

*Town of
Gulf Stream*



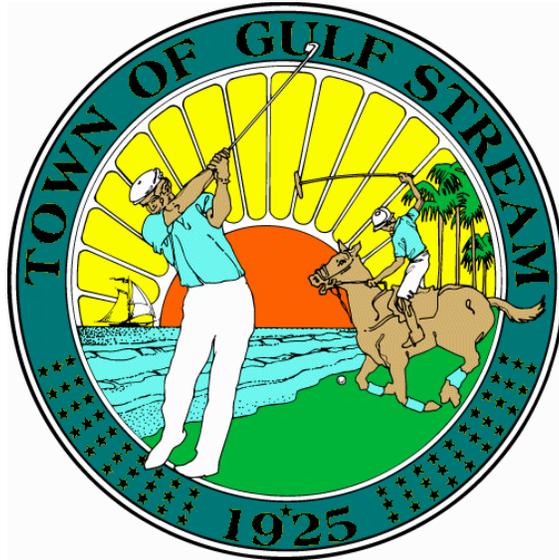
*Budget Manual
Fiscal Year 2017-18*

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Town of Gulf Stream
100 Sea Road Gulf Stream, FL 33483

Adopted Budget for Fiscal Year 2017-2018



Town Commission

Mayor Scott W. Morgan

Vice-Mayor Thomas M. Stanley

Commissioner Paul A. Lyons, Jr.

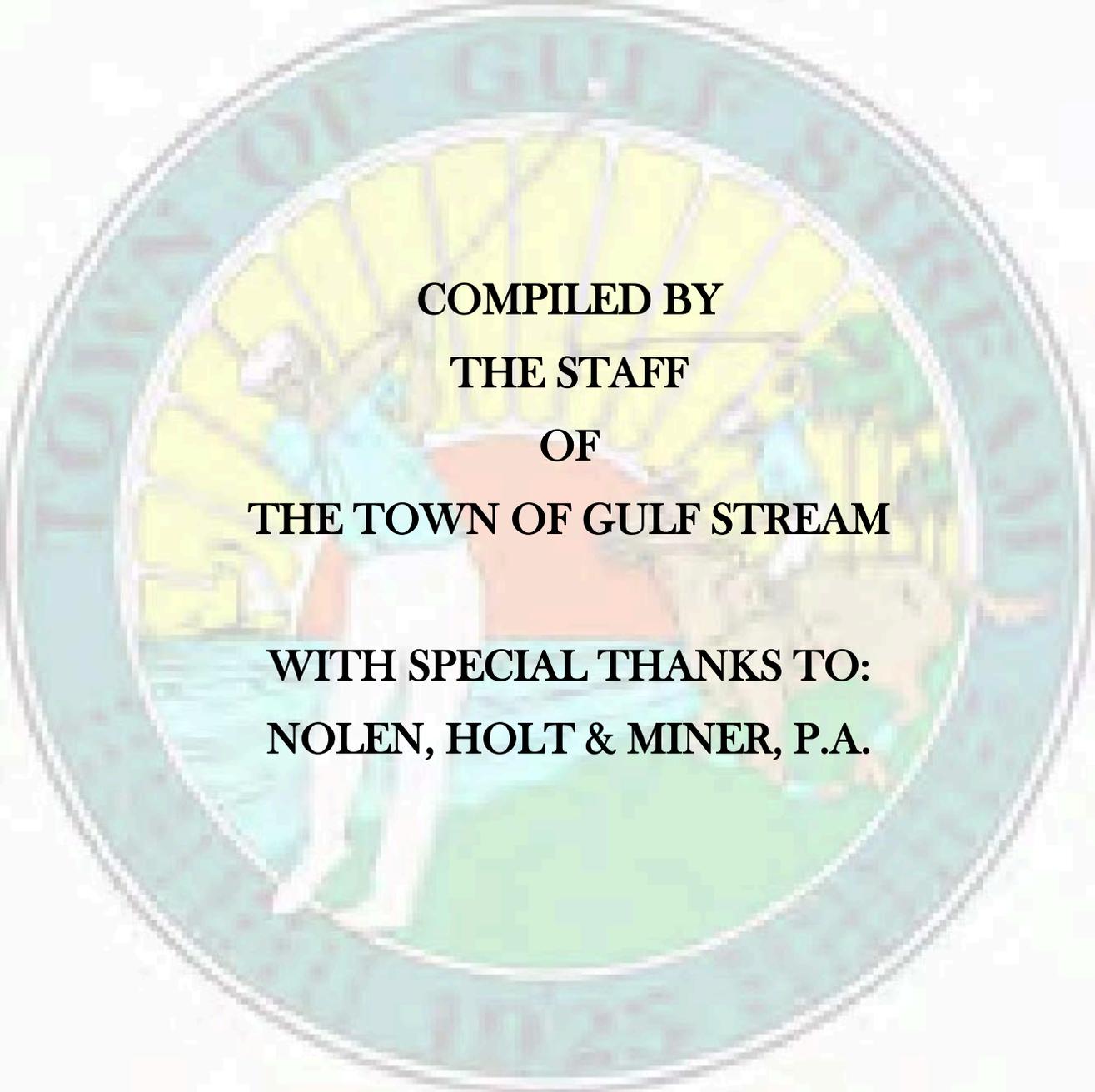
Commissioner Joan K. Orthwein

Commissioner Donna S. White

Town Manager

Gregory L. Dunham

ACKNOWLEDGEMENTS:



**COMPILED BY
THE STAFF
OF
THE TOWN OF GULF STREAM
WITH SPECIAL THANKS TO:
NOLEN, HOLT & MINER, P.A.**

Guide to Readers:

Thank you for reviewing the Town of Gulf Stream Budget Manual for Fiscal Year 2017-2018.

This document is a functional document that serves the following purposes:

Introduction to the Town of Gulf Stream:

The Budget Manual serves to introduce the reader to the Town of Gulf Stream's rich history and how the Town's government and administration was developed to capture the founding father's vision for the Town. Readers will also understand the commitment through the budget of financial resources to maintain the original purpose of the Town.

Financial Guide:

The Budget Manual serves to inform the reader about the Town of Gulf Stream and its financial policies. The Budget Manual is comprised of the municipal fiscal budget that encompasses all departments and funds for the Fiscal Year 2017-2018. The Town of Gulf Stream's fiscal year runs from October 1 through September 30. The budget is created using historical data, projected revenues, and long-term as well as short term concerns and issues. This budget manual also details the services that the Town of Gulf Stream will provide during the fiscal year. Departmental sections of the budget will identify any major concerns and budget allocations for the budget year and direction from the Town Commission to meet and implement its objectives.

Operations Guide:

The Budget details how Town departments and funds are organized. This Budget Manual will inform the reader of functions and services provided by each Town Department. Each department has provided graphical data to assist the reader in measuring the Town's progress. The Department sections will provide the reader with a description of the Department function, its goals and objectives, major functions, and a departmental organizational chart listing the authorized positions.

Communication Guide:

The Budget Manual is the Town's primary method of communicating the Budget to the citizens of The Town of Gulf Stream. The Budget Manual is used to assist the public and commission in monitoring the progress and expenditures for the Town Departments. The Budget Manual contains a table of contents and a glossary of terms to assist the reader in understanding the Budget Manual. It is the Town's intent to be transparent in reporting financial statements to the public. The Budget Manual serves to provide public information in the spirit of transparency of government.

Policy Guide

The Annual Budget Manual for the Town of Gulf Stream serves to inform the reader about the organization and its policies. The annual budget is created on the foundation to ensure the Town of Gulf Stream's longevity and to maintain the aesthetic and peaceful vision the founders of the Town of Gulf Stream used to establish the Town. This manual presents to the reader a concise summary of the Town's financial and operational policies to ensure that Gulf Stream maintains its high standard of resident quality of life.



TOWN GOVERNMENT

Town Commission

SCOTT MORGAN, Mayor

THOMAS M. STANLEY, Vice-Mayor

JOAN K. ORTHWEIN, Commissioner

PAUL A. LYONS, JR, Commissioner

DONNA S. WHITE, Commissioner

EXECUTIVE ADMINISTRATIVE STAFF

GREGORY L. DUNHAM, Town Manager

RITA TAYLOR, Town Clerk

EDWARD ALLEN, Police Chief

JOHN RANDOLPH, Town Attorney

Please visit www.gulf-stream.org for contact information



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Gulf Stream
Florida**

For the Fiscal Year Beginning

October 1, 2015

Executive Director

TOWN HISTORY

In 1916, the State of Florida began to open a stretch of roadway along the Atlantic Ocean coastline, as a more scenic alternative to Route 1, now called the Federal Highway. The road eventually became known as State Road A1A. To address high winds along the route, Australian Pines were planted along both sides of A1A, from Jacksonville to Miami. The Town of Gulf Stream is the only remaining stretch where the Australian Pine Canopy still remains. It has since been designated as an historic and scenic highway, allowing the Town to protect and cultivate new plants to maintain and expand a stand of more than 300 pines.



During the early 1920s, the land now called Gulf Stream was largely in its raw natural state, with a few cultivated acres leased for farming or grazing. At the time, the intracoastal canal was freshwater, providing irrigation for agriculture. Starting in 1922, Bessemer Properties, a real estate venture controlled by the family of Henry Phipps, Jr. (co-founder with Andrew Carnegie of the company that became U.S. Steel) began to accumulate parcels of land on both sides of the intracoastal canal for future development. Friends and business associates of the Phipps family in Palm Beach saw the roughly 500 virgin acres of property as an ideal location for a golf course and polo fields, surrounded by seasonal residences.

Photographed in Town of Gulf Stream, Florida, Date:1930s, Polo was a highly regarded sport in Gulf Stream as can be seen during this polo match, circa 1930s. Hundreds of spectators came to watch the matches. Some anchored their yachts in the Intracoastal, while others parked their cars in double rows along the palm-lined fields. In the distance, one can see the ocean and the original configuration of SR A1A adjacent the beach. It has since been relocated to the west.



Polo Fields circa 1930s: (courtesy of The Historical Society of Palm Beach County)

Led by two of Henry Phipps' sons, Jay and Howard Phipps, and including prominent Palm Beach residents such as Paris Singer, Edward Stotesbury, Edward Shearson, and E.F. Hutton, plans were laid to construct a first-class golf club. The Gulf Stream Realty Company (so named because of the close proximity of the property to the ocean gulfstream) was established to market residential lots along the oceanfront, some of which were acquired as early as 1923. In March of 1924, founding members established the Gulf Stream Golf Club. Legendary Palm Beach architect Addison Mizner was commissioned to design the clubhouse; the course was planned by Donald Ross, who designed Pinehurst in 1907. The Club officially opened for play in 1925 and remains one of the premier private golf clubs in the country.

TOWN HISTORY CONTINUED:

In 1925, Bessemer Properties applied to the State of Florida for a charter to incorporate acquired acreage into a town. Initially, the company had planned to name the community "Phipps Beach", but the "Gulf Stream" name was now ingrained. Gradually, a cluster of seasonal homes began to be built along the oceanfront. Most were designed by renowned Palm Beach architects under a Phipps maxim that they connote "understated elegance". Several of these original homes still exist, largely unchanged in appearance from the 1920s.

Prior to completion of the golf course, plans were underway to build a five-field polo complex between the ocean road (A1A was not completed at the time) and the intracoastal waterway. Initially known as "Phipps Fields", the Gulf Stream Polo Club commenced play in early 1927 and almost immediately emerged as the "Winter Polo Capital of the World". Afternoon matches drew large crowds—royalty, socialites, celebrities, and many local residents, drawing attention to Gulf Stream as a sophisticated winter resort.



The developers of Gulf Stream had expected steady growth in the 1930s, but the 1929 Crash and ensuing Great Depression put a damper on the pace of expansion. Plans for a non-denominational church for residents were set aside, but in 1938 the Gulf Stream School opened to educate the children of seasonal families. Even in tough times, the golf club, polo fields, and later a bath and tennis club, remained a magnet for residents and visitors seeking relief from cold weather and economic woes.

The advent of World War II brought about a profound change to the Town of Gulf Stream. Proximity to the gulf stream meant that shipping lanes and German U-boats were only a few miles east. The golf course was closed to members, but remained open for maintenance and limited access to servicemen stationed at nearby military bases. Coast Guard and Navy Sea-Bees patrolled the beaches, many on horseback. The Coast Guard shipped horses from Kansas for this duty, housing them in the stables recently occupied by polo ponies. The Gulf Stream Bath & Tennis Club, founded in 1935 by Mrs. Howard Phipps, became a Red Cross U.S.O. center for entertaining troops stationed at the nearby Boca Raton aviation training base. Local lore has it that a German spy was discovered in the shuttered Gulf Stream Golf Club, apparently signaling to submarines in Morse Code by flashlight. The agent was never apprehended.

TOWN HISTORY CONTINUED:

The Town recovered quickly from the War. The polo fields reopened in 1946; once again enjoying a reputation as



the nation's top winter venue for top international and American players. As the post-war economy began to blossom, property values in Gulf Stream escalated rapidly. The Phipps family decided to sell the fields for residential development in the early 1960s. Several players who had settled in Gulf Stream, such as Michael Phipps and Stewart Iglehart, re-established the polo fields in Lake Worth (Wellington) and participated in the process of subdividing and redeveloping the old Phipps Fields for private single family homes.

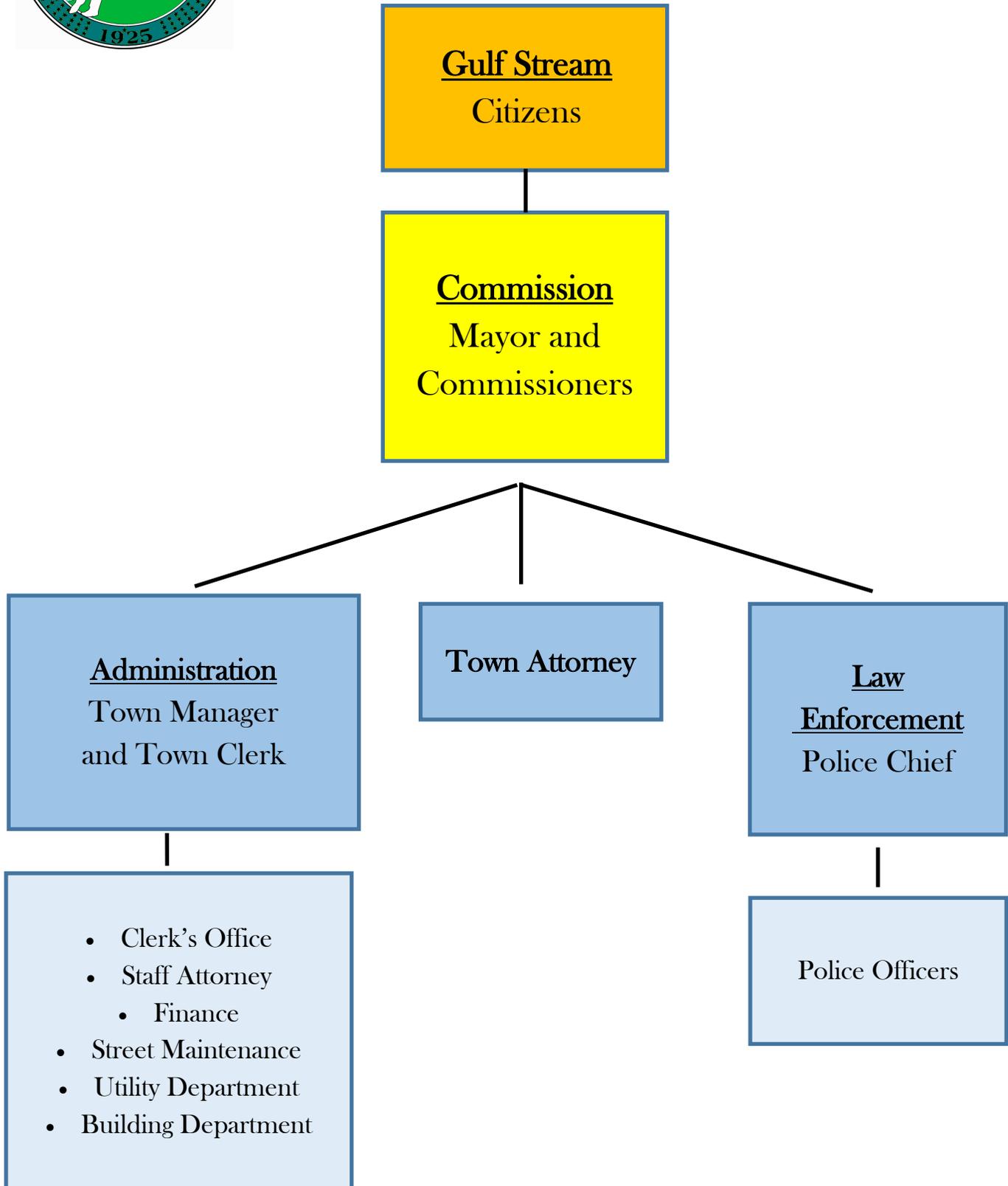
Over the next few decades, the Town of Gulf Stream continued to grow, while adhering to the principles established by the founding families. The Little Club, a Par 3 course, was established. A new Town Hall was erected on a corner of the old Polo Fields. Post World War II "cottages" were replaced by larger homes, reflecting changes in lifestyle. A potential trend towards "McMansions" was nipped in the bud through the adoption of comprehensive design guidelines administered by an Architectural Review and Planning Board, reporting directly to the Town Commission. The purpose of these guidelines is to maintain the unique character of individual districts within the Town.

The Town consists of 537 acres of residential, public and preserved lands. There are no properties zoned for commercial or industrial uses. Less than 9 acres of the Town are vacant and available for development. The original Phipps vision of a place providing its residents and visitors an understated elegant experience has been successfully maintained. According to the most recent census, the Town of Gulf Stream has 1004 residents, though many of those residents are seasonal. Gulf Stream ranked as the 11th highest-income place in the United States. The Town has no room for further expansion and is zoned solely for residential and recreational use with one variance of a private school.





Town Organizational Chart



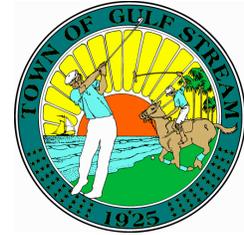
Budget Message:

September 2017

Mayor and Commission

Town of Gulf Stream

Gulf Stream, Florida 33483



According to Florida Statute 166.241, “The governing body of each municipality shall adopt a budget each fiscal year.” This Budget Manual has been prepared with the intent of clearly defining the elements of the budget for the Town of Gulf Stream for Fiscal Year 2017-2018. The Budget has been prepared by the Town Manager with input from the Town’s commissioners. Included in the Budget Manual are: definitions, policies, approved department budgets which include graphs and charts and capital expenditures. It is the Town’s goal and main objective in preparing the budget to present a balanced budget, that is, a budget where revenues and expenditures are equal.

Compliance with the approved budget is charged to all Town employees, with ultimate responsibility delegated to the Town Manager who also serves as the Town of Gulf Stream Chief Financial Officer. The Town of Gulf Stream’s Chart of Accounts has been created to parallel the State of Florida Uniform Accounting System Manual provided by the Office of the Comptroller. The definitions are either paraphrased or taken directly from this manual or other sources as necessary.

The Town Manager shall be the chief administrative officer of the town. He shall be responsible to the commission for the administration of all town affairs placed in his charge by or under the town charter or by way of the ordinances of the town or the direction of the town commission. The Town Manager is also charged with the responsibility to prepare and submit the annual budget and capital programs to the town commission. The annual budget is prepared with input from the commissioners and department heads. The Town Manager is also to submit to the town commission and make available to the public, a complete report on the finances and administration activities of the town as of the end of each fiscal year.

Budget Considerations for Fiscal Year 2017-2018:

The last few years the Town’s budget has seen large changes due to several years of intensive legal issues and the Town Commission’s priority to aggressively defend an excess of 40 lawsuits, many of which stemmed from public record requests. However, due to legislation passed by the Florida Legislature that decreased the exposure for legal entities regarding public record responses, the Town Commission has been able to refocus on the Town’s infrastructure and lowering the millage rate beyond the rollback rate. Also, after depleting the Town’s fund balance to pay for the aggressive legal battles the Town Commission had to raise the millage rate to replenish those reserves. Thankfully, with the decrease in legal fees the Town has been able to reestablish a healthy fund balance. The Town Commission is now turning their attention to an aging water distribution system, stormwater drainage upgrades and street repairs/resurfacing. The Town Commission also unanimously voted to expand the town hall to accommodate the growth of the staff and the needs of the town staff to conduct business. Through the arduous legal battles the Town Commission voted to create an internal legal department and hire a full-time staff attorney, as well as created an official receptionist position that not only serves as the primary contact person for all persons calling and visiting town hall, but also handles the majority of document scanning process that becomes the town’s official online public record repository.

BUDGET SCHEDULE

FISCAL YEAR 2017-2018



The budget is approved via Resolution at two public meetings scheduled for September conducted by the Town Commission. The adopted budget is integrated into the accounting software system effective October 1st. Due to Hurricane Irma the Town had to follow the procedures for delaying and advertising the budget hearings. The Town complied with all regulations and advertising requirements another successful TRIM (Truth in Millage) season.

September 07	First budget hearing - 5:01pm @ Town Hall
September 26	Second budget hearing - 5:01pm @ Town Hall - adopt final millage and budget
September 27	Forward resolution or ordinance to Property Appraiser & Tax Collector
NOT MORE THAN 30 DAYS AFTER FINAL HEARING (October, 19)	Mail TRIM package to Florida Department of Revenue: Property Tax Oversight TRIM



Fiscal Year 2017-2018 Ad Valorem Tax Levy

Initially proposed tax levy.....	\$ 4,590,871
Less tax reductions due to Value Adjustment	\$ 170,000
Board and other assessment changes.....	\$ 0
Actual property tax levy.....	\$ 4,590,871
This year's proposed tax levy.....	\$ 4,420,871

BUDGET AND ACCOUNTING BASIS

The Town of Gulf Stream uses Ad Valorem Revenue as the main source of revenue for the General Fund. The basic building block of governmental Finance is the “fund”. Generally Accepted Accounting Principles (GAAP) provides the following definition of a fund:

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

Ad Valorem Tax is the ability of local governments to raise revenue for governmental operations. Local governments may levy ad valorem taxes subject to the following chart:

1.	Ten mills for county purposes.
2.	Ten mills for municipal purposes
3.	Ten mills for school purposes
4.	A millage fixed by law for a county furnishing municipal services.
5.	A millage authorized by law and approved by voters for special districts.

The Town of Gulf Stream has assessed a combined 4.36 mills for Fiscal Year 2017-2018 in accordance with our TRIM (Truth in Millage) guidelines, which is less than the rollback rate of 4.3732. With a decrease in operating expenses by 12.6% from the prior year’s total budgeted operating expenses.

Budget Control/Monitoring

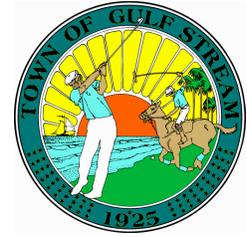
Funds appropriated in the Budget may be expended by and with the approval of the Town Manager in accordance with the provisions of the Town Charter and applicable law. Monthly Financial Reports are prepared by the Finance Department Staff and given to the Town Manager for review and approval. Once the monthly financial reports are approved by the Town Manager, who also serves as the Town’s Chief Financial Officer, the reports are sent to the Town Commissioners and posted to the Town’s website for the public’s review. The Town takes great strides for transparency of all financial transactions. The Town also contracts with an outside Audit Firm to audit and review the Town’s finances annually to ensure compliance with all GASB (Governmental Accounting Standards Board) rules and regulations.

Budget Amendment

Upon the passage and adoption of the budget for the Town of Gulf Stream, if the Town Manager determines that the department total will exceed its original appropriation, he is authorized to prepare such Resolutions/Ordinances for consideration by the Town Council that may be necessary and proper to modify any line item from the Budget.

BUDGET AND ACCOUNTING

BASIS CONTINUED:



Basis of Accounting

Basis of Accounting refers to the time period when revenues and expenditures are recognized in the accounts and reported on the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Revenues are recorded when susceptible to accrual, that is, when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures are generally recognized under the modified accrual accounting when the related fund liability is incurred. Exceptions to the general rule are principal and interest on general long-term debt which is recognized when due.

The accrual basis of accounting is followed for the proprietary fund types. The modified accrual basis of accounting is followed in the governmental fund types and the expendable trust funds type. Under the modified accrual, funds appropriated in the budget may be expended by and with the approval of the Town Manager in accordance with the provisions of the Town Charter and applicable law.

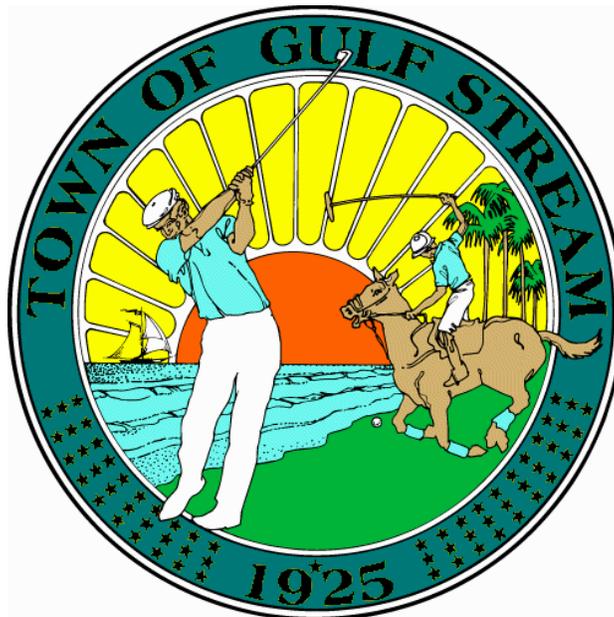
The Town applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board (APB) opinions and Accounting Research Bulletins (ARBs).

During June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34. This statement established new accounting and financial reporting standards for state and local governments. The Town implemented the new financial reporting requirements of GASB 34 and remain to be in compliance with all subsequent GASB Issued Accounting Pronouncements that have been issued that are applicable to the Town's finances. Most notably in 2015 the GASB issued Statement No. 72, Fair Value Measurement and Application, which resulted in improved disclosures related to the fair value measurement of investments.



Fiscal Year 2017-2018 Total Budget Summary:

BUDGET SUMMARY			
TOWN OF GULF STREAM - FISCAL YEAR 2017-2018			
THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE TOWN OF GULF STREAM ARE 12.6% LESS THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.			
General Fund	4.3600		
ESTIMATED REVENUES	GENERAL FUND	ENTERPRISE FUND	TOTAL ALL FUNDS
Taxes:	Millage Per \$1000		
Ad Valorem Taxes	4.3600		4,420,871
Sales and Use Taxes	101,000		101,000
Charges for Services	170,900	1,040,000	1,210,900
Intergovernmental Revenue	58,500		58,500
Fines & Forfeitures	1,800		1,800
Licenses & Permits	413,700		413,700
Franchise Fees & Utility Service Taxes	366,600		366,600
Interest Earned/Other	35,900	135,000	170,900
TOTAL SOURCES	5,569,271	1,175,000	6,744,271
Fund Balances/Reserves/Net Assets			0
TOTAL REVENUES, TRANSFERS AND BALANCES	\$5,569,271	\$1,175,000	\$6,744,271
EXPENDITURES			
General Government	2,523,942		2,523,942
Public Safety	2,217,088		2,217,088
Physical Environment	149,000	1,175,000	1,324,000
Transportation	679,241		679,241
TOTAL EXPENDITURES	\$5,569,271	\$1,175,000	\$6,744,271
Fund Balances/Reserves/Net Assets			0
TOTAL APPROPRIATED EXPENDITURES			
TRANSFERS, RESERVES & BALANCES	\$5,569,271	\$1,175,000	\$6,744,271
THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD.			



Long Term Goals:



The long and short term goals for the Town of Gulf Stream are developed by the town commission in response to the concerns and suggestions of the residents of the Town of Gulf Stream and are entrusted to the town administration to implement. Chartered in 1925 with a vision of a place providing its residents and visitors an understated elegant experience has been successfully maintained. In order to perpetuate this founding principal for the Town of Gulf Stream, the municipality has always adhered to a conservative approach to the Town's budget and finances. The town commission and the town staff have worked throughout the existence of the town to maintain a streamlined and neat appearance for the town for the maximum enjoyment and peace of the residents.

In response to an onslaught of legal issues revolving around the Town's Code of Ordinances and Public Records, the Town Commission chose to aggressively defend the Town to uphold the Town's founding principles and direction of the Town. Though a large portion of the lawsuits were settled in the beginning of 2017 the Town Commission is still adamant in defending the Town. Unfortunately, all attempts to reach an amicable settlement have been unsuccessful thus making the defense of the Town a long term goal and priority. Town staff continues to adhere and to enforce the town's ordinances governing building and appearances to ensure the quaint oasis feeling of the town is preserved. The staff are committed to upholding the ordinances as the majority of residents and the commission desire.

The commission meets regularly to discuss ongoing projects and the future direction of the Town of Gulf Stream on the second Friday of every month. These meetings are open to the public and rely on citizen and town administration input to inform the commission of items that they may want to consider for the long term goals of the Town of Gulf Stream. In accordance to the decisions of the commission, the proposed budget is created to include these goals and town ordinances, and policies are created to reflect the commission's vision. Currently the Town's long term goals are as follows:

Long Term Goals:

- ◇ Continue to defend the town's public records and the town's building ordinances in court
- ◇ Continue to maintain the founders' vision of the town's purpose and appearance
- ◇ Continue to provide fiscally responsible administration to the residents
- ◇ Develop and implement a comprehensive 10 Year CIP (Capital Improvement Plan) that ensures the longevity and functionality of the Town's infrastructure system



Long Term Budget Priorities:



Budget priorities and issues for Fiscal Year 2017-2018:

In 2013, the Town of Gulf Stream began to experience an unprecedented period of legal expenses. Due to an exorbitant number of public record requests and lawsuits generated by two disgruntled residents, the Town had to increase the expense line item for contracted professional legal services by budget amendment resolution. As the trend continued into the Budget Fiscal Years 2014-2015 and 2015-2016, the budget for legal expenses was once more increased. Town Commission and the majority of the residents stood firm in their resolve to aggressively defend the Town from what was considered predatory lawsuits. The Town Commission and staff became known for their dedication for defending Home Rule and defending the Town from a trend of victimizing local governments for financial gain.

Due to the Town's resolute approach the Town reached an amicable settlement for half of the lawsuits in early 2017. After creating a legal department, hiring a staff attorney during fiscal year 2016-2017 and the settlement at the beginning of 2017, the Town Commission has been able to decrease the budgeted expense line item for contracted professional legal services for the Budget for Fiscal Year 2017-2018 and to turn their attention back to focusing on normal government business and planning for the longevity of the Town.

Now that the tide of legal issues has begun to turn for the Town due to the diligence and stalwart defense of the legal issues by the Town's Commission, Administration and legal defense team, and the successful replenishment of the Town's Fund Balance, the Commission was able to reduce the millage rate for Fiscal Year 2017-2018.

In accordance to the decisions of the commission, the proposed budget is created to include these goals and town ordinances, and policies are created to reflect the commission's vision. Currently the Town's long term budgetary priorities are as follows:

Long Term Budget Priorities:

- ◇ Continue to aggressively defend the town's public records and the town's building ordinances in court
- ◇ Continue to rebuild the Town's Fund Balance to avoid assuming any future financial debt
- ◇ Continue to be able to provide competitive benefits for town employees
- ◇ Develop and implement a comprehensive 10 Year CIP (Capital Improvement Plan) that ensures the longevity and functionality of the Town's infrastructure system without assuming debt that focuses on road repair and resurfacing and water infrastructure repair and replacement



Short Term Goals:

Each Budget Year, the Town Administration and the Town Commission work in conjunction to determine the Town's pressing immediate concerns and projects that should be addressed within the upcoming budget year. After years of focusing a large percentage of financial resources and governance in relation to the aggressive legal battles, the Commission has begun their attention back to conducting the normal annual business of maintaining and improving the Town.

In response to the desire of the Town Commission and the Administration to develop a long term CIP (Capital Improvement Plan) a short term goal was established. This goal was to contract with an engineering firm to develop the CIP for the next 10 years. The Town's intention is to receive the results of the engineering study the first half of Fiscal Year 2017-2018 and then begin to implement the most pressing recommendations in the second half of Fiscal Year 2017-2018.

Another short term goal involves Information Technology Services for the Town of Gulf Stream Administration and other departments. The Town intends to publish a Request for Proposals for a new IT (Information Technology) Service contract during Fiscal Year 2017-2018. Security, software and hardware upgrades have been also added to the short term goals to continue to ensure the protection and integrity of the Town's technology systems in response to the recent global cyberattacks and to new FDLE (Florida Department of Law Enforcement) rules.

The Town of Gulf Stream's Town Hall was built in 1986. Since that time, the staff has grown and processes have expanded to offer the most efficient and exemplary service to the residents of the Town. Due to this growth and changing needs of the structure, the Town Commission unanimously voted to build an addition to the Town Hall. The addition is expected to begin construction in late November of Fiscal Year 2017-2018 and is anticipated to only take approximately six months to complete.

Lastly, the last short term goal is for the Town to continue to rebuild the depleted Fund Balance after several years of intense legal fees.

Short Term Budgetary Goals:

- Defense of current legal issues and court cases
- CIP development
- Stage I of CIP capital repairs
- IT services for upgrading software, hardware and security
- Town Hall addition
- Continue to rebuild the Balance Fund



Fund Balance:

From the conception of the Town of Gulf Stream, the Founding Fathers of the Town envisioned an oasis and escape from the hectic world of business and society. Thus, from the very beginning the Town has had a very conservative approach to the Town's Budget. Being founded by successful business leaders laid the foundation that the Town would avoid any unnecessary debt and thus keep a Fund Balance that would allow the Town to operate on a cash basis. As previously discussed, the Town did experience an unprecedented strain of those financial reserves starting in Fiscal Year 2012-2013. Through the dedication to the founding vision by the Town Commission, the Town adjusted the millage rate and was able to rebound within one year. Since that time, the Commission has been able to successfully lower the millage rate below the rollback rate for the last two years. Below you will find a summary of the Fund Balance:

Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2018-2019	2019-2020	2017-2018
Fund Balance	\$ 849,366	\$ 1,411,890	\$ 3,264,648	* \$ 4,416,319	** \$ 4,766,319	** \$ 5,066,319	** \$ 5,366,319

*Indicates Unaudited Total

** Indicates Anticipated Total



Debt Service Management:

The Town of Gulf Stream has always had a very conservative approach to finances. The Town has been very careful to budget the expenses for operation of the Town Administrative services to eliminate the need for the town assume any debt and avoid the necessity to dedicate any funds for interest for assumed debt. During the legal issues that started in 2013 arose, the Town Commission decided to increase the millage rate to ensure that the Town could meet all of their financial obligations and continue their very conservative approach to fiscal responsibility. The Town of Gulf Stream has not had, nor does it have any debt for the General Fund or Water Enterprise Fund. As such, the Town has no debt service as they operate solely on a cash basis. There is no intention of the Town Commission to assume or dedicate any portion of future revenues to debt service management at this time.

Fiscal Year	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Debt Service Millage Rate	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Debt Service Tax Revenue	\$0	\$0	\$0	\$0.00	\$0	\$0.00
Debt Service	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Debt Obligation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00



Gulf Stream Town Commission

The Town of Gulf Stream operates under a Commission-Manager form of government, combining the political leadership of elected officials with the managerial experience of a professional Town Manager. Under the Town's Charter, the Town Commission is the policy making body. Authority is vested in the Mayor who is selected from the commission by the commission to execute all contracts or other obligations on behalf of the Town as approved by the Commission. The Mayor is recognized as the head of the Town government for all ceremonial purposes.

The Mayor, together with the Town Manager, shall carry out all administrative duties as provided by the Charter, ordinance or resolution of the Commission. The Mayor shall approve all written orders, administrative policies and acts of the Town Manager. While the Town Manager may recommend policy decisions, he/she is bound by the consent of the Mayor and Town Commission. The Commission appoints two staff members: the Town Manager and Town Clerk. The Commission does not receive any monetary compensation for serving as an elected official of the Town of Gulf Stream. Any reimbursable expense that any commission may incur while acting in an official capacity comes out of the Administration and Finance Department Budget.



Town Commission Meetings are held the second Friday of each month in the Town Hall Commission Chambers. There, the public may address the Commission and the Commission reviews the monthly progress reports of the Town Manager and the Police Chief as well as conduct the normal business of a town commission. Elections are held every three years for all seats on the Commission. After the five candidates with the highest number of votes are sworn in as Commissioners, they select the commissioner that will serve as the Mayor and the Vice-Mayor for the next three years.

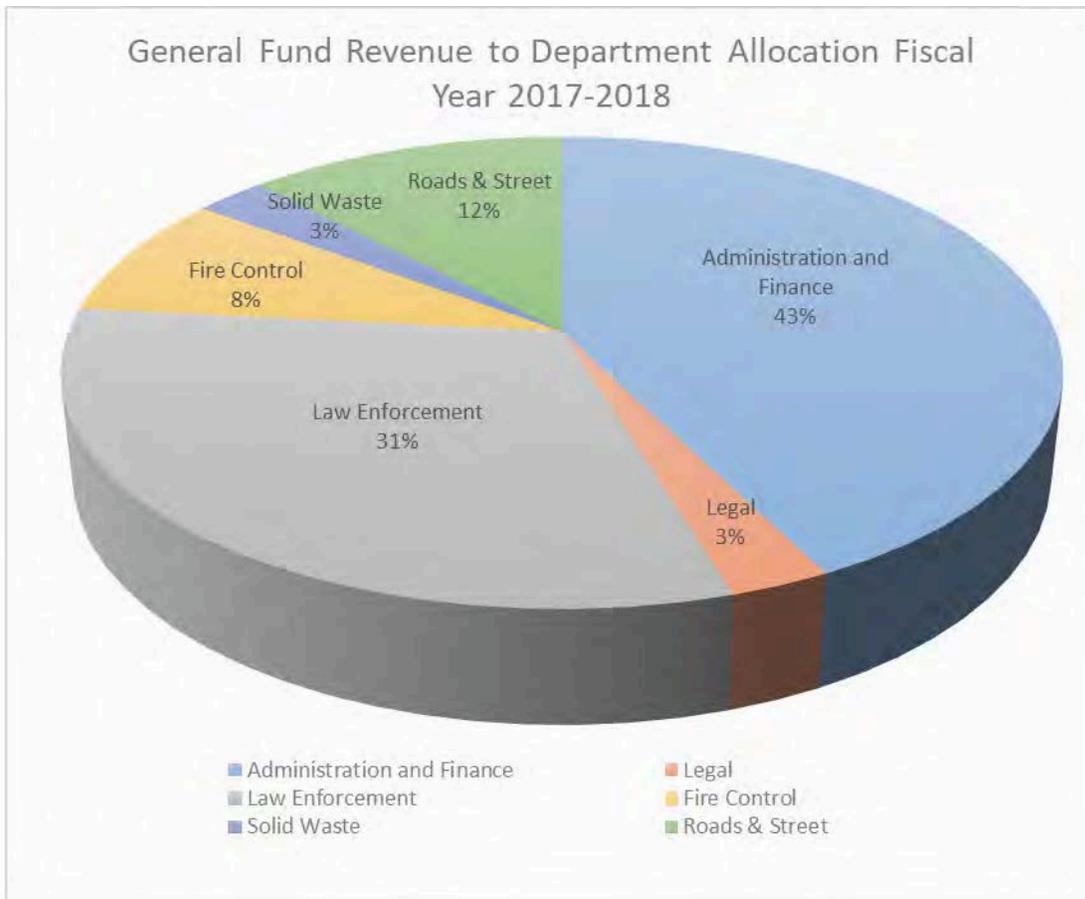


Fund to Department Budget Relation

Gulf Stream has three funds that the town uses to collect revenues and pay expenses for governmental activities. These three funds are the General Fund, the Enterprise Utility Fund, and the Undergrounding Special Assessment Fund. The General Fund is the primary fund for most of the Town of Gulf Stream's financial activity. The Enterprise Utility Fund is used to fund all water department and water related expenses solely. The Undergrounding Special Assessment Fund is used solely to fund the utility undergrounding project.

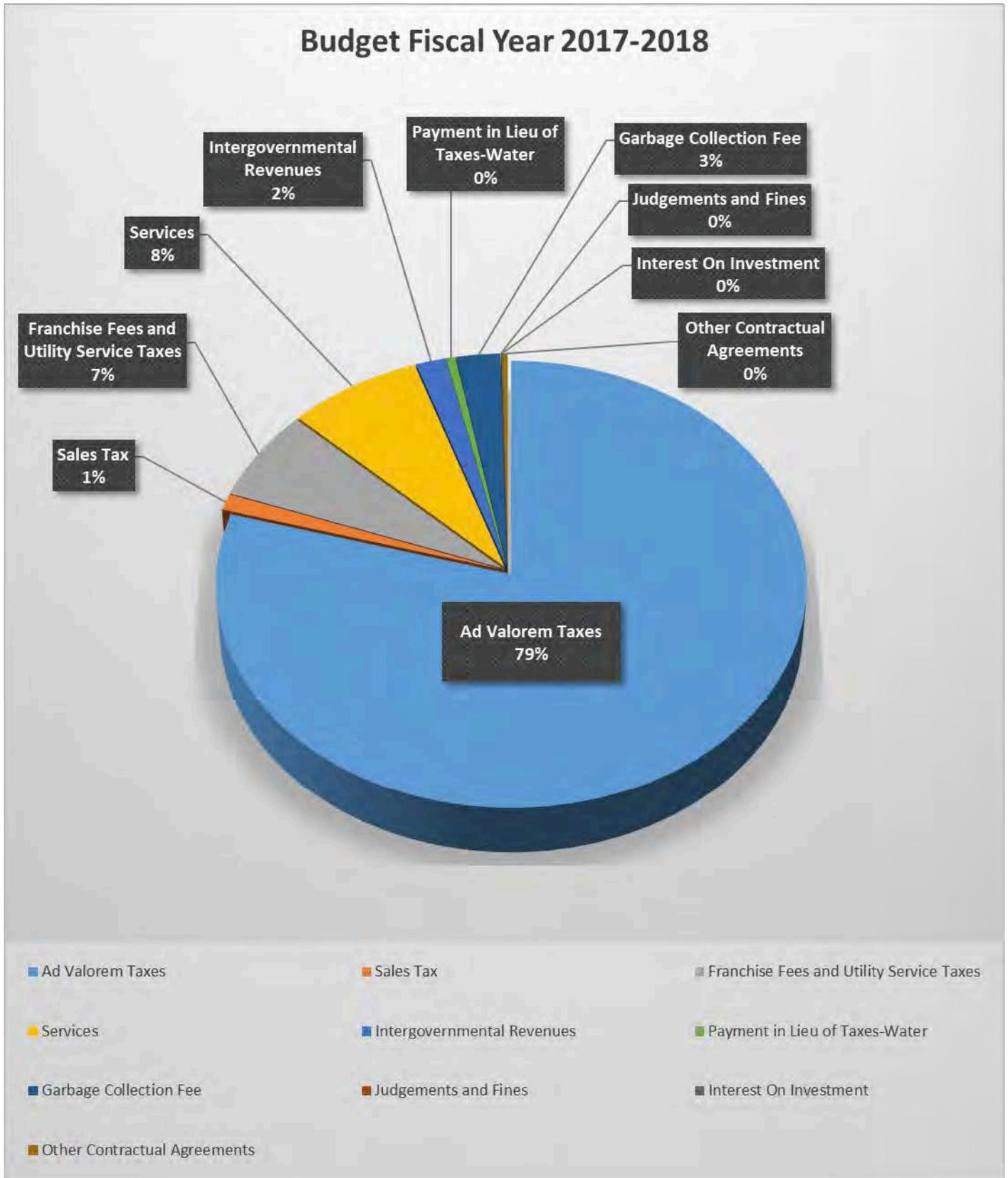
The General Fund supports the daily function and operation of the Town, and serves as the primary source of funds for the Commission's Long Term and Short Term Goals, with the exception of the water distribution system improvements and the Utility Undergrounding Project. This fund is used to operate the general administration, police department and other public safety services, as well as the maintenance of the town's buildings and streets. Maintenance for the Town's library located in Town Hall, legal, engineering and other professional service expenses are also allocated in the General Fund under General Administration. Three departments share the majority of the General Fund for their expenses as well as funding capital projects. Contracts with Delray Beach for Fire and EMS services as well as a contract with Waste Management for household refuse collection are also funded by the General Fund.

The following chart shows the distribution of General Fund Revenues to Departmental Expenses. The largest percentage of revenues are allocated to the Finance and Administrative Department, which encompasses the following functions: town management, clerk's office, finance and zoning compliance. The contracted professional legal services are also allocated under this heading. The next largest percentage of revenues goes to funding the Law Enforcement Department. With the largest share of personnel of any department a large portion of the departments expenses are allocated to salary and benefits for the officers. A summary of the General Revenue to Department allocation follows:



GENERAL FUND REVENUE SUMMARY

Fiscal Year 2017-2018



General Fund Revenue Budget Detail:

The Town of Gulf Stream is very fortunate to have a property tax base that is the primary revenue funding source for the town's budget. Thus, the revenue projections are based on a small allowance for CIP adjustment with the exception of the Ad Valorem revenues. Since the Town has been able to lower their exposure for the large number of pending legal issues facing the Town, the Commission decided to lower the millage rate for the Ad Valorem Taxes. Other revenue sources include inter-local government agreements, utility and sales taxes, and other minor state revenue sharing agreements. As the Town contracts with a neighboring municipality to provide building inspections, all revenue that is generated by those inspections are budgeted as well as the expense, even though the revenue never actually passes through the Town. The Town does have zoning compliance review fees as revenue. As the Town contracts for residential refuse collection, the Town does pass on the cost of the contract to the residents through the bi-monthly utility bill. The Town currently has no debt service, and is completely funded by either Ad Valorem taxes, or other State and County revenues. The town does have an enterprise fund that is funded by utility billing that sustains the town's contractual expenses for the purchase of water from the City of Delray Beach, contractual residential waste and recycling backdoor service twice a week from Waste Management, Inc. as well as funding a reserve for any capital/service line repairs and/or replacements.

Budget Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Ad Valorem Taxes - Current	\$2,843,075	\$3,426,230	\$4,827,140	\$4,582,564	\$4,590,871
Early Payment Discount-Ad Valorem	(\$99,500)	(\$120,000)	(\$174,750)	(\$160,500)	(\$170,000)
Local Option Fuel Tax R&S	\$31,456	\$33,017	\$33,017	\$34,500	\$34,500
Disc. Infrastructure Tax	\$0	\$0	\$0	\$0	\$30,000
Franchise Fees - FPL	\$130,000	\$130,000	\$130,000	\$135,000	\$113,000
Franchise Fees - Gas	\$3,000	\$3,000	\$3,000	\$3,000	\$15,300
Utility Service Tax - Electric	\$154,000	\$160,000	\$175,000	\$190,000	\$162,000
Utility Service Tax - Gas	\$0	\$0	\$0	\$0	\$16,100
Utility Service Tax - Propane	\$14,500	\$14,500	\$19,000	\$23,000	\$12,500
Communications Services Tax	\$66,597	\$69,000	\$59,568	\$59,568	\$47,700
Local Business Tax - Registrations	\$20,000	\$22,140	\$19,114	\$19,114	\$0
Zoning/Code Review Fees	\$90,000	\$90,000	\$90,000	\$90,000	\$63,700
Inspection Fee	\$0	\$0	\$480,798	\$496,134	\$350,000
FL Revenue Sharing	\$18,253	\$20,218	\$22,000	\$25,000	\$21,700
FL Rev Sharing-Alcoholic Bev	\$0	\$0	\$0	\$0	\$800
Local Government 1/2c Sales Tax	\$65,517	\$74,426	\$80,110	\$80,110	\$71,000
Fuel Tax Refund	\$2,500	\$2,500	\$2,500	\$2,500	\$1,500
Recycle Revenue Sharing	\$0	\$0	\$0	\$0	\$1,500
County Business Tax	\$7,000	\$4,860	\$7,886	\$7,886	\$0
Payment in Lieu of Taxes-Water	\$29,900	\$39,700	\$39,700	\$39,700	\$29,700
Miscellaneous Services	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Garbage Collection Fee	\$140,000	\$140,000	\$142,000	\$148,000	\$141,200
Judgements and Fines	\$1,100	\$1,100	\$1,800	\$1,800	\$1,800
Interest On Investment	\$6,000	\$4,000	\$4,000	\$4,000	\$4,000
Other Contractual Agreements	\$0	\$0	\$0	\$0	\$15,400
Total Revenues	\$3,538,398	\$4,129,691	\$5,976,883	\$5,796,376	\$5,569,271

General Fund Budget Summary Comparison:

Budget Revenues Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Ad Valorem Taxes	\$2,743,575	\$3,306,230	\$4,652,390	\$4,422,064	\$4,420,871
Sales Tax	\$31,456	\$33,017	\$33,017	\$34,500	\$64,500
Franchise Fees and Utility Service Taxes	\$368,097	\$376,500	\$386,568	\$410,568	\$366,600
Services	\$125,000	\$127,140	\$604,912	\$620,248	\$428,700
Intergovernmental Revenues	\$93,270	\$102,004	\$112,496	\$115,496	\$96,500
Payment in Lieu of Taxes-Water	\$29,900	\$39,700	\$39,700	\$39,700	\$29,700
Garbage Collection Fee	\$140,000	\$140,000	\$142,000	\$148,000	\$141,200
Judgements and Fines	\$1,100	\$1,100	\$1,800	\$1,800	\$1,800
Interest On Investment	\$6,000	\$4,000	\$4,000	\$4,000	\$4,000
Other Contractual Agreements	\$0	\$0	\$0	\$0	\$15,400
Total Revenues General Fund	\$3,538,398	\$4,129,691	\$5,976,883	\$5,796,376	\$5,569,271

Budget Expenditures Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Finance and Administrative	\$1,396,483	\$1,547,248	\$2,963,106	\$2,434,716	\$2,370,203
Legal	\$0	\$0	\$0	\$133,483	\$153,739
Law Enforcement	\$1,477,374	\$1,504,708	\$1,657,358	\$1,704,017	\$1,742,588
Fire Control	\$390,537	\$410,013	\$430,464	\$451,937	\$474,500
Solid Waste	\$141,000	\$141,000	\$143,000	\$149,000	\$149,000
Roads & Street	\$256,528	\$357,172	\$782,955	\$922,372	\$679,241
Total Expenditures General Fund	\$3,661,922	\$3,960,141	\$5,976,883	\$5,795,525	\$5,569,271



Capital Expenditure General Fund Impact

Capital Expenditures for the Town of Gulf Stream are items purchased by the Town and are added to the Town's fixed asset listing. These are items that typically cost over \$1,000 and have a life expectancy of more than two years. Currently, the Town of Gulf Stream funds all of its capital expenditures, with the exception of the undergrounding project, with cash from the revenues generated in the General Fund and Enterprise Utility Fund. Each department, General Administration, Police and Streets, have capital purchases that are funded by the General Fund. All of the capital expenditures are to keep the current level of service as it is with no additional expenses or savings associated with any capital expenditure.

General Fund Budgeted Capital Expense	2017-2018	Percentage of General Fund
General Administration:		
General Computer /Software/Printer	\$20,000	0.36%
Accounting Fund Ware Server Build	\$20,000	0.36%
Town Hall Construction Costs (addition of two offices)	\$251,871	4.52%
Barrier Island Fire District Study	\$20,000	0.36%
Septic System, Place Au Soleil	\$10,000	0.18%
Total Capital General Administration	\$321,871	5.78%
Police:		
Squad Cars - 2 Per Year	\$48,000	0.86%
Radios (12)	\$5,000	0.09%
Incident Reporting Software	\$0	0.00%
Patrol Car Migration Upgrades	\$12,000	0.22%
Building Improvements (carpeting, furniture, painting)	\$20,000	0.36%
Computer Upgrades (FDLE server compliance)	\$12,000	0.22%
Total Capital Police	\$97,000	1.74%
Streets and Stormwater		
Paving/Striping	\$230,000	4.13%
Storm Drain Upgrade	\$225,000	4.04%
Computer Engineering: GIS Drainage/Water	\$50,000	0.90%
Street Light (55 fixtures @\$9600 each)	\$0	0.00%
Total Capital Streets and Stormwater	\$505,000	9.07%
Total General Fund Capital Expenditures	\$923,871	16.59%

General Administration and Finance:

Gulf Stream prides itself on maintaining a small town feel and approach to the administration of the town. Town hall has an “open door” approach to interacting with the residents and many residents enjoy a first name relationship with the administrative staff of the town and frequently stop by Town Hall with their canine friends to conduct town business or simply to say hello. The town commission, town manager, town clerk as well as the administrative support staff comprise the General Administration and Finance Department. In an effort to streamline and simplify processes for the residents of Gulf Stream, as well as in keeping in the theme of the town, staff is kept to a minimum with very little turnover, though the Commission has voted to create a staff attorney position and a receptionist position in the past two fiscal years. The Town Manager and the Town Clerk share administrative responsibility for the Town of Gulf Stream. Together they ensure that all financial, payroll, building zoning review, public notices and record keeping duties are properly carried out in compliance with all city, county, state and federal mandates.



Office of the Town Manager:

The Town Manager who is appointed by the Town Commission is the chief administrative officer who oversees the administrative staff and also serves as the town’s Chief Financial Officer. It is the town manager’s responsibility to ensure the proper implementation of laws, policies, provisions of the Town Charter and acts of the Commission through the administration of all departments, divisions, and agencies of the Town government. The town manager also serves as the administrative representative in the ongoing litigation over public records. Due to the strict building ordinances found in the Town of Gulf Stream’s Code of Ordinances, the town manager also manages and ensures renovations and new building projects comply with the Town’s code. The Town Manager is also the responsible person for the proper management, implementation and supervision of the town’s contracts. One such contract is for the town’s household waste and recycling collection. (Residents are billed by the town via their utility bills and then funds are transferred from the enterprise water fund to the general fund to pay for the contractual waste services.)

Office of the Town Manager Continued:

As the Chief Financial Officer it is also the responsibility of the town manager to manage the staff responsible for the daily finance/accounting activities including payroll, accounts payable, accounts receivable, central collections, general ledger, fund accounting, preparation of applicable state and federal reports, periodic financial reports to management, administering debt service, and investment of Town funds.

In addition to the Town Manager, the administration staff includes a staff accountant that also fills the function of a permit clerk for zoning and design compliance. This staff position is responsible for the daily financial tasks, as well as compiling monthly commission reports, reconciling bank records, serving as the primary annual audit liaison and preparing the budget manual. The accountant also manages the customer service responsibilities for the town. This position serves as the primary permit processor and reviewer for zoning and design compliance with the Town's Design Manual, as well as the supervisor of the town's strict occupational registration program that regulates the tradesmen authorized to work in the town. The staff accountant also serves as the town's website webmaster, posting updated information regarding the town and serves as the IT primary contact person.

As of Fiscal Year 2017-2018, the administration staff grew by one full time employee. The Commission voted to create a full time receptionist position for Town Hall. The position had been originally a contracted temporary position, staffed full time, since the fall of 2013. The primary focus of the position stemmed from the Town's diligent determination to digitalize the Town's records for transparency for the public. As time passed, the position changed slightly and took on more administrative tasks. Moreover, a significant portion of the pending legal issues were amicably settled in the beginning of 2017 and the position continued to offer significant benefits to the residents and fellow staffers. Therefore, it was decided to make the position a full-time, permanent position beginning in Fiscal Year 2017-2018.



Office of the Town Clerk

While the duties are separated for the Town Manager and the Town Clerk, for practical budgeting purposes, the Offices of the Town Manager and the Town Clerk are combined into the Administration and Finance Budget. The Town Clerk is one of three Charter Officials. The Town Clerk position is appointed by the Town Council and provides secretarial services for the Town Council. The Town Clerk is responsible for giving notice of all Commission meetings to its members and the public, as well as keeping accurate recordings of the proceedings in the form of written minutes and/or audio recording. In addition, the Town Clerk serves as the Financial Disclosure Coordinator with the Florida Commission on Ethics; serves as the Records Management Liaison with the Florida Department of State; is the Municipal Supervisor of Elections; is the custodian of town records including agreements, contracts, ordinances, resolutions, and proclamations. The Town Clerk is responsible for attending bid openings, all vehicle title and registrations, codification and recording of all ordinances, resolutions and legal documents that are adopted by the Town Commission, collecting various fees and payments, administering oaths, and providing notary services. The Town Clerk also oversees the processing and filling of nearly 2000 public record requests that have been received in the past year in relation to ongoing legal battles.

The Town Clerk Office included an Executive Administrative Assistant position that doubled as the Deputy Town Clerk up until the summer of 2016. The primary role for this hybrid position was to act as the public contact for public record requests. During the latter half of the summer of 2016, during Fiscal Year 2015-2016, due to staffing changes the hybrid position of Executive Administrative Assistant and Deputy Clerk was changed to solely an Executive Administrative Assistant. When the Commission voted to create an internal Legal Department, the staff attorney took over the responsibility of serving as the daily liaison to the multiple attorneys that have been contracted to defend the town against the onslaught of excessive lawsuits filed against the town by two individuals and their corporations.

The Executive Administrative Assistant records incoming requests into the town's public record request log and maintains the log for administrative, legal and public information as well as responds, assesses necessary deposit requests, and submits the public record requests as they are filled. The Town Clerk also delegates responsibility of posting meeting notices and agendas to the Executive Administrative Assistant. This position is also responsible for the maintenance and processing of the town payroll biweekly and all associated payroll reporting mandated by state and federal agencies as well as processes and deposits the daily cash receipts. The Executive Administrative Assistant also is responsible for the Utility billing and all customer service related to the utility bills. This position enters the bimonthly utility billing to the residents for their water and garbage utility bills as well as issues late notices and credits for billing errors.



General Administration Accomplishments:

Fiscal Year 2014-2015

- ◇ The Town Hall now has ADA compliant parking, entryways, access assistance and a wheelchair accessible restroom. The Police Department also added ADA compliant parking- **accomplished**
- ◇ Due to the massive push to digitalize all of the town's records, the town made major hardware and software upgrades to the town's server and computer systems to implement and process the digitalization process and grant website access to those searching for public records online- **accomplished**
- ◇ 60% of the Town of Gulf Stream's public records are now online and available for public search and viewing - **accomplished**
- ◇ Current staff attended and possess certificates in Public Record Management- **accomplished**
- ◇ As the Town of Gulf Stream heralds in a new era, the town staff began work on their very first comprehensive budget manual- **accomplished**
- ◇ The Distinguished Budget Presentation Award from the Government Finance Officers Association was received. This was the first submission and award for a budget document to the GFOA- **accomplished**

Fiscal Year 2015-2016

- ◇ The Palm Beach County League of Cities awarded the Town of Gulf Stream the Home Rule Award for the Town's continuous dedication to advocacy and service to the Palm Beach County League of Cities on Home Rule issues- **accomplished**
- ◇ The Palm Beach County League of Cities awarded Town Manager William Thrasher the William "Bill" Moss Memorial Award for his exemplary involvement, support, and dedication to the priorities, principles, and programs, of the League of Cities above and beyond normal expectations- **accomplished**

Fiscal Year 2016-2017 Accomplishments

- ◇ By the end of Fiscal Year 2015, 95% of Gulf Stream's records will be digitalized and available online for public review- **current records are 99% digitalized**
- ◇ The Town of Gulf Stream will make the CIP improvements to the town's drainage system- **deferred to Fiscal Year 17-18**
- ◇ Town Hall will continue with the landscape beautification project- **accomplished**

Fiscal Year 2017-2018 Accomplishments

- ◇ Complete the 10 Year CIP (Capital Improvement Plan)
- ◇ Continue to digitalize the Town's public records
- ◇ Continue education, training and certifications for administrative staff
- ◇ Continue to complete the Utility Undergrounding Project

Administration and Finance:

Performance Measures:

	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018
Town Record Digitalization	60%	80%	95%	99%	Continue to digitalize any new records
Resolved Legal Lawsuits	0	4	40	26	11
Public Record Requests Answered	1353	574	200	260	Continue to respond to any new requests
Occupational Registrations	1,327	652	700	471	500

Department Long Term Goals:

- Implement 10 Year Capital Improvement Plan
- Resolve all pending legal issues

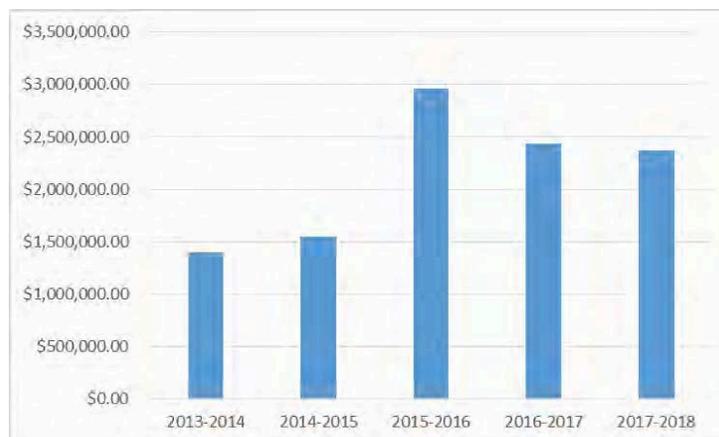
Department Short Term Goals for Fiscal Year 2017-2018:

- Continue to digitalize new records for ease of access for the public
- Continue to respond to any public records request in a timely manner
- Continue to enforce the Town’s Occupational Registration Program to ensure residents use qualified, legitimate contractors
- Finish and utilize the Town Hall addition



Administration and Finance:

Expenses	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Executive Salaries	\$135,637.00	\$131,308.00	\$137,083.00	\$139,973.00	\$108,150.00
Regular Salaries - Admin	\$207,966.00	\$226,908.00	\$285,879.00	\$276,929.00	\$310,951.00
Contingency - Miscellaneous	\$0.00	\$0.00	\$562,423.00	\$338,602.00	\$350,000.00
Overtime- Admin	\$11,572.00	\$9,382.00	\$3,889.00	\$6,917.00	\$5,000.00
FICA Taxes	\$27,265.00	\$21,422.00	\$30,998.00	\$30,128.00	\$34,356.00
Retirement Contributions	\$66,644.00	\$64,407.00	\$73,780.00	\$74,207.00	\$76,358.00
Life and Health Insurance	\$53,600.00	\$58,179.00	\$60,567.00	\$40,452.00	\$93,117.00
Legal Services - Admin	\$509,913.00	\$806,462.00	\$892,747.00	\$583,111.00	\$400,000.00
Legal Services-Planning Board	\$0.00	\$0.00	\$5,500.00	\$5,500.00	\$5,000.00
Engineering Fees	\$2,971.00	\$20,766.00	\$3,304.00	\$330.00	\$1,000.00
Misc. Prof Svcs. - Building Inspections	\$0.00	\$0.00	\$480,798.00	\$496,134.00	\$400,000.00
Misc Prof Svcs - TH	\$62,316.00	\$68,797.00	\$100,000.00	\$129,000.00	\$115,000.00
Accounting and Auditing Fees	\$18,555.00	\$11,584.00	\$17,909.00	\$15,555.00	\$15,500.00
Property Trash Removal/ Mowing	\$2,189.00	\$2,133.00	\$2,406.00	\$1,910.00	\$2,500.00
Travel and Per Diem - TH	\$3,123.00	\$2,518.00	\$3,564.00	\$3,154.00	\$3,000.00
Communication - TH	\$10,100.00	\$8,993.00	\$11,500.00	\$11,500.00	\$11,500.00
Postage	\$4,561.00	\$2,461.00	\$4,500.00	\$4,500.00	\$4,500.00
Electric - TH	\$7,279.00	\$7,326.00	\$8,755.00	\$9,000.00	\$9,000.00
Water	\$21,518.00	\$22,816.00	\$24,885.00	\$23,600.00	\$20,000.00
Rental and Lease Expense	\$8,660.00	\$8,831.00	\$9,207.00	\$8,400.00	\$8,400.00
Insurance - Liab/Prop/WC	\$79,340.00	\$63,806.00	\$96,720.00	\$90,000.00	\$90,000.00
Insurance - Property	\$0.00	\$0.00	\$0.00	\$5,491.00	\$6,000.00
Building Maintenance - TH	\$13,869.00	\$19,111.00	\$26,182.00	\$11,890.00	\$15,000.00
Lawn Maintenance	\$21,193.00	\$12,038.00	\$16,000.00	\$16,000.00	\$9,500.00
Office Eq/Supp/Computer - TH	\$16,256.00	\$26,978.00	\$36,582.00	\$28,930.00	\$20,000.00
Printing and Binding - TH	\$7,217.00	\$10,637.00	\$18,043.00	\$8,550.00	\$6,500.00
Legal Advertisement & Other	\$5,000.00	\$4,008.00	\$5,000.00	\$5,000.00	\$5,000.00
Contra for W/F Mgmt Fees	(\$65,000.00)	(\$75,000.00)	(\$90,000.00)	(\$90,000.00)	(\$90,000.00)
Misc. Other - TH	\$4,060.00	\$102.00	\$12,000.00	\$12,000.00	\$0.00
Office Supplies	\$2,500.00	\$2,072.00	\$2,500.00	\$2,500.00	\$2,500.00
Books, Membership, Training - TH	\$9,080.00	\$9,203.00	\$8,885.00	\$8,953.00	\$9,000.00
Contributions & Special Events	\$0.00	\$0.00	\$1,500.00	\$1,500.00	\$1,500.00
Capital Outlay - TH	\$149,099.00	\$0.00	\$110,000.00	\$135,000.00	\$321,871.00



General Administration:

While the Town makes every effort to preserve the “hometown” feel for the residents, Fiscal Year 2015-2016 saw many staffing changes. The long serving Town Manager retired after over two decades of service to the Town, as well as the Executive Administrative Assistant, who had served the Town for almost five years and also served as the Deputy Clerk for the Town. With change comes the opportunity to reassess the operations and the direction of the administration. Finally, after years of intense legal issues, the Town successfully settled approximately half of the lawsuits that had been dominating the Town’s resources for years.

Staffing Statistics:

	F/Y 12-13	F/Y 13-14	F/Y 14-15	F/Y 15-16	F/Y 16-17	F/Y 17-18	Change
Town Manager	1	1	1	1	1	1	No Change
Town Clerk	1	1	1	1	1	1	No Change
Executive Administrative Assistant	1	1	1	1	1	1	No Change
Finance Administrator	1	1	1	1	1	1	No Change
Receptionist	0	0	0	0	0	1	New Position

<u>Administration:</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>	<u>FY 2014-2015</u>	<u>FY 2015-2016</u>	<u>FY 2016-2017</u>	<u>FY 2017-2018</u>
Town Manager	123,072	126,868	131,300	135,896	139,973	108,150
Town Clerk	95,712	98,559	102,009	105,579	108,746	109,275
Accountant/Permit Clerk	45,900	47,200	49,200	53,100	61,000	65,830
Deputy Clerk	49,098	52,500	54,075	58,100	45,000	52,628
Sick Leave	5,000	10,000	10,000	10,000	10,000	10,000
Receptionist	0	0	0	0	0	29,120
Bonus	0	0	29,100	29,000	29,100	44,100
Overtime	0	0	30,000	30,000	30,000	30,000
Total Administration	318,781	335,127	405,684	421,775	423,819	449,103

Legal Department:

The Town of Gulf Stream has seen many changes in the past few years driven by necessity to accommodate the extraordinary demands of the rising to the challenge of the onslaught of unprecedented legal issues that the Town began to experience starting in Fiscal Year 2012-2013. The ongoing public record request legal lawsuits has necessitated that the Commission create an internal legal department and bring on a full time staff attorney to coordinate the complex legal response to the many lawsuits. The law firm; Jones, Foster, Johnston and Stubbs, P.A. has, and continues to, fill the role and duties of the position of town attorney since 1975. Coordinated by the newly created staff attorney, the various contacted law firms for the Town have begun to turn the tide of lawsuits in the Town’s favor. Early in 2017, approximately half of the pending lawsuits and appeals against the Town were peacefully and amicably settled. While the Commission and Town are still embroiled in several lawsuits, equilibrium is being reestablished for the day to day operations of the Town, allowing for the majority of the staff to return to normal operations for the maintenance and benefit of the residents of the Town. Annually, the staff attorney oversees the Public Records Annual Report to present to the Town Commission to mark the progress of the ongoing legal issues. This report can be found on the Town’s website at www.gulf-stream.org.

Staffing Statistics:

Fiscal Budget Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Status
Staff Attorney	0	0	0	0	1	No Change

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Regular Salaries - Legal	\$0	\$0	\$0	\$90,651	\$96,730
FICA Taxes - Legal	\$0	\$0	\$0	\$6,925	\$7,400
Retirement Contributions - Legal	\$0	\$0	\$0	\$12,165	\$20,236
Life and Health Insurance - Legal	\$0	\$0	\$0	\$15,984	\$18,623
Travel and Per Diem-Legal	\$0	\$0	\$0	\$1,052	\$1,000
Communication - Legal	\$0	\$0	\$0	\$720	\$750
Postage- Legal	\$0	\$0	\$0	\$500	\$500
Printing and Binding - Legal	\$0	\$0	\$0	\$500	\$500
Office Supplies - Legal	\$0	\$0	\$0	\$500	\$500
Books, Membership, Training - Legal	\$0	\$0	\$0	\$4,486	\$7,500
514 - Legal	\$0	\$0	\$0	\$133,483	\$153,739

Fiscal Year 2016-2017 Goals:

- ◇ Resolve pending legal issues- **in progress**
- ◇ Oversee the RFP (Request for Proposal) Process for the Police Department Server Project- **accomplished**

Fiscal Year 2017-2018 Goals

- ◇ Resolve pending legal issues
- ◇ Write a Town Ordinance for Procurement Procedures

Solid Waste Cost Center:

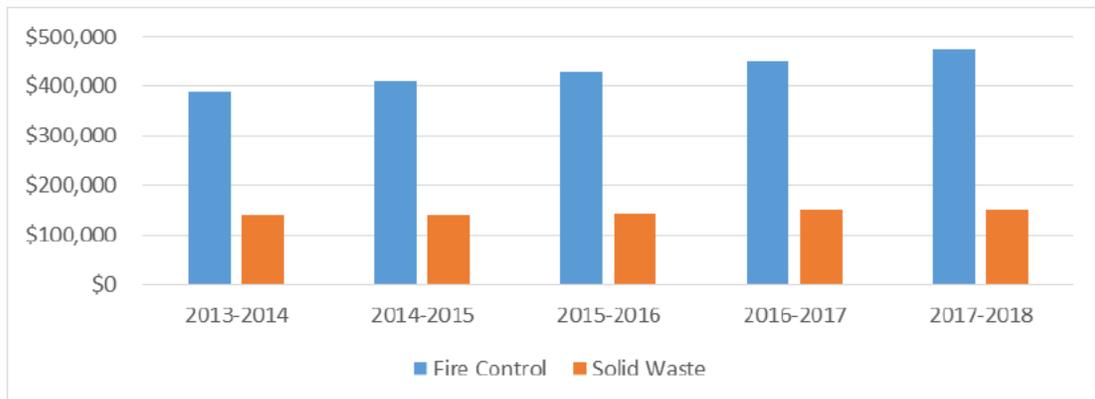
The Town of Gulf Stream has historically contracted out its waste management collection. The current contract, which expires at the end of Fiscal Year 2017-2018 is to provide twice weekly backdoor household refuse collection, once weekly recycling collection and once weekly bulky pick up for oversized, non-hazardous material items. There are no personnel expense items for this “department” as it is a self-contained contracted service.

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
SANITATION					
Garbage Collection (387 SF)	140,000	140,000	142,000	148,000	148,000
Equipment	0	0	0		
Disposal Fees	1,000	1,000	1,000	1,000	1,000
Total Sanitation	141,000	141,000	143,000	149,000	149,000

Fire Control Cost Center:

The Town of Gulf Stream has historically contracted out its Fire and Emergency Medical Services. Currently, the Town has a contract with the City of Delray Beach. In Fiscal Years 2015-2016 and 2016-2017, the Commission and Administration undertook a Barrier Island Fire Feasibility Study. This study was to determine the financial possibility of bringing fire protection and emergency medical services in house in a cost sharing department with other small municipalities located on the barrier islands in southern Palm Beach County. The study did not have favorable results to proceed with bringing those services in house, making it necessary to continue to contract for those services with a larger municipality or the county for the foreseeable future.

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Fire Control Contract Services	\$389,537	\$409,014	\$429,464	\$450,938	\$473,500
Misc. Repair and Maintenance	\$1,000	\$999	\$1,000	\$999	\$1,000
	\$390,537	\$410,013	\$430,464	\$451,937	\$474,500



Police Department:

The Police Department is a multi-service community oriented police agency. The Department is committed to community involvement concentrating on the prevention of crime. The Chief of Police manages the day-to-day operation of the department, with the support and assistance of the Lieutenant, Sergeants, and officers. Due to Gulf Stream's small size; Fire, EMS and Police Dispatch services are contracted with the City of Delray Beach. The Town of Gulf Stream Police Department works with the City of Delray Beach to ensure that the residents of Gulf Stream have excellent service for all emergency and non-emergency needs.

The Police Department is responsible for enforcing Federal, State, County and local laws. The Police Department responds to requests for service within the community. Community Policing Services include: patrol services, conducting preliminary and follow up investigations, conducting traffic control activities and maintaining internal controls to insure fair, efficient and effective professional police services. The Police Department also ensures that town commission and committee meetings are orderly and adhere to the town's decorum policy. To keep Gulf Stream a safe sanctuary for the residents, the police department also enforces the occupational registration program, ensuring that unregistered contractors are kept to a minimum. The Town of Gulf Stream enjoys an exceptionally low crime rate due to the diligence of the Town's police force.

The Town strives for consistency in personnel. The Police Department has had some changes in staff over the last two fiscal years. The police chief retired, and the lieutenant was promoted as the new Police Chief. The Town then promoted a sergeant to fill the lieutenant position and then promoted a patrol officer to fill the vacated sergeant position. After several years of having an open position and not being fully staffed, the Police Department filled all vacancies during Fiscal Year 2016-2017. With renewed vigor and a full staff, the department has now turned their attention to on going training and compliance with FDLE (Florida Department of Law Enforcement) regulations. At the end of Fiscal Year 2016-2017 the Police Department had a new server installed that complies with FDLE and FBI requirements.



Police Department Accomplishments:

Fiscal Year 2015-2016 Accomplishments

- ◇ Increase part-time officer position to full time position- **accomplished**
- ◇ Acquire new hand held radios- **accomplished**

Fiscal Year 2016-2017 Accomplishments

- ◇ Fill the long vacant Police Officer position in the department- **accomplished**
- ◇ Acquire new patrol vehicle laptop computers- **accomplished**
- ◇ Maintain existing low crime rate- **accomplished**
- ◇ Expand offsite training capabilities by increasing staff numbers- **accomplished**
- ◇ Install FDLE and FBI compliant computer server and internal network- **accomplished**

Fiscal Year 2017-2018 Goals

- ◇ Maintain existing low crime rate
- ◇ Expand offsite training



Police Department:

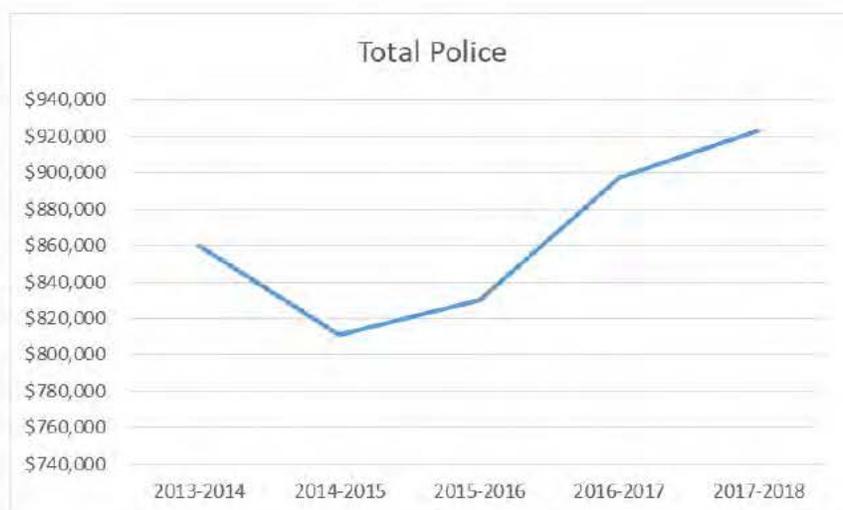
Staffing Level History:

	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Change
Chief of Police	1	1	1	1	No Change
Lieutenant	1	1	1	1	No Change
Sergeant	2	2	2	2	No Change
Patrol Officer Full-Time	6	6	8	8	No Change
Investigations Officer	1	1	*0	*0	No Change
Patrol Officer Part-Time	1	0	0	0	No Change

*Job description changed. Sergeant now act's as investigation officer as of 16/17 fiscal year.

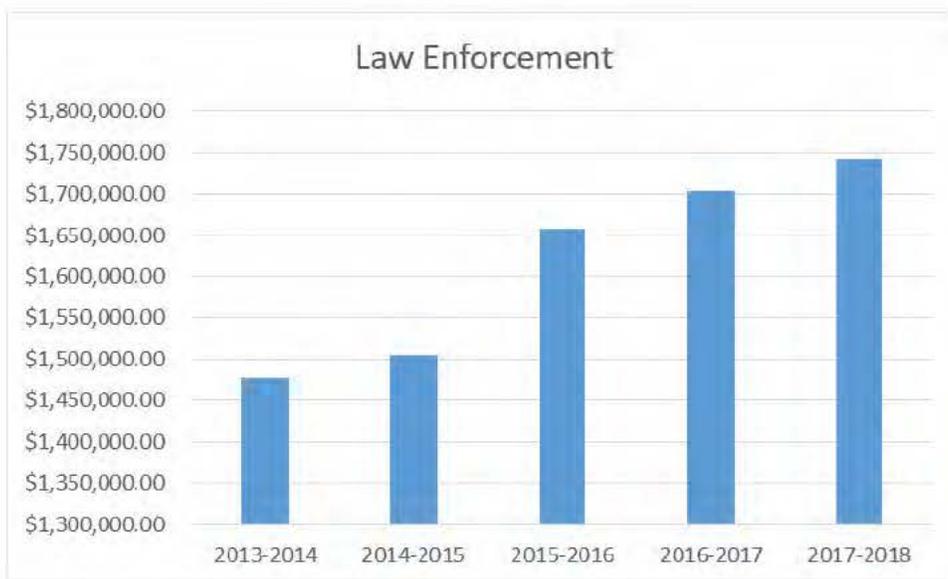
*No part time as of 15/16 fiscal year.

	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018
Chief	119,767	109,445	123,959	112,685	116,629
Lieutenant	96,095	89,219	99,458	102,856	106,455
Sergeant (2)	171,053	160,455	90,792	137,823	142,316
Patrol Officers	419,595	398,736	540,121	449,011	463,131
Part Time	24,000	24,000	0	0	0
Bonus	0	0	45,000	45,000	45,000
Overtime	9,000	9,000	15,000	15,000	15,000
Sick Leave	20,000	20,000	35,000	35,000	35,000
Total Police	859,510	\$810,855	\$829,998	\$897,375	\$923,353



POLICE DEPARTMENT EXPENDITURES:

	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018
Salaries	883,910	851,140	922,031	43,341	116,630
Benefits	383,707	393,058	414,248	433,237	483,140
Communication	2,667	5,500	4,000	4,000	3,500
Electric	2,334	3,500	3,500	4,000	3,000
Printing	0	773	642	500	500
Uniforms & Equip.	5,091	7,350	13,277	6,500	6,500
Legal/Other Professional	410	0	500	500	500
Travel Per Diem	1,200	500	500	500	2,000
Building Maintenance	5,893	2,615	4,145	3,210	3,000
Vehicle Maintenance	10,356	7,500	8,012	7,500	8,000
Uniform Cleaning	2,412	3,300	3,300	3,300	3,300
Fuel	46,268	55,000	55,000	55,000	55,000
Radio Contract	54,611	58,200	59,303	60,500	65,000
Office Supplies - Computer Repairs	7,864	4,500	5,008	4,500	4,500
Crime Prevention	698	2,300	2,300	2,300	16,000
Capital Exp.	59,143	89,070	137,405	98,000	97,000
Total Police	1,357,562	1,429,058	1,477,369	1,504,708	1,657,358



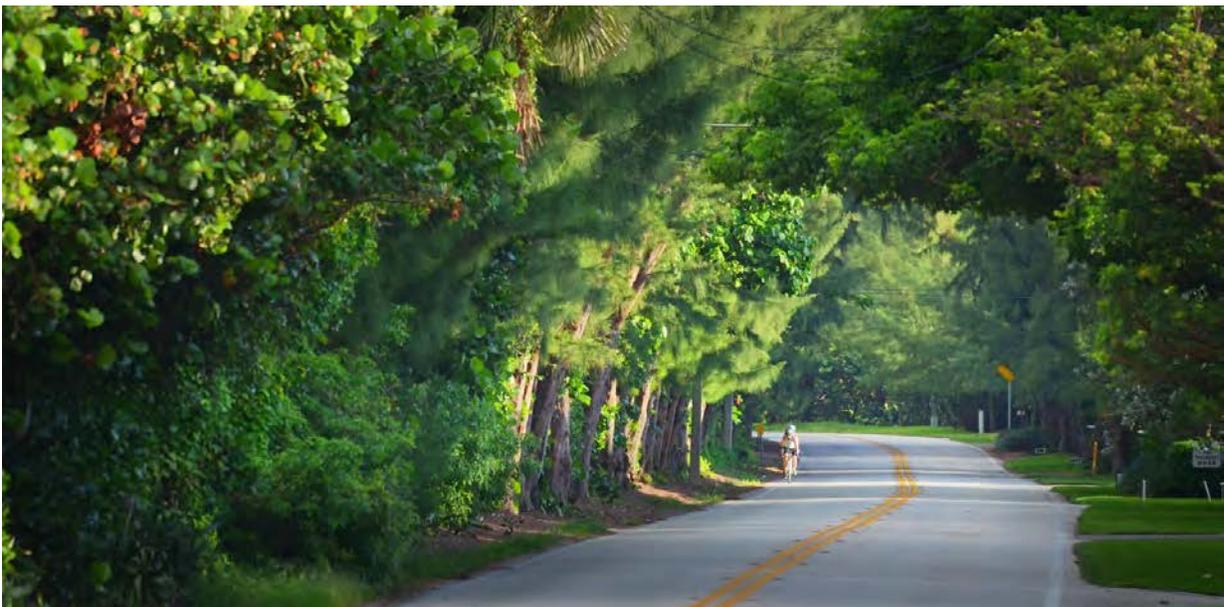
Department of Streets and Building Maintenance:

The Department of Streets and Building Maintenance performs work directing and participating in maintenance of Town grounds, buildings, streets, utilities and overseeing activities of contracted service vendors. Work also involves planning, developing and implementing proposals and programs to maintain and expand services in accordance with needs of the Town, including developing project specifications and reviewing bid proposals. The staff of the Streets and Building Maintenance Department also resolve problems as non-routine situations arise, as in the case of emergencies such as tropical storms or hurricanes.



The department staff also oversees and participates in various landscaping duties such as mowing grass, trimming hedges and shrubbery, pulling weeds and maintaining flower beds, spraying herbicides and pesticides, etc., as well as overseeing and participating in custodial work and general carpentry, plumbing and electrical work in the repair and general maintenance of Town buildings. The town facilities include the town hall, police department and the maintenance building.

The Streets and Building Maintenance Department also serves as the town's street and right-of-way maintenance department. They are responsible for the installation, repair and replacement of the town's street signs. As part of roadside right-of-way maintenance the department is also charged with the responsibility of ensuring overgrown vegetation is trimmed and removed to provide clean and clutter free roads throughout the town. Department staff also oversees the maintenance and care of the town's Australian Pines, which line Highway A1A. Due to the Town of Gulf Stream being the only town in Florida allowed to plant and maintain the typically classified invasive tree species, care and maintenance of the trees require particular care and maintenance to comply with the state's requirements.



Streets and Building Maintenance Continued:

The Streets and Building Maintenance Department occasionally is called to coordinate the acquisition of vendors for maintenance work beyond the abilities of Town staff, preparing project specifications, and soliciting and reviewing bids for recommendation to Town Manager. The Australian Pines are not the only special project that would require the staff to supervise and inspect the work of contractors' crews engaged in street, road, water and stormwater line maintenance and construction, and right-of-way and other building and grounds maintenance, repair and/or construction activities. The ADA Compliance building renovations to town hall as well as the Undergrounding Utility Project fall within the scope of projects that the Streets and Building Maintenance staff oversees to ensure proper and timely delivery of services according to established specifications. The department prides itself for its history of planning, organizing and directing different building and grounds construction and maintenance activities for the continuity of excellent service for the residents of the Town of Gulf Stream.

As part of the staff's reporting and record maintenance responsibilities, the Streets and Building Maintenance Department plans, develops and implements programs to ensure adherence to local, state and/or federal laws applicable to Town's use of underground storage tanks. It also monitors the use of the Town gasoline tank, recording levels and preparing and maintaining records and reports as required by county, state and federal laws and regulations. Staff is entrusted to submit records and reports as required by oversight agencies.



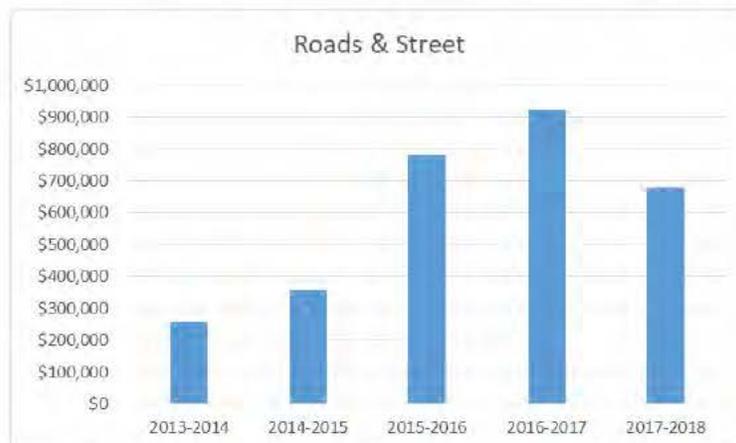
Department of Streets and Building Maintenance:

Staffing Statistics

Position	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Status
Public Works Superintendent	1	1	1	1	1	No Change

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Regular Salaries - Streets	\$61,491	\$66,138	\$66,724	\$68,551	\$69,771
Overtime - Streets	\$1,075	\$2,000	\$2,000	\$6,209	\$2,000
	\$62,566	\$68,138	\$68,724	\$74,760	\$71,771

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Regular Salaries - Streets	\$61,491	\$66,138	\$66,724	\$68,551	\$69,771
Overtime - Streets	\$1,075	\$2,000	\$2,000	\$6,209	\$2,000
FICA Taxes	\$4,865	\$4,690	\$5,538	\$5,720	\$5,491
Retirement Contributions	\$12,099	\$13,071	\$12,845	\$13,344	\$13,759
Life and Health Insurance	\$14,259	\$15,630	\$16,612	\$16,812	\$18,620
Misc Pr of Svcs - Streets	\$0	\$0	\$0	\$0	\$50,000
Communication - Streets	\$500	\$500	\$500	\$500	\$500
Electric - Streets	\$16,369	\$16,146	\$15,425	\$17,812	\$15,000
Rental and Lease Expense	\$400	\$400	\$400	\$400	\$400
Vehicle Maintenance- Streets	\$0	\$0	\$0	\$0	\$5,000
Misc. Repair and Maintenance	\$26,150	\$24,999	\$36,150	\$36,150	\$34,000
Misc. Other - NPDES	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Operating Supplies	\$931	\$551	\$414	\$1,213	\$500
Uniforms & Equipment	\$1,254	\$1,093	\$693	\$593	\$500
Road Materials and Supplies	\$2,187	\$1,554	\$1,200	\$1,200	\$1,200
Capital Outlay - Streets	\$107,448	\$202,900	\$608,617	\$746,368	\$455,000
Construction in Progress	\$0	\$0	\$8,337	\$0	\$0
Roads & Street	\$256,528	\$357,172	\$782,955	\$922,372	\$679,241



Street and Building Maintenance

Department Accomplishments:

Fiscal Year 2015-2016

- ◇ Maintained the town’s building and properties, and made energy efficient upgrades to town hall and the storage building - **accomplished**
- ◇ Updated the GIS maps for the town’s storm water and drainage system- **accomplished**
- ◇ Acted as town project supervisor during the first phase of the undergrounding utility project, ensuring that residents’ property was repaired to satisfaction and assisting as needed with the utility company - **accomplished**
- ◇ Acted as project manager for all of the town hall and police department ADA compliance upgrade renovations and landscaping beautification projects- **accomplished**

Fiscal Year 2016-2017 Goals

- ◇ Continued upkeep and maintenance of Town of Gulf Stream properties and assets- **accomplished**
- ◇ Relining of the storm water drainage system along Polo Drive- **accomplished**
- ◇ Continue to act as Town Project Supervisor for Phase II of the Undergrounding Utility Project- **in progress**
- ◇ Act as the Town Project Supervisor during the new street lighting installation project at the completion of the Undergrounding Utility Project- **in progress**
- ◇ Aesthetic improvements of the curb appeal of the Police Department and Town Hall properties- **accomplished**

Fiscal Year 2017-2018 Goals

- ◇ Continued upkeep and maintenance of Town of Gulf Stream properties and assets
- ◇ Installation of stormwater outfall on Polo Dr.
- ◇ Oversee the completion of Phase II of the Undergrounding Utility Project
- ◇ Act as the Town Project Supervisor during the new street lighting installation project

Performance Measurements

	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Proposed Goal FY 2017-2018
EPA/NPDES Annual Review	Pass	Pass	Pass	Pass	Pass
Community Rating System Class	7	7	7	Reviewing Participation in Program	Determination of Participation in Program

Department of Utility Maintenance:

The Department of Utility Maintenance performs work directing and participating in maintenance of Town water infrastructure and overseeing activities of contracted service vendors. Work also involves meter maintenance, meter installation, line break repair services in accordance with the needs of the Town. The staff of the Utility Maintenance Department also resolves problems as non-routine situations arise, as in the case of emergency repairs.

It is the objective of the Town of Gulf Stream and the Utility Department to ensure that the residents of Gulf Stream have uninterrupted water service and a high standard of water quality. The Town purchases water from a neighboring municipality, Delray Beach. Delray Beach is responsible for all water treatment, chlorine burns, and all other water quality compliance of the water coming into the Town of Gulf Stream. Maintenance on all Gulf Stream Water Infrastructure is the responsibility of the Town and is either accomplished by staff or contracted providers.

	Fiscal Year 2012-2013	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Proposed Goal FY 2017- 2018
Meter Change Outs	6	6	12	10	10	10
Daily Water Chlorine Tests	365	365	260	260	260	260
Bacterial and Microbial Sampling	12	12	12	12	12	12



Utility Department Accomplishments:

Fiscal Year 2015-2016

- ◇ Maintained water licensure required by the state of Florida- **accomplished**
- ◇ Performed mandatory water testing and submitted results to Health Department and State regulatory agencies- **accomplished**
- ◇ Maintenance of water system, including the replacement and repair of main lines, service lines, valves, meters and hydrants- **accomplished**
- ◇ Bimonthly meter reading and checks- **accomplished**
- ◇ Resolve high water usage issues for residents, leak assessments and detection- **accomplished**
- ◇ Locate valves, lines, meters for GIS information and map updates- **accomplished**
- ◇ Locate and identify water lines for ongoing residential, recreational and Undergrounding Utility Project construction- **accomplished**
- ◇ Maintain inventory of parts and supplies for water system repairs- **accomplished**
- ◇ Served as on call emergency responders for water and water main emergencies- **accomplished**

Fiscal Year 2016-2017 Goals

- ◇ Accurate maintenance of all water related reports and records- **accomplished**
- ◇ Continue updates as needed to the GIS information and maps- **accomplished**
- ◇ Update, repair and replace water meters and valves as needed-**accomplished**
- ◇ Installation of backflow preventers- **accomplished**
- ◇ Continue resident awareness and assistance regarding over usage issues, water main issues and leak detection services- **accomplished**

Fiscal Year 2015-2016 Goals

- ◇ Accurate maintenance of all water related reports and records
- ◇ Implement phase I of the new CIP recommendations for water infrastructure maintenance and repair
- ◇ Update, repair and replace water meters and valves as needed
- ◇ Installation of backflow preventers



Capital Expenditure Enterprise Utility Fund Impact:

The Enterprise Utility Fund's only capital purchase budgeted for Fiscal Year 2017-2018 is the purchase and conversion to Radio Read Water Meters, commonly known as "Smart Meters" for all of the water meters in the Town. Unfortunately, due to Hurricane Irma, the Town had ordered but not received by the end of Fiscal Year 2016-2017 a panel truck with a hoist for the Water Department. This truck will be used for meter installation and repairs as well as other water infrastructure repairs and maintenance. Due to the postponement of delivery, a partial reallocation of the budgeted funds for the smart meters will be required for the expense of the panel truck. Plans to delay the installation of the smart meters have been approved by the Town Commission as they wait for the results of the Capital Improvement Plan that was commissioned to be developed during Fiscal Year 2017-2018.

Capital Enterprise Utility Fund	2017-2018	Percentage Enterprise Fund
Radio Read Water Meters	\$ 176,000	3.16%
Panel Truck - Repair & Hoist	\$ 35,000	0.63%
Total Water Capital	100,000	8.53%



Utility Fund Revenues:

Funding for the Utility Department is accomplished through an enterprise fund separate from the General Fund. Revenues from this fund come from the sale of water to the residents and clubs, as well as administrative fees which fund the one maintenance employee’s salary and benefits. A base fee which is billed on the bi-monthly utility bills is used to fund repairs of the water line infrastructure and a reserve fee is also billed bi-monthly that goes into financial reserves for the town to fund the replacement of aging water line infrastructure and to make capital purchases. The Town Commission voted to raise the rates for the utility services and administrative fees for the Fiscal Year 2015-2016. Since that last increase, the Commission has not raised the rates.

Water Rates

Residential Service: Individually-Metered Service

Water service for all residential dwelling units with individual water meters.

Customer Billing Charge- The customer billing charge shall be \$8.63 per bill rendered.

Base Service Charge- The base service charge shall be \$60.53 per dwelling unit.

Gallon Rate- The rate for each one thousand (1,000) gallons or fraction thereof for all quantities of water passed through the customer’s service meter shall be determined in accordance with the following schedule:

Gallons Meter per Consumption Block					
Serviceable Lot Size Parameter	Residential Service Category	First Block	Second Block	Third Block	Fourth Block
Rate per 1,000 gallons per metered consumption		\$3.22	\$3.43	\$4.78	\$8.32
0 - 16,000 sq. ft.	1	0 to 20,000	20,001 to 80,000	80,001 to 100,000	Above 100,000
16,001 - 19,000 sq. ft.	2	0 to 20,000	20,001 to 96,000	96,001 to 120,000	Above 120,000
19,001 - 23,000 sq. ft.	3	0 to 20,000	20,001 to 112,000	112,001 to 136,000	Above 136,000
23,001 - 28,000 sq. ft.	4	0 to 20,000	20,001 to 140,000	140,001 to 170,000	Above 170,000
28,001 - 34,000 sq. ft.	5	0 to 20,000	20,001 to 164,000	164,001 to 200,000	Above 200,000
34,001 - 40,000 sq. ft.	6	0 to 20,000	20,001 to 198,000	198,001 to 243,000	Above 243,000
40,001 - 50,000 sq. ft.	7	0 to 20,000	20,001 to 244,000	244,001 to 300,000	Above 300,000
50,001 - 60,000 sq. ft.	8	0 to 20,000	20,001 to 300,000	300,001 to 370,000	Above 370,000
60,001 - 70,000 sq. ft.	9	0 to 20,000	20,001 to 350,000	350,001 to 433,000	Above 433,000

For individually metered lot sizes above 70,000 square feet, the consumption blocks will be determined individually by the Town on a basis consistent with the rate structure for other individually metered residential customers where a site by site analysis will be performed by the Town to determine the estimated irrigated area such that the usage blocks will be determined as follows:

The first block will be equal to the other residential service categories and will encompass the first 20,000 gallons of metered water consumption;

The second block will be equal to approximately 1- inch of irrigation applied to the irrigated area;

The third block equal to approximately 0.25 inches of irrigation applied to the irrigated area; and

The fourth block in excess of the sum of the previous blocks.

The rates applied to the determined consumption will be the same rate as charged to other customers within this class for each respective consumption block.

Water Rates continued:

Master Metered Service: Water service for all purposes in residential dwelling units which one single meter serves more than one principal residential dwelling unit.

Customer Billing Charge- The customer billing charge shall be \$8.63 per bill rendered.

Base Service Charge- The base service charge shall be \$60.53 per individual dwelling unit served by the single meter.

Gallonage Rate- The rate of \$3.22 for each one thousand (1,000) gallons or fraction thereof for all quantities of water passed through the customer's service meter shall be charged.

Commercial and Public Authority Service: Water service for all purposes considered as non-residential, not including water service associated with individually metered irrigation service.

Customer Billing Charge - The customer billing charge shall be \$60.53 per bill rendered.

Base Service Charge - The base service charge shall be determined by the meter size serving each customer according to the following schedule:

Meter Size	Bi-Monthly Base Service Charge
5/8 & 3/4 inch	60.53
1 inch	141.96
1-1/2 inch	272.58
2 inch	432.64
3 inch	851.76
4 inch	1328.70

Gallon Rate- The rate of \$3.43 for each one thousand (1,000) gallons or fraction thereof for all quantities of water passed through the customer's service meter shall be charged.

Base Service Charge- There shall be no base service charge imposed per dwelling unit in accordance with this schedule where a water meter for non-irrigation purposes is located at the same service address. A base service charge of \$60.53 per account shall be charged for all accounts.

Irrigation Service: All individually metered water service used exclusive by residential and non-residential accounts for lawn sprinkling, irrigation of pervious surfaces and other related service.

Single Family Residential Service

Customer Billing Charge- The customer billing charge shall be \$8.63 per bill rendered.

Base Service Charge- There shall be no base service charge imposed per dwelling unit in accordance with this schedule where a water meter for non-irrigation purposes is located at the same service address. A base service charge of \$60.53 per account shall be charged for all accounts.

Gallon Rate- The rate for each one thousand (1,000) gallons or fraction thereof for all quantities of water passed through the customer's service meter shall be determined in accordance with the following schedule on the next page:

Water Rates continued:

Gallons Meter per Consumption Block				
Serviceable Lot Size Parameter	Residential Service Category	First Block	Second Block	Third Block
Rate per 1,000 gallons per metered consumption		\$3.43	\$4.78	\$8.32
0 - 16,000 sq. ft.	1	0 to 80,000	80,001 to 100,000	Above 100,000
16,001 - 19,000 sq. ft.	2	0 to 96,000	96,001 to 120,000	Above 120,000
19,001 - 23,000 sq. ft.	3	0 to 112,000	112,001 to 136,000	Above 136,000
23,001 - 28,000 sq. ft.	4	0 to 140,000	140,001 to 170,000	Above 170,000
28,001 - 34,000 sq. ft.	5	0 to 164,000	0 to 200,000	Above 200,000
34,001 - 40,000 sq. ft.	6	0 to 198,000	0 to 243,000	Above 243,000
40,001 - 50,000 sq. ft.	7	0 to 244,000	0 to 300,000	Above 300,000
50,001 - 60,000 sq. ft.	8	0 to 300,000	0 to 370,000	Above 370,000
60,001 - 70,000 sq. ft.	9	0 to 350,000	0 to 433,000	Above 433,000

For individually metered lot sizes above 70,000 square feet, the consumption blocks will be determined individually by the Town on a basis consistent with the rate structure for other individually metered residential customers where a site by site analysis will be performed by the Town to determine the estimated irrigated area such that the usage blocks will be determined as follows:

The first block equal to approximately 1- inch of Irrigation applied to the irrigated area;

The second block equal to approximately 0.25 inches of irrigation applied to the irrigated area; and

The third block in excess of the sum of the previous blocks.

The rates applied to the determined consumption will be the same rate as charged to other customers within this class for each respective consumption block.

Minimum Bill: In all instances, the sum of the Customer Billing Charge and the Base Service Charge as determined in accordance with this section will be the minimum bill for water services.

Commercial, Public Authority, Multi-Family Service:

Customer Billing Charge- The Customer Billing Charge shall be \$8.63 per bill rendered.

Base Service Charge- The Base Service Charge shall be determined by the size serving each customer according to the following schedule:

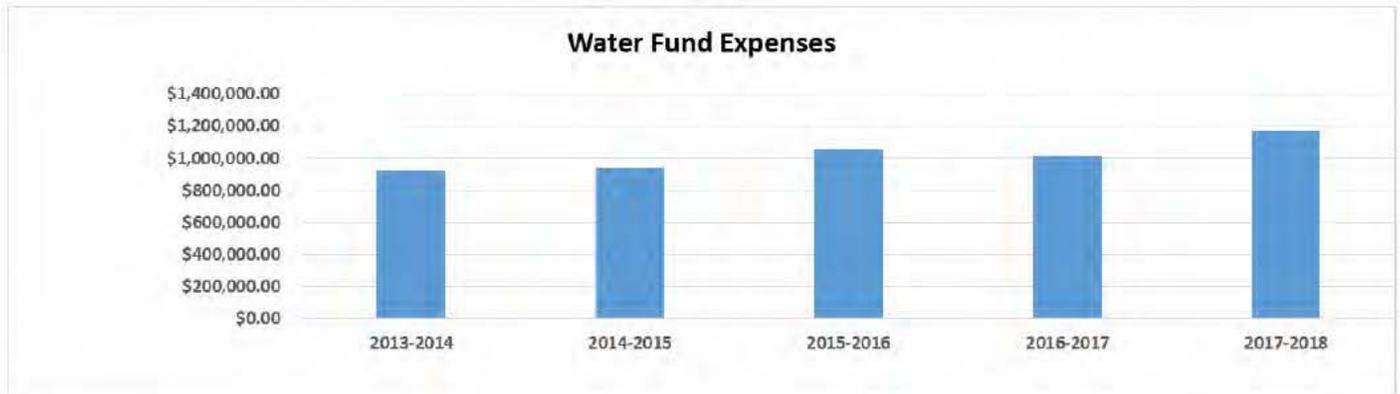
Meter Size	Bi-Monthly Base Service Charge
5/8 & 3/4 inch	60.53
1 inch	141.96
1-1/2 inch	272.58
2 inch	432.64
3 inch	851.76
4 inch	1328.7

Gallon Rate- The rate of \$3.43 for each one thousand (1,000) gallons or fraction thereof for all quantities of water passed through the customer’s service meter shall be charged.

Enterprise Fund Budget Comparison:

Budget Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Water Sales	\$923,000.00	\$945,000.00	\$1,040,000.00	\$1,040,000.00	\$1,040,000.00
Reserves Fees	\$66,000.00	\$66,000.00	\$132,000.00	\$132,000.00	\$135,000.00
Total Revenues	\$989,000.00	\$1,011,000.00	\$1,172,000.00	\$1,172,000.00	\$1,175,000.00

Budget Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Salary and Benefits	\$70,080	\$73,821	\$78,400	\$82,223	\$86,390
Water Purchased - Commodity	\$627,000	\$620,000	\$640,272	\$640,272	\$640,000
Water - Capacity	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Water Purchased-Meter Charge	\$110	\$1,363	\$110.00	\$110	\$110
Operating Expense	\$183,810	\$207,816	\$219,255	\$210,279	\$195,500
Depreciation Expense	\$12,000	\$12,000	\$12,000.00	\$12,000	\$12,000
Capital Outlay- Water	\$0	\$0	\$76,977	\$35,000	\$211,000
Total Expenses	\$923,000.	\$945,000	\$1,057,014	\$1,009,884	\$1,175,000



Department of Utility Maintenance Staffing Statistics:

Position	F/Y 12-13	F/Y 13-14	F/Y 14-15	F/Y 15-16	F/Y 16-17	F/Y 17-18
Maintenance Worker	1	1	1	1	1	No Change

Fund Balance - Water Utility Fund:

The Capital Improvement Plans that are scheduled for the next five years will be completely funded by the reserve fee assessed on the bi-monthly utility bills for the residents of Gulf Stream that purchase their water and garbage services through the Town. The Commission increased the reserve fee from \$15.00 per month to \$30.00 per month after a discussion on long range plans during Fiscal Year 2015-2016, which has successfully built the Enterprise Fund Balance.

In late 2011, the Town's water utility contractor was asked to provide the age of all water distribution lines within Gulf Stream and his cost estimate to replace. Assuming a life expectancy of 75 years for distribution lines, and therefore considering the replacement of all water distribution lines installed beginning in the 40's and up to and including the 80's, the cost is challenging. However, it cannot be assumed that all of the lines will become inoperative at the same time, but rather over time. Therefore, the establishment of adequate reserves, as discussed earlier could possibly handle the financial replacement cost throughout the years. In the event that such a plan is unsuccessful, long term bond/loan financing would be necessary.



After a discussion of the Town of Gulf Stream's Strategic Plan for the upcoming years, it was decided that it would benefit the Town to ensure that adequate financial reserves were created in the Water Fund to allow the Town to make repairs and replace aging water lines to avoid a crisis in water distribution in the next 10 years. The Water Utility Fund Reserve goal should be \$1.5M. Each year, regardless of the increased cost of purchasing water from Delray Beach, an additional factor of increased fees must be contemplated in order to build more reserves. The Town has achieved their goal of reaching a Fund balance in the Enterprise Fund at the end of Fiscal Year 2016-2017. The Commission has authorized a CIP study to map out the capital purchases and large scale infrastructure repairs and replacement for the next 10 years. The Commission is revisiting the idea of installing "smart meters" as well as replacing sections of water distribution lines. The intent of the Town Administration is to begin the first phase of recommended improvements to the water distribution system that are deemed immediately necessary during Fiscal Year 2017-2018.

Undergrounding Utilities Fund:

In Fiscal Year 2010-2011, using a straw vote, the Town voted to undertake a major project to bring utility lines underground in the portion of the Town that lies along State Road A1A, or locally known as North Ocean Blvd. As the project primarily only benefits and impacts the residents in this area, it was voted and approved to assess those individuals an assessment to pay for the project. The assessment is added to the annual tax collector's bill and appears on their property tax bill for the next 10 years. The residents who are affected were given the option to pay the assessment in full at a discounted amount if they paid the amount before the assessment was sent to the Tax Collector's Office to be added to the tax roll. There is no early pay off option for those individuals that chose to not pay the assessment up front. The Undergrounding Project is managed by contract with an engineering firm, which reports to the Town Manager and Commission on a regular basis. Phase I is complete, Phase II will be complete during Fiscal Year 2017-2018. There are no dedicated staff that are funded through the Underground Utilities Fund. Nor are there operating expenses, as all expenses are for contracted labor and professional services. When the project is complete, ownership and maintenance of the system of conduits will transfer over to FPL, (Florida Power & Light).

Fiscal Year 2014-2015 Goals:

- ◇ Complete Phase I of the Underground Utility Project-**on going**

Fiscal Year 2015-2016

- ◇ Complete Phase I of the Underground Utility Project- **accomplished**
- ◇ Begin Phase II of the Underground Utility Project - **accomplished**

Fiscal Year 2016-2017 Goals

- ◇ Accurate maintenance of all water related reports and records- **accomplished**
- ◇ Continue updates as needed to the GIS information and maps- **accomplished**
- ◇ Update, repair and replace water meters and valves as needed-**accomplished**
- ◇ Installation of backflow preventers- **accomplished**
- ◇ Continue resident awareness and assistance regarding over usage issues, water main issues and leak detection services- **accomplished**

Fiscal Year 2015-2016 Goals

- ◇ Accurate maintenance of all water related reports and records
- ◇ Implement phase I of the new CIP recommendations for water infrastructure maintenance and repair
- ◇ Update, repair and replace water meters and valves as needed
- ◇ Installation of backflow preventers
- ◇ Decision to proceed with "smart meter" installation

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Glossary of Terms

- Ad valorem taxes - A tax levied on the assessed value of real estate or personal property. This tax is also called property tax. Ad valorem taxes are the major source of revenue for state and municipal governments.
- Appropriation - A legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose for a limited period of time.
- Assessed value - The dollar value assigned to real or personal property for purposes of assessing taxes. Gulf Stream's assessed values are determined by the Palm Beach County Property Appraiser.
- Beginning Fund Balance - The Ending Fund Balance of the previous period. (See Ending Fund Balance.)
- Budget - An itemized summary of estimated revenues and projected expenses for a given time period. The Town of Gulf Stream adopts a budget each year for the twelve months between October 1 and September 30. Florida Statutes require the Town Commission to approve its budget at the second of two public hearings.
- Capital Expenditures - Expenditures used to purchase fixed assets such as furniture and equipment with a life expectancy of more than one year and a unit cost of \$1,000 or more.
- Capital Improvement Program (CIP) - A CIP is a systematic plan for providing infrastructure improvements within a prioritized framework over a fixed period of time. Gulf Stream's CIP is based on a five year period of time.
- Debt Service - The amount of interest and principal that the Town must pay each year on long-term and short-term debt.
- Department - A major administrative unit of the Town with overall management responsibility for a service or an operation or for a group of related operations.
- Encumbrance - The commitment of budgeted funds for the purchase of an item or service. All encumbrances lapse at fiscal year-end.
- Ending Fund Balance - Funds carried over at the end of a fiscal year. Within a fund, the revenue on hand at the beginning of a fiscal year, plus revenues and other sources of funds received during the year, less expenses and other uses of funds equals ending fund balance. These funds may be committed or assigned for a particular purpose.
- Enterprise Fund - A fund in which the services provided are financed and operated like those of a private business. These funds pay for all or most of their cost of operation from user fees.
- Fiscal Year - A time period designated for recording financial transactions. The Town of Gulf Stream's fiscal year runs from October 1 through September 30.
- Full-Time Equivalent (FTE) - One position funded for a full year. A full-time employee working 40 hours per week equals one FTE; a part-time employee working 20 hours a week equals .5 FTE.
- Functions - Expenditure classifications according to the principal purposes for which expenditures are made. Gulf Stream's functional expense categories are mandated by state law.
- Fund - A fund is a grouping of related accounts that is used to maintain financial control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Glossary of Terms

- Generally Accepted Accounting Principles (GAAP) - Generally Accepted Accounting Principles (GAPP) consist of the rules, procedures, and conventions that define accepted practices at a given time and which organizations use to compile their financial statements. They include broad guidelines as well as detailed procedures. Much of GAAP is issued in codified form by the Government Accounting Standards Board (GASB).
- General Fund - The principal fund of the City used to account for resources traditionally associated with government, which are not legally or by sound financial management to be accounted for in another fund. General Fund activities are funded principally by property taxes, intergovernmental revenue, licenses and permits, charges for services and miscellaneous revenues. Operating services for this fund include police protection, general government administration, and public works.
- General Obligation Bonds - Voter approved bonds used to finance a project through a millage increase in ad valorem taxes for a specified period of time.
- Grants and Aids - An agreement made by a government or private organizations to provide financial contributions for specified purposes.
- Impact Fees - Charges imposed by governments against new development as a total or partial reimbursement for the cost of supporting specific new demands on a given service.
- Infrastructure - Structures and facilities other than buildings such as roads, bridges, curbs, gutters, docks, wharves, fences, landscaping, lighting systems, parking areas, storm drains, athletic fields, etc.
- Intergovernmental revenue - Funds received from federal, state and local governments in the form of grants, shared revenues and payments in lieu of taxes.
- Mill - A tax rate of one dollar (\$1) per one thousand dollars (\$1,000) of taxable property value.
- Millage Rate - The millage rate is the number of mills of tax assessed against assessed property value. Example: For a property having a taxable assessed value of \$500,000, a millage rate of 2.5000 generates \$1,250.00 in tax to be paid.
- Non-Ad Valorem Assessment - A fee levied on certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit those properties. It is sometimes called a special assessment.
- Operating Budget - A balanced financial plan for providing governmental programs and services for a one-year period.
- Personal Services - All costs related to compensating employees including salaries and benefits.
- Proprietary Fund - A fund in which the services provided are financed and operated similar to those of a private business. Funds pay for operating costs primarily through user fees, receiving little or no tax support. (See Enterprise Funds).
- Reserve - An amount set aside for a specific purpose or for emergencies or unforeseen expenditures not otherwise budgeted. Authorization to expend reserves is made by the Town Commission.
- Revenues - Funds that the government receives as income.
- Rolled-back millage rate - The millage rate necessary to produce the same amount of property tax dollars as received during the previous budget year. New construction is excluded from the roll-back calculation.

Glossary of Terms

- **Special Assessment** - A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties. This is another name for a non ad valorem assessment.
- **Taxable Value** - The assessed value of property minus any authorized exemptions. This value is used to determine the amount of ad valorem tax to be levied. The taxable value is calculated by the County Property Appraiser in compliance with state law. The most common exemption is the homestead exemption.
- **TRIM Notice** - TRIM (Truth in Millage) establishes the statutory requirements that all taxing authorities levying a millage must follow, including all notices and budget hearing requirements. The Notice of Proposed Property Taxes (TRIM notice) enables the taxpayer to compare the prior year assessed value and taxes with the present year assessed value and proposed taxes. It also lets taxpayers compare the amount of taxes if there is no budget change for the upcoming year. The notice lists the date, time, and location of the first budget hearing at which the taxing authorities will hear from the public. At the public hearings, the taxing authorities establish the millage to be levied against the parcel of land shown on the TRIM notice. The notice also shows the deadline for filing a petition to protest the assessment and any denial of exemption.
- **Objective** - A specific, measurable action that will be taken to achieve a goal.
- **User Fees** - Charges for specific services rendered only to those using such services, e.g. sewer service charge, building permits, dog licenses.

