
Club Rentals	10,419	16,872	25,600	21,900	22,000	-14.06%
Driving Range	51,359	58,758	113,900	73,000	90,700	-20.37%
Driving Range - 10 bucket program	-	5,519	8,800	9,400	10,000	13.64%
Programs and Special Events	-	-	-	5,200	1,500	100.00%
Visiting Pro Program	-	-	-	900	2,500	100.00%
Golf Outings	-	-	-	13,800	-	0.00%
Gift Certificates Sold	-	4,419	-	200	-	0.00%
Maint. And Improvement Fee	35,403	50,872	88,941	57,900	75,000	-15.67%
Sales Tax Commission	172	248	300	200	300	0.00%
Vending Machine Commission	697	1,252	4,000	1,500	2,500	-37.50%
Interest Income - Par 3 Renovation	5,760	801	1,000	-	-	-100.00%
Miscellaneous Revenue	-	231	-	100	-	0.00%

TOTALS	455,447	734,881	1,234,676	933,300	1,030,500	-16.54%
Expenses						
Salaries and Wages	365,044	378,969	368,998	337,500	353,800	-4.12%
Employee Benefits	139,583	128,317	153,249	143,200	101,177	-33.98%
Contractual	232,719	290,389	312,551	243,300	306,200	-2.03%
Commodities	103,038	141,356	122,225	145,100	148,300	21.33%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	840,384	939,031	957,023	869,100	909,477	-4.97%
Operating Revenues Over/(Under) Expenses	(384,937)	(204,150)	277,653	64,200	121,023	

Revenue

Golf Pro Admin Fee:
Fee paid by Golf Pro as part of annual contract agreement.

Golf Teaching Services:
Percentage of lesson fees taught by contracted Golf Pros. Variance reflects anticipated changes in contractual agreements with golf pros.

Resident Permit Fees:
Fee paid by resident for annual pass. Variance due to overestimation of anticipated revenue in FY11.

Non-resident Permit Fees:
Fee paid by non-resident for annual pass. Variance due to overestimation of anticipated revenue in FY11.

12 Play Pass – Regular Rate:
Fee paid for 12 play multi use pass by non-resident. Variance due to overestimation of anticipated revenue in FY11.

12 Play Pass – Guest/Hotel Rate:
Fee paid for 12 play multi use pass by guest of Resident or guest at Partner Hotel.

12 Play Pass – Resident Rate:
Fee paid for 12 play multi use pass by Palm Beach Resident. Variance due to overestimation of anticipated revenue in FY11.

Greens Fees – Regular Rate:
Fee paid for daily play by non-residents. Variance due to overestimation of anticipated revenue in FY11.

Greens Fees – Guest/Hotel Rate:
Fee paid for daily play by a guest of resident or guest of a partner hotel. Variance due to overestimation of anticipated revenue in FY11.

Greens Fees – Resident Rate:
Fee paid for daily play by Palm Beach resident. Variance due to overestimation of anticipated revenue in FY11.

Merchandise Sales:
This figure represents revenue for merchandise sales in the pro shop. Variance is due to shift of all merchandise sales from golf pro contract to Town control.

Food and Beverage Sales:
This is a new rate category representing Town control of alcohol and beverage license and resulting sales. Variance is due to overestimation of catering revenue in FY11.

Riding Cart Rental:
Fee paid for rental of riding cart.

Pull Cart Rental:
Fee paid for rental of pull cart. Variance due to overestimation of anticipated revenue in FY11.

Club Rentals:
Fee paid for use of Town owned rental clubs. Variance due to overestimation of anticipated revenue in FY11.

Driving Range:
Fee paid for use of golf balls on driving range. Decrease due to overestimation of revenue in FY11and shift to use of new range bucket program.

Driving Range – 10 Bucket Program:
Fee paid for multi use purchase of tokens for golf range usage.

Programs and Special Events:
New rate category for special programs with area groups and schools.

Visiting Pro Program:
New rate category for visiting pro usage of range by PGA pros not under contract to the Town.

Gift Certificates Sold:
This is a pass through account that is offset by an account for gift certificates redeemed. Actual revenue received is reported in accounts where it is spent. (i.e. green fees)

Maintenance and Improvement Fee:
Fee paid per round of golf for maintenance and improvement of course. Decrease due to adjustment of play volume estimates.

Sales Tax Commission:
Discount received from the State of Florida for timely filing and payment of sales tax.

Vending Machine Commission:
All vending machine commission revenue. Variance due to overestimation of anticipated revenue in FY11.

Expenses

Salaries and Wages:
The budget for salaries and wages includes performance based merit pay increases. Decrease due to a shift in some staffing for course maintenance and pro shop operations to contractual labor.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
No appreciable change.

Commodities:
Variance due to Town assuming control of pro shop merchandise and alcohol sales. Increase represents cost of merchandise sold.

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Total Lessons/Clinics Taught	2,121	1,060	1,155	1,200
Leagues Hosted	5	0	2	3
Special Events/Outings	28	12	7	3
Range Buckets Sold	14,746	8,313	7,303	8,707
Total Rounds of Golf	25,275	14,226	19,660	26,598

*Please note: the Golf Course was closed for renovation from April 2009 through mid-December 2009

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Golf Manager	1.00	1.00	1.00	1.00	1.00
Golf Course Superintendent	1.00	1.00	1.00	1.00	1.00
Golf Course Facility Supervisor	1.00	1.00	1.00	1.00	1.00
Golf Mechanic	1.00	1.00	1.00	1.00	1.00
Equipment Operator	1.45	1.85	0.75	0.75	1.15
Golf Laborer	0.54	0.54	0.25	-	-
Registration Clerk	2.29	2.54	3.42	3.30	1.26
Golf Course Attendant	-	-	-	-	0.50
Public Works Employees	0.14	0.14	0.17	0.14	0.14
	8.42	9.07	8.59	8.19	7.05

PROGRAM: TENNIS

The Tennis program offers drop-in play, lessons, clinics, mixers, tournaments, special events, and league play for children and adults throughout the year. A total of thirteen (13) Hydrogrid Hartru tennis courts are provided at the Seaview Park and Phipps Ocean Park Tennis Centers. A contractual Head Tennis Professional coordinates the teaching services at both facilities, as well as the retail concession for tennis related merchandise. Assistant Tennis Instructors are hired and compensated by the Head Professional.

The tennis program is supervised by the Assistant Recreation Director. Daily operations are managed by the Facility Supervisor, a Facility Assistant and part time staff. Recreation maintenance personnel provide routine tennis court maintenance services.

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Daily Tennis Court Fees	54,285	65,869	65,000	45,500	51,000	-21.54%
Annual Tennis Court Fees	80,370	72,087	80,000	72,900	79,000	-1.25%
12 Play Pass	-	1,510	4,500	19,800	18,000	300.00%
Tennis Tournament	6,550	7,574	6,600	6,400	6,500	-1.52%
Tennis Pro Admin. Fees	11,633	12,000	12,000	12,000	12,000	0.00%
Tennis Teaching Services	21,482	35,435	31,000	43,200	47,000	51.61%
Maintenance & Improvement Fee	-	8,446	9,300	8,000	9,100	-2.15%
Merchandise Sales	-	2,503	2,100	2,500	2,500	19.05%
TOTALS	174,320	205,424	210,500	210,300	225,100	6.94%
Expenses						
Salaries and Wages	285,221	272,025	275,000	251,300	197,200	-28.29%
Employee Benefits	134,982	138,464	154,810	153,710	63,795	-58.79%
Contractual	45,440	40,727	51,700	45,200	50,800	-1.74%
Commodities	16,249	10,716	10,800	10,500	11,800	9.26%
Capital Outlay	18,073	4,971	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	499,965	466,903	492,310	460,710	323,595	-34.27%
Operating Revenues Over/(Under) Expenses	(325,645)	(261,479)	(281,810)	(250,410)	(98,495)	

Revenues

Daily Tennis Court Fees:
All revenues related to daily court reservations at tennis facilities. Variance represents a shift in player preference for rate type, particularly the 12 Play Pass.

Annual Tennis Court Fees:
All revenues related to annual tennis facility passes. Variance represents a shift in player preference for rate type, particularly the 12 Play Pass.

12 Play Pass:
This figure represents rate paid for 12 play multi use pass. Variance due to underestimation of popularity of this program in FY11 budget.

Tennis Tournament:
Fee paid for participation in various tournaments and special events.

Tennis Pro Admin Fees:
Fee paid by Tennis Pro as part of annual contract agreement.

Tennis Teaching Services:
Fee paid to the Town for the use of the courts during lessons as part of Tennis pro contract. Variance due to increased interest in new programs.

Maintenance and Improvement Fee:
Fee paid per court reservation for maintenance and improvement of the tennis facilities.

Merchandise Sales:
Percentage of revenue from merchandise sales as per contract with tennis professional.

Expenses

Salaries and Wages:
The budget for salaries and wages includes performance based merit pay increases. Decrease reflects the elimination of 1.0 Tennis Facility Supervisor and .20 of a General Maintenance Worker positions and shifting of .50 of Tennis Maintenance Worker to the Recreation Center budget.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs and the elimination of 1.0 Tennis Facility Supervisor, .50 of the Tennis Maintenance Worker and .20 of a General Maintenance Worker positions . The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
No appreciable change.

Commodities:
Small increase due to cost associated with increased tournaments and mixers.

Recreation Enterprise Fund

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Annual Passes	257	217	194	171
Tournaments	4	4	6	6
Special Events	6	6	7	6
League Teams	4	5	6	9
Lesson Participation*	2,766 hrs	2,328 hrs	2,432	2,554
Clinic Participation*	600 hrs	1,324 hrs	2,754	4,058
Daily Youth Participation	3,415	2,900	3,577	4,361
Daily Adult Participation	25,694	26,866	23,497	23,507
Total Tennis Participation	29,109	29,766	27,074	27,868

*Prior to FY2010, lessons and clinics were tabulated by hours. Actual participation is a better measurement of work activity and more consistent with the rest of the department's KRMs.

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Assistant Director	-	0.50	0.50	0.50	0.25
Tennis Facility Supervisor	2.00	2.00	2.00	2.00	1.00
Tennis Maintenance Worker	1.00	1.00	1.00	1.00	0.50
Tennis Facility Assistant	1.00	1.00	1.00	1.00	1.00
General Maintenance Worker	0.20	0.20	0.20	0.20	-
Tennis Attendants	1.80	1.60	1.60	1.60	1.65
Laborer	-	-	-	-	0.10
Public Works Employees	0.13	0.10	0.10	0.09	0.09
	6.13	6.40	6.40	6.39	4.59

PROGRAM: RECREATION CENTER

The Recreation Center offers recreational, enrichment, and athletic programs to the residents and visitors of Palm Beach. Examples of adult programs offered include a variety of fitness/wellness, foreign languages, art, dancing, cooking, among others. Youth programs include athletics, arts & crafts, dance, self defense, pre-school programs and a variety of other instructional classes. In addition to these activities, an after school program and day camps are offered, along with special events. The Recreation Center program also manages the maintenance of the Seaview Park amenities. This includes the coordination, monitoring, and oversight of daily maintenance, preventative maintenance, and special projects.

The Recreation Center is managed by the Assistant Recreation Director. Daily operations are overseen by two Recreation Supervisors who supervise a variety of part-time and contractual staff, in planning, implementing, and evaluating the maintenance, programs and events.

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Youth Program Fees	257,586	286,060	266,800	324,300	290,000	8.70%
Facility Rental Fees	-	255	400	1,700	1,000	150.00%
Adult Program Fees	27,774	24,299	29,000	26,100	31,000	6.90%
Promotional Merchandise	1,880	1,200	1,500	1,400	1,200	-20.00%
Seaview Park Concession	1,743	691	1,000	1,400	500	-50.00%
TOTALS	288,983	312,505	298,700	354,900	323,700	8.37%
Expenses						
Salaries and Wages	311,521	277,212	305,400	271,800	330,800	8.32%
Employee Benefits	110,108	108,588	121,408	121,900	72,788	-40.05%
Contractual	220,826	207,574	239,386	207,200	184,000	-23.14%
Commodities	35,048	26,563	43,000	29,600	44,200	2.79%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	677,503	619,937	709,194	630,500	631,788	-10.91%
Operating Revenues Over/(Under) Expenses	(388,520)	(307,432)	(410,494)	(275,600)	(308,088)	

Recreation Enterprise Fund

Revenues

Youth Program Fees:
All revenues related to fees paid for a variety of youth programs. Variance due to more program opportunities.

Facility Rental Fees:
All revenues related to fees paid for rental of rooms at Seaview Recreation Center. Variance due to underestimation of revenue in FY11.

Adult Program Fees:
All revenues related to fees paid for a variety of adult programs. Variance due to increased program opportunities.

Promotional Merchandise:
All revenues related to sales of promotional merchandise. Variance due to overestimated revenues in FY10.

Seaview Park Concession:
Proceeds from vending machines at Seaview Park. Variance due to overestimation of anticipated revenue in FY11.

Expenses

Salaries and Wages:
The budget for salaries and wages includes performance based merit pay increases as well as the elimination of .80 of the General Maintenance worker and shifting of .50 of the Tennis Maintenance worker to this budget.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs as well as the elimination of .80 of the General Maintenance worker and shifting of .50 of the Tennis Maintenance worker to this budget. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Decrease due to cost savings measures and shifting of some contractual instructor costs to salaries in compliance with new IRS guidelines.

Commodities:
No appreciable increase.

Recreation Enterprise Fund

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Family Special Events Offered	6	5	4	3
Family Special Events Participation Estimate	1,438	1,950	1,515	1,275
Youth Enrichment Participation	9,365	6,759	4,475*	3,613
Youth Athletics Participation/Spectators	4,942	4,917	3,593*	4,746
Youth Camps/After School Participation	10,243	10,626	10,031*	11,525
Adult Enrichment/Fitness Participation	9,201	3,447	2,250*	2,259
Recreation Center Drop in Estimate	8,700	11,231	9,633	9,029
Participation Programs & Special Events Total	43,889	38,930	31,497	32,447

*Please note: FY 2010 was the first full fiscal year of counting actual attendance. Prior to January 2009 a formula for planning and facility impact purposes was utilized (program registrants x number of times a program was offered).

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Assistant Director	-	0.50	0.50	0.50	0.25
Recreation Supervisor	2.00	2.00	2.00	2.00	2.00
Tennis Maintenance Worker	-	-	-	-	0.50
General Maintenance Worker	0.30	0.80	0.80	0.80	-
Activity Leader	3.70	3.70	3.70	3.70	3.44
Laborer	-	-	-	-	0.30
Bus Driver	-	-	-	-	0.48
Registration Clerk	-	-	-	-	0.16
Public Works Employees	-	0.30	0.30	0.27	0.27
	6.00	7.30	7.30	7.27	7.40

PROGRAM: ADMINISTRATION

Administrative management responsibilities include providing leadership and organizational management of all Recreation Department operations. The administrative management team is responsible for budget development and control, business plan modifications, department policies and procedures, action planning, record keeping, recruitment, training and development of staff, payroll processing, coordinating/processing work requests, requisitions and contracts. Administration duties also include complaint management and conflict resolution, risk management, enforcement of ordinances, rules and regulations at all Town recreation facilities, and the ongoing assessment and evaluation of Recreation Department facilities, programs and services offered to the community. Department administration is also responsible for the coordination, facilitation, and support of Recreation Advisory Commission meetings and its members. Administrative staff also coordinates communication with the Town Manager and the Mayor and Town Council.

The administrative management team consists of the Director of Recreation & Special Projects, two Assistant Recreation Directors, and the Office Manager

Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Salaries and Wages	238,289	272,387	268,800	269,700	263,600	-1.93%
Employee Benefits	94,514	96,632	108,081	109,000	80,175	-25.82%
Contractual	11,451	9,187	13,192	10,300	11,500	-12.83%
Commodities	1,736	3,468	3,400	3,900	3,000	-11.76%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other	-	-	-	-	-	0.00%
TOTALS	345,990	381,674	393,473	392,900	358,275	-8.95%

Expenses

Salaries and Wages:
The budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

Contractual:
Decrease due to cost savings measures.

Commodities:
Decrease due to cost savings measures.

Recreation Enterprise Fund

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Director of Recreation and Special Projects	1.00	1.00	1.00	1.00	0.90
Assistant Director of Recreation	2.00	1.00	1.00	1.00	1.00
Recreation Office Manager	1.00	1.00	1.00	1.00	1.00
Recreation Mainenance Worker	0.50	-	-	-	-
Part-time Equipment Operator	0.30	-	-	-	-
Public Works Employees	0.39	-	-	-	-
	5.19	3.00	3.00	3.00	2.90

PROGRAM: CAPITAL PROGRAM

The Capital program was accounted for in a separate fund prior to FY08. For FY08 the Capital Fund and Equipment Replacement Fund were consolidated into the Recreation Enterprise Fund. This program accounts for the capital projects of the Recreation Enterprise Fund.

Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Expenses						
Projects	4,091,713	229,683	309,807	10,800	-	-100.00%
TOTALS	4,091,713	229,683	309,807	10,800	-	-100.00%

Expenses

Projects:
No projects currently planned for FY12.

PROGRAM: DEPRECIATION PROGRAM

The depreciation program was established to account for the depreciation expense for the fixed assets, buildings and other capital assets of the Recreation Enterprise Fund.

Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Depreciation	282,593	506,363	492,500	492,500	515,000	4.57%
TOTALS	282,593	506,363	492,500	492,500	515,000	4.57%

Program: Equipment Replacement

The Equipment Replacement program was established to provide a means to replace equipment when the end of the useful life has been reached. This program was established within the Recreation Enterprise Fund in FY08 to account for these funds.

Equipment is replaced when it is determined that due to its age, condition, operation and maintenance costs, obsolescence, and depreciation, it is no longer economical to keep. Annually, depreciation is budgeted based on the economic life and the replacement cost of the equipment utilized by the fund. These funds are set aside in a reserve to fund future purchases of equipment.

Depreciation for the fixed assets is calculated using the straight line method which takes the estimated replacement cost less anticipated salvage value divided by the expected useful life of the asset.

The established asset value threshold for inclusion in the program is $2,500 for fixed assets.

Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Capital Outlay	235,774	(4,970)	51,000	31,600	37,000	-27.45%
TOTALS	235,774	(4,970)	51,000	31,600	37,000	-27.45%

Budgeted Purchases:	
2 Club Car Golf Carts	6,000
Salsco Roller	10,000
Toro Triplex Mower	21,000
	37,000

PROGRAM: SELF INSURANCE FUND (RISK MANAGEMENT) 501

Mission: This division exists to provide a safe and healthy work environment for all employees, and to minimize the adverse effects of unexpected losses. Ensuring that a Comprehensive Risk Management Program is in place that best protects the interests of the Town and its employees.

Main Activities: The most important things we do to fulfill the mission are:

- Identify exposures and address resolutions
- Determine proper method for insurance coverage by analyzing options
- Manage claims in a manner that serves both the interests of the claimant as well as the Town
- Apply a variety of approaches to control loss and improve personal safety through the following:
  - Safety Training, committees, bulletins, manual and handbook
  - Periodic safety inspections of Town facilities and property
  - Conducting motor vehicle report checks
  - Create various manuals and procedures as needed

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Identify exposures to best determine type of coverage (i.e. fully insured, deductible, self-insured).	OBJECTIVES: Compare coverage and cost from year to year based upon the insurance marketplace. The annual fixed premium for the insurance renewal for FY12 was $929,001 for all lines of coverage. There was a cost savings to the Town in the amount of $74,061 for the FY12 insurance renewal.
GOAL: Employee work environment is safe, and employees have proper protective equipment and training.	OBJECTIVES: Number of lost workdays vs. medical only compared year to year. FY10 – Medical only 18; Lost time 5 FY11 – Medical only 19; Lost time 5
GOAL: Maintain a safe workplace in all departments of the Town.	OBJECTIVES: Report periodic inspection of all work places consistent with industry standards and note exceptions and resolution. Facility inspections were conducted on June 29, 2011 resulting in the following safety violations: Police Station – 7 violations; Town Hall -2 violations; Recreation – 4 violations; Par 3 – 2 violations; Phipps Park – 1 violation; Docks – 6 violations Fire Station inspections were conducted on July 5, 2011 resulting the following safety violations: Station 1 – 2 violations; Station 2 – 7 violations; Station 3 – 5 violations; there were 3 general concerns noted regarding the stations

Self Insurance - Risk

GOAL: All employees trained in safety measures consistent with local, state and federal guidelines.	OBJECTIVES: Training records to be kept among departments to ensure required training is met. 12 safety training classes were provided in PW; 12 safety bulletins were issued Town wide. A CPR/AED class was held on 2/18/11 – open to all employees. Continue working with departments throughout the year to provide assistance with training needs.
GOAL: Ensure work is completed effectively and efficiently.	OBJECTIVES: Continue to produce quality results which are in line with the budget dedicated to this area. The operating budget decreased by (.65%) from FY11 to FY12

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Workers' compensation claims	29	19	23	24
Liability claims	66	64	61	52
Property claims	32	21	24	39
Total claims processed	127	104	108	115
Total cost of claims processed	731,347	495,938	230,458	166,192
Safety program training sessions	11	12	12	12
Safety bulletins produced	12	10	11	12

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Risk Manager	1.00	1.00	1.00	1.00	1.00
Risk Assistant	0.50	0.50	-	-	-
	1.50	1.50	1.00	1.00	1.00

Risk Management

The Town's insurance program is a hybrid program, as it includes insurance that is first dollar traditional coverage and coverages that are self-insured. A self insurance program is an alternative risk financing method whereby an exposure to loss is retained by the Town under the self insured retention (SIR). The Town purchases excess insurance coverage above the SIR. The insurance premium savings over the traditional/first dollar program allows the Town to keep the premium dollars in house in order to reserve funds to cover future potential losses. The required reserve fund amounts are calculated using actuarial models and insurance information. The Town conducts an actuarial study every other year for the self insurance program.

Schedule of Insurance Coverages as of October 1, 2012

Type of Policy	Limits FY2012	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012
Property Insurance					
Real property and contents	$39,090,840	$349,812	$412,211	$434,590	$409,378
Inland Marine	$2,637,145	$11,894	$10,477	$10,550	$10,680
Flood Policies (7)	$500,000	$34,415	$34,415	$38,133	$42,000
Boiler & Machinery	$39,090,840	$3,269	$3,745	$3,745	$3,745
Liability Policies					
General Liability	$5,000,000/ $10,000,000	$62,426	$62,426	$62,426	$42,500
Medical Malpractice - Town Clinic	$1,000,000/ $3,000,000	included in G/L	included in G/L	included in G/L	$7,685
Law Enforcement Liability	$5,000,000	$47,038	$46,148	$46,148	$41,630
Public Officials Liability	$5,000,000	$44,502	$34,745	$34,745	$33,495
Employment Practices Liability	$5,000,000	$36,903	$23,164	$23,164	$23,958
Automobile Liability	$5,000,000	$79,148	$64,317	$64,317	$59,995
Automobile Physical Damage	Actual cash value/stated value	$40,040	$32,238	$32,238	$28,469
Crime	$1,000,000	$4,408	$4,528	$12,832	$12,855
Storage Tank Pollution Liability	$1,000,000	$2,804	$15,469	$10,455	$10,741
Police Boat P&I, & Hull coverage	$1,000,000	$5,873	$5,873	$5,889	$6,478
Liquor Liability - Par 3	$1,000,000/ $2,000,000	n/a	n/a	$702	$702
Workers' Compensation					
Excess Workers' Compensation & Employer's Liability	Statutory/ $1,000,000	$104,339	$97,240	$105,730	$77,000
Stop Loss	$780,000	$9,000	$5,400	$5,400	$10,000
Total Premiums for Insurance Coverages		**$835,871**	**$852,396**	**$891,064**	**$821,311**

Self Insurance - Risk

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Risk Funding	1,918,000	1,904,463	1,896,226	1,896,226	1,887,507	-0.46%
Miscellaneous Revenue	190,764	218,617	-	-	-	0.00%
Interest on Investments	113,265	112,409	71,002	20,000	50,000	-29.58%
TOTALS	2,222,029	2,235,489	1,967,228	1,916,226	1,937,507	-1.51%
Expenses						
Salaries and Wages	94,926	81,580	82,342	82,342	82,342	0.00%
Employee Benefits	541,971	648,553	558,527	526,710	526,854	-5.67%
Contractual	1,054,873	1,358,477	1,577,361	1,569,859	1,575,211	-0.14%
Commodities	3,071	2,736	3,100	3,700	3,100	0.00%
Capital Outlay	11,258	-	-	-	-	0.00%
Depreciation	3,566	-	-	-	-	0.00%
Other (Contingency)	-	-	3,000,000	-	3,000,000	0.00%
TOTALS	1,709,665	2,091,346	5,221,330	2,182,611	5,187,507	-0.65%
Total Revenues Over/(Under) Expenses	512,364	144,143	(3,254,102)	(266,385)	(3,250,000)	
Beginning Net Assets	6,589,271	7,101,635	7,245,778	7,245,778	6,979,393	
ENDING NET ASSETS	7,101,635	7,245,778	3,991,676	6,979,393	3,729,393	

Revenues

Risk Funding:
The decrease results from the change in the amount of the fund transfer from the general fund

Miscellaneous:
Excess reimbursement from insurance carriers

Interest on Investments:
The interest revenue is based upon the financial market conditions and funds available for investment.

Expenses

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Employee benefit costs include increases for the cost of the health insurance program offset by decreases for pension costs. The pension costs are consistent with the Town Manager's recommendation for a hybrid pension plan.

PROGRAM: SELF INSURANCE FUND (HEALTH BENEFIT) 502

This program provides for the management of the employee health insurance program. Responsibilities include: planning, organizing, implementing, and directing the self-insurance fund of the Town's Health Insurance Program. This program also provides certain health insurance benefits for retired employees and their dependents in accordance with State and Federal regulations.

Key Results and Measurement Methodology

GOALS AND OBJECTIVES	
GOAL: Administer an employee health plan that is understandable, useful, and competitive.	OBJECTIVES: Ensure employees' awareness and perception of the value of the benefit through informal employee feedback at open enrollment and during the year. Update: Held open enrollment meetings to inform employees of the 2011 plan changes. Successfully transitioned from Ameritas to Humana without disruption to employees/retirees. Held orientation for new hires and provided overview of employee benefits. Provide benefit related information to employees on a quarterly basis through the quarterly newsletter

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Director of Human Resources	0.20	0.15	0.15	0.10	0.10
Assistant Director of Human Resources	-	-	-	0.20	0.20
Office Asst II/OHC	-	0.05	0.05	0.13	0.12
Human Resources Coordinator	-	-	-	-	0.33
Human Resource Assistant	0.70	0.30	0.30	0.05	-
Human Resource Analyst	0.70	0.60	0.60	0.05	0.05
	1.60	1.10	1.10	0.53	0.80

Workload Indicators	FY2008	FY2009	FY2010	FY2011
Provide benefits training to new employees	17	45	3	16
Provide wellness programs for employees	8	15	12	9

Self Insurance - Health

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Group Medical	4,660,664	4,590,656	4,364,300	5,017,900	4,544,200	4.12%
Gain/(Loss) on Investments	16,009	7,718	25,300	5,060	5,000	-80.24%
TOTALS	4,676,673	4,598,374	4,389,600	5,022,960	4,549,200	3.64%
Expenses						
Salaries and Wages	76,149	40,742	38,665	38,665	38,665	0.00%
Employee Benefits	4,407,568	4,179,592	4,270,243	5,803,985	4,297,279	0.63%
Contractual	5,202	7,910	76,683	69,921	76,400	-0.37%
Commodities	2,499	1,560	4,409	2,209	500	-88.66%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
Other (Contingency)	-	-	500,000	-	500,000	0.00%
TOTALS	4,491,418	4,229,804	4,890,000	5,914,780	4,912,844	0.47%
Total Revenues Over/(Under) Expenses	185,255	368,570	(500,400)	(891,820)	(363,644)	
Beginning Net Assets	1,660,969	1,846,224	2,214,794	2,214,794	1,322,974	
ENDING NET ASSETS	1,846,224	2,214,794	1,714,394	1,322,974	959,330	

Revenue

Group Medical:
Town and Employee portion of health care expenses

Gain/(Loss) on Investments:
Gain/(loss) on investments represents revenue earned or investment losses on the investments in the trust

Expenses

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Contractual:
Cost of employee health care expenditures

Contractual:
Estimated costs for auditing, investment management and other contractual expenditures

Commodities:
Estimated costs for office supplies

Equipment Replacement Fund - 320

The fund was established to provide a means to replace equipment, excluding enterprise fund equipment, when the end of its useful life has been reached. The fund includes both capital equipment as well as computer equipment.

Equipment is replaced when it is determined that due to its age, condition, operation and maintenance costs, obsolescence, and depreciation, it is no longer economical to keep. Annually, depreciation is funded with a transfer from the various departments to the Equipment Replacement Fund based on the economic life and replacement cost of the equipment utilized by each department. The calculation for funding was modified in FY2006 to use replacement cost rather than original cost to insure sufficient funds are available when the asset is replaced.

Depreciation for the fixed assets is calculated using the straight line method which takes the original purchase price less anticipated salvage value divided by the expected useful life of the asset.

The established asset value threshold for inclusion in the Equipment Replacement Fund is: $2,500 for fixed assets, and $1,500 for computer assets.

Depreciation Charges by Department
FY2012

	Depreciation Amount
General Government	197.00
Information Systems	301,000
Human Resources	750
Finance	3,963
Planning, Zoning and Building	17,278
Fire-Rescue Department	590,600
Police Department	347,103
Public Works	597,177
Emergency Management	1,700
Total Depreciation	$1,859,768

Equipment Replacement Fund

Replacement Equipment - FY2012

Department	Cost
***Planning/Zoning/Building*:**	
(2) Ford Pick-up Trucks	35,742
Police:	
(4) Patrol Vehicles	100,000
Town-wide Camera System	400,000
(2) Motorcycles	16,200
Equipment Storage Trailer	7,500
Audio/Video Recording System	16,500
Public Works	
(3) Trash Trucks	171,000
Maintenance Trucks	47,600
Recycling Truck	137,600
RovverX Sewer Camera System	85,000
Ford Pick-up Truck	16,000
***Information Systems*:**	
Computer Equipment	283,850
Total Equipment Replacement Fund Expenditures	$1,316,992

Fund 320 - Equipment Replacement Fund
Revenue and Expenditure Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Interest on Investments	208,899	179,156	98,000	50,000	129,500	32.14%
Surplus Equipment Proceeds	114,910	35,108	30,000	90,000	30,000	0.00%
Transfer from General Fund	1,903,529	2,143,700	2,204,039	2,204,039	1,859,768	-15.62%
TOTALS	2,227,338	2,357,964	2,332,039	2,344,039	2,019,268	-13.41%
Expenditures						
Capital Outlay - Equipment	3,120,982	1,311,928	747,800	350,000	1,033,142	38.16%
Capital Outlay - IS Equipment	204,534	218,601	246,700	150,000	283,850	15.06%
TOTALS	3,325,516	1,530,529	994,500	500,000	1,316,992	32.43%
TOTAL REVENUES OVER/(UNDER) EXPENDITURES	(1,098,178)	827,435	1,337,539	1,844,039	702,276	
Contingency	0	0	(500,000)	0	(500,000)	
Beginning Net Assets	14,343,984	13,245,806	14,073,241	14,073,241	15,917,280	
ENDING Net Assets	13,245,806	14,073,241	14,910,780	15,917,280	16,119,556	

Equipment Replacement Fund

REVENUE

Interest:
The interest revenue is based upon the financial market conditions and funds available for investment.

Surplus Equipment Proceeds:
Represents the sale of surplus equipment through the Palm Beach County Thrift Store.

Transfer from General Fund:
This transfer represents the depreciation expense charged to General Fund program budgets and transferred to the Equipment Replacement Fund on an annual basis.

EXPENDITURES

Capital Outlay - Equipment:
Estimated purchases of replacement capital equipment.

Capital Outlay - IS Equipment:
Estimated purchases of replacement IS equipment.

Contingency:
Contingency reserve.

RETIREMENT FUNDS

The Town provides three defined benefit pension plans: General Employees, Police Officers and Firefighters. The Town administers the General Employees' Pension Trust Fund which covers all full time general employees and lifeguards. A outside pension consultant administers the Police Officer and Firefighter Pension Trust Fund which covers all full time police and fire-rescue personnel. With the creation of House Bill 261 passed by the Florida Legislature and approved by the Governor in 1999, the Town amended Chapter 82 of the Town of Palm Beach Code of Ordinances establishing a separate retirement plan for public safety officers. Prior to January 1, 2000, both plans were part of a single defined pension plan, the Town of Palm Beach Employees' Retirement System. On October 1, 2004, the Public Safety Pension Plan was split into two separate plans: the Police Officers' Pension Plan and the Firefighters' Pension Plan.

The Town Council is authorized to establish benefit levels and to approve the actuarial assumptions used in the determination of contribution levels. The contributions are segregated between General Employees (including lifeguards), Police Officers and Firefighters. The Police Officers' and Firefighters' Pension Plans also receive payments from the State of Florida pursuant to Chapters 175 and 185 of the Florida Statutes for the benefit of police officers and fire-rescue personnel. Approximately 330 active employees and 339 retirees are covered by the three Plans.

The contribution requirements of the Plan members and the Town are established and may be amended by the Town Council. Plan members are required to contribute a percentage of their annual covered salary as described in the following table. The member contribution rates for the FY12 budget year as a percentage of the employees annual compensation, is shown below:

Description	Member Contribution
General Employees	6.47%
Lifeguards	7.21%
Police	6.98%
Fire-Rescue	6.82%

The appropriation for pension funding is based upon the actuaries' estimate of the cost of the Town Manager's proposed hybrid pension plan. Town Council has approved implementation of that plan for Town firefighters. The Town is still negotiating with the police officers and the results of the negotiations will be known later this year.

Retirement Funds

The Town's share of the retirement funding costs for FY11 and FY12 is as follows:

	FY2011	FY2012	Change	% Change
Gen.Employees	$2,927,020	$651,882	($2,275,138)	-77.73%
Lifeguards	148,364	15,600	(132,764)	-89.49%
Police	2,828,758	1,213,681	(1,615,077)	-57.09%
Fire-Rescue	3,189,802	1,635,237	(1,554,565)	-48.74%
Total	$9,093,944	$3,516,400	($5,577,544)	-61.33%

If the proposed pension plan changes are not made for the police officers, lifeguards, and general employees, funding required for the pension plan would be as follows:

	FY2011	FY2012	Change	% Change
Gen.Employees	$2,927,020	$2,847,033	($79,987)	-2.73%
Lifeguards	148,364	146,124	(2,240)	-1.51%
Police	2,828,758	2,859,131	30,373	1.07%
Fire-Rescue	3,189,802	1,635,237	(1,554,565)	-48.74%
Total	$9,093,944	$7,487,525	($1,606,419)	-17.66%

The employer funding history for the last five years is as follows:

	FY2008	FY2009	FY2010	FY2011	FY2012
General	$2,488,986	$2,319,374	$2,507,174	$2,927,020	$651,882
Lifeguards	125,916	100,754	109,310	148,364	15,600
Police	2,366,346	2,090,160	2,261,552	2,828,758	1,213,681
Fire-Rescue	2,525,215	2,359,327	2,647,210	3,189,802	1,635,237
Total	$7,506,463	$6,869,615	$7,525,246	$9,093,944	$3,516,400

The employer funding history per employee for the last five years is as follows:

	FY12 # of Employees	FY2008	FY2009	FY2010	FY2011	FY2012
General	213	11,179	10,491	11,881	14,803	3,060
Lifeguards	9	13,991	12,594	13,664	16,485	1,733
Police	70	30,732	26,797	30,562	39,842	17,338
Fire-Rescue	71	33,227	31,883	36,263	44,303	23,031

The funded ratio for the each of the pension plans is shown in the chart below:

As of Fiscal Year End	FY2006	FY2007	FY2008	FY2009	FY2009
General & Lifeguards	88%	93%	88%	81%	79%
Police	86%	92%	90%	85%	84%
Fire-Rescue	77%	82%	80%	74%	73%

Retirement Benefits for General Employees Currently are (Prior to Proposed Changes):

Normal Retirement:

Eligibility

a) *General:* 30 or more years of service, regardless of age; or age 55 with 10 or more years of service

b) *Lifeguards:* Age 50 with 10 or more years of service. Members with at least 10 years of service who retire after February 9, 1993 are eligible when the individual's age plus credited service totals 65 years or more.

Pension Amount

a) *General:* Average final compensation times the sum of a) 2.75% for service earned after September 30, 1990, to a maximum of 82.5%, plus 2.35% for service earned on or before September 30, 1990 for the first 30 years of service, plus, b) 1.0% for service in excess of 30 years.

b) *Lifeguards:* Average final compensation times the sum of a) 2.85% for the first 25 years of service with a maximum of 71.25% of AFC, plus, b) 1.0% for service in excess of 25 years.

The normal form of pension is a pension payable for life. Also, see Automatic Death Benefit After Retirement heading.

Final Average Compensation:

Highest 2 consecutive years within the member's last 5 years of credited service.

DROP Retirement:

Eligibility - Same as Normal Retirement, election must be made within 7 years of the date the member first reaches general retirement eligibility.

Pension Amount - 98% of member's accrued benefit at the date of election to participate in DROP.

Early Retirement (General):

Eligibility -Age 50 with 10 or more years of service.

Pension Amount - Computed as a normal retirement benefit but reduced 6/10 of 1% (3/10 of 1% if service credit is 20 or more years) for each month early retirement precedes the member's normal retirement date.

Deferred Retirement (Vested Termination Benefit):

Eligibility - 10 or more years of service. Pension begins upon meeting requirement for normal retirement. Contributions must be left on deposit in the System; failure to do so results in forfeiture of the vested benefit.

Pension Amount - Computed as for normal retirement, based upon service and average final compensation at time of termination.

Duty Disability Retirement:

Eligibility - No age or service requirements.

Pension Amount - To earliest normal retirement eligibility date: Computed as a regular retirement with additional service credit granted from date of disability to earliest normal retirement eligibility date. Minimum benefit is 60% of average final compensation. At earliest normal retirement date: computed as a regular retirement. The minimum shall be applicable for at least 5 years if the member attains such age for retirement less than 5 years after duty disability benefits commence.

Non-Duty Disability Before Retirement:

Eligibility - 10 or more years of service.

Pension Amount - Computed as for normal retirement.

Duty Death Before Retirement:

Eligibility - No age or service requirements.

Pension Amount - A pension to each surviving child of 25% of the member's average final compensation not to exceed 50% or equal share of 75% of the member's AFC when there are 4 or more surviving children being paid. A pension to the widow of the difference, if any, between 75% of the retirant's AFC and the aggregate amount paid to children for the month.

Non-Duty Death Before Retirement:

Eligibility - 10 or more years of service

Pension Amount - 75% of normal retirement benefit to a surviving spouse or equal shares of 75% of the normal retirement benefit to surviving unmarried children under 18.

Automatic Death After Retirement Pension:

To Surviving Child(ren): 25% of the retirant's pension payable to age 18, not to exceed an equal share of 75% of the retirant's pension. Payments to surviving children may be paid to age 25 if no spouse benefits are payable.

To Surviving Spouse: The difference, if any, between 75% of the deceased retirant's pension and the aggregate amount paid to any surviving children for the month.

Post-Retirement Cost-of-Living Adjustments:

Members who retire after September 30, 1968 and prior to October 1, 1990 receive an annual 1.0% increase computed on the base benefit. Other adjustments have been made periodically. Pensions effective after September 30, 1990 will be increased 2.0% annually based on the total pension payable subsequent to an initial 3 year deferral period.

Supplemental Pension Distribution:

Amount determined on investment return, if any, after expenses, between 8.0% and 10.0% of assets, subject to accumulated gains/(losses) limitation.

Retirement Benefits for the Police Officers' and Firefighters' Retirement Systems are (Prior to Proposed Changes):

Normal Retirement:

Eligibility - 20 or more years of service, regardless of age; or, age 50 with 10 or more years of service; or, members with at least 10 years of service who retire after September 30,1990 are eligible when the individual's age plus credited service totals 65 years or more.

Pension Amount - Average final compensation multiplied by the sum of

a) 3.5% per year of credited service to a maximum of 87.5 percent, plus

b) 2.0% per year of credited service, if any, in excess of 43.75 years.

The normal form of pension is a pension payable for 10 years certain. Also, see Automatic Death Benefit After Retirement heading.

Final Average Compensation:

Highest 2 consecutive years within the member's last 5 years of credited service.

DROP Retirement:

Eligibility - Same as Normal Retirement, election must be made within 7 years of the date the member first reaches retirement eligibility.

Pension Amount - 100% of the member's accrued benefit at the date of election to participate in DROP.

Deferred Retirement (Vested Termination Benefit):

Eligibility - 10 or more years of service. Pension begins upon meeting requirement for normal retirement. Contributions must be left on deposit in the System; failure to do so results in forfeiture of the vested benefit.

Pension Amount - Computed as for normal retirement, based upon service and average final compensation at time of termination.

Duty Disability Retirement:

Eligibility - No age or service requirements.

Pension Amount - Computed as a regular retirement with additional service credit granted from date of disability to earliest normal retirement eligibility date. Minimum benefit is 60% of average final compensation.

Non-Duty Disability Before Retirement:

Eligibility - 10 or more years of service.

Pension Amount - Computed as for normal retirement.

Duty Death Before Retirement:

Eligibility - No age or service requirements.

Pension Amount - A pension to each surviving child of 25% of the member's average final compensation not to exceed 50% or an equal share of 75% of the member's AFC when there are 4 or more surviving children being paid. A pension to the widow of the difference, if any, between 75% of the retirant's AFC and the aggregate amount paid to children for the month.

Non-Duty Death Before Retirement:

Eligibility - 10 or more years of service.

Pension Amount - 75% of normal retirement benefit to a surviving spouse or equal shares of 75% of the normal retirement benefit to surviving unmarried children under 18.

Automatic Death After Retirement Pension:

To Surviving Child(ren): 25% of the retirant's pension payable to age 18, not to exceed an equal share of 75% of the retirant's pension. Payments to surviving children may be paid to age 25 if no spouse benefits are payable.

To Surviving Spouse: The difference, if any, between 75% of the deceased retirant's pension and the aggregate amount paid to any surviving children for the month.

Post-Retirement Cost-of-Living Adjustments:

Members who retire after September 30, 1968 and prior to October 1, 1990 receive an annual 1.0% increase computed on the base benefit. Other adjustments have been made periodically. Pensions effective after September 30, 1990 will be increased 2.0% annually based on the total pension payable subsequent to an initial 3 year deferral period.

Supplemental Pension Distribution:

Amount determined on investment return, if any, after expenses, between 8.0% and 10.0% of assets, subject to accumulated gains/(losses) limitation.

Firefighter Individual Chapter Share Accounts:

Available tax revenues received pursuant to Chapter 175 Florida Statute which have not been otherwise committed for members. Individual member accounts maintained in each member's name effective on or after 10/1/98.

Prior Governmental Service Elsewhere:

During the first five years of employment by the Town, the years or fractional parts of years that a member previously served for any other municipal, county, or state government or district may be added to years or fractional parts of years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

Purchase of Service Credit:

A vested member who has not purchased service credit under Prior Governmental Service elsewhere may purchase years or fractional parts of years of services to be added to years of credited service provided that the member contributes the sum that would have been contributed to the retirement plan to pay the full actuarial cost.

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Fund 600 - General Employees' Retirement System
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Employer Contributions (DB)	2,420,128	2,616,484	3,075,384	3,075,384	202,668	-93.41%
Employer Contributions (DC)	0	0	0	0	397,336	100.00%
Employee Contributions (DB)	891,027	1,115,348	895,000	760,000	631,836	-29.40%
Employee Contributions (DC)	0	0	0	0	397,336	100.00%
Gain/(Loss) on Investments	(471,559)	5,520,289	200,000	1,500,000	800,000	300.00%
Miscellaneous	0	0	1,000	20,000	1,000	0.00%
Interest on Investments	65,887	96,457	100,000	20,000	30,000	-70.00%
TOTALS	2,905,483	9,348,578	4,271,384	5,375,384	2,460,176	-42.40%
Expenses						
Contractual	4,040,561	4,414,842	4,300,000	5,000,000	6,000,000	39.53%
TOTALS	4,040,561	4,414,842	4,300,000	5,000,000	6,000,000	39.53%
TOTAL REVENUES OVER/(UNDER) EXPENSES	(1,135,078)	4,933,736	(28,616)	375,384	(3,539,824)	
Beginning Net Assets	61,443,691	60,308,613	65,242,349	65,242,349	65,617,733	
ENDING FUND EQUITY	60,308,613	65,242,349	65,213,733	65,617,733	62,077,909	

REVENUES

Employer Contributions (DB):
The employer contributions are actuarially determined for the new proposed hybrid pension plan.

Employer Contributions (DC):
Estimated employer match contribution based on an employee contribution of 4%.

Employee Contributions (DB):
Employee contributions are calculated based on the eligible employee's salary multiplied by a contribution rate established by the retirement board and approved by Town Council. The decrease is due to the reduction in employee contributions from 6.47% to 4.47% for General Employees and 7.21% to 5.21% for Lifeguards for the proposed change. Deferred Retirement Option Plan retirees (DROP) do not contribute to the plan.

Employee Contributions (DC):
Estimated 4% employee contribution.

Gain/(Loss) on Investments:
This line items reflects the estimated gains on the sale of equities. Projections reflect the current returns of the fund.

Miscellaneous:
No change.

Interest on Investments:
The FY12 budgeted amount represents the anticipated interest to be earned on fixed income investments.

EXPENSES

Contractual:
This line item reflects anticipated pension payments and operating costs.

Fund 606 - Police Officers' Retirement System
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
State of Florida	225,628	211,524	225,000	230,000	0	-100.00%
Employer Contributions (DB)	2,104,724	2,279,571	2,828,758	2,828,758	932,502	-67.03%
Employer Contributions (DC)	0	0	0	0	329,004	100.00%
Employee Contributions (DB)	422,170	426,895	440,000	430,000	308,596	-29.86%
Employee Contributions (DC)	0	0	0	0	329,004	100.00%
Gain/(Loss) on Investments	(-1479266)	3,285,132	500,000	1,500,000	1,000,000	100.00%
Interest on Investments	591,105	535,908	1,310,000	500,000	500,000	-61.83%
TOTALS	1,864,361	6,739,030	5,303,758	5,488,758	3,399,106	-35.91%
Expenses						
Contractual	4,014,743	3,842,695	4,200,000	5,000,000	5,500,000	30.95%
TOTALS	4,014,743	3,842,695	4,200,000	5,000,000	5,500,000	30.95%
TOTAL REVENUES OVER/(UNDER) EXPENSES	(2,150,382)	2,896,335	1,103,758	488,758	(2,100,894)	
Beginning Net Assets	54,715,567	52,565,185	55,461,520	55,461,520	56,565,278	
ENDING FUND EQUITY	52,565,185	55,461,520	56,565,278	55,950,278	54,464,384	

REVENUES

State of Florida:
Chapter 185 monies received from the State of Florida are recorded in this line item.

Employer Contributions (DB):
The employer contributions are actuarially determined for the new proposed hybrid pension plan.

Employer Contributions (DC):
Estimated employer match contribution based on an employee contribution of 4%.

Employee Contributions (DB):
Employee contributions are calculated based on the eligible employee's salary multiplied by a contribution rate established by the retirement board and approved by Town Council. The decrease is due to the reduction in employee contributions from 6.98% to 4.98%. Deferred Retirement Option Plan retirees (DROP) do not contribute to the plan.

Employee Contributions (DC):
Estimated 4% employee contribution.

Gain/(Loss) on Investments:
This line items reflects the estimated gains on the sale of equities. Projections reflect the current returns of the fund.

Miscellaneous:
No change.

Interest on Investments:
The FY12 budgeted amount represents the anticipated interest to be earned on fixed income investments.

EXPENSES

Contractual:
This line item reflects anticipated pension payments and operating costs.

Fund 607 - Firefighters' Retirement System
Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
State of Florida	521,301	607,484	620,000	620,000	0	-100.00%
Employer Contributions (DB)	2,359,327	2,647,210	3,189,802	3,189,802	1,359,630	-57.38%
Employer Contributions (DC)	0	0	0	0	295,260	100.00%
Employee Contributions (DB)	442,893	490,483	450,000	520,000	327,609	-27.20%
Employee Contributions (DC)	0	0	0	0	295,260	100.00%
Gain/(Loss) on Investments	(-1104238)	3,493,904	500,000	1,500,000	500,000	0.00%
Interest on Investments	382,003	394,358	500,000	500,000	500,000	0.00%
TOTALS	2,601,286	7,633,439	5,259,802	6,309,802	3,277,759	-37.68%
Expenses						
Contractual	4,124,428	4,048,099	4,630,000	5,300,000	5,800,000	25.27%
TOTALS	4,124,428	4,048,099	4,630,000	5,300,000	5,800,000	25.27%
TOTAL REVENUES OVER/(UNDER) EXPENSES	(1,523,142)	3,585,340	629,802	1,009,802	(2,522,241)	
Beginning Net Assets	51,778,737	50,255,595	53,840,935	53,840,935	54,470,737	
ENDING FUND EQUITY	50,255,595	53,840,935	54,470,737	54,850,737	51,948,496	

REVENUES

State of Florida:
Chapter 175 monies received from the State of Florida are recorded in this line item.

Employer Contributions (DB):
The employer contributions are actuarially determined for the new proposed hybrid pension plan.

Employer Contributions (DC):
Estimated employer match contribution based on an employee contribution of 4%.

Employee Contributions (DB):
Employee contributions are calculated based on the eligible employee's salary multiplied by a contribution rate established by the retirement board and approved by Town Council. The decrease is due to the reduction in employee contributions from 6.82% to 4.82%. Deferred Retirement Option Plan retirees (DROP) do not contribute to the plan.

Employee Contributions (DC):
Estimated 4% employee contribution.

Gain/(Loss) on Investments:
This line items reflects the estimated gains on the sale of equities. Projections reflect the current returns of the fund.

Miscellaneous:
No change.

Interest on Investments:
The FY12 budgeted amount represents the anticipated interest to be earned on fixed income investments.

EXPENSES

Contractual:
This line item reflects anticipated pension payments and operating costs.

PROGRAM: HEALTH INSURANCE TRUST (610)

The Town makes post-employment health care benefits available to retirees and funds a portion of the retiree health insurance benefits. In FY2007, the Town established a Health Insurance Trust for the funding of these benefits. The trust has been established with an initial deposit of $16,000,000 transferred from the reserves from the Health Insurance Fund. The Town's Investment Advisory Committee will oversee the investment of the assets of this trust.

An actuarial valuation of the retiree health plan was conducted as of October 1, 2010 and an update was prepared for FY12. The Town's Actuarial Accrued Liability as of October 1, 2010 was determined to be $27,769,000. The annual budgeted contribution for FY2011 is $1,493,000.

The Town provides to the retirees a self-insured HMO and PPO medical plan, including prescription drugs, administered by BlueCross BlueShield.

Summary of Plan Provisions
Eligibility
General Employees – The employee can retire at the earliest age which the employee has:

- Age 55 with 10 or more years of service; or
- 30 years of service, regardless of age

Police/Fire – The employee can retire at the earliest age which the employee has:

- Age 50 with 10 or more years of service;
- Age plus years of service = 65; or
- 20 years of service, regardless of age.

Lifeguards – The employee must meet both of the following requirements:

- 10 years of service; and
- Age plus credited service must be at least 65.

Plan Design
Eligible retirees can have one of three plans: Blue Cross Blue Shield (BCBS) PPO Low Deductible Plan, BCBS PPO High Deductible Plan, or BCBS Blue Care HMO. A summary of the significant plan provisions for the plan year that begins on January 1, 2012 are provided below:

BCBS PPO Low Deductible

	In-Network	Out-of-Network
Deductible	$350 Individual, $1050 Family	
Coinsurance	90%	70%
Out of Pocket Maximum	$1,500 Individual, $4,500 Family	
Office Visit Copay	$20	30%
Prescription Drugs		
Retail Copayment	Generic-$10, Preferred-$30, Non-Preferred-$30 Copay + 50% of Cost	
Mail Order Copayment	Generic-$20, Preferred-$60, Non-Preferred-$60 Copay + 50% of Cost	
Lifetime Maximum	Unlimited	

BCBS High Deductible

	In-Network	Out-of-Network
Deductible	$600 Individual, $1,800 Family	
Coinsurance	80%	60%
Out of Pocket Maximum	$1,500 Individual, $4,500 Family	
Office Visit Copay	$30	40%
Prescription Drugs		
Retail Copayment	Generic-$10, Preferred-$35, Non-Preferred-$40 Copay + 50% of Cost	
Mail Order Copayment	Generic-$20, Preferred-$70, Non-Preferred-$80 Copay + 50% of Cost	
Lifetime Maximum	Unlimited	

BCBS Blue Care HMO

	In-Network	*Out-of-Network
Deductible	$100 Individual, $200 Family	
Coinsurance	100%	
Out of Pocket Maximum	$1,500 Individual, $3,000 Family	
Office Visit Copay	$20	
Inpatient Copay	$500 per admission	
Emergency Room Copay	$115	
Prescription Drugs		
Retail Copayment	Generic-$10, Preferred-$30, Non-Preferred-$30 Copay + 50% of Cost	
Mail Order Copayment	Generic-$20, Preferred-$40, Non-Preferred-$60 Copay + 50% of Cost	
Lifetime Maximum	Unlimited	

* Out of network services are not covered under the HMO plan.

Discount Rate

The actuarial analysis assumes an 8% annual discount rate.

Required Monthly Contributions

Contribution amounts are determined by the medical plan chosen, the years of employment service, and the amount of pension earned according to the retiree sliding scale for insurance premiums. Contributions are required to both retiree and dependent coverage. The premium cost sharing between retirees and the Town ranges from 50% to the maximum charge allowable per state statute for the non-Medicare group. The retiree contributions for the period January 1, 2012 through December 31, 2012 are shown on the following pages:

Full Time Equivalent Employees	FY2008	FY2009	FY2010	FY2011	FY2012
Director of Human Resources	-	0.05	0.05	0.10	0.10
Finance Director	-	0.05	0.05	0.05	0.05
Assistant Director of Human Resources	-	0.20	0.20	0.20	0.20
Human Resource Assistant	-	0.10	0.10	0.05	-
Human Resource Coordinator	-	-	-	-	0.32
Human Resource Analyst	-	0.10	0.10	0.05	0.05
	-	0.50	0.50	0.45	0.72

Health Insurance Trust

Revenue and Expense Summary

	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2011 Projected	FY2012 Budget	% Change
Revenues						
Town Funding	1,649,000	1,550,000	1,533,000	1,533,000	1,493,000	-2.61%
Retiree Funding	948,344	1,101,520	1,088,600	1,257,200	1,385,800	27.30%
Medicare Part D	81,140	79,042	80,000	100,000	100,000	25.00%
Gain/(Loss) on Investme	(358,203)	1,099,919	385,000	315,000	315,000	-18.18%
TOTALS	2,320,281	3,830,481	3,086,600	3,205,200	3,293,800	6.71%
Expenses						
Salaries and Wages	42,784	29,068	32,615	32,615	38,300	17.43%
Employee Benefits	2,073,875	2,085,736	1,749,692	2,211,319	2,293,571	31.08%
Contractual	90,966	89,679	221,200	123,478	92,800	-58.05%
Commodities	-	356	613	613	300	-51.06%
Capital Outlay	-	-	-	-	-	0.00%
Depreciation	-	-	-	-	-	0.00%
TOTALS	2,207,625	2,204,839	2,004,120	2,368,025	2,424,971	21.00%
Total Revenues Over/(Under) Expenses	112,656	1,625,642	1,082,480	837,175	868,829	
Beginning Net Assets	15,785,880	15,898,536	17,524,178	17,524,178	18,361,353	
ENDING NET ASSETS	15,898,536	17,524,178	18,606,658	18,361,353	19,230,182	

Revenues

Town Funding:
Town's portion of retiree health care expenses

Retiree Funding:
Retiree contribution for health care expenses

Medicare Part D:
Funds received from Medicare

Gain/(Loss) on Investments:
Gain/Loss on investments represents revenue earned or investment losses on the investments in the trust.

Expenses

Salaries and Wages:
The proposed budget for salaries and wages includes performance based merit pay increases.

Employee Benefits:
Cost of retiree health care expenditure

Contractual:
Estimated costs for auditing, investment management and other contractual expenditures.

Commodities:
Estimated costs for office supplies

PPO 702

Retiree Sliding Scale Insurance Premium Rates 2012

Years of Service		Q1		Q2		Q3		Q4	
25 + years		50%		52%		56%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 422.62	$ 229.17	$ 439.52	$ 238.34	$ 473.33	$ 256.67	$ 541.59	$ 293.68
	1 Dependent	$ 498.59	$ 272.22	$ 518.53	$ 283.11	$ 558.42	$ 304.89	$ 622.33	$ 339.78
	2 Dependents	$ 755.41		$ 785.63		$ 846.06		$ 1,039.94	
	3 Dependents	$ 1,012.22		$ 1,052.71		$ 1,133.69		$ 1,602.79	
20 - 24 years		52%		56%		58%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 439.52	$ 238.34	$ 473.33	$ 253.02	$ 490.23	$ 265.84	$ 541.59	$ 293.68
	1 Dependent	$ 518.53	$ 283.11	$ 558.42	$ 304.89	$ 578.36	$ 315.78	$ 622.33	$ 339.78
	2 Dependents	$ 785.63		$ 846.06		$ 876.28		$ 1,039.94	
	3 Dependents	$ 1,052.71		$ 1,133.69		$ 1,174.18		$ 1,602.79	
15 - 19 years		56%		58%		60%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 473.33	$ 256.67	$ 490.23	$ 265.84	$ 507.14	$ 275.00	$ 541.59	$ 293.68
	1 Dependent	$ 558.42	$ 304.89	$ 578.36	$ 315.78	$ 598.31	$ 326.66	$ 622.33	$ 339.78
	2 Dependents	$ 846.06		$ 876.28		$ 906.49		$ 1,039.94	
	3 Dependents	$ 1,133.69		$ 1,174.18		$ 1,214.66		$ 1,602.79	
10 - 14 years		Maximum		Maximum		Maximum		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 541.59	$ 293.68	$ 541.59	$ 293.68	$ 541.59	$ 293.68	$ 541.59	$ 293.68
	1 Dependent	$ 622.33	$ 339.78	$ 622.33	$ 339.78	$ 622.33	$ 339.78	$ 622.33	$ 339.78
	2 Dependents	$ 1,039.94		$ 1,039.94		$ 1,039.94		$ 1,039.94	
	3 Dependents	$ 1,602.79		$ 1,602.79		$ 1,602.79		$ 1,602.79	

Monthly Pension Earnings		
Quartile	Minimum	Maximum
Q1	$ -	$ 1,380.39
Q2	$ 1,380.40	$ 2,463.67
Q3	$ 2,463.68	$ 3,921.57
Q4		$3,921.58 or greater

PPO 719

Retiree Sliding Scale Insurance Premium Rates 2012

Years of Service		Q1		Q2		Q3		Q4	
		50%		52%		56%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
25 + years	Retiree	$ 356.27	$ 192.03	$ 370.52	$ 199.71	$ 399.02	$ 215.07	$ 476.07	$ 256.60
	1 Dependent	$ 419.24	$ 227.71	$ 436.01	$ 236.82	$ 469.55	$ 255.04	$ 544.71	$ 295.86
	2 Dependents	$ 638.79		$ 664.34		$ 715.44		$ 910.24	
	3 Dependents	$ 858.34		$ 892.67		$ 961.34		$ 1,402.89	
		52%		56%		58%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
20 - 24 years	Retiree	$ 370.52	$ 199.71	$ 399.02	$ 221.52	$ 413.27	$ 222.75	$ 476.07	$ 256.60
	1 Dependent	$ 436.01	$ 236.82	$ 469.55	$ 255.04	$ 486.32	$ 264.14	$ 544.71	$ 295.86
	2 Dependents	$ 664.34		$ 715.44		$ 741.00		$ 910.24	
	3 Dependents	$ 892.67		$ 961.34		$ 995.67		$ 1,402.89	
		56%		58%		60%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
15 - 19 years	Retiree	$ 399.02	$ 215.07	$ 413.27	$ 222.75	$ 427.52	$ 230.44	$ 476.07	$ 256.60
	1 Dependent	$ 469.55	$ 255.04	$ 486.32	$ 264.14	$ 503.09	$ 273.25	$ 544.71	$ 295.86
	2 Dependents	$ 715.44		$ 741.00		$ 766.55		$ 910.24	
	3 Dependents	$ 961.34		$ 995.67		$ 1,030.00		$ 1,402.89	
		Maximum		Maximum		Maximum		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
10 - 14 years	Retiree	$ 476.07	$ 256.60	$ 476.07	$ 256.60	$ 476.07	$ 256.60	$ 476.07	$ 256.60
	1 Dependent	$ 544.71	$ 295.86	$ 544.71	$ 295.86	$ 544.71	$ 295.86	$ 544.71	$ 295.86
	2 Dependents	$ 910.24		$ 910.24		$ 910.24		$ 910.24	
	3 Dependents	$ 1,402.89		$ 1,402.89		$ 1,402.89		$ 1,402.89	

Monthly Pension Earnings		
Quartile	Minimum	Maximum
Q1	$ -	$ 1,380.39
Q2	$ 1,380.40	$ 2,463.67
Q3	$ 2,463.68	$ 3,921.57
Q4		$3,921.58 or greater

HMO

Retiree Sliding Scale Insurance Premium Rates 2012

Years of Service		Q1		Q2		Q3		Q4	
25 + years		50%		52%		56%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 363.52		$ 378.06		$ 407.14		$ 455.04	
	1 Dependent	$ 430.03		$ 447.23		$ 481.63		$ 522.87	
	2 Dependents	$ 648.03		$ 673.95		$ 725.79		$ 873.75	
	3 Dependents	$ 866.02		$ 900.66		$ 969.94		$ 1,346.66	
20 - 24 years		52%		56%		58%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 378.06		$ 407.14		$ 421.68		$ 455.04	
	1 Dependent	$ 447.23		$ 481.63		$ 498.83		$ 522.87	
	2 Dependents	$ 673.95		$ 725.79		$ 751.71		$ 873.75	
	3 Dependents	$ 900.66		$ 969.94		$ 1,004.58		$ 1,346.66	
15 - 19 years		56%		58%		60%		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 407.14		$ 421.68		$ 436.22		$ 455.04	
	1 Dependent	$ 481.63		$ 498.83		$ 516.04		$ 522.87	
	2 Dependents	$ 725.79		$ 751.71		$ 777.63		$ 873.75	
	3 Dependents	$ 969.94		$ 1,004.58		$ 1,039.22		$ 1,346.66	
10 - 14 years		Maximum		Maximum		Maximum		Maximum	
		Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare	Non-Medicare	Medicare
	Retiree	$ 455.04		$ 455.04		$ 455.04		$ 455.04	
	1 Dependent	$ 522.87		$ 522.87		$ 522.87		$ 522.87	
	2 Dependents	$ 873.75		$ 873.75		$ 873.75		$ 873.75	
	3 Dependents	$ 1,346.66		$ 1,346.66		$ 1,346.66		$ 1,346.66	

Monthly Pension Earnings		
Quartile	Minimum	Maximum
Q1	$ -	$ 1,380.39
Q2	$ 1,380.40	$ 2,463.67
Q3	$ 2,463.68	$ 3,921.57
Q4		$3,921.58 or greater

Authorized Positions

The Chart below shows the distribution of authorized positions, full and part-time, by departments, for the years 2008 through 2012. The number of full and part-time employees for the Fiscal year 2012 is 362.65, which is decrease of 4.68 over FY2011 of 367.33.

Full Time Equivalent Employees	***FY2008***	***FY2009***	***FY2010***	***FY2011***	***FY2012***
Town Manager					
Town Manager	1.00	1.00	1.00	1.00	1.00
Deputy Town Manager	1.00	1.00	1.00	1.00	1.00
Assistant Town Manager	1.00	1.00	1.00	0.00	0.00
Director of Recreation and Special Projects	0.00	0.00	0.00	0.00	0.10
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	2.00	2.00	2.00
	6.00	6.00	6.00	5.00	5.10
Information Systems					
Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Information Systems Analyst	1.00	1.00	1.00	1.00	1.00
GIS Coordinator	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	2.00	2.00	2.00	3.00	3.00
Information Systems Support Specialist	1.00	1.00	1.00	0.00	0.00
	6.00	6.00	6.00	6.00	6.00
Human Resources					
Human Resources Director	0.80	0.80	0.80	0.80	0.80
Assistant Director	1.00	0.80	0.80	0.60	0.60
Occupational Health Nurse	1.00	1.00	1.00	1.00	1.00
Human Resources Analyst	0.30	0.60	0.60	0.90	0.90
Human Resources Coordinator	0.00	0.00	0.00	0.00	0.35
Human Resources Assistant	1.30	1.25	1.25	0.90	0.50
Office Assistant II/Clinic (p/t)	0.50	0.50	0.50	0.37	0.37
	4.90	4.95	4.95	4.57	4.52
Finance					
Town Clerk	1.00	1.00	1.00	1.00	1.00
Deputy Town Clerk	1.00	1.00	0.00	0.00	0.00
Document Management Coordinator	0.00	0.00	1.00	1.00	1.00
Office Assistant III	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	0.95	0.95	0.95	0.95

Authorized Positions

Full Time Equivalent Employees	*FY2008*	*FY2009*	*FY2010*	*FY2011*	*FY2012*
Assistant Finance Director	1.00	1.00	1.00	1.00	1.00
Accounting Supervisor	1.00	1.00	1.00	1.00	1.00
Accounting Assistant	1.00	1.00	1.00	2.00	3.00
Accounting Clerk	2.00	2.00	2.00	2.00	2.00
Payroll Specialist	1.00	1.00	1.00	1.00	1.00
Accounting Clerk/Receptionist	1.00	1.00	1.00	1.00	0.00
Secretary	1.00	1.00	1.00	0.00	0.00
Purchasing Agent	1.00	1.00	1.00	1.00	1.00
Assistant Purchasing Agent	1.00	1.00	1.00	1.00	1.00
Buyer	1.00	1.00	1.00	1.00	1.00
Purchasing Technician	1.00	1.00	1.00	1.00	1.00
Public Works Purchasing Coordinator	0.00	0.00	0.00	0.00	0.50
Warehouse Coordinator	1.00	1.00	1.00	1.00	1.00
Driver/Warehouse Clerk	1.00	1.00	0.50	0.50	0.50
	18.00	17.95	17.45	17.45	17.95
Planning, Zoning and Building					
Director	1.00	1.00	1.00	1.00	1.00
Assistant Director	1.00	1.00	1.00	1.00	1.00
Zoning Administrator	1.00	1.00	1.00	1.00	1.00
Administrative Aide	2.00	2.00	2.00	1.00	1.00
Planning Administrator	1.00	1.00	1.00	1.00	1.00
Development Review Specialist	2.00	2.00	2.00	2.00	1.00
Development Permit Coordinator	1.00	1.00	1.00	1.00	2.00
Building Official	1.00	1.00	1.00	1.00	1.00
Chief Construction Inspectors	3.00	3.00	3.00	3.00	3.00
Development Geoprocessor	1.00	1.00	1.00	1.00	1.00
Office Assistant III	0.00	0.00	0.50	1.00	1.00
Development Review Coordinator	2.00	2.00	1.00	1.00	1.00
Project Engineer	1.00	1.00	1.00	1.00	1.00
Combination Inspector	2.50	2.50	2.50	2.00	2.00
Support Services Captain	0.50	0.50	0.50	0.50	0.00
Support Services Sergeant	0.50	0.50	0.50	0.00	0.00
Parking/Code Enforcement Manager	0.00	0.00	0.00	0.50	0.50
Parking/Code Enforcement Specialist	0.50	0.75	0.75	0.75	0.75
Code Compliance Officer II	1.00	1.00	1.00	1.00	1.00
Code Compliance Officer I	1.50	1.50	1.50	1.50	1.50
Office Manager	1.00	1.00	1.00	1.00	1.00

Authorized Positions

Full Time Equivalent Employees	*FY2008*	*FY2009*	*FY2010*	*FY2011*	*FY2012*
Fire Marshal	1.00	1.00	1.00	1.00	1.00
Assistant Fire Marshal	0.00	2.00	2.00	1.00	1.00
Fire Prevention Officer	2.00	0.00	0.00	0.00	0.00
Combination Plan Reviewer	0.50	0.50	0.50	1.00	1.00
Office Assistant II	1.00	1.00	1.00	1.00	1.00
	29.00	29.25	28.75	27.25	26.75
Fire-Rescue					
Fire-Rescue Chief	1.00	1.00	1.00	1.00	0.00
Director of Public Safety	0.00	0.00	0.00	0.00	0.50
Deputy Chief	0.00	0.00	0.00	0.00	1.00
Assistant Chief	2.00	2.00	2.00	2.00	1.00
Office Manager	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00
Medical Billing Specialist	1.00	1.00	1.00	1.00	1.00
Battalion Chief	3.00	3.00	3.00	3.00	3.00
EMS Division Chief	1.00	1.00	1.00	1.00	1.00
Lieutenant	18.00	18.00	18.00	18.00	17.00
Administrative Lieutenant	1.00	1.00	1.00	0.00	0.00
F/F, D/E, Paramedic	49.00	49.00	49.00	46.00	45.00
Fleet Manager	0.00	0.00	0.00	0.20	0.20
Master Mechanic	1.00	1.00	1.20	1.20	1.20
Mechanic Assistant	0.00	0.50	0.00	0.00	0.00
Supervisor Lifeguard	1.00	1.00	1.00	1.00	0.00
Assistant Supervisor Lifeguard	2.00	2.00	2.00	2.00	2.00
Lifeguard	7.00	7.00	7.00	7.00	7.00
Training and Safety Division Chief	1.00	1.00	1.00	1.00	1.00
	90.00	90.50	90.20	86.40	82.90
Police					
Police Chief	1.00	1.00	1.00	1.00	0.00
Director of Public Safety	0.00	0.00	0.00	0.00	0.50
Deputy Police Chief	0.00	0.00	0.00	0.00	1.00
Major	2.00	2.00	2.00	2.00	1.00
Captain	5.00	5.00	5.00	4.50	5.00
Sergeant	13.00	14.00	14.00	12.00	12.00
Police Planner	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	0.00	1.00	1.00
Office Assistant II	1.00	1.00	1.00	3.00	3.00

Authorized Positions

Full Time Equivalent Employees	*FY2008*	*FY2009*	*FY2010*	*FY2011*	*FY2012*
Administrative Coordinator	1.00	1.00	1.00	0.00	0.00
Police Officer	57.00	55.00	52.00	50.00	50.00
Evidence and Property Specialist	1.00	1.00	1.00	0.00	0.00
Records Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Records Assistant I	2.00	2.00	2.00	1.00	1.00
Civilian Training/PIO Manager	1.00	1.00	1.00	0.00	0.00
Civilian Training Coordinator	0.00	0.00	0.00	0.00	0.00
Telecommunications Manager	1.00	1.00	1.00	0.00	0.00
Lead Telecommunications Supervisor	0.00	0.00	0.00	0.00	1.00
Telecommunications Supervisor	4.00	4.00	4.00	3.00	2.00
Telecommunicator	11.00	11.00	11.00	10.00	10.00
Call-Taker	1.00	1.00	1.00	1.00	1.00
Crime Scene Technician II	2.00	2.00	2.00	1.00	1.00
Patrol Office Assistant	1.00	1.00	1.00	0.00	0.00
Police Master Mechanic	1.00	1.00	0.80	0.80	0.80
Detective Office Assistant	1.00	1.00	1.00	0.00	0.00
Crime Scene Evidence Unit Manager	1.00	1.00	1.00	1.00	1.00
Civilian Lead Parking Control Officer	0.00	1.00	1.00	1.00	1.00
Parking Enforcement Officer	5.00	5.00	5.00	5.00	6.00
Parking/Code Enforcement Manager	0.00	0.00	0.00	0.50	0.50
Support Services (Parking/Code) Captain	0.50	0.50	0.50	0.00	0.00
Support Services (Parking Code Enforcement) Sergeant	0.50	0.50	0.50	0.00	0.00
Parking (Code) Enforcement Specialist	0.50	0.25	0.25	0.25	0.25
Fleet Manager	1.00	1.00	1.00	0.80	0.80
Crime Intelligence Analyst	1.00	1.00	1.00	1.00	1.00
Crime Prevention Specialist	1.00	1.00	1.00	1.00	1.00
	119.50	119.25	115.05	102.85	103.85
Public Works					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Assistant Director	2.00	2.00	2.00	1.00	1.00
Office Assistant	4.00	4.00	4.00	4.50	4.50
Public Works Purchasing Coordinator	0.00	0.00	0.00	0.00	0.50
Senior Project Engineer	0.00	0.00	0.00	1.00	1.00
Project Administrator	1.00	1.00	1.00	0.00	0.00
PW Systems Specialist	1.00	1.00	1.00	1.00	1.00
Public Works Inspector	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00
Coastal Management Coordinator	0.00	1.00	1.00	1.00	1.00

Authorized Positions

Full Time Equivalent Employees	*FY2008*	*FY2009*	*FY2010*	*FY2011*	*FY2012*
Project Engineer	2.00	2.00	2.00	2.00	2.00
Managers	5.00	5.00	5.00	4.00	4.00
Supervisors	8.83	8.80	8.80	5.86	5.86
Electricians	2.80	2.80	2.80	2.85	2.85
Mechanics	8.00	7.50	7.50	7.50	7.50
Equipment Operators	44.70	44.70	44.70	37.96	37.96
Laborers	13.92	12.98	9.98	11.00	11.00
Maintenance Worker	1.90	1.89	1.14	0.90	0.90
Nursery Worker	0.98	0.98	0.98	0.00	0.00
Tree Trimmer	1.88	1.88	1.88	1.88	1.88
Street & Sign Painter	0.90	0.93	0.97	0.90	0.90
	101.91	101.46	97.75	86.35	86.85
Recreation Enterprise Fund					
Dockmaster	1.00	1.00	1.00	1.00	1.00
Assistant Dockmaster	1.00	1.00	1.00	0.00	0.00
Dock Attendant	1.45	1.45	1.45	1.48	2.12
Recreation Office Manager	1.00	1.00	1.00	1.00	1.00
Tennis Facilities Supervisor	2.00	2.00	2.00	2.00	1.00
Tennis Facilities Assistant	1.00	1.00	1.00	1.00	1.00
Tennis Attendant	1.60	1.60	1.60	1.60	1.65
Recreation Supervisor	2.00	2.00	2.00	2.00	2.00
Maintenance Worker	2.00	2.00	2.00	2.00	1.00
Bus Driver	0.26	0.26	0.26	0.00	0.48
Activity Leader	3.44	3.44	2.78	3.70	3.44
Director of Recreation and Special Projects	1.00	1.00	1.00	1.00	0.90
Assistant Director of Recreation	2.00	2.00	2.00	2.00	2.00
Golf Manager	1.00	1.00	1.00	1.00	1.00
Golf Course Superintendent	1.00	1.00	1.00	1.00	1.00
Golf Course Facility Supervisor	1.00	1.00	1.00	1.00	1.00
Golf Mechanic	1.00	1.00	1.00	1.00	1.00
Equipment Operator	1.75	2.12	2.12	0.75	1.15
Golf Laborer	0.54	0.54	0.54	0.00	0.40
Registration Clerk	2.29	2.54	2.54	3.30	1.42
Golf Course Attendant	0.00	0.00	0.00	0.00	0.50
Public Works Employees	0.84	0.78	0.74	0.65	0.65
	29.17	29.73	29.03	27.48	25.71

Authorized Positions

Full Time Equivalent Employees	*FY2008*	*FY2009*	*FY2010*	*FY2011*	*FY2012*
Self Insurance Fund - Risk					
Risk Manager	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	0.50	0.00	0.00	0.00
	2.00	1.50	1.00	1.00	1.00
Self Insurance Fund - Health					
Human Resource Director	0.20	0.15	0.15	0.10	0.10
Assistant HR Director	0.00	0.00	0.00	0.20	0.20
HR Coordinator	0.00	0.00	0.00	0.00	0.33
HR Assistant	0.70	0.30	0.30	0.05	0.00
HR Analyst	0.70	0.60	0.60	0.05	0.05
Office Assistant II	0.00	0.05	0.05	0.13	0.12
	1.60	1.10	1.10	0.53	0.80
Retirement Fund					
HR Assistant	0.00	0.00	0.00	0.00	0.50
OPEB Trust					
Human Resource Director	0.00	0.05	0.05	0.10	0.10
HR Assistant	0.00	0.10	0.10	0.05	0.00
HR Analyst	0.00	0.10	0.10	0.05	0.05
Asst. Human Resources Director	0.00	0.20	0.20	0.20	0.20
HR Coordinator	0.00	0.00	0.00	0.00	0.32
Finance Director	0.00	0.05	0.05	0.05	0.05
	0.00	0.50	0.50	0.45	0.72
Kruesler Park					
Various	2.20	2.20	2.20	2.00	0.00
Grand Total Authorized Positions	410.28	410.39	399.98	367.33	362.65

Town of Palm Beach
Donation Reserve Account Summary
Period Ended September 30, 2011

Donation Account	Balance at 10/1/10	Revenues FY11	Expenditures FY11	Encumbrances at 9/30/11	Balance at 9/30/11
Finance	90.17				90.17
Fire-Rescue	14,520.60	47,532.00	26,208.74		35,843.86
Fire Public Education	19,794.76	3,642.00			23,436.76
Co-Worker Recognition Program	7,337.11	30,000.00	27,831.00		9,506.11
Employee of the Year Award	-	3,500.00			3,500.00
Town Scholarship Fund	3,000.00	3,000.00	3,000.00		3,000.00
Police Department	68,987.72	35,229.00	24,209.56		80,007.16
DuPont Training	1,130.47		126.10		1,004.37
Marine Unit Equipment	1,000.00				1,000.00
PBCA Raymond J. Kunkel Award	3,000.00				3,000.00
Public Works Department	1,999.05	5,000.00			6,999.05
Town Beautification	39,407.26		1,619.50		37,787.76
Tangier/N. County Road Improvement	2,415.36				2,415.36
Ibis Isle Project	1,293.69		2,525.25		(1,231.56)
Planning, Zoning & Building	50.00				50.00
Recreation Department	13,403.17	5,865.02	5,054.93		14,213.26
July 4th Celebration	13,847.44				13,847.44
Employee Fitness Center	37,303.32		3,801.23		33,502.09
Undesignated Donations	4,005.83		552.50		3,453.33
Bicentennial Eagle	82.22				82.22
Royal Poinciana Beautification	1,750.00				1,750.00
S County Rd Beautification	2,880.00				2,880.00
Ibis Bridge Sand Dredging	9,500.00	4,000.00		13,500.00	-
Fire Athletic Activities	50.00				50.00
Holiday Decorations	59,244.57	28,500.00	89,970.00		(2,225.43)
Police Softball League	8,375.94		3,865.15		4,510.79
MidTown Bathrooms	-	9,500.00		9,500.00	-
Crime Scene Equipment	-	43,677.50	43,422.46		255.04
Total	314,468.68	219,445.52	232,186.42	23,000.00	278,727.78

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Town of Palm Beach, Florida

Subject Policy: General Fund – Fund Balance

Approved: August 9, 2011

Purpose: The Town hereby establishes and will maintain Fund Balance, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

A Fund Balance Policy is adopted to establish a level of funding that protects against unanticipated events that would adversely affect the financial condition of the Town and jeopardize the continuation of necessary public services. The policy also is established to secure and maintain investment-grade credit ratings, meet seasonal shortfalls in cash flow, and guard against revenue shortfalls. Fund balance information is used to identify the available resources for tax stabilization or enhance the financial position of the Town, in accordance with policies established by the Town Council.

This Fund Balance Policy establishes:

a) Fund balance policy for the general fund;
b) Reservations of fund balance for the general fund;
c) The method of budgeting the amount of estimated unrestricted fund balance available for appropriation during the annual budget adoption process (prior to the actual, audited fund balance being known); and
d) Establish a spending order of fund balances.

Fund Balance Policy:

1. Restricted Fund Balance – There is no restricted fund balance in the General Fund. Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation will be budgeted and reported in special revenue funds, capital project funds or debt service funds.

2. Committed Fund Balance – Commitment of fund balance may be made for such purposes including, but not limited to, a) major maintenance and repair projects; b) meeting future obligations resulting from a natural disaster; c) accumulating resources pursuant to stabilization arrangements; d) establishing reserves for disasters; and/or e) for setting aside amounts for specific projects or purposes.

   Commitment of fund balance may be made from time-to-time by ordinance or resolution of the Town Council. Commitments may be changed or lifted only by the Town Council taking the same formal action that imposed the constraint originally (ordinance or resolution). The use of committed fund balances will be considered in conjunction with the annual budget adoption process or by budget amendment approved by Ordinance of the Town Council during the fiscal year.

3. Assigned Fund Balance – Assignment of fund balance may be a) made for a specific purpose that is narrower than the general purposes of the government itself; and/or b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

   Assigned fund balance shall reflect management's intended use of resources as set forth in the annual budget (and any amendments thereto). Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

4. Non-Spendable Fund Balance – Non-spendable fund balance is established to report items that are not expected to be converted to cash such as inventory and prepaid items; items not currently in cash form such as the long-term amount of loans and notes receivable; and, items legally or contractually required to be maintained intact.

5. Minimum Level of Unassigned Fund Balance – Unassigned fund balance is the residual classification for the general fund and represents fund balance that has not been restricted, committed or assigned to specific purposes within the general fund. The Town will maintain a minimum level of 25% of general fund operating expenditures.

If after the annual audit, prior committed or assigned fund balance causes the unassigned fund balance to fall below 25% of general fund operating expenditures, the Town Manager will so advise the Town Council in order for necessary action to be taken to restore the unassigned fund balance to 25% of General Fund operating expenditures.

The Town Manager will prepare and submit a plan to the Town Council, that may include expenditure reductions, revenue increases, use of non-recurring revenues, budget surpluses and excess resources in other funds to restore fund balance to the minimum level. The Town shall take action necessary to restore the unassigned fund balance to acceptable levels within two years.

Reservations of Fund Balance (General Fund)

Committed Fund Balance

The Town Council hereby established the following committed fund balances in the General Fund:

a) East Central Regional Wastewater Treatment Facility Debt Service – A reserve equal to the Town's portion of the future debt service on the 1993 loan for the improvements to the East Central Regional Wastewater Treatment Facility. The reserve will be adjusted annually to reflect the outstanding debt service.

b) Compensated Absence Reserve – To fund the value of accrued compensated absences. The reserve includes accrued vacation, sick time and compensatory time and related payroll tax liability. The reserve will be adjusted annually during the year-end process and will be funded at a rate of 100% of the fiscal year end accrued balance. The Town Council will annually give consideration to appropriate funds from this reserve based upon estimated pay-outs of eligible accrued vacation, sick and compensatory time and the related payroll tax liability.

Assigned Fund Balance

The Town Council hereby establishes the following assignment of fund balance in the General Fund:

a) Assignment to Subsequent Year's Budget – The subsequent year's budget fund balance is assigned by the Town management as set forth in the annual budget (and any amendments thereto) to appropriate a portion of existing unassigned fund balance to eliminate projected deficit in the

subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Budgeting

1. Appropriation of Unrestricted Fund Balance – The actual amount of unrestricted fund balance (total of committed fund balance assigned fund balance and unassigned fund balance) is not known until the completion of the annual audit which takes place within six months after the end of the fiscal year being audited. However, an estimate of unrestricted fund balance (also called estimated beginning fund balance) will be made and reported during the annual budget adoption process (June through September) which is prior to the end of the fiscal year, September 30th.

2. Estimated Beginning Fund Balance – In order to achieve the most accurate estimate possible, the Finance Department shall project both Sources of Funds (revenues, prior years unrestricted fund balances carried forward and other financing sources) and Uses of Funds (operating and non-operating expenditures), including accruals, for each governmental fund through September 30th of the current fiscal year. These projections will be shown for each fund in the proposed and final budget documents. The difference between the estimated actual sources of funds and estimated actual uses of funds is the calculated estimated beginning fund balance for the subsequent fiscal year. If planned for use in the subsequent fiscal year, committed and assigned fund balance may be included in the estimated beginning fund balance.

3. Estimated Ending Fund Balance – For the year being budgeted, a calculation of estimated ending fund balance shall be made. This calculation shall be the difference between the budgeted sources of funds and the budgeted uses of funds as described above.

   If after the annual audit, the actual general fund unassigned fund balance is greater than 25% of operating expenditures in the general fund, the excess may be used in one or a combination of the following ways:

   a) Left in the general fund to earn interest and roll forward into the subsequent year's beginning fund balance;
   b) Appropriated by the Town Council for a one-time expenditure or opportunity that does not increase recurring operating costs; or

c) Temporary revenue shortfalls or unpredicted one-time expenditures due to a severe economic downturn or other major event(s) affecting the General Fund.

Spending Order of Fund Balances: The Town will use excess unassigned fund balance first before spending any of the unassigned fund balance below 25%.

Annual Review and Determination of Fund Balance Policy: Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process, and the estimated amounts of restricted, committed assigned, non-spendable and minimum level of unassigned fund balance shall be determined during this process. The Town Manager will report the preliminary status of fund balance in the annual budget.

Responsibility: It will be the responsibility of the Town Manager and the Finance Director to implement this policy.

Effective Date: This policy shall take effect immediately upon adoption and will be applied beginning with the preparation of the Town's September 30, 2011 Comprehensive Annual Financial Report and adoption of the Town's Fiscal Year 2011-2012 Budget.

DEFINITIONS

Fund Balance – As defined by the Governmental Accounting, Auditing and Financial Reporting of the Government Finance Officers Association, fund balance is "The difference between assets and liabilities reported in a governmental fund."

Non-Spendable Fund Balance – Amounts that are (a) not in a spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The principal of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations or other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (ordinance or resolution) of the Town Council. Commitments may be changed of lifted only by the Town Council taking the same formal action (ordinance or resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned Fund Balance – Includes spendable fund balance amounts established by management of the Town that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Unrestricted Fund Balance – The total of committed fund balance, assigned fund balance and unassigned fund balance.

Reservations of Fund Balance – Reserves established by the Town Council or by Town Management.

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve - General Fund

Effective Date: October 1, 2001

Revised: October 1, 2005

Revised: October 1, 2007

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and/or to meet unexpected increases in costs and provide a clear guideline restricting the use of the Contingency Reserve within the General Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of 1.5% of the proposed General Fund budget from the Fund Balance of the General Fund, to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council. Examples of the use of this reserve may include:

1. Requests that could not be reasonably anticipated during the budget process for the current year and without funding would result in a detriment to the Town;

2. Unfunded federal/state mandates that require immediate funding;

3. Expenses that are offset by unbudgeted revenues that cannot be appropriated in the current year.

All requests will require a detailed justification to be submitted to the Town Manager, including a statement as to why it is in the Town's best interests to provide the requested funding prior to the next budget cycle.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council when it may be appropriate to draw down this reserve, identifying the need(s) being met and the reason(s) that the expenditures cannot or should not wait until the next budget cycle.

Original Approval Date: August 14, 2001

Revision Approved: July 12, 2005

Second Revision Approved: August 6, 2007

Town of Palm Beach, Florida

Subject Policy: Designation of General Fund - Fund Balance for Payment of Liability Related to Compensated Absences Leave Balances

Effective Date: September 30, 2004

Purpose: The purpose of this policy is to designate a portion of the General Fund - Fund Balance to create a reserve to fund the value of accrued compensated absences. The reserve will significantly reduce the budgetary fluctuations due to the payout of accrued leave time to terminated or retired employees. The reserve will also fund Retirement Health Savings Plan contributions of vacation and sick time, and any expenditures relating to the plan.

Policy: It is the policy of the Town of Palm Beach to designate a portion of the Town's General Fund - Unassigned Fund Balance as a reserve for funding the value of accrued compensated absences. The reserve includes accrued vacation, sick time and compensatory time and related payroll tax liability. The designation will be adjusted annually during the year end process and will be funded at a rate of 100% of the fiscal year end accrued balance. The Town Council will annually give consideration to appropriate funds from this reserve based upon estimates of pay- outs of eligible accrued vacation, sick and compensatory time and the related payroll tax liability. In addition, funds may be appropriated from this reserve for employees that elect to use their vacation or sick time as a contribution to the Retirement Health Savings Plan. The reserve fund will be increased or decreased annually based upon the fiscal year end accrued balance. The annual appropriation for estimated pay-outs will be shown in the General Government program of the General Fund budget.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to advise the Town Council annually during the budget process of the amount to be appropriated from this fund. In addition, the full reserve value will be shown as a designation of General Fund - Fund Balance in the Comprehensive Annual Financial Report. The Town Council has the authority to annually appropriate funds during the budget process for this purpose.

Approval Date: August 10, 2004

Town of Palm Beach, Florida

Subject Policy: Reserve for Encumbrances, Continuing Appropriations, and Prepaid Expenses

Effective Date: October 1, 2001

Purpose: In order to honor unpaid obligations, unfinished projects and prepaid expenses for the budget period, a reserve of fund balance will be established at the end of the fiscal year for encumbrances, continuing appropriations and prepaid expenses.

Policy: It is the policy of the Town of Palm Beach that at the end of every fiscal year a reserve will be established to designate fund balance in the amount equal to the Town's unpaid obligations, unfinished projects and prepaid expenses that carry over from one fiscal year to into the next. Departments shall encumber funds with a purchase order or with written approval by the Town Manager in a memorandum making the request.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to implement this policy.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve - Capital Fund

Effective Date: October 1, 2001

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and/or to meet unexpected increases in costs and provide a clear guideline for the use of the Contingency Reserve within the Capital Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of 10% of the proposed Capital budget to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council. Examples of the use of this reserve may include:

1. Requests that could not be reasonably anticipated during the budget process for the current year and without funding would result in a detriment to the Town;

2. Expenses that are offset by unbudgeted revenues that cannot be appropriated in the current year;

3. Unforeseen expenses that would be more cost effective to be completed with a current project;

4. Expenses in excess of the budgeted contingency for any budgeted capital improvement project.

All requests will require a detailed justification to be submitted to the Town Manager, including a statement as to why it is in the Town's best interests to provide the requested funding prior to the next budget cycle.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council when it may be appropriate to draw down this reserve, identifying the need(s) being met and the reason(s) that the expenditures cannot or should not wait until the next budget cycle.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject Policy: Equipment Replacement Reserve

Effective Date: October 1, 2001

Revised: September 30, 2006

Purpose: The purpose of this policy 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 reserve will significantly reduce the budgetary fluctuations due to the purchase of large costly pieces of equipment. The reserve also established the fixed asset inventory and depreciation schedule as required by GASB34.

Policy: It is the policy of the Town of Palm Beach to maintain a reserve for funding the replacement costs of existing equipment, vehicles, and computers when they reach the end of their useful lives. The fund is to be maintained at a rate of 100% of accumulated depreciation based upon the estimated replacement cost of the assets in the fund. Funds will be drawn from this reserve to purchase replacement equipment that has been fully depreciated and must be replaced. New purchases (non replacement items) shall be appropriated in the requesting department's budget and added to the fixed asset listing when purchased. They will then be depreciated annually for replacement upon the end of the asset's useful life. The fund will receive an annual appropriated transfer from the General Fund equal to the annual depreciation amount on the assets held in the fund. The annual depreciation amount will be allocated to each department as an appropriated expenditure based on the assets held by the department.

The proceeds, net of costs, from the sale of surplus equipment from the equipment replacement fund shall be deposited in the equipment replacement fund.

Requests for replacement of equipment should be made annually through the budget process and should coincide with the 5 year equipment replacement plan. All requests will be reviewed for approval by the Town Manager.

Excess reserves in the fund that have built up over time may be used to fund new purchases (non replacement items). Distribution of the excess reserves for new purchases shall be a decision of the Town Manager and the requesting department's proportionate share of the funds assets will be a consideration in making distribution decisions.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to advise the Town Council annually through the budget process of the items and dollar amount for each that will be purchased from the equipment replacement fund and to advise to the adequacy of the funding level of this reserve.

Approval Date: July 12, 2006

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve - Equipment Replacement Fund

Effective Date: October 1, 2007

Revised: October 1, 2009

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and/or to meet unexpected increases in costs and provide a clear guideline for the use of the Contingency Reserve within the Equipment Replacement Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of $500,000, or an amount deemed necessary and prudent by the Town Manager as indicated in his/her annual budget proposal, from the net assets of the fund to address unexpected needs that may occur throughout the year. Examples of the use of this reserve may include:

Requests that could not be reasonably anticipated during the budget process for the current year.

Expenditures to replace unbudgeted equipment purchases that has been damaged or has become inoperable prior to the end of the useful life.

All requests for expenditures from this reserve will require a detailed justification to be submitted to the Town Manager for his/her prior approval, and the subsequent approval of the Town Council.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council annually or as necessary on the use of this contingency reserve.

Approval Date: August 6, 2007

Revision Approved: July 14, 2009

Town of Palm Beach, Florida

Subject Policy: Recreation Enterprise Fund Reserve

Effective Date: October 1, 2001

Purpose: The purpose of this policy is to establish an appropriate level of net assets in the Town's enterprise fund. Adequate levels of net assets will provide for unanticipated financial impacts as well as provide for one-time expenditures to improve the facilities.

Policy: It is the policy of the Town of Palm Beach that the Town maintain minimum net asset levels equal to 25% of the proposed budgeted revenues. The percentage represents three months of revenue.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to implement this policy. The Town Manager will report regarding the status of the net assets in the annual budget message and/or in the Comprehensive Annual Financial Report.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject Policy: Marina - Dock Replacement Reserve

Effective Date: October 1, 2002

Purpose: The purpose of this policy is to create a reserve to fund the replacement cost for the construction of the Town's docks when each of the three docks (at Brazilian, Australian, and Peruvian Avenues) reaches the end of its useful life. The reserve will significantly reduce, if not eliminate, the need for borrowing funds to finance the re-building of the docks.

Policy: It is the policy of the Town of Palm Beach to maintain a reserve for funding the replacement costs of the Town docks. The reserve fund is to be maintained at a rate of 100% of accumulated depreciation. Funds will be drawn from this reserve for the construction of new docks when ever it is determined that they must be replaced. The reserve fund will be increased by an annual appropriation equal to the annual depreciation and any interest earned on the reserve will be allocated to the account. The depreciation will be calculated using the straight line method with an estimated useful life of 25 years from the construction date for each dock.

An account will be established with the initial transfer on October 1, 2002, of the accumulated depreciation through September 30, 2002, from available funds.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to advise the Town Council as to the adequacy of the funding level of this reserve. The Town Manager and Finance Director will recommend an appropriation of funds from this reserve to the Town Council whenever it is necessary for construction of a replacement dock(s) is to take place.

Approval Date: August 13, 2002

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve - Recreation Enterprise Fund

Effective Date: October 1, 2004

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and provide a clear guideline restricting the use of the Contingency Reserve within the Recreation Enterprise Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of 5% of the proposed Recreation Enterprise Fund operating expense budget to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council. Examples of the use of this reserve may include:

1. Requests that could not be reasonably anticipated during the budget process for the current year and without funding would result in a detriment to the Town and/or the activities of the fund and,

2. Expenses that are offset by unbudgeted revenues that cannot be appropriated in the current year.

All requests will require a detailed justification to be submitted to the Town Manager, including a statement as to why it is in the Town's best interests to provide the requested funding prior to the next budget cycle.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council when it may be appropriate to draw down this reserve, identifying the need(s) being met and the reason(s) that the expenditures cannot or should not wait until the next budget cycle.

Approval Date: August 10, 2004

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve -Recreation Enterprise Fund - Capital Fund

Effective Date: October 1, 2005

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and/or to meet unexpected increases in costs and provide a clear guideline for the use of the Contingency Reserve within the Recreation Enterprise Fund - Capital Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of 5% of the proposed Recreation Enterprise Fund - Capital budget to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council. The contingency amount will be funded from the retained earnings of the Recreation Enterprise Fund - Capital Fund. Examples of the use of this reserve may include:

1. Requests that could not be reasonably anticipated during the budget process for the current year and without funding would result in a detriment to the Town;

2. Expenses that are offset by unbudgeted revenues that cannot be appropriated in the current year;

3. Unforeseen expenses that would be more cost effective to be completed with a current project;

4. Expenses in excess of the budgeted contingency for any budgeted capital improvement project.

All requests will require a detailed justification to be submitted to the Town Manager, including a statement as to why it is in the Town's best interests to provide the requested funding prior to the next budget cycle.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council when it may be appropriate to draw down this reserve, identifying the need(s) being met and the reason(s) that the expenditures cannot or should not wait until the next budget cycle.

Approval Date: July 12, 2005

Town of Palm Beach, Florida

Subject Policy: Equipment Replacement Reserve - Recreation Enterprise Fund

Effective Date: October 1, 2005

Purpose: The purpose of this policy is to create a reserve within the Recreation Enterprise Fund to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful lives. The reserve will significantly reduce the budgetary fluctuations due to the purchase of large costly pieces of equipment. The reserve will also establish the fixed asset inventory and depreciation schedule as required by GASB34.

Policy: It is the policy of the Town of Palm Beach to maintain a reserve for funding the replacement costs of existing equipment, vehicles, and computers within the Recreation Enterprise Fund when they reach the end of their useful lives. The fund is to be maintained at a rate of 100% of accumulated depreciation based upon the estimated replacement cost of the assets in the fund. Funds will be drawn from this reserve to purchase replacement equipment that has been fully depreciated and must be replaced. New purchases (non replacement items) shall be appropriated in the requesting department's budget and added to the fixed asset listing when purchased. They will then be depreciated annually for replacement upon the end of the asset's useful life. The reserve fund will be increased by an annual appropriation equal to the annual depreciation. Any interest earned on the reserve will be allocated to the account. The annual depreciation amount will be allocated to each activity of the fund as an appropriated expense based on the assets held and used in the function of the activity.

The proceeds, net of costs, from the sale of surplus equipment from the Recreation Enterprise Fund shall be added to the reserve fund.

Requests for replacement of equipment should be made annually through the budget process and should coincide with the estimated useful life of the asset. All requests will be reviewed for approval by the Town Manager.

Excess reserves in the fund that have built up over time may be used to fund new purchases (non replacement items). Distribution of the excess reserves for new purchases shall be a decision of the Town Manager.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to advise the Town Council annually through the budget process of the items and dollar amount for each asset that will be purchased from the equipment replacement fund and to advise to the adequacy of the funding level of this reserve.

Approval Date: July 12, 2005

Town of Palm Beach, Florida

Subject Policy: Reserve for Catastrophic Exposures/Emergencies - Risk Fund

Effective Date: October 1, 2001

Revised: October 1, 2002

Purpose: The purpose of this policy is to set aside emergency reserves that will protect the Town of Palm Beach against the potentially disastrous financial impacts of response to and recovery from a man made or natural emergency situation.

Policy: It is the policy of the Town of Palm Beach to maintain a Reserve for Catastrophic Exposures/Emergencies within the Town's Self Insurance - Risk Fund for events of such magnitude that they could not otherwise be covered by available budgeted funds. This reserve shall be used only for one or more of the following events:

1. Local disaster response and recovery costs resulting from a natural or man-made disaster requiring Town expenditures not reimbursable from insurance carriers or the Federal and State governments;

2. Local disaster response and recovery costs resulting from a natural or man-made disaster that are paid up-front to expedite effective emergency management prior to reimbursement by insurance carriers or the Federal and State governments, with reimbursements, if any, paid back to the reserve;

3. Large judgments in excess of insurance coverage, or uninsured claims not covered by policies;

4. Budget stabilization purposes in response to increases in premium rates and/or loss fund increases.

The amount of the reserve will be maintained at a *minimum* level of $2,500,000, and may be adjusted annually based on market conditions, inflation rates, insured retention levels, and potential claims. This amount will be appropriated annually from Net Assets, in order to avoid amending the budget in case of an emergency.

Responsibility: It is the responsibility of the Town Manager and/or the Finance Director to advise the Town Council when it may be necessary to draw down this reserve, identifying the criterion which has been met. The Town Manager may draw down this reserve without Town Council approval if necessary to aid in the payment of local disaster response and recovery costs.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve -Risk Fund

Effective Date: October 1, 2001

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and/or to meet unexpected increases in costs and provide a clear guideline for the use of the Contingency Reserve within the Risk Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of $500,000 to address unexpected needs that occur throughout the year, subject to the formal affirmative vote of the Town Council. Examples of the use of this reserve may include:

1. Uninsured losses of $500,000 or less or,

2. Rate increases which exceed forecasted, budgeted amounts.

All requests will require a detailed justification to be submitted to the Town Manager, including a statement as to why it is in the Town's best interests to provide the requested funding prior to the next budget cycle.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council when it may be appropriate to draw down this reserve, identifying the need(s) being met and the reason(s) that the expenditures cannot or should not wait until the next budget cycle.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject Policy: Contingency Reserve -Health Insurance Fund

Effective Date: October 1, 2003

Purpose: The purpose of this policy is to provide for a Contingency Reserve that will be appropriated annually for unanticipated expenditures of a nonrecurring nature and/or to meet unexpected increases in health insurance costs and claims exposure, and provide a clear guideline for the use of the Contingency Reserve within the Health Insurance Fund.

Policy: It is the policy of the Town of Palm Beach to annually appropriate a Contingency Reserve of $500,000, or an amount deemed necessary and prudent by the Town Manager as indicated in his/her annual budget proposal, from the Retained Earnings of the fund to address unexpected needs that may occur throughout the year. Examples of the use of this reserve may include:

1. A large volume of claims that exceed the forecasted, budgeted amounts;

2. Rate increases which exceed forecasted, budgeted amounts.

All requests for expenditures from this reserve will require a detailed justification to be submitted to the Town Manager for his/her prior approval.

Responsibility: It is the responsibility of the Town Manager and/or Finance Director to advise the Town Council annually or as necessary on the use of this contingency reserve.

Approval Date: August 12, 2003

Town of Palm Beach, Florida

Subject Policy: Budgetary Control

Effective Date: October 1, 2001

Purpose: The purpose of this policy is to formalize the Town's level of budgetary control, and to provide for the administrative realignments of funds by the Town Manager and Finance Director to deal with unexpected needs as long as service to the public is not negatively impacted.

Policy: It is the policy of the Town of Palm Beach that the budget be controlled at the program level within each department by the applicable department head. Budget amendment requests, transferring funds between programs will originate from the applicable department head and the Finance Director and shall be subject to the approval of the Town Manager. The Town Manager may authorize transfers between departments if the action is deemed necessary to meet the obligations of the Town.

Reserves and new revenues may not be appropriated through this process, interfund transfers may not be made, and total appropriations of the Town shall not be changed, without prior affirmative action of the Town Council.

Responsibility: It is the responsibility of the Finance Director, under the direction of the Town Manager, to implement this policy.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject: Debt Management Policy

Effective Date: October 1, 2001

Purpose: To establish parameters and guidance for the issuance, management, monitoring, assessment and evaluation of all Debt Obligations (defined below) issued by the Town of Palm Beach.

Policy: It is the policy of the Town of Palm Beach:

(a) To periodically approve the issuance of Debt Obligations on behalf of the Town to finance the construction or acquisition of infrastructure and other assets for the purpose of meeting its governmental obligations to its residents;
(b) To approve the issuance of Debt Obligations to refund outstanding debt when indicated by market conditions or management of Debt Obligations to refund outstanding debt when indicated by market conditions or management considerations;
(c) That such Debt Obligations are issued and administered in such a manner as to ensure and sustain the long-term financial integrity of the Town, to achieve the highest possible credit rating and to preserve and enhance the quality of life, safety and welfare of its citizens;
(d) That such Debt Obligations shall not be issued or debt proceeds used to finance current operations of the Town except as provided herein;
(e) To minimize the impact of construction or acquisition of infrastructure and other assets on the budget of the Town;
(f) That the Town will consider long-term financing for the acquisition, maintenance, replacement, or expansion of physical assets (including land) only if they have an economic/useful life of at least five years;
(g) That the Town will not issue debt for periods exceeding the useful life or average useful lives of the project or projects to be financed;
(h) That the Town normally will rely on internally generated funds and/or grants to finance its capital needs. Debt will be issued for a capital project only in the case of emergency, or when inclusion of a project in the Town's pay-as-you-go Capital program will preclude the construction of smaller necessary capital improvements;
(i) That the Town will keep outstanding debt within the limits prescribed by Section 7.01 of the Town Charter.

Debt Obligations shall mean bonds, notes, letters and lines of credit, lease purchases, or other securities issued by the Town against a pledge of a specific revenue source or sources, the proceeds of which are used to fund a capital project providing a public benefit.

Responsibility: It is the responsibility of the Finance Director under the direction of the Town Manager, to implement this policy. Departments should submit requests to use debt obligations for financing and submit to the Town Manager for review and approval.

Approval Date: August 14, 2001

Town of Palm Beach, Florida

Subject Policy: Revenue Shortfall Plan

Effective Date: October 1, 2002

Purpose: To establish a plan to address financial conditions which could result in a net shortfall of revenues as compared to expenditures. The plan is divided into the following three components:

> ***Indicators,*** which serve as warnings that potential budgetary impacts are increasing in probability. Indicators will be shown as a percentage reduction in revenues. The Town will monitor key revenue sources as well as inflation factors and national and state trends.
> ***Phases,*** which will serve to classify and communicate the severity of the situation, as well as identify the actions to be taken at the given phase.
>
> ***Actions,*** which are the preplanned steps to be taken in order to prudently address and counteract the anticipated shortfall.

The recession plan and classification of the severity of the economic downturn, will be used in conjunction with the Town's policy regarding the importance of maintaining the Unassigned Fund Balance reserves to address economic uncertainties.

The following is a summary of the phase classifications, indicators and the corresponding actions to be taken:

Phase 1
Alert: An anticipated net reduction in budgeted revenue vs. actual receipts of 1% up to 5%. The actions associated with this phase are as follows:

Actions:

A. Delaying expenditures where reasonably possible, while maintaining the same level of service.
B. Departments shall monitor their individual budgets to ensure that only essential expenditures are made to maintain service levels.
C. Non-essential capital expenditures may be deferred.
D. Hiring for vacant positions will be closely scrutinized and may result in delaying the recruitment process and using temporary help where possible.

Phase 2
Minor: A reduction in total budgeted revenues vs. actual receipts in excess of 5% to 9%. The objective at this level is still to maintain the same level of service where possible. Actions associated with this level may be:

Actions:

A. Intensifying the review process for large items such as contract services, consulting services, and capital expenditures including capital improvements.
B. Hiring to fill vacant positions only with special justification and authorization.
C. Closely monitoring and reducing expenditures for travel and seminars.

Phase 3
Moderate: A reduction in total budgeted revenues vs. actual receipts of 10% to 15%
Initiating cuts of service levels by:

Actions:
A. Deferring large expenditures.
B. Deferring capital expenditures.
C. Reducing CIP appropriations from the General Fund and deferring projects.
D. Institute a hiring freeze.
E. Eliminate expenditures for travel and seminars.
F. Consider across the board departmental budget cuts.

Phase 4
Major: A reduction in total budgeted revenues vs. actual receipts of 16% to 25%
Implementation of major service cuts may include:

Actions:
A. Reducing the temporary work force.
B. Deferring merit wage increases.
C. Further reducing capital expenditures.
D. Preparing a strategy for reduction in work force.
E. Instituting across the board departmental budget cuts.
F. Draw on excess unassigned fund balance to compensate for lost revenue.

Phase 5
Crisis: A reduction in total budgeted revenues vs. actual receipts of over 25%.
Actions may include:

Actions:
A. Implementing reduction in work force or other personnel cost reduction strategies.
B. Eliminate programs.
C. Eliminate capital improvement projects.
D. Draw on unassigned fund balance to compensate for lost revenue.

Responsibility: It is the responsibility of the Town Manager and the Finance Director to advise the Town Council of a revenue shortfall as soon as it is apparent based upon the established indicators. The Town Manager and Finance Director will recommend actions based upon the Phase classifications.

Approval Date: August 13, 2002

Glossary

The definition of terms listed are provided to assist the user in the understanding of terminology used throughout the text of the budget document. For your convenience and reading ease, the following is a list of acronyms that are used by the Town of Palm Beach.

ALS Advanced Life Support
CAFR Comprehensive Annual Financial Report
CDBG Community Development Block Grant
CIP Capital Improvement Program
EMS Emergency Medical Services
FY Fiscal Year
FTE Full-Time Equivalent
GAAP Generally Accepted Accounting Principals
GASB Governmental Accounting Standards Board
GIS Geographic Information System
ICMA International City/County Management Associaition
MDT Mobile Data Terminals
OPEB Other Post Employment Benefits
REF Recreation Enterprise Fund
TRIM Truth in Millage

ACCOUNT NUMBER: A system of designating accounts, entries, invoices, vouchers, that quickly references certain required information.

ACCOUNTING PERIOD: A period at the end of which and for which financial statements are prepared. The Town's accounting period is from October 1 through September 30.

ACCOUNTING PROCEDURES: All processes which discover, record, classify and summarize financial information to produce financial reports and provide internal control.

ACCOUNTING SYSTEM: The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of a government or any of its funds, fund types, balanced account groups, or organizational components.

ACCOUNTS PAYABLE: A liability account reflecting amounts on open accounts owing to private persons or organizations for goods and services received by a government.

ACCOUNTS RECEIVABLE: An asset account reflecting amounts owing on open accounts from private persons or organizations for goods and services provided by a government.

ACCRUAL BASIS: The basis of accounting under which transactions are recognized when they occur regardless of the timing of related cash flow.

ACTUARIAL: A person or methodology that makes determinations of required contributions to achieve future funding levels that addresses risk and time.

ACCUMULATED DEPRECIATION: Accumulated depreciation is the total depreciation taken for an asset since it was placed in service. Also known as life-to-date depreciation and depreciation reserve.

ACTIVITY CLASSIFICATION: A grouping of expenditures on the basis of specific lines of work performed by organizational units. For example: sewage treatment and disposal, solid waste collection, and street cleaning are activities performed in carrying out the function of sanitation and the segregation of the expenditures is made for each of these activities constitutes an activity classification.

AD VALOREM: A tax levied in proportion to value of the property against which it is levied.

ADOPTED BUDGET: The budget as it is approved by the Town Council prior to the beginning of each fiscal year.

AMENDED BUDGET: The amended budget is the working budget. It is the adopted budget that incorporates all operating transfers and approved budget amendments (changes in the budget total that are approved subsequent to initial adoption).

AMORTIZATION: (1) Gradual reduction, redemption or liquidation of the balance of account according to a specific schedule of times and amounts. (2) Provision for the extinguishment of a debt by means of a Debt Service Fund.

Glossary

ANNUAL BUDGET: A plan for the coordination of resources and expenditures. The budget is the financial plan for the Town's allocation of resources to provide services, accomplish the Town's goals and objectives, and perform activities.

APPRAISE: To make an estimate of value, particularly of the value of property. If the property is valued for purposes of taxation, the less-inclusive term "assess" is substituted for this term.

APPROPRIATION: A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

ASSESSED VALUATION: A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSESSMENT ROLL: In the case of real property, the official list containing the legal description of each parcel of property and its assessed valuation. The name and address of the last known owner are also usually shown. In the case of personal property, the assessment roll is the official list containing the name and address of the owner, a description of the personal property and its assessed value.

ASSETS: Resources owned or held by a government, which have monetary value.

AUDIT: A methodical examination of utilization of resources. It concludes in a written opinion of its findings. An audit is a test of management's accounting system to determine the extent to which internal accounting controls are both available and being used.

AUTHORITY: A government or public agency created to perform a single function or a restricted group of related activities. Usually such units are financed from service charges, fees and tolls, but in some instances they also have taxing powers. An authority may be completely independent of other governments or partially dependent upon other governments for its creation, its financing or the exercise of certain powers

AVAILABLE FUND BALANCE: This refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

BALANCED BUDGET: A budget in which planned funds available equal planned expenditures.

BEGINNING FUND BALANCE: The unexpended amount in a fund at fiscal year end, which is available for appropriation in the next fiscal year.

BENEFITS: Payments to which participants may be entitled under a pension plan, including pension benefits, death benefits, and benefits due on termination of employment.

BOND: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

BOND RATING: An evaluation of credit worthiness performed by an independent rating service. The Town is one of only three municipalities in the State of Florida to maintain a AAA rating from both Moody's and Standard & Poor's.

BUDGET: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan is finally approved by that body. It is either usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the appropriating body.

BUDGET AMENDMENT: The process by which unanticipated changes in revenue or expenditures are made a part of the budget, thereby amending it.

BUDGET CALENDAR: A schedule of key dates which the Town follows in the preparation, adoption and administration of the budget.

Glossary

BUDGET MESSAGE: A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body.

BUDGET TRANSFER: An action which changes budgeted amounts at the department, division, and/or object code level of control with offsetting increases and decreases in budgeted line items.

BUDGETARY BASIS: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash or modified accrual.

BUDGETARY CONTROL: The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

BUSINESS PLAN: A written document outlining how Town sources will be applied to achieve the objectives determined for the Leisure Services Enterprise Fund.

CAPITAL EQUIPMENT: Equipment with an expected life of more than one year and a value of more than $2,500 for vehicles and equipment and $1,500 for computer equipment.

CAPITAL LEASE: An agreement conveying the right to use property, plant or equipment usually for a stated period of time where the lessee assumes all the risks and rewards of ownership.

CAPITAL OUTLAYS: Expenditures which result in the acquisition or addition of fixed assets.

CAPITAL PROGRAM: A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures. The minimum threshold used to qualify a project for the Capital Improvement Program is $50,000.

CAPITAL PROJECT: Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life; also called capital improvements.

CAPITAL PROJECT FUNDS: One or more governmental type of funds established to account for resources used for the acquisition of large capital improvements, other than those accounted for in proprietary or trust funds.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): This official annual report presents the status of the Town's finances in a standardized format. The CAFR is organized by fund and contains two basic types of information: a balance sheet that compares assets with liabilities and fund balance; and an operating statement that compares revenues and expenditures.

CONTINGENCY: A budgeted reserve set-aside for possible emergencies, revenue shortfalls, or unforeseen expenditures not otherwise budgeted for.

CURRENT ASSETS: Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used upon or converted into cash within one year. Some examples are cash, temporary investments and taxes receivable which will be collected within one year.

DEBT LIMIT: The maximum amount of gross or net debt which is legally permitted.

DEBT SERVICE: The payment of principal and interest on borrowed funds, such as bonds.

DEBT SERVICE FUNDS: One or more funds established to account for revenues and expenditures used to repay the principal and interest on debt.

DEBT SERVICE REQUIREMENT: The amount of money required to pay the principal and interest on outstanding debt, serial maturities of principal for serial bonds and required contributions to accumulate monies for future retirement of term bonds.

DEFICIT: An excess of liabilities and reserves of a fund over its assets.

DEPARTMENT: A basic organizational unit of government that is functionally unique in its delivery of services.

DEPRECIATION: The decrease in value of physical assets due to use and the passage of time.

DESIGNATED FUND BALANCE: Funds that have been identified for a specific purpose. This differs from reserved funds, in that there is no legal requirement for funds that have been designated.

DISTINGUISHED BUDGET PRESENTATION PROGRAM: A voluntary program administered by the Government Finance Officers Association to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

ENCUMBRANCE: An amount of money committed for the payment of goods and services not yet received or pair for.

ENTERPRISE FUND: A self supporting fund designed to account for activities supported by user charges. Examples are: Water, Solid Waste, and Recreation funds.

EXPENDITURES: Decreases in net current financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

EXPENSES: Decrease in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FIDUCIARY FUNDS: Trust and/or agency funds used to account for assets held by the Town in a trustee capacity, or as an agent for individuals, private organizations, other governments, and/or other funds.

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. By State Law, the fiscal year for the Town of Palm Beach, and all Florida local governments, is October 1 to September 30.

FIXED ASSETS: Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, and machinery and equipment.

FRANCHISE: A special privilege granted by a government regulating the continuing use of public property such as city streets and usually involving the elements of monopoly and regulation.

FULL FAITH AND CREDIT: A pledge if the general taxing power for the payment of debt obligations. Bonds carrying such pledges are referred to as general obligation bonds or full faith and credit bonds

FULL-TIME EQUIVALENT (FTE): Number of positions calculated on the basis that one FTE equates to a 40-hour workweek for twelve months. For example, two part-time positions working 20 hours for twelve months also equals one FTE.

FULL-TIME POSITION: A position which qualifies for full Town benefits, usually required ti work 40 hours per week. Full-time fire personnel work 50.4 hours per week and all part-time personnel working in excess of 30 hours per week are granted benefits as full-time employees.

FUNCTIONAL CLASSIFICATION: Expenditures classification according to the principal purposes for which expenditures are made. Examples are public safety, general government, culture/recreation, etc.

FUND: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE: The fund equity of governmental funds. Changes in fund balances are the result of the difference of revenues to expenditures. When revenues exceed expenditures in a given period, fund balance increase and when expenditures exceed revenue, fund balance decreases.

FUND TYPE: In governmental accounting, all funds are classified into eight generic fund types; General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

GASB: Governmental Accounting Standards Board - an established national board, which governs financial reporting standards on state and local government levels throughout the United States of America, with its main headquarters in Chicago, IL.

GASB 34: Statement 34 of the Governmental Accounting Standards Board - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* - establishes new financial reporting standards for state and local governments throughout the United States.

GENERAL FUND: A fund containing revenues such as property taxes not designated by law for a special purpose. Some of the departments that are part of the General Fund include Fire, Police, Public Works, Administration and Recreation.

GENERAL OBLIGATION BONDS: Bonds for the payment of which the full faith and credit of the issuing government are pledged.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Uniform minimum standards of/and guidelines for financial accounting and reporting. They govern the form and content of the basic financial statement of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard to measure financial presentations. The primary authoritative statement of the application of GAAP to state and local governments are NCGA pronouncements. Every government should prepare and publish financial statements in conformity with GAAP. The objectives of government GAAP financial reports are different from and much broader than, the objective of business GAAP financial reports.

GEOGRAPHIC INFORMATION SYSTEM (GIS): A GIS is a specialized data management system designed for the entry, analyses, and display of data commonly found on maps. GIS integrates maps with a database and allows analyses to be performed using location relationships of map features to the database.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

GOVERNMENTAL FUNDS: Governmental funds account for the activities of a typical state or local government's operations (e.g. public safety, public health). Governmental funds can be further classified into four generic fund types - general fund, special revenue funds, capital projects funds, and debt service funds.

GRANTS: Contributions or gifts of cash or other assets from another government to be used or expended for a specific purpose, activity or facility.

HOMESTEAD EXEMPTION: Pursuant to the Florida State Constitution, the first $25,000 of assessed value of a home which the owner occupies as principal residence is exempt from the property tax.

INFLATION: A rise in price levels caused by an increase in available funds beyond the proportion of available goods.

INFRASTRUCTURE: Assets which are immovable and of value only to the governmental unit (e.g. sidewalks, gutters, bridges.)

INTERFUND TRANSFERS: The movement of moneys between the funds of a governmental entity.

INTERGOVERNMENTAL REVENUE: Revenue collected by one government and distributed (usually through some predetermined formula) to another level of government(s).

INTERLOCAL AGREEMENT: A written agreement between the Town and other units of government to share in similar services, projects, emergency assistance, support, funding, etc., to the mutual benefit of all parties.

INTERNAL SERVICE FUNDS: One or more funds that accounts for the goods and services provided by one department to another within government on a cost-reimbursement basis.

INVESTMENTS: Securities and real estate held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in government operations.

LEVY: (Verb) To impose taxes, special assessments or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

LIABILITIES: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

MILL: A taxation unit equal to one dollar of tax obligation for every $1,000 of assessed valuation of property.

MILLAGE RATE: The tax rate applied to each thousand dollars of taxable assessed valuation which results in the tax levy. Example: A 4.0 millage rate applied to property with a taxable valuation of $500,000 would generate tax in the amount of $2,000.00 (4.0 x 500) of ad valorem revenue.

MISSION STATEMENT: The statement that identifies the particular purpose and function of a department.

MODIFIED ACCRUAL BASIS: The accrual basis of accounting adopted for the governmental fund type. In this basis of accounting, expenditures are recognized when the goods or services are received and revenues, such as taxes, are recognized when measurable and available to pay expenditures in the current accounting period.

NON-EXPENDABLE TRUST FUNDS: When a government uses a non-expendable trust fund, the principal must remain intact, but it can expend the earnings.

OBJECTIVE: A simply stated, readily measurable statement of the aim of expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard of performance for a given program:

(a) An operational objective focuses on service delivery.

(b) A managerial objective focuses on those aspects of management that help staff achieve operational objectives, i.e., staff training, work plan development, etc.

OBLIGATIONS: Amounts which a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

OPERATING BUDGET: Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled. The use of an annual operating budget is required by law.

OPERATING COSTS: Expenses for such items such as expendable supplies, contractual services, and utilities.

ORDINANCE: A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

OTHER COSTS: Costs which are not personnel, operating or capital in nature, such as debt service and transfers between funds.

OUTSIDE AGENCY: Governmental or not-for-profit entities that provide services to Town residents or to the Town under terms of a contract or agreement. Example: The Town of Palm Beach administers the financial and parking enforcement operations for Kreusler Park which is utilized by Town residents and visitors, but is owned by Palm Beach County.

PART-TIME: Part-time employees work less than 30 hours per week and are not entitled to full-time employee benefits.

PAY-AS-YOU-GO BASIS: A term used to describe the financial policy of a governmental unit which finances all of its capital outlays from current revenues rather than by long-term borrowing.

PENSION FUND: The pension funds account for the accumulation of resources to be used for retirement benefit payments to the Town's employees.

PER CAPITA: A measurement of the proportion of some statistic to an individual resident determined by dividing the statistic by the current population.

PERFORMANCE BUDGET: A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

PERFORMANCE MEASURE: Data collected to determine how effective and/or efficient a program is in achieving its objectives.

PERSONAL SERVICES: A general category of operating expenses that includes salaries and wages, pensions, health insurance and other fringe benefits.

PERSONNEL COSTS: Costs directly associated with employees, including salaries and fringe benefits.

POST-EMPLOYMENT BENEFITS: A form of deferred compensation that includes heathcare and any type of post-employment benefit that is not an integral part of a pension plan.

PROGRAM: A distinct, clearly identifiable activity, function, cost center, or organizational unit which is budgeted as a sub-unit of a department. A program budget utilizes the separate programs as its basic component.

PROGRAM BUDGET: A budget with expenditures that are based primarily on programs of work. Each individual program is established as a separate cost center.

PROPERTY TAX: A tax levied on the assessed value of real property. This tax is also known as ad valorem tax.

PROPRIETARY FUND TYPES: Proprietary funds account for activities that are common in the private sector, which the government operates in a manner similar to their counterparts in the commercial world. The primary source of revenues for this fund type is user charges. Proprietary funds can by further classified into two fund types - enterprise funds and internal service funds.

PURCHASE ORDER: A document which authorizes the delivery of specified merchandise or the rendering of certain services.

RECLASSIFICATION: The moving of an existing position from one personnel classification (title) to another based upon the different performance of duties.

REQUISITION: A written demand or request, usually from one department to the purchasing officer or to another department, for specified articles or services.

Reserves: a portion of the fund balance or retained earnings legally segregated for specific purposes.

RESERVE FOR CONTINGENCIES: An amount set aside that can subsequently be appropriated by the Town Council to meet unexpected needs.

RESOLUTION: A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

RETAINED EARNINGS: An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

REVENUE BONDS: A particular kind of bond in which the revenue to pay back the bond and interest comes from the project that the borrowed money was used to create, expand, or improve. Pledged revenues may be derived from operation of the financed project, grants, and excise or other non-ad valorem taxes. Generally, no election is required prior to issuance or validation of such obligations.

REVENUES: Increases in governmental fund-type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers-in are classified as "other financing sources" rather than revenues.

ROLLED BACK RATE: That tax rate which when applied to the current year's adjusted taxable value, generates the same ad valorem tax revenue as the prior year.

SAVE OUR HOMES: Provisions in Florida Statutes, Section 193.155(1) limit the annual increase in the taxable value of a homesteaded property. Beginning in 1995, or the year after the property receives homestead exemption, an annual increase in assessment shall not exceed the lower of the following:

a. Three percent of the assessed value of the property for the prior year; or

b. The percentage change in the Consumer Price Index (CPI) for all urban consumers, U.S. city average, all items 1967 = 100 or successor reports* for the preceding calendar year as initially reported by the U.S. Department of Labor, Bureau of Labor Statistics.

STATUTE: A written law enacted by a duly organized and constituted legislative body.

TAX RATE: The amount of tax stated in terms of a unit of a tax base. The State of Florida uses a mill as its tax rate. A mill is the rate applied to each thousand dollars of taxable appraised value. For example, 3.170 mills applied to property valued at $150,000 would generate taxes of $475.50 (3.170 x 150) of ad valorem revenue. In accordance with Florida Statute, 200.071, except as otherwise provided herein, no ad valorem tax millage shall be levied against real property and tangible personal property by counties in excess of 10 mills, except for voted levies.

TAX RATE LIMIT: The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments or to all governments operating in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

TAX ROLL: The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two can be distinguished.

TAXABLE VALUE: The assessed value of property minus the homestead exemption and any other exemptions which may be applicable.

TAXES: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for service rendered only to those paying such charges as, for example, development fees.

TEMPORARY POSITION: A temporary position is filled for a specific period of time, is not permanent in nature, and does not qualify for regular town benefits.

TRANSFERS IN/OUT (INTER-FUND TRANSFERS): Amounts transferred from one fund to another to assist in financing the services of the recipient fund. Transfers do not constitute revenues or expenditures of the governmental unit. Thus, they are budgeted and accounted for separately from other revenues and expenditures as other financing sources or uses.

TRUST FUNDS: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other government and/or other funds.

TRUTH IN MILLAGE: The Florida Truth in Millage Act (TRIM) serves to formalize the property tax levying process by requiring a specific method of tax rate calculation, form of notice, public hearing requirements and advertisement specifications prior to the adoption of a budget tax rate.

The effect of TRIM is to inform taxpayers that their property taxes are changing (up or down), the cause (a change in the assessed value of their property and/or an increase in the proposed spending level) and how the proposed new tax rate compares to the rate that would generate the same property tax dollars as the current year (the "rolled back" rate).

UNENCUMBERED: The portion of an allotment not yet expended or encumbered.

UNDESIGNATED/UNRESERVED FUND BALANCE: Unrestricted funds available to be designated as a budget-funding source.

USEFUL LIFE: The period of time that a fixed asset is able to be used. This can refer to a budgeted period of time for an equipment class or the actual amount of time for a particular item.

USER CHARGES: The payment of a fee for direct receipt of a public service by the party benefitting from the service.

WORKLOAD INDICATORS: Statistical and historical measures of the services level provided or workload completed by each department within the Town.

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