

Town of Palm Beach

FY2012
Proposed
Budget



Presentation Outline

- **FY12 Budget Highlights**
- **Information Systems Update**
- **Status of Budget Action Plan Items**
- **FY12 Budget Details**
 - **Program by Program Review**
 - **Debt Service Fund**
 - **Capital Improvement Funds**
 - **Recreation Enterprise Fund**
 - **Internal Service Funds**
 - **Pension Funds**

Path to Fiscal Sustainability

- **2009 LTFP Forecast: Deficits beginning in FY12**
- **Maintained millage rate at 3.2512 since FY09**
- **Annual Property Tax Revenue has decreased \$6,851,105 (16%) since FY07 peak**
- **50+ positions cut from budget since FY07 peak**
- **FY12 budget is lowest budget since FY06**
- **Current LTFP Forecast: Surpluses through FY17**

LTFP (April 2011) vs. FY12 Budget

LTFP Projections	FY12	FY13	FY14	FY15	FY16	FY21
Revenues	58,451,320	60,198,560	61,796,280	63,368,409	64,954,711	73,559,493
Expenditures	55,418,630	57,526,898	59,996,015	61,993,069	64,042,719	75,792,706
Surplus/Deficit	3,032,690	2,671,662	1,800,265	1,375,340	911,992	(2,233,213)

FY12 Budget	FY12	FY13	FY14	FY15	FY16	FY21
Revenues	58,858,436	60,153,043	61,754,671	63,321,499	64,892,263	73,420,797
Expenditures	58,848,436	57,094,328	59,575,679	61,565,804	63,612,319	75,274,005
Surplus/Deficit	0	3,058,715	2,178,992	1,755,695	1,279,944	(1,853,208)

LTFP (April 2011) vs. FY12 Budget

- **Expenditures are \$520,000 less than LTFP**
 - Reflects commitment of all department directors and other staff to achieve operational efficiency
- **Includes \$3,960,000 for coastal projects**
 - LTFP contained no funding for coastal projects
 - Funded in “real time” - No transfer of fund balance
- **Property tax revenue is \$317,400 less than LTFP**

FY12 Budget Summary

- **FY12 Budget is 7.7% Lower than FY11**
- **Lowered Operating Costs in All Categories**
- **Maintained All Levels of Service**
- **Ad Valorem Tax Revenue is Down \$317,400**
- **Proposed Fee and Fine Increases**
 - EMS transport fees
 - Parking Permit fee
 - Parking Placard fee
 - Parking Ticket fines

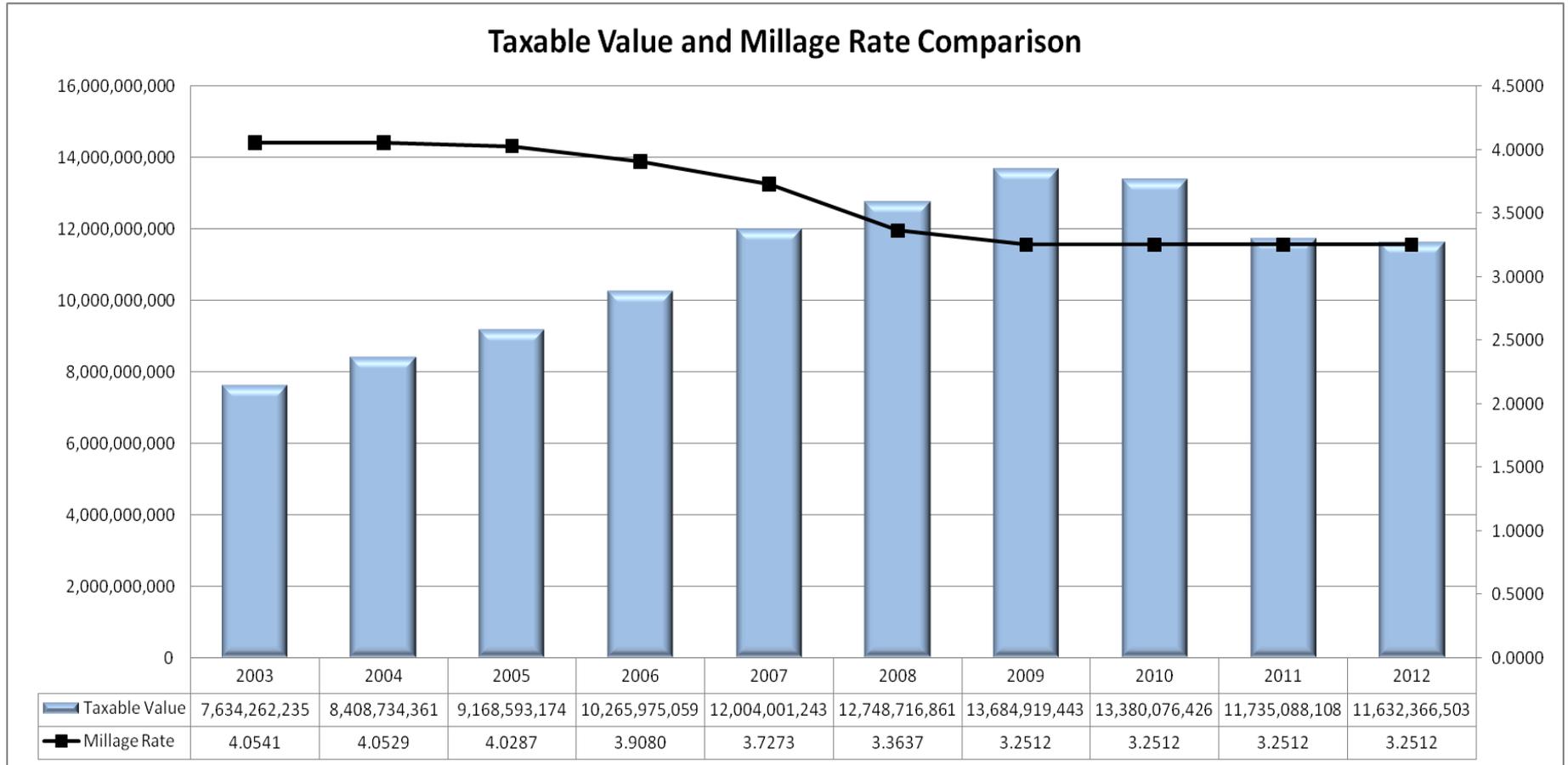
Major Changes in FY12 Budget

- Lowers cost of employee pensions by more than \$5.5 million (assumes October 2011 implementation of proposed hybrid plan or an alternative that saves the same amount of money)
- Resumes performance-based pay increases for eligible employees (no across-the-board pay increase)
- Contractual
 - Decrease of \$300,000 for sand transfer plant
 - New Funding of \$100,000 required for County Inspector General
- Depreciation Decrease: Fleet Reduction & Extended Life of Assets
- \$1 Million pay-as-you-go funding for capital improvements
 - Up from \$500,000 in FY11

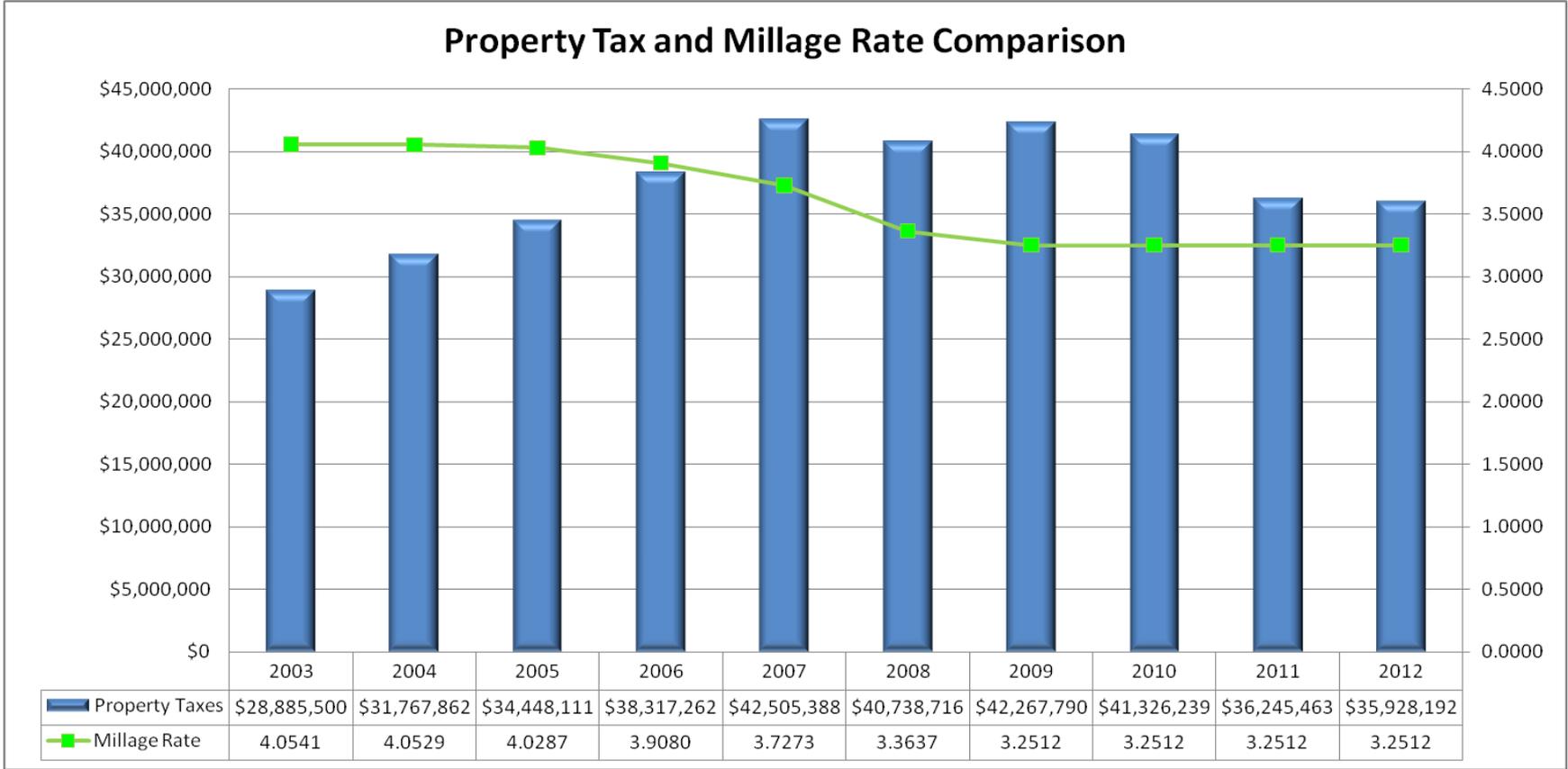
Millage Rate and Ad Valorem Revenue

- **Taxable Value decreased by less than 1%**
- **Proposed Millage Rate = 3.2512**
 - Same rate for fourth year in a row (since FY09)
 - Approximately 1% lower than rollback millage rate
- **Ad Valorem Revenue is \$317,400 less than FY11**
 - Lowest since FY05

Taxable Value and Millage Rate Trend



Property Tax Revenue and Millage Rate Trend



Although small increases are forecast for future years, property tax revenue is not expected to reach FY07 level until FY20.

Information Systems Update



FY12 Action Plan Update



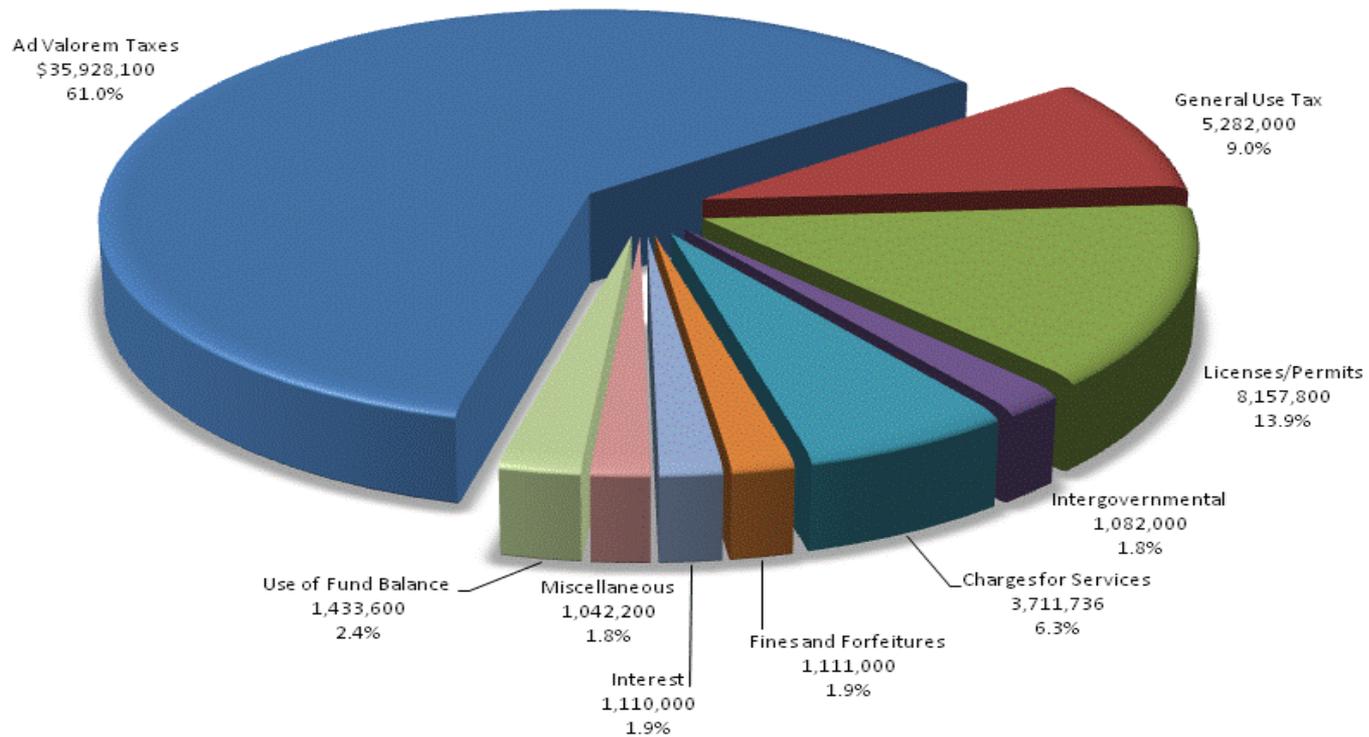
FY12 Budget Detail



General Fund Revenues

\$58,848,436

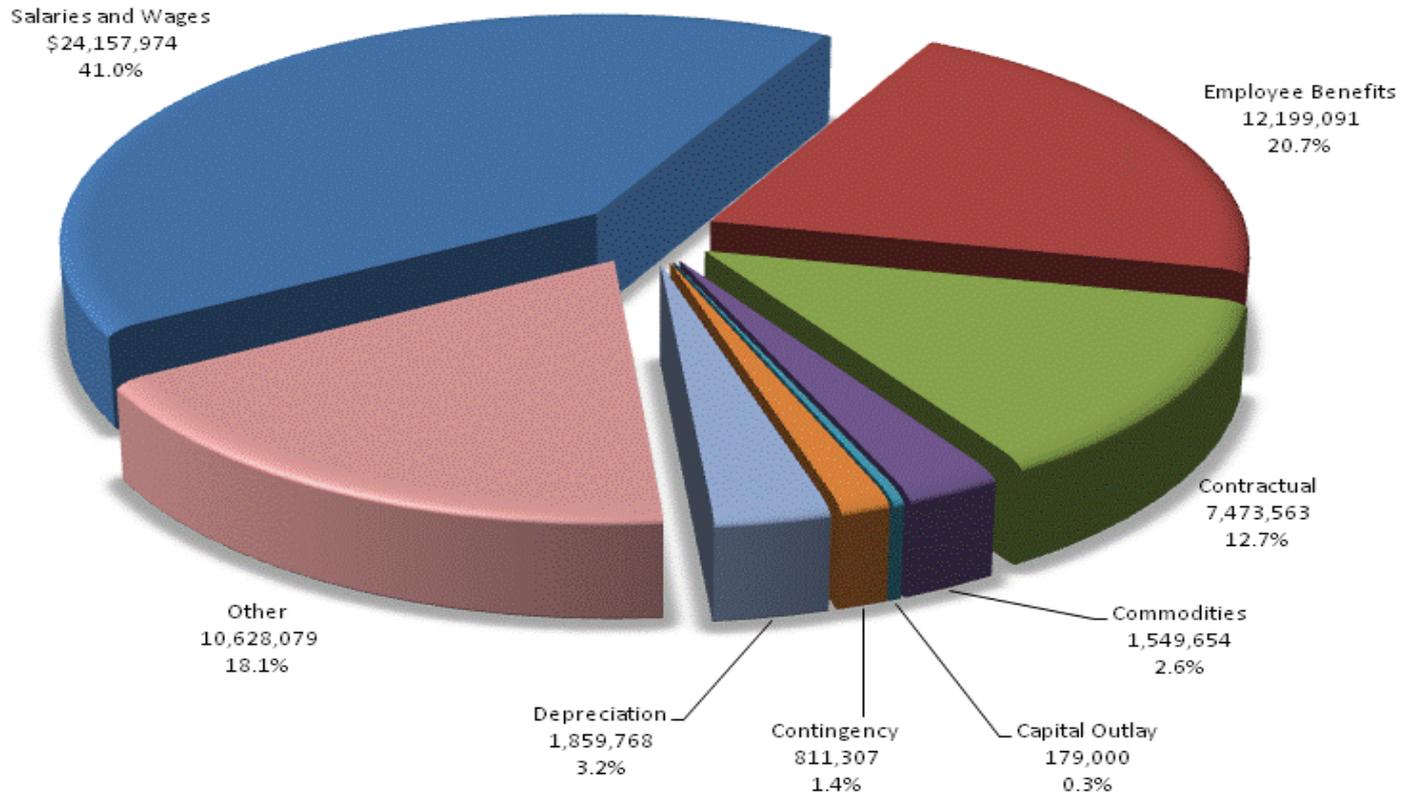
Revenues by Type



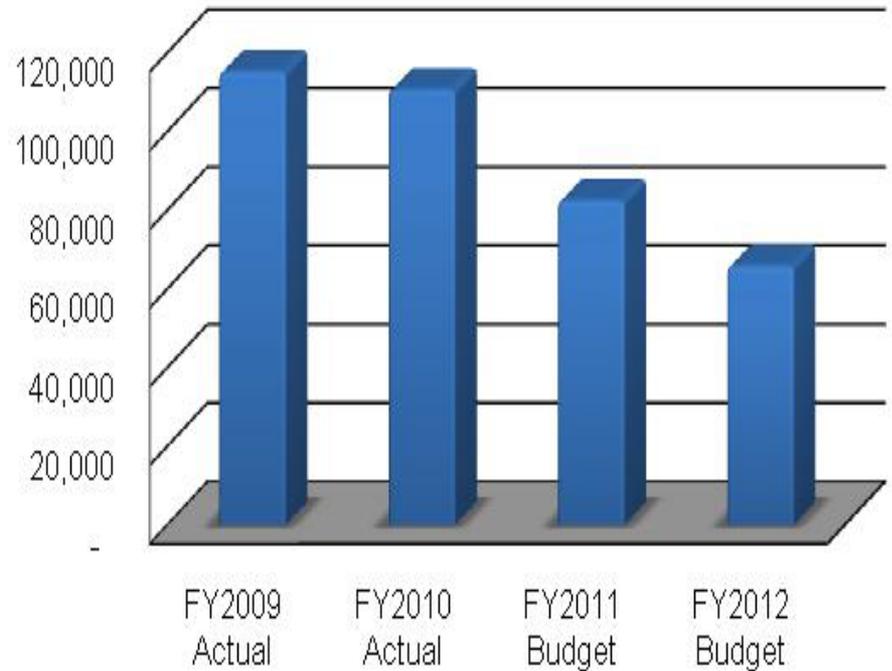
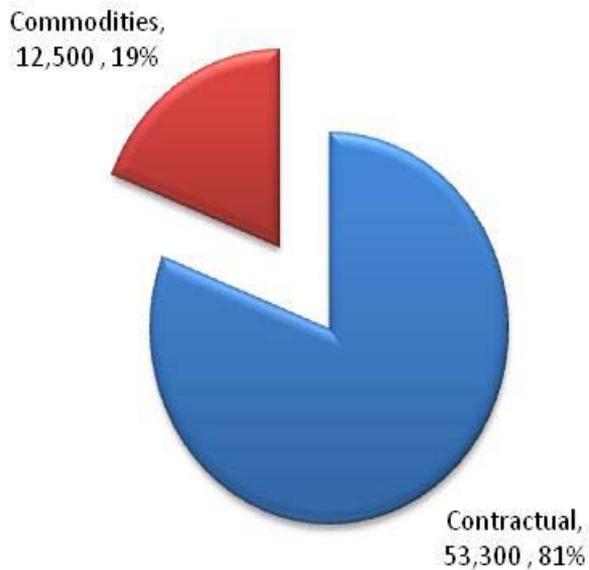
General Fund Expenditures

\$58,858,436

Expenditures by Type



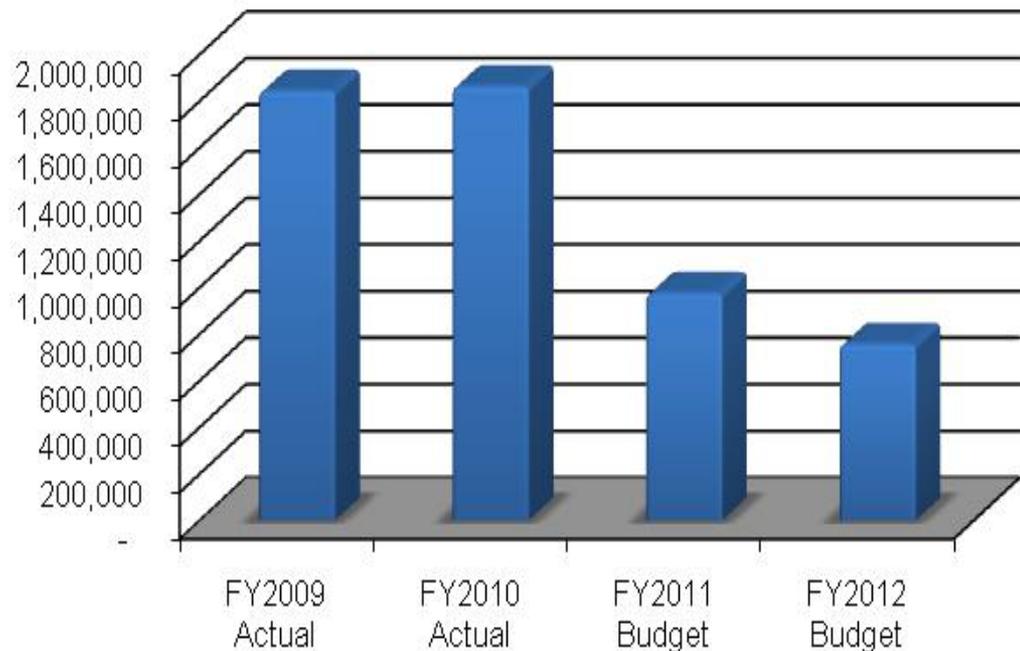
Legislative \$65,800 .11% of Total Budget



20.18% Decrease from FY2011

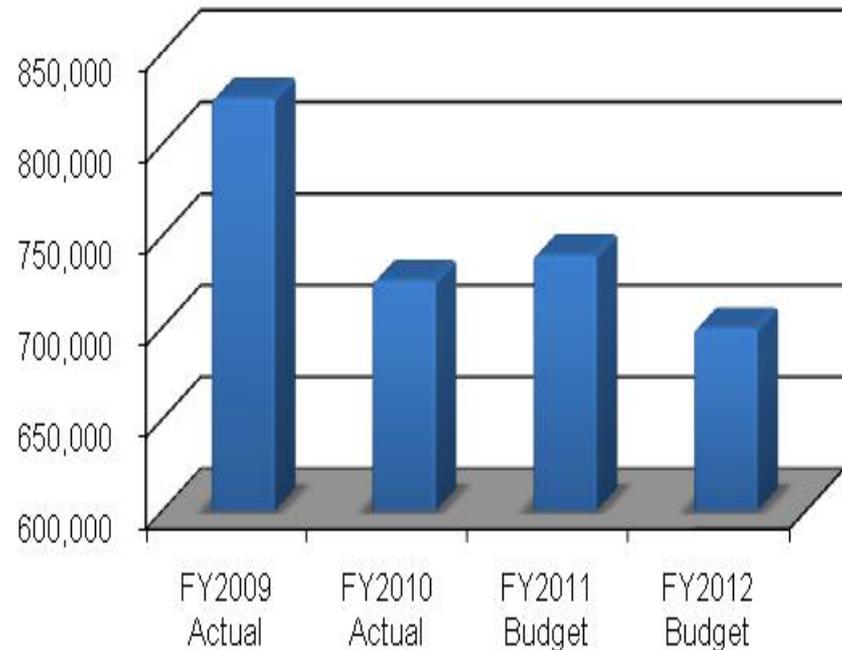
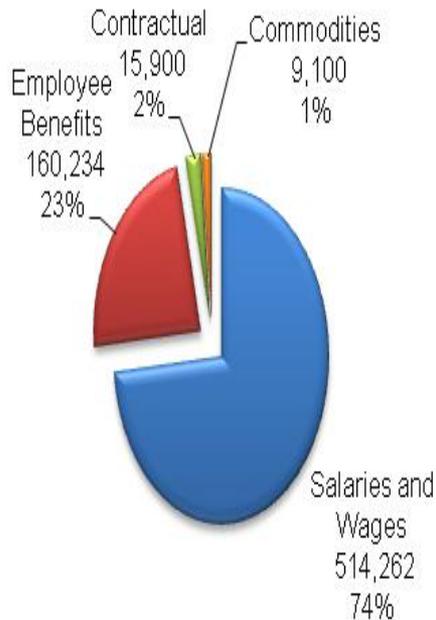
General Government \$756,297

1.28% of Total Budget



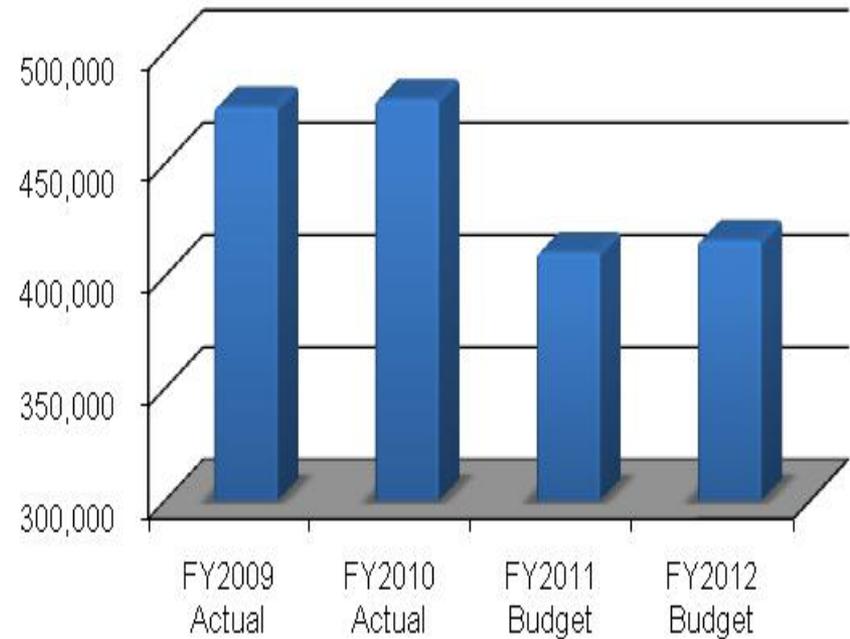
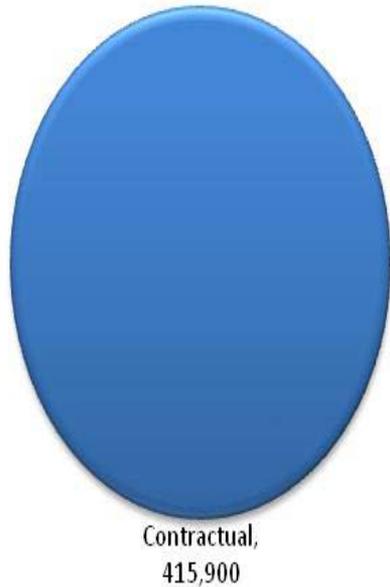
22.37% Decrease from FY2011

Town Manager's Office \$699,496 1.19% of Total Budget



5.4% Decrease from FY2011

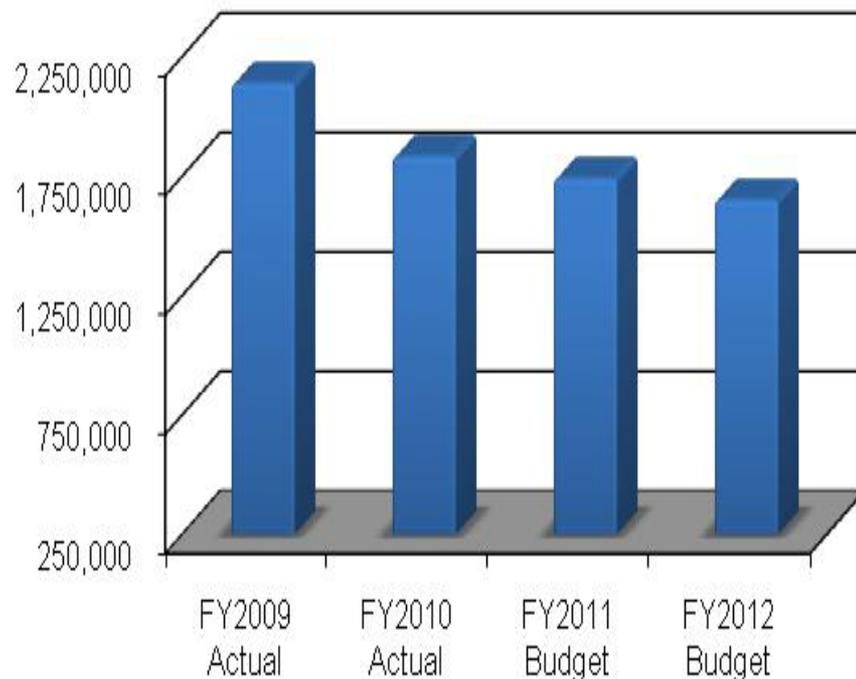
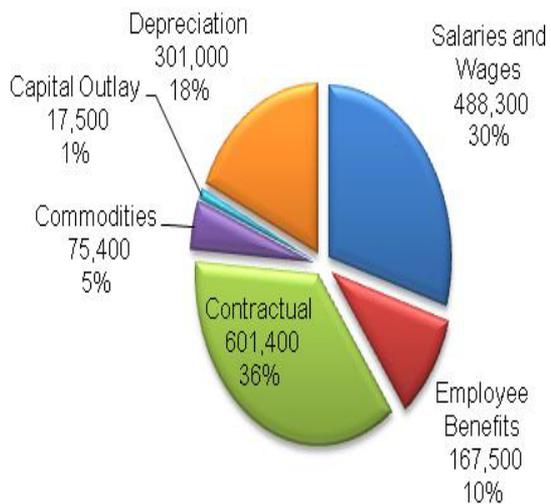
Advice and Litigation \$415,900 .71% of Total Budget



1.29% Increase over FY2011

Information Systems \$1,651,100

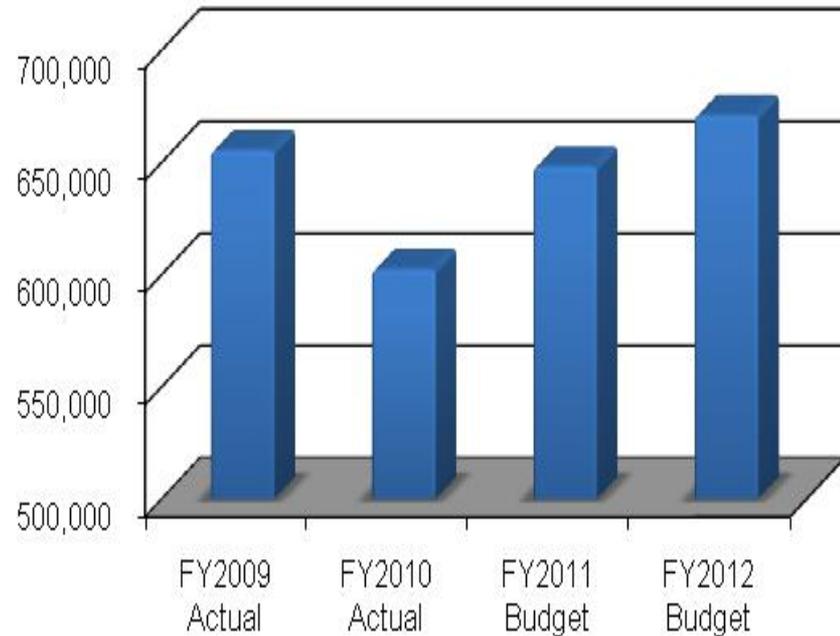
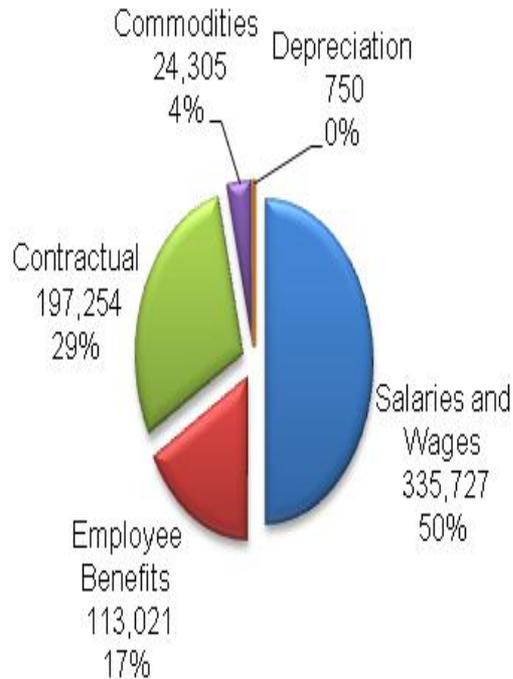
2.81% of Total Budget



5.16% Decrease from FY2011

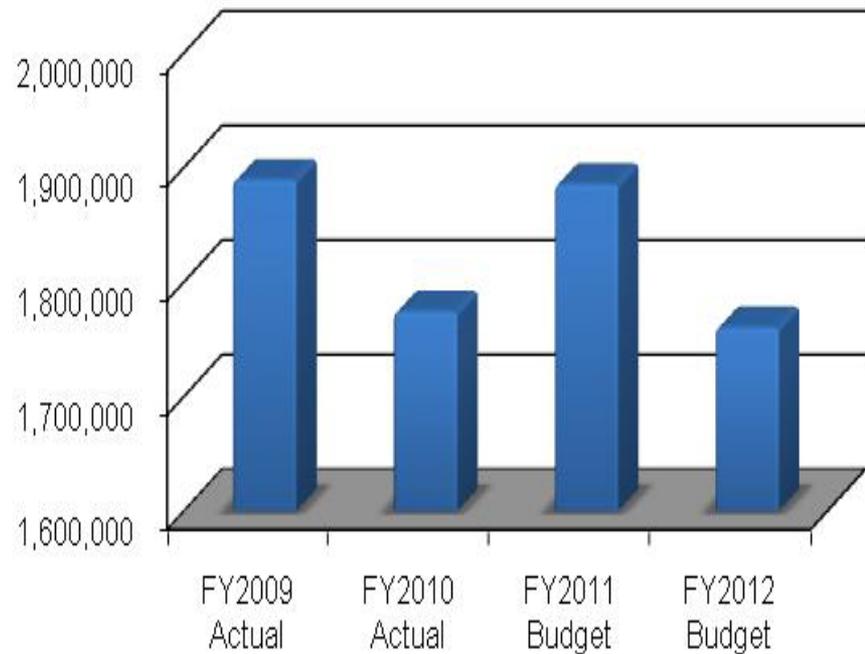
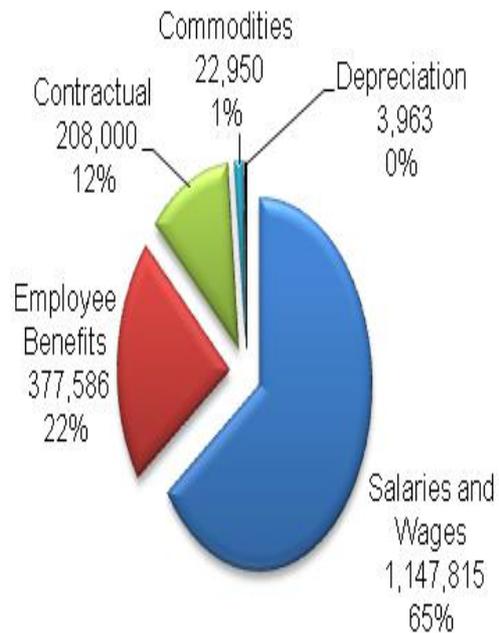
Human Resources \$671,057

1.14% of Total Budget



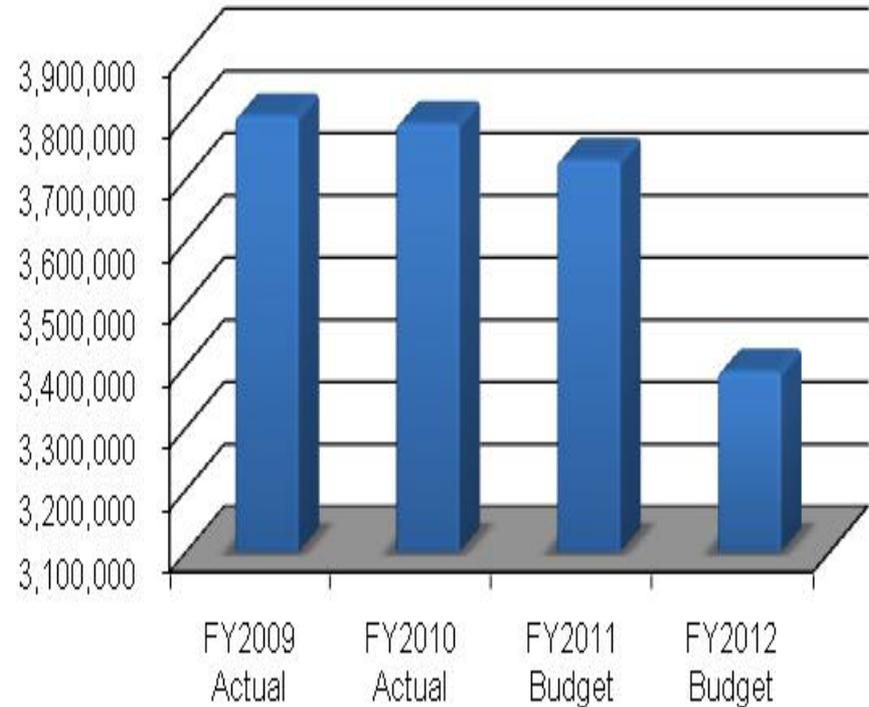
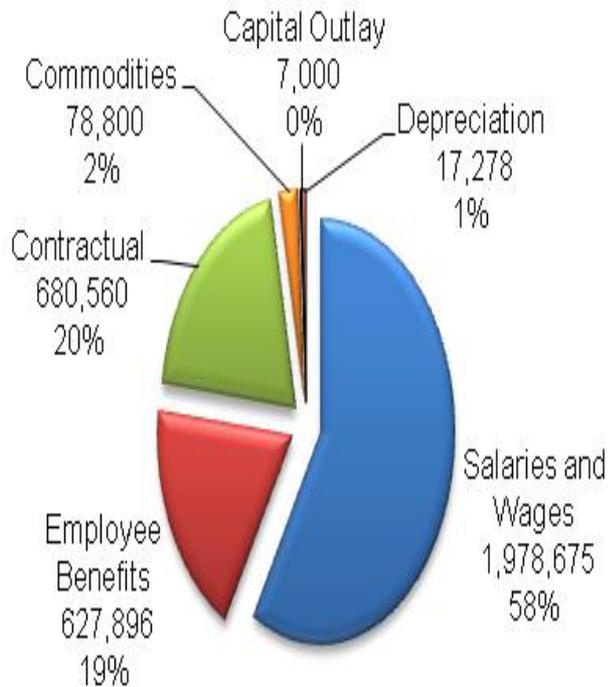
3.54% Increase over FY2011

Finance \$1,760,314 2.99% of Total Budget



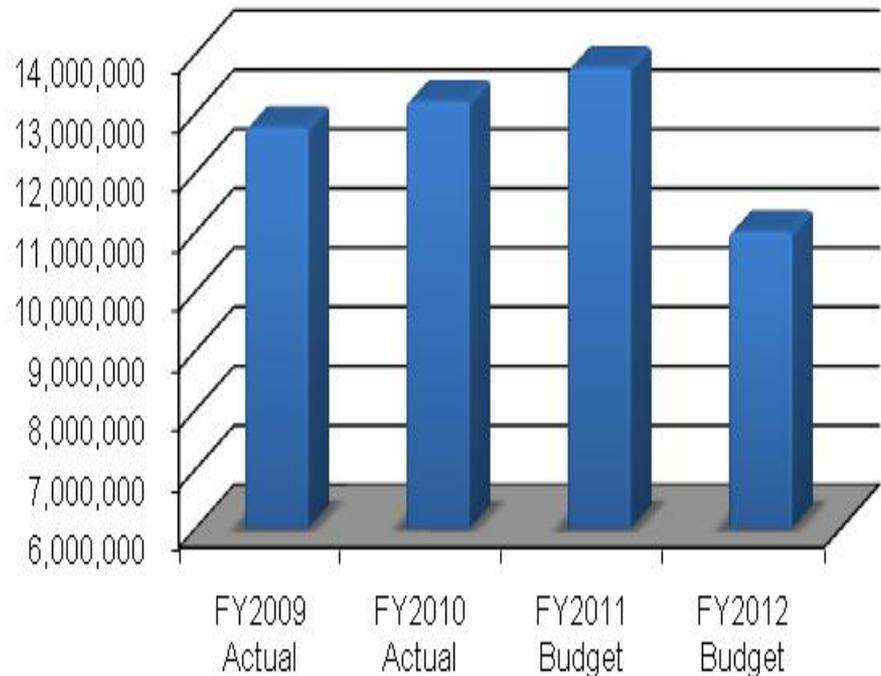
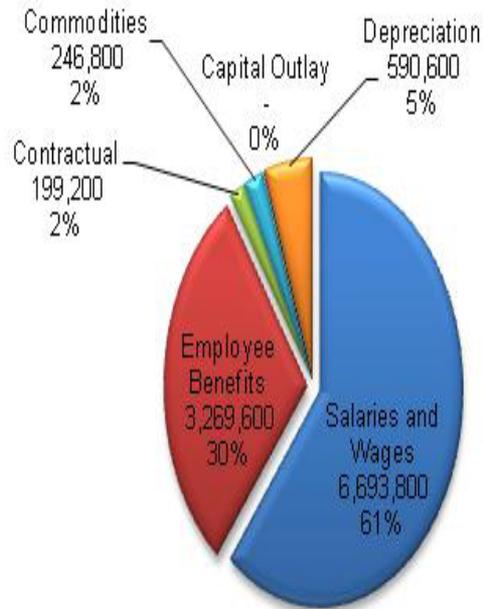
6.63% Decrease from FY2011

Planning, Zoning and Building \$3,390,209 5.76% of Total Budget



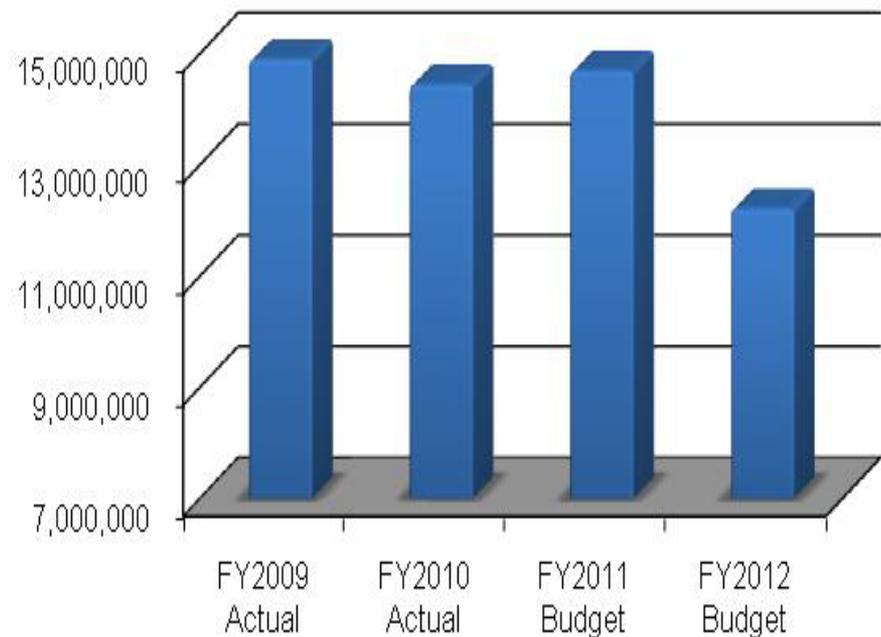
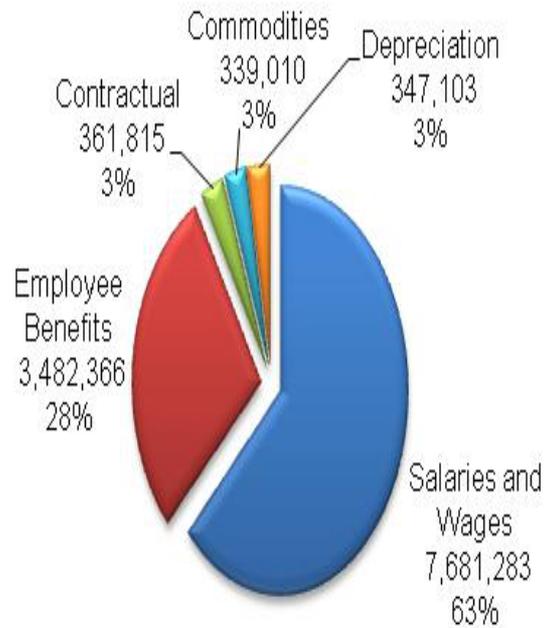
9.1% Decrease from FY2011

Fire-Rescue \$11,000,000 18.69% of Total Budget



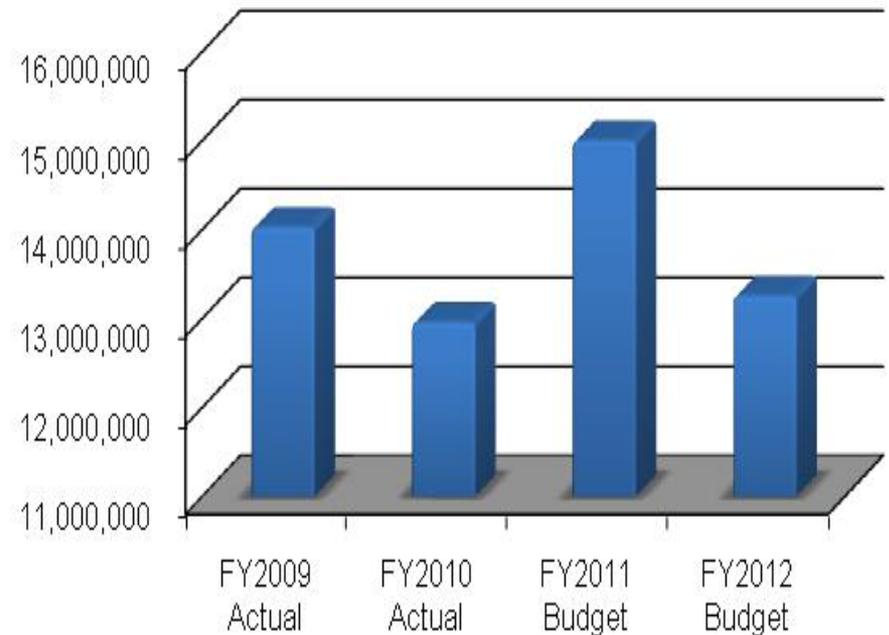
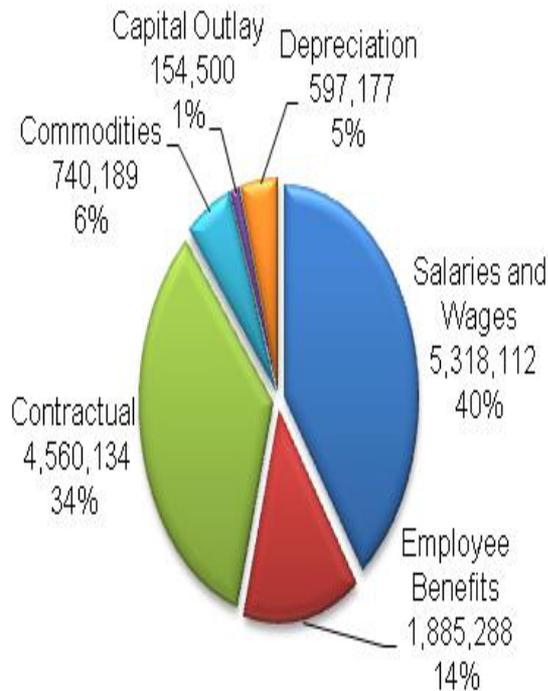
20.11% Decrease from FY2011

Police \$12,211,577 20.75% of Total Budget



16.88% Decrease from FY2011

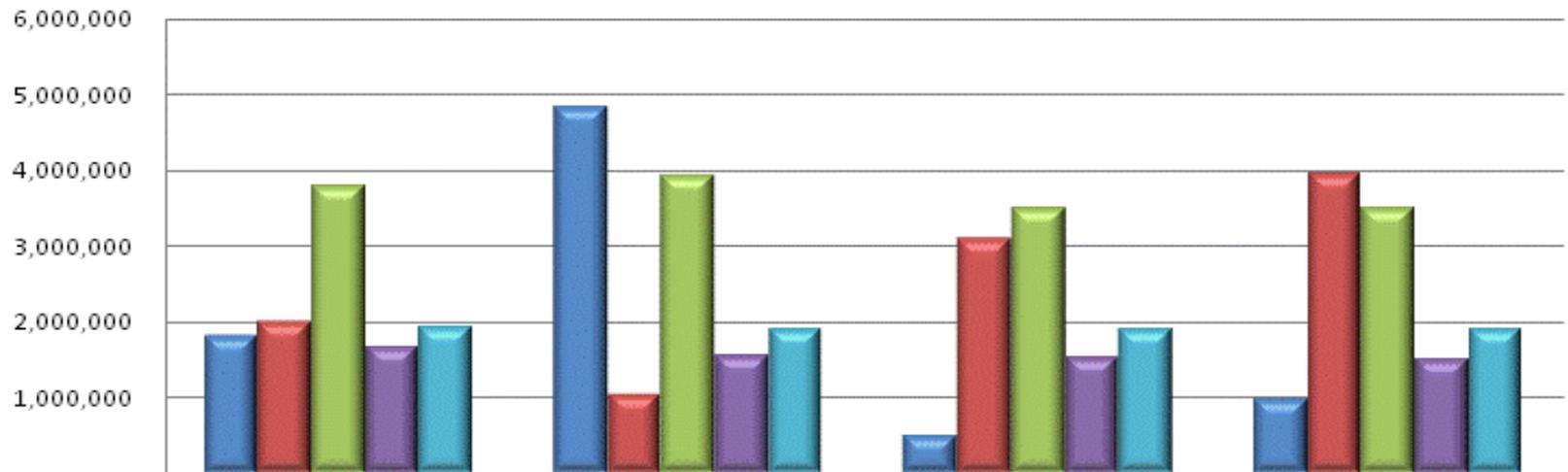
Public Works \$13,255,400 22.52% of Total Budget



11.63% Decrease from FY2011

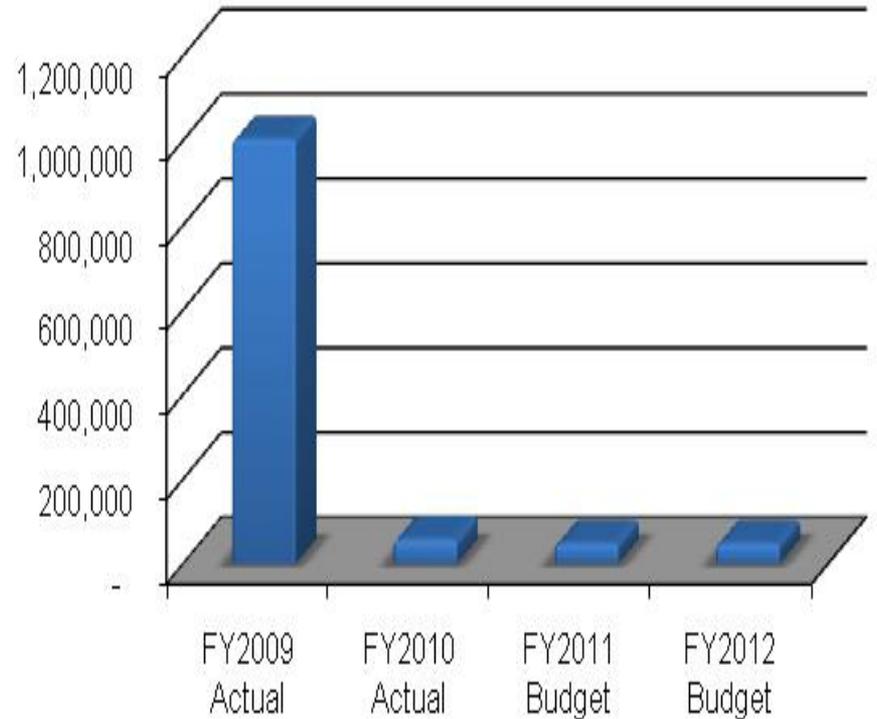
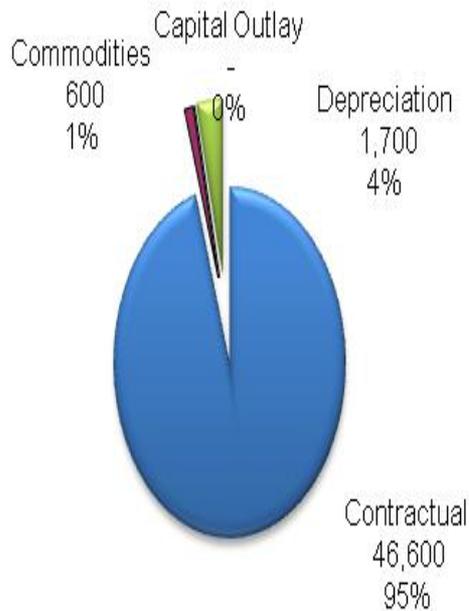
Transfers to Other Funds

Transfers



	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget
■ CIP	1,817,000	4,828,957	500,000	1,000,000
■ Coastal	2,000,000	1,046,900	3,090,000	3,960,000
■ Debt Service	3,790,000	3,922,000	3,500,000	3,500,000
■ OPEB Trust	1,649,000	1,550,000	1,533,000	1,493,000
■ Risk Fund	1,918,000	1,904,463	1,896,226	1,887,507

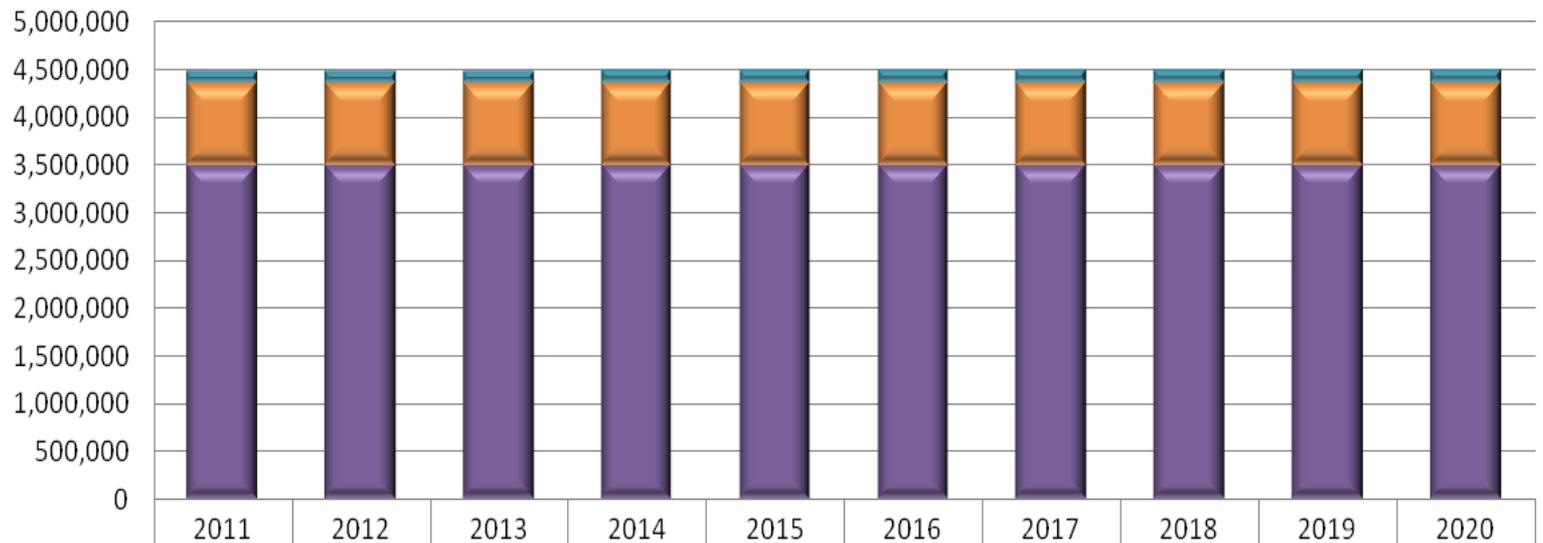
Emergency Management \$48,900 .08% of Total Budget



No Change from FY2011

Debt Service Fund

Total Annual Debt Service



	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

Capital Improvement Fund

Revenues	
Transfer from General Fund	\$1,000,000
WPB Reimbursement for Water Projects	800,000
Interest Earnings	10,000
Total Revenues	\$1,810,000
Expenditures	
Storm Drainage Improvements	\$105,000
Sanitary Sewer Improvements	155,000
Roadway Milling and Resurfacing	500,000
WPB Water Main Improvements	800,000
Police Facility Air Conditioning	250,000
Total Expenditures	\$1,810,000

Accelerated Capital Improvement Program

- **Second Year of Multi-Year Program**
- **Details are Included in Budget Book**

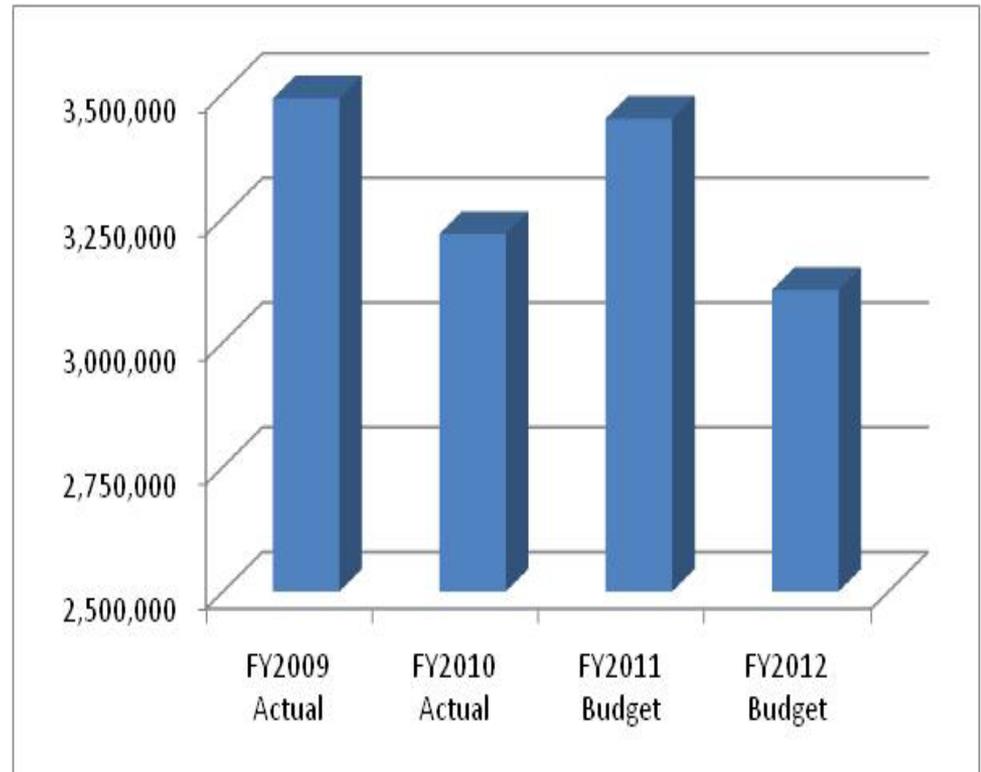
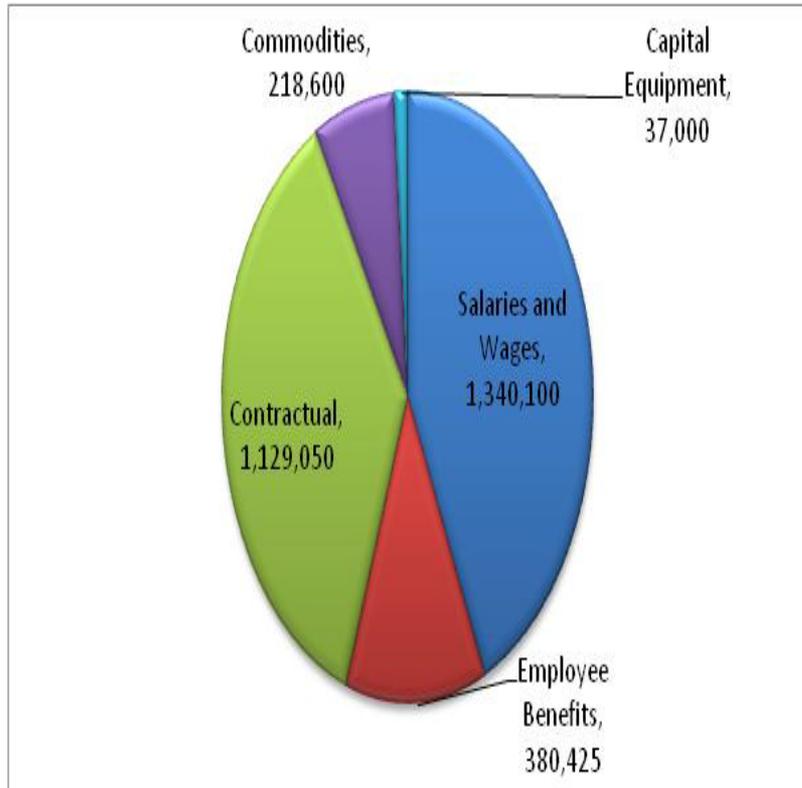
Coastal Protection Fund

Project	FY11 Budget
General Coastal (Engineering/Legal/Lobbying)	50,000
R1 – Sea Turtle Monitoring	60,000
R2 -- North Ocean Blvd. Seawall Design and Permitting	250,000
R3-4 – Beach Nourishment Permitting	100,000
R3-4 – Sea Turtle Monitoring	60,000
R3-4 – Biological Monitoring	100,000
R3-4 – Gulfstream Road Groin Design and Permitting	20,000
R3-4 – Beach Nourishment Construction Mitigation	3,000,000
R7 - Beach Nourishment Permitting	50,000
R7 - Structures Permitting	50,000
R7 – Sea Turtle Monitoring	60,000
R7 – Biological Monitoring	100,000
R8 – Sea Turtle Monitoring	60,000
Project Subtotal	3,960,000
Coastal Management Program Operating Budget	426,000
Total Coastal Expenditures	\$4,386,000

Worth Avenue Assessment District

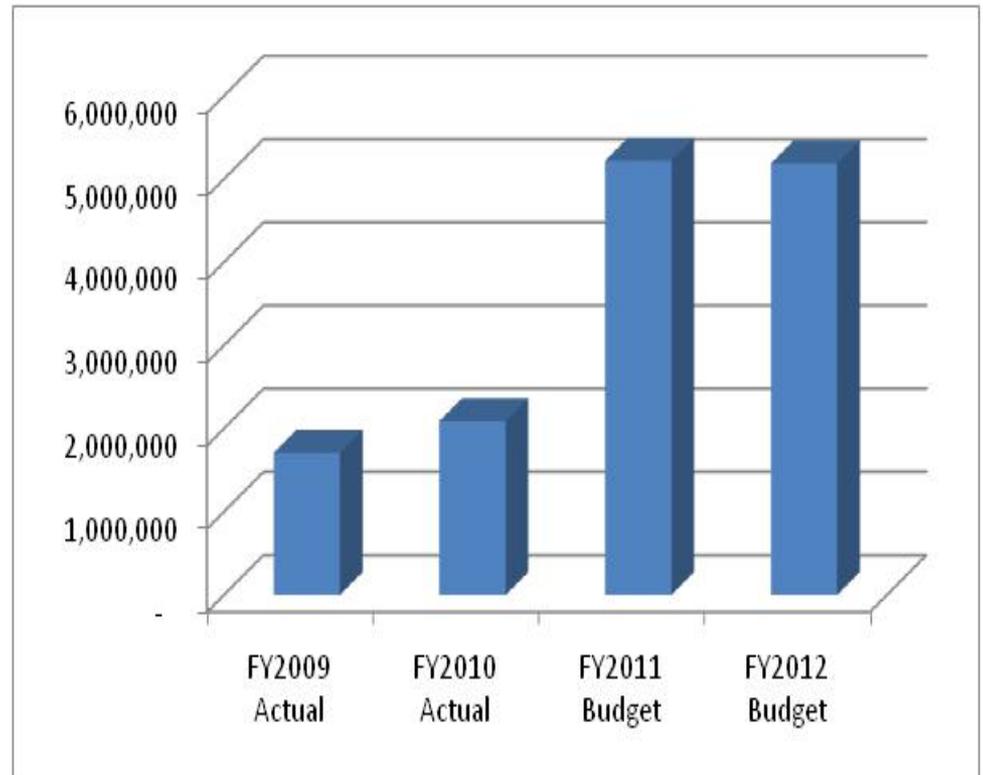
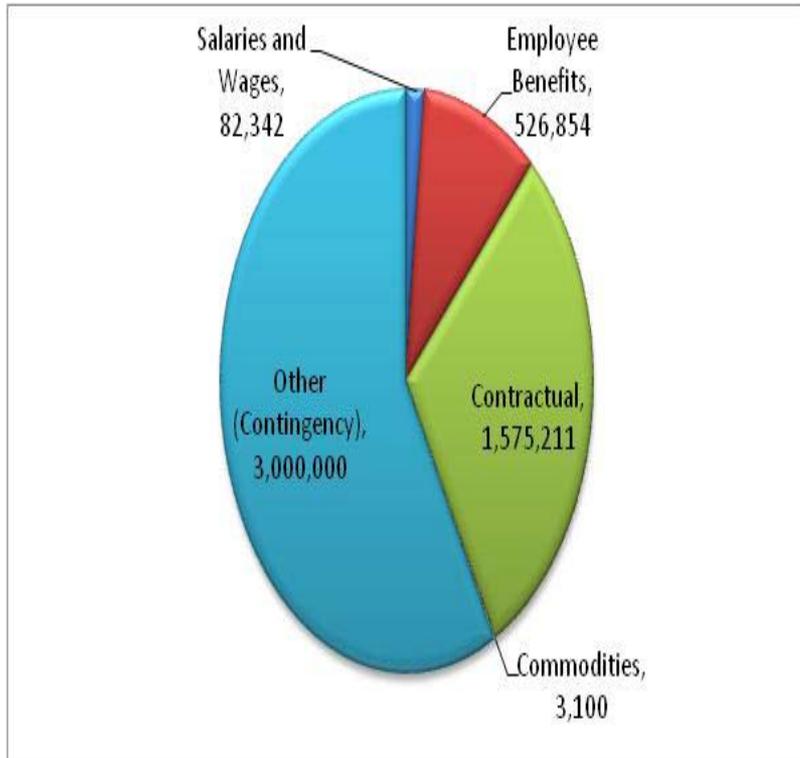
- **Budget for Debt Service and Maintenance**
- **Anticipate \$1,079,000 Assessment Revenue**
- **Budget is Tentative and Will Be Finalized after the July 12 Public Hearing**

Recreation Enterprise Fund Operating Budget \$3,105,175



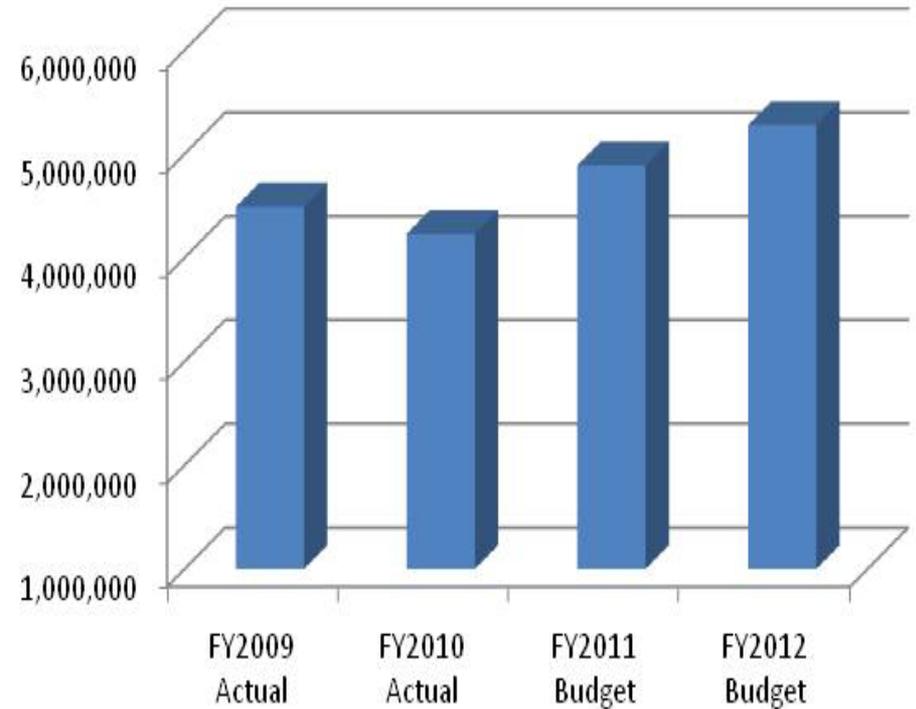
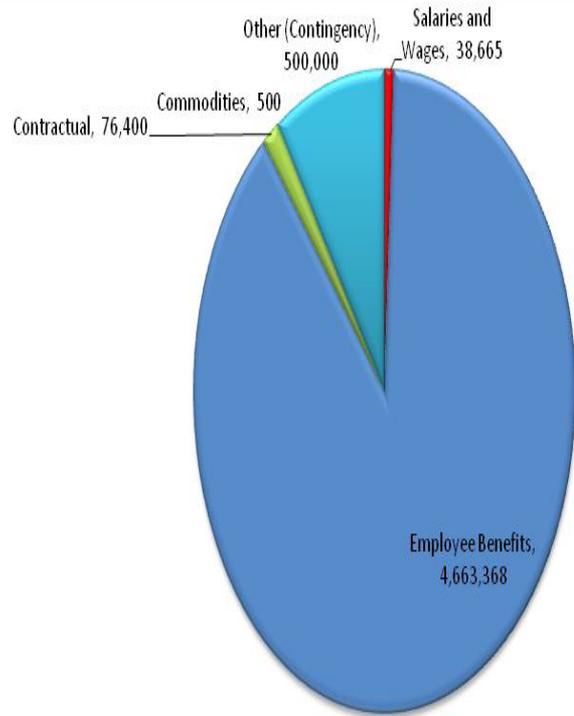
9.97% Decrease from FY11

Risk Fund \$5,187,507



.65% Decrease from FY11

Health Fund \$5,278,933



7.95% Increase over FY11

Memo in Budget Book re: Future Actions

Equipment Replacement Fund

Depreciation Transfer of \$1,859,768

- Decrease of \$344,271 from FY11
- Removed 87 assets and extended lives of 382 assets

Equipment Purchases Total \$1,481,550

- 4 Police Patrol Sedans
- Townwide Security Camera System
- 2 Police Motorcycles
- Recycling Truck
- 3 Trash Trucks
- 5 Pickup Trucks
- Maintenance Truck
- Sewer Camera System
- Computer Equipment

Employer Funding for All Pension Funds

	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%

	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

Note: Assumes implementation of proposed hybrid plan or a cost-equivalent alternative.

OPEB Trust Fund

- Established in FY2007 with a Transfer of \$16,000,000

- Annual Town Funding
 - FY08 = \$1,466,000
 - FY09 = \$1,649,000
 - FY10 = \$1,550,000
 - FY11 = \$1,533,000
 - FY12 = \$1,493,000

Upcoming Schedule

- **July 12 Regular Town Council Meeting**
 - Any Pending Matters from Today
 - Tentative Millage Rate
 - Tentative Commercial Solid Waste Assessment
 - Tentative Worth Avenue Assessment
- **August 10 Regular Town Council Meeting**
 - Any Additional Pending Matters
- **Monday, September 12, at 5:01pm**
 - First Public Hearing
to Adopt FY12 Millage Rate and Budget
- **Wednesday, September 21, at 5:01pm**
 - Second and Final Public Hearing
to Adopt FY12 Budget and Millage Rate

FY12 Proposed Budget

Questions?