

A scenic view of a beach with palm trees and a city skyline in the distance under a blue sky with clouds. The foreground is a wide, sandy beach with some footprints. To the right, there is a line of lush greenery and several tall palm trees. In the background, the ocean is visible with a few boats and a city skyline on the horizon. The sky is a vibrant blue with scattered white clouds.

**Palm Beach County, FL
Fiscal Year 2010
BUDGET IN BRIEF**

Board of County Commissioners

Burt Aaronson, Chair
Karen T. Marcus, Vice Chair
Jeff Koons
Shelley Vana
Steven L. Abrams
Jess R. Santamaria
Priscilla A. Taylor



County Administrator

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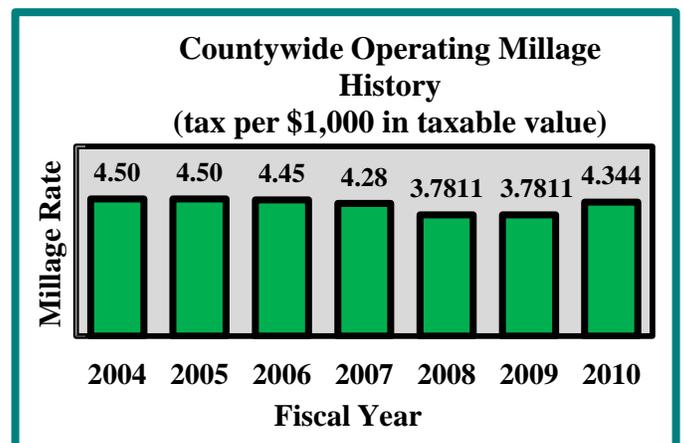
January 21, 2010

The Honorable Burt Aaronson, Chair and
Members of the Board of County Commissioners

RE: Adopted Budget – FY 2010

On behalf of the County Departments and Constitutional Officers, I am pleased to present the adopted budget for FY 2010. The budget is balanced at the roll back rate of 4.344 mills. Although this represents a rate increase from the prior year – due to a 13% decrease in property value, exclusive of new construction – it does not represent a tax increase. Major revenues are down \$15 million, one-time funding used last year to balance the budget is not available this year, and the Sheriff’s budget increased \$11.9 million. Balancing the budget under these circumstances was challenging and required difficult funding decisions. This was accomplished by a careful review of County operations and capital project requirements. Decreases in annual revenues were offset by budget cuts and one-time funding such as defunded capital projects, use of investment earnings on debt proceeds for annual debt service payments, and reserves. This year’s cuts totaled more than \$50 million, including \$6 million to reserves, \$33 million to County departments and agencies, and \$7.4 million to capital. However, this task was accomplished while maintaining funding for nearly all of the services that the Board has traditionally supplied to County residents and visitors. Funding will be available to keep commitments to employees (union contracts) and to provide adequate supplies, materials and equipment so that they can perform their jobs safely and satisfactorily.

Undesignated reserves for the countywide, tax-equivalent funds for FY 2010 have decreased to 7.7% of the budget for those funds. The availability of reserves for use in a financial emergency is one indication that a government is financially strong. Reserves provide the flexibility to fund special opportunities and emergencies and are a key consideration when rating agencies evaluate future borrowings. The County – one of only 22 in the country – currently maintains AAA ratings from all three rating agencies.



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Budget, Millage, and Taxes:

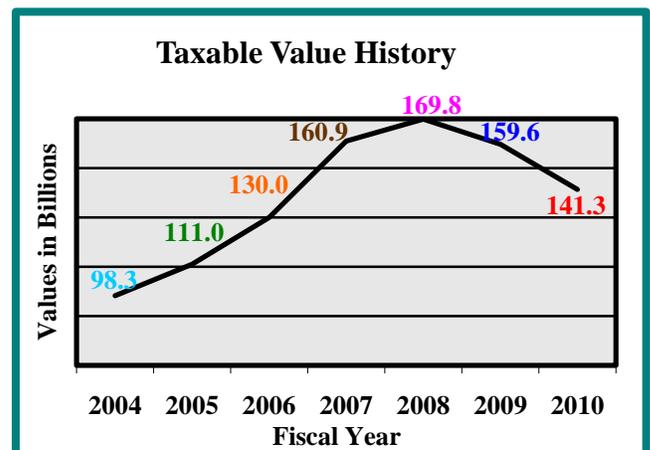
The FY 2010 adopted budget totals \$4.1 billion. The net budget, which excludes internal service charges, interdepartmental charges, and interfund transfers, is \$3.49 billion, an increase of \$154.9 million, or 4.6% from FY 2009. This increase is primarily attributable to American Recovery and Reinvestment Act (ARRA) grant awards and Water Utilities projects. Taxes in comparison to roll-back and the prior year are summarized in the following table.

Taxing District	FY 2009		FY 2010 Rollback		FY 2010 Adopted	
	Millage	Amount	Millage	Amount	Millage	Amount
Countywide	3.7811	605,453,996	4.3440	613,607,557	4.3440	613,607,557
Library	0.4970	43,136,980	0.5776	43,552,242	0.4970	37,474,834
Fire Rescue						
Main MSTU	2.9500	187,727,651	3.4581	196,305,394	3.4581	196,305,394
Jupiter MSTU	2.2858	19,451,279	2.5451	19,705,619	1.9501	15,098,789
Aggregate	5.3443	855,769,906	6.1816	873,170,812	6.1059	862,486,574

Property Values:

The taxable value as of January 1, 2009 (used in calculating millage rates for FY 2010) is \$141.3 billion, a decrease of \$18.3 billion, or 11.5% from the 2008 valuation, including new construction of \$2.3 billion and the revaluation of existing property. All property values and roll back calculations are based on the preliminary tax roll submitted by the Property Appraiser on July 1. For the second consecutive year, the rollback millage rate is greater than the prior year rate because of the decreased taxable value.

Home prices continued to decline in the early months of 2009, but more recently have begun to stabilize. Although the Federal Government introduced the Federal Housing Tax Credit, where first-time home-buyers can claim a tax credit up to \$8,000 and, effective November 6, 2009, existing home-buyers can claim a tax credit up to \$6,500, the number of homes sold in Palm Beach County during the last quarter of 2009 is down by 19.6% compared to the last quarter in 2008. However, home sales are expected to increase as a result of the April 30th



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extension provided for the Federal Housing Tax Credit. Nonetheless, initial projections for FY 2010 indicate a 12% decrease in taxable values. This projection is attributable to the cyclical lag in commercial property valuation that occurs following the change in the residential sector.

Budget Preparation Guidelines:

The review and adoption of the annual budget is one of the most important policy-making responsibilities of the Board of County Commissioners. The budget establishes priorities among competing governmental services and establishes levels of service that are within the fiscal capabilities of the County. The budget development process began early in 2009, key assumptions were identified and budget forecasts were prepared. Instructions for the budget were set forth in the Budget Instruction Manual (BIM) which was distributed to County departments in February 2009. County departments were instructed to reduce their ad valorem budgets by 10%, for a total savings of \$36 million.

One key element of the budget development process was the identification of budget strategies that achieved budget reductions while minimizing the impact on services to the residents. Administration reviewed these strategies that included relevant information about the effect(s) reduced funding or elimination of program(s) would have on a department's ability to achieve their goals and objectives. These strategies were the basis on which this year's difficult funding decisions were made. Departments were encouraged to give special consideration to:

- Programs that could be reduced, combined, or eliminated;
- Positions vacant for an extended period of time;
- Line-item analysis to maximize efficiency; and
- Procedural improvements that maximized efficiency of operations.

Budget priorities for FY 2010 were maintenance of service levels and public safety. A discussion of these issues and their budget implications can be found on page viii of this message in the **Issues/Priorities** section.

Requests for new funding in the capital budgets were carefully reviewed and prioritized by the Office of Financial Management and Budget and the Management Team. Detailed information including current financial status, recommended departmental funding changes and capital projects was presented to the Board during the first of three budget workshops held on June 8, 2009. The second and third workshops were held on June 29 and July 13. Citizen input – a key component of the budget development process – was a significant segment of each workshop. After reviewing major assumptions and the impact of proposed budget cuts on the community, the Board voted to advertise the rollback rate of 4.344 on Truth in Millage (TRIM) notifications.

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Major Changes in Countywide Tax Equivalent Funding: 2010 Compared to 2009

The following table provides a summary of changes in funding levels in FY 2010, followed by discussion of the major factors affecting those changes. For purposes of this schedule, countywide tax equivalent funds include the General Fund, the County Transportation Trust Fund, and the Sales Tax Fund.

Budget Factor	Impact on Ad Valorem Requirements (in millions of dollars)	
	Increase	Decrease
Increase in Ad Valorem taxes		\$8.1
Decrease in tax-equivalent revenue, net	\$17.7	
Impact of one-time funding sources		26.7
Decrease in beginning balances brought forward	55.3	
Appropriations:		
Decrease in Capital Projects		7.4
Decrease in Board departments and agencies		34.4
Decrease in Non-departmental operations		4.3
Increase in Debt Service	4.8	
Increase in Sheriff	11.9	
Net decrease in Other Constitutional Officers		4.0
Net decrease in reserves		6.1
Impact of statutory reserve requirement	1.3	

Ad Valorem Taxes: The roll back rate of 4.344 – a millage rate based on January 1, 2009 values that will generate the same taxes as the year before – will generate \$8.1 million more ad valorem than last year, due to new construction.

Decrease in Net Tax-Equivalent Revenue: The decrease is mostly attributable to the decrease in major revenues. More detailed information can be found on page vi of this message.

Decrease in Beginning Balance Brought Forward: Nearly \$50 million of the \$55.3 million decrease is a result of using reserves to balance the FY 2009 budget. The remaining decrease is due to a decrease in revenue during FY 2009.

Impact of One-time Funding Sources: One-time funding available from defunded capital projects and internal service operations was used to balance this year’s budget.

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Capital Projects: The FY 2010 budget includes \$11.1 million in new countywide ad valorem, or equivalent, funding for capital projects. This is a decrease of 39.9% from FY 2009's funding level of \$18.4 million. Adequate funding of infrastructure and facilities is crucial to the County's operations and a failure to invest adequately in capital could diminish future services and quality of life. Every effort is being made to maintain a minimum level of capital improvement funding to insure the County's long-term infrastructure needs are met.

Board Departments and Agencies: This decrease represents a 10% reduction in net ad valorem funding for Board Departments and Agencies. Specific decreases for each Board Department and Agency are highlighted in the budget document under each Department/Division Summary section.

Non-Departmental Operations: The decrease in FY 2010 is primarily attributable to reduced payments to Community Redevelopment Agencies (CRA); certain Information Systems Services (ISS) contract costs being moved into the ISS budget; and an overall reduction in operating expenses required to balance the budget at the adopted millage rate.

Sheriff's Budget: The Sheriff's budget – representing nearly half of the tax equivalent budget – continues to be the major component in the budget development process. The \$11.9 million increase in net ad valorem for operating (excluding the \$8 million ad valorem carryover for capital) represents the only increase in countywide Departmental or Constitutional appropriation budgets that is not grant funded. The increase is due to wage increases provided for in union contracts, and the annualization of positions added during FY 2009 for additional service area agreements.

Other Constitutional Officers/Judicial: Included in this category are the following offices:

- The **Property Appraiser's** net budget is \$20.5 million. The general fund portion is \$17.2 million, 8% lower than FY 2009. Fourteen positions were deleted.
- The **Supervisor of Elections'** operating budget is \$9 million, 10% lower than FY 2009. A significant portion of this decrease is due to the decrease in the number of elections and the elimination of three positions.
- The **Tax Collector's** budget is based on proposed taxes and fees determined by statute. The general fund portion, net of excess fees, is estimated to be \$4.5 million.
- The **Clerk and Comptroller's** budget for BCC- supported costs is \$14.4 million. Net of ISS charges, the budget decreased 5% from FY 2009.
- **Judicial** has four components – Court Administration, Public Defender, State Attorney, and Court Related Information Technology. Overall, the Judicial budget decreased 8.4% or \$0.6 million. Although the overall budget decreased, the Ad Valorem support increased by \$1.5 million due to the reduction in fees collected to offset the County's cost of Court Related Information Technology.

Net Decrease in Reserves: Undesignated reserves for the countywide, tax-equivalent funds for FY 2010 have been reduced to 7.7 % of the total budget for those funds, down from 8.1% last year. Rating agencies carefully monitor reserve levels and consider adequate reserve levels to be a sign of creditworthiness. Rating agencies have cited the County's prudent reserves as a significant factor in maintaining a AAA rating in this struggling economy.

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Revenues:

An overall decrease of 7.9% is anticipated in major revenues as the chart below indicates. These decreases are due to the housing slump and downturn in the economy, but have been offset by reductions to operating budgets and reserves. The revenues represented in this summary include the countywide tax-equivalent funds (General Fund, County Transportation Trust, Utility Tax – Electricity and Sales Tax).

Revenue Category	FY 2009 Budget	FY 2010 Budget	% Change Budget-to-Budget
Communications Services Tax	\$30,500,000	\$25,800,000	(15.4)%
Half Cent Sales Tax	75,997,000	62,000,000	(18.4)%
State Revenue Sharing	24,675,000	20,000,000	(18.9)%
Electric Franchise Fees	26,208,000	35,000,000	33.5%
Utility Taxes	29,250,000	29,100,000	(0.5)%
Total	\$186,630,000	\$171,900,000	(7.9)%

The Communications Services Tax (CST), a State administered revenue, is a tax on telecommunications and cable television. The decrease in revenue is primarily due to the first of three \$2.3 million annual repayments to the State for redistribution to other local governments as a result of the State’s miscalculation of CST distribution in prior years. Other decreases are in part due to no anticipated increase in the County’s population.

Revenues from the Sales Tax and State Revenue Sharing, which is comprised of state cigarette and sales taxes, are projected to be down from FY 2009. This is reflective of the economy and is consistent with the State of Florida as a whole.

Franchise Fees on electricity is up from FY 2009 due to the new Franchise Fee agreement with Florida Power & Light (FPL) whereby the offset of ad valorem used to calculate the fee was deleted. As a result, an additional \$11 million in Franchise Fees is projected for FY 2010 and annually thereafter. This change ensures that future increases in FPL’s ad valorem liability – specifically that generated by a new plant coming online in 2012 – will no longer reduce the level of Franchise Fee revenue to the County.

Size of the Workforce:

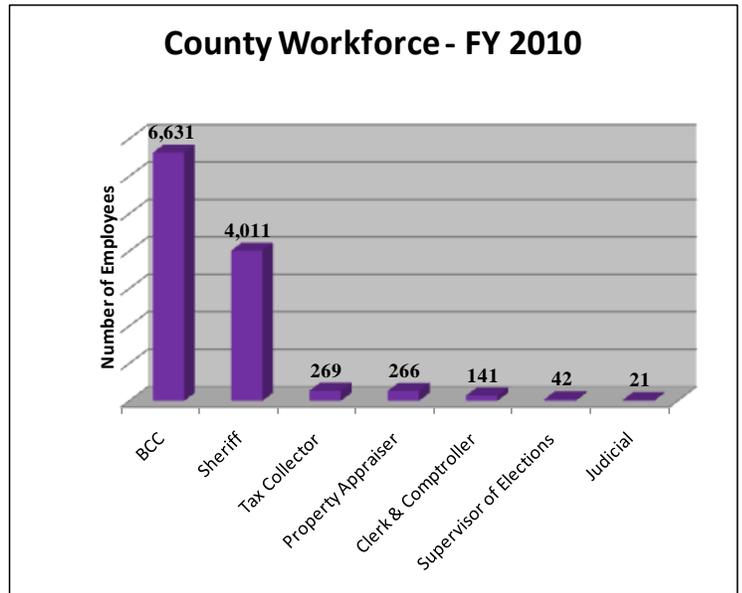
The FY 2010 budget provides for 11,381 positions, of which 6,631 are funded in departments controlled by the Board of County Commissioners. County departments have eliminated 232 positions, a 3.5% decrease from the FY 2009 complement. Since a majority of those positions were vacant, the cuts will not result in a significant reduction in service levels in the upcoming year. The largest cuts this year were in Planning, Zoning, & Building where 55 positions were deleted, Facilities Development & Operations where 34 positions were deleted and Parks and Recreation where 33 positions were deleted. Another 18

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positions were cut from Engineering, with the remainder of the positions coming from 18 different departments.

Two strategies implemented to balance the budget were the Voluntary Separation Incentive Program (VSIP) and privatization. For the first time ever, the County offered an early retirement program to eligible employees. Seventy-one out of 1,100 eligible employees accepted the VSIP offer and nearly all of those positions were then eliminated. In addition, four positions were eliminated as a result of privatizing the claims administration component of our Worker’s Compensation Program, which resulted in an annual cost savings of \$180,000.

The Constitutional Officers’ staff (including Judicial) totals 4,750, up 143 from FY 2009. The Sheriff’s Office complement increased by 163 positions, while the remaining constitutional officers had 20 positions deleted.



Capital Projects: The FY 2010 Capital Improvement Program, including interfund transfers and debt service, totals \$1.39 billion. Of this, \$1.1 billion is funding carried over from previous years and approximately \$314.4 million is new funding, including ad valorem taxes, gas taxes, impact fees and bond proceeds. New capital projects usually impact the County’s operating budget in future years. This impact is an important consideration in determining the approval of new projects; each department is required to provide estimated operating expenses when requesting capital projects during the budget development process. Further discussion of operating impact can be found in the Capital section of this document and in the Capital Improvement Program (CIP) document. Due to the current budgetary limitations, most general funded capital projects have been limited to repair & maintenance.

The other new capital projects are from other funding sources and include the following (stated in millions of dollars):

- \$ 102.9 Various Road Projects including Jog Road-Roebuck Road to South of 45th Street and Military Trail-Clint Moore Road to Lake Worth Road
- \$ 26.1 Water Utilities’ projects including the Southern Regional Wastewater Treatment Plant
- \$ 65.3 Various Airports’ projects including the Midfield Taxiway “L” EAST

Criteria for establishing the prioritization of capital project proposals are established in the Capital Improvement Element of the Comprehensive Plan (Comp Plan). These criteria address issues such as why the project is needed, what type of service the project will support and the physical location of the proposed project. The Comp Plan is based on an overall goal of maintaining a high quality of life in Palm

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Beach County. Further discussion of the Comp Plan can be found in the Introduction section of the Budget Document, under Long-Term Goals and Policies.

The County's five-year CIP is published in a separate document and includes capital and operating costs with funding sources for the current fiscal year plus four years into the future. County Administration, the Planning Division, and the Budget Office staff work together to review and revise the levels of service previously adopted in the Comp Plan. The CIP is the basis for prioritizing capital projects and for determining if an amendment to the Capital Improvement Element of the Comp Plan is necessary.

Issues/Priorities:

Criminal Justice Issues: Criminal justice issues continue to be a driving force on the County budget. The FY 2010 budget includes a net ad valorem increase of \$11.9 million for the Sheriff, and carryover of revenue bond funding for the jail expansion program as identified in the Detention Facilities Master Plan.

Affordable Housing – Homelessness: The County's 10-year plan to end homelessness outlines the various strategies and timelines to target homelessness and the lack of affordable housing in the County. Significant strides have been made in this endeavor. Most notably is \$8.5 million in grant funding that has been secured for establishing the first of three proposed Homeless Resource Centers. The first of the centers is scheduled to open in FY 2011. Moreover, the County has secured \$50 million in ARRA funds to redevelop and rehabilitate 247 units of foreclosed or vacant properties and provide financing mechanisms in the form of mortgage assistance to benefit a total of 408 households. An additional \$28 million will be leveraged to ensure neighborhood stabilization.

Declining Revenues: The major 'source of funds' factors affecting the FY 2010 budget development process were declining property values, and a 15% reduction in major revenues (Sales Tax, Communication Services Tax, Utility Tax) due to the downturn in the economy. Nonetheless, the goal was to balance the budget at the rollback rate while minimizing the impact to the citizens and taxpayers of Palm Beach County. Existing fees and charges for services were increased where appropriate and a new Boat Ramp Parking Fee was approved during FY 2009.

Economic Development: The Palm Beach County Strategic Economic Development Plan shapes the County's policies and directions that will define its economic future. It provides a comprehensive overview of the economy, sets policy direction for economic growth and identifies strategies, programs and projects to improve the tax base and the economy. Elements of the plan include recommendations to County economic policy, realization of federal and state funding, and continued coordination with public/private partnerships. Current endeavors include the Ag Market Place System, Inland Port, Canals Revitalization, and Glades Ecotourism. As evidence to the County's commitment and endeavors in economic development, the International Economic Development Council awarded Palm Beach County's Strategic Economic Plan with the Award of Excellence for having the best global plan in the United States. Further evidence of the County's commitment and capacity to facilitate economic development is the \$81 million in American Recovery and Reinvestment Act (ARRA) funds that have been awarded to date.

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Moreover, the County has made a significant investment in the biotechnology industry. Scripps and the Max Planck Society are two high-profile anchor organizations that are attracting smaller biotech related companies. More than twenty smaller biotech related companies have either expanded operations or begun operating in the area as well – a clear indication of the positive economic impact of our investment in biotechnology.

For the Future:

The struggling economy will hamper our ability to provide non-essential programs and current levels of services for our citizens. Double digit unemployment is a good indicator of why Sales Tax revenue is down 18% to 2003 levels. Although signs of recovery in the housing sector are beginning to appear, the slump in the commercial market is projected to take a bite out of our taxable value next year. A 12% decrease for FY 2011 could reduce ad valorem tax by \$70 million if the millage rate were to remain the same. Even at roll back, due to the one-time funding used to balance this year's budget, we will be facing a \$50 million deficit. It will be the fourth year of a multi-year challenge to wisely deliver necessary services at a reasonable cost. However, existing levels of service and the magnitude of current programs will not be possible next year without significant changes in the County's budget development strategy. A critical factor is the Sheriff's budget. The Sheriff must do his part in helping to eliminate the looming deficit. If not, we are faced with no other options but to increase taxes, significantly reduce levels of service or eliminate County programs.

Conclusion:

This budget achieves the Board's directive of no increase in tax revenue without sacrificing the quality and level of services that Palm Beach County residents expect and demand.

Budget preparation is truly a team effort. The work and support of the Management Team, the Office of Financial Management and Budget, and the individual departments are greatly appreciated. Special appreciation is directed to the Board of County Commissioners for their commitment to addressing the difficult policy decisions inherent in the budget process.

Sincerely,



Robert Weisman
County Administrator



PRINCIPAL OFFICIALS OF PALM BEACH COUNTY

Board of County Commissioners:

Karen T. Marcus, District 1

Jeff Koons, District 2

Shelley Vana, District 3

Steven L. Abrams, District 4

Burt Aaronson, District 5

Jess R. Santamaria, District 6

Priscilla A. Taylor, District 7

Constitutional Officers:

*Sharon R. Bock,
Clerk & Comptroller*

*Gary R. Nikolits,
Property Appraiser*

*Ric L. Bradshaw,
Sheriff*

*Susan Bucher,
Supervisor of Elections*

*Anne M. Gannon,
Tax Collector*

Appointed Officials:

Robert Weisman, County Administrator

Denise Nieman, County Attorney

Joseph Bergeron, Internal Auditor

Office of Financial Management and Budget:

Elizabeth Bloeser, OFMB Director

Joseph Doucette, Budget Director

Minal Shah, Assistant Budget Director

ACKNOWLEDGEMENTS

Special recognition is given to the following individuals for their efforts in coordinating and preparing the FY 2010 Budget.

Office of Financial Management & Budget

Elizabeth Bloeser	OFMB Director
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Minal Shah	Assistant Budget Director
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Beverley Reid	Financial Analyst III
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Aaron Maharaj	Financial Analyst II
Susan Neary	Financial Analyst II
Jerry Kolb	Financial Analyst I
Ann Wilson	Fiscal Specialist III

Special thanks to:

County Commissioners for their early and continuous involvement in the budget process.

County Administrator, Deputy County Administrator and Assistant County Administrators for their expanded participation in this year's budget process.

Department Heads and Their Staff for their extraordinary effort in formulating the budget.

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Section A

Introduction



INFORMATION ABOUT PALM BEACH COUNTY

Located on the southeast coast, Palm Beach County is the largest of Florida's sixty-seven counties. The County's 2,268 square miles include 1,980 square miles of land and 288 square miles of surface water, making it one of the largest counties east of the Mississippi River.

The surface water areas include the Intracoastal Waterway and approximately one-third of Lake Okeechobee. Lake Okeechobee is the largest freshwater lake in the state and the largest in the United States except for the Great Lakes. The County has 45 miles of shoreline and is 53 miles wide.

Palm Beach County's climate has enhanced its image as a location that provides a high quality of life to its residents. The average temperature is 75 degrees with an average of 82 degrees in the summer and 67 degrees in the winter. The wet season extends from June through October, with an average annual rainfall of 62 inches.

Close to several major Florida cities, central Palm Beach County is about one hour north of Fort Lauderdale, one and one-half hours north of Miami, and two and one-half hours south of Orlando.

History

The first settlers in what is now Palm Beach County were Indian tribes such as the Tequesta, Jeaga, Caloosa, and later the Seminoles. The next settlers arrived in 1860 when the Jupiter Lighthouse was built to aid sailors navigating the Atlantic Ocean.

Homesteading began in the late 1800's with the majority of the settlers coming to the area to farm. Early farmers found the soil to be highly productive and earned most of their income by growing vegetables for the northern winter market.

The late 1800's also marked the beginning of the tourism industry. Transportation improvements, particularly to the railroad system, provided easier access to the area. Hotels to serve tourists and the first winter homes for seasonal residents were constructed.

In 1892, Henry Flagler visited Palm Beach and decided to build a large resort hotel, the Royal Poinciana, and extend the Florida East Coast Railroad to West Palm Beach from Jacksonville. These developments made Palm Beach the nation's premier winter resort. Flagler considered the mainland area a perfect satellite location to service his resort and a good place for his workers to live. This area was incorporated as West Palm Beach in 1894.

Other cities, such as Linton and Boynton Beach, were established soon after West Palm Beach. Linton was founded in 1894 by William S. Linton, the postmaster of Saginaw, Michigan. He and a friend purchased 160 acres of land and sold it in five-acre tracts through ads in Michigan newspapers. In 1901, they renamed the town Delray Beach, after a Detroit suburb. Boynton Beach was founded in 1895 when Civil War officer Major Nathan S. Boynton built a 50-room resort hotel on the beach. One year later the railroad came through on its way to Miami.

INFORMATION ABOUT PALM BEACH COUNTY

The State Legislature established Palm Beach County as Florida's 47th County on July 1, 1909. Prior to that time, the area was part of Dade County. Palm Beach County originally encompassed Lake Okeechobee and the areas that became Broward County in 1915, Okeechobee County in 1917, and Martin County in 1925. In 1963, the State of Florida partitioned Lake Okeechobee among all of the counties that border it.

The first County Commission meeting was held on July 6, 1909 and West Palm Beach was designated as the County Seat. By 1910, the County's population had grown to more than 5,500 residents. The entire County experienced tremendous growth and development following World War I. The building and population increase produced a great land boom in the early 1920's. Contributing to the land boom was the climate, as well as an increase in the use of the automobile along with a growing network of roads. The State encouraged the influx of new residents during this period by promising never to pass state income or inheritance taxes. The 1926 Florida Land Bust, the 1926 and 1928 hurricanes, and the 1929 stock market crash drastically affected the local economy, but these events did not stop growth entirely due to the prior establishment of major transportation facilities.

World War II brought many changes to the County, including air bases and new jobs. After the war, Grace Morrison Field was expanded and became Palm Beach International Airport. During the same time period, small specialized businesses, many electronic-oriented, joined industrial giants like Pratt-Whitney and IBM in establishing plants in Palm Beach County.

The County remained largely undeveloped through the 1950's as evidenced by a 1960 population of less than 250,000. Although some citizens felt that it had lost its natural, unspoiled quality, many leaders welcomed urbanization and actively promoted growth and development.

In the late 1960's and early 1970's, large numbers of middle and upper income retirees began to move to Florida, prompting developers to build new subdivisions and cities. During this same period, the advent of air conditioning greatly enhanced the living and working environment, further increasing the pace of development.

Throughout the 1980's, the economy and the construction industry thrived as the population grew by approximately 5% per year. The national recession that occurred in the early 1990's reduced the County's growth rate to an average of approximately 2% annually. The County's FY 2009 population is estimated to be 1,286,621, a reduction from the previous year, and is expected to decline in FY 2010 due to the current economy.

INFORMATION ABOUT PALM BEACH COUNTY

Form of Government

As a result of the November 6, 1984 general election, Palm Beach County became a Home Rule Charter County on January 1, 1985. This "Home Rule" allows residents, through their elected commissioners, greater independence in determining how their County government will function and what services it will provide. Major advantages resulting from changing to this form of government include:

- allowing the County to pass its own ordinances and laws as long as they do not conflict with state and federal laws;
- providing initiative procedures that allow voters to create, modify and amend local laws;
- providing a process to modify or amend the Charter; and
- providing voters with a process to recall County Commissioners for cause.

The Board of County Commissioners, which is the legislative branch of County government, adopts ordinances and resolutions to establish programs that protect and maintain the health, safety, and welfare of County residents. In 1990, the Board changed from five at-large Commissioners to seven, each representing a single-member district. Each Commissioner is elected to a four-year term by voters in the district in which they reside. Commissioners elect a Chair to preside over meetings and serve as the ceremonial head of the County. A Vice Chair is also selected to assume these duties in the absence of the Chair; each term is for one year.

The County Commission considers major problems facing County government and guides the growth and development of the County consistent with the public interest. Major areas of public interest under the control of the Board include:

- provision of fire protection and disaster relief services;
- construction and maintenance of County buildings, roads, and bridges;
- provision of programs of housing, community development, slum clearance, conservation, flood and beach erosion control, and air pollution control;
- adoption and enforcement of building and housing codes and regulations;
- preservation of natural resources;
- preparation, review and periodic amendment of the Comprehensive Land Use Plan for the development of the unincorporated portion of the County; and
- provision of cultural and recreational facilities and programs.

INFORMATION ABOUT PALM BEACH COUNTY

Additionally, the Board may enter into agreements with other governmental agencies for the joint performance of duties.

The Commission appoints the Chief Executive Officer, i.e., the County Administrator, who implements Board-approved programs and manages the day-to-day operations of County government. With Commission approval, the County Administrator appoints Assistant County Administrators and Department Directors.

The County's Departments under the County Administrator are organized into two groups: General Operations Departments, which provide direct services to residents, and Central Services Departments.

General Operations Departments include:

- Airports
- Community Services
- County Cooperative Extension Services
- County Library
- Engineering & Public Works
- Environmental Resources Management
- Fire-Rescue
- Housing & Community Development
- Medical Examiner
- Palm Tran
- Parks & Recreation
- Planning, Zoning & Building
- Public Safety
- Tourist Development
- Water Utilities

Central Services Departments include:

- County Administration
- County Attorney
- Facilities Development & Operations
- Financial Management & Budget
- Human Resources
- Information Systems Services
- Internal Audit
- Legislative Affairs
- Public Affairs
- Purchasing
- Risk Management

In addition to the County Administrator, the Board of County Commissioners appoints County residents to serve as volunteers on various citizens' boards, commissions, committees, and councils. These groups are established for advisory and/or regulatory purposes. State law creates some advisory boards, while others are formed by the County Commission to meet special needs and to help solve challenging issues facing County government.

Constitutional Officers and Judiciary are the County Officials other than the County Commissioners, who are elected by the voters. The Clerk and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, Public Defender, State Attorney, and Tax Collector are the Constitutional Officers elected to four-year terms in general elections.

INFORMATION ABOUT PALM BEACH COUNTY

Palm Beach County is not a consolidated or "metro" form of government. The Palm Beach County School System is governed by a non-partisan elected School Board and operates under the direction of a School Board-Appointed Superintendent. The County Commission has no jurisdiction over the School Board.

The South Florida Water Management District, Children's Services Council, Health Care District, Drainage Districts, Inlet Districts, and municipalities within the County are also not under the authority of the Board of County Commissioners.

Economic Trends

Palm Beach County is Florida's largest county in area and third in population. Growth has been the major influencing factor of the County in the last several years. Population has increased approximately 2% annually since 1990 but is now estimated to continue its decline through FY 2010. Also, significant investment has been made to develop the Biotechnology industry in Palm Beach County. Tourism, construction and agriculture are the leading industries in the County.

Tourism - Palm Beach County government is making a concentrated and continuing effort to increase the number of visitors to our area each year. More than 50,000 people are employed in jobs related to the tourism industry representing a 6% decline since FY 2009 with tourists contributing \$1.2 billion annually to the County's economy.

Construction –During FY 2009, residential development and permitting activity continued to decrease over the previous year. There were 506 single family permit starts and 81 multi-family permit starts compared to 687 and 147 in FY 2008. Total values of residential permit starts were \$150.8M versus \$223.8M, respectively. Non-residential work also continued to decrease during this time period, with permitted values decreasing from \$157.7M in FY 2008 to \$98M in FY 2009. Overall, permitted values in FY2009 were \$488M, representing a decrease of 25% from the previous year. Contributing factors that continue to impact the decline of construction in Palm Beach County include the application of stringent standards for the availability of credit, a glut of available housing due to speculative purchasing, a record number of foreclosures and increasing unemployment.

Agriculture - Palm Beach County's agricultural acreage has remained stable for the last five years. Palm Beach County still leads the state of Florida, and all counties east of the Mississippi River, in agricultural proceeds. Currently Palm Beach County ranks among the top counties in the US and first in the state of Florida for agricultural sales. Palm Beach County leads the nation in the production of sugarcane and fresh sweet corn. It leads the state in the production of rice, bell peppers, lettuce, radishes, Chinese vegetables, specialty leaf produce and celery.

INFORMATION ABOUT PALM BEACH COUNTY

The 468,000 acres dedicated to agriculture, represent 38% of the total land mass in the county. Palm Beach County is third in the state in nursery production with estimated sales at \$200 million, and leads the state in agricultural wages and salary with over \$300 million. The industry currently uses bagasse, a sugarcane by-product, in conjunction with other waste wood products as the fuel source for the largest agriculturally based biomass co-generation plant in the United States for electricity generation. Several crops are currently grown as potential sources for ethanol production. Equestrian acreage in Palm Beach County continues to expand, currently ranking as the 2nd largest equine county in the state, following Marion County.

Manufacturing - Primarily electronics and other high tech products, manufacturing plays an important role in the County's local economy. The arrival of the Scripps Research Institute & Max Plank provided a boost to the area's technology industry.

Bio Science – Scripps Research Institute and Max Plank Florida Institute are anchors to an eight million square feet Bioscience Cluster in Northern Palm Beach County. A “cluster” of related bio-technology businesses will form a hub to strengthen the County’s position as a leader in this industry. A number of smaller bio-related companies have either expanded or moved to the County.

The County's per capita personal income of \$59,147 is well above the national average and the highest in the State of Florida. The County's labor force is estimated at 605,684, with the largest employers displayed below:

Company	Product/Service	Employees*
Palm Beach County School Board	Education	21,718
Palm Beach County (includes Constitutional Officers)	Government	11,381
Florida State Government	Government	9,300
Federal Government	Government	6,200
Tenet HealthCare Corp.	Health Care	4,500
Hospital Corp. Of America	Health Care	3,632
Florida Power & Light	Utility	3,395
Florida Atlantic University	Education	3,000
The Breakers	Hotel	2,838
Office Depot	Office Supplies	2,207

***Rounded**

Property Taxes

Property taxes are a lien on all taxable property as of January 1st of each year. Taxes are due November 1st and are payable by April 1st of the following year. Each parcel of property is assessed to the last known owner as established from the latest recorded deed or tax return.

There are three types of property which are subject to an ad valorem tax (a tax based on the assessed value of real or personal property). The three types are:

INFORMATION ABOUT PALM BEACH COUNTY

- **Real Estate** covers land and the improvements thereon;
- **Tangible Personal Property** includes property such as business fixtures, equipment, and machinery; and
- **Intangible Personal Property** includes stock, bonds (except those exempt), mortgages accounts receivable, mutual funds, notes, trusts, estates, etc. (This is a State tax handled directly by the State of Florida.)

All property owners who maintain their permanent home on the property are entitled to a "Homestead Exemption" which exempts the first \$50,000 of assessed value of the property from ad valorem taxes. Additional exemptions are also available to widows, widowers, disabled veterans, totally disabled non-veterans, and senior citizens.

The Board of County Commissioners levies a Countywide millage that applies to all property owners in the County on the net assessed value of property. (Millage is the rate used to determine the amount of tax. A mill is one-tenth of a cent, or \$1.00 of tax for every \$1,000 of net assessed value.) The FY 2010 Countywide millage rate is 4.3440.

Palm Beach County Fire Rescue and the County Library are dependent districts under the control of the Board of County Commissioners. They levy millages that apply to all property owners in the unincorporated portion of the County and residents of the municipalities that have elected to join the districts rather than provide the services themselves. The municipalities also levy millages to finance their local government's operating costs.

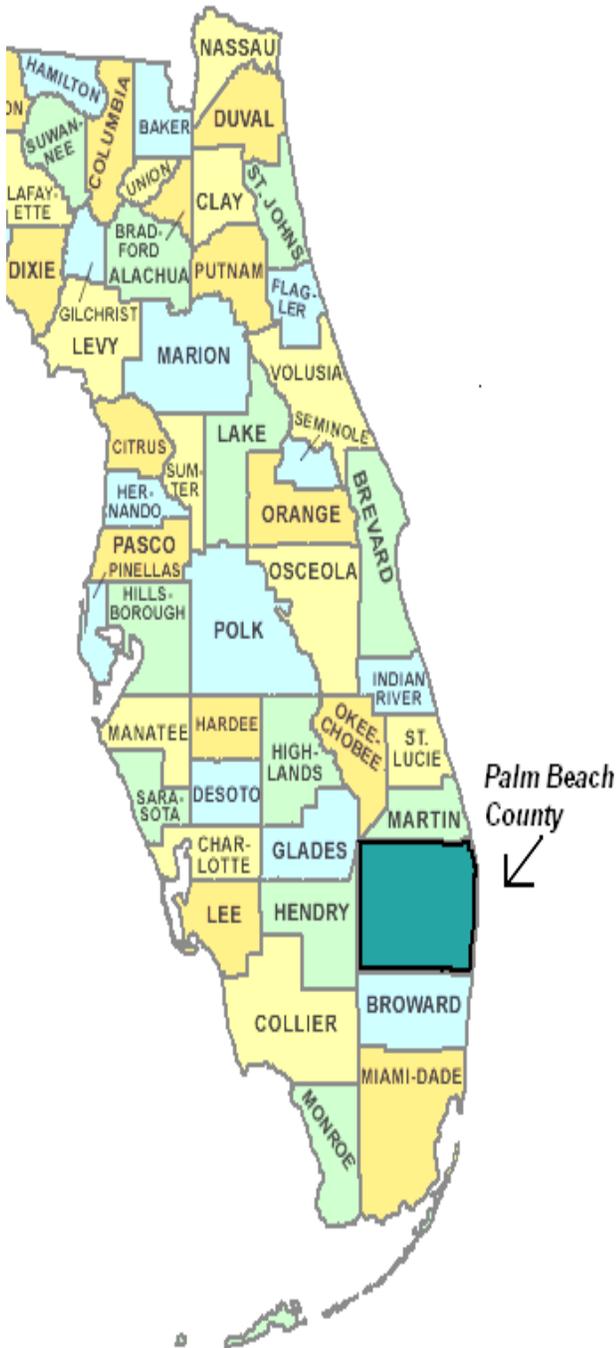
In addition to the Board of County Commissioners and municipalities, various other taxing districts levy millages that affect all property owners in the County or property owners in the particular districts. Some other entities in the County that levy property taxes are drainage districts. These taxes are not based on the value of the property, but on the number of acres in the parcel. Each district assesses an "Acreage Levy", a fixed amount for each acre or part thereof, to cover the maintenance and debt of the drainage facilities in the district. Additionally, some districts assess a "Parcel Levy", a fixed amount per parcel, to cover the cost of road maintenance and debt within the district.

Education

The Palm Beach County School District (School District) will serve more than 170,000 kindergarten through 12th grade students during the 2009-2010 school year. With 184 public schools, the Palm Beach County School District is the 5th largest in the state and the 11th largest in the nation. Additionally, vocational and occupational training is provided at three technical education centers and various community schools. The School District is governed by a separately-elected Board.



LOCATION



As part of Florida’s Gold Coast, Palm Beach County is located in Southeast Florida and is the largest County in area in the State of Florida. It is located just 50 miles north of Fort Lauderdale, 70 miles north of Miami and 150 miles south of Orlando.

The County is off the coast of the Atlantic Ocean.



PALM BEACH COUNTY AT A GLANCE

Date Established
Form of Government
Area (Including water)
Total Adopted Fiscal Year 2010 Budget

July 1, 1909
Commission-County Manager
2268 square miles
\$4.1 Billion

County Demographics

Population	1,286,621
Median Age	43.2 Years
Median Household Income	\$54,301
Average Household Size	2.46 People

Sheriff's Office

Law Enforcement Officers	2,740
Correction Officers	999



Palm Beach County Sheriff's Office Headquarters



Fire Rescue Headquarters

Fire Protection

Suppression units (including 19 brush trucks)	67
Advanced Life Support Units	83
Fire stations	49
Employees (Certified Firefighters)	1,350
Employees (NonCertified)	192
FY09 Total Fire Runs	16,067
FY09 Total EMS Runs	89,646
FY09 Average Response Times For Fire/EMS	6:36

Palm Beach County Schools

There are 186 schools in Palm Beach County with 170,215 enrollment. See below for the number of schools

Elementary Schools	106
Middle Schools	33
High Schools	23
Alternative	17
Adult & Community Schools	2
Other Educational Schools	5

Illustrated below are the FCAT rating and the # of schools with the respective rating

"A" Schools	115
"B" Schools	25
"C" Schools	14
"D" Schools	8

2009 FCAT RESULTS

	Reading	Math
	County % / State %	County % / State %
Elementary		
Grade 3	69/71	79/78
Grade 4	74/74	77/75
Grade 5	72/71	65/62
Middle		
Grade 6	69/66	61/55
Grade 7	67/67	65/60
Grade 8	55/54	70/66
High		
Grade 9	48/47	72/68
Grade 10	40/37	72/69

Source: Palm Beach County School Board website and www.greatschools.org

Major Employers

Palm Beach County School Board	21,718
Palm Beach County	11,381
Florida State Government	9,300
Federal Government	6,200
Tenet Healthcare Corporation	4,500

Land Usage (%)

Residential	11%
Commercial	1%
Recreational	2%
Agriculture	38%
Conservation	29%
Other	29%

Elections

Registered Voters	809,806
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PALM BEACH COUNTY AT A GLANCE



Southern Regional Water Reclamation Facility

Utility System

Active accounts		
Water		170,507
Wastewater		153,984
Number of Units Served		
Water		222,708
Wastewater		205,016
Capacity per day (thousand gallons)		
Water (tgd) max.		114,380
Sewer (tgd) max.		58,500
Miles of Water and Sewer Mains		
Water	3,789 miles	
Sewer		2,126
		1,663
Fire Hydrants:		
Pump Stations		16,066
		767

Parks and Recreation

The County offers over 8,000 acres of parkland, which are available to

<u>County Owned Amenities</u>	<u># of</u>
Golf Courses	4
Playgrounds	60
Play Structures	102
Parks	81
Water Parks	2
Splash Parks	2
Swimming Pools	6
Dog Parks	3
Community Centers	2
Recreation Centers	5
Nature Centers	3
Equestrian Parks	5
Beaches	15
Campgrounds	3
Amphitheaters	3



Coconut Cove Waterpark



John Prince Park Playground



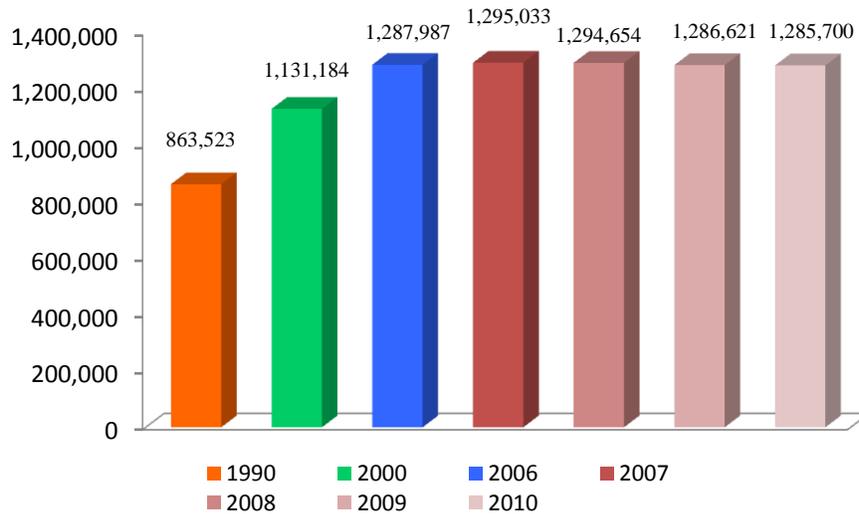
Riverbend Park

Demographics

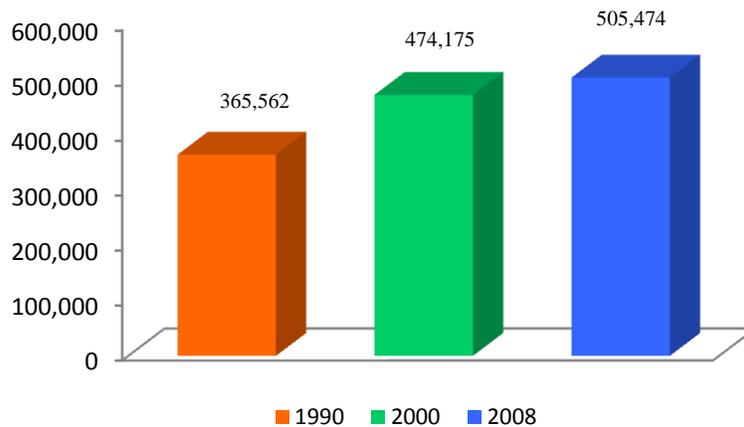
Palm Beach County has a total area of 2,268 square miles. Of which, 1,980 square miles of it is land and 288 square miles of it is water, much of it in the Atlantic Ocean and Lake Okeechobee. It is bounded on the north by Martin County, on its west by Hendry County, on its Northwest by Okeechobee County and Glades County and on its east by the Atlantic Ocean. Palm Beach County is the largest county by area and third largest county by population in the State of Florida.

Population/Household Demographics

Population



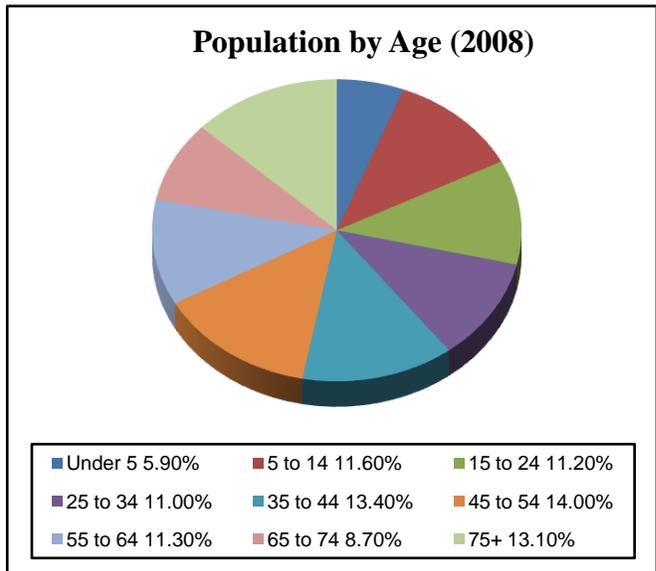
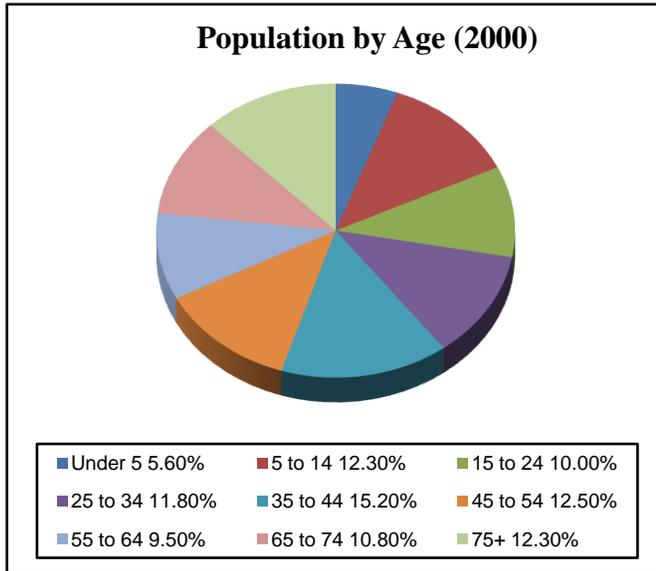
Households



The number of households in the County in 2008 was 505,474, which is an increase of 38.3% from 1990 and an increase of 6.6% from 2000. The household projection for 2010 is expected to experience a slight decline from 2008. The population in the County has experienced significant growth since 1990. In 2010, the population is 49.9% higher than in 1990 and 13.9% higher than in 2000. Population projection for 2010 is expected to experience a slight decrease in 2010.

Demographics

Population by Age

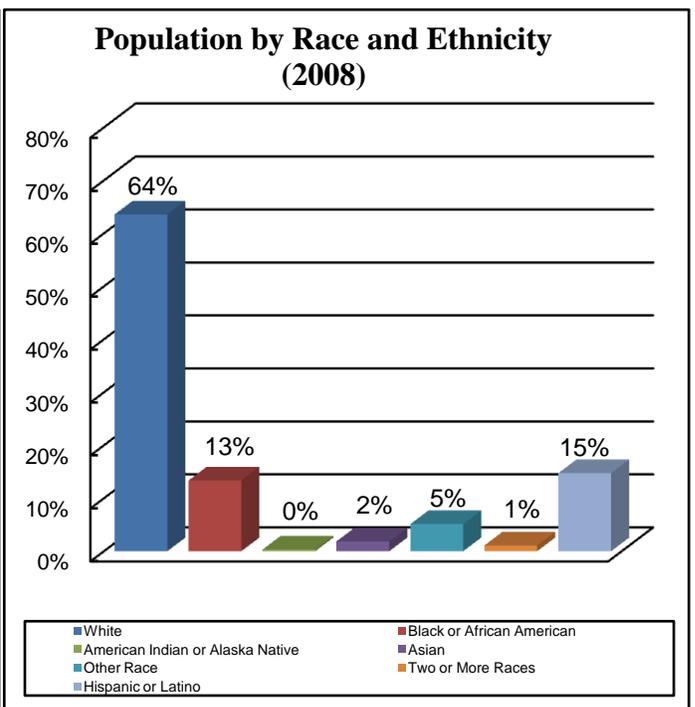
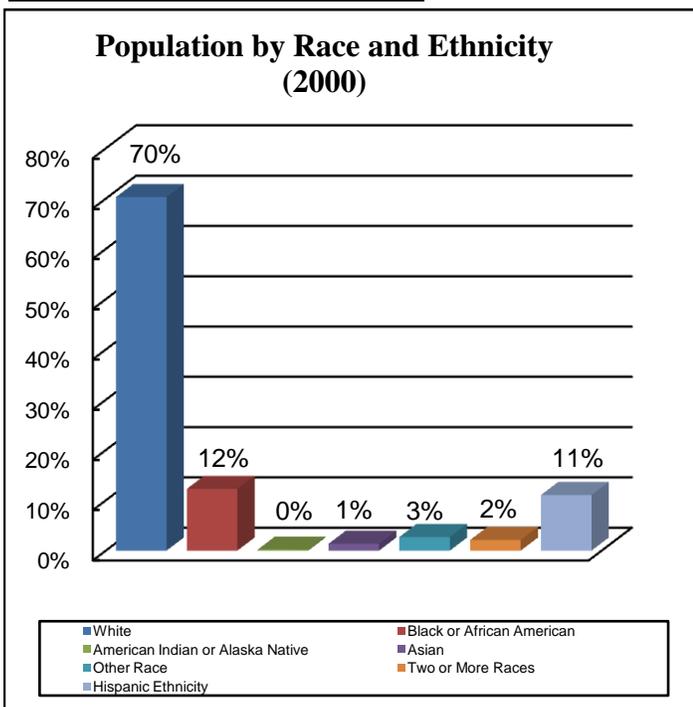


The median age of the total population in the County in 1990 was 39.8, in 2000 it was 41.8, and in 2008 it was 43. The overall population, coupled with Palm Beach County being a desirable retirement destination, is aging. As such, the median age is anticipated to continue to increase.

In 2008, females represented 51.3% of the population and males represented 48.7% of the population.

In 2008, the most prominent age group in this demography is 45 to 54 years. The group least represented in this demography is under 5 years.

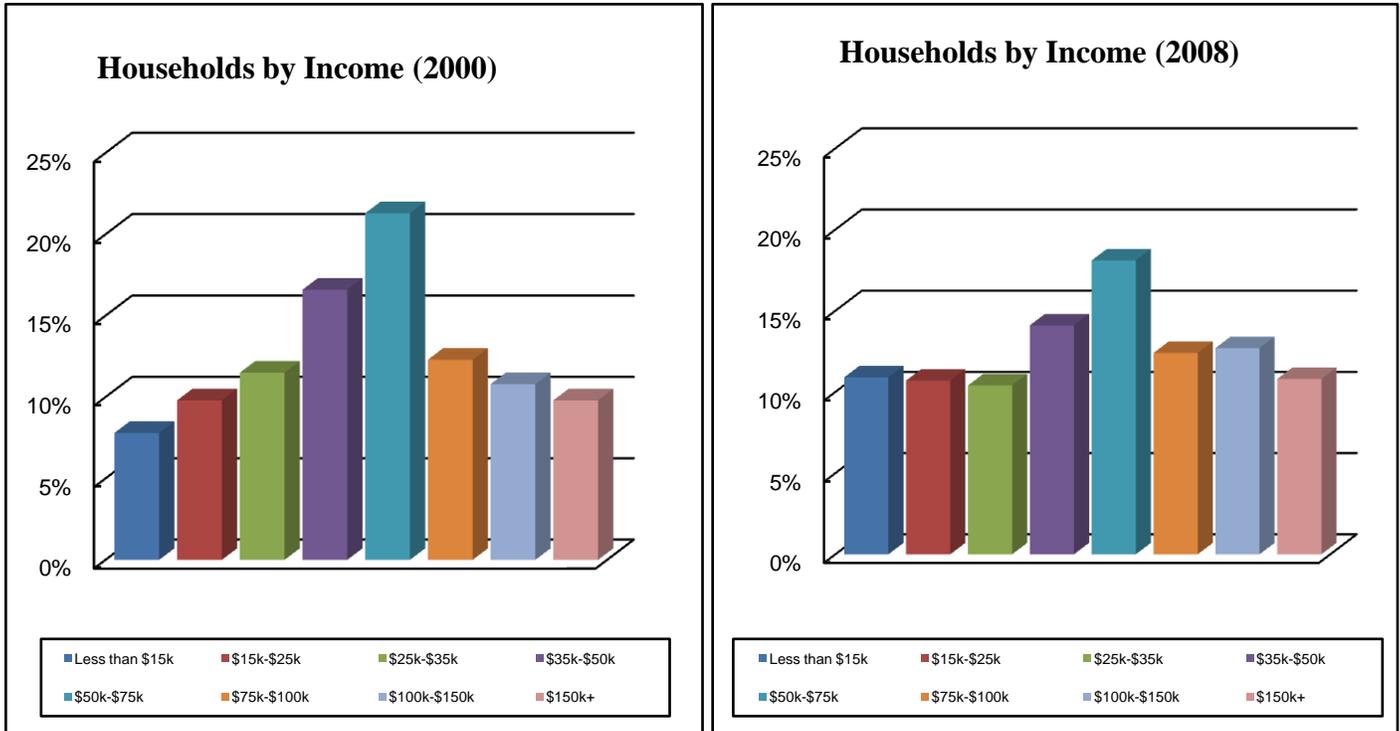
Population by Race / Ethnicity



Demographics

In 2008, the predominant race and ethnicity category in the County is White at 64%. The least represented race and ethnicity category in the County is American Indian or Alaskan Native. As illustrated in the above graphs, the White population has decreased by 6% since 2000 leading to a more diverse population in Palm Beach County.

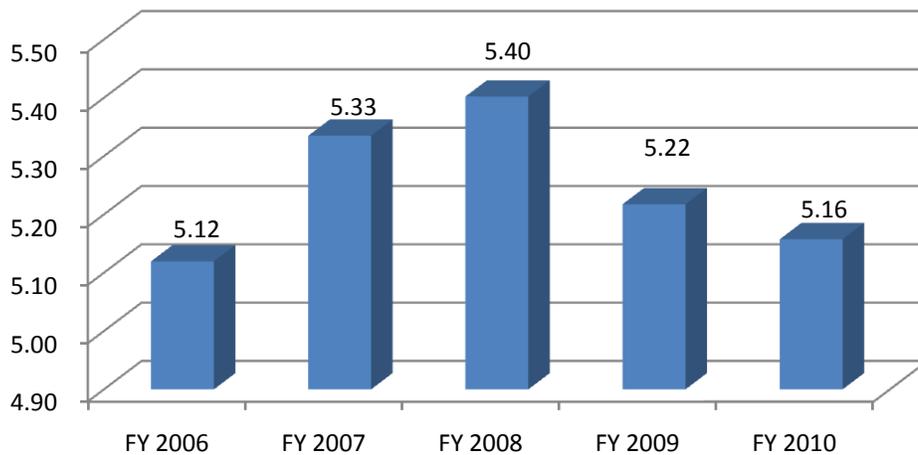
Households by Income



In 2008, the predominant household income category in Palm Beach County was \$50K-\$75K and the income group that is least represented was \$25K-\$35K. As illustrated in the above graphs, the County has a significant constituent base in all household income levels.

Source Data is from the U.S. Census Bureau and Palm Beach County's Planning & Zoning Department.

EMPLOYEES PER 1,000 POPULATION



	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Total Employees	6,594	6,909	6,994	6,713	6,631
County Population	1,287,987	1,295,033	1,294,654	1,286,621	1,285,700
Employees per 1,000 population	5.12	5.33	5.40	5.22	5.16

Palm Beach County Board of County Commissioners has a total of 6,631 full and part-time employees budgeted for the 2010 fiscal year. The number of employees per 1,000 population is being presented in order to reflect the effects of growth. This chart shows the increases in employees from the 2006 fiscal year through the 2010 fiscal year. Despite eliminating over 600 positions since FY 2008, there has been an increase in positions in Fire Rescue, Library, and Water Utilities Department as a result of expansion of services and addition of new facilities.

Because personnel costs are a major portion of the County's operating budget, changes in the number of employees per 1,000 population have a direct relationship to the cost of providing services. A decrease in employees per 1,000 population indicates that the County is either becoming more efficient and/or service levels are decreasing. In light of current economic conditions, the County has eliminated positions and has implemented more effective processes to maintain current service levels.

As indicated by the above graph and table, the Board's employees per 1,000 population has been showing only a slight increase through FY 2008 and then a decline since then. The decrease from FY 2009 to FY 2010 would have been more significant; however, there was an increase of 84 positions in the Fire Department and 56 positions in Water Utilities Department. The increase from FY 2006 to FY 2010 is 1.0% for an average of 0.25% annually. This indicates that the County is maintaining a steady balance between the number of employees and the community served despite expansion of services.

LEGISLATIVE AND EMERGING ISSUES

LEGISLATIVE ISSUES

The County's legislative concerns, especially in the long term, fall into two basic categories. First, is the issue of "home rule", where the authority of the County's elected officials is being assumed by other, higher levels of government. The ability of the County to collectively bargain, govern and regulate such issues as zoning and land usage is under constant threat. Second, unfunded mandates are a significant financial threat to the County. These mandates may appear in the form of requiring additional services or additional benefits to employees, without a corresponding funding source.

Property Tax Legislation: Property tax relief proposals and counter-proposals have dominated the legislative agenda for the past three years. In 2007, the Legislature passed a two-phase property tax relief plan that limited the County's ability to increase tax revenues. Balancing the State Budget took priority during the 2008 session, since then, the Legislature has not passed any additional property tax relief measures.

The first phase of property tax relief, which effected FY 2008, limited the County to the tax revenue it received in Fiscal Year 2007, less a compound annual growth penalty based on growth from FY 2002 to FY 2007. Palm Beach County fell within the "greater than 11%" category for growth, and thus had to deduct an additional 9% in tax revenues.

The second phase, which required voter approval to change the Florida Constitution, and effected FY 2009, contained four provisions:

Save Our Homes Portability - Allows homeowners to take a portion of their Save Our Homes benefit to a new home.

Homestead Exemption - Allows for doubling the homestead exemption from \$25,000 to \$50,000. This is not applicable to school taxes.

Tangible Personal Property Exemption - Allows the exemption of \$25,000 of assessed value of Tangible Personal Property from taxation.

Non-Homestead Assessment Caps - Places a 10% cap on non-homesteaded property increases. This is not applicable to school taxes.

In 2008, the State Legislature did not impose additional property tax or revenue constraints that would directly affect municipalities. However, in 2009, the State Legislature approved several property tax bills. These bills and the respective status of each bill is presented on the following page:

LEGISLATIVE AND EMERGING ISSUES

CS/CS/HB 521 - Ad Valorem Assessments -This revises the burden of proof in challenges to the value used for ad valorem tax assessments. A taxpayer is not required to overcome a presumption of correctness in a challenge to the classification or exemption status of a property. The party initiating the challenge has the burden of proving a preponderance of the evidence that the classification or exempt status assigned to the property is incorrect. This bill was signed by the Governor on June 4, 2009.

CS/SJR/ 532 - Property Tax Limit/Additional Homestead Exemption - This reduces the cap on the increase in assessed values on non-homesteaded properties from 10% to 5%. Additionally, this bill provides for an additional homestead exemption for properties purchased after January 1, 2010. This amount will be equal to 25% of the homestead property's just value, not to exceed \$100,000 and will be reduced over the next 5 years of residency. This amendment will be submitted to the electors at the general election in November 2010. If approved by 60% of the voters, it will go into effect the 2011 tax year, or fiscal year 2012.

HB 701 - Notice of Proposed Property Taxes - Revised the Truth in Millage (TRIM) notice to include "Last Year's Adjusted Tax Rate (Millage) and "Tax Rate This Year IF PROPOSED Budget is Adopted (Millage)." The effective date is January 1, 2010. This bill was signed by the Governor on June 11, 2009.

CS/HJR 833 - Homestead Ad Valorem Tax Credit for Deployed Military Personnel - Allows an additional ad valorem tax exemption on homestead properties for each person who is a member of the United States military or Reserves, Coast Guard or Reserves, or the Florida National Guard; receives a homestead exemption; and was deployed during the preceding calendar year in active duty outside of the continental United States, Hawaii or Alaska. This amendment will be submitted to the electors at the general election in November, 2010. If approved by 60% of the voters, it will go into effect the 2011 tax year, or fiscal year 2012.

Other State Mandated Changes: The State Legislature approved CS/CS/HB 227 - Impact Fees during the 2009 session. The bill provides that local governments have the burden of proving their rationale for the imposition of impact fees. The bill codifies case law relating to exactions by placing the burden of proof on the government to show that the imposition to an impact fee meets state legal precedent or section 163.31801, F.S. The bill also prohibits the courts from using any deferential standard in these types of cases. Additionally, several local governments have issued a lawsuit against Governor Charlie Crist relating to the "Community Renewal Act." This law largely exempts builders from having to widen roads to accommodate traffic from new construction and eliminates the review process for some large developments.

LEGISLATIVE AND EMERGING ISSUES

Revenue and Spending Limits: It is likely that legislation will eventually be introduced that will seek to restrict the ability of local governments to provide the services their constituents want by placing spending caps on governmental agencies. Other proposals seek to place limitations on increases in County expenditures. On the other side of the ledger, a number of proposals have been brought forth that will try to limit the ability of local governments to set appropriate tax rates, user fees, or special assessments. These measures tie the hands of local officials and reduce the ability of local governments to meet the needs and requirements of their constituents.

EMERGING ISSUES

Stimulus Activity: Palm Beach County will benefit from the American Recovery and Reinvestment Act of 2009 signed into law by the Federal Government on February 19, 2009. The Recovery Act was designed to stimulate the economy through measures that modernize the nation's infrastructure, improved energy efficiency, and expand educational opportunities and access to health care. Recovery Funds have been awarded to the County as grants - both formula-based and competitive in nature. To date, the County's American Recovery and Reinvestment Act grant awards total more than \$50 million and will focus on energy efficiency, infrastructure improvements, public transportation, and social services such as job training and providing food and shelter.

Housing Market - Between 1996 and 2006, the value of residential properties grew an average of 13.3% per year, while inflation grew at a relatively slower rate of 4.5%.

The speculation in the housing market that drove prices to unrealistic levels was based on lax lending standards and the conviction that housing was a fail-safe investment. The speculative bubble finally burst as more and more low interest rate loans were made to risky borrowers who then were unable to pay back those loans.

According to the Mortgage Bankers Association, 11% of all mortgages in Florida are currently in foreclosure. Even though the percentage is slightly declining, it is still up 50% from the same period last year. A large number of mortgages were made to borrowers who could not afford them except for the easy money terms such as "pay interest only now" loans or loans with initial "teaser interest rates" that start off below the prevailing rate but have now reset at higher interest rates resulting in unaffordable higher monthly payments.

Not only were borrowers taking out mortgages to purchase homes, they were also borrowing on their existing homes. During the housing boom Americans were using their homes like ATMs. They would cash-out, refinance, or take out home equity loans to turn increased equity into quick cash. During this period, home equity extractions, when a homeowner refinances and takes equity away from the closing for some other purpose, amounted to about 1% of the personal consumption.

LEGISLATIVE AND EMERGING ISSUES

Many homeowners are walking away from their homes, as the value of their homes decrease to less than they owe on the mortgage. As a result, the financial services sector has been weakened by mortgage losses. Banks borrowed heavily to make their investments and are now in a panic effort to get out of this market and into less risky investments. Banks and other financial institutions have suffered over \$200 billion in real estate losses and have reduced lending significantly. In an effort to stimulate lending, the Federal Government implemented a \$700 billion back bailout bill that allowed the Federal Government to purchase mortgage-backed securities that were in danger of defaulting.

The housing slump and its broad effects still weighs heavily on economic growth and has the greatest potential to wreck the economy, especially here in South Florida, whose economies are highly dependent upon real estate and construction.

During the past year, property values decreased by 12.9% due to reassessments offset by a 1.4% increase in new construction and additions. Property values are forecasted to have continued their decline, which will be reflected in the Fiscal Year 2011 assessed values.

Unemployment: The national unemployment rate for November 2009 stood at 10.0% or an increase of 45% over November 2008 when the rate was 6.9%. Historically, the unemployment rate in Florida has been lower than the national average. However, in November 2009, Florida's unemployment rate grew to 11.5%, which marks a historical high for Florida, a substantial increase over the November 2008 unemployment rate of 7.2%. More concerning is the unemployment rate in Palm Beach County grew from 7.8% in November 2008 to 11.7% in November 2009. Increased unemployment rates have created hardships for many people in the County. As a result of these hardships, people are looking to Palm Beach County for social services such as job training, food, childcare, and affordable housing. All of these services are either directly or indirectly provided by Palm Beach County.

Tourism: Last year the United States had 633,000 fewer international travelers than in the year 2000. Florida has taken a harder hit, losing 1.3 million visitors over that same period of time. Between 2000 and 2008, the United States has experienced an estimated \$58 million in lost arrivals, \$182 billion in lost spending, \$27 billion in lost tax receipts, and \$47 billion in lost payroll. This downward trend has had significant effects on Florida's overall economy, leading to reduced taxes and jobs across the State.

BUDGET PHILOSOPHY & PROCESS

Palm Beach County is committed to providing quality service to its residents, at the lowest possible cost, in order to optimize taxpayer dollars. In developing the County's financial plan, or budget, attention is first given to assuring that the budget will be in balance, both on an overall basis and in each of the County's funds. Any potential imbalances are eliminated by the County Administrator before the Tentative Budget is presented to the Board of County Commissioners for consideration and adoption at Public Hearings.

Fiscal Year

Palm Beach County's Budget is based on a fiscal, rather than calendar year. The year begins on October 1st and ends on September 30th. Thus, FY 2010 is from October 1, 2009 through September 30, 2010.

Statutory Requirements

In the State of Florida, county budgets are governed by State Statutes. Chapter 129 of the Florida Statutes, entitled "County Annual Budget" specifically directs that (among other requirements) a budget be prepared annually and it must be balanced. It further provides for amendment of the budget in limited circumstances and prohibits expenditures in excess of budgeted amounts.

Funds Included

The County's budget is consolidated and presents the planned disposition of all available resources in all funds. The total budget is appropriated by the Board of County Commissioners as the adopted financial plan for the County for the ensuing fiscal year.

Basis of Accounting

The County's accounting records for general governmental operations are maintained on the modified accrual basis; i.e., revenues are recorded when available and measurable and expenditures are recorded when the services or goods are received and the related liabilities are incurred. The County's proprietary operations are maintained on the full accrual basis; i.e., revenues are recognized when earned and expenses are recognized when incurred. For budgetary purposes, the modified-accrual method is utilized for all funds.

Budget Development Process

Budget development training was held on January 7th. Similar to FY 2009, a modified zero-base budgeting approach was used to develop Palm beach County's FY 2010 Budget. The FY 2010 cap was set at 90% of the adopted FY 2009 net Ad Valorem funding level. Departments absorbed increases in personal services and other costs considered necessary, yet uncontrollable. No supplemental requests were approved for FY 2010.

All Department requests were due March 6th, with Constitutional Officers' proposed budgets due May 1st or as specified by State Statute.

Workshops were held with the Management Team in April and May. Workshops with the Board of County Commissioners were held on June 8th, June 29th and July 13th. Based on Board direction at these workshops, changes were made and a tentative budget was finalized.

Public Hearings were held on September 8th and 21st to receive public comments on the Tentative Budget

BUDGET PHILOSOPHY & PROCESS

and to adopt a final FY 2010 budget. The Board of County Commissioners adopted a millage rate of 4.3440 mills for FY 2010, which is at the rolled-back rate. The rolled-back rate is the millage which, exclusive of new construction, provides the same ad valorem tax revenue as was levied during the prior year. The Adopted budget became effective on October 1, 2009.

Amendments After Adoption

Florida Statutes specifically direct that, upon the final adoption of the budgets, the budgets shall regulate the expenditures of the County and the itemized estimates of expenditures shall have the effect of fixed appropriations and shall not be amended or altered or exceeded except as provided by the Statutes.

The Board of County Commissioners at any time within a fiscal year may amend a budget as follows:

- Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased with the approval of the Board provided that the total appropriations of the fund are not changed.
- Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expense in the same fund for any lawful purpose. Expenditures can not be charged directly to the reserve for contingencies.
- The reserve for future construction and improvements may be appropriated by the Board for the purpose(s) for which the reserve was established.
- A receipt from a source not anticipated in the budget and received for a particular purpose, including but not limited to grants, donations, gifts, or reimbursement for damages, may, upon approval by the Board, be appropriated and expended for that purpose. Such receipts and appropriations shall be added to the budget of the proper fund.
- Increased receipts for enterprise or proprietary funds received for a particular purpose may, upon approval by the Board, be appropriated and expended for that purpose.

BUDGET PHILOSOPHY & PROCESS

Florida Statutes provide for the delegation of authority to approve certain types of budget transfers. The Board of County Commissioners has established procedures by which the Director of the Office of Financial Management and Budget may authorize certain transfers which are intra-departmental in nature, such as appropriations from one line item to another within a department, transfers from designated capital reserves to establish budgets for projects previously approved, transfers between school impact fee reserves and appropriation units within the same fund, and transfers from reserves for donations for a specific purpose.

Departmental Performance

Annually, the Departments include a mission statement, program/service descriptions, highlights and accomplishments, the budget year's goals (objectives), and performance measures in the Budget Document. These functions help Administration and the County Commission evaluate the performance of each Department. The Office of Financial Management and Budget has helped to establish more effective performance measures and objectives. It is referred to as Harnessing Organizational Performance (HOP).

The over-all objective of the HOP initiative is to verify that Palm Beach County performance measures are:

- A positive tool in gauging organizational achievements;
- Increase the meaningfulness (value) to all;
- An important management tool to aid decision making;
- An accurate source of justification for resource requests; and
- A way to connect staff level activities to higher level organizational missions and objectives.

BUDGET PREPARATION CALENDAR FY 2010

<u>Date</u>	<u>Activity</u>	<u>Participants</u>
<u>2009</u>		
January 7	Distribution of Budget Instructions Manual covering operating budgets and capital budget to Departments and Agencies	Budget Division
January 11	SWA Disposal Fee budget estimates due	Budget Division Solid Waste Authority
January 5 – February 13	Development of Non Departmental revenue estimates for current year and projections for subsequent year	Budget Division
January 8 - March 6	Development of Departmental estimates for current year and budget requests for subsequent year (revenues and operating expenditures)	Departments/Divisions
January 12 - February 16	BRASS budget data input training available to Departments, as needed.	Budget Division Departments/Divisions
March 6	Submission of Departmental operating budget requests to Budget Division. (including on-line input by Departments)	Departments/Divisions
March 6	Forwarding of specific requests to proper Departments for technical review: <ul style="list-style-type: none"> - data processing requests to ISS - facility improvement requests to Facility Mgmt. - communication and electronic system requests to Communications Division (Airports excepted) - new vehicle requests to Fleet Management 	Budget Division
March 20	Type A Capital Project proposals due	Departments
March 7 - April 3	Review and analysis of budget requests and recommendation of funding levels	Budget Division
April 6 - April 17	Review of departmental budgets with County Administrator	Budget Division Departments

BUDGET PREPARATION CALENDAR FY 2010

<u>Date</u>	<u>Activity</u>	<u>Participants</u>
April 7 - April 22	Calculation of tax requirements & gross budget and completion of overall budget review	Budget Division
May 1	Submission of Constitutional Officers' budget requests	Sheriff Clerk & Comptroller Supervisor of Elections
May 7	Meetings with Management Team to discuss and finalize budget strategies	County Administrator Management Team
June 1	Estimate of assessed property value provided to the Board (F.S. 200.065 (7))	Property Appraiser
June 1	Submission of Property Appraiser's budget request: - to State Department of Revenue - to Board (F.S. 195.087 (1)(a))	Property Appraiser
June 8	BOARD WORKSHOP - Discussion of budget strategies	Board County Administrator Departments/Divisions
June 12	Type B Capital Project proposals due	Departments
June 29	BOARD WORKSHOP - Continued discussion of budget strategies	Board County Administrator Departments/Divisions
July 1	Certification of taxable property values to Board (F.S. 193.023 (1); 200.065 (11))	Property Appraiser
July 13	BOARD WORKSHOP - Recommended Tentative budget and tentative millage, including the Proposed Six Year Capital Improvements Program	County Administrator Management Team Budget Division Departments/Divisions Constitutional Officers
July 14 - August 21	Summarize Board directions during Workshops for a public hearing on the tentative budget and proposed millage rate (First Public Hearing)	Budget Division

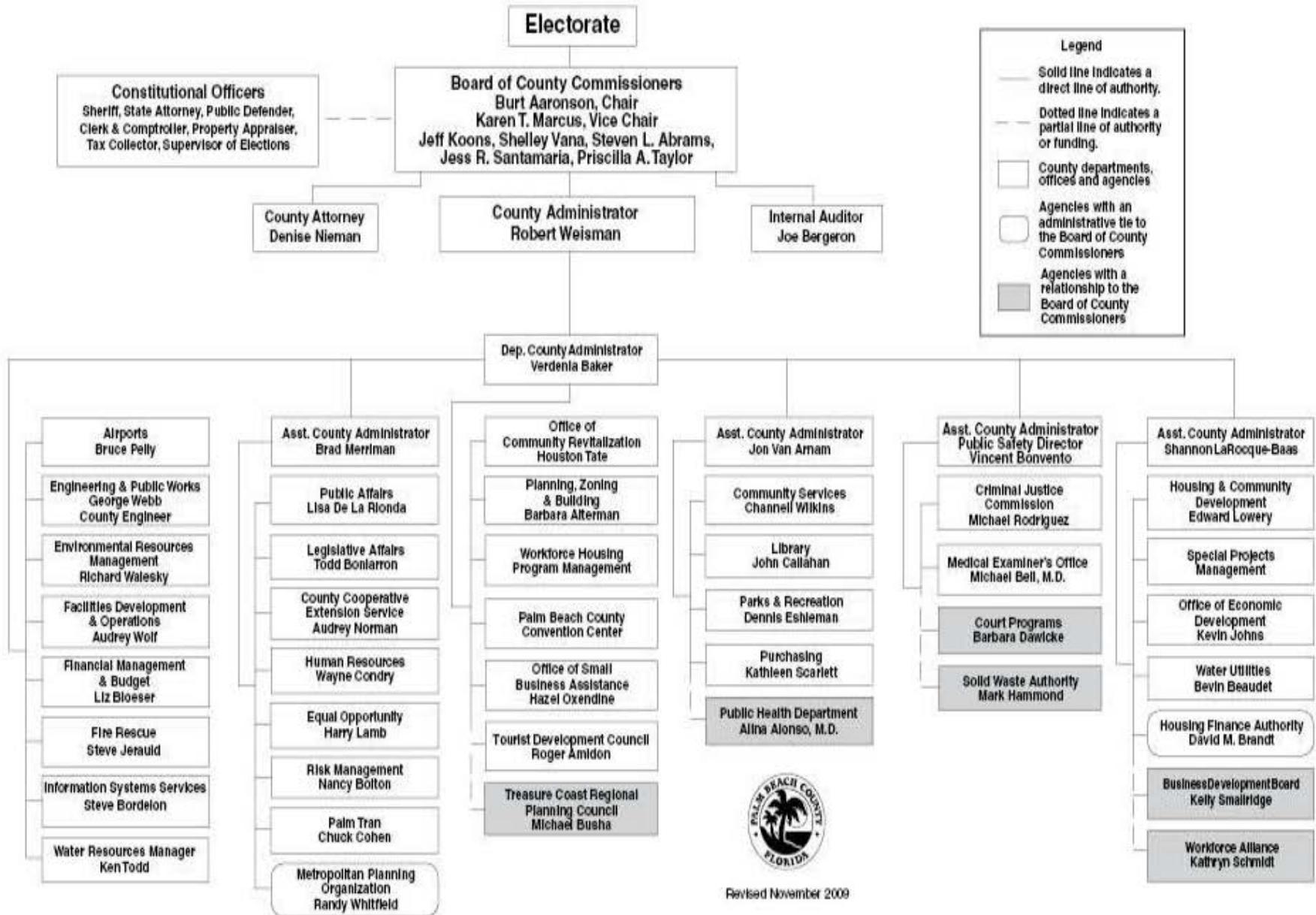
BUDGET PREPARATION CALENDAR FY 2010

<u>Date</u>	<u>Activity</u>	<u>Participants</u>
July 21	BOARD MEETING - Setting of Tentative Millage for Certification to Property Appraiser	Board Budget Division
July 24	Tentative budget amendments to Property Appraiser's budget from Department of Revenue: - to Property Appraiser - to Board (F.S. 195.087 (1)(a))	Dept. of Revenue
July 27	Notification to Property Appraiser of proposed millage rate, rolled back rate, and date, time and place of First Public Hearing (form DR-420) (F.S. 200.065 (2)(b))	Budget Division
August 1	Submission of Tax Collector's budget request: - to State Department of Revenue - to BCC (F.S. 195.087 (2))	Tax Collector
August 15	Property Appraiser's budget: - Board comment period ends - Final budget amendments from Department of Revenue (F.S. 195.087 (1)(a))	Board Budget Division Property Appraiser Dept. of Revenue
August 18	Board Meeting - Approve request of Tax Collector to order tax roll to be extended prior to completion of Value Adjustment Board hearings	Budget Division
August 19	Mailing of Notices of Proposed Property Taxes and First Public Hearing Date (i.e. TRIM@ Notice) (F.S. 200.065 (2)(b))	Property Appraiser
September 8 (6:00 p.m.)	FIRST PUBLIC HEARING - Adopt proposed millage and amended tentative budget. (F.S.200.065 (2)(c))	Board County Administrator Budget Division
September 11	Submission of advertisements to newspaper of Second Public Hearing and Budget Summary Statement	Budget Division

BUDGET PREPARATION CALENDAR FY 2010

<u>Date</u>	<u>Activity</u>	<u>Participants</u>
September 18	Publication of newspaper advertisements of Second Public Hearing and Budget Summary Statement (F.S. 129.03 (3)(b); 200.065 (2)(d) and (3)(l))	Budget Division
September 21 (6:00 p.m.)	SECOND PUBLIC HEARING - Adopt final millage and budget (F.S. 200.065 (2)(d))	Board County Administrator Budget Division
September 23	Submission of approved millage levy resolution and budget to Property Appraiser, Tax Collector, and Department of Revenue (F.S. 200.065 (4))	Budget Division
<u>2010</u>		
October 1	Beginning of new fiscal year	
October 1 - November 15	Update and print adopted Budget Documents	Budget Division
October 1	Certification of Compliance submitted to Department of Revenue (F.S. 200.068 DR-487)	Budget Division
December 4	Submission of Budget Documents to GFOA Awards Program	Budget Division
December 11	Completion of Value Adjustment Board Hearings	VAB
December 18	Certification of final taxable values (form DR-422) (F.S. 200.065 (5))	Property Appraiser
December 22	Return Certification of final taxable values (form DR-422) to the Property Appraiser	Budget Division
January 4	Forward proof of publication and full page ad from VAB hearings to DOR	Budget Division

Palm Beach County Board of County Commissioners Organizational Structure





Section B

Budget Summary Information



BUDGET SUMMARY TOTAL COMPARISON

FY 2009 Adopted to FY 2010 Adopted Budget

What is the Budget?

The **budget** is a plan for the accomplishment of goals and objectives within programs identified as being necessary to the purpose of Palm Beach County government. Included in the format are the estimates of the appropriations of the resources required, the tax and non-tax revenues available to support implementation and the number of positions estimated to fulfill the level of service represented by workload measures. In practice, the "budget" may be the plan presented to the appropriating body for adoption, labeled adopted, or the adopted budget, which is the legal authorization to expend County funds during the fiscal year. The budget may be amended during the fiscal year by the governing body in accordance with procedures specified by law and/or administrative order.

Total Budget

The **Total Budget** includes budget transfers from one fund to another and payments from one County department to another for services received.

Net Budget

The **Net Budget** subtracts Internal Service Charges, transfers of money from one fund to another (Interfund Transfers), and payments from one department to another for services rendered, from the total Gross Budget. These reductions from the total Gross Budget are considered double-counted because they do not represent money coming into the County budget as revenue or leaving the County budget as expense. Interfund transfers are necessary to reflect movement of revenues within the legal budget from the fund where received to the fund where the expenditure is to be recorded.

	FY 2009 Adopted Budget	FY 2010 Adopted Budget
Total Budget	\$3,999,428,421	\$4,101,803,250
Less: Internal Service Charges	-137,422,997	-122,194,096
Interfund Transfers	-509,775,388	-471,572,668
Interdepartmental Charges	-17,789,414	-18,718,251
Net Budget	<u>\$3,334,440,622</u>	<u>\$3,489,318,235</u>
Budgeted Reserves	\$732,430,742	\$738,387,376
Budgeted Expenditures	2,602,009,880	2,750,930,859
Net Budget	<u>\$3,334,440,622</u>	<u>\$3,489,318,235</u>

BUDGET

	General Fund	Special Revenue Funds
Estimated Revenues:		
Current Property Taxes	\$613,607,557	\$248,879,017
Licenses, Permits, & Other Taxes	96,147,460	53,132,938
Intergovernmental Revenues	24,099,488	253,752,071
Charges For Services	101,229,312	57,905,344
Interest Earnings & Other Misc.	(9,399,110)	(2,147,263)
Interfund Transfers	19,835,832	134,630,320
Total Revenue	\$845,520,539	\$746,152,427
Other Financing Sources	0	15,845,750
Total Revenue & Other Financing Sources	\$845,520,539	\$761,998,177
Balances Beginning of Year	154,303,480	196,884,019
Total Estimated Revenues, Sources and Balances	\$999,824,019	\$958,882,196

SUMMARY

Debt Service Funds	Capital Projects Funds	Enterprise Funds	Internal Service Funds	Total
\$34,864,452	\$0	\$0	\$0	\$897,351,026
0	40,184,451	2,147,000	0	191,611,849
0	118,677,115	28,201,292	0	424,729,966
0	5,589,706	210,198,856	110,506,819	485,430,037
(661,075)	32,414,117	18,137,620	7,666,250	46,010,539
103,159,018	14,378,639	199,568,859	0	471,572,668
\$137,362,395	\$211,244,028	\$458,253,627	\$118,173,069	\$2,516,706,085
0	0	0	0	15,845,750
\$137,362,395	\$211,244,028	\$458,253,627	\$118,173,069	\$2,532,551,835
26,686,147	968,618,151	173,342,669	49,416,949	1,569,251,415
\$164,048,542	\$1,179,862,179	\$631,596,296	\$167,590,018	\$4,101,803,250

BUDGET

	General Fund	Special Revenue Funds
Expenditures, Uses & Reserves:		
General Governmental Services	\$105,165,005	\$4,857,167
Public Safety	521,922,502	297,604,544
Physical Environment	13,222,393	18,148,279
Transportation	6,280,862	176,563,820
Economic Environment	25,991,649	122,978,195
Human Services	52,317,195	53,566,764
Culture and Recreation	57,862,201	51,342,564
Interfund Transfers	78,005,613	119,932,841
Reserves	85,530,664	123,061,628
Debt Service	0	0
Internal Services	0	0
Non-Departmental	53,525,935	(9,173,606)
Total Expenditures	\$999,824,019	\$958,882,196

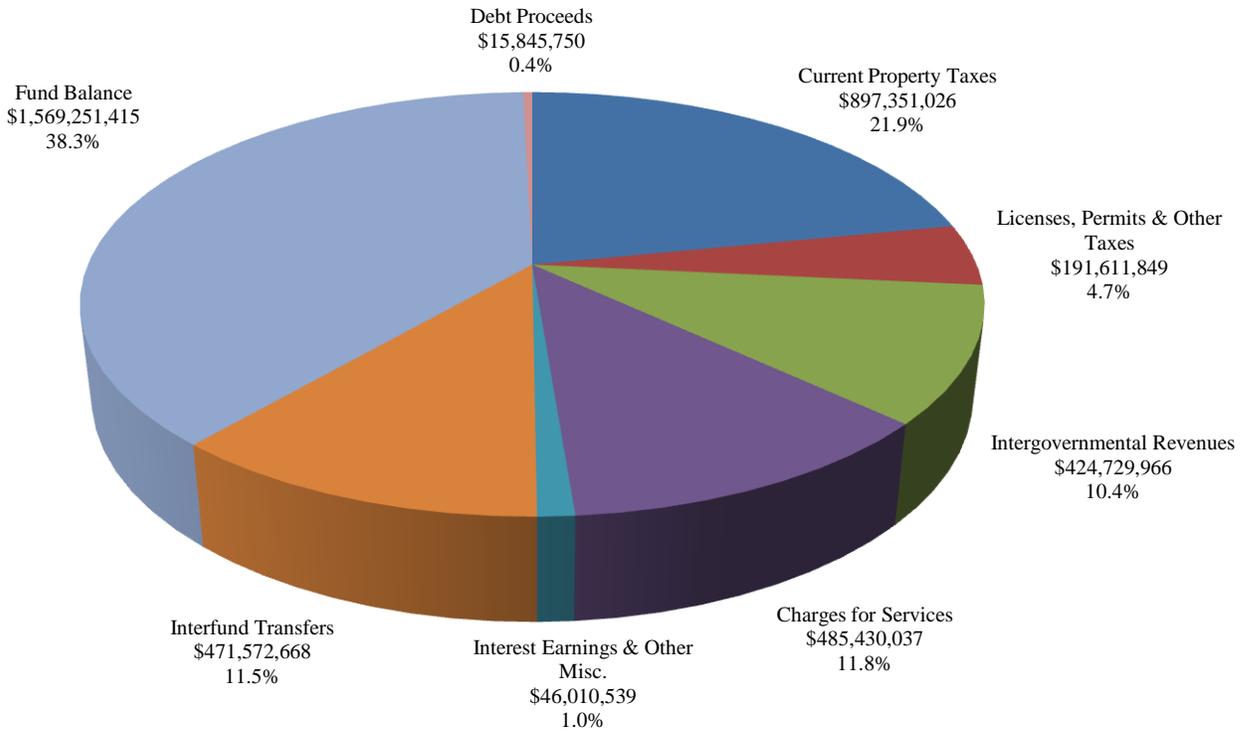
SUMMARY

Debt Service Funds	Capital Projects Funds	Enterprise Funds	Internal Service Funds	Total
\$0	\$287,737,384	\$0	\$440,185	\$398,199,741
0	43,846,388	0	0	863,373,434
0	82,601,797	213,333,947	0	327,306,416
0	164,070,332	113,092,750	0	460,007,764
0	9,304,677	0	0	158,274,521
0	384,217	0	0	106,268,176
0	112,869,416	0	0	222,074,181
577,650	67,635,652	198,527,437	6,893,475	471,572,668
23,881,184	388,938,520	78,277,181	38,698,199	738,387,376
151,407,858	552,406	28,364,981	0	180,325,245
0	0	0	121,998,344	121,998,344
(11,818,150)	21,921,390	0	(440,185)	54,015,384
\$164,048,542	\$1,179,862,179	\$631,596,296	\$167,590,018	\$4,101,803,250

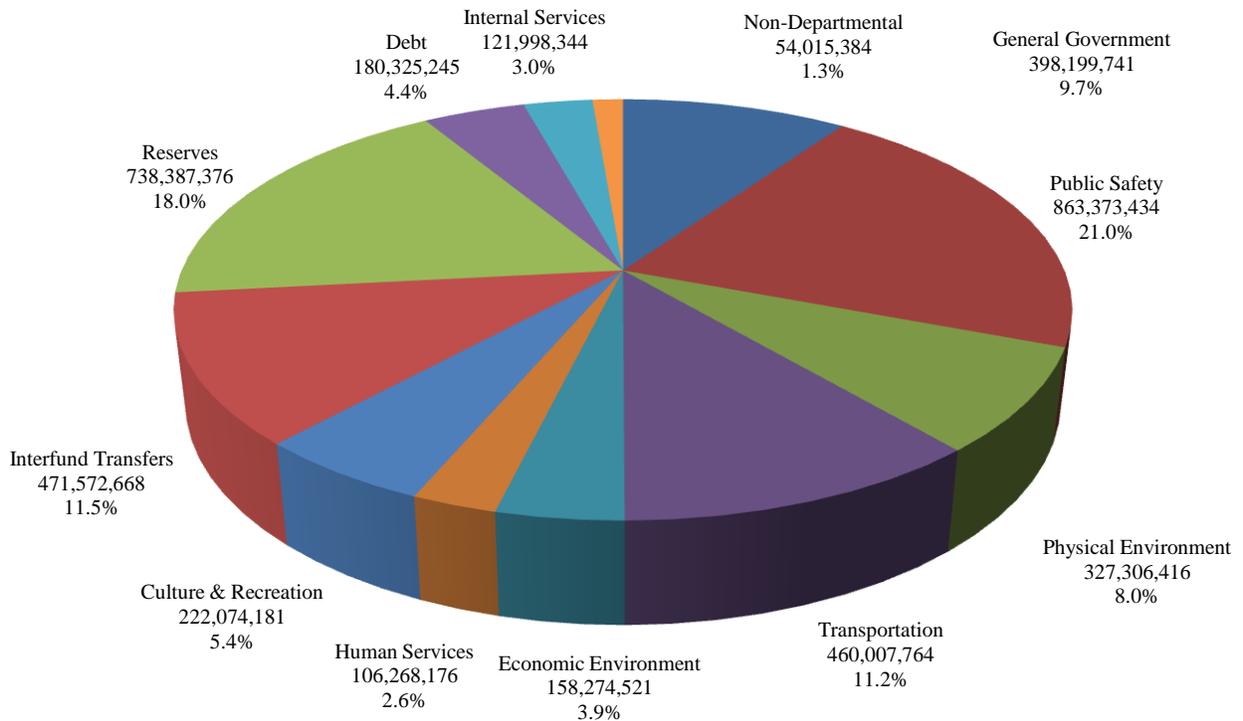
BUDGET SUMMARY

\$4,101,803,250

Revenues by Source



Expenditures by Function



SOURCES/USES OF FUNDS FISCAL YEAR 2006-2010

<u>Revenue Source</u>	<u>Actual FY2006</u>	<u>Actual FY2007</u>	<u>Actual FY2008</u>	<u>Estimated FY2009</u>	<u>Budget FY2010</u>
Current Property Taxes	\$ 799,229,729	\$ 938,520,585	\$ 896,209,694	\$ 853,296,753	\$ 897,351,026
Licenses, Permits & Other Taxes	306,174,442	249,745,351	223,895,353	186,810,973	191,611,849
Intergovernmental Revenues	300,506,346	231,954,221	245,041,733	238,975,645	424,729,966
Charges for Services	433,045,518	513,246,012	463,941,582	477,519,670	485,430,037
Interest Earnings & Other Miscellaneous	201,944,025	232,296,906	165,274,353	162,039,457	46,010,539
Interfund Transfers	561,104,219	585,863,967	549,416,224	544,609,121	471,572,668
Debt Proceeds	221,621,694	62,955,271	365,124,572	166,435,194	15,845,750
Fund Balance	1,508,522,051	1,785,407,032	1,568,205,240	1,656,776,031	1,569,251,415
Total	\$ 4,332,148,024	\$ 4,599,989,345	\$ 4,477,108,751	\$ 4,286,462,844	\$ 4,101,803,250
 Uses of Funds					
General Government	\$ 416,261,364	\$ 430,163,895	\$ 348,890,542	\$ 338,714,534	\$ 398,199,741
Public Safety	626,714,872	693,598,071	726,641,327	781,803,522	863,373,434
Physical Environment	242,762,483	254,069,414	187,363,345	171,692,921	327,306,416
Transportation	262,457,938	346,504,853	297,194,005	290,785,184	460,007,764
Economic Environment	72,878,660	86,516,050	88,427,979	96,620,058	158,274,521
Human Services	92,952,011	104,139,550	100,275,662	95,683,914	106,268,176
Culture/ Recreation	173,072,209	161,667,168	153,000,543	135,800,061	222,074,181
Interfund Transfers	561,104,219	585,863,967	549,416,224	544,609,121	471,572,668
Reserves	0	0	0	0	738,387,376
Internal Services	130,611,140	153,287,625	143,144,647	148,949,200	121,998,344
Non-Departmental & Debt Service	116,674,423	154,116,024	172,138,472	234,221,307	234,340,629
Total	\$ 2,695,489,319	\$ 2,969,926,617	\$ 2,766,492,746	\$ 2,838,879,822	\$ 4,101,803,250

PERCENT INCREASE (DECREASE) IN MILLAGE OVER ROLLED-BACK RATE ⁽¹⁾

	FY 2010 Rolled-Back Rate		FY 2010 Adopted Taxes		Adopted Increase or Decrease		
	Millage	Taxes	Millage	Taxes	Millage	Taxes	% Increase Or % (Decrease) From Rolled-Back Rate
Countywide ⁽²⁾	4.3440	\$613,607,557	4.3440	\$613,607,557	0.0000	\$0	0.00 %
County Library District ⁽²⁾	0.5776	43,552,242	0.4970	37,474,834	(0.0806)	(\$6,077,408)	(13.95) %
Fire-Rescue MSTU	3.4581	196,305,394	3.4581	196,305,394	0.0000	\$0	0.00 %
Jupiter Fire-Rescue MSTU	2.5451	19,705,619	1.9501	15,098,789	(0.5950)	(\$4,606,830)	(23.38) %
Aggregate Millage Rate ⁽³⁾	6.1816		6.1059		(0.0757)		<u>(1.22) %</u>
Total Taxes		<u>\$873,170,812</u>		<u>\$862,486,574</u>		<u>(\$10,684,238)</u>	<u>(1.22) %</u>

(1) Rolled-Back Rate is the millage rate which, exclusive of new construction, will provide the same ad valorem tax revenue as was levied during the prior year.

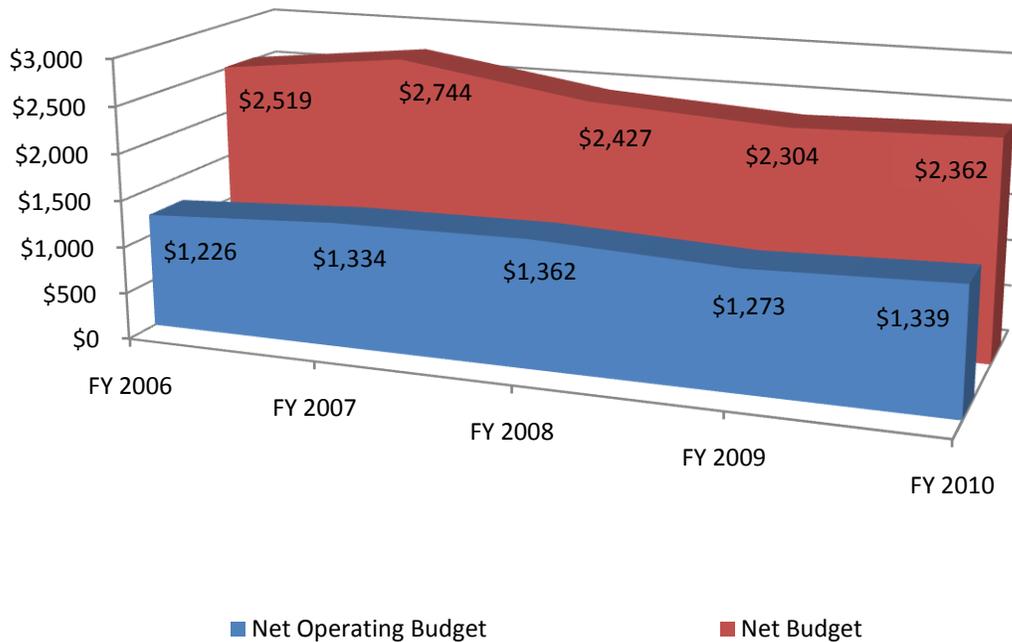
(2) Exclusive of voted debt millages 0.2174 mills Countywide and 0.0548 County Library.

(3) Aggregate Millage Rate is the sum of all ad valorem taxes levied by the governing body of a county for countywide purposes, plus ad valorem taxes levied for any district dependent to the governing body, divided by the total taxable value of the county, converted to a millage rate. The aggregate millage rate is not the sum of the individual millage rates levied for countywide and dependent district purposes.

CHANGES IN PROPERTY (AD VALOREM) TAXES

	FY 2009 Budget		FY 2010 Budget		Increase (Decrease) Amount	Percent
	Millage	Amount	Millage	Amount		
General Fund	3.7811	605,453,996	4.3440	613,607,557	8,153,561	1.35%
Voted Debt Service	0.1845	29,559,082	0.2174	30,732,418	1,173,336	3.97%
Sub-Total Countywide	3.9656	635,013,078	4.5614	644,339,975	9,326,897	1.47%
Dependent Districts						
County Library	0.5427	47,103,499	0.5518	41,606,868	(5,496,631)	-11.67%
Fire-Rescue Countywide MSTU	2.9500	187,727,651	3.4581	196,305,394	8,577,743	4.57%
Jupiter Fire MSTU	2.2858	19,451,279	1.9501	15,098,789	(4,352,490)	-22.38%
Sub-Total Dependent Districts		254,282,429		253,011,051	(1,271,378)	-0.50%
Total Property Taxes		\$889,295,507		\$897,351,026	\$8,055,519	0.91%
Use of Property Taxes						
		FY 2009 Budget		FY 2010 Budget	Increase (Decrease) Amount	Percent
County Commission - Countywide		222,425,844		226,230,490	3,804,646	1.71%
County Commission - Voted Debt Service		29,559,082		30,732,418	1,173,336	3.97%
County Library		47,103,499		41,606,868	(5,496,631)	-11.67%
Fire - Rescue		207,178,930		211,404,183	4,225,253	2.04%
Sheriff		329,806,170		338,207,406	8,401,236	2.55%
Property Appraiser		18,620,832		17,261,158	(1,359,674)	-7.30%
Judicial System		4,068,646		5,588,711	1,520,065	37.36%
Clerk & Comptroller		14,696,435		12,428,606	(2,267,829)	-15.43%
Supervisor of Elections		9,997,168		9,378,270	(618,898)	-6.19%
Tax Collector		5,838,901		4,512,916	(1,325,985)	-22.71%
Total		\$889,295,507		\$897,351,026		

CONSTANT DOLLAR COSTS PER CAPITA



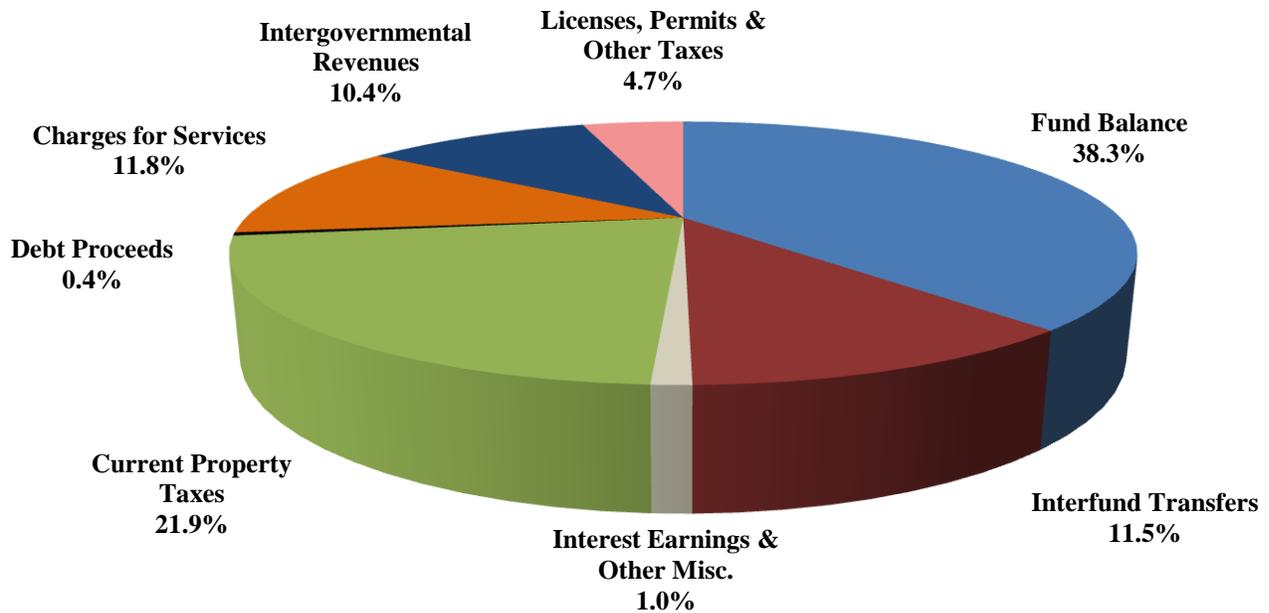
	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Net Budget	\$2,519	\$2,744	\$2,427	\$2,304	\$2,362
Percent Change from Prior Year	N/A	8.9%	-11.6%	-5.1%	2.5%
Net Operating Budget	\$1,226	\$1,334	\$1,362	\$1,273	\$1,339
Percent Change from Prior Year	N/A	8.8%	2.1%	-6.5%	5.2%

Palm Beach County’s net budget and net operating budget for the fiscal years ending September 30, 2006 through 2010 are presented in constant dollars per capita, using FY 2006 as the base year, to counter the effects of inflation and growth.

FY 2010 reflects a slight increase from FY 2009. This increase represents the ARRA-Federal Stimulus grant funding awarded for FY 2010. ARRA funding is provided to support both operating and capital costs for purposes of stimulating the economy.

**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

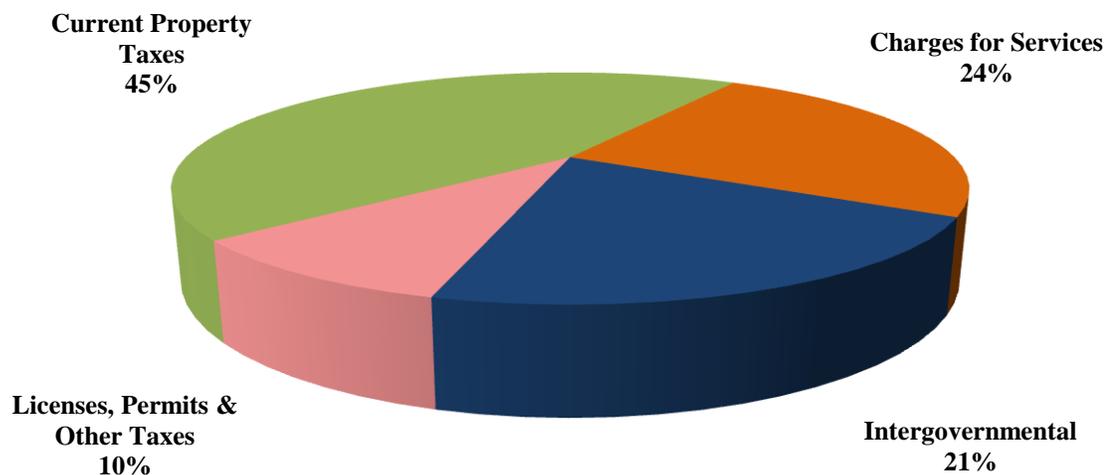
The graph below represents FY 2010 budgeted revenues totaling \$4,101,803,250:



The use of fund balances and interfund transfers comprise one-half of total budgeted revenues in Palm Beach County. When you exclude these two categories, the major revenue sources for Palm Beach County are property taxes, charges for services, intergovernmental revenues, and licenses, permits and other taxes. These major current revenue sources account for 49% of overall FY 2010 budgeted revenue, or 97% of FY 2010 budgeted revenues not including fund balance and interfund transfers.

The graph below illustrates the percentage of each major revenue source against the total of all major revenues (\$1,999,122,878).

FY 2010 Major Revenue Sources



The following pages will discuss each major revenue source, the underlying assumptions for each revenue estimate, and significant revenue trends.

**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

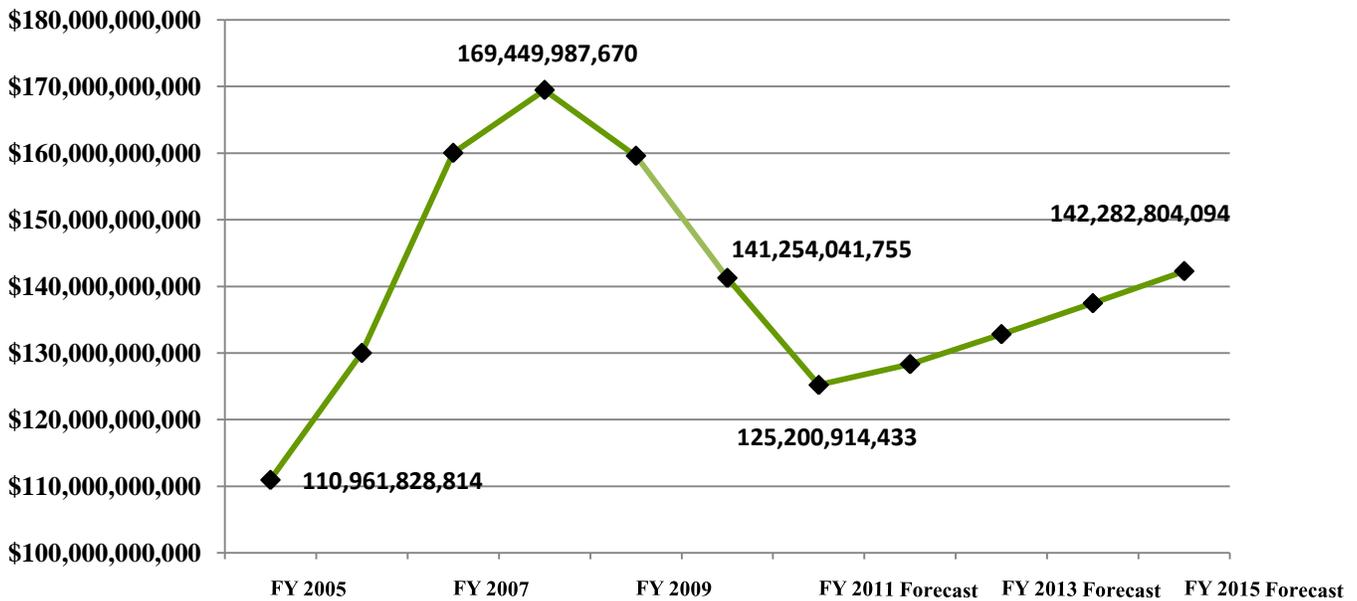
Current Property Taxes

The major revenue source funding Palm Beach County's general operations continues to be the property tax. The following graphs present the history of the taxable property values and the operating property tax revenues for the County, the Fire district, and the Library district. The projections are based on the County experiencing a decrease in taxable property values of \$16 billion (12%) offset by the addition of new construction of approximately \$1 billion. Thereafter, the County anticipates the taxable property values to recover slightly year after year (2.5%-3.5%), with a modest addition of new construction valuing approximately \$2 billion. The County is projecting the property taxes based on a roll-back rate for the future years.

In FY 2010, current property taxes total \$897.4 million. Of this amount, \$613.6 million or 68% is attributable to the Countywide millage rate. The Fire Rescue millage comprises \$211.4 million or 24% of the total. The remaining property tax revenue is related to millages for the County Library (\$37.5 million or 4%) and the general obligation debt (\$34.9 million or 4%).

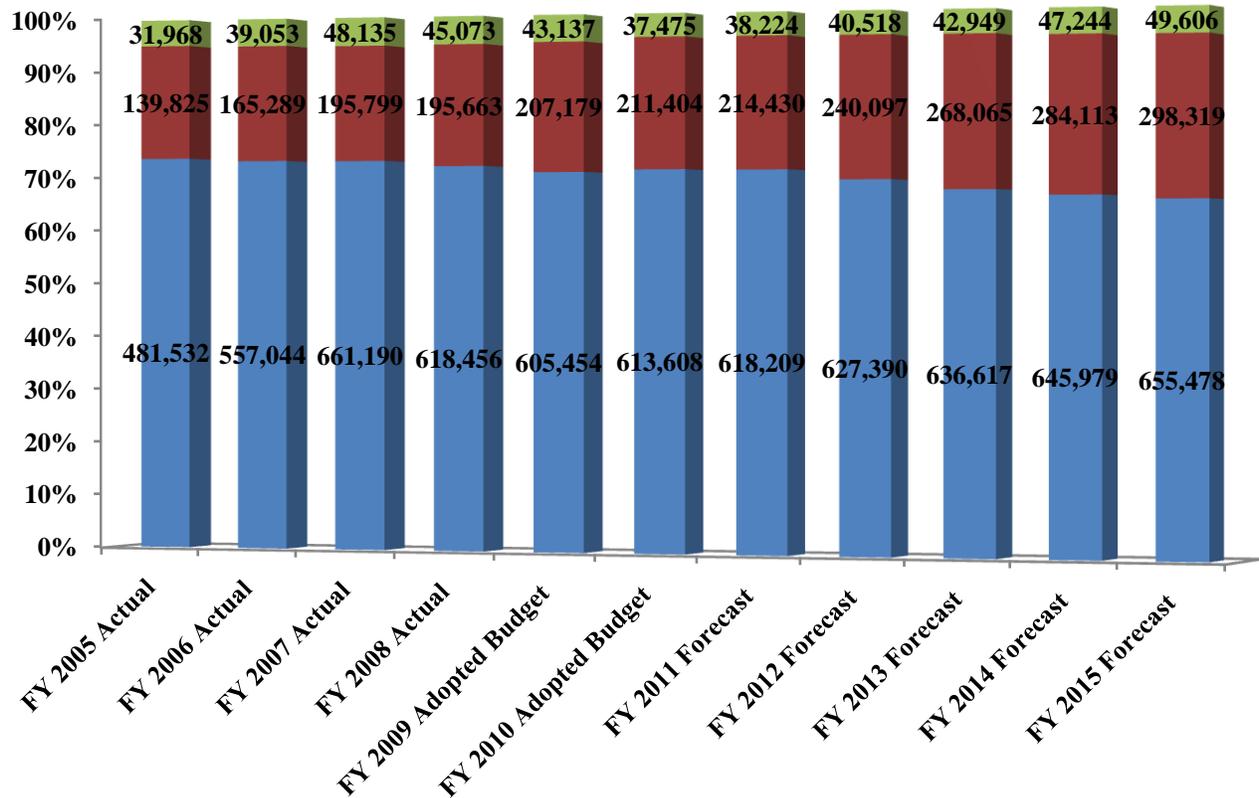
The Countywide operating tax rate was increased from 3.7811 to the roll-back rate of 4.3440. The rollback rate is the millage rate that generates the same tax revenue from the same assessed properties. Therefore, new construction is not calculated in the roll-back rate. FY 2010's new construction is valued at approximately \$2.3 billion, which equates to Countywide property tax revenue of approximately \$10.0 million.

Taxable Property Values



**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

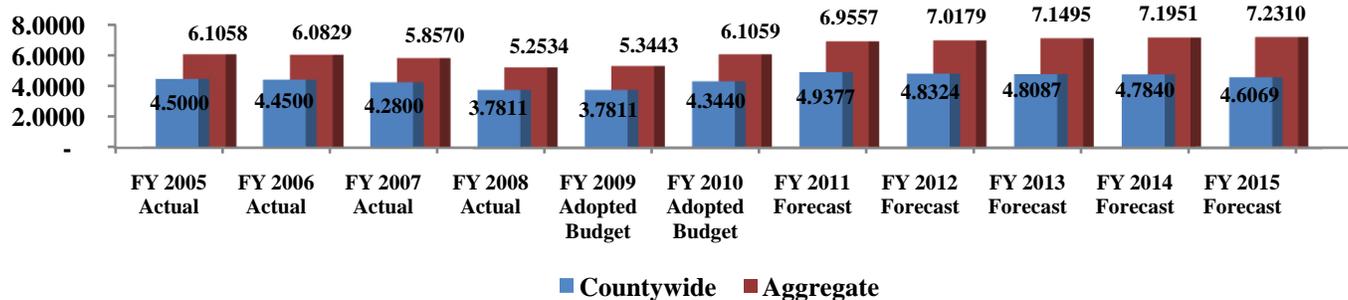
Property Tax (Operating) Revenues (\$000)



	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted Budget	FY 2010 Adopted Budget	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast
Library	31,968	39,053	48,135	45,073	43,137	37,475	38,224	40,518	42,949	47,244	49,606
Fire	139,825	165,289	195,799	195,663	207,179	211,404	214,430	240,097	268,065	284,113	298,319
Countywide	481,532	557,044	661,190	618,456	605,454	613,608	618,209	627,390	636,617	645,979	655,478

The graph below illustrates the history of the countywide operating millage rate and the aggregate millage rate.

Property Tax Millage Rates



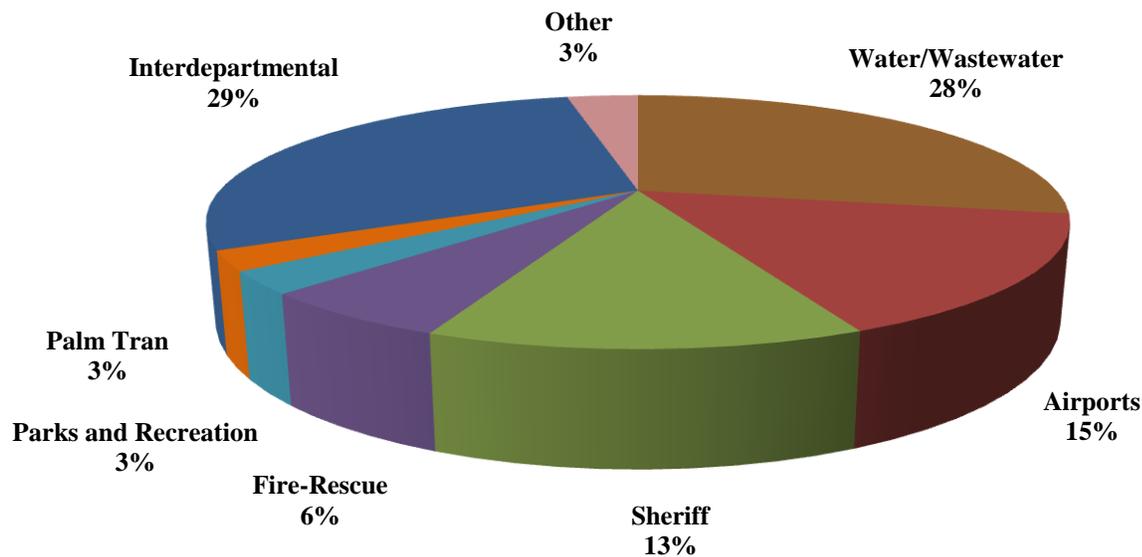
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Charges for Services

Charges for Services represents fee charges as a result of direct benefit or in lieu of other charges. As shown in the graph below, Interdepartmental Charges and Water/Wastewater Utilities Charges account for a majority of the revenues in the charges for services category. The other major revenues in this category include Airport, Sheriff, and Fire Rescue charges. The remaining balance in charges for services include Parks and Recreation fees, Palm Tran fares, and other miscellaneous fees.

The graph below illustrates the percentage of each charge for services type against the total of all charges for services (\$485,430,037).

FY 2010 Charges for Services

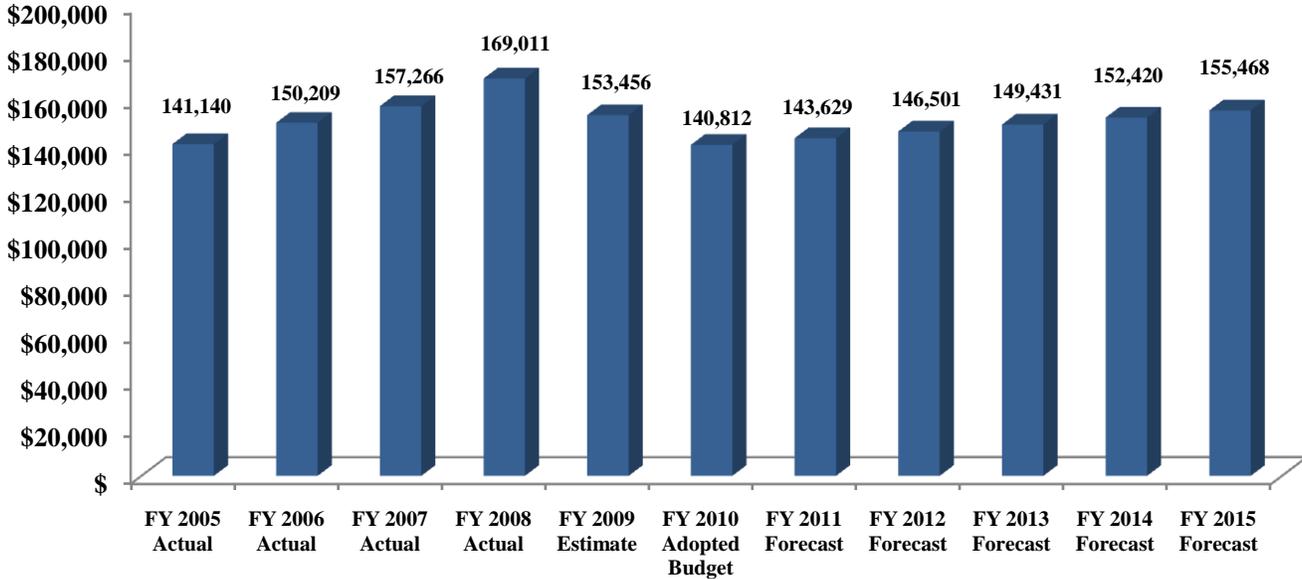


Charges for Services - Interdepartmental Charges

Interdepartmental Charges total \$140,812,347 in FY 2010, or 29% of the FY 2010 Charges for Services Category. Interdepartmental Charges represent charges for goods and services exchanged between County departments. The majority of revenues in this category are related to Risk Management charges for insurance, including health, property and casualty, and workers compensation, which amounts to \$74.6 million or 55% of the total. The other major sources of revenue include Fleet Management charges (\$35.2 million) and Information Systems Services fees (\$12.1 million) to non-General funded Departments. Combined, Risk Management, Fleet Management and Information Systems Services charges comprise over 90% of the Interdepartmental Charges category. These revenues are based on a cost allocation method supported to recover costs to support the operations. In FY 2010, Information Systems Service Department was moved from an Internal Service Fund to the General Fund. As a result, charges have decreased since the department will no longer be billing General Funded Departments. Projections were estimated to be calculated at an increase of 2%. This is determined based on potential increase in the service departments budgets related to personnel retirement cost increases, maintenance contract increases, and property and health insurance increases.

**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

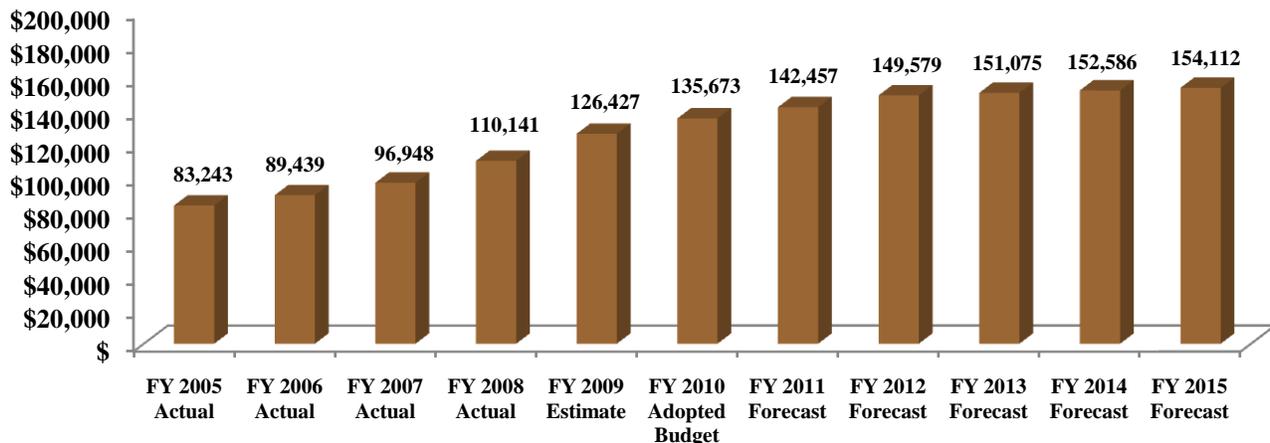
Interdepartmental Charges (\$000)



Charges for Services - Water/Wastewater Utilities Charges

Water/Wastewater Utilities charges total \$135,673,000 in FY 2010, or 28% of the FY 2010 Charges for Services Category. These revenues represent fees paid to the Water Utilities Department for providing potable water, reclaimed water, and wastewater service to approximately 511,000 residents in the central and south-central unincorporated areas of the County and the western communities. Effective April 1, 2009, fees for potable water and wastewater were increased by 11.75% to replace a 15 percent surcharge imposed in 2008 to offset revenue losses due to mandatory water restrictions. Additionally, water/wastewater utilities rates are adjusted annually based on a utility rate index with the increase applied each October 1. For FY 2010, the increase was 5.475%. The revenue increase in FY 2010 is also attributable to the Water Utilities Department assuming operation of the Glades Utility Authority. Future estimates are based on an annual rate increase offset with slight decreases in consumption.

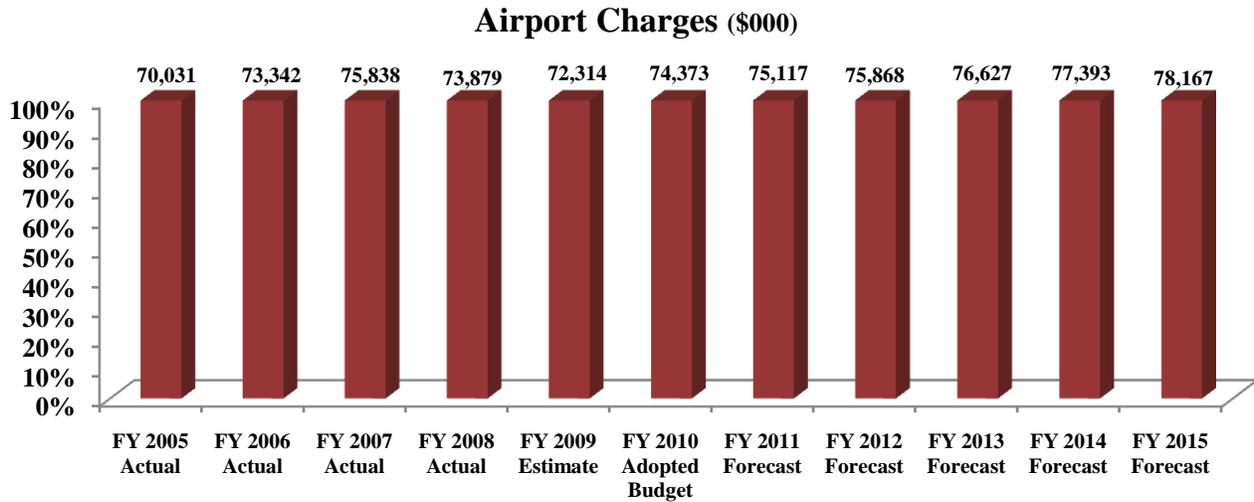
Water/Wastewater Utilities Charges (\$000)



**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

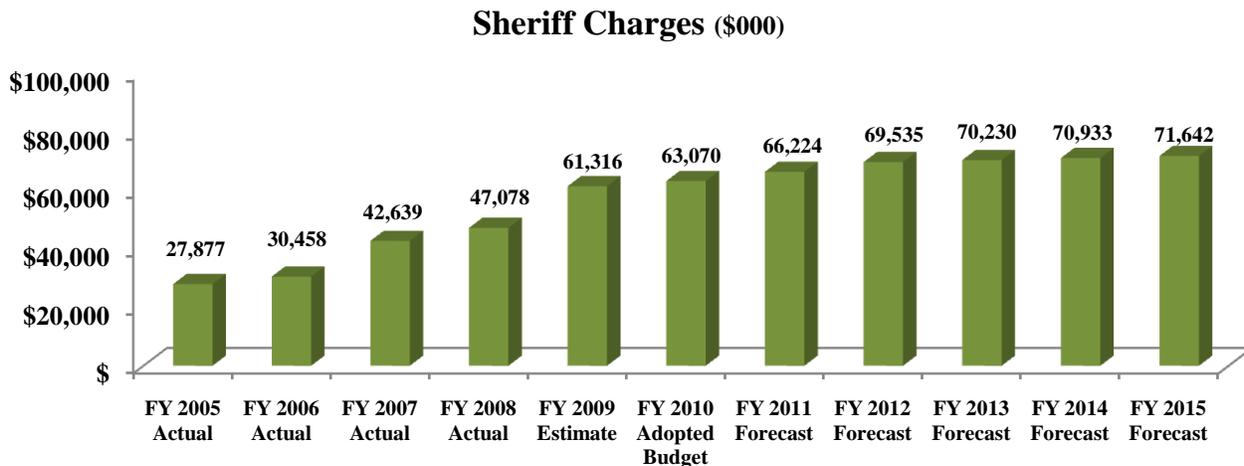
Charges for Services - Airport Charges

Airport charges total \$74,372,960 in FY 2010, or 15% of the FY 2010 Charges for Services Category. This category includes revenues associated with the operation of Palm Beach International Airport, as well as three general aviation airports. Over 70% of total revenue is attributable to fees for parking and rental cars, rental space for airlines, and passenger facility charges. The remaining balance of revenue includes items such as landing fees, concession charges, and other rental charges. Future estimates are based on historical trend analysis and current and projected economic conditions.



Charges for Services - Sheriff Charges

Fees charged by the Palm Beach County Sheriff's Office total \$63,070,222 in FY 2010, or 13% of the FY 2010 Charges for Services Category. The majority of this amount are charges for police services provided to specific fee-for-service areas, which comprise \$54.5 million or 86% of total Sheriff charges. Currently, the Sheriff's department provides police services to nine cities. The other major fee collected by the Sheriff's Office is for room and board charges at correctional and detention facilities paid by the Federal government. This charge totals \$6.2 million or 10% of total Sheriff charges. The significant growth in this revenue category over the past five years is entirely attributable to charges for Police Services, which includes the most recent addition, the City of Lake Worth in FY 2009. Future estimates are based on contractual annual increases with the cities.

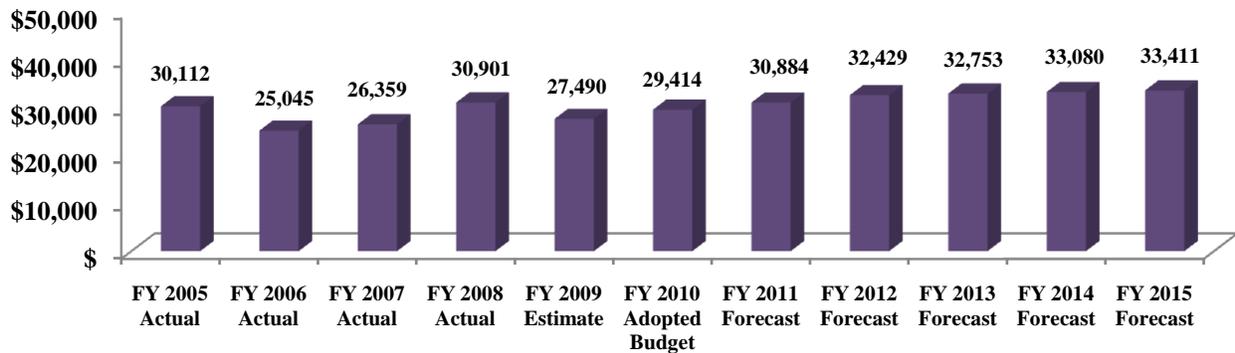


**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Charges for Services - Fire Rescue Charges

Fire Rescue charges total \$29,413,696 in FY 2010, or 6% of the FY 2010 Charges for Services Category. This category includes fees charged by Palm Beach Fire Rescue. The largest source of revenue in this category is for Ambulance Transport Fees, which represent \$12.9 million or 44% of total Fire Rescue Charges. The other major revenue source is charges for fire protection services provided to specific fee-for-service areas, which totals \$10.4 million or 34% of total Fire Rescue Charges. Future estimates are based on annual increases with the cities and a projected increase in ambulance trips. During FY 2009, the County entered into agreements with two cities, Palm Springs and Lake Worth to provide fire protection services.

Fire Rescue Charges (\$000)



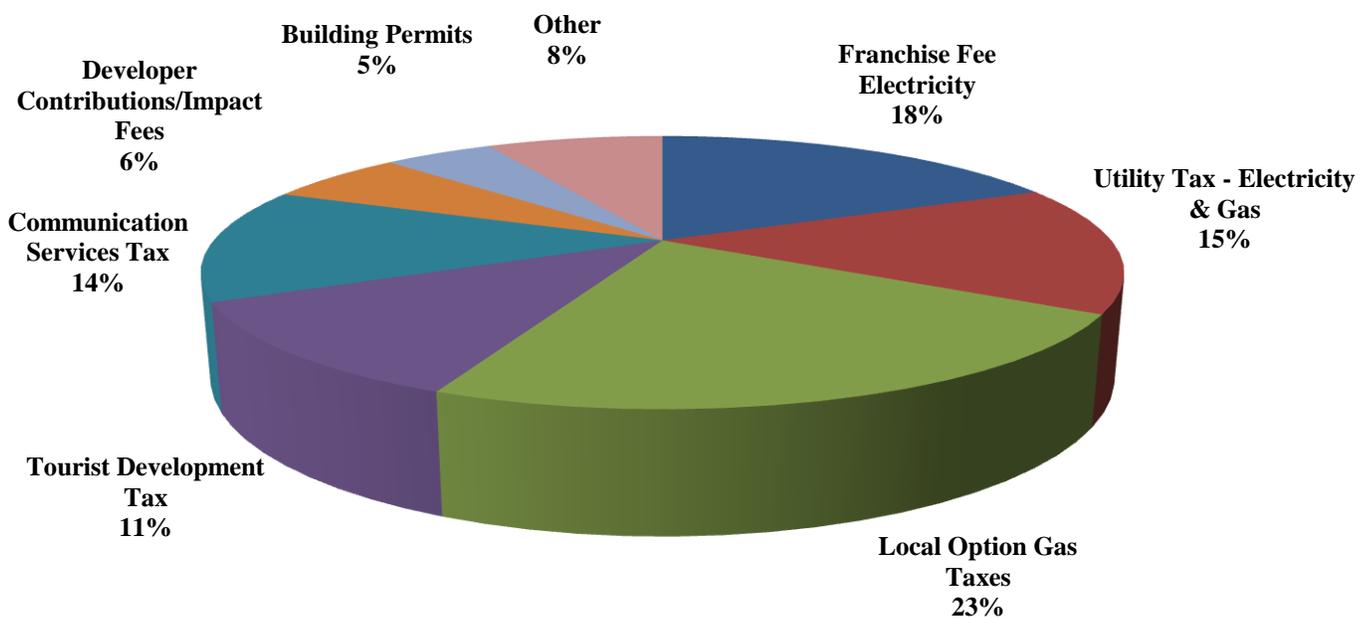
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Licenses, Permits, and Other Taxes

This category reflects multiple revenue types, the largest of which are local option gas taxes totaling \$44.1 million or 23% of revenue in this category. The next largest revenue type includes fees and taxes on public utilities, including the electricity franchise fee (\$35 million or 18%), electricity and natural gas utility taxes (\$29.1 million or 15%), and the communications services tax (\$25.8 million or 13%). Other revenue types in this category include the Tourist Development Tax, Developer Contributions and Impact Fees, Building Permits, and fees paid for professional and occupational licenses.

The graph below illustrates the percentage of each charges for services type against the total of all licenses, permits, and other taxes (\$191,611,849).

FY 2010 Licenses, Permits, and Other Taxes

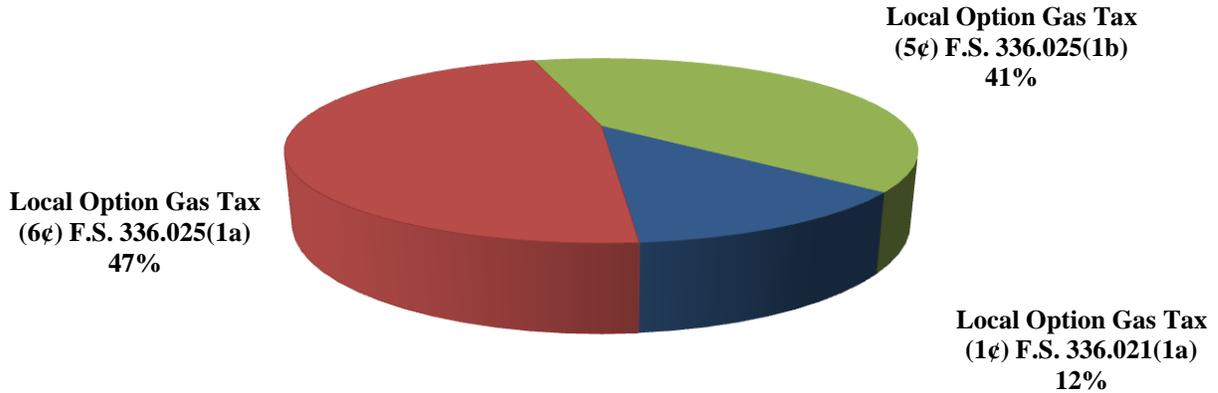


**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Licenses, Permits, and Other Taxes - Local Option Gas Taxes

Palm Beach County levies three local option gas taxes totaling \$44,074,000 in FY 2010. The graph below illustrates the percentage of each local option gas tax against the total of all local option gas taxes.

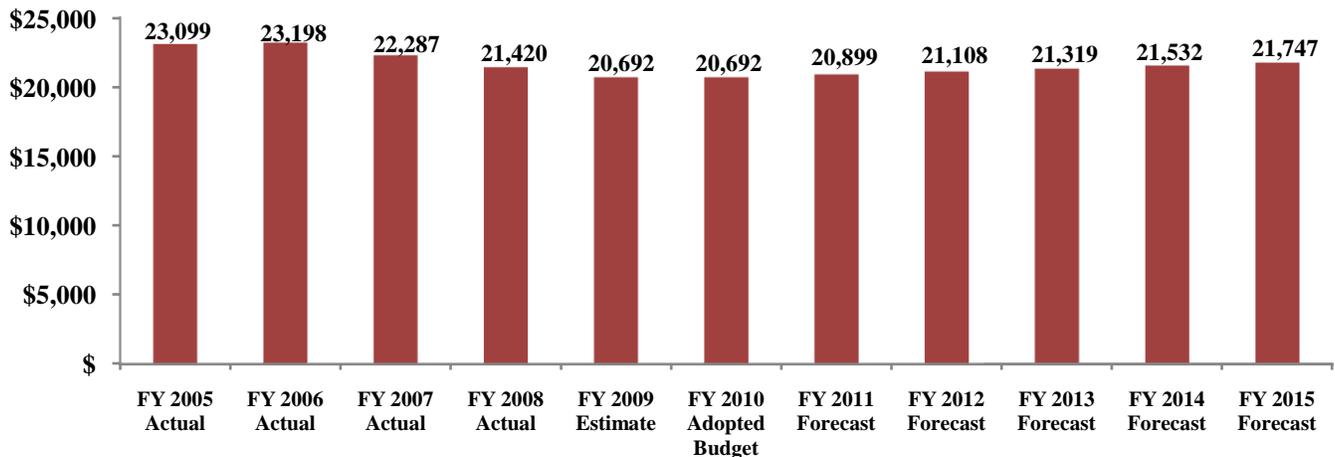
FY 2010 Local Option Gas Taxes



The County receives estimates each year for the local option gas taxes. Revenue forecasts are based on historical trend analysis of fuel prices. Typically, when fuel prices increase, there is an overall decrease in discretionary driving, thus less gallons of fuel purchased, which negatively impacts the County's revenue. Although, recent fuel prices have not significantly fluctuated and has overall averaged under \$3/gallon, there is a nationwide emphasis on utilizing fuel economical cars. The Federal Government has supported this with the "Cash for Clunkers" program, which exchanged approximately 700,000 "gas guzzling" vehicles to qualified fuel economical vehicles. Considering these factors, gas taxes are forecasted to increase approximately 1% a year.

A **6-Cent Gas Tax** is levied by the County per F.S. Section 336.025(1)(a) on each gallon of motor and diesel fuel sold. This tax, originally adopted in 1983 by the Board of County Commissioners, was due to expire in 1995 and was extended for an additional thirty years. Use of the proceeds is restricted to transportation expenditures. The proceeds of the tax are distributed by the Department of Revenue and the County receives approximately two-thirds of the allocation.

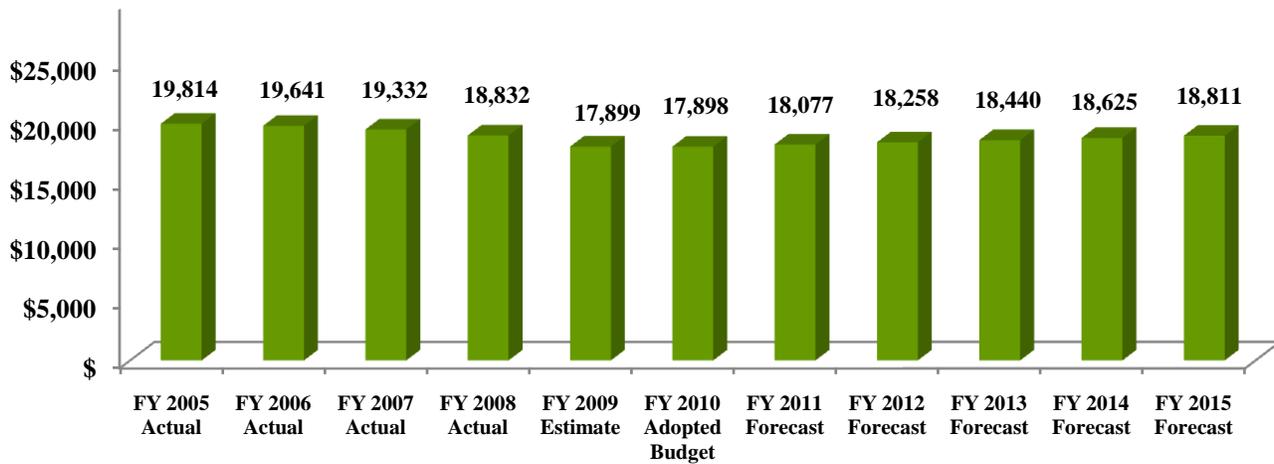
Local Option 6-Cent Gas Tax (\$000)



**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

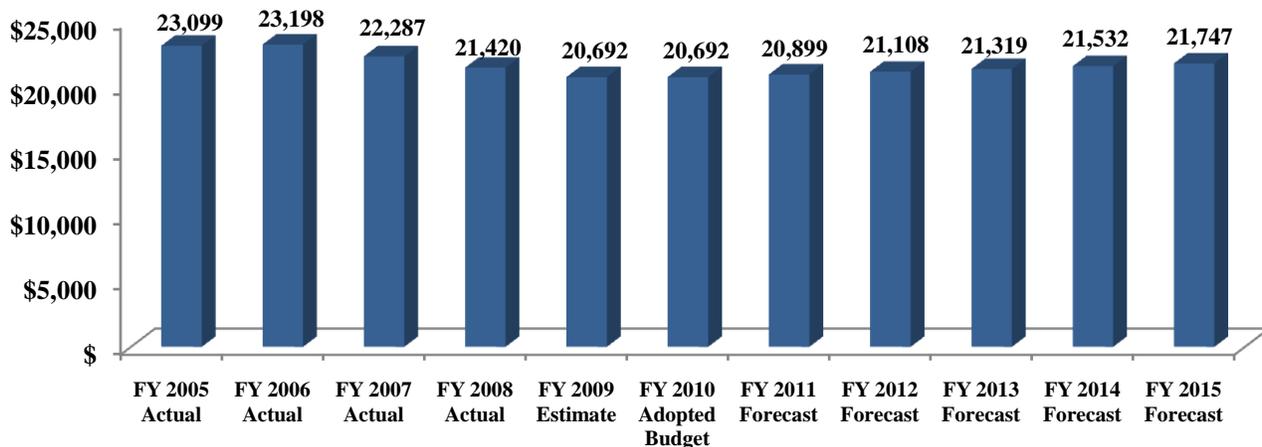
A **5-Cent Gas Tax** is levied by the County per F.S. Section 336.025(1)(b) on motor fuel only. This tax was adopted by the Board of County Commissioners in 1993, and use of the proceeds is restricted to transportation expenditures needed to meet the requirements of the capital improvement element of the adopted comprehensive plan. Current board policy allocates 50% of this revenue to mass transit and 50% to road improvements. The County shares proceeds of this tax with local municipalities through interlocal agreements. The proceeds of the tax are distributed by the Department of Revenue and the County receives 78.92% of the allocation.

Local Option 5-Cent Gas Tax (\$000)



A **1-Cent Gas Tax (Ninth Cent)** is levied by the County per F.S. Section 336.021 on each gallon of motor and diesel fuel sold. This tax was adopted by the Board of County Commissioners in 1993, and use of the proceeds is restricted to transportation expenditures. Current board policy allocates 50% of this revenue to mass transit and 50% to road improvements. The proceeds of the tax are distributed by the Department of Revenue to the County and this tax is not shared with municipalities.

Local Option 1-Cent (Ninth Cent) Gas Tax (\$000)



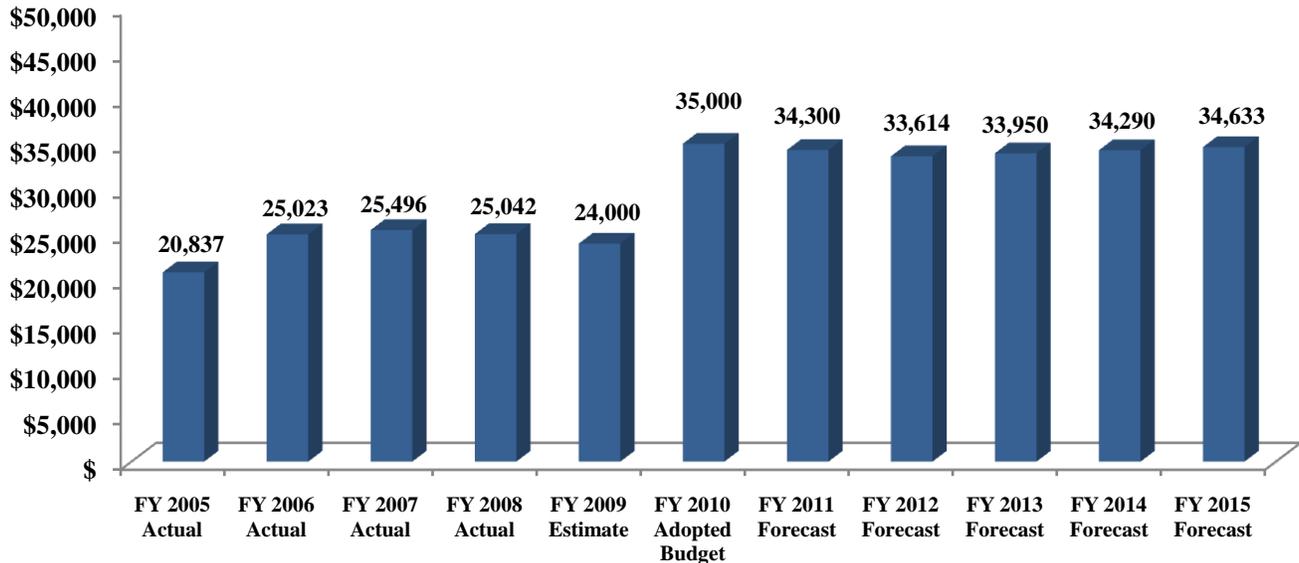
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Licenses, Permits, and Other Taxes - Franchise Fee - Electricity

The County's largest franchise agreement is for electricity. The franchise fee is imposed on the sale of electricity to customers within unincorporated areas of Palm Beach County. This fee is charged for the privilege, granted to Florida Power and Light (FPL), to use the right-of-way in the unincorporated area of Palm Beach County.

In FY 2009, the County entered into a new franchise agreement with FPL where the franchise fee decreased from 6% to 5.9% while changing the method of calculation by eliminating the consideration given for taxes FPL pays to the County and other taxing authorities. Under the prior agreement's method of calculation, the effective rate was 4.2%. As such, FY 2010 has a significant increase in revenues. Future estimates are based on trend analysis considering a slight decrease in population in the next two years and then a slight upturn in population, a flat FPL rate, and conservative consumption.

Franchise Fee - Electricity (\$000)



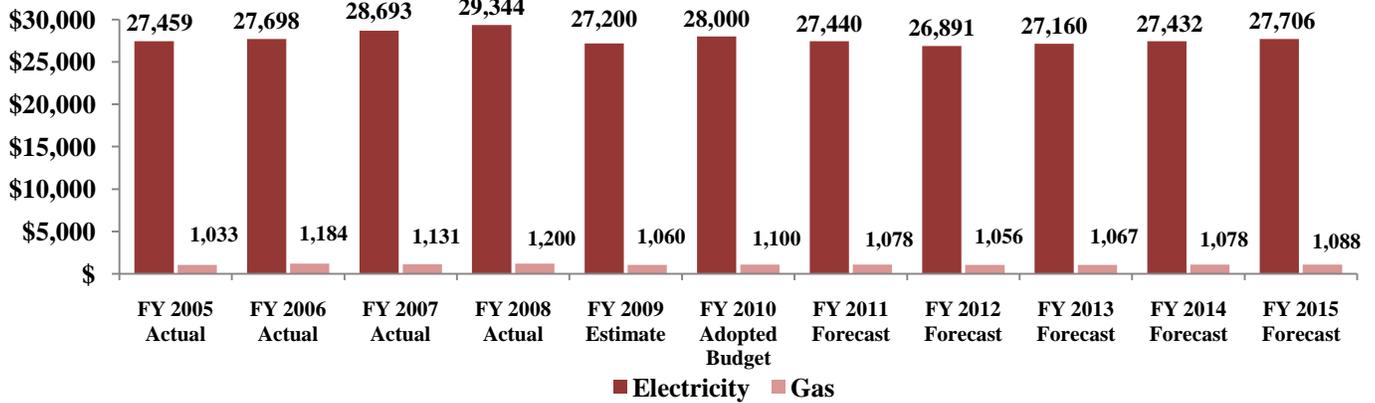
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Licenses, Permits, and Other Taxes - Utility Taxes - Electricity and Gas

The County imposes Utility Taxes on the purchase of both electricity and metered or bottled gas within the unincorporated areas of Palm Beach County. These taxes are authorized under the Palm Beach County Public Service Tax Ordinance, which requires sellers of these utilities to collect the tax from its customers and remit to the County. For FY 2010, Electricity Utility Taxes total \$28 million, while Gas Utility Taxes total \$1.1 million.

Utility taxes are assessed at 10% of the first \$4,000 purchased in a monthly period, 2% of the next \$2,000 purchased, and 1% of any amount in excess of \$6,000. For billings other than monthly, the tax rate is 10%. Future estimates are based on trend analysis considering a slight decrease in population in the next two years and then a slight upturn in population, flat utilities rates, and conservative consumption.

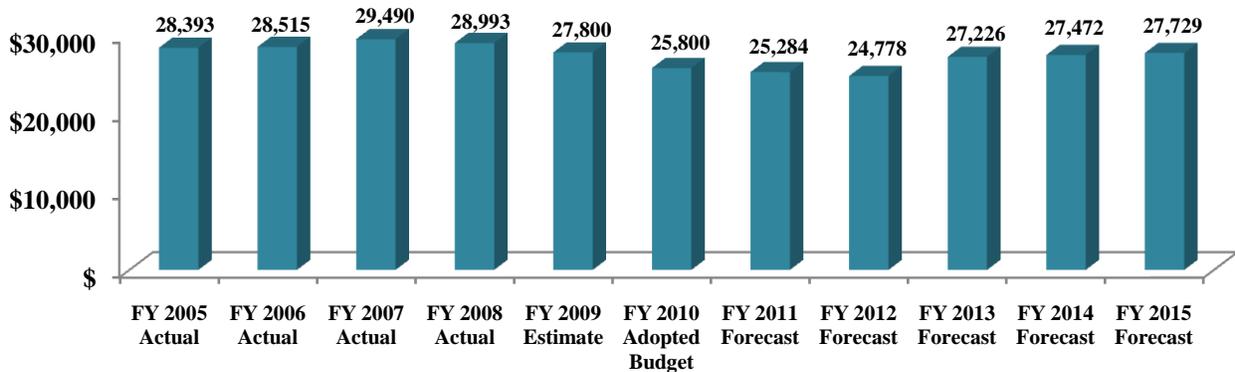
Utility Taxes - Electricity and Gas (\$000)



Licenses, Permits, and Other Taxes - Communications Services Tax

As of 2001, the Communications Services Tax (CST) replaced the Telecommunications Service Utility Tax, Telecommunication Franchise Fees, and the Cable TV Franchise Fees with a single levy. The CST is collected and distributed by the State. Palm Beach County's rate is 5.62% and FY 2010 revenue totals \$25.8 million. Revenue estimates are projected by the State to be used by local agencies during budget preparations and projections are based on historical trend analysis. The decrease in fiscal years 2010-2012 is attributable to the State reducing the County's distribution of \$2.2 million/year to redistribute Statewide. The repayment in to correct the State's prior years' distribution formulas.

Communications Services Tax (\$000)



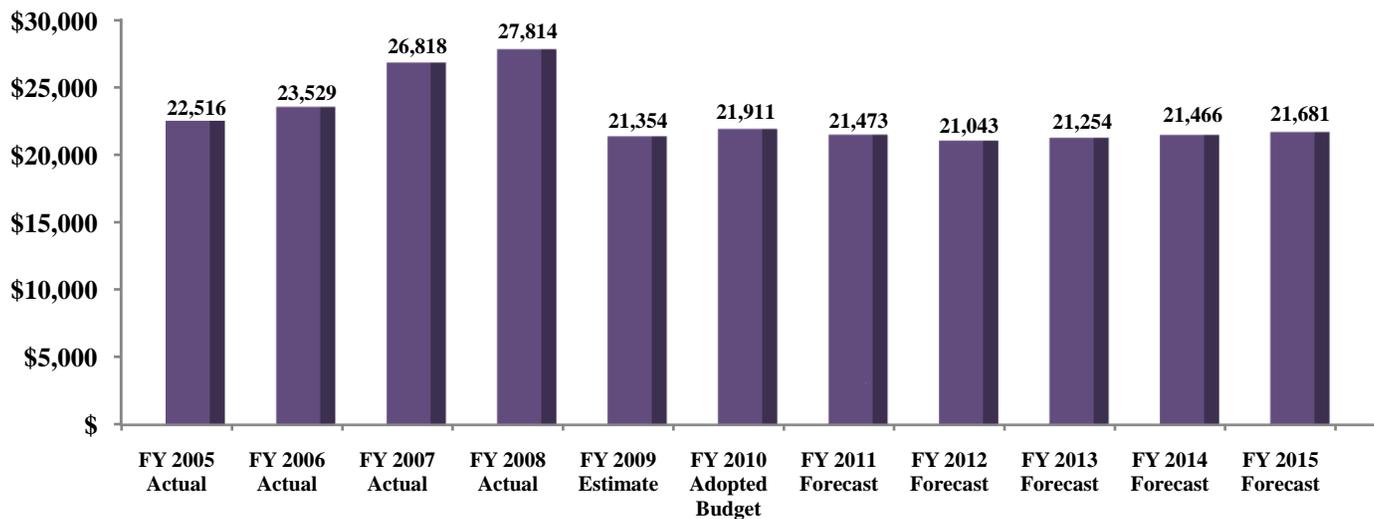
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Licenses, Permits, and Other Taxes - Tourist Development Tax

Tourist Development Taxes are derived from a 5% tax on the renting of any living accommodation for a term of six months or less. Each year, the first cent is reserved for convention center improvements. The first \$250,000 of the 2nd, 3rd, and 5th cents is reserved for the operation and maintenance costs of the convention center, and the next \$150,000 is reserved for special major projects. The remaining balance of the 2nd, 3rd, and 5th cents of this tax are distributed as follows: 52.47% for tourism promotion, 22.51% for cultural and fine arts, 14.1% for beach restoration, 3.92% for promotion of film/television production, and 7% for promotion of sporting events/activities. The 4th cent was adopted by the Board of County Commissioners in 1994 for debt service on bonds issued to finance the construction of a professional sports franchise facility (Roger Dean Stadium) and the convention center.

Due to the current economic climate, the County has experienced a significant decline in tourism. As such, FY 2010 revenue is significantly down from FY 2008, but slowly recovering from FY 2009 due to tourism marketing efforts. Future estimates are based on historical trend analysis hedged with current economic conditions.

Tourist Development Tax (\$000)



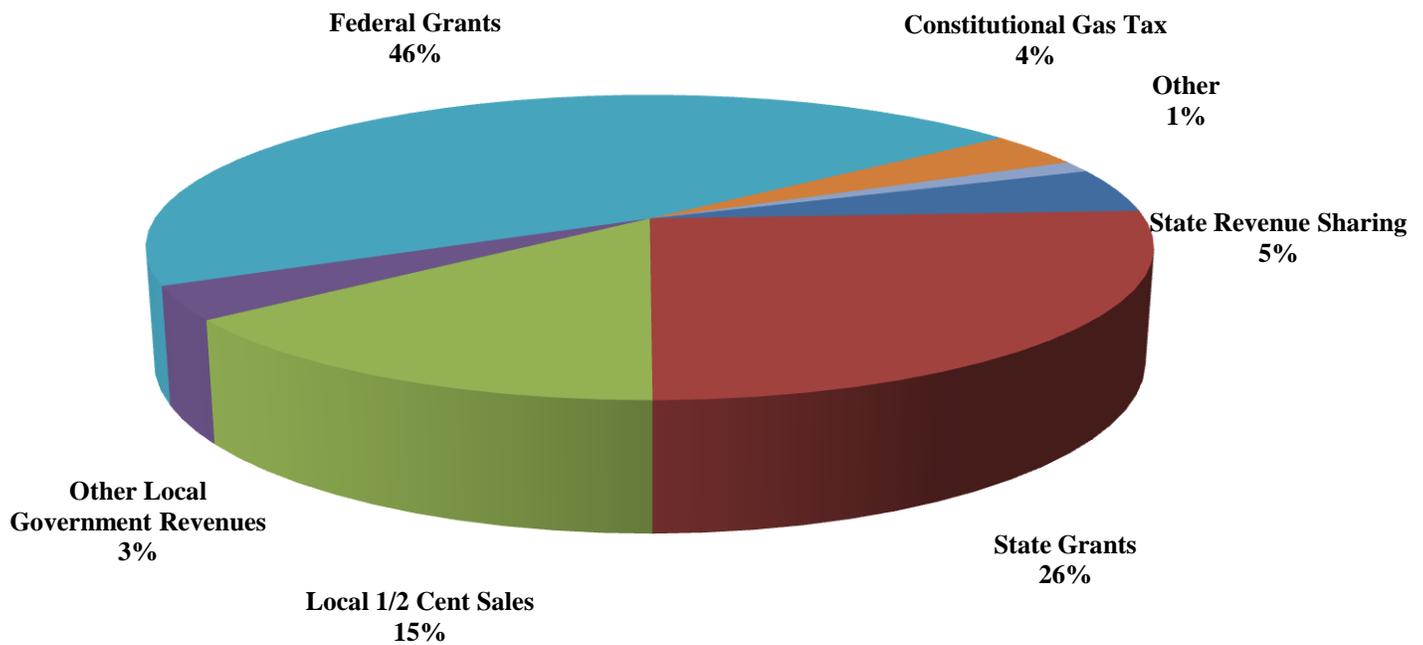
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Intergovernmental Revenues

Intergovernmental revenue consists of revenues that are received from other government agencies. The majority of these revenues consist of Federal Grants, State Grants, and the local share of the State Sales Tax, which when combined represent 87% of Intergovernmental Revenues. Other revenues in this category consist of Constitutional Gas Taxes, Local Grants, and State Revenue sharing.

The graph below illustrates the percentage of each intergovernmental revenue type against the total of all intergovernmental revenues (\$424,729,966).

FY 2010 Intergovernmental Revenues



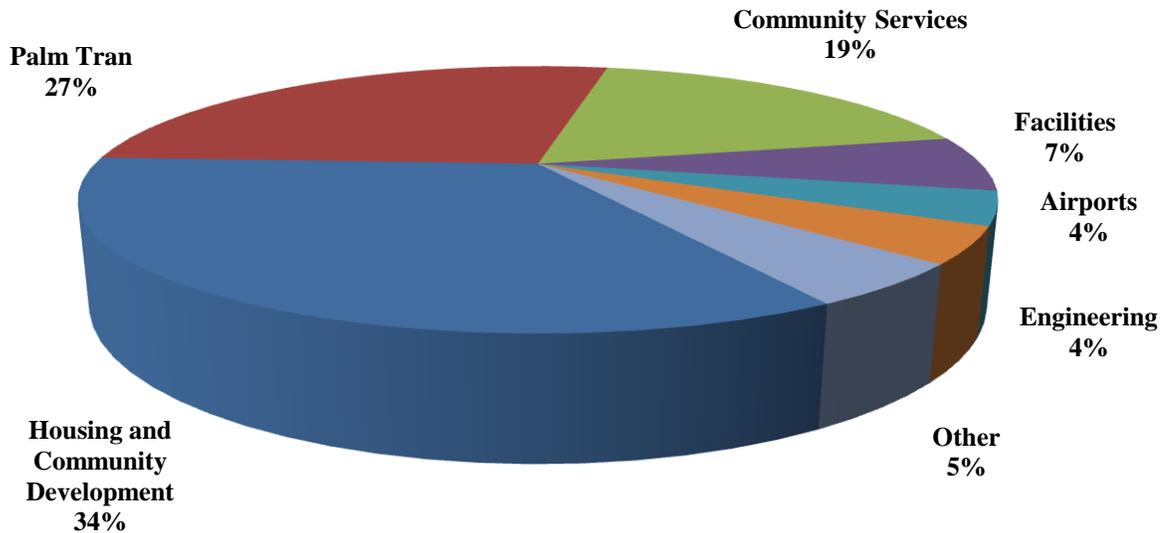
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Intergovernmental Revenues - Federal Grants

Grant funding from the Federal Government includes formula grants, block grants, and competitive allocations. FY 2010 federal grants total \$197.4 million, of which 80% is attributable to funds awarded to Housing and Community Development, Palm Tran, and Community Services.

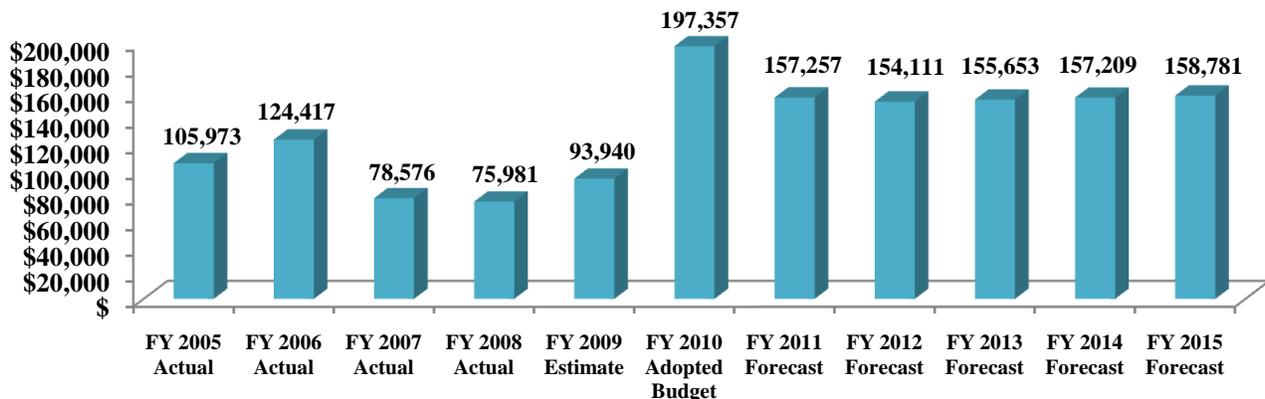
The graph below illustrates the percentage of total FY 2010 Federal Grant revenue by department:

FY 2010 Federal Grants by Department



The County budgets grant awards in total; however, they are usually received for multiple fiscal years. Due to this methodology, grants show a higher amount budgeted in the current fiscal year than in prior years. Additionally, the FY 2010 adopted budget also includes \$36.9 million in American Recovery and Reinvestment Act (ARRA) awarded to the County. Future estimates are based on historical trends of budgeted amounts, adjusted to exclude one-time ARRA stimulus funds from FY 2010. These estimates can vary significantly due to the nature of the Federal appropriations process.

Federal Grants (\$000)



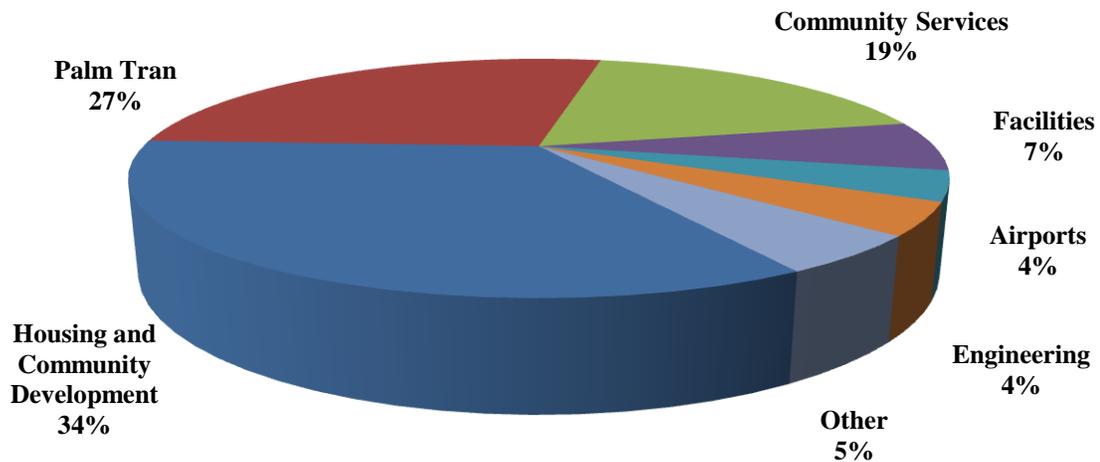
**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Intergovernmental Revenues - State Grants

Grant funding from the State Government include formula grants, block grants, and competitive allocations. The majority of FY 2010 state grants is attributable to funding for transportation related activities, including capital funding for Engineering, Palm Tran, and Airports. The next largest category is funding for the physical environment, primarily for Environmental Resource Management.

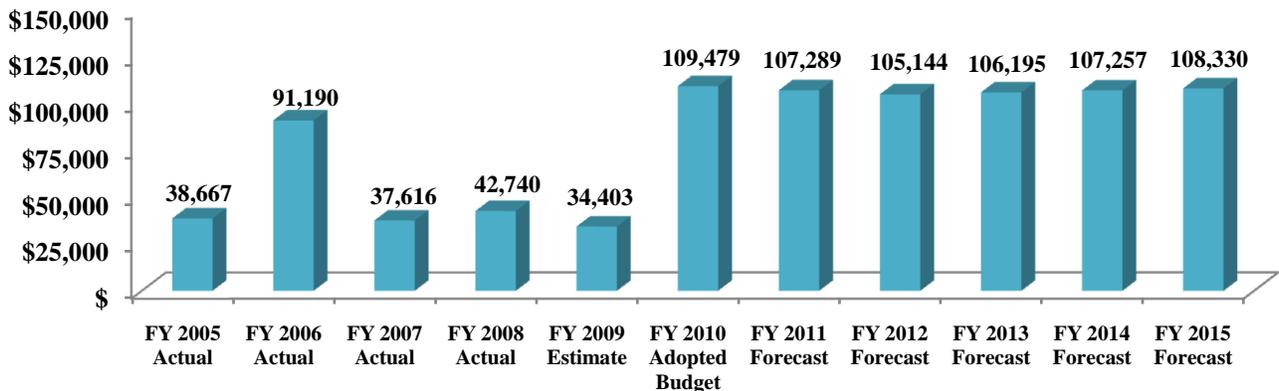
The graph below illustrates the percentage of total FY 2010 State Grant revenue by department:

FY 2010 State Grants by Department



The County budgets grant awards in total; however, they are usually received for multiple fiscal years. Due to this methodology, grants show a higher amount budgeted in the current fiscal year than in prior years. Future estimates are based on historical trends of budgeted amounts, but may vary significantly since funding is dependent upon the State appropriations process. The FY 2006 State grants were significantly higher due to the disaster recovery grant reimbursement costs for Hurricane Wilma, which struck in October 2005.

State Grants (\$000)

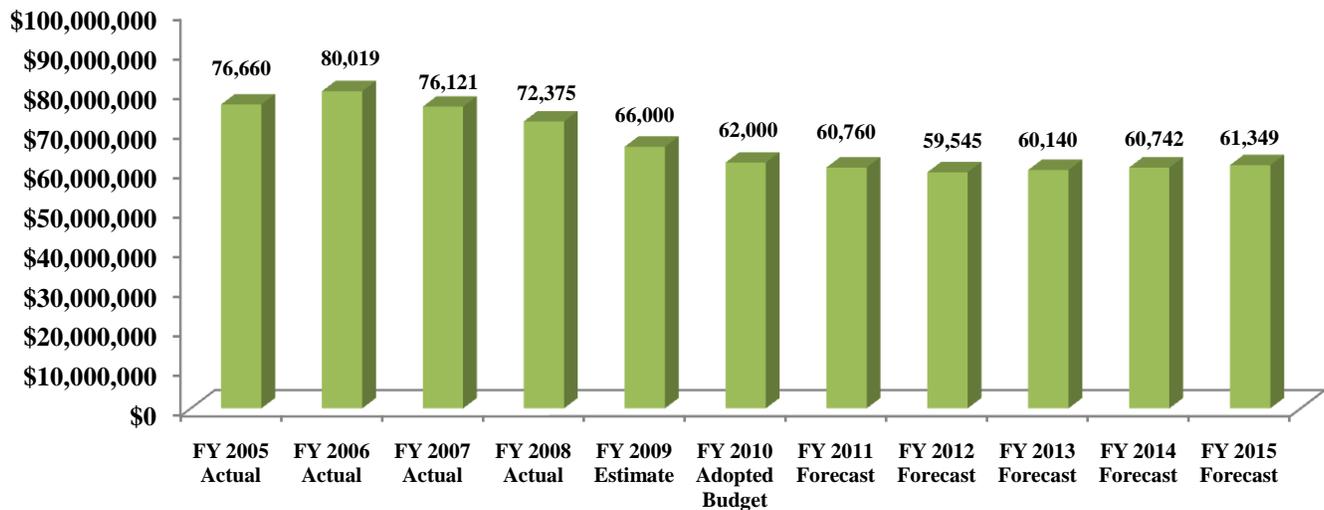


**ANALYSIS OF REVENUE SOURCES
TRENDS AND FORECASTS**

Intergovernmental Revenues - Local Government Half-Cent Tax

The State of Florida collects and distributes net sales tax to eligible county and municipal governments. The County and its municipalities share the total Palm Beach County distribution in accordance with a statutorily determined formula. The County's share includes both a countywide component (based on two-thirds of the County's incorporated population), and an unincorporated component (based on the unincorporated population). In total, the County receives approximately 60% of the proceeds and the municipalities share the remaining 40%. Revenue estimates are provided by the State each year. Revenue forecasts are based on a historical trend analysis hedged against current economic conditions.

Local Government Half-Cent Tax (\$000)



FORECAST OF REVENUES & EXPENDITURES

	Adopted	Forecast			
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenues					
Property Taxes - Current	897,351,026	905,123,617	937,841,451	977,469,455	1,007,161,825
Licenses, Permits and Other Taxes					
Franchise Fees	35,000,000	34,300,000	33,614,000	33,950,140	34,289,641
Utility Service Tax	29,100,000	28,518,000	27,947,640	28,227,116	28,509,388
Local Option Gas Taxes	44,074,000	43,192,520	42,328,670	42,751,956	43,179,476
Tourist Development Tax	21,910,965	21,472,746	21,043,291	21,253,724	21,466,261
Communication Service Taxes	25,800,000	25,284,000	24,778,320	27,226,103	27,472,364
Developer Contributions& Impact Fees	11,660,451	11,427,242	11,198,697	11,310,684	11,423,791
Building Permits	9,214,200	9,029,916	8,849,318	8,937,811	9,027,189
Other Licenses, Permits and Taxes	14,852,233	14,555,188	14,264,085	14,406,725	14,550,793
Licenses, Permits and Other Taxes	191,611,849	187,779,612	184,024,021	188,064,259	189,918,903
Intergovernmental Revenue					
State Shared Revenues	20,000,000	19,600,000	19,208,000	19,400,080	19,594,081
State Grants	109,478,984	107,289,404	105,143,616	106,195,052	107,257,003
One-Half Cent Sales Tax	62,000,000	60,760,000	59,544,800	60,140,248	60,741,650
Other Local Government Revenue	15,015,668	14,715,355	14,421,048	14,565,258	14,710,911
Federal Grants	197,357,434	157,256,584	154,111,452	155,652,567	157,209,092
Constitutional Gas Tax	15,783,000	15,467,340	15,157,993	15,309,573	15,462,669
Other Intergovernmental Revenue	5,094,880	4,992,982	4,893,123	4,942,054	4,991,475
Intergovernmental Revenue	424,729,966	380,081,665	372,480,032	376,204,832	379,966,881
Charges for Services					
Water and Wastewater	135,673,000	142,456,650	149,579,483	151,075,277	152,586,030
Airport	74,372,960	75,116,690	75,867,856	76,626,535	77,392,800
Sheriff	63,070,222	66,223,733	69,534,920	70,230,269	70,932,572
Fire Rescue	29,413,696	30,884,381	32,428,600	32,752,886	33,080,415
Parks and Recreation	13,641,691	14,323,776	15,039,964	15,190,364	15,342,268
Palm Tran	12,003,905	12,604,100	13,234,305	13,366,648	13,500,315
Interdepartmental	140,812,347	143,628,594	146,501,166	149,431,189	152,419,813
Other Charges for Services	16,442,216	17,264,327	18,127,543	18,308,819	18,491,907
Charges for Services	485,430,037	502,502,251	520,313,837	526,981,987	533,746,120

FORECAST OF REVENUES & EXPENDITURES

	Adopted	Forecast			
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<u>Revenues</u>					
Miscellaneous	44,389,770	37,890,688	37,226,044	34,954,096	34,460,215
Interest	71,602,502	53,701,877	53,164,858	53,696,506	54,233,471
Debt Proceeds	15,845,750	37,000,000	67,000,000	210,852,000	138,733,000
Statutory Reserves	-69,981,733	-50,811,699	-50,303,582	-50,806,617	-51,314,684
Balance Brought Forward	1,569,251,415	1,537,866,387	1,500,169,642	1,494,589,380	1,496,083,970
Interfund Transfers	471,572,668	492,186,805	497,108,673	502,079,759	507,100,557
Total	4,101,803,250	4,083,321,202	4,119,024,975	4,314,085,658	4,290,090,258
<u>Expenditures</u>					
Personal Services	990,769,371	980,861,677	990,670,294	1,000,576,997	1,010,582,767
Operating Expenses	745,750,170	739,236,112	754,020,834	761,561,042	776,792,263
Equipment & Capital	707,531,305	729,660,963	768,509,362	934,436,082	871,221,737
Debt Service	179,406,959	172,803,364	166,863,556	164,160,999	163,647,183
Grants and Aids	268,385,401	244,952,653	232,705,020	235,032,071	237,344,655
Reserves	738,387,376	723,619,628	709,147,236	716,238,708	723,401,095
Transfers	471,572,668	492,186,805	497,108,673	502,079,759	507,100,557
Total	4,101,803,250	4,083,321,202	4,119,024,975	4,314,085,658	4,290,090,258

CHANGES IN FUND BALANCE

The change in fund balance is projected for the major funds; General Fund and the Fire Rescue Fund; and all other (non-major) governmental funds.

	General Fund	Fire Rescue Fund	Non-Major Funds (Aggregate)
FY10 Budgeted Revenue and Other Sources	\$845,520,539	\$237,411,960	\$873,192,640
FY10 Budgeted Expenditures and Other Uses	914,293,355	255,841,243	1,511,070,342
Net Change in Fund Balance	-68,772,816	-18,429,283	-637,877,702
FY 09 Projected Ending Fund Balance	154,557,385	91,678,195	986,909,866
FY10 Projected Ending Fund Balance	\$85,784,569	\$73,248,912	\$349,032,164

Changes in Fund Balances

Palm Beach County has adhered to a Fund Balance Policy that establishes an acceptable minimum range (15%-20%), which General Fund's fund balance (including statutory reserve) should fall. The purpose of the Fund Balance Policy is to provide financial stability, by ensuring the County maintains a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unexpected one-time expenditures.

In light of the economy, the County has utilized some of its fund balance to get through these recent years. As a result, the fund balance in the General Fund reflects a decrease of 16.6% from the prior year. At 14% of budgeted expenditures, the General Fund's fund balance falls short of the 15%-20% range. The County intends to rectify this by adjusting various financial strategies in the coming years.

	General Fund	Fire Rescue Fund	Non-Major Funds (Aggregate)
FY10 Projected Ending Fund Balance	\$85,784,569	\$73,248,912	\$349,032,164
FY10 Budgeted Statutory Reserves	43,121,621	11,220,428	15,639,684
Adjusted FY10 Ending Fund Balance	128,906,190	84,469,340	364,671,848
% Change in Adjusted Fund Balance	-16.6%	-7.9%	-63.0%
% of Budgeted Expenditures	14%	33%	24%

The General Fund balance has decreased more than 10%. Although the summary illustrates that its fund balance will decrease by \$68.8 million, the reality is the budgeted expenditures will not be entirely spent due to position vacancies, cost savings, and residual dollars left in each department. In addition, revenues were budgeted conservatively due to the current economic conditions. Therefore, there is potential for actual revenues to come in greater than the budget.

Detailed projections for each major fund and the aggregate of the non-major governmental funds are shown on the following pages.

POSITION SUMMARY BY DEPARTMENT

Department	Adopted FY 2009	Modified FY 2009	Additions	Deletions	Budget FY 2010
<u>Board of County Commissioners</u>					
Airports	161	161		3	158
Community Services	471	471		10	461
County Administration	12	12		1	11
County Attorney	51	51		5	46
County Commission	28	28		1	27
County Cooperative Extension Service	36	36		4	32
County Library	452	452			452
Engineering & Public Works	487	488		18	470
Environmental Resources Management	145	145			145
Facilities Development & Operations	429	428		34	394
Financial Management & Budget	38	38		2	36
Fire-Rescue	1,473	1,473	84	15	1,542
Housing & Community Development	53	53		12	41
Human Resources	38	38		3	35
Information Systems Services	211	211		7	204
Internal Auditor	11	10			10
Legislative Affairs	4	4			4
Medical Examiner	22	22		2	20
Metropolitan Planning Organization	10	10			10
Palm Tran	555	555		7	548
Parks & Recreation	657	657		33	624
Planning, Zoning & Building	333	333		55	278
Public Affairs	54	54		3	51
Public Safety	345	349		8	341
Purchasing	46	46		3	43
Risk Management	36	36		4	32
Tourist Development	5	5		1	4
Water Utilities	499	505	56		561
Non-Departmental:					
Criminal Justice Commission	17	17			17
Economic Development	5	6	1		7
Office of Community Revitalization	7	7		1	6
Office of Equal Opportunity	12	12			12
Office of Small Business Assistance	8	8		1	7
Housing Finance Authority	2	2			2
Total BCC	6,713	6,723	141	233	6,631
<u>Constitutional Officers</u>					
Clerk & Comptroller	144	144		3	141
15th Judicial Circuit	20	21			21
Property Appraiser	280	280		14	266
Sheriff	3,848	3,848	163		4,011
Supervisor of Elections	45	45		3	42
Tax Collector	269	269			269
Total Constitutional Officers	4,606	4,607	163	20	4,750
Grand Total	11,319	11,330	304	253	11,381

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

BCC Countywide Departments and Agencies

Community Services

Gross	63,347,550	62,422,284	(925,266)	-1.5%
Ad Valorem Equivalent	23,081,527	20,643,246	(2,438,281)	-10.6%
Positions	471	461	(10)	-2.1%

Eight vacant positions for Headstart, one vacant position for Human Services, and one vacant position for Farmworkers were eliminated in FY 2010.

County Administration

Gross	1,940,997	1,862,124	(78,873)	-4.1%
Ad Valorem Equivalent	1,740,997	1,547,426	(193,571)	-11.1%
Positions	12	11	(1)	-8.3%

One Executive Assistant I position was eliminated in FY 2010 to meet budget reductions. The increase in revenues is due to an increase in charges for interdepartmental services.

County Attorney

Gross	6,182,533	5,829,768	(352,765)	-5.7%
Ad Valorem Equivalent	4,536,664	4,041,768	(494,896)	-10.9%
Positions	51	46	(5)	-9.8%

Five positions were eliminated to meet budget reduction requirements: three Legal Secretaries, one Assistant, and one Assistant County Attorney II.

County Commission

Gross	2,952,820	2,742,561	(210,259)	-7.1%
Ad Valorem Equivalent	2,952,820	2,742,561	(210,259)	-7.1%
Positions	28	27	(1)	-3.6%

One Commissioner Secretary position from District 1 was eliminated in FY 2010.

County Cooperative Extension Service

Gross	2,932,702	2,705,343	(227,359)	-7.8%
Ad Valorem Equivalent	2,837,702	2,565,660	(272,042)	-9.6%
Positions	36	32	(4)	-11.1%

Two vacant positions and two filled positions were eliminated.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

BCC Countywide Departments and Agencies

Engineering and Public Works

Gross	71,486,603	64,978,641	(6,507,962)	-9.1%
Ad Valorem Equivalent	33,724,997	20,697,765	(13,027,232)	-38.6%
Positions	488	470	(18)	-3.7%

Eighteen positions were eliminated as part of the budget cuts for FY 2010.

Environmental Resource Management

Gross	50,046,000	51,091,374	1,045,374	2.1%
Ad Valorem Equivalent	11,975,464	10,037,444	(1,938,020)	-16.2%
Positions	145	145	0	0.0%

Reduction in ad valorem is a result of an increase in revenues from additional non-recurring contractual agreements providing reimbursement for project related staff services. The increase in the gross budget is primarily due to grants and agreements initiated in FY2009 and continuing in FY2010.

Facilities Development and Operations

Gross	95,171,745	90,129,954	(5,041,791)	-5.3%
Ad Valorem Equivalent	40,782,025	36,063,904	(4,718,121)	-11.6%
Positions	428	394	(34)	-7.9%

Thirty-four positions were deleted as part of the budget process.

Financial Management and Budget

Gross	3,816,580	3,595,911	(220,669)	-5.8%
Ad Valorem Equivalent	3,268,470	3,088,911	(179,559)	-5.5%
Positions	38	36	(2)	-5.3%

The Management and Program Analysis Section was eliminated in FY 2010, eliminating two positions.

Housing and Community Development

Gross	75,196,970	80,239,111	5,042,141	6.7%
Ad Valorem Equivalent	10,000	0	(10,000)	0.0%
Positions	53	41	(12)	-22.6%

Five new Neighborhood Stabilization Program (NSP) grant positions are budgeted for FY 2010 while seventeen positions were eliminated as a result of the elimination of grant award to support housing programs.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

BCC Countywide Departments and Agencies

Human Resources

Gross	3,570,553	3,283,336	(287,217)	-8.0%
Ad Valorem Equivalent	3,570,553	3,274,836	(295,717)	-8.3%
Positions	38	35	(3)	-7.9%

Three filled positions were eliminated in FY 2010.

Information Systems Services

Gross	37,015,158	31,088,060	(5,927,098)	-16.0%
Ad Valorem Equivalent	4,883,271	25,606,162	20,722,891	424.4%
Positions	211	204	(7)	-3.3%

Seven positions were deleted in FY 2010 to meet budget reductions. The increase in Ad Valorem equivalent is due to a reclassification of ISS from an Internal Service Fund to a component of the General Fund. ISS will no longer bill General Fund Agencies for services rendered.

Internal Auditor

Gross	1,245,049	1,189,731	(55,318)	-4.4%
Ad Valorem Equivalent	1,155,049	1,054,731	(100,318)	-8.7%
Positions	10	10	0	0.0%

Internal Audit is increasing their revenue by \$45,000 with new outside audits for FY 2010.

Legislative Affairs

Gross	653,508	583,313	(70,195)	-10.7%
Ad Valorem Equivalent	653,508	583,313	(70,195)	-10.7%
Positions	4	4	0	0.0%

Professional Services for lobbyists will be reduced by \$71,332 in FY 2010 and the offset by increase of various expenses such as causality insurance premium and gasoline.

Medical Examiner

Gross	2,969,247	2,622,606	(346,641)	-11.7%
Ad Valorem Equivalent	2,632,813	2,310,606	(322,207)	-12.2%
Positions	22	20	(2)	-9.1%

Two positions were eliminated in FY 2010.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

BCC Countywide Departments and Agencies

Metropolitan Planning Organization

Gross	3,849,358	3,073,675	(775,683)	-20.2%
Ad Valorem Equivalent	47,349	60,873	13,524	28.6%
Positions	10	10	0	0.0%

Palm Tran

Gross	116,959,828	120,589,145	3,629,317	3.1%
Ad Valorem Equivalent	24,756,599	21,895,872	(2,860,727)	-11.6%
Positions	555	548	(7)	-1.3%

The increase in gross budget is due to an increase in grant funding as well as increased user fee revenue due to the elimination of fare subsidies for the Transportation Disadvantaged and the Division of Senior Services programs. The decrease in ad valorem equivalent is attributable to the prioritization and reduction of service under the TD and DOSS programs, as well as the use of operating assistance under the American Recovery and Reinvestment Act to fund Palm Tran service in FY 2010. Additionally, seven positions were eliminated in FY 2010.

Parks and Recreation

Gross	67,924,978	65,061,834	(2,863,144)	-4.2%
Ad Valorem Equivalent	53,385,278	49,901,580	(3,483,698)	-6.5%
Positions	657	624	(33)	-5.0%

Thirty-one vacant and two filled positions will be eliminated in FY 2010. The Parks and Recreation Department budget has been reduced to a spending level more conducive to the FY 2010 economic forecast allowing for increases in uncontrollable costs such as fuel and utilities.

Planning, Zoning and Building

Gross	35,599,494	25,849,397	(9,750,097)	-27.4%
Ad Valorem Equivalent	13,496,951	12,421,722	(1,075,229)	-8.0%
Positions	333	278	(55)	-16.5%

Fifty-two filled and three vacant positions were eliminated for FY 2010. The Building division's budget has been reduced to reflect a decrease in building permit revenues.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

BCC Countywide Departments and Agencies

Public Affairs

Gross	5,614,155	6,355,118	740,963	13.2%
Ad Valorem Equivalent	5,538,955	4,403,219	(1,135,736)	-20.5%
Positions	54	51	(3)	-5.6%

Three positions were eliminated as part of the budget cuts for FY 2010.

Public Safety

Gross	43,701,979	54,316,387	10,614,408	24.3%
Ad Valorem Equivalent	22,153,621	19,402,873	(2,750,748)	-12.4%
Positions	349	341	(8)	-2.3%

Eight positions were eliminated in FY 2010. The significant variance in gross budget is primarily due to additional grant funding for the County's E-911 System.

Purchasing

Gross	3,686,289	3,597,898	(88,391)	-2.4%
Ad Valorem Equivalent	3,673,089	3,584,698	(88,391)	-2.4%
Positions	46	43	(3)	-6.5%

Three positions were eliminated to meet budget reduction requirements in FY 2010.

Non-Departmental

Community Revitalization

Gross	1,528,103	2,041,083	512,980	33.6%
Ad Valorem Equivalent	671,890	602,203	(69,687)	-10.4%
Positions	7	6	(1)	-14.3%

One filled position was eliminated for FY 2010. The significant increase in gross budget is due to the addition of one project during FY 2009 and an increase in fund balance due to accumulated street light funding. Project funding cannot be spent until streetlights have been installed. The installation of many projects has yet to be completed and for those completed, funds must be retained for the duration of the operation and maintenance period – which is anywhere from eight to 20 years.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

Non-Departmental

Criminal Justice Commission

Gross	4,675,608	2,646,956	(2,028,652)	-43.4%
Ad Valorem Equivalent	3,097,636	1,372,865	(1,724,771)	-55.7%
Positions	17	17	0	0.0%

The decrease in gross funding and ad valorem equivalent is due to the elimination of ad valorem support for Youth Empowerment Centers and the Youth Violence Prevention Projects. These projects will be grant funded in FY 2010.

Economic Development

Gross	4,018,996	21,017,346	16,998,350	423.0%
Ad Valorem Equivalent	0	1,584,482	1,584,482	667.5%
Positions	6	7	1	16.7%

The significant increase from FY 2009 to FY 2010 is due to \$15.9 Million in Section 108 Loan Program funds and \$1.2 Million in Brownfields Economic Development Initiative Grant funds that were received midyear FY 2009. The increase in Ad Valorem requirement is due to relocation of the Business Development Board into the Economic Development Office budget and the allocation of \$650,000 to the Special Economic Development Agreement for Major Investment that started in FY 2010.

Equal Opportunity

Gross	2,966,271	2,322,709	(643,562)	-21.7%
Ad Valorem Equivalent	479,497	0	(479,497)	-100.0%
Positions	12	12	0	0.0%

Housing Finance Authority

Gross	345,203	295,348	(49,855)	-14.4%
Ad Valorem Equivalent	0	0	0	0.0%
Positions	2	2	0	0.0%

Public Health Unit

Gross	2,400,510	2,160,459	(240,051)	-10.0%
Ad Valorem Equivalent	2,400,510	2,160,459	(240,051)	-10.0%

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

Non-Departmental

Small Business Assistance

Gross	946,341	873,234	(73,107)	-7.7%
Ad Valorem Equivalent	946,341	828,234	(118,107)	-12.5%
Positions	8	7	(1)	-12.5%

One position was eliminated as part of the budget cuts for FY 2010.

Value Adjustment Board

Gross	441,650	583,750	142,100	32.2%
Ad Valorem Equivalent	260,020	224,250	(35,770)	-13.8%

The increase in gross budget is primarily due to the anticipated increase in number of petitions filed, as a result. the burden of accuracy in property value assessment is the responsibility of the Property Appraiser rather than the taxpayer. This will be offset by an increase in revenue for filing fees.

Total BCC Countywide Departments/Agencies				
Gross	713,186,778	715,148,456	1,961,678	0.3%
Ad Valorem Equivalent	268,713,596	252,701,663	(16,011,933)	-6.0%
Positions	4,091	3,882	(209)	-5.1%

BCC Dependent Taxing District Departments

County Library

Gross	53,755,194	48,029,812	(5,725,382)	-10.7%
Ad Valorem Equivalent	43,136,980	37,474,834	(5,662,146)	-13.1%
Positions	452	452	0	0.0%

Fire Rescue

Gross	331,981,216	346,986,345	15,005,129	4.5%
Ad Valorem Equivalent				
Countywide	7,841,878	8,964,411	1,122,533	14.3%
Fire Rescue	207,178,930	211,404,183	4,225,253	2.0%
Positions	1,473	1,542	69	4.7%

The increase in gross budget is primarily due to additional costs associated with the Lake Worth and Palm Springs mergers, including eighty-four positions added in FY 2010. Additionally, fifteen positions were eliminated in FY 2010.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	<u>Adopted Budget</u>		<u>Change</u>	
	FY 2009	FY 2010	Amount	%
Total BCC Dependent Taxing District Departments				
Gross	385,736,410	395,016,157	9,279,747	2.4%
Ad Valorem Equivalent	50,978,858	46,439,245	(4,539,613)	-8.9%
Positions	1,925	1,994	69	3.6%

BCC Proprietary (non tax supported) Departments

Airports

Gross	91,978,715	79,476,986	(12,501,729)	-13.6%
Ad Valorem Equivalent	0	0	0	0.0%
Positions	161	158	(3)	-1.9%

Three positions were eliminated in 2010.

Risk Management

Gross	109,714,869	118,745,698	9,030,829	8.2%
Ad Valorem Equivalent	305,957	364,178	58,221	19.0%
Positions	36	32	(4)	-11.1%

Four positions were eliminated for FY 2010 as a result of outsourcing claims adjusting and bill paying to a contracted third party administrator (TPA). Also, as part of the department's re-organization one position was eliminated in the Employee Safety/Loss Control division and one position added in the Employee Benefits division.

Tourist Development

Gross	57,641,910	40,203,368	(17,438,542)	-30.3%
Ad Valorem Equivalent	0	0	0	0.0%
Positions	5	4	(1)	-20.0%

One vacant position was eliminated for FY 2010. The Tourist Development Council budget has been reduced to reflect a decrease in tourist development tax revenues.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

BCC Proprietary (non tax supported) Departments

Water Utilities

Gross	96,206,000	108,482,937	12,276,937	12.8%
Ad Valorem Equivalent	0	0	0	0.0%
Positions	505	561	56	11.1%

The increase in gross budget is primarily due to additional costs associated with the operation of the Glades Utility Authority, including fifty-six positions added in FY 2010.

Total BCC Proprietary (non tax supported) Departments

Gross	355,541,494	346,908,989	(8,632,505)	(0)
Ad Valorem Equivalent	305,957	364,178	58,221	0
Positions	707	755	48	(0)

Total All BCC Funds

Gross	1,454,464,682	1,457,073,602	2,608,920	0.2%
Ad Valorem Equivalent	319,998,411	299,505,086	(20,493,325)	-6.4%
Positions	6,723	6,631	(92)	-1.4%

Judicial

15th Judicial Circuit (Court Admin.)

Gross	1,250,778	1,983,768	732,990	58.6%
Ad Valorem Equivalent	629,635	1,176,619	546,984	86.9%
Positions	10	10	0	0.0%

Increase in Ad Valorem Equivalent is due to a significant reduction in fee revenue for court related information technology costs and the increase of expenses for casualty insurance premium.

Public Defender

Gross	361,448	361,934	486	0.1%
Ad Valorem Equivalent	265,948	266,434	486	0.2%

Increase in Ad Valorem Equivalent is due to a significant reduction in fee revenue for court related information technology costs.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

Judicial

State Attorney

Gross	336,901	302,941	(33,960)	-10.1%
Ad Valorem Equivalent	336,901	302,941	(33,960)	-10.1%

Increase in Ad Valorem Equivalent is due to a significant reduction in fee revenue for court related information technology costs.

Court Related Information Technology

Gross	5,214,016	5,119,729	(94,287)	-1.8%
Ad Valorem Equivalent	2,836,162	3,842,717	1,006,555	100.0%
Positions	11	11	0	0.0%

Decrease in Gross expense is due to a net decrease in various operating accounts. The increase in Ad Valorem Equivalent is primarily due to a significant reduction in fee revenue for court related information technology costs.

Total Judicial

Gross	7,163,143	7,768,372	605,229	8.4%
Ad Valorem Equivalent	4,068,646	5,588,711	1,520,065	37.4%
Positions	21	21	0	0.0%

Constitutional Officers

Clerk & Comptroller-BCC Only

Gross	16,696,435	14,428,606	(2,267,829)	-13.6%
Ad Valorem Equivalent	14,696,435	12,428,606	(2,267,829)	-15.4%
Positions	144	141	(3)	-2.1%

Decrease in Ad Valorem Equivalent is primarily due to the reduction of ISS service costs for Enterprise and Professional Services. One filled and two vacant positions were also eliminated.

Property Appraiser

Gross	18,620,832	17,162,672	(1,458,160)	-7.8%
Ad Valorem Equivalent	18,620,832	17,162,672	(1,458,160)	-7.8%
Positions	280	266	(14)	-5.0%

Fourteen positions were eliminated to meet budget reduction requirements in FY 2010.

Comparison of Gross Budget, Tax Equivalent Funding, and Positions by Department

Department	Adopted Budget		Change	
	FY 2009	FY 2010	Amount	%

Constitutional Officers

Sheriff

Gross	461,950,171	491,907,865	29,957,694	6.5%
Ad Valorem Equivalent	406,308,790	418,218,406	11,909,616	2.9%
Positions	3,848	4,011	163	4.2%

PBSO entered into a law enforcement service contract with the City of Lake Worth, increasing revenues and expenditures. The expenditures have increased PBSO's FY 2010 budget by \$14,267,016.

Supervisor of Elections

Gross	9,997,168	9,028,270	(968,898)	-9.7%
Ad Valorem Equivalent	9,997,168	9,028,270	(968,898)	-9.7%
Positions	45	42	(3)	-6.7%

Three positions were eliminated in 2010. In addition, the reduction in expenses is a result of fewer elections in FY 2010.

Tax Collector

Gross	5,838,901	4,512,916	(1,325,985)	-22.7%
Ad Valorem Equivalent	5,838,901	4,512,916	(1,325,985)	-22.7%
Positions	269	269	0	0.0%

Gross and Ad Valorem Equivalent budgets are based on OFMB projections of commission refunds from the Tax Collector.

Total Constitutional Officers				
Gross	513,103,507	537,040,329	23,936,822	4.7%
Ad Valorem Equivalent	455,462,126	461,350,870	5,888,744	1.3%
Positions	4,586	4,729	143	3.1%

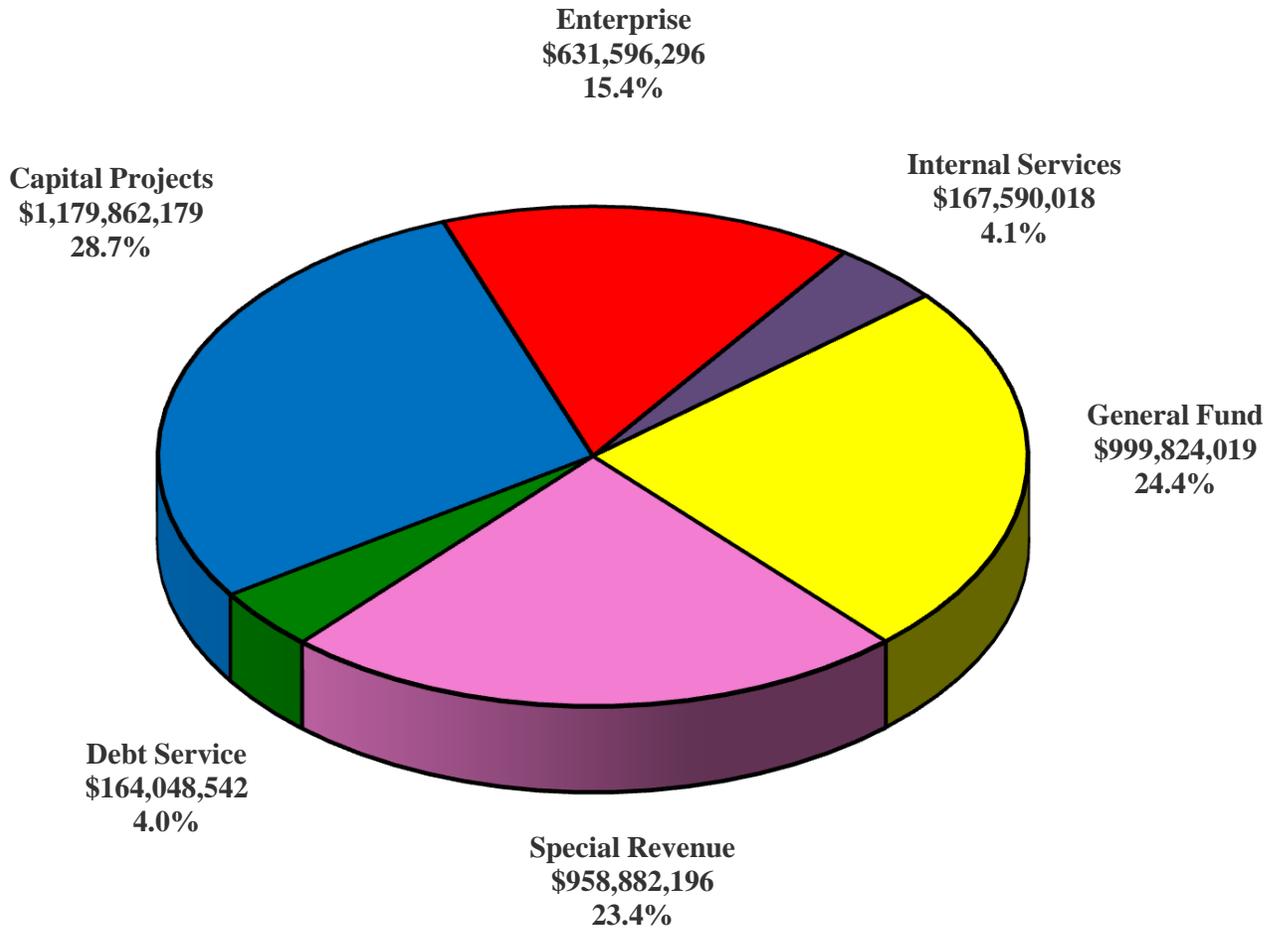
Grand Total BCC Departments/Agencies, Judicial and Constitutional Officers				
Gross	1,974,731,332	2,001,882,303	27,150,971	1.4%
Ad Valorem Equivalent	779,529,183	766,444,667	(13,084,516)	-1.7%
Positions	11,330	11,381	51	0.5%

Section C

Budget by Fund



Expenditures by Fund Group Total of all Funds \$4,101,803,250



FUND STRUCTURE AND GOVERNMENTAL ACCOUNTING

Palm Beach County develops its Budget in accordance with the requirements of the Florida Statutes and generally accepted accounting principles (GAAP). GAAP requires that the budget for certain funds be developed using the modified accrual accounting method. The County develops and adopts budgets for all of its funds using the modified accrual accounting method.

Fund Accounting

In governmental accounting, the resources of the government are accounted for through funds. A fund is a separate fiscal and budgetary entity. Funds are set up to demonstrate stewardship and fiscal accountability for the resources entrusted to the government. The number and type of funds used is guided by sound financial judgment and the requirements of the Florida Statutes. Palm Beach County utilizes the following types of funds in its budget:

Governmental Funds

General Fund - This fund is the general operating fund of the County. It is used to account for all financial resources received by the County, other than those which are accounted for in another fund.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (other than Capital Project or Special Assessment type revenues).

Debt Service Funds - These funds are used to account for the accumulation of resources for the payment of principal, interest, and other costs related to the general long-term debt of the County.

Capital Project Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or improvements (other than those financed by Proprietary or Special Assessment funds).

Proprietary Funds

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to that of a private business enterprise. The intent is to finance or recover the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis through user charges.

Internal Service Funds - These funds are used to account for the goods and services that are provided by departments for the benefit of other County departments, on a cost reimbursement basis.

FUND STRUCTURE AND GOVERNMENTAL ACCOUNTING

Measurement Basis

In governmental accounting, the measurement basis used for the accounting system depends on the fund or funds involved.

Governmental funds use the modified accrual basis of accounting. Under this basis, revenues are recognized if they are measurable and available for use during the year. Expenditures are recognized in the period the liabilities are incurred if measurable, except for accrued interest on general long-term debt which is recognized when payment is due to bondholders.

Proprietary funds use the full accrual basis of accounting. Under this basis, revenues are recognized in the period earned and expenses are recognized in the period that the liabilities are incurred.

Financial Statements

In governmental accounting, the focus for budgeting, measuring, and reporting on financial activity depends on the funds involved.

Governmental funds are accounted for on a "financial resource flow" focus. This means that governmental fund balance sheets will only contain current assets, current liabilities, and the excess of current assets over current liabilities, which is called fund balance or fund equity. Governmental fund operating statements present increases in resources (revenues and other financing sources), uses of resources (expenditures and other financing uses) and changes in fund balances.

Proprietary funds are accounted for on an "income determination" measurement focus. Accordingly, all assets and liabilities are included on their balance sheets. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in total economic net worth (fund equity).

GASB statement 34 establishes financial reporting standards which include government-wide financial statements. These accrual-based financial statements are prepared using an economic resources measurement focus. They report all assets, liabilities, revenues, expenses, gains, and losses of the government and distinguish between governmental and business-type activities.

FUND STRUCTURE AND GOVERNMENTAL ACCOUNTING

Basis of Budgeting

All funds are budgeted using the modified accrual basis of accounting, including proprietary funds. Fund budgets are prepared using the governmental model, which in essence, is as if all funds were special revenue funds. The only exception to this policy is the annual interest expense of proprietary funds which is budgeted on the accrual basis. Proprietary fund financial statements are presented using the accrual basis of accounting. When using the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

Governmental fund financial statements are presented using the modified-accrual basis of accounting. Accounting on the modified-accrual basis requires that revenues are recorded when susceptible to accrual, that is, when they become both measurable and available to pay liabilities of the current period. For this purpose, the County considers revenue to be available if it is collected within 60 days of year-end. Revenues not considered available are recorded as deferred revenues. Expenditures generally are recorded when a liability is incurred; however, debt service payments, expenditures related to compensated absences, and claims and judgments are recorded only when payment is due.

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	<u>Adopted Budget</u>	
		<u>FY 2009</u>	<u>FY 2010</u>
<u>General Fund</u>			
0001	General Fund (Major Fund)	\$982,828,890	\$999,824,019
	Total General Fund	<u>\$982,828,890</u>	<u>\$999,824,019</u>
<u>Special Revenue Funds</u>			
1000	Senior Citizens Centers	\$739,088	\$700,605
1001	HUD Supportive Housing	1,447,421	1,389,542
1002	Head Start	25,992,889	25,221,333
1003	Community Action Program	1,561,934	1,480,715
1004	Farmworkers Jobs/Education Prm	404,347	363,053
1006	DOSS - Administration	8,442,965	8,122,756
1009	Low Income Home Energy Program	1,396,866	2,459,121
1010	Ryan White Care Program	12,644,584	12,878,860
1100	Affordable Housing Trust Fund (SHIP)	17,837,996	10,183,735
1101	Housing & Community Devlpmt	18,166,493	18,906,694
1103	Home Investmnt Partnership Act	6,604,115	6,405,332
1104	Section 108 Loan Fund	177,730	146,844
1106	Disaster Recovery Initiative	13,020,197	12,859,344
1107	State Housing Initiatives Partnership	1,786,957	0
1108	Disaster Recovery Initiative #3 (Wilma)	17,258,279	19,284,969
1109	Neighborhood Stablization Program	0	7,486,216
1110	CDBG - Homelessness Prevention and Rapid Re- Housing Program (HPRP)	0	2,823,871
1111	CDBG - Recovery Program	0	1,846,758
1150	Juvenile Assessment Center Fund	0	274,547
1151	Law Enforcement Trust Fund	1,276,415	2,304,292
1152	Sherrif's Grants	0	805,398
1171	Optical Scan Voting Equip-HAVA	150,000	0
1172	Ballot-on-Demand Equip-HAVA	1,299,779	682,683
1180	County Library	53,752,718	48,029,812
1181	Library Grants	2,476	0
1200	Beautification Maintenance	1,623,125	1,704,681
1201	County Transport Trust	54,422,142	49,023,441
1202	Street Lighting Maintenance	1,341,595	1,360,129
1203	Red Light Camera Fund	0	570,000

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	Adopted Budget	
		FY 2009	FY 2010
1220	Natural Areas StwrdsHp Endwmnt	5,119,131	5,287,214
1221	Unit 11 Stewardship Fund	6,161,804	0
1222	Ag Reserve Land Management	2,688,644	1,645,878
1223	Environmental Enhance-Freshwtr	384,414	433,882
1224	Environmental Enhance-Saltwtr	533,721	569,129
1225	Environmental Enhance-Nonspec	1,613,490	1,915,948
1226	Natural Area Fund	12,087,382	20,341,094
1227	Pollution Recovery Trust Fund	1,755,959	1,968,340
1228	State Mosquito	105,231	153,999
1229	FDEP Lake Worth Lagoon Ecosyst	5,784,717	5,144,724
1230	Petroleum Storage Tank Program	2,266,575	2,306,577
1231	Petrol Store Tank Compliance	1,149,154	1,033,719
1250	Handicapped Parking Enforcemnt	508,750	363,416
1251	Human Relations Camp	63,989	94,238
1252	HUD - Fair Housing	973,514	891,195
1253	Fair Employment Contract	940,521	973,860
1260	Sales Tax Revenue Fund	75,793,254	74,178,482
1261	Bond Waiver Program R89-1178	596,161	623,423
1262	Intergovt'L Radio Comm Program	2,560,606	2,251,456
1263	School Impact Fees Zone 1	589,278	629,668
1264	School Impact Fees Zone 2	509,806	477,622
1265	School Impact Fees Zone 3	2,282,615	898,221
1266	School Impact Fees Zone 4	856,711	377,583
1267	School Concurrency	5,000	5,000
1268	Choose Life License Plate Fund	273,135	148,834
1300	Fire Rescue MSTU (Major Fund)	289,909,873	310,000,405
1301	Fire Rescue Jupiter MSTU	18,732,537	14,785,975
1303	Aviation Battalion	7,600,864	6,759,863
1304	F/R Long-Term Disability Plan	15,124,430	14,803,534
1305	MSBU-Hydrant Rental Boca Raton	552,732	577,613
1306	MSBU-Hydrant Rental-Riviera Bh	60,780	58,955
1321	Law Library	476,143	611,458
1323	Criminal Justice Trust Fund	674,349	640,875
1324	Local Requirements & Innovatioons Fund (F.S.29.004& 0082a2)	250,000	315,000
1325	Legal Aid Programs Fund (F.S.29.008)	250,000	315,000
1326	Teen Court/JAC Juvenile Programs Fund	250,000	315,000

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	Adopted Budget	
		FY 2009	FY 2010
1327	Court Information Technology Fund (F.S. 28.2412e1)	5,214,016	5,119,729
1340	Palm Tran Operations	73,242,562	68,028,267
1341	Palm Tran Grants	50,156,379	58,287,657
1342	Palm Tran Letter of Credit	0	827,000
1360	Metro Planing Organization	3,849,358	3,073,675
1380	Southwinds Golf Course	2,340,048	2,398,190
1381	Okeeheelee Golf Course	2,829,199	2,682,078
1382	Osprey Point Golf Course	500,767	511,204
1383	Park Ridge Golf Course	1,487,573	1,608,160
1400	MSTD - Building	19,342,513	9,575,580
1401	CCRT Street Lighting Maintenance	856,213	1,438,880
1420	ACC Mobile Spay/Neuter Prgm	1,214,771	1,708,513
1421	Animal Regulation Trust Fund	53,026	55,687
1423	Victims Of Crime Emergency Support Fund	68,370	70,251
1424	E-911 Wire Line FS365.171	1,414,485	1,128,293
1425	EMS Award-Grant Program	555,001	555,001
1426	Public Safety Grants	219,268	183,472
1427	Emergency Management	1,022,873	719,129
1428	Em Preparedness & Assistance	210,000	209,446
1429	Regulation Of Towing Business	196,064	269,588
1430	Vehicle For Hire Ordinance	1,321,800	1,268,923
1432	Moving Ordinance	131,628	120,009
1433	E-911 WireLess FS365.172/173	3,412,949	2,793,413
1434	E-911 Carry Forward FS365.072/173	7,410,000	8,415,650
1435	E-911 Grant Fund	0	12,387,657
1440	Highridge Activity Fund	21,600	29,609
1450	TDC-Convention Center Oper	5,986,871	5,499,216
1451	TDC-Film Commission	703,009	640,992
1452	TDC-Special Projects	313,336	301,599
1453	TDC-4th Cent Local Option Tax	16,468,550	11,421,918
1454	TDC-Tourism	11,294,096	10,482,714
1455	TDC-Cultural Arts	4,224,846	3,095,095
1456	TDC-Beaches	2,257,297	1,710,032
1457	TDC-Sports Commission	1,668,720	1,377,891
1458	TDC-1st Cent Tourist Local Option Tax	14,725,185	5,673,911
1470	Drug Abuse Trust Fund	198,082	476,450
1480	Driver Ed Trust FS318.121	1,047,387	1,526,959

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	Adopted Budget	
		FY 2009	FY 2010
1481	Utility Tax-Electricity (PBC Ord 89-13)	29,600,000	0
1482	Coopertive Extension Rev Fund	95,000	139,683
1500	Crime Prevention Fund	989,096	511,372
1502	Local Law Enfor Blk Grant 2009	94,140	2,000
1504	Justice Assistance Grant - Combat and Reentry 2007-2011	0	94,140
1507	Criminal Justice Reserve Fund	850,000	694,207
1521	Public Affairs Replacement Frequency	0	1,539,699
1539	Economic Development	4,018,996	5,242,056
1540	EOD - Section 108 Loan Fund	0	15,775,290
Total Special Revenue Funds		<u>\$972,440,455</u>	<u>\$958,882,196</u>

Debt Service Funds

2000	25M GO 99A DS, Recreation & Cultural	\$1,203,600	\$27,650
2003	233.6M NAV 90 DS, Criminal Justice Facilities	2,846,180	2,961,646
2009	14.3 Sunshine#4 01 DS, Voting Machines	188,624	0
2011	22.4 M NAV 97 DS, North County & PBSO	249	0
2018	94.3M NAV 04 DS, Pub Imprv & Ref Airport Cntr 92	7,795,971	7,836,934
2019	25M GO 03 DS, Parks & Cultural Facilities	1,856,381	1,855,506
2020	25M GO 05 DS, Parks & Cultural Imprvmnts	1,952,943	1,955,338
2021	30.5M GO 03 DS, Library Improve	2,315,375	2,314,525
2022	24.5M GO 06 DS, Library Improve	1,736,403	1,737,703
2027	5.7 M NAV 04 DS, Four Corners/Mecca Dev Imp DS F	16,244	0
2028	133.9M NAV 05 DS, Scripps Construction	10,747,000	10,807,416
2031	38.8M NAV 04 DS,Scripps/Mecca Land Acq	2,827,218	2,844,644
2032	27M Sunshine#7A 05 DS, Var Crthse & Gen Govt Bld	2,219,863	0
2033	5.6M Sunshine#6 04 DS, Scripps Beeline	23,782	0
2034	24.3M NAV Tax 04 DS, Scripps Ld Acq	3,395,425	3,248,860
2035	3.3 M NAV 04 DS, Four Corners/Mecca Dev Imp	508	0
2036	1.9M NAV Tax 04 DS, Four Corners/Mecca Dev Imp	1,728	0
2037	11.5M BAN Tax Refunding 07 DS, Conv Cntr Hotel	690,924	690,924
2038	50M GO 05 DS, Waterfront Access	3,729,139	3,726,238
2040	15M NAV 06 DS, Public Imp Rev Jud Parking	1,134,444	1,140,730
2041	13M NAV 05 DS, 2nd FAU/Scripps Beeline	1,763,115	1,748,272
2043	6.1 M Sunshine#8 06 DS Park & Marina Imprvmnts	594,900	0
2046	8.1M Sunshine#9 06, DS So County Golf Course	786,448	0

BUDGET BY FUND TYPE AND FUND

Fund Type	<u>Fund Name</u>	<u>Adopted Budget</u>	
		<u>FY 2009</u>	<u>FY 2010</u>
2048	7.5M Sunshine#7B 06, DS So County Regional Park	625,572	0
2050	7.9 M Sunshine#10 06, DS ESL	172,607	0
2052	105.5M NAV 07 DS, Scripps/Briger	7,659,950	7,736,419
2053	167M NAV 07 DS, Jail Expand/Pub Bldg	16,464,500	15,893,150
2054	29.3M NAV 07 DS, Conv Cntr Parking	11,210,855	11,668,150
2056	4.8 M Sunshine#11 07 DS, Health Dept Adm Bldg	409,151	0
2058	35M PBSO Mobile Data Debt Service	6,415,351	6,394,351
2061	11.8M Sunshine#12 08 DS, Sheriff Technology	948,682	1,096,081
2063	40.69M Convention Center Parking Rev Bonds DS	3,035,657	0
2064	40.69M Convention Center Parking Rev Bonds DSR	3,128,630	0
2065	26.375 Public Imp. Rev. Bond Gov. Bldg 2009 DS	1,967,902	645,630
2066	26.375 Public Imp. Rev. Bond Gov. Bldg 2009 DSR	2,037,768	0
2067	43.08M Public Imp. Rev. Bond Max Planck 2008 DS	838,295	7,786,930
2068	43.08M Public Imp. Rev. Bond Max Planck 2008 DSR	3,319,890	7,843,046
2501	59.39M GO 94B DS	4,410,912	4,413,313
2502	30.7 M NAV 93 DS, Ref 33.6M Bch Acq 86	372,651	0
2505	32.775M CJC Rev Ref 97 DS	1,878,248	1,878,248
2506	117.485M CJF Ref 93 DS	14,082,859	14,085,978
2507	22.425M Adm Cmplx Ref 93 DS	1,906,125	1,925,179
2508	45.6M GO 98 DS, Ref 2 issues	4,186,850	4,179,350
2509	18.56M Cjfac Ref2002 DS	2,120,106	2,119,100
2510	6.525M Pub Recr Fac Ref 2003	714,744	711,056
2511	81.34M Convention Center Refunding Bonds 2004	5,317,294	5,387,142
2513	20M GO 05 DS, Ref 25M Rec Fac 99A	800,620	2,009,025
2514	17.455M NAV 05 DS, Ref 26M Parks & Rec Fac 96	2,041,938	2,046,450
2515	16M NAV 05 DS, Ref 22M N.C Court & PBSO MP 97	1,666,695	1,666,795
2516	11.5M NAV 05 DS, Ref 15M Judicial Parking 95	1,161,094	1,158,500
2517	20.07M NAV 05 DS, Ref 28M Stadium Fac 96	2,171,894	2,161,244
2518	135M GO Tax 05 DS, Ref 75M Land Acq 99B & 01A	12,080,381	12,080,902
2519	Registered Coupon 2006 Non-Ad Valorem DS	1,011,912	690,832
2520	2.58M NAV 07A, Biomed Research Park DS	191,872	188,135
2521	5.18M NAV 07B, refunding Biomed Research Park DS	440,902	430,547
2522	30M NAV 08A, Ref SS#1,3&5	5,070,932	4,956,603
Total Debt Service Funds		<u>\$167,689,303</u>	<u>\$164,048,542</u>

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	<u>Adopted Budget</u>	
		<u>FY 2009</u>	<u>FY 2010</u>
<u>Capital Project Funds</u>			
3000	25M GO 99A, Recreation & Cultural	\$1,606,239	\$1,065,759
3001	75M GO 99B, Environmental Land	56	0
3002	75M GO 01, Environmental Land	2,052	2,257
3004	26.3M NAV 94, CJF Completion	197,619	25,185
3008	20.2M Sunshine#3 00, 800mz Radio	9,784	0
3011	22.425M NAV 97, North County & PBSO	1,791,959	3,065
3013	15.175M NAV 95, Judicial Garage	107,063	4,710
3014	80.7M NAV 01, Convention Center	6,981,422	6,718,220
3016	30M NAV 87, Park Development	2,478	0
3017	26.3M NAV 96, Parks & Recreation Facilities	229,267	67,281
3018	94.3M NAV 04, Pub Imprv & Ref Airport Cntr 92	1,876,608	797,627
3019	25M GO 03, Parks & Cultural Facilities	10,471,388	6,997,160
3020	25M GO 05, Parks & Cultural Imprvmts	21,980,702	21,963,637
3021	30.5M GO 03, Library Improvements	18,541,769	6,264,262
3022	22.3M GO 06, Library Improvements	15,252,306	16,450,451
3026	20M BAN 04, Scripps/Mecca Farms PD&E	2,096,206	742,804
3028	145M NAV 04, Scripps Construction	833,532	252,471
3032	South County Regional Park Golf Course NAV 2005	4,361,214	82,345
3033	5.6M Sunshine#6 04, Scripps Infrastructure & Beeline	1,164,397	620,247
3037	10.5M Public Improvement Rev Taxable BAN 05	328,416	339,831
3038	50M GO 05, Waterfront Access	20,831,039	19,519,451
3040	15M NAV 06, Public Imp	1,627,813	1,052,248
3041	13M FAU Scripps Grant-2nd Bldg	857,825	900,235
3043	6.125M Sunshine#8 06, Park & Marina Improv	1,174,574	1,176,554
3045	16M BAN 06, Scripps/Brigger Land Acq	0	14,034
3046	10M Sunshine#9 06, So County Golf Course CTF	4,179,297	4,104,819
3048	7.5M Sunshine#7B 06, CTF	248,194	2,122
3052	105.5M Scripps/Briger Rev Bonds 2007	56,670,780	13,320,214
3053	180M NAV 08 CTF, Jail Expand/Pub Bldg	0	134,137,328
3056	20M BAN 07, Jail Facilities Expansion	13,463,706	434,793
3058	35M NAV 08 CP, PBSO Mobile Data	25,269,726	25,714,885
3061	11.6M Note Payable 08 CP, ESL Jupiter	0	84,375
3065	26.375M Public Imp. Rev. Bonds Govt Bldg. 2009	1,967,768	16,649,186
3067	43.08M Public Imp. Rev. Bond Max Planck 2008 Cap	3,219,890	42,937,102
3500	Transportation Improvmt Fund	277,171,871	250,398,117

BUDGET BY FUND TYPE AND FUND

Fund Type	<u>Fund Name</u>	<u>Adopted Budget</u>	
		<u>FY 2009</u>	<u>FY 2010</u>
3501	Road Impact Fee Zone 1	55,306,280	58,838,543
3502	Road Impact Fee Zone 2	41,242,421	40,395,305
3503	Road Impact Fee Zone 3	54,078,208	51,723,224
3504	Road Impact Fee Zone 4	33,416,251	22,647,066
3505	Road Impact Fee Zone 5	42,245,304	37,874,065
3506	Mstu District A	821,796	0
3507	Mstu District B	621,662	0
3508	Mstu District C	1,171,237	0
3509	Mstu District D	1,808,687	0
3510	Mstu District E	96,544	0
3511	Unicorp Impr Fund	11,263,813	10,938,460
3515	Abacoa Impact Fee Account	2,251,412	905,518
3516	Abacoa Trust Sub Account	3,805,877	4,072,848
3519	Northlake Blvd. Agr W/Npbcid	115,196	7,192
3600	Park Improvemt Fund	12,591,477	9,809,163
3601	Park Impact Fees Z-1	5,620,739	2,709,759
3602	Park Impact Fees Z-2	3,059,598	1,650,914
3603	Park Impact Fees Z-3	7,283,914	4,536,744
3650	Unit 11 Acquisition/Enhancemnt	755,135	3,850,633
3651	South Lox Sl Wetland Restoratn	231,661	209,030
3652	Beach Improvement	25,130,517	44,837,807
3653	South Lake Worth Inlet	3,242,420	6,943,440
3654	Environmental Resources Capital Projects	0	17,614,876
3700	Fire Rescue Improvement	56,534,447	47,631,898
3704	Fire Rescue Impact Fees	7,442,845	5,109,366
3750	Library Improvement Fund	6,026,728	7,496,764
3751	Library Expansion Program	30,555,361	27,782,826
3752	Library Impact Fees	11,964,932	7,960,163
3753	Library Capital Grants	1,000,000	500,083
3800	Pud Civic Site Cash Out	3,558,482	2,567,520
3801	800 Mhz RR+I Fund	26,012,555	30,838,386
3803	Law Enfc/Impct Fees Z2 Rd Patl	4,806,350	4,310,597
3804	Public Building Impr Fund	93,182,978	84,877,226
3805	Public Building Impact Fees	13,426,654	4,685,459
3807	TDC - Bldg Renewal and Replacement	0	10,000,000
3900	Capital Outlay	44,382,203	40,744,166
3901	Information Technology Capital Improvements	21,794,915	12,225,161

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	Adopted Budget	
		FY 2009	FY 2010
3902	Court Related Info Tech Cap Improvements	1,183,282	725,202
Total Capital Project Funds		<u>\$1,122,548,841</u>	<u>\$1,179,862,179</u>
<u>Enterprise Funds</u>			
4000	WUD Revenue	\$133,897,400	\$141,315,000
4001	Operation & Maintenance	96,206,000	108,482,938
4010	Renewal & Replacement	1,000,000	1,000,000
4011	Capital Improvements	51,897,540	63,929,430
4012	Connection Charge Account	6,875,000	6,848,000
4013	Special Assessment Prgrm WUD	2,437,000	2,628,000
4014	WUD Lake Region Renewal & Replacement	802,560	601,820
4031	Debt Service WUD Ecr Loan	316,000	316,000
4033	Debt Service WUD 98	1,798,200	1,800,800
4034	Debt Service WUD All	0	4,438,000
4036	Debt Service WUD 2003	4,397,100	977,500
4037	Debt Service WUD 2004	5,611,800	5,607,000
4039	Debt Service WUD 2006	8,561,500	9,067,900
4040	Debt Service 6.5M WUD 08	1,666,000	1,785,500
4041	Construction Trust Fund WUD 2009	0	53,245,000
4042	Debt Service WUD 2009	0	4,674,000
4100	Airport Operations	91,978,715	79,476,986
4110	Airport Capital Projects	8,890,094	1,992,427
4111	Airports Imp & Dev Fund	80,526,348	81,091,993
4112	Airprt Passenger Facility Chgs	37,832,567	37,742,637
4113	Noise Abatement & Mitigation	1,326,531	1,535,040
4114	Airports Restricted Assets Fd	1,813,603	3,242,870
4116	Cap Proj 8M PBIA Sub Indebtedness 2006	0	275,956
4117	Cap Proj 69M PBIA Rev Bonds, 2006A	5,625,786	3,093,681
4130	Debt Serv 60M PBIA Rev Ref 2002	3,281,532	3,476,337
4131	Debt Serv 83M PBIA Rev Ref 2001	8,449,572	8,413,306
4136	Debt Serv 8M PBIA Sub Indebtedness 2006	35,919	80,017
4137	Debt Serv 69M PBIA Rev Bonds 2006A	3,457,112	3,444,843
4138	Debt Serv 16M PBIA Tax Rev Ref 2006B	1,015,501	1,013,315
Total Enterprise Funds		<u>\$559,699,380</u>	<u>\$631,596,296</u>

BUDGET BY FUND TYPE AND FUND

Fund Type	Fund Name	Adopted Budget	
		FY 2009	FY 2010
<u>Internal Services Funds</u>			
5000	Fleet Management	\$49,792,253	\$49,208,498
5010	Property & Casualty Insurance	19,731,603	21,575,737
5011	Risk Management Fund	17,333,367	21,338,626
5012	Employee Health Ins	72,343,942	75,467,157
5020	Information Systems Services	35,020,387	0
Total Internal Services Funds		<u>\$194,221,552</u>	<u>\$167,590,018</u>
Total Adopted Budget		<u>\$3,999,428,421</u>	<u>\$4,101,803,250</u>



Section D

Capital Budget



CAPITAL IMPROVEMENT PROGRAM

What is it and why do we have one?

County government provides needed and desired urban services to the public. In order to provide these services, the County must furnish and maintain capital facilities and equipment, such as airports, roads, and parks. The Capital Improvement Program (CIP) is a proposed schedule for the expenditure of funds to acquire or construct needed improvements over the next five-year period. It represents a comprehensive and direct statement of the physical development policies of the County. The program has great significance in that it touches the life of each County resident and visitor through the provision of health, safety, transportation, recreation, and other services upon which we all depend.

Purpose and Benefits of Capital Programming

Capital Programming:

1. Provides a means for coordinating and consolidating various departmental requests, thereby preventing duplication of projects and equipment.
2. Establishes a system of examining and prioritizing the needs of the County, assuring that the most essential improvements are provided first.
3. Provides an important implementation device for growth management.
4. Allows sufficient time for investigation of project financing and implementation measures, and proper technical design.
5. Coordinates physical with financial planning, allowing maximum benefit from available public funds.
6. Helps provide an equitable distribution of public improvements throughout the County.

Development of the Capital Improvement Program

Only projects that meet the definition of a capital improvement are included in the Capital Improvement Program. Capital improvements are defined as physical assets, constructed or purchased, that have a minimum cost of \$25,000 and an expected useful life in excess of one year.

CAPITAL IMPROVEMENT PROGRAM

Examples of typical capital improvements include:

- a. Road construction and paving.
- b. New and expanded physical facilities for the community.
- c. Large scale rehabilitation or replacement of existing facilities.
- d. Purchase of equipment items that have a relatively long period of usefulness.
- e. The cost of engineering or architectural studies and services relative to a specific improvement.
- f. The acquisition of land to build a community facility such as a park, highway, library, airport, etc.

Each year, the CIP is prepared from project requests submitted on project proposal forms completed by the various departments and agencies of the County. The completed forms provide a project description, justification; cost projections, statement of impact on the County's annual operating budget, implementation schedule, as well as support for the County's Comprehensive Plan. Concurrently, with the preparation of the project proposal forms, information concerning the financial resources available to the County is prepared by the Office of Financial Management and Budget.

The program recommended by the County Administrator is used by the Board of County Commissioners to develop the annual budget which becomes effective October 1st of each year. The first year of the Five-Year CIP is formally adopted by the Board as the Capital Budget with the following four years showing projected, but unfunded, requirements. The CIP is an important tool for implementing the County's Comprehensive Plan. The Board of County Commissioners utilizes the CIP to analyze the County's fiscal capability to finance and construct capital improvements in the future.

Responsibilities in Program Preparation and Implementation

The Capital Improvement Program, by virtue of its comprehensive character, involves the full realm of County operations. The County Administrator, departments, boards, and the County Commission must coordinate their actions to accomplish a successful program for capital improvements in the community.

Operating Departments: The key role in the initial stages of capital programming falls upon the operating departments and department heads. By virtue of their technical knowledge and experience in the individual fields, it becomes their responsibility to initiate project requests, and to develop a program that outlines the requirements of each project, as well as, its relative importance in the department's program.

CAPITAL IMPROVEMENT PROGRAM

Office of Financial Management and Budget: The Office of Financial Management and Budget (OFMB) provides information concerning the County's past, present, and future financial resources. OFMB prepares and distributes the package utilized by departments and agencies to submit project requests. As the program develops, OFMB assists in the review and evaluation of project submissions, and guides the administration of the program through its function of budget control.

Engineering and Facilities Development & Operations Departments: In providing staff assistance, these departments have the following responsibilities in the capital programming process:

- 1 Provide assistance, if needed, in the preparation of requests.
- 2 Receive and reviews the cost projections in project requests.
- 3 Provide information and assistance to the Office of Financial Management and Budget in the analysis of the County's financial requirements.
- 4 Provide assistance to the County Administrator, County Commission, and staff in preparing the adopted program.

County Commission: While departments, boards, and committees play a very significant role in the capital improvement programming process, the ultimate success of the program rests with the County Commission. Only Commissioners, as elected officials, can authorize the expenditure of public funds, in this case by adopting the first year of the capital improvement program as that fiscal year's capital budget. Therefore, the final priorities placed on community needs and the subsequent satisfactions of those needs are a matter of legislative decision and control.

Priority Ranking

Criteria for establishing the prioritization of capital project proposals are established in the Capital Improvement Element of the Comprehensive Plan in Objective 1.4. The criteria addresses issues such as why the project is needed and what type of service the project will support. Other criteria included in the objective deal with the physical location of the project as being identified in a revitalization/ redevelopment area or a coastal high-hazard area. In addition, each proposal is identified by one of the following Growth Management Tiers:

Urban/Suburban * Exurban * Rural * Glades * Agricultural Reserve

CAPITAL IMPROVEMENT PROGRAM

Why a Project is needed: The following is a list of acceptable reasons why a project is needed:

1. Correct public hazards;
2. Eliminate existing deficiencies as described by the minimum levels of service;
3. Provide capacity for developments that have received a determination as a Committed Development when such developments are within the Urban Service Area;
4. Maintain levels of service as new growth occurs;
5. Increase existing levels of service to desired levels of service;
6. Provide for the renewal and replacement of, and improvement to, existing public infrastructure and physical assets; and
7. Implement the Goals, Objectives, and Policies or other Plan Elements.

Type of Service the Project will Provide: The following is a list of project prioritization categories:

1. **Essential:** projects that are directly related to protecting the immediate health and safety of citizens from an existing or imminent hazard. An example would be an expenditure request which responds to a danger arising from an imminent bridge failure. Essential services shall be provided throughout the County.
2. **Necessary:** projects that are directly related to maintaining the level of service for concurrency items mandated by State law and Fire-Rescue services. Examples include expenditure requests which are necessary to meet the minimum level of service standards for concurrency regarding roadway, mass transit, potable water, wastewater, solid waste, storm water protection, recreation/open space, and fire-rescue. Necessary services shall be provided throughout the County.
3. **Desirable:** projects that are related to enhancing the desirability of Palm Beach County as a place to live or visit. More specifically, to enhance quality of life, or maintain physical assets; but are not needed to correct imminent health and safety hazards and are not needed to maintain level of service.

Physical Location: Policy requires that projects that correct service and infrastructure deficiencies within the Revitalization and Redevelopment Overlay in unincorporated Palm Beach County receive “special consideration” in establishment of the project priority. Special consideration gives these projects top priority consideration within each of the following prioritization categories: essential, necessary, and desirable.

CAPITAL IMPROVEMENT PROGRAM

Growth Management Tiers: The Urban/Suburban Tier shall be given the highest priority within the category of desirable, followed by the Exurban Tier, and then the Rural Tier. Policy restricts use of public funds for infrastructure expansion or improvements in Coastal high-hazard areas unless such funds are necessary to:

1. Provide services to existing development;
2. Provide adequate evacuation in the event of an emergency; or
3. Provide for recreational needs and other appropriate water-dependent uses.

Relationships Between the Operating and Capital Budgets

There are many features that distinguish Palm Beach County's operating budget from its capital budget. The operating budget includes expenses that are generally of a recurring nature and are appropriated for one year only. It provides for the provision of all County services that do not result in major physical assets for the County. Year to year, changes in the operating budget are expected to be fairly stable, and represent incremental changes in the following: cost of doing business; size of the County; and types and levels of services provided. Resources for the operating budget are generally provided by taxes, user fees, and inter-governmental payments that generally recur from year to year.

The capital budget, on the other hand, includes one-time costs for projects that may last several years. The projects result in major physical assets in the County. Resources for the capital budget are generally provided by bond proceeds, impact fees, grants, and taxes.

In spite of these differences, the operating and capital budgets are closely linked. The most obvious connection is the fact that the operating budget includes the cost of maintaining and operating new facilities and infrastructure built under the capital budget.

Operational needs often drive the capital budget. For example, major expansion requirements in the FY 2010 capital budget are roads, parks and buildings which were necessitated for the County's role in providing these basic services to its citizens.

Some capital improvements will actually decrease maintenance costs, such as the replacement of fire trucks and water lines or the reconstruction of roads. Long term operations and maintenance costs resulting from the Five-Year Capital Improvement Program are addressed in this section under "Impact of Capital Projects on the Operating Budget" and "Estimated Operating Impact of Capital Projects" on pages F-22 through F-23.

The County has a significant number of non-routine capital projects included in the FY 2010 budget, all of which are listed in this section. The chart below highlights some of those projects in the Capital Budget Document where more detailed information can be found.

CAPITAL IMPROVEMENT PROGRAM

Project	FY 2010 Allocation	Funding Source
<p><u>Airports Midfield Taxiway L</u></p> <ul style="list-style-type: none"> Construction of the complete full length taxiway parallel to Runway 9L-27R at PBIA. This project will also upgrade the existing portion of Taxiway L to Airplane Design Group IV standards. 	\$16,950,000	Grants/Other
<p><u>Airports Taxiway F - Extension</u></p> <ul style="list-style-type: none"> Extension of Taxiway F to minimize aircraft congestion on taxiways and enhance the movement of general aviation aircraft. 	\$11,900,000	Revenues/Other
<p><u>Jog Rd.</u></p> <ul style="list-style-type: none"> Roebuck Rd. to S. of 45th Street (1.9 miles, 4 L) 	\$24,040,000	Gas Tax
<p><u>Seminole Pratt Whitney Rd.</u></p> <ul style="list-style-type: none"> S. of Okeechobee Blvd. to N. of Sycamore Dr. (2.8 miles, 4 L) 	\$12,580,000	Gas Tax
<p><u>Riverbend/Reese Grove Park Phase III</u></p> <ul style="list-style-type: none"> Design and construction of additional park improvements that will provide additional passive recreational facilities to serve the need of new residents in the North Park District. 	\$1,024,000	Revenue Bond/Impact Fees

FY 2010 CAPITAL BUDGET

FUNDING SOURCES BY TYPE OF REVENUE

Taxes (Ad Valorem)	\$	2,863,091
Interest		32,367,914
Gas Tax		43,223,000
Assessments		2,110,000
Impact Fees		4,306,728
Other		232,906,908
Statutory Reserves		(3,414,729)
Balance Forward		1,070,792,757
Total Revenues	\$	1,385,155,669

APPROPRIATIONS BY CATEGORY

Criminal Justice	\$	165,679,746
Environmental Lands & Beaches		74,854,054
Fire-Rescue		52,741,264
General Government		270,040,501
Libraries		66,454,549
Parks		73,603,363
Road Program		466,861,878
Street & Drainage		10,938,460
Airports		128,974,604
Water Utilities		75,007,250
Total Appropriations	\$	1,385,155,669

CAPITAL BUDGET REVENUES

<u>Revenues</u>	Criminal Justice	Environ. Land & Bchs.	Fire Rescue	General Gov't	Libraries
Taxes (Ad Valorem)	\$0	\$250,000	\$0	\$1,658,091	\$205,000
Interest	4,067,684	894,680	1,900,000	7,371,549	1,326,000
Gas Tax	0	0	0	0	0
Assessments	0	0	0	0	0
Impact Fees	40,000	0	300,000	229,600	64,364
Bond/ Loan Proceeds	0	0	0	0	0
Other	0	46,394,735	0	37,809,662	0
Statutory Reserves	(130,384)	(46,030)	(110,000)	(321,120)	(57,018)
Balances Forward	161,702,446	27,360,669	50,651,264	223,292,719	64,916,203
Total Revenue	\$165,679,746	\$74,854,054	\$52,741,264	\$270,040,501	\$66,454,549

Appropriations

Projects	\$124,059,874	\$70,190,049	\$42,984,154	\$198,720,810	\$58,251,723
Transfers	34,291,357	84,375	0	19,668,156	0
Reserves	7,328,515	4,579,630	9,757,110	51,651,535	8,202,826
Total Appropriations	\$165,679,746	\$74,854,054	\$52,741,264	\$270,040,501	\$66,454,549

& APPROPRIATIONS BY CATEGORY

Parks	Road Program	Street & Drainage	Airports	Water Utilities	Total
\$0	\$750,000	\$0	\$0	\$0	\$2,863,091
2,648,001	10,853,000	193,000	3,096,000	18,000	32,367,914
0	43,223,000	0	0	0	43,223,000
0	0	0	0	2,110,000	2,110,000
512,764	3,160,000		0	0	4,306,728
0	0		0	0	0
2,862,780	48,753,983	502,500	66,898,948	29,684,300	232,906,908
(301,177)	(2,414,350)	(34,650)	0	0	(3,414,729)
67,880,995	362,536,245	10,277,610	58,979,656	43,194,950	1,070,792,757
\$73,603,363	\$466,861,878	\$10,938,460	\$128,974,604	\$75,007,250	\$1,385,155,669
\$56,424,726	\$149,588,958	\$2,394,575	\$65,331,171	\$43,312,000	\$811,258,040
646,265	34,930,273	0	26,131,741	8,476,000	124,228,167
16,532,372	282,342,647	8,543,885	37,511,692	23,219,250	449,669,462
\$73,603,363	\$466,861,878	\$10,938,460	\$128,974,604	\$75,007,250	\$1,385,155,669

HISTORY CAPITAL PROJECTS BY TYPE

Project Type	Actual 2007	Actual 2008	Estimated 2009	Budget 2010
Criminal Justice	61,910,284	45,472,277	33,450,936	165,679,746
Environmental Lands & Beaches	20,692,129	31,392,061	9,515,622	74,854,054
Fire-Rescue	23,396,091	63,977,292	8,267,067	52,741,264
General Government	199,266,472	305,100,870	131,260,236	270,040,501
Libraries	23,501,040	83,341,096	14,903,402	66,454,549
Parks and Recreation	27,998,999	89,278,906	13,816,381	73,603,363
Roads	93,108,694	509,632,820	89,939,616	466,861,878
Streets & Drainage (MSTU's)	3,141,672	15,783,739	4,696,560	10,938,460
Airports	79,472,980	136,014,929	44,179,940	128,974,604
Water Utilities	60,938,842	63,012,100	33,471,000	75,007,250
Total	\$593,427,203	\$1,343,006,090	\$383,500,760	\$1,385,155,669

IMPACT OF CAPITAL PROJECTS ON THE OPERATING BUDGET

Some capital projects, when completed, increase operating costs. For some capital improvements, such as new or expanded roadways, the impact on the County's operating budget is relatively small or may reduce costs due to maintenance savings. On the other hand, projects such as the Library Expansion Program will require additional operations and maintenance costs to operate new or expanded branches.

Recently completed capital projects have resulted in geographic centralization of County facilities and services. The construction of the Vista Center, the North County Facility, and the South County Facility reduced maintenance, travel, security and overhead, as well as, improve overall efficiency.

The future fiscal impact on the operating budget is outlined in each capital project proposal. Each proposal and its impact on the operating budget are calculated by County Administration to determine its funding priority and level. Once the Capital Improvement Budget is approved by the Board of County Commissioners, the tentative operating budget is amended to reflect the increase due to capital projects.

The FY 2010 operating budget has increased by \$2.4 million, and 17 new positions have been added due to completed capital projects. The following department's operating budgets have been impacted by completed Capital Projects:

County Library

A total operating budget of \$1.9 million is being added in FY 2010 due to the renovation of the branches at Belle Glade, Gardens, Royal Palm Beach and Glades Road.

Parks

A total operating budget of \$520,000 and 17 new positions are being added in FY 2010, which is primarily due to the operations associated with the South County Regional Park.

ESTIMATED OPERATING IMPACT OF CAPITAL PROJECTS

FY 2010 Through FY 2014
(in thousands)

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
<u>County Library</u>					
Acreage Branch	\$ -	\$ 335	\$ 680	\$ 680	\$ 893
Belle Glade Branch Renovation	203	412	412	412	412
Main Library and Support Services	-	-	-	-	2,138
Gardens Branch	238	725	725	725	725
Royal Palm Beach Expansion	402	544	544	544	544
Glades Road Branch	1,071	1,087	1,087	1,087	1,087
Total	\$ 1,914	\$ 3,103	\$ 3,448	\$ 3,448	\$ 5,799
<u>Facilities Development & Operations</u>					
Community Services Building	\$ -	\$ -	\$ -	\$ 100	\$ 105
Courthouse Jury Assembly	-	-	100	105	105
PBSO Explosive Operations Division	-	-	-	100	105
PBSO Evidence Building	-	-	-	-	100
PBSO West Atlantic Avenue	-	-	-	200	-
Total	\$ -	\$ -	\$ 100	\$ 505	\$ 415
<u>County Co-op</u>					
Mount Botanical Garden Master Plan	\$ -	\$ 46	\$ 47	\$ 47	\$ 47
Total	\$ -	\$ 46	\$ 47	\$ 47	\$ 47
<u>Parks & Recreation</u>					
Aquacrest Pool	\$ -	\$ 2	\$ 3	\$ 3	\$ 3
Dubois Park Expansion	-	-	7	7	7
John Prince Park Improvements Phase IV	-	3	3	3	3
Okeehetee South Park Development Phase III	4	5	5	5	5
Riverbend/Reese Grove Park Ph III	-	-	-	-	24
South Bay Boat Ramp Improvements	5	5	5	5	5
South County Regional Park Phase II	511	533	533	533	533
Total	\$ 520	\$ 548	\$ 556	\$ 556	\$ 580
Grand Total	\$ 2,434	\$ 3,697	\$ 4,151	\$ 4,556	\$ 6,841

Section E

Debt Service



DEBT SERVICE OVERVIEW

This section of the Budget Document provides comprehensive information regarding Palm Beach County’s Debt Service (principal and interest related to long-term debt) for FY 2010, and in future years.

Palm Beach County covenants and agrees that it will not issue any indebtedness or incur any indebtedness from or supported by a pledge of non-ad valorem revenues unless the County can show that following the issuance of or incurrence of such additional indebtedness, (i) the total amount of non-ad valorem revenues (based on the most recent fiscal year for which audited financial statements are available) will be greater than 2.00 times the maximum debt service, (ii) the total amount of non-ad valorem revenues in each fiscal year in which the bonds are outstanding will be greater than 2.00 times the non-self supporting debt in each fiscal year; and (iii) the aggregate principal amount of non-self-supporting debt bearing a variable interest rate will not exceed 25% of the aggregate principal amount of the non self-supporting debt.

Summary of Outstanding Bond Issues and Installment Debt

The table on pages E-2 through E-8 shows that there are currently forty-five County bond issues. Nine are General Obligation issues, twenty-five are Non-Self Supporting Revenue bonds, and eleven are Self-Supporting Enterprise Issues. At original issue, total County debt was \$2,261,036,548, currently outstanding \$1,581,717,409. Including Solid Waste Authority, the total outstanding debt includes fifty-two issues with an original issue value of \$3,111,396,366, currently outstanding \$2,229,257,227.

FY 2010 Debt Service Requirement

FY 2010 funding requirement is \$174.3 million for County debt. This amount includes interest payments, principal, and fiscal charges on the debt.

Future Debt Service Requirements After FY 2010

The table on page E-9 summarizes Debt Service requirements after FY 2010, based on currently outstanding County bond issues and other debt. The amounts are as follows:

FY 2011	\$171.6 million
FY 2012	\$165.7 million
FY 2013	\$163.0 million
FY 2014	\$162.4 million
FY 2015	\$152.4 million
Future	\$1,405.1 million



Debt Service Ratios

Pages E-10 through E-11 provide a variety of statistical information, expressing the County’s Debt Service in terms of common ratios used to present the debt capacities of the County. Based on these ratios, Palm Beach County is in a healthy debt capacity position.

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
<u>General Obligation Debt</u>				
<u>Refunding Bonds, Series 1994B</u>				
Refund outstanding Bond issue for acquisition and improvement of beach and park sites and acquisition of environmentally sensitive lands	\$57,440,000	02/15/1994	07/01/2011	\$8,015,000
<u>Refunding Bonds, Series 1998</u>				
Refund portion of Series 1991 and 1994 General Obligation Bonds for acquisition of environmentally sensitive lands	45,625,000	04/30/1998	12/01/2014	21,315,000
<u>30.5M Bonds, Series 2003</u>				
Acquisition, construction, expansion of Library facilities	30,500,000	07/08/2003	07/01/2023	23,185,000
<u>25M Bonds, Series 2003A</u>				
Acquire, construct and improve recreational and cultural facilities	25,000,000	07/29/2003	07/01/2023	19,170,000
<u>25M Bonds, Series 2005</u>				
Acquire, construct and improve recreational and cultural facilities	25,000,000	06/02/2005	07/01/2025	21,455,000
<u>16.025M Ref. Bonds, Series 2005</u>				
Partial refunding of series 1999A Bonds	16,025,000	05/11/2005	08/01/2019	15,805,000
<u>22.335M, Series 2006</u>				
Acquisition, construction, expansion of Library facilities	22,335,000	02/22/2006	08/01/2025	19,800,000
<u>50M, Series 2006</u>				
Preserving, protecting, and expanding public needs to working waterfronts	50,000,000	03/21/2006	08/01/2026	44,630,000

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
<u>115.825M Taxable Refunding Bonds Series 2006</u>				
Refund outstanding series 1999B and 2001A Go Bonds for Acquisition of Environmentally Sensitive Lands, Water Resources, Greenways, Agriculture Lands & Open Spaces	115,825,000	07/10/2006	06/01/2020	96,775,000
<u>Total - General Obligation Bonds</u>	<u>\$387,750,000</u>			<u>\$270,150,000</u>
<u>Non Self-Supporting Revenue Bonds</u>				
<u>Criminal Justice Facilities Bonds, Series 1990</u>				
Construction of Judicial Center and Detention Facilities	\$233,620,000	07/01/1990	06/01/2015	\$37,915,000
<u>Criminal Justice Facility Refunding Bonds, Series 1993</u>				
Partial refunding of 233M issue series 1990 for construction of CJC Facilities	117,485,000	06/29/1993	06/01/2011	26,050,000
<u>Admin Complex Rev Ref-1993</u>				
Refund Public Building Series 1986	22,245,000	05/05/1993	06/01/2011	3,580,000
<u>Criminal Justice Facility Refunding Bonds, Series 1997</u>				
Partial refunding of 233M issue series 1990 for construction of CJC Facilities	32,775,000	08/21/1997	06/01/2013	32,655,000
<u>Public Imp. Rev. Refunding Bonds Convention Ctr, Series</u>				
Refunding Bonds for Convention Center	81,340,000	02/25/2004	11/01/2030	77,750,000
<u>Criminal Justice Fac. Refunding, Series 2002</u>				
Refund Criminal Justice Facility, Series 1994	18,560,000	09/05/2002	06/01/2015	10,770,000
<u>Public Improvement Rev. Ref. Rec. Facilities Bonds Series</u>				
Refund Bonds for Public Golf Course	6,525,000	11/13/2003	07/01/2014	3,190,000
<u>Public Improvement Rev. & Refunding Bonds Series 2004</u>				
Various Public Building Projects, Refund Airport Center Bonds	94,300,000	01/28/2004	08/01/2023	73,355,000

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
<u>Public Improvement Rev. Bonds, Series 2004</u>				
Purchase land for Scripps Project	38,895,000	10/28/2004	11/01/2024	32,925,000
<u>Public Improvement Rev. Taxable Bonds, Series 2004</u>				
Purchase land for Scripps Project	24,427,515	10/28/2004	11/01/2014	14,656,507
<u>Public Improvement Rev. Refunding Bonds, Series 2005</u>				
Judicial Center Parking Facility Ref.	9,520,000	05/04/2005	11/01/2015	6,985,000
<u>Stadium Facilities Revenue Refunding Bonds, Series 2005</u>				
Refunding of 1996 Stadium Facility Rev Bonds	20,070,000	06/22/2005	12/01/2016	14,420,000
<u>Parks & Rec. Revenue Refunding Bonds, Series 2005</u>				
Refunding of 1996 Parks & Rec. Facility Bonds	17,455,000	03/31/2005	11/01/2016	13,960,000
<u>Revenue Refunding Bonds Series 2005</u>				
Refunding of N. County Courthouse/Sheriff's Motor Pool 1997 Bonds	13,485,000	07/07/2005	12/01/2017	12,240,000
<u>Public Improvement Rev. Bonds, Series 2005</u>				
Acquire, construct & equip Scripps Research Institute	133,935,000	05/24/2005	06/01/2025	115,965,000
<u>Public Improvement Rev. Bonds, Series 2005</u>				
FAU/Scripps Construction Second Temporary Facility	13,028,760	08/24/2005	01/01/2014	7,600,805
<u>Public Improvement Rev. Bonds, Series 2006</u>				
Expansion Criminal Justice Parking Garage	14,685,000	12/06/2006	12/01/2026	13,710,000
<u>Public Taxable Improvement Rev. Bonds, Series 2007A</u>				
To pay off series 2007 notes for infrastructure at Four Corners	2,582,648	11/14/2007	11/01/2027	2,492,533

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
<u>Public Improvement Rev. Bonds, Series 2007B</u>				
To pay off series 2007 notes for infrastructure at Four Corners	5,180,949	11/14/2007	11/01/2027	5,023,737
<u>Public Improvement Rev. Bonds, Series 2007C</u>				
Funding for completion of Scripps facilities at FAU	98,080,000	12/19/2007	11/01/2027	95,015,000
<u>Public Improvement Rev. Bonds, Series 2008</u>				
Funding for law enforcement and corrections technology and mobile data project	35,075,000	01/23/2008	02/01/2014	29,664,035
<u>Public Improvement Rev. Note, Series 2008</u>				
Purchase environmentally sensitive lands	11,697,676	02/06/2008	08/01/2028	11,112,792
<u>Public Improvement Rev. Refunding Bonds, Series 2008</u>				
To refund Sunshine State loans	29,476,000	04/23/2008	12/01/2020	25,364,000
<u>Public Improvement Rev. Bonds, Series 2008</u>				
For jail expansion program and government buildings	176,585,000	08/28/2008	05/01/2038	174,530,000
<u>Public Improvement Rev. Refunding Bonds, Series 2009</u>				
Initial funding for Max Planck project and refunding of outstanding Sunshine State loans	94,235,000	11/13/2009	11/01/2028	94,235,000
<u>Total - Non Self-Supporting Revenue</u>	<u>\$1,345,263,548</u>			<u>\$935,164,409</u>
<u>Self-Supporting Revenue Bonds</u>				
<u>Water & Wastewater Revenue Series 1998</u>				
Provide funding to assist in financing Five Year CIP	\$30,000,000	06/24/1998	10/01/2011	\$4,935,000

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
<u>Water & Sewer Revenue Refunding Bonds, Series 2003</u>				
Refund portion of Series 1993 Bonds	26,785,000	07/08/2003	10/01/2013	8,100,000
<u>Water & Sewer Revenue Refunding Bonds, Series 2004</u>				
Refund portion of Series 1995 Bonds	28,265,000	05/12/2004	04/01/2011	9,255,000
<u>125.850M Water & Sewer Revenue, Series 2006A</u>				
Acquisition of Royal Palm Beach system and funding to assist in financing Five Year Cap	125,850,000	04/24/2006	10/01/2036	121,705,000
<u>12.485M Water & Sewer Revenue Refunding bonds, Series 2006B</u>				
Refund portion of Series 1998 Bonds	12,485,000	04/24/2006	10/01/2017	12,365,000
<u>Water & Sewer Revenue Refunding Bonds, Series 2008</u>				
Refund portion of Series 1985 Bonds	6,473,000	03/31/2008	10/01/2011	5,073,000
<u>Water & Sewer Revenue Refunding Bonds, Series 2009</u>				
Acquisition, construction, and improvements for FPL reclaimed water project	68,115,000	07/22/2009	10/01/2040	68,115,000
<u>Airport System, Series 2001</u>				
Refund Series 1991	83,965,000	07/03/2001	10/01/2010	15,510,000
<u>Airport System, Series 2002</u>				
Refund Series 1992	60,150,000	07/03/2002	10/01/2014	45,410,000
<u>Airport System, Revenue Bond Series 2006</u>				
Design, acquisition, construction & equipment of new parking garage	69,080,000	05/17/2006	10/01/2036	69,080,000
<u>Airport System, Taxable Refunding Bonds, Series 2006B</u>				
Refund & Decrease Portions of Series 2001 and 2002	16,855,000	05/17/2006	10/01/2020	16,855,000
Sub-total-Direct County Self-Supporting Debt	\$528,023,000			\$376,403,000

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
<u>Solid Waste Authority</u>				
<u>Solid Waste Authority Revenue Refunding Bonds, Series 1997</u>				
Refund a portion of Series 1984 Bonds	\$266,590,000	03/15/1997	10/01/2010	\$71,430,000
<u>Solid Waste Authority Revenue Refunding Bonds, Series 1998A</u>				
Refunding Bonds \$2,165,000 current interest bonds and \$34,240,432 Capital Appreciation Bonds	36,405,432	08/01/1998	10/01/2013	34,240,432
<u>Solid Waste Authority Revenue Bonds, Series 2002B</u>				
Capital Improvement to Solid Waste System	39,869,386	11/07/2002	10/01/2016	38,734,386
<u>Solid Waste Authority Rev Ref Bonds, Series 2004</u>				
Refunding of 1997 Bonds	34,385,000	03/02/2004	10/01/2011	34,025,000
<u>Solid Waste Authority Subord. Rev. Note, Series 2008</u>				
Relocation of facilities and purchase of land for development of a new landfill site	80,000,000	01/09/2008	10/01/2027	76,000,000
<u>Solid Waste Authority Revenue Bonds, Series 2008-C</u>				
Refurbish Waste-To-Energy Facility; construction new transfer station; land acquisition, development of new land fill site.	131,565,000	11/25/2008	10/01/2028	131,565,000
<u>Solid Waste Authority Revenue Bonds, Series 2009</u>				
Refurbish Waste-To-Energy Facility; construction new transfer station; land acquisition, development of new land fill site.	261,545,000	04/23/2009	10/01/2028	261,545,000
Sub-Total Solid Waste Authority	<u>\$850,359,818</u>			<u>\$647,539,818</u>

SUMMARY OF OUTSTANDING BOND ISSUES & INSTALLMENT DEBT

Issue/Purpose	Amount Issued	Issue Date	Maturity Date	Amount Outstanding as of 10/1/09
Total - Combined Self-Supporting Revenue Bonds	\$1,378,382,818			\$1,023,942,818
Sub-Total - All County Direct Budgetary Controlled Debt	\$2,261,036,548			\$1,581,717,409
Total - Combined All Debts	\$3,111,396,366			\$2,229,257,227

Note: Solid Waste Authority is responsible for the issuance and control of their debt requirements. The Palm Beach County Board of County Commissioners now has oversight responsibility over the Solid Waste Authority and accordingly, the Solid Waste Authority is included in the County's Comprehensive annual Financial Report.

FUTURE DEBT SERVICES REQUIREMENTS

Fiscal Year	General Obligation	Non Self-Supporting Revenue	Self-Supporting Revenue	Sub-Total Direct County Debt	Solid Waste Authority	Total Debt
2011	\$34,260,580	\$101,454,957	\$35,887,827	\$171,603,364	\$27,623,435	\$199,226,799
2012	29,838,663	100,935,858	34,889,035	165,663,556	67,930,152	233,593,708
2013	29,839,251	100,034,498	33,087,250	162,960,999	68,812,433	231,773,432
2014	29,826,133	99,565,476	33,055,574	162,447,183	52,639,564	215,086,747
2015	29,807,829	90,536,232	32,078,731	152,422,792	52,658,270	205,081,062
Future	171,338,855	796,345,367	437,464,297	1,405,148,519	665,637,073	2,070,785,592
Total	\$324,911,311	\$1,288,872,388	\$606,462,714	\$2,220,246,413	\$935,300,927	\$3,155,547,340

Note: This table includes principal and interest on currently outstanding bond issues and bonds expected to be issued in Fiscal Year 2010.

General Obligation Debt refers to tax supported bond issues.

Non Self-Supporting Revenue Debt refers to those bond issues and other debt which are supported from specific revenue sources other than property taxes or enterprise earnings. Examples of this category would include pledges of sales tax revenue, State revenue sharing or other non ad valorem revenues.

Self-Supporting Debt refers to the bonds of the County's enterprise operations which generate sufficient revenues to satisfy their own debt service needs. This category includes the County Airport and Water Utilities. Solid Waste Authority (another Enterprise operation) is added due to the reporting entity concept.

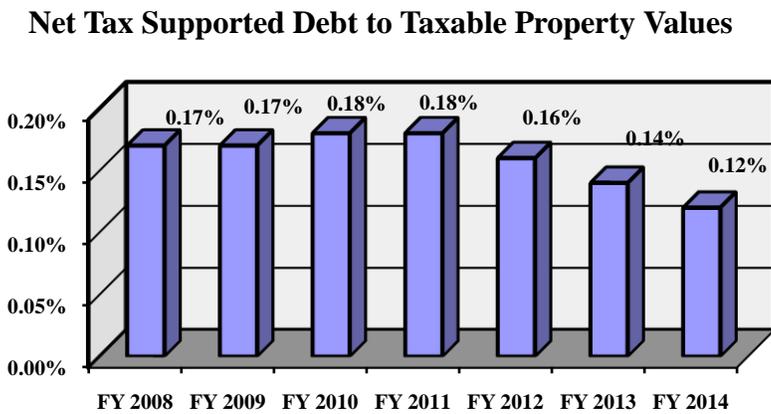
DEBT SERVICE RATIOS

Ratios

The table on pages E-12 through E-13 describes various debt ratios used to present and analyze the debt position and capabilities of the County.

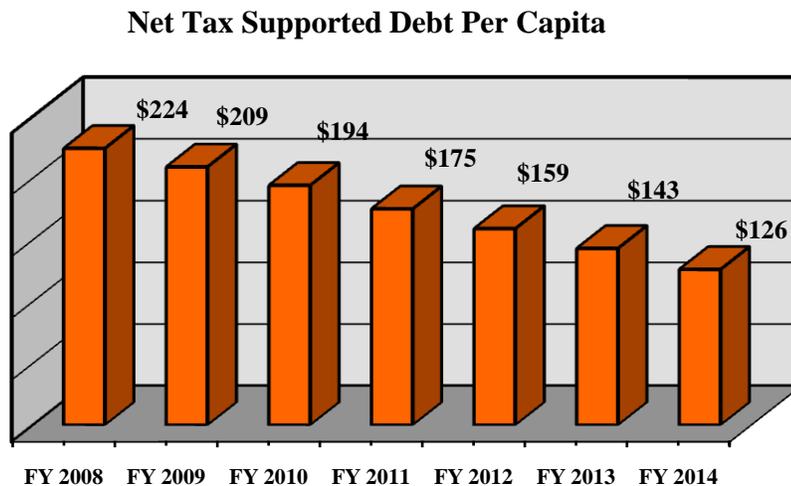
Net Tax Supported Debt to Taxable Property Values

The first significant ratio is the ratio of net tax supported debt to taxable property values. This ratio indicates the proportion of tax-supported debt (general obligation or voted debt), net of any debt service reserves, to the taxable values that can be assessed to support that debt. Ratios in the range of 3% to 5% are considered acceptable. Palm Beach County currently has a ratio of 0.18%.



Net Tax Supported Debt per Capita

The second significant ratio is net tax supported debt per capita. This ratio indicates the net amount of tax support debt per person in the County. Generally, per capita debt ratios of \$300 to \$500 are considered acceptable. Palm Beach County projects to have a ratio of \$194 per person for outstanding bond issues in FY 2010 and in the future, this ratio averages approximately \$150 per person.

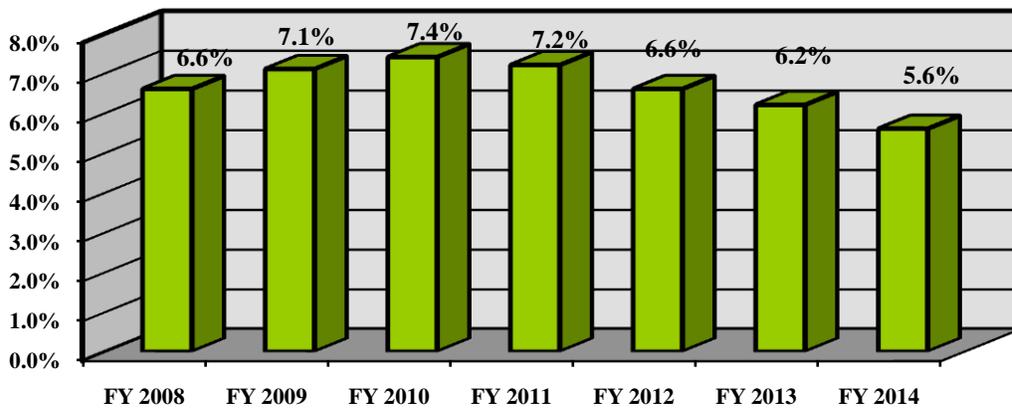


DEBT SERVICE RATIOS

Other Ratios

Two other significant ratios are the ratio of the annual debt service on tax-supported debt to general operating expenditures; and the ratio of the annual debt service on non-self-supporting revenue bond debt to general operating expenditures. These ratios indicate what proportion of the annual budget is going to debt service for governmental operations. The desirable budget sum of these two ratios should be less than 10%. Palm Beach County’s ratios sum to 7.1% for FY 2009 with a projected decrease to 5.6% by FY 2014.

Sum of Annual Debt Service Ratios on Tax Supported Debt & Non Self-Supporting Revenue Bond Debt to General Operating Expenditures



Restriction on Future Issuance on Non-Ad Valorem Debt

The County has covenanted in each fiscal year that its total non-self supporting debt service shall not exceed 50% of the non-ad valorem revenues of the County. Additionally, the County has covenanted that the aggregate principal amount of non-self supporting debt bearing a variable interest rate will not exceed 25% of the aggregate principal amount of non-self supporting debt.

The ratio of non-self supporting debt to non-ad valorem revenues is projected to be 27.4% in FY 2010 primarily due to the issuance of the \$176.585 Million Public Improvement Revenue Bonds, Series 2008 for the jail expansion program. We are projecting that this ratio will decline over the next four years.

During FY 2009, the County continue to adjust its variable rate debt exposure as a result of the downgrade in the credit rating of bond insurers and bank providing liquidity in the short-term variable rate markets. The County issued fixed rate debt to refund the remaining \$50.629 Million of its loans from the Sunshine State Governmental Financing Commission. The ratio of non-self supporting variable rate debt to total non-self-supporting debt was reduced to 3.6% in FY 2010 and is expected to decline over the next five years.

In summary, Palm Beach County continues to be in a very strong debt capacity position and has untapped borrowing power for the future.

DEBT

	FY 2008 Actual	FY 2009 Projected
Tax Supported debt (Net)	\$290,410,000	\$270,150,000
Taxable Values (in \$1000's)	\$169,449,988	\$159,570,643
Ratio of Net Tax Supported Debt to Taxable Values	0.17%	0.17%
Population Estimates	1,294,654	1,286,621
Net Tax Supported Debt per Capita	\$224	\$210
General Operating Expenditures	\$1,788,208,486	\$1,847,261,977
Annual Debt Service Tax Supported Debt	\$38,112,040	\$34,258,655
Ratio of Annual Debt Service on Tax Supported Debt to General Operating Expenditures	2.1%	1.9%
Annual Debt Service Non Self- Supporting Revenue Bond Debt (Note 1)	\$81,178,149	\$96,236,312
Ratio of Annual Debt Service on Non Self-Supporting Revenue Bond Debt to General Operating Expenditures	4.5%	5.2%
Non Ad Valorem Revenues	\$343,670,000	\$350,840,057
Ratio of Annual Debt Service on Non Self-Supporting Revenue Bond Debt to Non Ad Valorem Revenues	23.6%	27.4%
Ratio of Variable Rate Non Self- Supporting Debt to Total Non Self-Supporting Debt	9.4%	3.6%

NOTE 1- The County anticipates renewing the \$11,543,892 Taxable Convention

SERVICE DATA

FY 2010 Projected	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected
\$248,965,000	\$226,725,000	\$207,760,000	\$187,875,000	\$167,025,000
\$141,254,042	\$125,200,914	\$128,330,937	\$132,822,520	\$137,471,308
0.18%	0.18%	0.16%	0.14%	0.12%
1,285,700	1,297,760	1,309,820	1,321,880	1,333,940
\$194	\$175	\$159	\$143	\$126
\$1,872,432,002	\$1,891,156,322	\$1,985,714,138	\$2,084,999,845	\$2,298,712,329
\$34,257,975	\$34,260,580	\$29,838,663	\$29,839,251	\$29,826,133
1.8%	1.8%	1.5%	1.4%	1.3%
\$104,411,146	\$101,454,957	\$100,935,858	\$100,034,498	\$99,565,476
5.6%	5.4%	5.1%	4.8%	4.3%
\$381,172,286	\$381,172,286	\$396,419,177	\$412,275,945	\$428,766,982
27.4%	26.6%	25.5%	24.3%	23.2%
3.3%	3.0%	2.6%	2.2%	2.1%

Center Hotel Bond Anticipation Note on April 1, 2010.

BOND RATINGS

Bond Issue	Moody's Investor's Service	Standard & Poor's and Fitch
50M General Bonds, Series 2006	Aaa	AAA
25M General Obligation Bonds, Series 2005	AAA	AAA
16.025M General Obligation Refunding Bonds, Series 2005	AAA	AAA
30.5M General Obligation Bonds, Series 2003	Aaa	AAA
25M General Obligation Bonds, Series 2003A	Aaa	AAA
25M General Obligation Bonds, Series 1999A	Aaa	AAA
115.82M General Obligation Taxable Refunding Bonds, Series 2006	Aaa	AAA
45.625M General Obligation Refunding Bonds, Series 1998	Aaa	AAA
57.44M General Obligation Refunding Bonds, Series 1994B	Aaa	AAA
2.58M Public Improvement Revenue Refunding Bonds, Series 2007A	Unrated	Unrated
5.18 M Public Improvement Taxable Revenue Refunding Bonds, Series 2007B	Unrated	Unrated
98.08M Public Improvement Revenue Bonds, Series 2007C	AAA	AAA
35.075M Public Improvement Revenue Bonds, Series 2008	Unrated	Unrated
11.7M Public Improvement Revenue Bonds, Series 2008	Unrated	Unrated
29.476M Public Improvement Revenue Refunding Bonds, Series 2008	Unrated	Unrated
176.585M Public Improvement Revenue Bonds, Series 2008	Aa1	AA+
14.685M Public Improvement Revenue Bond, Series 2006	Aaa	AAA
13.485M Revenue Refunding Bonds, Series 2005	Aa1	AA+
9.52M Public Improvement Revenue Refunding Bonds, Series 2005	Aa1	AA+
17.455M Parks & Recreation Facility Revenue Refunding Bonds, Series 2005	Aa1	AA+
133.935M Public Improvement Revenue Bonds, Series 2005	Aaa	AAA
38.895M Public Improvement Revenue Bonds, Series 2004A	Aaa	AAA
24,427,515 Public Improvement Taxable Bonds, Series 2004B	Unrated	Unrated
13,028,760 Public Improvement Revenue Bonds, Series 2005	Unrated	Unrated
81.34M Public Improvement Revenue Bonds, Series 2004	Aaa	AAA
94.3M Public Improvement Revenue Refunding Bonds, Series 2004	Aa1	AA+
18.56M Criminal Justice Facilities Revenue Refunding Bonds, Series 2002	Aa1	AA+
6.525M Public Improvement Recreation Ref. Facilities Rev. Bonds, Series 2003	Aa1	AA+
20.07M Stadium Facilities Revenue Refunding Bonds, Series 2005	Aaa	AAA
22.425M Revenue Improvement Bonds, Series 1997	Aaa	AAA
22.245M Administrative Complex Revenue Refunding Bonds, Series 1993	Aaa	AAA
233.62M Criminal Justice Facilities Revenue Bonds, Series 1990	Aaa	AAA
117.485M Criminal Justice Facilities Revenue Refunding Bonds, Series 1993	Aaa	AAA
32.775M Criminal Justice Facilities Revenue Refunding Bonds, Series 1997	Aaa	AAA
69.08M Airport System Revenue Bonds, Series 2006A	Aaa	AAA
16.855M Airport System Taxable Refunding Series 2006B	Aaa	AAA
83.956M Airport System Revenue Refunding Bonds, Series 2001	Aaa	AAA
60.15M Airport System Revenue Refunding Bonds, Series 2002	Aaa	AAA

BOND RATINGS

Bond Issue	Moody's Investor's Service	Standard & Poor's and Fitch
30M Water & Wastewater Revenue Bonds, Series 1995	Aaa	AAA
26.785M Water & Sewer Revenue Refunding Bonds, Series 2003	Aa1	AAA
28.265M Water & Sewer Revenue Refunding Bonds, Series 2004	Aaa	AAA
125.55M Water & Sewer Revenue Bonds, Series 2006A	Aaa	AAA
12.455M Water & Sewer Revenue Refunding Bonds, Series 2006B	Aaa	AAA
6.473M Water & Sewer Revenue Refunding Bonds, Series 2008	Unrated	Unrated

Moody's Investors Service, Standard & Poors and Fitch ratings currently assign ratings of Aaa, AAA and AAA, respectively, to the County's General Obligation Bonds and Aa1, AA+, and AA+, respectively, to the County's Revenue Bonds supported by a pledge on Non-Ad Valorem revenues. The above ratings were assigned at the time of issuance of the bonds and may not reflect the current rating assigned by the rating agency.



Section F

Appendices



FINANCIAL POLICIES

Palm Beach County's FY 2010 Budget has been developed using the policies described in this segment of the Budget document and is intended to facilitate management actions on financial decisions as well as to assist other readers of this document in understanding County finances.

The establishment of consolidated financial policies will also have the following beneficial results:

- Provide a concise reference guide for consideration of County financial matters.
- Direct attention to overall financial condition, rather than a narrow focus on single issues.
- Exhibit a commitment to sound financial management and fiscal integrity, establishing credibility and confidence for citizens, investors, and rating agencies.
- Demonstrate a compliance with applicable Florida statutory requirements.

The financial policies on the following pages are grouped into the following categories:

- ◆ **BUDGET POLICIES**
- ◆ **REVENUE POLICIES**
- ◆ **EXPENDITURE POLICIES**
- ◆ **RESERVE POLICIES**
- ◆ **DEBT POLICIES**
- ◆ **CAPITAL IMPROVEMENT POLICIES**

I. BUDGET POLICIES

I.1 Balanced Budget

The County's Annual Budget shall be balanced; that is, the total of the estimated receipts, including balances brought forward, shall equal the total of the appropriations and reserves (Florida Statutes, 129.01(2)(b)).

I.2 Budget Adoption

The County's Annual Budget shall be adopted by the Board of County Commissioners at a fund level.

I.3 Estimates of Receipts

The receipts division of the budget shall include 95% of all receipts reasonably to be anticipated from all sources, including taxes to be levied, and 100% of balance to be brought forward at the beginning of the fiscal year (Florida Statutes, 129.01(2)(b) and 200.065(2)(a)).

FINANCIAL POLICIES

I.4 Contingencies

A reserve for contingencies may be budgeted in each operating and capital fund in an amount not more than 10% of the total fund budget; for reallocation by the Board of County Commissioners as needed to fund unforeseen needs during the budget year (Florida Statutes, 129.01(2)(c)(1)).

I.5 Cash Carryover

A reserve for cash carryover will be budgeted in any fund which requires monies to be carried forward into the budget year to support operations until sufficient current revenues are received. This reserve will not exceed 20% of the fund budget (Florida Statutes, 129.01(2)(c)(2)). (See Section IV. I -OPERATING RESERVE)

I.6 Budget Transfers

The Director, Office of Financial Management & Budget, has authority to approve intra-departmental transfers during the budget year. All other budget transfers (i.e. between departments, out of contingencies, and between capital projects) require approval of the Board of County Commissioners.

I.7 Budget Performance Reports

The Office of Financial Management and Budget will provide semiannual reports during the budget year to the County Administrator and Board of County Commissioners evaluating actual revenues and expenditures in comparison to budget.

II. REVENUE POLICIES

II.1 General Revenue Policy

Generally, the County reviews estimated revenue and fee schedules as part of the budget process. Estimated revenue is conservatively projected (at 95% of estimate) for five years and updated annually. Proposed rate increases are based upon:

- ◆ Legislative Constraints Fee policies applicable to each fund or activity
- ◆ The related cost of the service provided
- ◆ The impact of inflation on the provision of services
- ◆ Equity of comparable fees
- ◆ Legislative constraints

The Revenue Policy of Palm Beach County includes these informal policies, with the addition of:

- ◆ Maintenance of a diversified and stable revenue system to shelter the County from short run fluctuations in any one revenue source

II.2 Revenue Summaries

As part of the annual budget process, a consolidated summary of revenue sources will be prepared and incorporated into the County's budget documents.

FINANCIAL POLICIES

II.3 Ad Valorem Taxes

The use of Ad Valorem tax revenues will be generally limited to the following funds:

Countywide:

General
Debt Service

Dependent Districts:

County Library
Fire Rescue MSTU's (Jupiter and Main Fire Rescue MSTU)

Specific allocations of such revenue will be made during the annual budget process.

II.4 Gas Taxes

The use of Gas tax revenues will be generally limited to the following funds:

County Transportation Trust
Transportation Improvement
Mass Transit

II.5 Sales Taxes

The use of Sales tax revenue will be generally limited to the following funds:

General
County Transportation Trust
Debt Service

II.6 Impact Fees

Palm Beach County shall require new development activity to pay fair share fees for new capital facilities or expansion of existing facilities. Fees shall not exceed a pro rata share of the reasonably anticipated costs of such improvements.

Impact fees have been implemented for parks, roads, libraries, Fire Rescue, public buildings, schools, and law enforcement.

FINANCIAL POLICIES

II.7 Utility Taxes

The utility tax is a tax imposed on the purchase of utility services. It provides additional revenue necessary to maintain adopted levels of service, primarily for the Sheriff's road patrol.

II.8 Tourist Development Taxes

The use of Tourist Development tax revenues will generally be limited to the Tourist Development Trust Fund and the Beach Improvement Fund.

II.9 Grants

Only such grants which can reasonably be expected to be received will be considered as revenue sources for budget development purposes. The County shall amend its Budget to reflect additional grants received during the year.

II.10 Restricted Revenues - Bonds

Revenues which have been pledged to bondholders shall be restricted and conform in every respect to covenants.

II.11 Countywide Revenues

Countywide revenues collected on a Countywide basis will be allocated only to funds which provide Countywide services.

II.12 Cost Recovery Fees (User Charges)

Cost recovery fees, where appropriate, should be established to offset the cost of providing specific services and should be reviewed on a regular basis. Board policy provides for moving towards full recovery and the Board will examine and act on exceptions to that policy.

Where full cost recovery is deemed inappropriate, cost recovery ratios should be established for consideration by the Board. (Upon approval by the Board, cost recovery ratios will be incorporated into the County's Financial Policies.)

II.13 Private Contributions

The County provides many services to its residents; thereby, enhancing the "Quality of Life" in our County.

To the extent possible, efforts should be made to secure private contributions, whether in the form of volunteer services, equipment, or cash contributions. This is particularly important in helping to defray the taxpayer burden of providing programs and activities which may be considered primarily "quality of life" in nature; such as, various community services, cultural, and recreational activities.

FINANCIAL POLICIES

III. EXPENDITURE POLICIES

III.1 Administrative Charges

The County has in place a federally approved overhead distribution system which allocates General Fund Administrative Charges to the various County entities benefiting from such administrative activities. The existence of this system assures qualification for federal reimbursement of administrative costs associated with federal programs.

III.2 County Grants

As part of its annual budget process, the County identifies amounts to be granted to various community agencies which provide valuable services to the County's residents.

Because of increasing demands on the County's limited resources, the County will provide a maximum of the amount budgeted to each grant recipient. In the event that a grant recipient requests additional County funding, such request will be considered in the next year's budget process.

III.3 Grant Supported County Programs

The County conducts a variety of programs which depend on outside grants to the County for partial funding. In the event of reductions in such outside funding amounts, the program service levels will be reduced and additional County support will not be provided to compensate for the reduction of outside funding.

Full recovery of annual and sick leave for employees working under a grant shall be undertaken.

III.4 Performance Measures

The County has developed "Performance Measures" for each of its departments in order to assure that maximum productivity is being achieved.

Where Performance Measures demonstrate that activities could more cost effectively be provided by outsiders, contracting out of such activities will be considered.

Performance Measures will also provide management with criteria to use in evaluating departmental requests for increased funding levels.

III.5 Categorization of Services

The County will segregate its various services into distinct categories, in order to set priorities for allocating available money. The categories can be generally defined as follows:

Basic or Core Services - These are services which are best performed at the County level and are most closely linked to protecting the health and safety of citizens. Legally mandated services or commitments are also included in this category.

FINANCIAL POLICIES

Maintenance of Effort Services - These are services that the County has traditionally provided.

Quality of Life - These are activities which are provided for more specialized groups and enhance the desirability of Palm Beach County as a place to live.

IV. RESERVE POLICIES

A formally adopted reserve policy is an important factor in maintaining the fiscal health of Palm Beach County. There are three primary types of reserves: Operating, Capital, and Debt. The degree of need for these reserves differs, based upon the type of fund or operation involved. However, one policy statement for each type of reserve can be uniformly applied to most funds (excluding Airport and Water and Sewer, which are subject to various regulatory requirements). Board approval is required to move funds from Contingency Reserve accounts into expenditure line items.

IV.1 Operating Reserves

Reserve for Contingency provides for unexpected expenditures which are deemed necessary during the budget year.

Budgeting Undesignated Reserves in Countywide Ad Valorem Funds

The adopted budget for the Countywide ad valorem equivalent funds will include undesignated reserves (reserve for balance brought forward and contingency) in an amount which, when combined with the statutory reserve is between 15% and 20% of net budgeted expenditures and transfers for these funds. For purposes of this calculation, Countywide ad valorem equivalent funds are General Fund, Sales Tax Fund, and County Transportation Trust Fund.

General Fund - Fund Balance

The County shall maintain year-end General Fund unreserved fund balance at an amount which is between 25% and 30% of audited General Fund expenditures and transfers to other funds. To the extent that the year-end audited fund balance falls outside of this range, corrective action shall be taken over a three-year period to bring the balance into conformity with this policy. Designations by the Board of County Commissioners of a portion of undesignated fund balance for a specific purpose or to be used for outstanding purchase orders, contracts and commitments at year end and which are re-appropriated in the subsequent fiscal year will be indicated in the footnotes to the financial statements rather than the balance sheet.

Special Projects Funds – Fund Balance

Unreserved fund balance in special projects funds shall only be used for the specific purpose for which the fund has been established. Designations by the Board of County Commissioners of a portion of undesignated fund balance for a specific purpose including for outstanding purchase orders, contracts and commitments, which are re-appropriated in the subsequent fiscal year will be reflected as designations of unreserved fund balance in the footnotes in the annual financial statements.

FINANCIAL POLICIES

IV.2 Capital Reserves

Capital Reserves are established primarily to set aside funds to provide for additional projects, or additions to existing budgeted projects, which may be deemed appropriate for funding after the Annual Budget is adopted.

Capital Project Funds – Fund Balance

Unreserved fund balance in capital projects funds include amounts which are being held for specific projects. To the extent that these projects have been identified and approved by the Board of County Commissioners, but funds have not been obligated through formal contracts, amounts to be allocated for these projects will be reflected as designations of unreserved fund balance in the footnotes to the annual financial statements. Outstanding purchase orders, contracts and other commitments at year end, which are re-appropriated in the subsequent fiscal year shall be reflected as designations of unreserved fund balance in the footnotes to the financial statements.

All amounts in bond construction funds will be designated for the specific projects(s) for which the bonds were issued and will be reflected as designations of unreserved fund balance in the footnotes to the financial statements.

IV.3 Debt Reserves

Debt reserves are established to protect bondholders from payment defaults. Adequate debt reserves are essential in maintaining good bond ratings and the marketability of bonds. The amount of debt reserves is established by bond indenture in association with each bond issuance

Although these policy statements are intended to apply to various funds of the County, various Federal, State, and Local laws and regulations, and specific financial policies may supersede them.

V. DEBT POLICIES

Palm Beach County will use debt financing when it is appropriate. It will be judged appropriate only when the following conditions exist:

- ◆ When non continuous capital improvements are desired, and;
- ◆ When it can be determined that future citizens will receive a benefit from the improvement

When Palm Beach County utilizes long-term debt financing, it will ensure that the debt is soundly financed by:

- ◆ Conservatively projecting the revenue sources that will be utilized to pay the debt.
- ◆ Financing the improvement over a period not greater than the useful life of the improvement.

FINANCIAL POLICIES

Additionally, the County has the following policies in relation to debt financing:

- ◆ Where possible, the County uses special assessment, revenue, or self-supporting bonds instead of general obligation bonds.
- ◆ Palm Beach County maintains good communications with bond rating agencies about its financial condition.
- ◆ Palm Beach County maintains overall net debt less than \$1,200 per capita.
- ◆ Debt service payments on net debt, exclusive of self-supporting debts, will be no more than 10% of general government expenditures.

Annual budgets and long-range forecasts include debt service payments and reserve requirements for all debt currently outstanding and for all proposed debt issues.

V.1 General Obligation Debt

The County will issue general obligation bonds only upon approval of the electorate after a general election as required by the Florida Constitution. Total general obligation debt for Palm Beach County will be maintained at no more than 5% of total assessed valuation of taxable property.

V.2 Non-Self-Supporting Debt

The County may issue non-self-supporting debt to the extent that non-ad valorem revenues are at least twice the annual amount of debt service on the non-self-supporting debt and to the extent that variable interest rate on non-self-supporting debt is no more than 25% of total non-self-supporting debt in the aggregate.

V.3 Self-Supporting Debt

The County may issue self-supporting debt for proprietary fund activities based on analyses of revenues and expenses to be incurred as a result of the project or projects to be funded by the debt.

VI. CAPITAL IMPROVEMENT POLICIES

VI.1 Five Year Program

The County will develop a five year Capital Improvement Program as part of each year's annual budget process and will make all capital improvements in accordance with the adopted Annual County Budget.

The County will identify the estimated costs and potential funding sources for each capital project before it is submitted to the Board of County Commissioners as a component of the five year program.

FINANCIAL POLICIES

VI.2 Operating Costs

The costs of operating and maintaining all proposed projects will be identified and incorporated into five year financial projections for operations.

VI.3 Capital Financing

The County Administrator will determine, and recommend to the Board, the least costly financing method for all capital projects.

VI.4 Renewal and Replacement

The County shall develop and implement a program for identifying, scheduling, and budgeting for the renewal and replacement requirements of capital facilities.

DESCRIPTION OF REVENUES BY TYPE

Current Ad Valorem Taxes

Property taxes are computed as a percentage of the taxable value of real property and personal property.

Licenses, Permits, and Other Taxes

Revenue derived from the issuance of local licenses, permits, and other taxes. Licenses include both professional and occupational licenses; permits consist of building and various other permits; other taxes consist of user-type taxes, franchise fees, utility service taxes, and delinquent ad valorem taxes.

Intergovernmental Revenues

This group of accounts includes all revenues received from federal, state, and other local governmental sources in the form of grants, shared revenues, and payments-in-lieu-of-taxes.

Charges for Services

This series of accounts includes all revenues stemming from charges for current services excluding revenues of internal service funds.

Fines & Forfeitures

This group of accounts includes revenues received from fines and penalties imposed for the commission of statutory offenses, violations of lawful administrative rules and regulations, and for neglect of official duty.

Miscellaneous Revenue

Miscellaneous revenues consist of sources not otherwise provided for in the preceding categories. These include interest earnings, rents and royalties, special assessments, sale and compensation for loss of fixed assets, sale of surplus materials, and contributions from private sources.

Debt Proceeds

This type includes revenues received from bonds, loans, and certain lease-purchase agreements.

Balances Forward, Transfers and Other

Amounts received by the County which are not additions to the assets of the government as a whole, although they may be to the receiving fund. These items include inter-fund transfers and inter-fund reimbursements except the receipts of an internal service fund. This category also includes fund balances carried over from the previous year.

Internal Service Fund Revenues

Those revenues derived from goods and services furnished by central service agencies of the County to other departments and funds.

DESCRIPTION OF EXPENDITURES BY ACTIVITY TYPE

General Government

A major class of services provided by the legislative, judicial, and administrative branches of County government as a whole. This classification encompasses the Board of County Commissioners, Administration (including central service staff departments), Auditing, Property Appraisal, Tax Collection, Finance, Legal, Planning, Judicial, Supervision of Elections, and various other general government services.

Public Safety

A major category of services provided by the County for the security of persons and property. This category includes law enforcement, fire control, detention and/or correction, protective inspections, emergency and disaster relief services, ambulance and rescue services, investigative autopsies, consumer affairs, and all other costs primarily related to public safety.

Physical Environment and Utilities

The cost of services provided by the County for the primary purpose of achieving a satisfactory living environment by controlling and utilizing elements of the environment. Services include water and sewage, mosquito and aquatic plant control, sand transfer and beach restoration, soil conservation and agriculture, and all other services related to the physical environment.

Transportation

Costs of services provided by the County for the safe and adequate flow of vehicles, travelers, and pedestrians. This category includes the County Transportation Trust, Transportation Authority, Department of Airports, and various funds associated with the construction and maintenance of roads within the County Road Program.

Economic Environment

The cost of providing services which develop and improve the economic condition of the community and its citizens. Services included are industry development, veterans services, housing and community development, and all other costs primarily related to economic environment.

Health and Human Services

The cost of providing services for the care, treatment, and control of human illness, injury or handicap, and for the welfare of the community as a whole and its individuals. Expenditures classified under this function include hospital services, health care, animal regulation, homes for the infirm, mental health, welfare, retardation, and other human services.

DESCRIPTION OF EXPENDITURES BY ACTIVITY TYPE**Culture and Recreation**

The cost of providing and maintaining cultural and recreational facilities and activities for the benefit of citizens and visitors. This category includes libraries, parks and related programs, cultural services, special events, and special recreational facilities.

Internal Services

Those expenses incurred exclusively by internal service funds in providing goods and services to user departments and agencies. This category includes fleet management, employee health insurance, casualty self insurance, workers' compensation, information system services, and graphics.

Transfers, Reserves and Other

This is a basic account category to provide for disbursements which are not classified as expenditures. Included in this group are inter fund transfers, reserves, redemption of long and short term debts, and transfers between the Board of County Commissioners and Constitutional Officers.

DESCRIPTION OF EXPENDITURES BY OBJECT CATEGORY**Personal Services**

Expense for salaries, wages, and related employee benefits provided for all persons employed by the County whether on full-time, part-time, temporary, or seasonal basis. Employee benefits include employer contributions to a retirement system, social security, life and health insurance, workers' compensation, unemployment compensation insurance, and any other similar direct employee benefits.

Operating

Includes expenditures for goods and services which primarily benefit the current period and are not defined as personal services or capital outlays. Examples include professional services, accounting and auditing, other contractual services, travel and per diem, communications, utilities, rentals and leases, repair and maintenance, promotional activities, office supplies, operating supplies, road material and supplies, books, publications, subscriptions, memberships, and other current charges not otherwise classified.

Capital Outlay

Outlays for the acquisition of or addition to fixed assets. This includes land, buildings, improvements other than buildings, machinery and equipment, and construction in progress.

Debt Service

Outlays for debt service purposes including principal, interest, and other debt service costs.

Grants and Aids

Includes all grants, subsidies, and contributions to other governmental agencies and private organizations excluding transfers to agencies within the same governmental entity.

Non-Operating

Includes all transfers between funds which do not represent operating expenditures including transfers between the Board of County Commissioners, the Constitutional Officers, and other taxing authorities. This category also includes all reserves.

GLOSSARY

Ad Valorem Equivalent Funding	Ad Valorem (Latin for according to value) is a tax levied on the assessed value of real or tangible personal property. It is also known as "Property Tax." Equivalent funding represents other non-Department specific revenues received in the General Fund, Sales Tax revenues and Electric Utility Tax revenues.
Aggregate Millage Rate	The sum of all ad valorem taxes levied by the governing body of a county for countywide purposes excluding voted debt, plus ad valorem taxes levied for any district dependent to the governing body, divided by the total taxable value of the county, converted to a millage rate. Expresses an "average" tax rate.
American Recovery and Reinvestment Act (ARRA)	Funding received under the Federal economic stimulus package enacted in February 2009 (PL 111-5). ARRA funding includes assistance to states and localities, through both direct appropriations and competitive grants, for infrastructure investments, education, health care, public safety, green energy and other programs.
Appropriation	A legal authorization granted by a legislative body (e.g., Board of County Commissioners) to incur obligations and make expenditures for specific purposes.
Assessed Value	The fair market value of property (real estate or personal), as determined by the County's Property Appraiser. The assessed value less any exemptions allowed by law is the "taxable value."
Balanced Budget	A budget in which estimated revenues and appropriations are equal. Florida Statutes require that budgets must be balanced. The County complies with this after the inclusion of re-appropriated beginning fund balances.
Base Budget	Ongoing expense for personnel, contractual services, supplies, and the replacement of equipment required to maintain service levels previously authorized by the Board of County Commissioners.
Benchmark	A standard or point of reference used in measuring and/or judging the quality or value.
Board of County Commissioners (BCC)	The legislative and governing body of a county. Also referred to as the "County Commission."

GLOSSARY

Bond	A certificate of debt containing a promise to pay a specified sum of money (called the face value or principal) at a specified date or dates in the future (called the maturity date) together with periodic interest at a specified rate. Bonds are typically used for long-term debt to pay for specific capital expenditures.
Bond Refinancing	The issuance of bonds to obtain better interest rates and/or bond conditions by paying off older bonds.
Budget	A comprehensive financial plan of operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them and specifying the type and level of services to be provided. Most local governments have two types of budgets – the "Operating Budget" and the "Capital Improvement Budget."
Budget Amendment	An increase or decrease in revenues with a corresponding increase or decrease in appropriations within the same fund. The budgeted fund total is changed.
Budget Document	The official written statement which presents the proposed budget to the legislative body (e.g., County Commission).
Budget Message	A general discussion of the budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the County Administrator.
Budget Transfer	A transfer of appropriations or revenues between two or more accounts within the same fund. The budgeted fund total is not changed.
Capital Equipment	Equipment with a value in excess of \$1,000 and an expected life of more than one year; such as, automobiles, computers, and furniture.
Capital Improvement	Physical assets, constructed or purchased, that have a minimum useful life in excess of one year and a minimum cost of \$25,000. Capital improvements typically involve physical assets; such as, buildings, streets, water and sewage systems, and recreation facilities.

GLOSSARY

Capital Improvement Budget	A budget including those approved capital improvement projects contained in the first year of the Capital Improvement Program (CIP).
Capital Improvement Program (CIP)	A plan for capital expenditures to be incurred each year over a fixed period of years to meet anticipated capital needs. It sets forth each project or other contemplated expenditure in which the County is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.
Capital Outlays/Capital Expenditures	Expenditures which result in the acquisition of, or addition to, fixed assets; such as, buildings, land, and roads.
Capital Project Fund	A fund established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust Funds).
Communication Services Tax	A simplified tax structure for communications services, which was implemented in FY 2002. It combined seven different state and local taxes or fees and replaced them with a two tiered tax composed of a state tax and a local option tax on communications services, including cable television.
Comprehensive Plan	Required under Chapter 163 of the Florida Statutes, the Plan shall prescribe principles, guidelines, and standards for the orderly and balanced future economic, social, physical, environmental, and fiscal development of the County.
Contingency	A reserve of funds which are set aside to cover emergencies or unforeseen events that occur during the fiscal year; such as, new federal or state mandates, shortfalls in revenue, and unanticipated expenditures.
County	A political subdivision of the State which is empowered to levy and collect taxes and provide services to citizens within its boundaries.
County Budget Officer	Each Board of County Commissioners, pursuant to Florida Statutes, Section 129.025, may designate a county budget officer to carry out budget duties as set forth in Chapter 129. In Palm Beach County, the County Administrator has been designated the County Budget Officer.

GLOSSARY

County Officers	Independently elected officials including the Clerk & Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. This is also referred to as "Constitutional Officers."
Customer Focused Budgeting and Reporting	A performance based budget process that defines each department's mission, articulates program objectives in measurable terms, and establishes performance measures to track progress towards meeting those objectives. This method of reporting presents the operating budget in terms of major programs and primary services and first appeared countywide in the FY 1997 budget.
Debt Service	Payment of principal and interest related to long term debt.
Debt Service Fund	A fund used to account for the accumulation of resources for, and payment of, general long-term debt principal and interest.
Deficit (Budget)	The excess of budgeted expenditures over estimated revenues and receipts.
Department	An organizational unit responsible for carrying out a major governmental function; such as, Public Safety or Water Utilities.
Dependent Taxing Districts	Taxing Districts that appear separately on the tax bill and are under County control (e.g., County Library).
Depreciation	Expiration in the service life of fixed assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence.
Encumbrance	An amount of money committed for the future payment for goods and services not yet received. Encumbrances result from the issuance of a purchase order, contract, or formal agreement.
Enterprise Fund	A fund established to account for operations that are financed and operated in a manner similar to private business. The intent is that the full cost of providing the goods or services be financed primarily through charges and fees, thus removing the expense from the tax rate (e.g., Water and Sewer).

GLOSSARY

Exemption	A reduction to the assessed value of property. The most common exemption is the \$50,000 homestead exemption allowed if the owner uses the property as the principal residence. There are also exemptions for disability, government, non-profit owned property, and low-income senior citizens.
Expenditures	The incurring of a liability, the payment of cash, or the transfer of property for the purpose of acquiring an asset or service or settling a loss.
Fiscal Year	Any period of 12 consecutive months designated as the budget year. The fiscal year used by the County, which is set by State Statute, begins October 1 and ends September 30 of the following calendar year. The fiscal year is designated by the date on which it ends. For example, October 1, 2009 to September 30, 2010 would be Fiscal Year 2010.
Five-Year Trend	Represents the percentage change of a performance measure from the previous year actual and the five years previous.
Fixed Assets	Assets of a long-term character which are intended to continue to be held or used; such as, land, buildings, improvements other than buildings, machinery, and equipment.
Franchise Fee	A fee levied on a public service corporation in return for granting a privilege or permitting the use of public property. These fees are usually passed on to the corporation's customers as a cost of doing business. Electricity is subject to franchise fees.
Full-time Equivalent (F.T.E.)	The number of approved positions equated to full-time basis (e.g., two half-time positions equal one full-time equivalent position).
Fund	An accounting entity with a self balancing set of accounts, which is segregated for the purpose of carrying on specific activities or attaining certain objectives, in accordance with special regulations, restrictions, or limitations.
Fund Balance	The excess of fund assets over fund liabilities. A negative fund balance is sometimes called a deficit.

GLOSSARY

GASB	The Governmental Accounting Standards Board is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments.
General Fund	A fund containing revenues, such as property taxes, not designated by law for a special purpose. Some of the departments that are part of the General Fund include Purchasing, Human Resources, and the Office of Financial Management and Budget.
Generally Accepted Accounting Principles (GAAP)	Uniform minimum standards of, and guidelines for, financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time.
Goal	A long-range desirable result attained by achieving objectives designed to implement a strategy.
Grant	A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from state and federal governments. Grants are usually made for specified purposes.
Half-Cent Sales Tax	A state-shared revenue source relying on a percentage of net sales tax revenues (one-half of the fifth cent) remitted to the state. Eligible county governments receive a distribution based on population-based formulas. Use of this revenue is restricted to countywide tax relief or governmental programs; as well as, long-term debt obligations related to capital projects.
Homestead Exemption	A deduction from the assessed value of property permanently occupied by the owner in the State of Florida. The exemption is now \$50,000 for all property owners who qualify.
Harnessing Organizational Performance (HOP)	Harnessing Organizational Performance (HOP) is an initiative to assess the use and utility of departmental performance measures.

GLOSSARY

Impact Fee	A charge to a developer and/or owner/builder to offset the cost of providing capital facilities to meet growth demands. The County assesses impact fees for capital facilities for parks, fire-rescue, library, law enforcement, public buildings, schools, and roads.
Independent Taxing Districts	Taxing districts that appear separately on the tax bill and are not under County control (e.g., Florida Inland Navigation District, Children Services).
Interfund Transfer	Movement of assets (usually cash) from one fund to another. Also referred to as "Transfers In/Out."
Intergovernmental Revenues	Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.
Internal Service Fund	A fund established for the financing of goods or services provided by one department or agency to other departments or agencies on a cost reimbursement basis.
Lease-purchase Agreements	Contractual agreements which are termed "leases", but which in substance amount to purchase contracts for equipment and machinery.
Legally Adopted Budget	The total of the budgets of each County fund including budgeted transactions between funds.
Levy	To impose taxes, special assessments, or service charges for the support of County activities.
Liability	Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. The term does not include encumbrances.
Line-Item	A specific item or group of similar items defined by detail in a unique account in the financial records. Revenue and expenditure justifications are reviewed, anticipated, and appropriated at this level.
Management Team	A "team" consisting of the County Administrator, Deputy County Administrator, the Assistant County Administrators, and Directors of major County Departments.

GLOSSARY

Mandate	Any responsibility, action, or procedure that is imposed by one sphere of government on another through constitutional, legislative, administrative, executive, or judicial action as a direct order or that is required as a condition of aid.
Millage Rate	Rate applied to taxable value to determine property taxes. A mill is 1/10th of a penny, or \$1.00 of tax for every \$1,000 of taxable value.
Mission	Describes what the organization does, who it does it for, and how it does it.
Municipal Services Benefit District	A special district created to provide for projects and/or services to a specifically defined area of the County and financed by a special assessment to only those citizens receiving the benefits of those projects or services.
Municipal Services Taxing District	A taxing district covering a segment of the County, with individual assessed values and millage rates, which provides municipal type services; such as, fire-rescue, and road and street improvements to residents of the area.
Municipality	A local government having governmental, corporate, and proprietary powers to enable it to conduct municipal government, perform municipal functions, and render municipal services.
Net Budget	The gross budget less all interfund transfers and interdepartmental charges.
Non-Ad Valorem Assessments	Charges that are not based on property value, but are levied for specific services on each parcel of property. Examples of Non-Ad Valorem Assessments include charges for solid waste disposal, lighting, drainage, and water.
Non-Ad Valorem Revenues	Revenues that are derived from a basis other than property value (e.g., Utility Tax, Gas Tax).
Non-Countywide Revenues	Revenue derived from unincorporated areas of the County (e.g., Franchise Fees).

GLOSSARY

Non-Countywide Expenditures	Expenditures for the benefit of the unincorporated areas of the County (e.g., Sheriff's Road Patrol, Zoning).
Non-Operating Expenditures	The costs of government services which are not directly attributable to a specific County program or operation. Examples of Non-Operating Expenditures include debt service obligations and contributions to Human Service organizations.
Non-Operating Revenues	The incomes received by the government which are not directly attributable to providing a service (e.g., interest on investments).
Non-Tax Revenues	The revenue derived from non-tax sources, including licenses and permits, intergovernmental revenue, charges for service, fines and forfeitures, and various other miscellaneous revenues.
Objective	Something to be accomplished expressed in specific, well-defined and measurable terms, and achieved within a specific time frame.
Operating Budget	A budget for general expenditures; such as, salaries, utilities, and supplies.
Performance Measures	Specific quantitative and qualitative measures of work performed.
Personal Services	Items of expenditures in the operating budget for salaries and wages paid for services performed by County employees; including fringe benefit costs.
Portability	Allows residential property owners with an existing Homestead Exemption to transfer all or a significant portion of their "Save Our Homes" property tax savings to a new property. Portability is an added benefit and was effective January 1, 2008.
Property Tax	Taxes derived from all non-exempt real property and tangible personal property used in a business located within the County. Property taxes are computed on the basis of multiplying the millage rate by the taxable value of real or personal property.
Proprietary Fund	A fund which operates similarly to the private sector and focuses on the measurement of net income.

GLOSSARY

Reserve	A specified amount of funds set aside for the purpose of meeting future expenses. Expenditures may not be charged directly to reserve accounts. A budget transfer establishing a new appropriation must first be approved by the Board of County Commissioners.
Retained Earnings	An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.
Revenue	Funds that the government receives as income. Revenue includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.
Revenue Bonds	Bonds usually sold to finance the construction of a project that will produce revenue for the government. The revenue is used to pay the principal and interest of the bond.
Rolled-back Rate	The millage rate which, exclusive of new construction, will provide the same property (ad valorem) tax revenue for each taxing entity as was levied during the prior year. The rolled-back rate accounts for changes in the market value of property and represents "no tax increase." The only source of additional tax revenue under the rolled-back rate is taxes levied upon new construction.
Save-Our-Homes	Section 193.155(1), F.S. provides, beginning in 1995 or the year after the property receives homestead exemption, an annual increase in assessment shall not exceed the lower of 3% or the percentage change in the C.P.I.
Senior Homestead Exemption	Certain low-income seniors in Palm Beach County may qualify for an additional \$25,000 exemption on their property's assessed value. For example, a home valued at \$100,000 would be taxed by the county on only \$25,000 after the Homestead and Senior Citizen exemptions are applied. The county's senior exemption does not apply to other taxing authorities, such as the school district and municipalities.
Service Level	Services or products which comprise the actual or expected output of a given program.

GLOSSARY

Single-Member District	A form of representation in which the residents of a District are represented by one County Commissioner voted into office by that District's residents.
Special Revenue Fund	A fund used to account for specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.
Statute	A law enacted by a duly organized and constituted legislative body.
Statutory Reserve	Florida Statute 129.01 (2)(b) requires revenues to be budgeted at 95% of reasonably anticipated receipts. Palm Beach County budgets a negative 5% Statutory Reserve to accomplish this.
Supplemental Requests	Departmental requests for additional funding in the budget year in order to increase or enhance existing service levels.
Tax Equivalent Revenue	Any revenue that can be used to reduce ad valorem funding requirements on a dollar for dollar basis (e.g., franchise fees, utility taxes).
Tax Rate	The amount of tax stated in terms of a unit of the tax base. For example, 4 mills equals \$4 per \$1,000 of taxable value; also referred to as the millage rate.
Tax Rate Limit	The maximum legal property tax rate at which a taxing authority may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes.
Taxable Value	The value used for computing the ad valorem taxes levied against property. The taxable value is the "assessed value" less any exemptions allowed by law.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Nor does the term include charges for services rendered only to those paying such charges (e.g., sewer service charges).

GLOSSARY

Transfers In/Out	Amounts transferred from one fund to another to assist in financing the services of the recipient fund.
TRIM Notice	The Florida Truth in Millage Law of 1980 requires a notice be sent annually to property taxpayers explaining any changes in the millage rate of each taxing authority from the prior year. The notice also includes the time and place of the first public hearings on proposed millage rates and is designed to keep the public informed about the taxing intentions of the various taxing authorities.
Trust and Agency Fund	A fund used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.
Truth in Millage Law (TRIM)	A 1980 Florida law which changed the budget process for local taxing governments. It was designed to keep the public informed about the taxing intentions of the various taxing authorities.
Unincorporated Area	That portion of the County which is not within the boundaries of any municipality.
Unit	A unit of financial reporting and management responsibility under the County's financial system.
User (Fees) Charges	The payment of a fee for direct receipt of a public service by the party benefiting from the service.
Utility Tax	A tax levied by the County on the customers of various utilities (e.g., electricity, metered or bottled gas, and water). The tax rate may be levied up to 10.0 percent of the sales price of such utility service or commodity.

GLOSSARY

Zero-Based Budgeting

Zero-based budgeting is a technique of planning and decision-making which reverses the working process of traditional budgeting. In traditional incremental budgeting, departmental managers justify only increases over the previous year budget and what has been already spent is automatically sanctioned. No reference is made to the previous level of expenditure. By contrast, in zero-based budgeting, every department function is reviewed comprehensively and all expenditures must be approved, rather than only increases. Zero-based budgeting requires the budget request be justified in complete detail by each division manager starting from the zero-base. The zero-base is indifferent to whether the total budget is increasing or decreasing. Modified zero-based budgeting avoids documentation of personnel and expenditures considered necessary by starting at a base that is higher than zero.

ACRONYMS

AA	Affirmative Action
AAA	Area Agency on Aging
ACC	Animal Care & Control
ADA	Americans with Disabilities Act
ADDI	American Dream Downpayment Initiative
AED	Automated External Defibrillator
AGM	Adjusted Gross Margin
AHCA	Agency Health Care Administration
AIDS	Acquired Immunodeficiency Syndrome
APCO	Association of Public Safety Communications Officials
ARC	Area Agency on Aging Resource Center
ARFF	Aircraft Rescue Fire Fighting
ARRA	American Recovery and Reinvestment Act
ATMS	Advanced Traffic Management System
AT&T	American Telephone & Telegraph
ATU	Amalgamated Transit Union
AVL	Automated Vehicle Location
BAN	Bond Anticipation Note
BBIC	Black Business Investment Corporation
BCC	Board of County Commissioners
BOCC	Board of County Commissioners
BRITE	Brief Intervention and Treatment of Elders
BRT	Bus Rapid Transit
BTI	Bacillus Thuringiensis Israelensis
CAD	Computer Aided Dispatch
CAFTA	Central American Free Trade Agreement

ACRONYMS

CAH	Commission on Affordable Housing
CAP	Community Action Program
CARES	Comprehensive Assessment & Review for Long Term Care Services
CAT	Community Assistance/Action Team
CCNA	Consultant's Competitive Negotiation Act
CCRT	Countywide Community Revitalization Team
CDBG	Community Development Block Grant
CDBG-R	Community Development Block Grant Recovery
CDC	Contract Development & Control
CEMP	Community Emergency Management Plan
CERT	County Emergency Response Team
CEU	Continuing Education Unit
CHDO	Community Housing Development Organization
CID	Capital Improvements Division
CILB	Construction Industry Licensing Board
CIP	Capital Improvement/Infrastructure Program/Project
CJC	Criminal Justice Commission
CM	Corrective Maintenance
CO	Change Order
COBRA	Consolidated Omnibus Budget Reconciliation Act
COLA	Cost of Living Adjustment
COOP	Continuity of Operations Plan
CORE	County Owned Real Estate
CPI	Consumer Price Index
CPT	Current Procedural Technology
CRA	Community Redevelopment Agency

ACRONYMS

CRM	Customer Relationship Management
CRS	Community Rating System
CSA	Consultant Service Authorization
CSC	Children's Services Council
CTO	Cable Television Office
CVB	Convention and Visitors Bureau
CWA	Communications Workers of America
CWO	Communications Work Order
DATEF	Drug Abuse Trust Fund
DBPR	Department of Business Professional Registration
DCF	Department of Children & Families
DMAI	Document Marketing Association International
DMO	Document Marking Organization
DMS	Dynamic Message Signs
DOSS	Division of Senior Services
DOT	Department of Transportation
DPC	Drowning Prevention Coalition
DRI	Disaster Recovery Initiative
DROOC	Development Review Officer Oversight Committee
DS	Debt Service
DTS	Developing Tracking System
EAP	Employee Assistance Program
EDI	Electronic Data Interchange
EDO	Economic Development Office
EEO	Equal Employment Office
EEOC	Equal Employment Opportunity Commission

ACRONYMS

EFSP	Emergency Food and Shelter Program
EHEAP	Emergency Home Energy Assistance Program
EMD	Emergency Medical Dispatch
EMS	Emergency Medical Services
EOC	Emergency Operations Center
ERM	Environmental Resource Management
ESGP	Emergency Shelter Grants Program
ESOL	English for Speakers of Other Languages
ESS	Electronic Services & Security
F.T.E.	Full-time Equivalent
FAA	Federal Aviation Administration
FABS	Fixed Assets Bidding Software
FAMO	Fixed Asset Management Office
FAU	Florida Atlantic University
FCASV	Florida Council Against Sexual Violence
FCAT	Florida's Comprehensive Assessment Test
FDEP	Florida Department of Environmental Protection
FDO	Facilities Development Organization
FDOT	Florida Department of Transportation
FEMORS	Florida Emergency Mortuary Operations Response System
FEP	Fair Employment Programs
FFE	Furniture, Fixtures & Equipment
FHA	Federal Highway Administration
FHOP	Florida Homebuyer Opportunity Program
FLGISA	Florida Local Government Information Systems Association
FMLA	Family Medical Leave Act

ACRONYMS

FP&L	Florida Power & Light
FR	Fire Rescue
FROI	First Report of Injury
FRS	Florida Retirement System
FTA	Federal Transit Administration
FTC	Film & Television Commission
FTR	For The Record
FVRS	Florida Voter Registration System
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GED	General Education Development
GIS	Geographic Information System
GO	General Obligation
GPS	Global Positioning System
GTAC	Glades Technical Advisory Committee
HAS	Handicap Accessibility Services
HAVA	Help America Vote Act
HCD	Housing & Community Development
HIPPY	Home Instruction Program for Pre-School Youngsters
HIV	Human Immunodeficiency Virus
HMO	Health Maintenance Organization
HOME	Home Investment Partnership Program
HOP	Harnessing Organizational Performance
HPRP	Homeless Prevention Rapid Rehousing Program
HRIS	Human Resources Information System

ACRONYMS

HRMS	Human Resources Management System
HSEEP	Homeland Security Exercise and Evaluation Program
HTF	Housing Trust Fund
HUD	Housing & Urban Development
HVAC	Heating, Ventilating & Air Conditioning
IAV	Interactive Voice Response
ICS	Incident Command System
IEDC	International Economic Development Council
IFAS	Institute of Food and Agricultural Sciences
IFB	Invitation for Bid
ISS	Information Systems Services
IT	Information Technology
ITS	Intelligent Transportation System
JBEC	Jim Brandon Equestrian Center
JCC	Judicial Center Complex
JGI	Job Growth Incentive
KPBCB	Keep Palm Beach County Beautiful
LAMP	Library Adventure Museum Passes
LAN	Local Area Network
LD	Library District
LDRAB	Land Development Regulation Advisory Board
LDRC	Land Development Regulation Commission
LED	Light Emitting Diodes
LEP2	Library Expansion Program 2
LETF	Law Enforcement Trust Fund
LIHEAP	Low Income Home Energy Assistance Program

ACRONYMS

LMS	Local Mitigation Strategy
LOCI	Local Fiscal Impact Analysis
LORE	Lake Okeechobee Regional Economic Agency
LOST	Lake Okeechobee Scenic Trail
LRTP	Long Range Transportation Plan
LTD	Long Term Disability / Library Taxing District
M/WBE	Minority/Women Business Enterprise
MPA	Management & Program Analysis
MPO	Metropolitan Planning Organization
MSBU	Municipal Services Benefit Unit
MSTD	Multiple Service Taxing District
MSTU	Multiple Service Taxing Unit
MVP	Most Valued Partnership
NAEYC	National Association for the Education of Young Children
NAFTA	North American Free Trade Agreement
NAHA	National Affordable Housing Act
NAV	Non Ad Valorem
NENA	Northeast Everglades Natural Areas
NER	New Employee Requisition
NFPA	National Fire Prevention Association
NHB	Neighborhood Home Beautification
NIMS	National Incident Management System
NOC	Network Operations Center
NPDES	National Pollution Discharge Elimination System
NPG	Neighborhood Partnership Grant
NRS	Natural Resource Stewardship

ACRONYMS

NSF	Non Sufficient Funds
NSL	Neighborhood Street Lighting
NSP	Neighborhood Stabilization Program
NVRA	National Voter Registration Act
O&M	Operations & Maintenance
OCR	Office of Community Revitalization
OEO	Office of Equal Employment
OFMB	Office of Financial Management & Budget
OPAC	Online Patron Access Catalog
OSBA	Office of Small Business Assistance
OSHA	Occupational Safety & Health Administration
OTIS	Only Trees, Irrigation and Sod
PA	Personnel Action
PAD	Public Affairs Department
PAO	Property Appraiser's Office
PAPA	Property Appraiser Public Access
PBC	Palm Beach County
PBCCC	Palm Beach County Convention Center
PBCRC	Palm Beach County Resource Center
PBCSC	Palm Beach County Sports Commission
PBIA	Palm Beach International Airport
PBSO	Palm Beach Sheriff's Office
PC	Personal Computer
PDA	Personal Digital Assistant
PDF	Portable Data/Document File
PFC	Passenger Facility Charge

ACRONYMS

PM	Preventive Maintenance
PPIG	Procurement & Project Implementation Group
PPM	Policies & Procedures Manual
PPO	Preferred Provider Organization
PREM	Property & Real Estate Management
PZB	Planning, Zoning & Building
QTI	Qualified Target Industry
R&S	Recruitment & Selection
REAP	Resident Education to Action Program
REMI	Regional Economic Model Inc.
RFP	Request for Proposal
RFQ	Request for Quote
RFS	Request for Submittal
RIMS	Risk Information Management System
RM	Repair & Maintenance
RR&I	Renewal Replacement & Improvement
S/M/WBE	Small/Minority/Women's Business Enterprise
SA/PD	State Attorney/Public Defender
SAN	Storage Area Network
SBA	Small Business Assistance
SBDC	Small Business Development Center
SBE	Small Business Enterprise
SDTF	Special Disability Trust Fund
SEFLIN	Southeast Florida Library Information Network
SFRTA	South Florida Regional Transportation Authority
SFWMD	South Florida Water Management District

ACRONYMS

SHIP	State Housing Initiative Program
SOAR	Supplemental Outlook, Access & Reach
SOE	Supervisor of Elections
SOGs	Standard Operating Guidelines
SOR	Supervised Own Recognizance
SROI	Supplemental Report of Injury
SRP	Summer Reading Program
SSI/SSDI	Supplemental Security Income/Supplemental Social Disability Income
TAC	Technical Architecture Committee
TD	Transportation Disadvantaged
TDC	Tourist Development Council
TDD	Telecommunication Device for the Deaf
TDR	Transfer of Development Rights
TIGGER	Transit Investments for Greenhouse Gas & Energy Reduction
TMA	Transportation Management Area
TOD	Training & Organization Development
TPA	Third Party Advisor
TRIM	Truth in Millage Law
UASI	Urban Area Strategic Initiative
ULDC	Unified Land Development Code
URA	Urban Redevelopment Area
USDA	United States Department of Agriculture
VA	Veterans Administration
VAB	Value Adjustment Board
VITA	Volunteer Income Tax Assistance
VOCA	Victims of Crime Act

ACRONYMS

VPK	Voluntary Pre-Kindergarten
VPT/LEX	Visual Planning Technologies/Law Enforcement Exchange
VSIP	Voluntary Separation Incentive Program
WAN	Wide Area Network
WPB	West Palm Beach
WUD	Water Utilities Department
YSB	Youth Service Bureau





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