

Town of Palm Beach  
Citizens Financial Report  
Fiscal Year Ended September 30, 2009



# Town Officials

as of September 14, 2010

## Mayor

Jack McDonald

## Town Council

David A. Rosow, President  
Gail Coniglio, President Pro-Tem  
William J. Diamond  
Richard M. Kleid  
Robert N. Wildrick

## Town Manager

Peter B. Elwell

## Town Attorney

John C. Randolph

## Senior Management Team

William Amador, Fire-Rescue Chief  
Kirk Blouin, Chief of Police  
Jay Boodheshwar, Recreation Director  
Thomas G. Bradford, Deputy Town Manager  
H. Paul Brazil, Public Works Director  
Danielle Olson, Human Resources Director  
John S. Page, Director of Planning, Zoning and Building  
Jane Struder, Finance Director

## Town Council Committees

### Finance & Taxation

Robert N. Wildrick, Chair  
David A. Rosow

### Ethics

William J. Diamond, Chair  
Richard M. Kleid

### Public Works

Gail Coniglio, Chair  
Richard M. Kleid

### Public Safety

Robert N. Wildrick, Chair  
William J. Diamond

## Ordinances, Rules & Standards

William J. Diamond, Chair  
Gail Coniglio

## Administrative & Personnel

Richard M. Kleid, Chair  
David A. Rosow

### Water

David A. Rosow, Chair  
Gail Coniglio

# 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)

# Employee of the Year

Spencer Wilson, Information Systems Manager, came to the Town of Palm Beach from the City of Boynton Beach in January 1990. He began employment as a Computer Programmer in the Data Processing Department. In August 1993, he was appointed to the position of "Acting Data Processing Manager" and in April 1994, it was made official, being promoted to his current Information Systems Manager position.

Spencer graduated from the State University of New York (SUNY) with a Bachelor of Science degree in Computer Science in 1985. He currently lives in West Palm Beach with his wife, Laura, and two children.

This past year, Spencer implemented the Public Safety Software System, OSSI; the Document Management System, Laserfiche; and implemented the Eden Accounts Receivable system for the Finance Department along with the job application tracking system for the Human Resources Department.



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)**

Jeffery W. Smith, Chair  
William J. Strawbridge, Jr., Vice Chair  
Samuel M. Boykin  
Leslie C. Diver  
Kenn Karakul  
Robert J. Vila  
Nikita Zukov  
Martin D. Gruss, Alternate Member  
Peter I.C. Knowles II, Alternate Member  
Ann L. Vanneck, Alternate Member

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

Ames Bennett, Chair  
John Nora, Jr., Vice Chair  
Greg Batten  
Timothy Benitz  
Vance Carpenter  
John C. Cassidy, Jr.  
Sanford J. Klion  
Brian K. Lee, Alternate Member  
Robert L. Moore, Alternate Member

#### **Code Enforcement Board**

Timothy Hoffman, Chair  
Harris S. Fried, Vice Chair  
James M. Ballentine, Jr.  
Madelyn Greenberg  
Joel P. Koeppl  
Larry Ochstein  
Cynthia Van Buren  
W. Anthony Dowell, Alternate Member  
Scotch Peloso, Alternate Member

#### **Investment Advisory Committee**

Michael F. Andrews, Ph.D., Chair  
Benton P. Bohannon  
Dr. Heinz Gundlach  
William John Mikus  
Bernard R. Panfel

#### **Budget Task Force**

Jack McDonald, Chair  
Erica Elliott  
Bobbi Horwich  
Bruce McAllister  
Jere Zenko

#### **Landmarks Preservation Commission**

Eugene Pandula, Chair  
William Lee Hanley, Jr., Vice Chair  
William O. Cooley, Secretary  
Edward Austin Cooney  
Dudley L. Moore, Jr.  
Charles S. Roberts  
William P. Feldkamp, Alternate Member  
Wallace Rogers, Alternate Member  
D. Imogene Willis, Alternate Member

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

Alan S. Golboro, Chair  
Leslie A. Shaw, Secretary  
John Schuler  
Eugene Lawrence  
Floyd L. Wideman, Jr.  
Martin I. Klein  
C. Tanner Rose  
Jeffrey A. Cloninger, Alternate Member  
Lewis Crampton, Alternate Member  
Michael Vincent John Spaziani, Alt Member

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

Helen Hoffman, Chair  
Alan Miller  
Peter Graves  
Jeff Pheterson

#### **Recreation Advisory Commission**

Danielle Hickox-Moore, Chair  
Joseph Della-Giustina, Vice Chair  
Stephen D. Hall  
Henry P. Jamison IV  
Daniel McDonnell  
Timothy O'Hara  
Donald Singer  
Ellen Howe, Alternate Member  
Pamela McIver, Alternate Member  
Chris Storkerson, Alternate Member

#### **Shore Protection Board**

E. Llwyd Ecclestone, Jr., Chair  
Gerald Frank, Vice Chair  
Kane K. Baker  
Barbara (Bobbie) Lindsay Buck  
J. Patterson Cooper  
Lee David Goldstein  
Lewis Katz

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

Alvin Parven, Chair  
James A. Karman, Vice Chair  
Peter B. Elwell, Town Manager  
Jonathan Luscomb, Employee Member  
Brett Madison, Employee Member

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

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

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

Wilbur Ross, Chair  
Sergio de Araugo, Citizen Member  
Carol Simmons Rathorne, Citizen Member  
Jason French, Employee Member  
Michael T. Hays, Employee Member

#### **Volunteer Intergovernmental Liaisons**

Michael Fach  
Gerald Frank  
James Karman  
Donald Singer  
Robin Turner

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

The condensed statements present the Town's General Fund only. The purpose of these statements is to provide the citizen with a summarized version of the information contained within the Town's Comprehensive Annual Financial Report (CAFR). The Town's accounting policies conform to Generally Accepted Accounting Principals (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). The Town's separately prepared and audited CAFR offers a complete description of the Town's significant accounting policies and other disclosures required by GAAP, as well as a more detailed analysis of the Town's financial position. A copy of the CAFR may be obtained from the Finance Department at Town Hall, or from the Town's website [www.townofpalmbeach.com](http://www.townofpalmbeach.com).

	2005	2006	2007	2008	2009
<b>Revenues</b>					
Taxes	\$41,300,780	\$45,970,639	\$50,041,902	\$48,739,085	\$50,999,853
Licenses and Permits	6,913,397	6,473,831	7,147,383	7,835,468	4,865,780
Intergovernmental	2,072,960	2,153,286	2,312,236	2,107,927	1,937,338
Charges for Services	2,097,306	2,487,444	2,448,829	2,808,298	3,277,981
Fines and Forfeitures	811,038	770,067	1,541,448	1,183,318	925,373
Investment Earnings	905,025	1,902,793	2,287,127	1,368,751	1,923,224
Grant Revenue	3,938,012	2,885,201	79,720	139,975	294,720
Miscellaneous	191,326	226,632	236,941	312,271	274,359
<b>Total Revenues</b>	<b>\$58,229,844</b>	<b>\$62,869,893</b>	<b>\$66,095,586</b>	<b>\$64,495,093</b>	<b>\$64,498,628</b>
<b>Expenditures</b>					
General Government	7,661,978	8,236,321	8,845,251	9,883,975	10,855,934
Public Safety	26,673,240	26,199,173	28,270,546	29,277,904	31,184,809
Physical Environment	8,908,389	11,665,824	10,690,007	11,745,927	11,335,045
Transportation	1,041,420	1,185,987	838,808	1,160,600	1,248,445
Culture and Recreation	1,678,681	1,938,137	1,717,139	1,819,633	1,848,377
Non Departmental	2,510,033	2,390,000	2,220,201	2,414,968	1,918,051
Capital Outlay	162,506	547,949	814,029	1,162,524	642,681
Debt Service	99,102	94,999	95,000	93,403	0
<b>Total Expenditures</b>	<b>\$48,735,349</b>	<b>\$52,258,390</b>	<b>\$53,490,981</b>	<b>\$57,558,934</b>	<b>\$59,033,342</b>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In	555,000	550,000	550,000	550,000	550,000
Operating Transfers Out	<sup>3</sup> (10,369,589)	<sup>1</sup> (12,746,839)	<sup>6</sup> (6,907,801)	<sup>5</sup> (5,748,000)	<sup>7</sup> (6,607,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(\$9,814,589)</b>	<b>(\$12,196,839)</b>	<b>(\$6,357,801)</b>	<b>(\$5,198,000)</b>	<b>(\$7,057,000)</b>
<b>Net Change<sup>2</sup></b>	<b><sup>4</sup>(\$320,094)</b>	<b><sup>2</sup>(\$1,585,336)</b>	<b>\$6,246,804</b>	<b>\$1,738,159</b>	<b>(\$1,591,714)</b>
Fund Balance, Beginning	\$26,294,682	\$25,974,588	\$24,389,252	\$30,636,056	\$32,374,215
Fund Balance, Ending	\$25,974,588	\$24,389,252	\$30,636,056	\$32,374,215	\$30,782,501

General Fund Balance Sheet  
Fiscal Years Ended September 30

	2005	2006	2007	2008	2009
<b>Assets</b>					
Cash and Investments	\$27,248,988	\$27,178,663	\$34,020,020	\$35,889,516	\$34,285,617
Receivables	2,451,333	1,403,372	763,326	1,140,514	838,394
Due from Other Funds	166,493	48,977	119,062	174,946	89,522
Inventory	504,712	496,439	482,003	489,544	454,035
Prepaid Items	22,099	15,552	16,076	26,047	24,250
<b>Total Assets</b>	<b>\$30,393,625</b>	<b>\$29,143,003</b>	<b>\$35,400,487</b>	<b>\$37,720,567</b>	<b>\$35,691,818</b>
<b>Liabilities</b>					
Accounts Payable	1,105,352	1,143,523	1,013,476	1,463,797	1,018,704
Accrued Liabilities	1,646,628	1,698,283	1,822,161	2,443,872	2,640,761
Deferred Revenue	1,667,057	1,911,945	1,928,794	1,438,683	1,249,852
<b>Total Liabilities</b>	<b>\$4,419,037</b>	<b>\$4,753,751</b>	<b>\$4,764,431</b>	<b>\$5,346,352</b>	<b>\$4,909,317</b>
<b>Fund Balance</b>					
Reserved	1,213,317	1,379,142	2,188,726	515,591	478,285
Unreserved					
Designated	5,180,847	5,024,146	7,100,529	8,853,439	9,323,939
Undesignated	19,580,424	17,985,964	21,346,801	23,005,185	20,980,277
<b>Total Equity and Other Credits</b>	<b>\$25,974,588</b>	<b>\$24,389,252</b>	<b>\$30,636,056</b>	<b>\$32,374,215</b>	<b>\$30,782,501</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$30,393,625</b>	<b>\$29,143,003</b>	<b>\$35,400,487</b>	<b>\$37,720,567</b>	<b>\$35,691,818</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.

# 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. The Town's issuer and revenue bond ratings were reviewed by both Moody's and Standard & Poor's in preparation for the issuance of the 2010 revenue bonds. 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 they gave the Town a Aaa issuer's rating. Standard and Poor's issued a revenue bond rating of AA+ and 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.

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 FY2005 through FY2009.

## Reserve Balances Fiscal Years 2005-2009

Fund	2005	2006	2007	2008	2009
General Fund	19,580,424	17,985,964	21,346,801	23,005,185	20,980,277
Compensated Absence (GF)	2,795,916	2,972,258	3,242,924	2,962,197	3,333,242
Equipment Replacement Fund	5,784,030	10,765,871	12,492,176	14,343,984	15,851,730
Recreation Enterprise Fund	1,661,465	814,569	1,449,420	1,868,076	1,699,063
REF Equipment Replacement Fund	-	249,553	288,267	321,863	351,468
Dock Replacement	1,460,517	1,534,824	1,620,173	1,772,062	196,718
M&I Reserve	76,109	120,488	176,067	223,753	-
Risk Fund	5,957,681	6,840,190	6,013,314	6,589,271	7,620,642
Health Fund	17,046,436	18,369,182	1,740,326	6,589,271	1,845,717
Health - OPEB Trust	-	-	17,401,883	15,785,880	15,898,539
Pension Funds	160,203,485	172,045,119	198,737,626	167,937,995	163,129,393
<b>Total</b>	<b>214,566,063</b>	<b>231,698,018</b>	<b>264,508,977</b>	<b>236,471,235</b>	<b>230,906,789</b>

### Policy guidelines minimums

### Minimum Amount

General Fund - Minimum of 25% of Budgeted Operating Expenditures

\$15,710,375

Recreation Enterprise Fund - Minimum of 25% of Budgeted Revenues

\$1,284,050

**General Fund Undesignated Fund Balance** - To protect against reducing service levels, or unnecessarily raising taxes because of temporary revenue shortfalls, or unpredicted one-time expenditures due to a sever economic downturn or other major event. Maintained at 25% of operating expenditures.

**Compensated Absence Reserve** - To fund the value of accrued vacation and sick time. The reserve will reduce the budgetary fluctuation due to the payout of accrued leave time to terminated or retired employees.

**Equipment Replacement Reserve** - To fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful lives. This reserve will reduce the budgetary fluctuations due to the purchase of large costly pieces of equipment.

**Recreation Enterprise Fund Reserve** - To provide for unanticipated financial impacts as well as provide for one-time expenditure for the Recreation Enterprise Fund. Maintained at 25% of operation revenues.

**Dock Replacement Reserve** - To fund the construction of the Town's docks when each of the three docks reaches the end of its useful life.

**Recreation Enterprise Fund Equipment Replacement Reserve** - Serves the same purpose as the Equipment Replacement Reserve but, for the Recreation Enterprise Fund.

**Par 3 M & I Reserve** - To fund maintenance and improvements at the Par 3 Golf Course. Revenue from the Maintenance and Improvement fee is set aside for Par 3 improvements.

**Health Fund Reserves** - Reserve set aside for unanticipated uninsured shortfalls in the Town's self insurance program.

**Risk Fund Reserve** - Reserve set aside for unanticipated uninsured shortfalls in the Town's risk insurance program. The Catastrophic Exposures Reserve of \$2,500,000 is funded from this reserve to be used for local disaster and recovery costs, large judgments in excess of insurance coverage and for budget stabilization purposes.

**Health OPEB Trust** - To fund post employment health benefits.

**Pension Funds** - To fund pensions for Town employees.

Reserve Balances, Continued

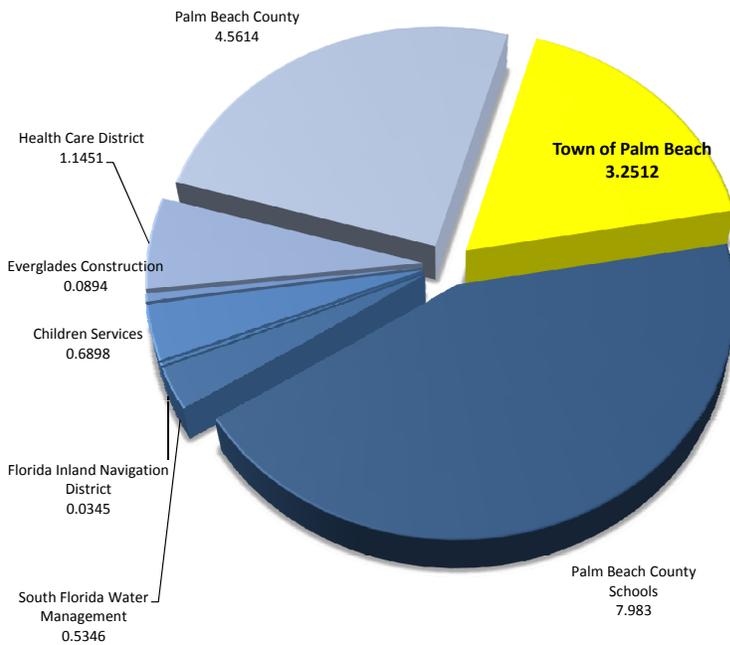
Capital Improvement Fund	
Public Safety	351,389
Water	69,339
Sanitary Sewer	1,707,106
Stormwater	2,828,291
Other	565,413
<b>Total Capital Improvement Fund</b>	<b>5,521,538</b>

Town Facilities Fund	
	5,550,325

Comprehensive Coastal Management Program Fund Balances	
North Ocean Boulevard Seawall	695,267
Debt Service	649,375
Projects	4,166,694
Undesignated	4,558,514
<b>Total Comprehensive Coastal Management Program</b>	<b>10,069,850</b>

Total Property Tax Bill  
For \$1,000,000 Home - \$17,832



A Palm Beach homeowner with a property assessed at \$1,000,000, who has taken the \$25,000 homestead exemption is paying \$17,832 in property taxes this year. Of that amount, \$3,170 or 17.78% is returned to the Town of Palm Beach.

**Town of Palm Beach**  
**3.2512**  
**17.78%**

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. A property with an assessed value of \$75,000 or more receives a \$50,000 exemption. 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

Residential property owners with an existing homestead exemption may 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/proppapp](http://www.co.palm-beach.fl.us/proppapp).

**Millage Rates and Taxable Values for Palm Beach County Municipalities  
Fiscal Year 2010**

	<i>Taxable Value</i>	<i>City Millage</i>	<i>City Debt</i>	<i>County, School &amp; Other</i>	<i>Total Millage Rate</i>	<i>Taxes Per Million</i>	<i>Difference from Palm Beach</i>
Manalapan	941,004,853	2.8000	0.0000	15.0378	17.8378	17,838	-451
Gulfstream	705,533,979	2.8655	0.0000	15.0378	17.9033	17,903	-386
<b>Palm Beach</b>	<b>13,380,593,484</b>	<b>3.2512</b>	<b>0.0000</b>	15.0378	18.2890	18,289	0
Hypoluxo	308,541,042	3.1500	0.0000	15.5896	18.7396	18,740	451
Cloud Lake	5,863,923	0.0000	0.0000	19.0477	19.0477	19,048	759
Glenridge	17,673,081	0.0000	0.0000	19.0477	19.0477	19,048	759
Boca Raton	17,992,026,248	3.0200	0.3211	15.9393	19.2804	19,280	991
Highland Beach	1,934,923,016	3.3542	0.9183	15.0378	19.3103	19,310	1,021
Jupiter Inlet Beach Colony	222,841,344	3.8079	0.0000	15.7149	19.5228	19,523	1,234
Loxahatchee Groves	228,610,492	1.4000	0.0000	19.0477	20.4477	20,448	2,159
Jupiter	7,752,708,217	2.5142	0.2904	17.6650	20.4696	20,470	2,181
Greenacres	1,481,871,956	5.1500	0.0000	15.5896	20.7396	20,740	2,451
Royal Palm Beach	2,145,724,050	1.9300	0.0000	19.0477	20.9777	20,978	2,689
Ocean Ridge	731,614,907	5.4000	0.0000	15.5896	20.9896	20,990	2,701
Palm Beach Gardens	8,918,245,790	5.3900	0.1490	15.5896	21.1286	21,129	2,840
Palm Beach Shores	539,543,955	5.7420	0.0000	15.5896	21.3316	21,332	3,043
Tequesta	834,425,204	5.7671	0.0000	15.7149	21.4820	21,482	3,193
Wellington	6,082,435,121	2.5000	0.0000	19.0477	21.5477	21,548	3,259
Lantana	874,441,768	3.2395	0.0000	18.4959	21.7354	21,735	3,446
Boynton Beach	4,653,904,924	6.7626	0.0000	15.0378	21.8004	21,800	3,511
North Palm Beach	1,672,849,640	6.9000	0.0000	15.0378	21.9378	21,938	3,649
Juno Beach	1,026,724,623	2.8000	0.0000	19.1730	21.9730	21,973	3,684
Village of Golf	140,674,591	7.1265	0.0000	15.0378	22.1643	22,164	3,875
Atlantis	439,426,677	6.6000	0.0000	15.5896	22.1896	22,190	3,901
Delray Beach	7,098,165,923	7.1900	0.5316	15.0378	22.7594	22,759	4,470
Palm Springs	705,088,943	3.5000	0.7736	18.4959	22.7695	22,770	4,481
South Palm Beach	307,636,118	7.6512	0.0000	15.5896	23.2408	23,241	4,952
Haverhill	81,185,205	4.2952	0.0000	19.0477	23.3429	23,343	5,054
Riviera Beach	3,679,059,836	8.4260	0.0000	15.0378	23.4638	23,464	5,175
West Palm Beach	10,196,983,298	8.0739	0.3836	15.0378	23.4953	23,495	5,206
Lake Worth	1,501,788,207	4.9999	0.3041	18.4959	23.7999	23,800	5,511
Lake Park	579,667,102	8.5163	1.4000	15.0378	24.9541	24,954	6,665
South Bay	56,522,363	6.3089	0.0000	19.0477	25.3566	25,357	7,068
Mangonia Park	180,249,868	9.8000	0.0000	15.5896	25.3896	25,390	7,101
Lake Clark Shores	200,554,250	6.4921	0.0000	19.0477	25.5398	25,540	7,251
Pahokee	92,712,051	6.5419	0.0000	19.0477	25.5896	25,590	7,301
Briny Breezes	38,943,696	10.0000	0.0000	15.5896	25.5896	25,590	7,301
Belle Glade	325,324,568	6.5419	0.0000	19.0477	25.5896	25,590	7,301

**General Fund Revenue and Expenditure Analysis**  
**Fiscal Year 2009 vs. 2010**

	<i>Budget FY2009</i>	<i>Budget FY2010</i>	<i>Difference</i>	<i>% Change</i>	<i>% of Total Budget</i>
<b>Revenues</b>					
Ad Valorem Taxes	42,543,000	41,326,000	(1,217,000)	-2.86%	61.8%
Non Ad Valorem Taxes	7,043,000	7,258,000	215,000	3.05%	10.9%
Licenses and Permits	5,612,900	5,607,300	(5,600)	-0.10%	8.4%
Intergovernmental	1,261,400	1,156,700	(104,700)	-8.30%	1.7%
Charges for Services	3,158,400	2,987,900	(170,500)	-5.40%	4.5%
Fines and Forfeitures	1,521,200	1,149,200	(372,000)	-24.45%	1.7%
Investment Earnings	1,201,300	1,540,000	338,700	28.19%	2.3%
Miscellaneous Revenues	309,300	299,400	(9,900)	-3.20%	0.4%
Interfund Transfers	4,685,100	5,528,800	843,700	18.01%	8.3%
<b>Total Revenues</b>	<b>67,335,600</b>	<b>66,853,300</b>	<b>(482,300)</b>	<b>-0.72%</b>	<b>100.0%</b>
<b>Expenditures</b>					
<b>Department</b>					
Legislative	117,400	118,700	1,300	1.11%	0.2%
General Government	1,830,900	1,372,600	(458,300)	-25.03%	2.1%
Town Manager	855,800	857,600	1,800	0.21%	1.3%
Advice and Litigation	402,500	402,500	-	0.00%	0.6%
Human Resources	727,600	690,800	(36,800)	-5.06%	1.0%
Information Systems	2,140,800	1,900,600	(240,200)	-11.22%	2.8%
Finance/Purchasing/Town Clerk	1,958,860	1,871,100	(87,760)	-4.48%	2.8%
Planning/Building/Zoning	4,156,600	3,903,600	(253,000)	-6.09%	5.8%
Library	272,400	272,400	-	0.00%	0.4%
Fire-Rescue	12,024,840	12,397,580	372,740	3.10%	18.5%
Police	16,017,300	15,569,000	(448,300)	-2.80%	23.3%
Hurricane Preparedness	82,500	82,500	-	0.00%	0.1%
Public Works	14,569,100	14,242,000	(327,100)	-2.25%	21.3%
Transfer to Other Funds	11,174,000	12,205,420	1,031,420	9.23%	18.3%
Contingent Appropriations	1,005,000	967,000	(38,000)	-3.78%	1.4%
<b>Total Expenditures</b>	<b>67,335,600</b>	<b>66,853,400</b>	<b>(482,200)</b>	<b>-0.72%</b>	<b>100.0%</b>

## Town Department Budget History

The following information represents five year budget to budget history by department. The information includes total expenditure budget by department, 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.

	FY06	FY07	FY08	FY09	FY10
Total Budget	698,270	782,906	822,837	855,800	857,600
Employees	6	6	6	6	6
Salary and Wages	512,827	550,123	585,055	614,800	606,400
Retirement	51,174	60,276	67,374	62,900	71,300
Health Insurance	47,952	46,590	44,970	58,800	55,300
Other Employee Benefits	86,291	86,897	96,175	91,900	96,900

### 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.

	FY06	FY07	FY08	FY09	FY10
Total Budget	1,776,946	1,870,144	2,040,575	2,005,800	1,900,600
Employees	6	6	6	6	6
Salary and Wages	429,090	445,248	474,934	490,800	483,100
Retirement	51,174	60,276	67,374	62,900	71,300
Health Insurance	47,952	46,590	44,970	48,400	55,300
Other Employee Benefits	59,680	68,180	74,287	77,100	77,800
Contractual - Software Maint.	170,000	186,000	275,000	305,000	370,000
Contractual - Equipment Maint.	75,000	80,000	85,000	80,000	80,000
Minor Computer Equipment	58,000				
Capital - Major Computer Equipment		75,500	56,600	30,000	21,000
Capital - Software	277,500	537,500	361,000	350,000	160,000
Capital - Depreciation	340,000	320,000	330,000	330,000	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.

	FY06	FY07	FY08	FY09	FY10
Total Budget	737,657	784,821	795,032	727,600	690,800
Employees	5	5	5	5	4.95
Salary and Wages	362,045	377,969	392,500	397,500	361,400
Retirement	33,263	39,179	43,793	44,600	49,300
Health Insurance	39,161	38,049	36,726	48,500	45,600
Other Employee Benefits	71,821	70,937	74,811	73,000	59,700
Employee Training	50,000	50,000			12,000
Employee Recruiting	51,000	58,400	70,800	62,500	59,500
Capital - Depreciation	2,367	1,587	1,452	1,500	1,500

## Finance Department

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

	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Total Budget	1,768,194	1,830,421	1,906,645	1,958,860	1,871,100
Employees	18	18	18	17.95	17.45
Salary and Wages	1,085,692	1,118,476	1,168,697	1,205,700	1,136,000
Retirement	136,464	170,782	190,893	178,000	201,200
Health Insurance	143,856	139,770	134,910	175,800	155,800
Other Employee Benefits	156,660	149,335	148,639	151,111	99,900
Contractual - Annual Audit		53,500	55,700	63,000	65,600
Capital - Depreciation	5,113	4,376	5,438	5,449	5,449

## 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.

	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Total Budget	10,070,972	11,143,374	11,409,420	12,024,840	13,173,580
Employees	85	85	85	85	90.2
Salary and Wages	5,927,191	6,159,375	6,236,200	6,768,700	7,258,600
Retirement	1,332,202	2,210,974	2,470,487	2,310,900	2,697,300
Health Insurance	639,360	628,965	607,095	788,600	831,700
Other Employee Benefits	837,691	867,391	871,042	925,419	1,014,440
Uniforms	67,125	70,750	70,800	75,800	75,800
Fuel			35,000	65,000	60,000
Medical Supplies	87,100	90,000	80,000	90,000	90,000
Minor Operating Equipment		60,000	62,000	62,000	7,600
Capital - Depreciation	304,858	295,419	622,196	622,217	798,300
Capital - Other Machinery & Equip	83,300	136,000			
Capital - Grant Equipment	340,000	130,000	50,000	50,000	50,000
Capital - Lease Fire Trucks	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.

	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Total Budget	15,329,229	15,249,653	16,076,893	16,017,300	14,793,000
Employees	131	131	131	131	115.05
Salary and Wages	8,462,050	8,746,763	9,014,238	9,347,400	8,383,500
Retirement	2,229,994	2,689,213	2,905,097	2,578,300	2,683,200
Health Insurance	1,046,952	1,017,215	970,603	1,266,100	1,061,100
Other Employee Benefits	1,451,948	1,384,904	1,402,208	1,351,900	1,249,900
Fuel	93,140	110,000	185,900	207,100	181,600
Contractual - Data Line	75,533	62,380	59,400	65,700	80,900
Capital - Depreciation	367,785	325,504	502,505	502,400	546,900
Capital - Radio System	580,000		118,300		
Electronic Chalking			210,000		

## Advice and Litigation

Advice and litigation expenses for the Town Attorney and outside counsel.

	FY06	FY07	FY08	FY09	FY10
<b>Total Budget</b>	325,176	321,500	309,000	402,500	402,500

## 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.

	FY06	FY07	FY08	FY09	FY10
Total Budget	15,749,546	14,635,846	15,163,203	14,554,100	14,242,000
Employees	101.88	101.88	101.91	101.46	97.75
Salary and Wages	5,431,907	5,486,458	5,816,426	6,118,900	5,648,400
Retirement	838,158	972,452	1,065,747	996,100	1,090,400
Health Insurance	814,225	790,480	763,816	998,700	910,700
Other Employee Benefits	741,287	710,707	788,071	797,300	711,600
Fuel	108,240	100,000	80,000	249,600	258,700
Vehicle Maintenance	83,000	95,000	95,000	95,000	55,000
SRF Loan	123,100	123,100	123,100	123,100	123,100
Contractual - Street Sweeping	135,100	140,000	183,000	150,000	150,000
Contractual - Street Lighting			234,755	234,755	237,900
Contractual - Annual Street Resurfacing	225,000				
Contractual - Electrical Task Order Contract		129,000	134,000	136,000	133,700
Contractual - Electric	525,400	526,800	510,300	662,200	588,700
Contractual - Sanitary Sewer Maint.	75,500	85,000	66,000	66,000	40,100
Contractual - Storm Sewer Maintenance			62,000	62,000	63,500
Contractual - Sewage Treatment & Disp.	1,257,000	1,650,000	1,426,900	1,426,900	1,690,100
Contractual - Commercial Collection	207,900	220,000	220,000	240,000	269,000
Contractual - Solid Waste Disposal Fees	70,000	90,000	100,000	100,000	110,000
Contractual - Landscape Contracting	322,500	303,000	299,000	252,800	279,000
Contractual - Water	98,000	115,000	118,500	118,500	174,100
Contractual - Janitorial	99,200	138,000	157,400	168,800	130,000
Contractual - Building Maintenance	235,000	350,000	280,000	196,500	188,700
Contractual - Coastal		1,030,733	703,700	140,000	150,000
Contractual - Sand Transfer Plant	270,000	296,267	277,000	295,000	310,000
Capital - Depreciation	264,391	269,449	426,553	426,600	446,300
Capital - Storm Sewer Rehabilitation	90,000	100,000	100,000	100,000	80,000
Capital - Sanitary Sewer Rehabilitation	90,000	90,000	90,000	90,000	80,000
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.

	FY06	FY07	FY08	FY09	FY10
Total Budget	3,505,886	3,576,896	4,031,313	4,156,600	3,903,600
Employees	22.5	22.5	22.5	22.5	28.8
Salary and Wages	1,760,609	1,901,154	2,115,355	2,160,000	2,131,300
Retirement	249,513	319,063	394,296	404,100	421,500
Health Insurance	215,784	209,655	213,607	281,600	255,900
Other Employee Benefits	235,944	253,381	290,718	279,600	271,800
Contractual - Legal		95,600	95,600	88,500	73,500
Contractual - Comprehensive Plan	120,000	125,000	125,000	125,000	50,000
Contractual - Plan Review	100,000	153,100	260,000	180,000	155,000
Contractual - Contractual Inspection	110,000	142,100	150,000	180,000	180,000
Contractual - Landmark			41,350	39,600	42,000
Capital - Depreciation	15,956	14,323	11,197	11,200	11,200

## OTHER ITEMS AFFECTING THE GENERAL FUND

	FY2006 <i>Actual</i>	FY2007 <i>Actual</i>	FY2008 <i>Actual</i>	FY2009 <i>Budget</i>	FY2010 <i>Budget</i>
Risk Insurance	2,390,000	2,220,201	2,392,000	1,918,000	1,904,463
Retiree Health Insurance	918,991	993,700	1,466,000	1,649,000	1,550,000
Equipment Replacement Fund Expenditures	807,741	1,999,511	2,584,712	2,910,000	976,350
Depreciation Charged to General Fund	5,509,716*	1,234,215	1,903,368*	1,903,466	2,143,700

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

## Total Annual Debt Service FY2010-2019

Fiscal Year	2010A			2010B	Total
	Revenue Bond-CIP	Revenue Bond-Par 3	Revenue Bond- Worth Ave	Revenue Bond- Worth Ave	
2010	906,553	24,811	200,064	200,064	1,131,428
2011	3,496,000	125,338	863,663	863,663	4,485,001
2012	3,497,500	124,238	862,713	862,713	4,484,451
2013	3,491,275	127,938	866,613	866,613	4,485,826
2014	3,494,700	126,288	865,363	865,363	4,486,351
2015	3,499,775	124,488	864,013	864,013	4,488,276
2016	3,493,650	127,288	866,894	866,894	4,487,832
2017	3,500,850	124,688	863,369	863,369	4,488,907
2018	3,496,250	126,988	863,588	863,588	4,486,826
2019	3,499,850	124,188	863,088	863,088	4,487,126

**Capital Improvement Program  
FY2006 - FY2010 Budget**

<b>Expenditure Budget Project Description</b>	<b>FY2006 Budget</b>	<b>FY2007 Budget</b>	<b>FY2008 Budget</b>	<b>FY2009 Budget</b>	<b>FY2010 Budget</b>	<b>Total</b>
<i>Reserve for 20 year CIP</i>					2,600,000	2,600,000
<i>Storm Water System</i>	1,835,000	2,680,000	250,000	1,275,000	777,000	6,040,000
Improvements	1,705,000	2,180,000	250,000	775,000	750,000	4,910,000
D-15 Cooling System Repair	30,000					30,000
Rehabilitate Storm Pump Structures	100,000	500,000		500,000	27,000	1,100,000
<i>Sanitary Sewer System</i>	1,025,000	319,783	500,000	1,125,000	1,276,957	2,969,783
General Improvements	1,025,000	100,000	500,000	750,000	371,957	2,375,000
Force Main Rehabilitation				125,000	300,000	125,000
WPB Central Pump Bypass & Reserve		219,783		50,000	50,000	269,783
Rehab Sanitary Sewer Pumping Stations				200,000	115,000	200,000
Replace E-Station					440,000	440,000
<i>Streets and Roads</i>		844,000	1,191,000	607,000	250,000	2,642,000
Bridge Rehabilitation		50,000	100,000			150,000
Milling & Resurfacing Program		500,000	500,000	607,000	250,000	1,607,000
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>Refurbish Memorial Fountain</i>			50,000			50,000
<i>Water Main Improvements WPB</i>		479,993	500,000	300,000	500,000	1,279,993
<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>		165,000	125,000	85,000	65,000	375,000
Truck Bay Repair		40,000				40,000
Replacement of Windows		125,000	125,000			250,000
Traffic Signal Installation				85,000	65,000	85,000
<i>Central Fire-Rescue Station</i>		50,000				50,000
Vehicle Exhaust Removal System		50,000				50,000
<i>Intracoastal Bulkhead Repair Reserve</i>		15,000				15,000
<b>Total Expenditures</b>	<b>2,900,000</b>	<b>4,811,776</b>	<b>3,346,000</b>	<b>3,392,000</b>	<b>5,468,957</b>	<b>17,049,776</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 330 active employees and 320 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>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
General	1,919,016	2,296,302	2,488,986	2,319,374	2,507,174
Lifeguards	87,955	118,863	125,916	100,754	109,310
Police	1,652,583	2,158,494	2,366,346	2,090,160	2,261,552
Fire-Rescue	1,351,449	2,258,786	2,525,215	2,359,327	2,647,210
<b>Total</b>	<b>5,011,003</b>	<b>6,832,445</b>	<b>7,506,463</b>	<b>6,869,615</b>	<b>7,525,246</b>

## Funding Levels

	<i>FY2004</i>	<i>FY2005</i>	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>
General & Lifeguards	91%	87%	88%	93%	88%
Police	90%	85%	86%	92%	90%
Fire-Rescue	85%	77%	77%	82%	80%

The contribution rates for the FY10 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%	18.71%
Lifeguards	7.21%	31.42%
Police	6.98%	43.30%
Fire-Rescue	6.82%	47.50%

	<i>General Employees</i>	<i>Ocean Rescue</i>	<i>Police Pension</i>	<i>Firefighter Pension</i>
Normal Cost and Expenses	23.06%	33.09%	41.53%	40.85%
Unfunded Actuarial Accrued Liability	4.36%	7.49%	11.01%	17.03%
Total Contribution Requirement	27.42%	40.58%	52.54%	57.88%
Member Portion	6.47%	7.21%	6.98%	6.82%
Town Portion	20.95%	33.37%	42.19%	46.01%
State Portion	N/A	N/A	3.37%	5.05%

## Employee Benefits Summary

	<i>FY2006</i>	<i>FY2007</i>	<i>FY2008</i>	<i>FY2009</i>	<i>FY2010</i>
Retirement	5,011,003	6,832,445	7,506,463	6,869,615	7,525,246
Health Insurance Funding	3,198,185	2,916,407	3,001,348	3,900,000	3,900,000
Retiree Health - OPEB	918,991	993,700	1,466,000	1,649,000	1,550,000
Other Employee Benefits	3,527,989	3,925,965	4,061,934	4,076,830	4,076,830
<b>Total</b>	<b>12,656,168</b>	<b>14,668,517</b>	<b>16,035,745</b>	<b>16,495,445</b>	<b>17,052,076</b>
<b>% Increase</b>	<b>10.84%</b>	<b>15.90%</b>	<b>9.32%</b>	<b>2.87%</b>	<b>3.37%</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.