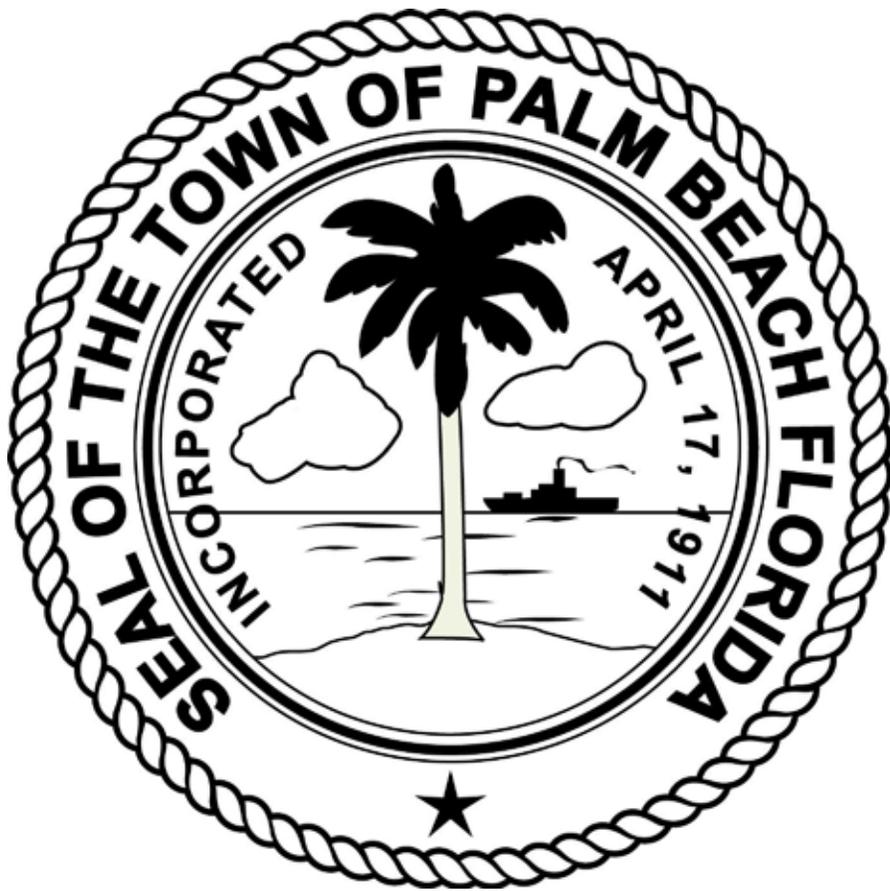


Town of Palm Beach  
Citizens Financial Report  
Fiscal Year Ended September 30, 2007



# Town Officials

as of April 24, 2008

## Mayor

Jack McDonald

## Town Council

Richard M. Kleid, President  
Gail Coniglio, President Pro-Tem  
Denis P. Coleman  
Susan Markin  
David A. Rosow

## Town Manager

Peter B. Elwell

## Town Attorney

John C. Randolph

## Senior Management Team

William Amador, Fire-Rescue Chief  
Jay Boodheshwar, Recreation Director  
Thomas G. Bradford, Deputy Town Manager  
H. Paul Brazil, Public Works Director  
William C. Crouse, Human Resources Director  
Sarah E. Hannah, Assistant Town Manager  
John S. Page, Director of Planning, Zoning and Building  
Michael S. Reiter, Chief of Police  
Jane Struder, Finance Director

## Town Council Committees

### Finance & Taxation

Denis P. Coleman, Chair  
David A. Rosow

### Public Works

Gail Coniglio, Chair  
Susan Markin

### Public Safety

Susan Markin, Chair  
Richard M. Kleid

## Ordinances, Rules & Standards

David A. Rosow, Chair  
Gail Coniglio

## Administrative & Personnel

Richard M. Kleid, Chair  
Denis P. Coleman

## Water

David A. Rosow, Chair  
Denis P. Coleman

# Report Purpose and Distribution

The purpose of the Citizens Financial Report is to provide a user-friendly overview of the financial position and operations of the Town of Palm Beach, as reported in the Town's Comprehensive Annual Financial Report (CAFR), along with other financial information of interest to Town residents. Because it is not a complete accounting document but rather is intended to convey certain essential information in a clear and simple format, the Citizens Financial Report includes tables that may not reconcile, either internally or to other financial documents. If you would like more detailed financial information, please visit the Town's website at [www.townofpalmbeach.com](http://www.townofpalmbeach.com) to view the Town's annual audited financial statements, Comprehensive Annual Financial Report, Annual Budget Document, Long Term Financial Plan, and prior annual reports. The budget documents contain detailed information regarding the Town's budget by program and by fund, performance measures, financial policies, and historical information.

To stay informed about Town information and services in "real time", please take advantage of the Town's Register@ program. The program is an email service that allows residents and business owners to receive meeting announcements, news releases, and other information regarding important Town issues. You can register on the Town's website or call (561) 838-5410. If you are not a computer user, you may view current Town information on Cable Channel 18 and may obtain copies of the above noted financial documents by calling (561) 838-5444 or stopping into Town Hall.

Report Prepared by the Finance Department

Town of Palm Beach  
360 South County Road  
Palm Beach, Florida 33480  
(561) 838-5400  
[www.townofpalmbeach.com](http://www.townofpalmbeach.com)

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Town of Palm Beach for its Popular Annual Financial Report for the fiscal year ended September 30, 2006. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The Town of Palm Beach has received a Popular Award for the last six consecutive years (fiscal years ending 2001 through 2006). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



The Town Council is deeply appreciative of the many citizens who have volunteered to serve on the Town's boards and commissions. Their contributions to our local government are immeasurable. The success of the Town is due to their willingness to share their time and talent for the benefit of our community. We thank the following individuals who have volunteered to serve:

#### **Architectural Commission (ARCOM)**

Morgan Dix Wheelock, Chair  
William P. Feldkamp, Vice Chair  
William J. Strawbridge, Jr.  
Leslie C. Diver  
Thomas M. Youchak  
Jeffery W. Smith  
Samuel M. Boykin  
Kenn Karakul, Alternate Member  
Robert J. Vila, Alternate Member  
Ann L. Vanneck, Alternate Member

#### **Building Board of Adjustments & Appeals**

Ames Bennett, Chair  
John Nora, Jr., Vice Chair  
Vance Carpenter  
Sanford J. Klion  
John C. Cassidy, Jr.  
Timothy Benitz

#### **Code Enforcement Board**

Timothy Hoffman, Chair  
Harris S. Fried, Vice Chair  
Joel P. Koeppl  
Larry Ochstein  
Catherine M. Duemler  
Madelyn Greenberg  
Cynthia Van Buren  
James M. Ballentine, Jr., Alternate Member  
William P. Vanneck, Alternate Member

#### **Investment Advisory Committee**

Stephen L. Brown, Chair  
Michael F. Andrews, Ph.D.  
Edward L. Hennessy, Jr.  
William John Mikus  
Bernard R. Panfel

#### **Landmarks Preservation Commission**

Eugene Pandula, Chair  
William Lee Hanley, Jr., Vice Chair  
Patrick Segraves, Secretary  
Robert T. Eigelberger  
Eileen L. Bresnan  
Hazel Rubin  
Charles S. Roberts  
D. Imogene Willis, Alternate Member  
Dudley L. Moore, Jr., Alternate Member  
Wallace Rogers, Alternate Member

#### **Medical Care Commission**

Dr. Michael Dennis, Chair  
Robert Friedman, Vice Chair  
Richard Furlaud  
Norman P. Goldblum  
Michael Stein  
Dr. Norman Traverse

#### **Planning and Zoning Commission**

William M. Guttman, Chair  
Alan S. Golboro, Secretary  
Lowry M. Bell, Jr.  
John Schuler  
Leslie A. Shaw  
Walter Anthony Dowell  
Eugene Lawrence  
Floyd L. Wideman, Jr., Alternate Member  
Martin I. Klein, Alternate Member  
E. James Ryan, Alternate Member

#### **Public Employees Relations Commission (MINI-PERC)**

Helen Hoffman, Chair  
Alec Flamm  
Peter Graves

#### **Recreation Advisory Commission**

Milissa Agnello  
Timothy Coffield  
Danielle Hickox-Moore  
Stuart Shulman  
Joseph Della-Giustina  
Henry P. Jamison IV  
Timothy O'Hara  
Rita Taca, Alternate Member  
Stephen D. Hall, Alternate Member  
Daniel McDonnell, Alternate Member

#### **General Employees Retirement Board of Trustees**

Robert Garvy, Chair  
James A. Karman  
Lisa Gorman, Employee Member  
Brett Madison, Employee Member  
Peter B. Elwell, Town Manager

#### **Police Officers Retirement Board of Trustees**

Raymond W. Snow, Chair  
James McCartney Wearn  
C. Gerald Goldsmith  
Chris Proscia, Employee Member  
Michael Lynch, Employee Member

#### **Firefighters Retirement Board of Trustees**

Richard Krock, Chair  
Carol Simmons Rathborne  
R. Keith Elliott  
Michael Hays, Employee Member  
Jason French, Employee Member

#### **Volunteer Intergovernmental Liaisons**

William Diamond  
Michael Fach  
Gerald Frank  
James Karman  
Daniel McDonnell

**General Fund Statement of Revenue, Expenditures  
and Changes in Fund Balance  
Fiscal Years Ended September 30**

	2003	2004	2005	2006	2007
<b>Revenues</b>					
Taxes	\$35,308,100	\$38,247,168	\$41,300,780	\$45,970,639	\$50,041,902
Licenses and Permits	5,654,137	6,116,488	6,913,397	6,473,831	7,147,383
Intergovernmental	1,938,501	1,927,469	2,072,960	2,153,286	2,312,236
Charges for Services	2,560,809	2,054,178	2,097,306	2,487,444	2,448,829
Fines and Forfeitures	863,474	1,046,677	811,038	770,067	1,541,448
Investment Earnings	583,091	527,686	905,025	1,902,793	2,287,127
Grant Revenue	52,768	2,112,809	3,938,012	2,885,201	79,720
Miscellaneous	122,078	278,227	191,326	226,632	236,941
<b>Total Revenues</b>	<b>\$47,082,958</b>	<b>\$52,310,702</b>	<b>\$58,229,844</b>	<b>\$62,869,893</b>	<b>\$66,095,586</b>
<b>Expenditures</b>					
General Government	5,558,816	6,528,617	7,661,978	8,236,321	8,845,251
Public Safety	18,541,442	21,263,402	26,673,240	26,199,173	28,270,546
Physical Environment	7,835,025	8,263,372	8,908,389	11,665,824	10,690,007
Transportation	582,376	731,445	1,041,420	1,185,987	838,808
Culture and Recreation	2,376,941	1,561,430	1,678,681	1,938,137	1,717,139
Non Departmental	2,746,915	4,822,927	2,510,033	2,390,000	2,220,201
Capital Outlay	524,257	380,102	162,506	547,949	814,029
Debt Service	179,333	155,649	99,102	94,999	95,000
<b>Total Expenditures</b>	<b>\$38,345,105</b>	<b>\$43,706,944</b>	<b>\$48,735,349</b>	<b>\$52,258,390</b>	<b>\$53,490,981</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of capital assets	0	1,964,879	0	0	0
Operating Transfers In	675,000	550,000	555,000	550,000	550,000
Operating Transfers Out	<u>\$(9,658,656)</u>	<u>\$(6,253,423)</u>	<u>\$(10,369,589)</u>	<u>\$(12,746,839)</u>	<u>\$(6,907,801)</u>
<b>Total Other Financing Sources (Uses)</b>	<b>\$(8,983,656)</b>	<b>\$(3,738,544)</b>	<b>\$(9,814,589)</b>	<b>\$(12,196,839)</b>	<b>\$(6,357,801)</b>
<b>Net Change<sup>2</sup></b>	<b><sup>6</sup>(\$245,803)</b>	<b>\$4,865,214</b>	<b><sup>4</sup>(\$320,094)</b>	<b><sup>2</sup>(\$1,585,336)</b>	<b>\$6,246,804</b>
Fund Balance, Beginning	<u>\$21,675,271</u>	<u>\$21,429,468</u>	<u>\$26,294,682</u>	<u>\$25,974,588</u>	<u>\$24,389,252</u>
Fund Balance, Ending	\$21,429,468	\$26,294,682	\$25,974,588	\$24,389,252	\$30,636,056

**General Fund Balance Sheet  
Fiscal Years Ended September 30**

	2003	2004	2005	2006	2007
<b>Assets</b>					
Cash and Investments	\$23,170,029	\$28,307,309	\$27,248,988	\$27,178,663	\$34,020,020
Receivables	641,644	2,819,632	2,451,333	1,403,372	763,326
Due from Other Funds	256,091	3,011	166,493	48,977	119,062
Inventory	483,966	467,717	504,712	496,439	482,003
Prepaid Items	20,992	15,668	22,099	15,552	16,076
<b>Total Assets</b>	<b>\$24,572,722</b>	<b>\$31,613,337</b>	<b>\$30,393,625</b>	<b>\$29,143,003</b>	<b>\$35,400,487</b>
<b>Liabilities</b>					
Accounts Payable	478,835	1,793,273	1,105,352	1,143,523	1,013,476
Accrued Liabilities	1,487,832	2,399,600	1,646,628	1,698,283	1,822,161
Deferred Revenue	1,176,587	1,125,782	1,667,057	1,911,945	1,928,794
<b>Total Liabilities</b>	<b>\$3,143,254</b>	<b>\$5,318,655</b>	<b>\$4,419,037</b>	<b>\$4,753,751</b>	<b>\$4,764,431</b>
<b>Fund Balance</b>					
Reserved	918,224	2,881,233	1,213,317	1,379,142	2,188,726
Unreserved					
Designated	1,495,277	7,787,602	5,180,847	5,024,146	7,100,529
Undesignated	<u>19,015,967</u>	<u>15,625,847</u>	<u>19,580,424</u>	<u>17,985,964</u>	<u>21,346,801</u>
<b>Total Equity and Other Credits</b>	<b>\$21,429,468</b>	<b>\$26,294,682</b>	<b>\$25,974,588</b>	<b>\$24,389,252</b>	<b>\$30,636,056</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$24,572,722</b>	<b>\$31,613,337</b>	<b>\$30,393,625</b>	<b>\$29,143,003</b>	<b>\$35,400,487</b>

**Notes:**

- (1) Includes a one-time transfer appropriated from undesignated General Fund Balance to the Equipment Replacement Fund of \$4,205,523.
- (2) The net operating change from General Fund activities without the aforementioned transfer of \$4,205,523 is a positive \$2,620,187.
- (3) Includes the following one-time transfers appropriated from undesignated General Fund Balance to the Capital Improvement Fund: \$1,000,000 for undergrounding utility lines, \$1,171,000 to the Town Hall Facilities Fund for Town Hall Renovations and \$1,784,377 to the Risk Fund.
- (4) The net operating change from General Fund activities without the aforementioned transfers of \$3,955,377 is a positive \$3,635,283.
- (5) Includes a one-time transfer appropriated from undesignated General Fund Balance to the Capital Improvement Fund of \$3,900,000 for the North Lake Way Drainage Project.
- (6) The net operating change from General Fund activities without the aforementioned transfer of \$3,900,000 is a positive \$3,654,197.

# Undesignated Fund Balance/Retained Earnings Summary

The financial strength of the Town can be measured by the health of its reserves. The rating agencies look closely at the fund balance levels and the financial policies in place when rating a municipality. During FY2003, when the rating agencies reviewed the Town's credit ratings, they cited the Town's healthy reserves, solid fiscal policies resulting in strong reserve levels, conservative and solid management practices as some of the reasons to upgrade our bond ratings. Moody's Investors Services upgraded the Town's credit rating to Aa1 from Aa2 for the Revenue Bonds that were issued, and confirmed the Town's Aaa credit rating for General Obligation issues. Standard and Poor's upgraded the credit rating on the Revenue Bonds to AA+ from A+ and upgraded the Town's General Obligation credit rating to AAA from AA. The AAA credit ratings are the highest ratings these two rating services issue and represent the highest quality investment grade debt. The response to and recovery from three hurricanes in 14 months did not cause any reserve balances to decline below the minimum established by policy. The Town's healthy reserves allowed us to "weather the storms" without having to borrow funds.

All reserves currently are at or over the policy established minimums. The table below summarizes the trend of the undesignated fund balance, net asset balances, compensated absence, and replacement reserve balances for FY2003 through FY2007.

## Reserve Balances Fiscal Years 2003-2007

Fund	2003	2004	2005	2006	2007*
General Fund	19,015,967	15,625,847	19,580,424	17,985,964	20,766,801
Compensated Absence (GF)	-	2,496,068	2,795,916	2,972,258	3,242,924
Equipment Replacement Fund	4,912,691	5,214,800	5,784,030	10,446,169	**12,492,176
Recreation Enterprise Fund	1,791,543	1,757,958	1,661,465	814,569	1,215,157
REF Equipment Replacement Fund	-	-	-	410,729	**409,722
Dock Replacement	989,642	1,295,094	1,460,517	1,534,824	1,620,173
M&I Reserve	-	76,109	76,109	120,488	176,067
Risk Fund	4,449,672	3,782,648	5,957,681	6,840,190	6,013,314
Health Fund	16,103,001	16,356,507	17,046,436	18,369,182	1,740,326
Health - OPEB Trust	-	-	-	-	17,401,883
Pension Funds	132,888,957	144,719,097	160,203,485	172,045,119	198,737,626
<b>Total</b>	<b>180,151,473</b>	<b>191,324,128</b>	<b>214,566,063</b>	<b>231,539,492</b>	<b>263,816,169</b>

*Policy minimums	Minimum Amount
General Fund - Minimum of 25% of Budgeted Operating Expenditures	\$15,648,845
Recreation Enterprise Fund - Minimum of 25% of Budgeted Revenues	\$1,192,450

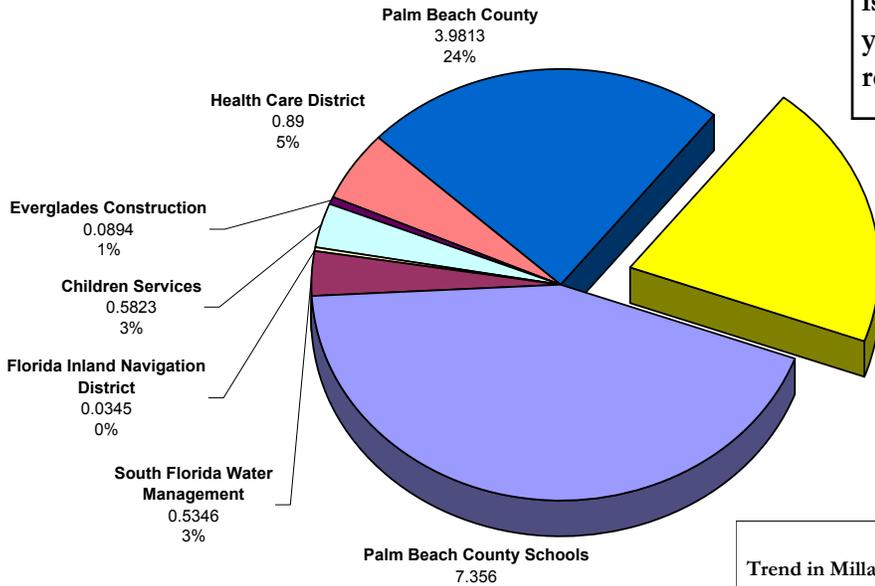
\*\*Increases are due to change from purchase cost funding to replacement cost funding. FY2006 represents the retroactive adjustment which included FY2007 increase and FY2008 increase represents the new annual funding amount.

## Capital Project Fund Balances, as of September 30, 2007

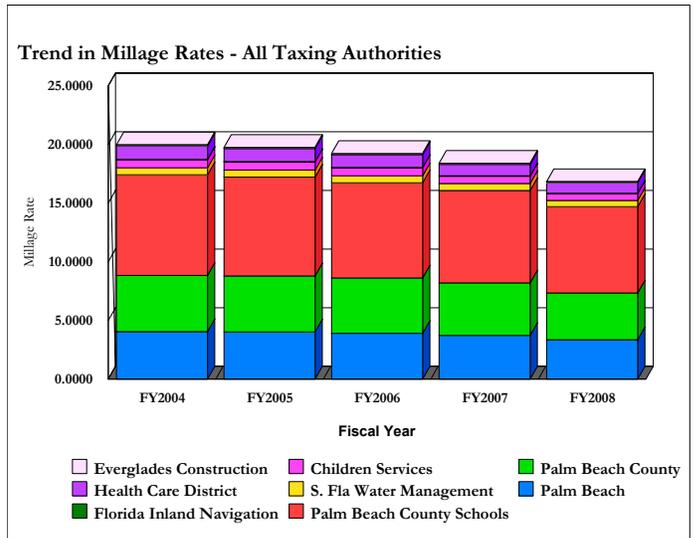
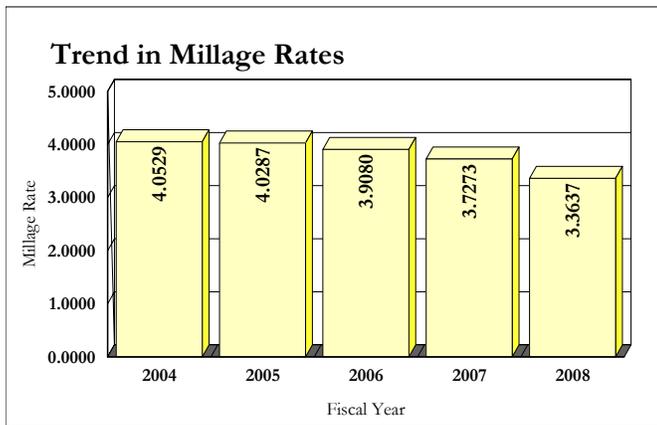
Capital Improvement Fund		Comprehensive Coastal Management Program Fund Balances	
Public Safety	141,389	North Ocean Boulevard Seawall	224,672
Water	209,722	Debt Service	2,321,951
Sanitary Sewer	2,972,940	Projects	2,556,864
Stormwater	5,791,027	Undesignated	5,078,408
Other	1,501,820	Total Comprehensive Coastal Management Program	10,181,895
Total Capital Improvement Fund	10,616,898		
<b>Town Facilities Fund (for Town Hall Renovations)</b>	<b>4,045,394</b>	<b>Recreation Enterprise Fund</b>	<b>1,402,590</b>

**Total Property Tax Bill  
For \$1,000,000 Home - \$16,412**

**A Palm Beach homeowner with a property assessed at \$1,000,000, who has taken the \$25,000 homestead exemption is paying \$16,412 in property taxes this year. Of that amount, \$3,280 or 19.99% is returned to the Town of Palm Beach.**



**Town of Palm Beach  
3.3637  
20%**



Homestead Exemption/Save Our Homes

Every person who has legal title to real property in the State of Florida and who resides thereon and makes it his/her permanent residence as of January 1<sup>st</sup> is eligible for a homestead exemption. Historically, this has provided a tax exemption of the first \$25,000 value of each eligible property. Florida voters recently approved Amendment One. A property with an assessed value of \$75,000 or more will now receive a \$50,000 exemption. Residential property owners who currently receive a homestead exemption and who continue to qualify for the exemption will automatically receive the additional benefit. No further application is necessary. The standard \$25,000 homestead exemption will continue to apply to all tax levies. The additional exemption applies to all tax levies **except** school districts. In addition to the exemption, each homesteaded property is subject to the "Save Our Homes" (or 3% cap) provision of the State of Florida's Constitution which took effect January 1, 1995. The provision limits the annual increase in the assessment of homesteaded properties to 3% or the Consumer Price Index, whichever is less. For more information, or to apply for a homestead exemption, contact the Palm Beach County Property Appraiser's Office at (561) 355-2866.

Portability

Amendment One also allows residential property owners with an existing homestead exemption to transfer up to \$500,000 of their accrued "Save Our Homes" property value discount to a new property. Apply for portability when you apply for homestead exemption on your new property.

Additional information on these matters can be obtained by contacting the Palm Beach County Property Appraiser's Office at (561) 355-2883 or by visiting their website at [www.co.palm-beach.fl.us/propapp](http://www.co.palm-beach.fl.us/propapp).

**Millage Rates and Taxable Values for Municipalities in Palm Beach County  
Fiscal Year 2008**

	<i>Taxable Value</i>	<i>City Millage</i>	<i>City Debt*</i>	<i>County, School &amp; Other</i>	<i>Total Millage Rate</i>
Mangonia Park	216,833,540	9.8000	0.0000	14.0122	23.8122
Pahokee	98,679,229	7.0200	0.0000	16.7916	23.8116
Belle Glade	341,154,511	6.4300	0.0000	16.7916	23.2216
South Bay	63,644,511	6.3089	0.0000	16.7916	23.1005
Lake Park	733,428,871	7.6350	0.9500	13.4681	22.0531
Riviera Beach	4,006,554,647	8.4260	0.0000	13.4681	21.8941
Lake Clark Shores	264,059,809	4.8400	0.0000	16.7916	21.6316
Haverhill	97,139,267	4.2952	0.0000	16.7916	21.0868
Lake Worth	2,166,214,083	7.2959	0.2091	13.4681	20.9731
West Palm Beach	12,700,463,215	7.1916	0.2967	13.4681	20.9564
Delray Beach	8,714,375,264	6.1449	0.4334	13.4681	20.0464
South Palm Beach	426,649,736	5.9607	0.0000	14.0122	19.9729
Atlantis	506,104,829	5.9372	0.0000	14.0122	19.9494
Boynton Beach	6,134,767,687	6.4553	0.0250	13.4681	19.9484
Tequesta	1,016,956,533	5.7671	0.0000	14.1031	19.8702
Palm Beach Shores	653,542,471	5.7420	0.0000	14.0122	19.7542
Juno Beach	1,243,998,132	2.8000	0.0000	16.8825	19.6825
Lantana	1,104,331,511	6.1895	0.0000	13.4681	19.6576
Village of Golf	160,394,208	6.1890	0.0000	13.4681	19.6571
North Palm Beach	2,028,911,987	6.1000	0.0000	13.4681	19.5681
Palm Beach Gardens	9,969,290,603	5.1050	0.1490	14.0122	19.2662
Wellington	7,807,963,570	2.3400	0.0000	16.7916	19.1316
Royal Palm Beach	2,849,277,425	1.9900	0.0158	16.7916	18.7974
Ocean Ridge	859,623,720	4.7500	0.0000	14.0122	18.7622
Greenacres	2,152,750,751	4.7022	0.0000	14.0122	18.7144
Loxahatchee Groves	362,613,089	1.5000	0.0000	16.7916	18.2916
Jupiter	9,173,624,101	2.2497	0.2442	15.5840	18.0779
Palm Springs	946,603,946	4.0076	0.5755	13.4681	18.0512
Jupiter Inlet Beach Colony	237,316,302	3.9455	0.0000	14.1031	18.0486
Boca Raton	20,367,876,263	3.0200	0.2857	14.3208	17.6265
Highland Beach	2,254,116,427	3.5232	0.4268	13.4681	17.4181
<b>Palm Beach</b>	<b>12,748,716,861</b>	<b>3.3637</b>	<b>0.0000</b>	<b>13.4681</b>	<b>16.8318</b>
Cloud Lake	8,924,620	0.0000	0.0000	16.7916	16.7916
Glenridge	19,839,375	0.0000	0.0000	16.7916	16.7916
Briny Breezes	40,817,980	2.5571	0.0000	14.0122	16.5693
Gulfstream	730,846,195	2.9563	0.0000	13.4681	16.4244
Manalapan	896,611,415	2.9080	0.0000	13.4681	16.3761
Hypoluxo	448,165,692	2.3500	0.0000	14.0122	16.3622

\*Represents General Obligation Debt

**General Fund Revenue and Expenditure Analysis**  
**Fiscal Year 2007 vs. 2008**

	<i>Budget FY2007</i>	<i>Budget FY2008</i>	<i>Difference</i>	<i>% Change</i>
<b>Revenues</b>				
Ad Valorem Taxes	42,663,915	40,738,785	(1,925,130)	-4.51%
Non Ad Valorem Taxes	6,515,000	7,132,000	617,000	9.47%
Licenses and Permits	5,156,890	5,404,350	247,460	4.80%
Intergovernmental	1,608,614	1,342,200	(266,414)	-16.56%
Charges for Services	2,456,105	3,159,536	703,431	28.64%
Fines and Forfeitures	829,000	1,028,200	199,200	24.03%
Investment Earnings	1,857,430	2,070,000	212,570	11.44%
Miscellaneous Revenues	205,700	244,310	38,610	18.77%
Interfund Transfers	1,350,000	3,213,178	1,863,178	138.01%
<b>Total Revenues</b>	<b>62,642,654</b>	<b>64,332,559</b>	<b>1,689,905</b>	<b>2.70%</b>
<b>Expenditures</b>				
<b>Department</b>				
Legislative	60,960	60,400	(560)	-0.92%
General Government	1,085,411	838,367	(247,044)	-22.76%
Town Manager	997,540	1,019,493	21,953	2.20%
Human Resources	707,593	714,513	6,920	0.98%
Information Systems	1,763,278	1,928,231	164,953	9.35%
Finance/Purchasing/Town Clerk	1,519,870	1,580,842	60,972	4.01%
Planning/Building/Zoning	3,048,178	3,423,410	375,232	12.31%
Library	247,000	259,350	12,350	5.00%
Fire-Rescue	8,303,435	8,331,838	28,403	0.34%
Police	11,464,425	12,201,193	736,768	6.43%
Hurricane Preparedness	88,169	87,524	(645)	-0.73%
Public Works	12,872,915	13,333,640	460,725	3.58%
Retirement	6,522,215	7,205,061	682,846	10.47%
Health Insurance	2,917,314	2,816,697	(100,617)	-3.45%
Transfer to Other Funds	10,121,702	9,606,000	(515,702)	-5.10%
Contingent Appropriations	922,650	926,000	3,350	0.36%
<b>Total Expenditures</b>	<b>62,642,655</b>	<b>64,332,559</b>	<b>1,689,904</b>	<b>2.70%</b>

## Town Department Budget History

The following information represents five year budget to budget history by department. The information includes total revenues generated by each department, total expenditure budget, and itemization of certain expenditures, as follows: number of employees, salary and wage totals, employee benefits, contractual expenditures over \$50,000, capital expenditures over \$50,000 and depreciation charged to each department based upon the fixed assets held by the department.

### Town Manager's Office

The budget of the Town Manager includes expenditures for the administrative expenses relating to the Town Manager's Office and advice and litigation expenses for the Town Attorney and outside counsel.

	FY04	FY05	FY06	FY07	FY08
Total Budget	881,770	960,989	1,023,446	1,104,406	1,131,837
Employees	6	6	6	6	6
Salary and Wages	432,252	465,380	512,827	550,123	585,055
Retirement	37,791	43,021	51,174	60,276	67,374
Health Insurance	36,531	41,388	47,952	46,590	44,970
Other Employee Benefits	54,757	90,817	86,291	86,897	96,175
Contractual - Legal Advice	315,000	285,000	325,176	321,500	309,000

### Information Systems

The budget for Information Systems includes expenditures relating to the Town's mainframe computer system, software maintenance charges, townwide computer equipment purchases, the Town's telephone system, and the Town's GIS system. The budget also includes funding for townwide software upgrades and conversion.

	FY04	FY05	FY06	FY07	FY08
Total Budget	1,187,768	1,182,385	1,776,946	1,870,144	2,040,575
Employees	5	6	6	6	6
Salary and Wages	320,254	358,975	429,090	445,248	474,934
Retirement	34,355	46,932	51,174	60,276	67,374
Health Insurance	33,210	45,150	47,952	46,590	44,970
Other Employee Benefits	37,871	45,325	59,680	68,180	74,287
Contractual - Programming		135,000			
Contractual - Software Maint.	108,779	142,000	170,000	186,000	275,000
Contractual - Equipment Maint.	65,000	75,000	75,000	80,000	85,000
Minor Computer Equipment	58,000		58,000		
Capital - Major Computer Equipment	59,200			75,500	56,600
Capital - Software		61,000	277,500	537,500	410,000
Capital - Depreciation	186,198	207,000	340,000	320,000	330,000

### Human Resources

The Human Resources Department is responsible for the recruitment, screening, and selection of employees to service 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.

	FY04	FY05	FY06	FY07	FY08
Total Budget	628,745	667,546	737,657	784,821	795,032
Employees	5	5	5	5	5
Salary and Wages	319,094	337,630	362,045	377,969	392,500
Retirement	33,668	38,328	33,263	39,179	43,793
Health Insurance	32,546	36,873	39,161	38,049	36,726
Other Employee Benefits	54,784	65,167	71,821	70,937	74,811
Employee Training		57,000	50,000	50,000	
Employee Recruiting		73,700	51,000	58,400	62,500
Capital - Depreciation	1,853	1,853	2,367		

## Finance Department

The Finance Department is responsible for financial administration, purchasing and the Town Clerk's office.

	FY04	FY05	FY06	FY07	FY08
Total Revenue Budget	49,400	58,900	63,100	65,400	72,400
Total Budget	1,523,284	1,647,341	1,768,194	1,830,421	1,906,645
Employees	18	18	18	18	18
Salary and Wages	991,280	1,045,235	1,085,692	1,118,476	1,168,697
Retirement	96,194	109,508	136,464	170,782	190,893
Health Insurance	119,556	135,450	143,856	139,770	134,910
Other Employee Benefits	118,726	136,575	156,660	149,335	148,639
Contractual - Annual Audit				53,500	55,700
Capital - Depreciation	3,478	4,138	5,113	4,376	5,438

## Fire-Rescue

The Fire-Rescue Department provides fire suppression, rescue and emergency medical care to the citizens and visitors to the Town and provides fire prevention education programs.

	FY04	FY05	FY06	FY07	FY08
Total Revenue Budget	431,900	470,640	826,755	655,755	644,450
Total Budget	8,072,653	8,879,708	10,070,972	11,143,374	11,409,420
Employees	81	82	85	85	85
Salary and Wages	5,182,621	5,494,996	5,927,191	6,159,375	6,236,200
Retirement	824,154	1,123,521	1,332,202	2,210,974	2,470,487
Health Insurance	521,397	598,238	639,360	628,965	607,095
Other Employee Benefits	717,151	732,835	837,691	867,391	871,042
Uniforms		60,000	67,125	70,750	70,800
Medical Supplies	77,000	72,000	87,100	90,000	80,000
Minor Operating Equipment				60,000	62,000
Capital - Depreciation	249,630	236,193	304,858	295,419	622,196
Capital - Other Machinery & Equip			83,300	136,000	
Capital - Grant Equipment	60,200	183,700	340,000	130,000	
Capital - Lease Fire Trucks	95,000	95,000	95,000	95,000	95,000

## Police

The Police Department is responsible for the prevention of crime, preservation of peace, enforcement of laws and ordinances.

	FY04	FY05	FY06	FY07	FY08
Total Revenue Budget	1,570,000	1,326,201	1,500,600	1,361,914	1,964,600
Total Budget	12,249,002	13,414,710	15,329,229	15,249,653	16,076,893
Employees	131	131	131	131	131
Salary and Wages	7,668,999	8,188,210	8,462,050	8,746,763	9,013,133
Retirement	1,425,476	1,784,125	2,229,994	2,689,213	2,905,097
Health Insurance	870,102	985,775	1,046,952	1,017,215	970,603
Other Employee Benefits	1,311,931	1,219,612	1,451,948	1,384,904	1,402,208
Fuel	69,000	65,000	93,140	110,000	135,000
Contractual - Data Line	78,623	71,800	75,533	62,380	59,400
Capital - Depreciation	285,879	332,201	367,785	325,504	502,505
Capital - Office Furn & Equip		84,295			
Capital - Radio System			580,000		118,300
Electronic Chalking					210,000

## 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, coastal management and providing the general engineering services to the Town.

	FY04	FY05	FY06	FY07	FY08
Total Revenue Budget	935,800	964,600	1,037,508	1,054,000	1,078,000
Total Budget	10,872,728	11,219,417	15,749,546	14,635,846	15,163,203
Employees	99	101	103	102	103
Salary and Wages	4,733,280	4,714,856	5,431,907	5,486,458	5,816,426
Retirement	655,423	750,834	838,158	972,452	1,065,747
Health Insurance	658,488	758,073	814,225	790,480	763,816
Other Employee Benefits	576,933	593,300	741,287	710,707	788,071
Fuel	52,000	59,800	108,240	100,000	80,000
Vehicle Maintenance		83,000	83,000	95,000	95,000
SRF Loan	123,100	123,100	123,100	123,100	123,100
Contractual - Street Sweeping	127,700	132,200	135,100	140,000	183,000
Contractual - Street Lighting					234,755
Contractual - Annual Street Resurfacing	100,000	138,500	225,000		
Contractual - Electrical Task Order Contract				129,000	134,000
Contractual - Electric	427,800	472,200	525,400	526,800	510,300
Contractual - Sanitary Sewer Maint.	59,000	67,200	75,500	85,000	66,000
Contractual - Storm Sewer Maintenance					62,000
Contractual - Sewage Treatment & Disp.	1,150,000	1,150,000	1,257,000	1,650,000	1,426,900
Contractual - Commercial Collection	190,000	163,600	207,900	220,000	220,000
Contractual - Solid Waste Disposal Fees	70,000	70,000	70,000	90,000	100,000
Contractual - Landscape Contracting	181,300	229,020	322,500	303,000	299,000
Contractual - Water	85,000	93,000	98,000	115,000	118,500
Contractual - Janitorial	90,000	93,900	99,200	138,000	157,400
Contractual - Building Maintenance	139,300	158,400	235,000	350,000	280,000
Contractual - Coastal				1,030,733	703,700
Contractual - Sand Transfer Plant	210,000	338,000	270,000	296,267	277,000
Capital - Depreciation	252,373	268,634	264,391	269,449	426,553
Capital - Storm Sewer Rehabilitation	50,000	50,000	90,000	100,000	100,000
Capital - Sanitary Sewer Rehabilitation	100,000	100,000	90,000	90,000	90,000
Parking Kiosks					500,000

## 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 construction. The Department also assists residents, businesses and the construction industry in code compliance.

	FY04	FY05	FY06	FY07	FY08
Total Revenue Budget	4,040,150	4,369,875	5,229,900	5,218,600	5,574,900
Total Budget	2,649,734	2,759,182	3,505,886	3,576,896	4,031,313
Employees	21	22	23	23	23
Salary and Wages	1,495,371	1,531,737	1,760,609	1,901,154	2,115,355
Retirement	156,107	186,847	249,513	319,063	394,296
Health Insurance	156,088	191,889	215,784	209,655	213,607
Other Employee Benefits	172,798	203,753	235,944	253,381	290,718
Contractual - Legal				87,100	87,100
Contractual - Comprehensive Plan	138,935	130,000	120,000	125,000	125,000
Contractual - Plan Review	80,000	83,000	100,000	153,100	260,000
Contractual - Contractual Inspection	80,000	119,000	110,000	142,100	150,000
Contractual - Landmark					50,000
Capital - Depreciation	12,943	14,260	15,956	14,323	11,197

## OTHER ITEMS AFFECTING THE GENERAL FUND

	FY2004 <i>Actual</i>	FY2005 <i>Actual</i>	FY2006 <i>Actual</i>	FY2007 <i>Actual</i>	FY2008 <i>Budget</i>
Risk Insurance	2,810,033	4,294,410	2,390,000	2,220,201	2,392,000
Retiree Health Insurance	763,731	712,256	918,991	993,700	**1,466,000
Equipment Replacement Fund Expenditures	902,475	972,459	807,741	*1,999,511	*2,584,712
Depreciation Charged to General Fund	1,041,423	1,224,402	5,509,716*	1,234,215	1,903,368*

\* Increases are due to change from purchase cost funding to replacement cost funding. FY2006 represents the retroactive adjustment which included FY2007 increase and FY2008 increase represents the new annual funding amount.

\*\* Increase is due to implementation of the Governmental Accounting Standards Board (GASB) Statement to change the accounting for Other Post Employment Benefits.

## Total Annual Debt Service FY2002-2015

Fiscal Year	1993 GO Bond	2000 Revenue Bond	2003A Revenue Bond	2003B Revenue Bond*	Total
2003	700,675	1,211,858	-	-	1,912,533
2004	707,615	3,092,750	861,852	376,864	5,039,081
2005	712,300	3,095,500	860,308	380,978	5,049,086
2006	-	-	3,954,408	378,578	4,332,986
2007	-	-	3,954,383	380,971	4,335,354
2008	-	-	3,952,223	377,940	4,330,163
2009	-	-	3,955,313	379,365	4,334,678
2010	-	-	3,952,069	380,221	4,332,290
2011	-	-	-	380,578	380,578
2012	-	-	-	380,445	380,445

\*The FY2003B Revenue Bond debt service extends until 2033

**Capital Improvement Program  
FY2004 - FY2008 Budget**

<b>Expenditure Budget Project Description</b>	<b>FY2004 Budget</b>	<b>FY2005 Budget</b>	<b>FY2006 Budget</b>	<b>FY2007 Budget</b>	<b>FY2008 Budget</b>	<b>Total</b>
<i>Storm Water System</i>	2,637,000	2,242,000	1,835,000	2,680,000	250,000	9,644,000
Improvements	2,637,000	2,042,000	1,705,000	2,180,000	250,000	8,814,000
D-15 Cooling System Repair		200,000	30,000			230,000
Rehabilitate Storm Pump Structures			100,000	500,000		600,000
<i>Sanitary Sewer System</i>		575,000	1,025,000	319,783	500,000	2,419,783
General Improvements		575,000	1,025,000	100,000	500,000	2,200,000
Force Main Rehabilitation						
WPB Central Pump Bypass & Reserve				219,783		219,783
Rehab Sanitary Sewer Pumping Stations						
<i>Streets and Roads</i>				844,000	1,191,000	2,035,000
Bridge Rehabilitation				50,000	100,000	150,000
Milling & Resurfacing Program				500,000	500,000	1,000,000
Resurfacing North of Onondaga Avenue					146,000	146,000
Street Lights SRA1A Lake Ave South					445,000	445,000
Decorative Street Lights				294,000		294,000
<i>Bury FPL Overhead Lines</i>		1,000,000				1,000,000
<i>Refurbish Memorial Fountain</i>					50,000	50,000
<i>Water Main Improvements WPB</i>				479,993	500,000	979,993
<i>Sand Transfer Plant</i>				58,000		58,000
<i>Fuel Tank Replacement Program</i>			40,000	200,000	730,000	970,000
<i>North Fire-Rescue Station</i>	110,000			165,000	125,000	400,000
Truck Bay Repair				40,000		40,000
Replacement of Windows				125,000	125,000	250,000
Shutters	80,000					80,000
Decontamination Station	30,000					30,000
<i>Central Fire-Rescue Station</i>				50,000		50,000
Vehicle Exhaust Removal System				50,000		50,000
Emergency Operations Center						
Construction of New Facility						
<i>Public Works Facility</i>	160,000					160,000
Expand Office Space						
Replace Roof	160,000					160,000
<i>Intracoastal Bulkhead Repair Reserve</i>				15,000		15,000
<b>Total Budget</b>	<b>2,907,000</b>	<b>3,817,000</b>	<b>2,900,000</b>	<b>4,811,776</b>	<b>3,346,000</b>	<b>17,781,776</b>

# Retirement Funds

The Town provides three defined benefit pension plans: Firefighters, General Employees, and Police Officers

The Town Council establishes the benefit levels and the actuarial assumptions used in the determination of contribution levels. The contributions are segregated between Firefighters, General Employees, Lifeguards, and Police Officers. 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 400 active employees and 200 retirees are covered by the three plans.

Plan members are required to contribute a percentage of their annual covered salary as described in a following table. The Town is required to contribute at an actuarially determined rate. The contribution for the last five years is as follows.

## Employer Contributions

	<i>FY2004</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>
General	1,475,454	1,705,300	1,919,016	2,296,302	2,488,986	2,319,374
Lifeguards	44,204	76,252	87,955	118,863	125,916	100,754
Police	1,106,450	1,395,026	1,652,583	2,158,494	2,366,346	2,090,160
Fire-Rescue	822,201	1,116,151	1,351,449	2,258,786	2,525,215	2,359,327
<b>Total</b>	<b>3,448,309</b>	<b>4,292,729</b>	<b>5,011,003</b>	<b>6,832,445</b>	<b>7,506,463</b>	<b>6,869,615</b>

## Funding Levels

	<i>FY2003</i>	<i>FY2004</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>
General & Lifeguards	99%	91%	87%	88%	93%
Police	93%	90%	85%	86%	92%
Fire-Rescue	93%	85%	77%	77%	82%

The contribution rates for the FY08 budget as a percent of the employees' annual compensation is as follows:

	<i>Member Contribution</i>	<i>Town and State Contribution</i>
General	6.47%	19.15%
Lifeguards	7.21%	27.15%
Police	6.98%	41.47%
Fire-Rescue	6.82%	46.47%

# Employee Benefits Summary

	<i>FY2004</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>
Retirement	3,448,309	4,292,729	5,011,003	6,832,445	7,506,463
Health Insurance	3,359,094	3,694,046	4,109,238	4,110,107	4,460,254
Other Employee Benefits	3,646,217	4,077,712	4,454,890	4,665,242	4,627,478
<b>Total</b>	<b>10,453,620</b>	<b>12,064,487</b>	<b>13,575,131</b>	<b>15,607,794</b>	<b>16,594,195</b>

# Flood Hazard Information

The Town of Palm Beach has been verified as a Class 7 in the National Flood Insurance Program (NFIP) Community Rating System (CRS) under the direction of the Federal Emergency Management Agency. This means residents who reside in a Special Flood Hazard Area (SFHA) will receive a 15% discount on their flood insurance premium and residents who reside in a Non-SFHA will receive a 5% discount. Many people do not realize that their homeowner's insurance policy does not cover losses due to flooding. The following information will address areas to help protect you and reduce loss of value to your property as a result of flood.

**What is a Flood?** Flood is defined in the Standard Flood Insurance Policy, in part, as: a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is your property) from overflow of inland or tidal waters, from unusual and rapid accumulation or runoff of surface waters from any source, or from mudflow.

**Flood Hazard:** A flood hazard can occur when tropical storms, hurricanes, high tides or other heavy rainstorms are imminent.

**Flood Warning System:** Palm Beach County depends on the National Weather Service (NWS) for flood recognition. Stay tuned to local TV stations Channel 5-WPTV, Channel 12-WPEC, Channel 25-WPBF, Channel 29-WFLX or local radio stations WRMF 97.9 FM, WJNO 1040 AM known to have an active news bureau for information. The evacuation routes will be either the Flagler Memorial Bridge, Royal Park Bridge or the Southern Boulevard Bridge/Post Memorial Causeway.

**Flood Safety:** If you are advised to evacuate, turn off utilities at the main switches or valves. Disconnect electrical appliances, but do not touch any electrical equipment if you are wet or standing in water.

**Flood Insurance:** Flooding is not covered by normal homeowner's insurance but flood insurance is available in the community through the National Flood Insurance Program. There is a 30 day waiting period. New policies will not be written once a storm is approaching. For additional information about flood coverage visit [www.fema.gov/nfip](http://www.fema.gov/nfip).

You can insure your home with flood insurance for up to: \$250,000 for the building and \$100,000 for your contents. For non-residential buildings you can insure for up to: \$500,000 for the building and \$500,000 for your contents.

**Retrofitting:** For information on retrofitting (elevating, and barriers - floodwalls/berms) or flood proofing (sand bagging, and floodway openings) your structure to reduce the impact of flooding, contact Planning, Zoning and Building at (561) 227-6407.

**Floodplain development permit requirements:** All developments proposed for construction need permits. Contact Planning, Zoning and Building at 360 South County Road or call (561) 227-6410 prior to any construction activities or to report illegal floodplain development.

**Substantial Improvement Requirements:** The National Flood Insurance Program requires that if the cost of reconstruction, rehabilitation, additional, or other improvements to a building equals or exceeds 50% of the building's market value, then the building must meet the same construction requirements as a new building.

**Drainage system maintenance:** it is illegal for any direct or indirect entry of any solid, liquid or gaseous matter to enter the drainage system. We inspect the drainage system and remove blockages that are found or reported. Report any problems to Public Works at (561) 838-5440.

**Natural and Beneficial functions:** Certain areas in Palm Beach provide a natural and beneficial function to the floodplain. These areas include Fishermans Island, Pelican Isle, and Bingham Isle. Protecting these areas increases water quality and provide storage volume for the floodplain.

**Map Determinations:** the Town provides map determinations to let you know if you are in a flood hazard area and if you are required by Federal Law to carry flood insurance. Contact Planning, Zoning and Building at (561) 227-6410. To obtain copies of Elevation Certificates after 9/30/91, contact the Planning, Zoning and Building Records Division at (561) 227-6404.

**Site Visits:** Upon request, the property owner will be provided with a review of potential flooding, drainage and sewer problems. For more information contact Public Works at (561) 838-5440.

## Employee of the Year

Amy Wood was selected as the Town's 2007 Employee of the Year. Amy has served the Town, in the Finance Department, for 9 years.

During her tenure, she has made many improvements in the efficiency of Town government and has made information more accessible to the citizens. She takes on new projects with enthusiasm and the results always exceed expectations. She is constantly thinking outside the box for new ideas. She has served on the Town's Vision and Values Committee, the Human Resources Committee, The Continuity of Operations team and Software Selection Committee. Amy has designed and produced all of the award winning annual reports since 2001. She has received numerous commendations and appreciation cards from fellow employees for her service.

Her department's nomination included this statement: "Amy is a great example of the Town's vision and values in action and brings true meaning to the last phrase in the Town's vision statement - Always Exceptional."

**TOWN OF PALM BEACH  
TELEPHONE DIRECTORY**

**TOWN HALL OPERATOR**

General Information	838-5400
Town's Cable Complaint Hotline	838-5413
Finance Department	838-5444
Purchasing Division	838-5406
Fire-Rescue Department	
Emergency Only	911
Administration	838-5420
Human Resources Department	838-5450
Mayor & Town Council	838-5414
Planning, Zoning & Building Dept.	838-5430
Police Department	
Emergency Only	911
Non-Emergency Calls	838-5454
Administration	838-5460
Beach Patrol	
Mid-Town Beach	838-5483
Phipps Ocean Park	585-9203
Public Works Department	
Administration	838-5440
After Hours	838-5454
Recreation Department	
Recreation Center	838-5485
Par 3 Golf Course	547-0598
Phipps Ocean Park Tennis Facility	227-6450
Seaview Park Tennis Center	838-5404
Town Docks (Dockmaster)	838-5463
Town Clerk	838-5416
Town Manager	838-5410
Information Systems	838-5449
Risk Management	838-5496

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