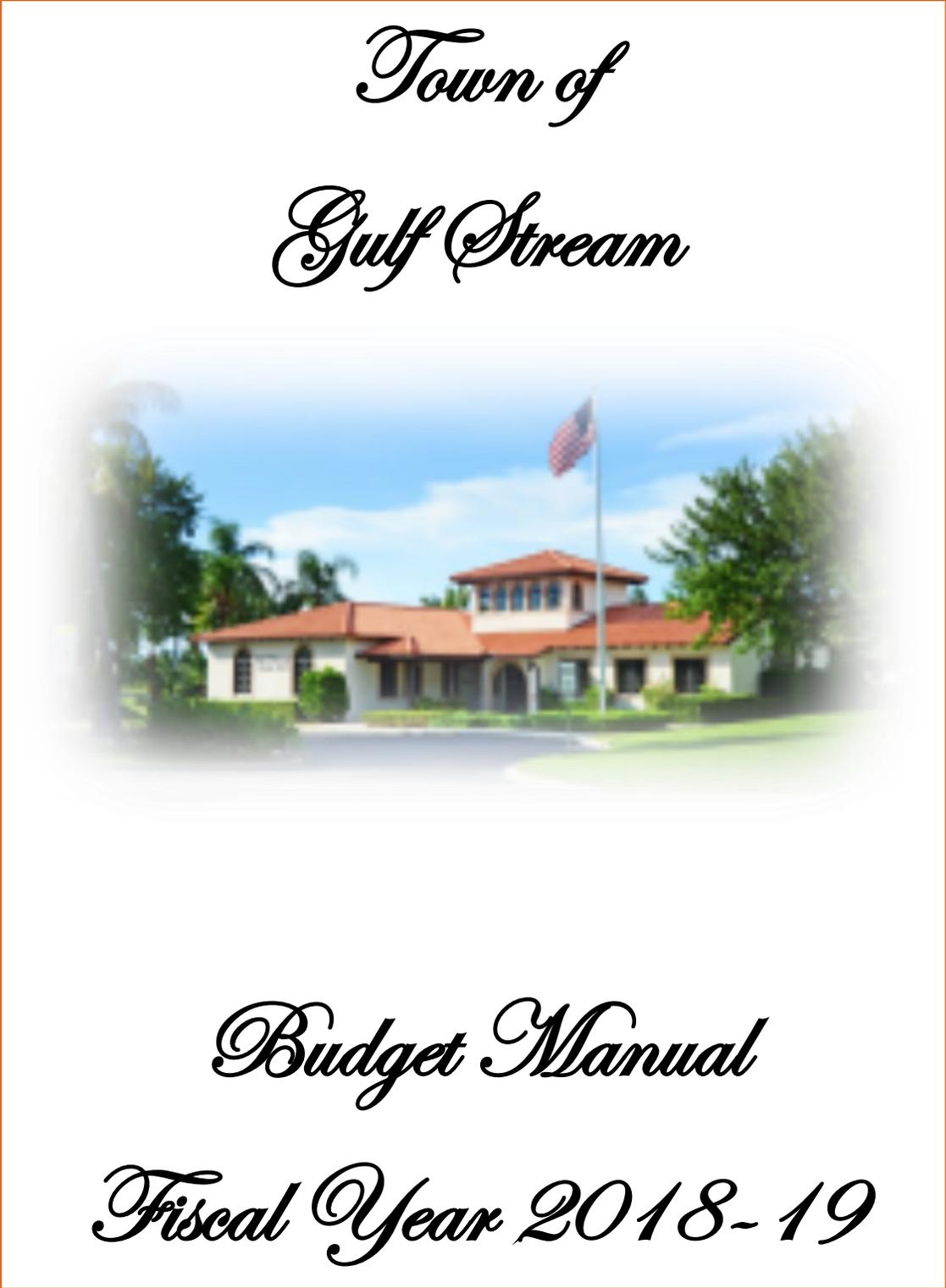


*Town of
Gulf Stream*



*Budget Manual
Fiscal Year 2018-19*

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Town of Gulf Stream

100 Sea Road Gulf Stream, FL 33483

Adopted Budget for Fiscal Year 2018-2019



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 2018-2019.

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 2018-2019. 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 W. 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, 2017

Christopher P. Morill

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.

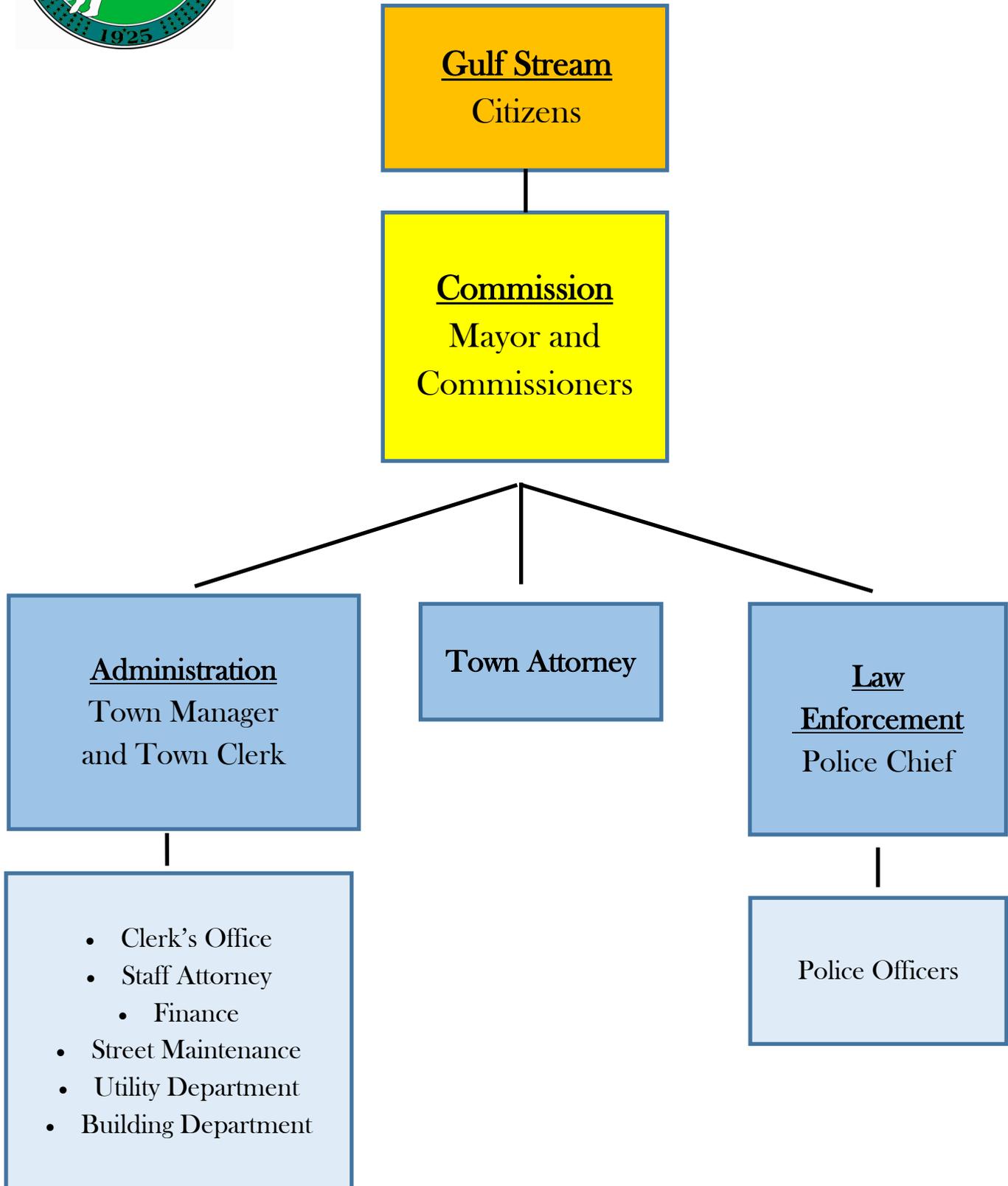
Over the next few decades, the Town of Gulf Stream continued to grow, while adhering to the principles established by the founding families. The Little Club, a Par 3 course, was established. A new Town Hall was erected on a corner of the old Polo Fields. Post World War II "cottages" were replaced by 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



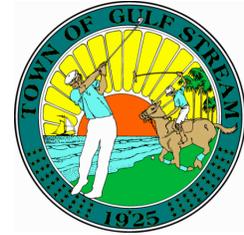
Budget Message:

September 2018

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 2018-2019. 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.

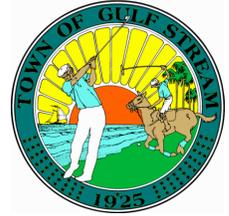
The Town Manager shall be the chief administrative officer of the town. He shall be responsible to the commission for the administration of all town affairs placed in his charge by or under the town charter or by way of the ordinances of the town or the direction of the town commission. The Town Manager 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 2018-2019:

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. These projects were kicked off by a town hall expansion project to accommodate the changes to the staff over the past two years. The Commission voted to add a staff attorney position, hire a dedicated receptionist to be the welcoming face of town hall and reclassified a staff accountant position to Chief Financial Officer. Now, the Town Commission is turning their attention to the final resolution of the few remaining court cases and are eagerly turning their attention to beginning a 10 year Capital Improvement Plan with the first phase of planning and design.

BUDGET SCHEDULE

FISCAL YEAR 2018-2019



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. The Town complied with all regulations and advertising requirements another successful TRIM (Truth in Millage) season.

September 14	First budget hearing - 5:01pm @ Town Hall
September 19	Second budget hearing - 5:01pm @ Town Hall - adopt final millage and budget
September 21	Forward resolution or ordinance to Property Appraiser & Tax Collector
NOT MORE THAN 30 DAYS AFTER FINAL HEARING (October 2, 2018)	Mail TRIM package to Florida Department of Revenue: Property Tax Oversight TRIM



Fiscal Year 2018-2019 Ad Valorem Tax Levy

Initially proposed tax levy.....	\$ 4,618,123
Less tax reductions due to Value Adjustment	\$ 0
Board and other assessment changes.....	\$ 0
Actual property tax levy.....	\$ 4,618,123
This year's proposed tax levy.....	\$ 4,618,123

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 4.05 mills for Fiscal Year 2018-2019 in accordance with our TRIM (Truth in Millage) guidelines, which is less than the rollback rate of 4.0599. With a decrease in operating expenses by 0.24% 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, 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.

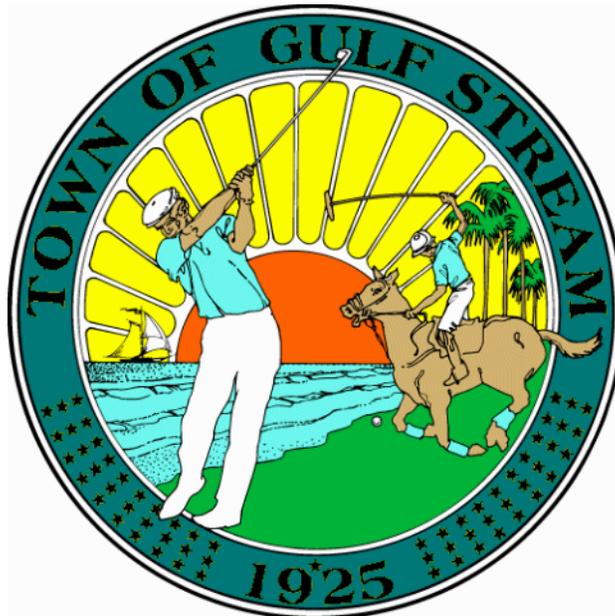


Fiscal Year 2018-2019 Total Budget Summary:

BUDGET SUMMARY TOWN OF GULF STREAM - FISCAL YEAR 2018-2019

**THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE TOWN OF GULF STREAM
ARE 1.5% MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.**

ESTIMATED REVENUES	GENERAL FUND	ENTERPRISE FUND	PENNY SALES TAX FUND	TOTAL ALL FUNDS
Taxes:	Millage Per \$1000		4.0500	
Ad Valorem Taxes	4,453,123			4,453,123
Sales and Use Taxes	71,000		60,000	71,000
Charges for Services	170,800	1,050,000		1,220,800
Intergovernmental Revenue	56,600			56,600
Fines & Forfeitures	1,600			1,600
Miscellaneous Revenue	70,800	143,000	400	213,800
Franchise Fees & Utility Service Taxes	381,300			381,300
Licenses & Permits	370,000			370,000
TOTAL SOURCES	5,575,223	1,193,000	60,400	6,828,623
Fund Balances/Reserves/Net Assets		16,372		16,372
TOTAL REVENUES, TRANSFERS AND BALANCES	\$5,575,223	\$1,209,372	\$60,400	\$6,844,995
EXPENDITURES				
General Government	2,599,666			2,599,666
Public Safety	2,263,114			2,263,114
Physical Environment	175,400	1,209,372	60,400	1,445,172
Transportation	537,043			537,043
TOTAL EXPENDITURES	\$5,575,223	\$1,209,372	\$60,400	\$6,844,995
Fund Balances/Reserves/Net Assets				0
TOTAL APPROPRIATED EXPENDITURES				
TRANSFERS, RESERVES & BALANCES	\$5,575,223	\$1,209,372	\$60,400	\$6,844,995



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 and reaching a conclusion to the outstanding lawsuits. 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:

- ◇ Resolve and settle the final pending lawsuits that pertained to enforcing the Town's Ordinances and public record request responses.
- ◇ Continue to maintain the founders' vision of the town's purpose and appearance
- ◇ Continue to provide fiscally responsible administration to the residents
- ◇ Begin to implement the comprehensive 10 Year CIP (Capital Improvement Plan) that ensures the longevity and functionality of the Town's infrastructure system beginning with the design and securing a contractor for the first phase which will focus on the North Core District.



Long Term Budget Priorities:



Budget priorities and issues for Fiscal Year 2018-2019:

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 2018-2019 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 beyond the rollback rate for Fiscal Year 2018-2019.

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:

- ◇ Settle the outstanding pending lawsuits
- ◇ Continue to rebuild the Town's Fund Balance to avoid assuming any future financial debt during the implementation of the CIP
- ◇ Continue to be able to provide competitive benefits for town employees to ensure continuity of service for the residents
- ◇ Begin the implementation of the 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 as well as water infrastructure repair and replacement
- ◇ Assess the Town's information technology systems and upgrade systems as needed to ensure the continuity and safety of the Town's digital systems.



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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 to turn their attention back to conducting the normal annual business of maintaining and improving the Town.

The Town anticipates that the remaining pending lawsuits will be settled in the beginning of Fiscal Year 2018-2019. While the financial implications of the settlements has yet to be determined, the Town hopes to finally move past the dominating legal lawsuits and focus their attention on normal business of running a municipality.

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 accomplished during Fiscal Year 2017-2018 and a dynamic comprehensive capital improvement plan for the next 10 years was developed. The Town's intention is to begin to implement the most pressing recommendations by going out to bid for the design and construction for the first phase of the CIP.

During the budget season for Fiscal Year 2018-2019 the Town Manager and Commission agreed that to ensure that the Town's residents have continuity of current service levels that the administration needed to ensure that the Town's personnel policies, pay scale and benefits were competitive with our fellow local municipalities. It is the administration's goal to contract with an unbiased consultant to provide the information needed to ensure that the Town stays competitive.

The Town's long term contract for waste hauling came to a conclusion at the end of Fiscal Year 2017-2018. The Town's town manager and staff attorney negotiated a six month extension of the contract while the Town issued a Request for Bids from multiple waste haulers for the contract for waste removal for the Town. The new contract should be finalized within six months of Fiscal Year 2018-2019.

As part of the Place Au Soleil community, the Town owns and maintains a guard house at the entrance of the neighborhood. It was discovered at the end of Fiscal Year 2017-2018 that the guard house had developed a mold issue due to long term seepage and mold remediation and reconstruction would be necessary to ensure the continued use of the guard house. The Commission discussed and decided to move forward with the reconstruction of the guard house during the new fiscal year.

Short Term Budgetary Goals:

- Defense of current legal issues and court cases
- CIP implementation
- Guard house reconstruction
- IT services for upgrading software, hardware and security
- Waste hauling contract
- Personnel policy, benefit, and payscale study



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	2020-2021
Fund Balance	\$ 849,366	\$ 1,411,890	\$ 3,264,648	\$ 3,783,058	* \$ 4,785,305	** \$ 3,483,685	** \$ 4,473,838

*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. Great care and analysis was taken during the creation of the financial plan for the CIP to ensure that the Town would be able to move forward with the infrastructure repairs without needing to incur debt.

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.

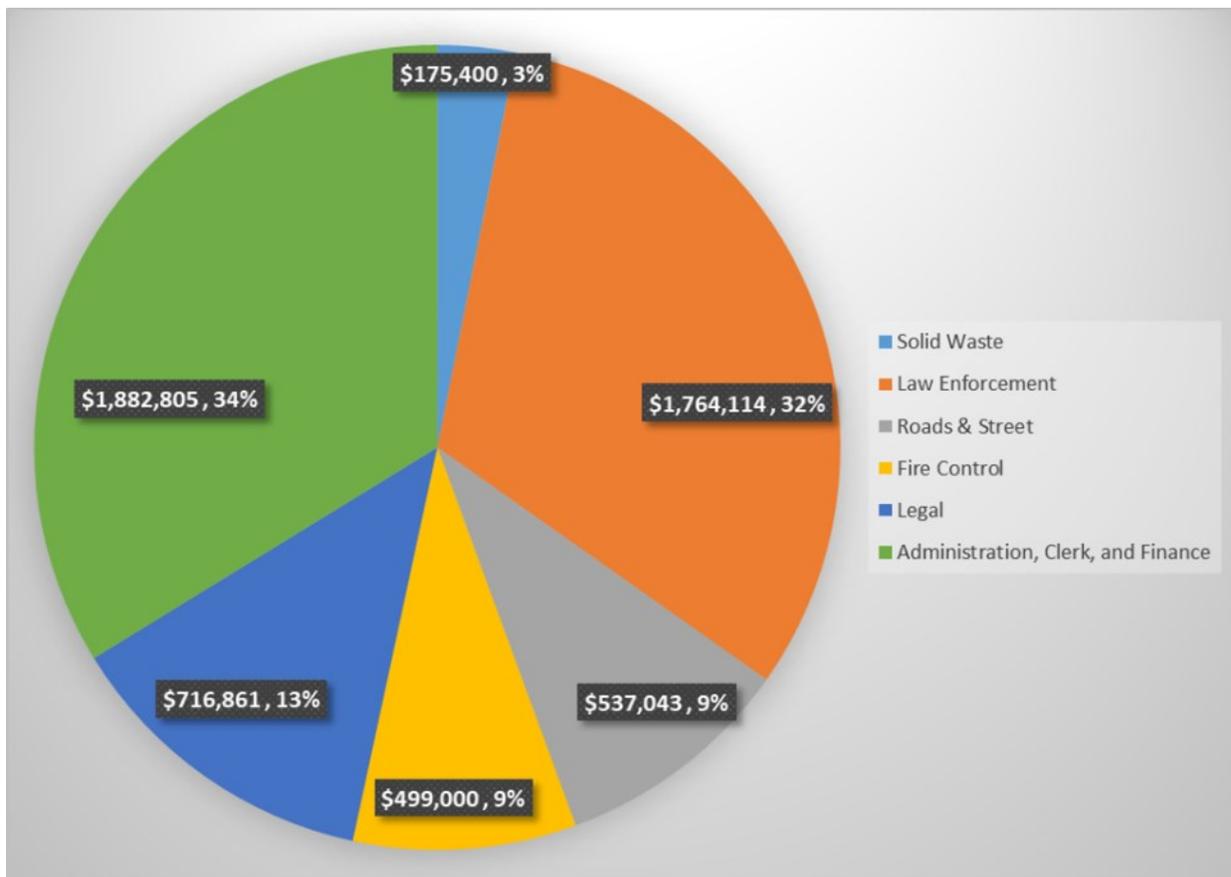


Fund to Department Budget Relation

Gulf Stream previously had three funds that the town uses to collect revenues and pay expenses for governmental activities. At the beginning of Fiscal Year 2018-2019, the town finance department chose to create another fund especially for the Penny Sales Tax Infrastructure revenues and expenses. These four funds are the General Fund, the Enterprise Utility Fund, and the Undergrounding Special Assessment Fund and the Penny Sales Tax 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, and the Penny Sales Tax Fund will be used solely for infrastructure projects in the future.

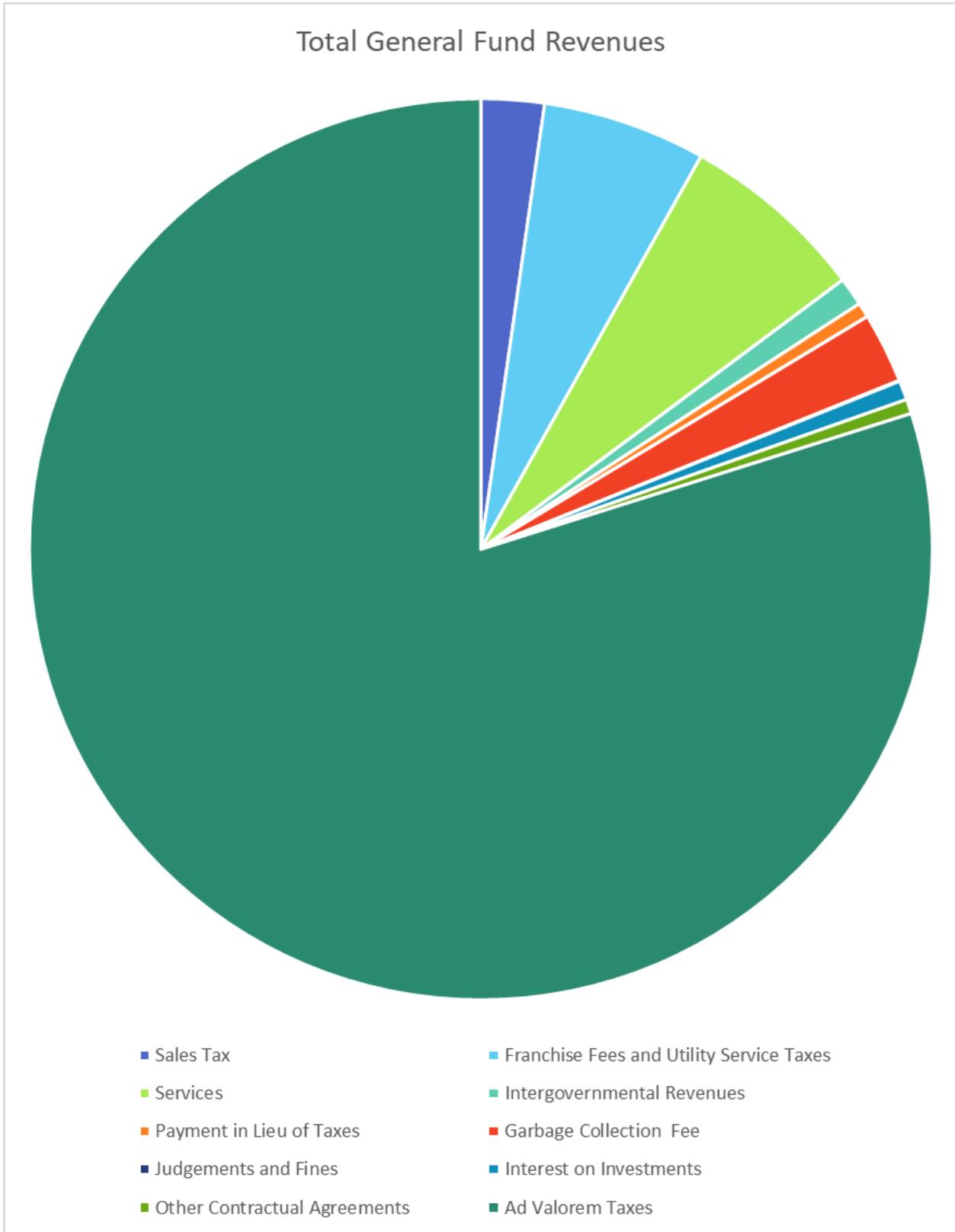
The General Fund supports the daily function and operation of the Town, and serves as the primary source of funds for the Commission's Long Term and Short Term Goals, with the exception of the water distribution system improvements and the Utility Undergrounding Project. This fund is used to operate 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 and the Legal Department. 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 the Town's waste hauling contract 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 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 2018-2019



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	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Ad Valorem Taxes - Current	\$4,827,140.00	\$4,582,564	\$4,590,871	\$4,618,123
Ad Valorem Taxes - Delinquent	\$0.00	\$0	\$0	\$0
Early Payment Discount-Ad Valorem	(\$174,750.00)	(\$160,500)	(\$170,000)	(\$165,000)
Local Option Fuel Tax R&S	\$33,017.00	\$34,500	\$34,500	\$34,000
Franchise Fees - FPL	\$130,000.00	\$135,000	\$113,000	\$115,000
Franchise Fees - Gas	\$3,000.00	\$3,000	\$15,300	\$12,500
Utility Service Tax - Electric	\$175,000.00	\$190,000	\$162,000	\$167,000
Utility Service Tax - Gas	\$0.00	\$0	\$16,100	\$16,800
Utility Service Tax - Propane	\$19,000.00	\$23,000	\$12,500	\$15,000
Communications Services Tax	\$59,568.00	\$59,568	\$47,700	\$55,000
Zoning/Code Review Fees	\$90,000.00	\$90,000	\$63,700	\$70,000
Inspection Fee	\$480,798.00	\$496,134	\$350,000	\$300,000
FL Revenue Sharing	\$22,000.00	\$25,000	\$21,700	\$22,000
FL Rev Sharing-Alcoholic Bev	\$0.00	\$0	\$800	\$600
Local Government 1/2c Sales Tx	\$80,110.00	\$80,110	\$71,000	\$71,000
Fuel Tax Refund	\$2,500.00	\$2,500	\$1,500	\$1,300
Recycle Revenue Sharing	\$0.00	\$0	\$1,500	\$500
Payment in Lieu of Taxes-Water	\$39,700.00	\$39,700	\$29,700	\$29,700
Certification, Copies, Misc Other	\$0.00	\$0	\$0	\$700
Clerk's Charges & Fees	\$0.00	\$0	\$0	\$100
Garbage Collection Fee	\$142,000.00	\$148,000	\$141,200	\$141,000
Judgements and Fines	\$1,800.00	\$1,800	\$1,800	\$1,200
Violations of Local Ordinances	\$0.00	\$0	\$0	\$400
Interest On Investment	\$4,000.00	\$4,000	\$4,000	\$36,000
Interest on Tax Collection	\$0.00	\$0	\$0	\$2,500
Contributions - Community	\$0.00	\$0	\$0	\$12,000
Other Contractual Agreements	\$0.00	\$0	\$15,400	\$15,800
Other Miscellaneous Revenue	\$0.00	\$0	\$0	\$2,000
Total General Fund Revenues	\$5,976,883.00	\$5,796,376	\$5,569,271	\$5,575,223

General Fund Budget Summary Comparison:

Budget Revenues Fiscal Year	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Ad Valorem Taxes	\$3,306,230	\$4,652,390	\$4,422,064	\$4,420,871	\$4,453,123
Sales Tax	\$33,017	\$33,017	\$34,500	\$64,500	\$126,000
Franchise Fees and Utility Service Taxes	\$376,500	\$386,568	\$410,568	\$366,600	\$326,300
Services	\$127,140	\$604,912	\$620,248	\$428,700	\$372,800
Intergovernmental Revenues	\$102,004	\$112,496	\$115,496	\$96,500	\$57,100
Payment in Lieu of Taxes-Water	\$39,700	\$39,700	\$39,700	\$29,700	\$29,700
Garbage Collection Fee	\$140,000	\$142,000	\$148,000	\$141,200	\$141,000
Judgements and Fines	\$1,100	\$1,800	\$1,800	\$1,800	\$1,600
Interest On Investment	\$4,000	\$4,000	\$4,000	\$4,000	\$38,500
Other Contractual Agreements	\$0	\$0	\$0	\$15,400	\$29,100
Total Revenues General Fund	\$4,129,691	\$5,976,883	\$5,796,876	\$5,569,271	\$5,575,223

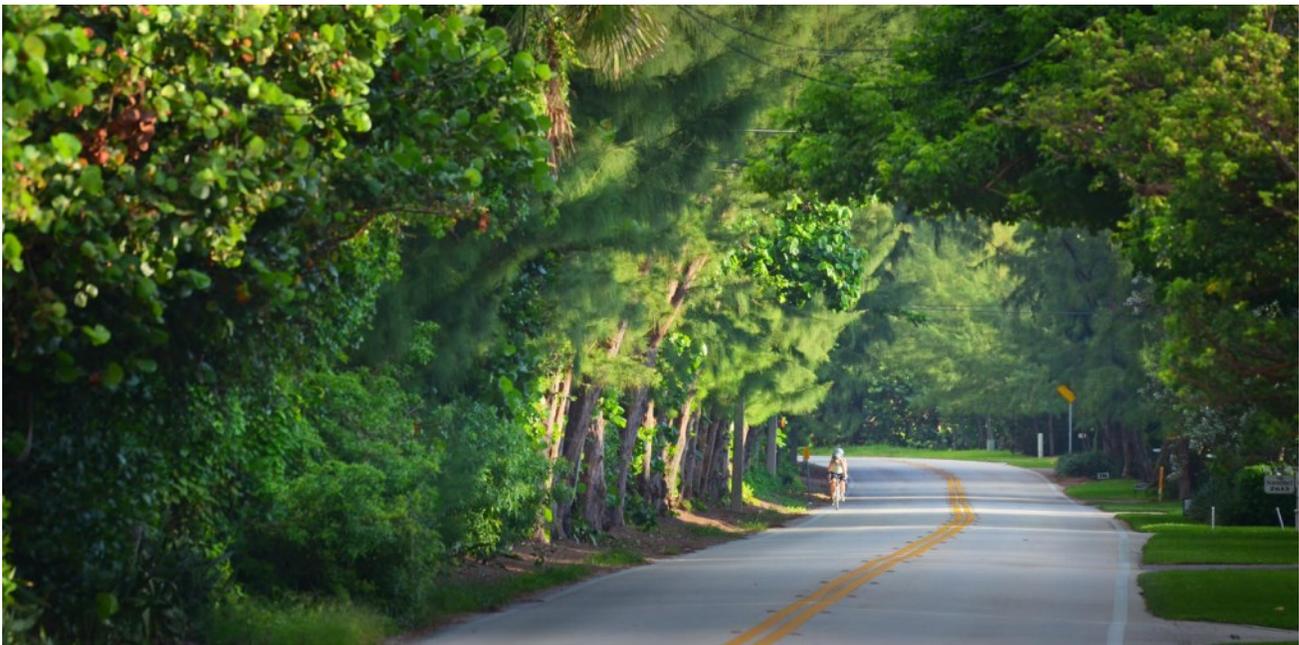
Budget Expenditures Fiscal Year	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Finance and Administrative	\$1,547,248	\$2,963,106	\$2,434,716	\$2,370,203	\$1,882,805
Legal	\$0	\$0	\$133,483	\$153,739	\$716,861
Law Enforcement	\$1,504,708	\$1,657,358	\$1,704,017	\$1,742,588	\$1,764,114
Fire Control	\$410,013	\$430,464	\$451,937	\$474,500	\$499,000
Solid Waste	\$141,000	\$143,000	\$149,000	\$149,000	\$175,400
Roads & Street	\$357,172	\$782,955	\$922,372	\$679,241	\$537,043
Total Expenditures General Fund	\$3,960,141	\$5,976,883	\$5,795,525	\$5,569,271	\$5,575,223



Capital Expenditure Plan:

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 \$5,000 for equipment or \$10,000 for infrastructure items 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.

During Fiscal Year 2017-2018, the Town Commission hired an engineering consulting firm to work in conjunction with Town staff to develop a dynamic and comprehensive 10 year Capital Improvement Plan. The engineering company used the Town's GIS data, information from the Streets and Water department staff, and field work to determine a multi-tiered and multi-phased plan to revitalize, improve and repair the Town's water distribution, roadway and stormwater systems. The CIP was always intended to be a dynamic plan that identified not only the most pressing necessary repairs and replacements, but also gave the Town the flexibility and information to defer and reprioritize the scheduled projects.



The Town Administration and Finance staff worked closely with the engineering consultants and utilized key commissioners with vast financial experience to develop a financial plan so that the town would not need to assume any debt to fund the CIP.

In Fiscal Year 2017-2018, the first project was designed and completed during the first quarter of Fiscal Year 2018-2019. An outfall was placed in what is designated as the Core District to assist with stormwater disbursement and flood control. With the first project successfully completed, the Town Commission will move on to selecting which of the tiered phases to move forward with designing during Fiscal Year 2018-2019.

Long Term Goals CIP Focus:

The Town of Gulf Stream is on the precipice of embarking on a large scale CIP (Capital Improvement Plan) over the course of the next 10 years. After successfully moving past the lawsuits that commanded the focus of the Commission and entire staff for half a decade, the Commission has now turned their attention back to maintaining the Town’s infrastructure and the regular business of running a municipality. During Fiscal Year 2017-2018, the Commission authorized an outside engineering firm to assess the Town’s infrastructure for streets, water distribution and stormwater systems and create a dynamic plan with multiple tiers of recommendations for replacement and repairs to those infrastructure systems. After careful field analysis and working closely with staff, the engineering firm presented a report of their findings to the Commission. Roadways, drainage, and water distribution lines were presented in a logical and efficient manner that classified the different elements in a tiered classification system that ranged from the most dire needed repairs and replacements to the lesser pertinent and pressing minor repairs. Sections of the town were then created to tackle the renovations that would allow for the least amount of traffic and space disruptions. Careful considerations were given to the cost of the proposed projects as well. The Commission’s intent is to accomplish the selected repairs without the need of assuming any debt. Before commencing any work, the Commission intends to have open forums with the public and carefully assess the need of the repairs. Unnecessary disruption for minimal benefit to the residents is situationally unwanted as the Commission has always tried to preserve the original intent of the Town’s founding fathers of maintaining a peaceful escape away from the troubles of the world for our residents.

CIP (Capital Improvement Plan) Proposed Fund Budget:

Fiscal Year	General Fund	Water Fund
2019 (Year 1)	\$ 300,178.67	\$ 231,103.95
2020 (Year 2)	\$ 2,165,374.20	\$ 1,540,693.00
2021 (Year 3)	\$ 39,008.00	\$ 10,060.80
2022 (Year 4)	\$ 551,020.80	\$ 70,400.00
2023 (Year 5)	\$ 245,600.73	\$ 189,085.05
2024 (Year 6)	\$ 1,768,316.00	\$ 1,260,567.00
2025 (Year 7)	\$ -	\$ 133,125.00
2026 (Year 8)	\$ -	\$ 976,250.00
2027 (Year 9)	\$ 23,244.00	\$ 75,801.00
2028 (Year 10)	\$ 187,975.00	\$ 505,340.00
Fund Total	\$ 5,280,717.40	\$ 4,992,425.80
Total CIP	\$	10,273,143.20

If the entire CIP was conducted over the next ten years, the proceeding chart outlines the total anticipated expense for both the General Fund and the Enterprise Fund. The plan is a dynamic plan, and not all of the repairs included in this cost summary will be conducted. Also, in effort to approach the CIP with an “eyes wide open” awareness, a 3% compounded inflation rate was used for all construction costs. It is important to remember that not all projects will likely be completed, and that depending on situational needs, projects may be pushed into another fiscal year sooner or later than originally presented. You will note in the chart below that every other year, expenses decreases dramatically. This was an intentional spreading of expenses to help allow the fund balance to rebound before taking on another set of large construction projects. Thus this approach will allow for a year of design and consideration followed by a year of construction for all of the different phases of the CIP. On the following page, you will see the total project as presented with all of the recommendations.

CIP Project List:

Fiscal Year	Project Description and Assessment of Need
2019 (Year 1)	North Core Area design and permitting
2020 (Year 2)	North Core Area reconstruction and inspection
2020 (Year 2)	Bermuda Lane (Sea Road to south end) Water Main, Road, Drainage
2020 (Year 2)	Gulf Stream Road (Sea Road to drainage divide) Water Main, Road, Drainage
2020 (Year 2)	Old School Road (Gulfstream Road to cul-de-sac) Water Main, Road, Drainage
2020 (Year 2)	Oleander Way (Banyan Rd to north end) Water Main, Road, Drainage
2020 (Year 2)	Polo Drive (Palm Way to Old School Road) Water Main, Road, Drainage
2020 (Year 2)	Wright Way (Old School Road to cul-de-sac) Water Main, Road, Drainage
2020 (Year 2)	Sea Road (Ocean Boulevard to Gulfstream Road) Water Main, Road, Drainage
2020 (Year 2)	North County Road (Ocean Boulevard to Sea Road) Water Main, Road, Drainage
2021 (Year 3)	Place Au Soleil resurfacing design
2022 (Year 4)	Place Au Soleil resurfacing and inspection
2022 (Year 4)	Tangerine Way (Avenue Au Soleil to cul-de-sac) Road
2022 (Year 4)	Emerald Row (Avenue Au Soleil to cul-de-sac) Road
2022 (Year 4)	Orchid Lane (Avenue Au Soleil to cul-de-sac) Road
2022 (Year 4)	Indigo Point (Avenue Au Soleil to cul-de-sac) Road
2022 (Year 4)	Canary Walk (Avenue Au Soleil to cul-de-sac) Road
2022 (Year 4)	Cardinal Circle (Avenue Au Soleil to Avenue Au Soleil) Road
2022 (Year 4)	Avenue Au Soleil (Federal Highway to south end) Water Main (segment), Road
2023 (Year 5)	South Core Area design and permitting
2024 (Year 6)	South Core Area reconstruction and inspection
2024 (Year 6)	Oleander Way (Lakeview Drive to Banyan Rd.) Water Main, Road, Drainage
2024 (Year 6)	Polo Drive (Golfview Dr. to Palm Way) Water Main, Road, Drainage
2024 (Year 6)	Middle Road (Polo Drive to cul-de-sac) Water Main, Road, Drainage
2024 (Year 6)	Polo Drive (Banyan Rd. to Palm Way) Water Main, Road, Drainage
2024 (Year 6)	Golfview Drive (Ocean Boulevard to west end) Water Main, Road, Drainage
2024 (Year 6)	Gulfstream Road (Golfview Drive to Banyan Rd.) Water Main, Road, Drainage
2024 (Year 6)	Middle Road_ (Golfview Drive to Polo Drive) Water Main, Road, Drainage
2024 (Year 6)	Palm Way (Polo Drive to cul-de-sac) Water Main, Road, Drainage
2025 (Year 7)	Remainder of A1A Water Main design
2026 (Year 8)	Wright Way (Old School Road to cul-de-sac) Water Main, Road, Drainage
2026 (Year 8)	A1A (Golfview Dr to N. County Rd.) Water
2027 (Year 9)	Hidden Harbor and Pelican Lane design
2028 (Year 10)	Hidden Harbor and Pelican Lane WM, resurfacing and inspection
2028 (Year 10)	Hidden Harbor Drive (Ocean Boulevard to west end) Water Main, Road
2028 (Year 10)	Pelican Lane (Ocean Boulevard to west end) Water Main, Road

Priority Color Key:

Tier I- Highest Local Priority
Tier II- Moderate Local Priority
Tier III- Low/Moderate Local Priority

Capital Expenditure 10 Year Plan:

Fiscal Year	General Fund	Water Fund
2019 (Year 1)	\$ 300,178.67	\$ 231,103.95
2020 (Year 2)	\$ 2,165,374.20	\$ 1,540,693.00
2021 (Year 3)	\$ 39,008.00	\$ 10,060.80
2022 (Year 4)	\$ 551,020.80	\$ 70,400.00
2023 (Year 5)	\$ 245,600.73	\$ 189,085.05
2024 (Year 6)	\$ 1,768,316.00	\$ 1,260,567.00
2025 (Year 7)	\$ -	\$ 133,125.00
2026 (Year 8)	\$ -	\$ 976,250.00
2027 (Year 9)	\$ 23,244.00	\$ 75,801.00
2028 (Year 10)	\$ 187,975.00	\$ 505,340.00
Fund Total	\$ 5,280,717.40	\$ 4,992,425.80
Total Capital Improvement Plan	\$ 10,273,143.20	

Capital Expenditure Fiscal Years 2019 and 2020 Detail:

Town of Gulf Stream CIP Detail for Fiscal Years 2019 and 2020		Fiscal Year 2019		Fiscal Year 2020	
Project Area Severity	Project Detail	General Fund	Water Fund	General Fund	Water Fund
	North Core Area design and permitting	\$ 300,179	\$ 231,104		
	North Core Area reconstruction and inspection			\$ 2,165,374	\$ 1,540,693
MODERATELY EXCESSIVE DEFECTS	Bermuda Lane (Sea Road to south end) Water Main, Road, Drainage			\$ 103,092	\$ 79,860
MODERATE DEFECTS	Gulf Stream Road (Sea Road to Banyan Road) Water Main, Road, Drainage			\$385,741	\$ 273,242
MODERATE DEFECTS	Old School Road (Gulfstream Road to cul-de-sac) Water Main, Road, Drainage			\$ 273,631	\$ 193,828
MODERATE DEFECTS	Oleander Way (Banyan Rd to north end) Water Main, Road, Drainage			\$ 40,550	\$ 28,724
MINIMAL DEFECTS	Polo Drive (Old School Road to Banyan Road) Water Main, Road, Drainage			\$ 160,839	\$ 113,932
MINIMAL DEFECTS	Wright Way (Old School Road to cul-de-sac) Water Main, Road, Drainage			\$ 127,444	\$ 90,276
MINIMAL DEFECTS	Sea Road (Ocean Boulevard to Gulfstream Road) Water Main, Road, Drainage			\$ 172,084	\$ 121,897
MINIMAL DEFECTS	North County Road (Ocean Boulevard to Sea Road) Water Main, Road, Drainage			\$ 418,454	\$ 296,415
MINIMAL DEFECTS	Banyan Road (Ocean Boulevard to cul-de-sac) Water Main, Road, Drainage			\$ 483,539	\$ 342,519

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. The Town Manager ensures 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 Financial Director. 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. 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. In Fiscal Year 2017, the town manager of almost 20 years retired and the reigns of the town were turned over to a new town manager who has heralded a new era for the town during this time of transitioning away from the focus on litigation and returning to the business of managing a municipality.

Office of the Town Manager Continued:

As the Financial Director 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 Chief Financial Officer that also fills the function of a building 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 CFO also manages the customer service responsibilities for the town. This position serves as the primary building permit application 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 Chief Financial Officer also serves as the town's website webmaster, posting updated information regarding the town and serves as the information technology and human resources supervisor.

The administrative staff has grown by one full time employee serving as the town hall's receptionist during Fiscal Year 2018. 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, filing 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 Office includes an Executive Administrative Assistant position. 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 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) - **accomplished**
- ◇ Continue to digitalize the Town's public records- **accomplished**
- ◇ Continue education, training and certifications for administrative staff- **accomplished**
- ◇ Continue to complete the Utility Undergrounding Project- **accomplished**

Fiscal Year 2018-2019 Accomplishment Goals

- ◇ Settle and conclude the final lawsuits
- ◇ Begin the first phase of the Capital Improvement Plan by securing by bid process a contractor for the design of the improvements to the North Core District area.
- ◇ Conduct a successful bid selection process for the town's waste hauling contract
- ◇ Renovate and repair the town's guard house at the entrance of Place Au Soleil.
- ◇ Conduct a personnel and compensation study to ensure the town remains competitive with our sister municipalities
- ◇ Begin the town's new Cross Contamination Control Program to ensure the quality of water dispersed by the town's water distribution system
- ◇ Update the town's personnel handbook to be in compliance with all federal state and local employment laws
- ◇ Continue to improve the Town's public record repository online, ensuring that documents meet Federal ADA compliance

Fiscal Year 2019-2020 Accomplishment Goals

- ◇ Update the Town's technology infrastructure
- ◇ Begin construction of the first phase of the CIP, North Core District infrastructure
- ◇ Implement recommendations from the personnel study with the approval of the Town Commission
- ◇ Begin design process for improving audio visual configuration in the Commission Chambers for better public access

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	Fiscal Year 2018-2019
Town Record Digitalization	60%	80%	95%	99%	99%	Generate new records in digital repository
Resolved Legal Lawsuits	0	4	40	26	6	5
Public Record Requests Answered	1353	574	200	260	58	Continue to respond to any new requests
Occupational Registrations	1,327	652	700	471	1016	1000



Department Long Term Goals:

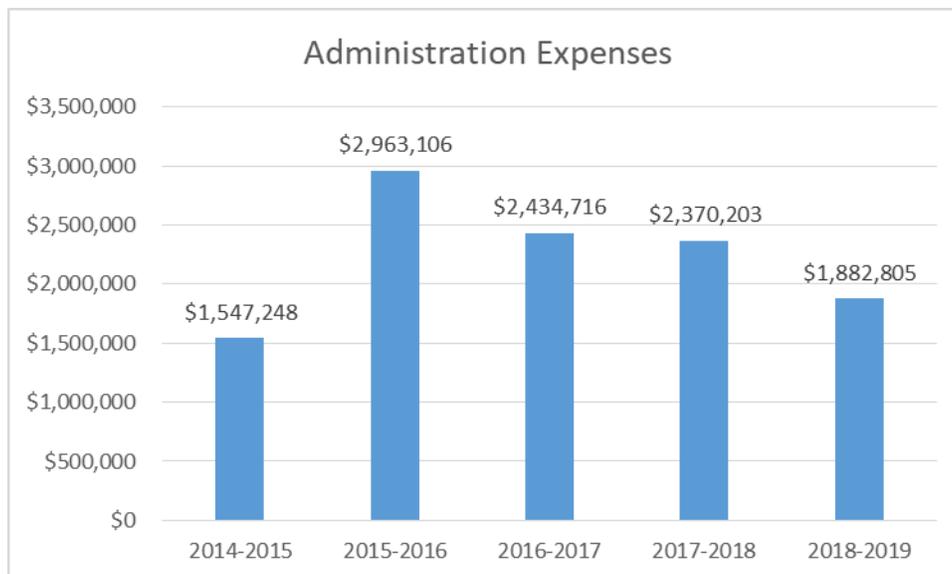
- Implement 10 Year Capital Improvement Plan

Department Short Term Goals for Fiscal Year 2018-2019:

- Resolve all pending legal issues
- Begin the planning and design for Phase I—North Core District CIP projects
- Continue to enforce the Town’s Occupational Registration Program to ensure residents use qualified, legitimate contractors
- Complete a comprehensive personnel and pay scale study

Administration and Finance:

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Executive Salaries	\$131,308	\$137,083	\$139,973	\$108,151	\$111,395
Regular Salaries - Admin	\$226,908	\$285,879	\$276,929	\$310,951	\$342,431
Contingency - Miscellaneous	\$0	\$562,423	\$338,602	\$305,930	\$508,502
Overtime- Admin	\$9,382	\$3,889	\$6,917	\$5,297	\$5,000
FICA Taxes	\$21,422	\$30,998	\$30,128	\$34,356	\$37,152
Retirement Contributions	\$64,407	\$73,780	\$74,207	\$76,358	\$84,159
Life and Health Insurance	\$58,179	\$60,567	\$40,452	\$93,117	\$97,666
Legal Services-Planning Board	\$0	\$5,500	\$5,500	\$5,000	\$5,000
Engineering Fees	\$20,766	\$3,304	\$330	\$1,000	\$0
Misc. Prof Svcs.- Building Inspections	\$0	\$480,798	\$496,134	\$350,000	\$300,000
Misc Prof Svcs - TH	\$68,797	\$100,000	\$129,000	\$115,000	\$33,000
Accounting and Auditing Fees	\$11,584	\$17,909	\$15,555	\$15,500	\$15,500
Property Trash Removal/ Mowing	\$2,133	\$2,406	\$1,910	\$2,500	\$3,000
Travel and Per Diem - TH	\$2,518	\$3,564	\$3,154	\$5,500	\$5,500
Communication - TH	\$8,993	\$11,500	\$11,500	\$11,500	\$11,500
Postage	\$2,461	\$4,500	\$4,500	\$4,500	\$3,500
Electric - TH	\$7,326	\$8,755	\$9,000	\$9,000	\$8,000
Water	\$22,816	\$24,885	\$23,600	\$20,000	\$17,500
Rental and Lease Expense	\$8,831	\$9,207	\$8,400	\$8,400	\$5,000
Insurance - Liab/Prop/WC	\$63,806	\$96,720	\$90,000	\$123,000	\$133,000
Insurance - Property	\$0	\$0	\$5,491	\$6,000	\$6,000
Building Maintenance - TH	\$19,111	\$26,182	\$11,890	\$15,000	\$14,000
Lawn Maintenance	\$12,038	\$16,000	\$16,000	\$17,047	\$15,000
Bird Sanctuary Maintenance	\$0	\$0	\$0	\$5,000	\$2,000
Office Eq/Supp/Computer - TH	\$26,978	\$36,582	\$28,930	\$36,773	\$50,000
Printing and Binding - TH	\$10,637	\$18,043	\$8,550	\$6,500	\$7,000
Legal Advertisement & Other	\$4,008	\$5,000	\$5,000	\$5,000	\$4,000
Contra for W/F Mgmt Fees	(\$75,000)	(\$90,000)	(\$90,000)	(\$90,000)	(\$90,000)
Misc. Other - TH	\$102	\$12,000	\$12,000	\$0	\$0
Office Supplies	\$2,072	\$2,500	\$2,500	\$2,500	\$2,500
Books, Membership, Training - TH	\$9,203	\$8,885	\$8,953	\$11,500	\$11,500
Contributions & Special Events	\$0	\$1,500	\$1,500	\$1,500	\$1,500
Capital Outlay - TH	\$0	\$110,000	\$135,000	\$348,323	\$132,500



General Administration:

The Town makes every effort to preserve the “hometown” feel for the residents, and that includes preserving the familiarity of the staff for the residents. After a few tumultuous years that brought about several key personnel changes for the administration, the Town has once again established a static administration to provide stability and continuity for the residents. With change comes the opportunity to reassess the operations and the direction of the administration. The new administration has approached the operations of the Town with renewed vigor and fresh ideas to make living in Gulf Stream even more comfortable for the residents.

Staffing Statistics:

	F/Y 13-14	F/Y 14-15	F/Y 15-16	F/Y 16-17	F/Y 17-18	F/Y 18-19	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
Chief Financial Officer	1	1	1	1	1	1	No Change
Receptionist	0	0	0	0	1	1	No Change

<u>Administration:</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>	<u>FY 2018-2019</u>
Town Manager	126,868	131,300	135,896	139,973	108,150	111,395
Town Clerk	98,559	102,009	105,579	108,746	109,275	127,825
Chief Financial Officer	47,200	49,200	53,100	61,000	65,830	74,585
Executive Administrative Assistant	52,500	54,075	58,100	45,000	52,628	54,206
Receptionist	0	0	0	0	29,120	34,279
Sick Leave	10,000	10,000	10,000	10,000	10,000	10,000
Bonus	0	29,100	29,000	29,100	44,100	41,100
Overtime	0	30,000	30,000	30,000	30,000	5,000
Total Administration	335,127	405,684	421,775	423,819	449,103	458,390

Legal Department:

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. The Town Commission did authorize and hire a staff attorney during Fiscal Year 2016-2017. Coordinated by the staff attorney, the various contacted law firms for the Town have began to turn the tide of public record 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 still have five lawsuits unresolved, all have been decided and settlements are being negotiated at the beginning of Fiscal Year 2018-2019. 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. The staff attorney has now been able to also fulfilling other legal duties for the Town such as penning ordinances, resolutions and overseeing new bids, contracts and agreements, as well as advising the staff in other legal matters that may arise.

Staffing Statistics:

Fiscal Budget Year	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Status
Staff Attorney	0	0	0	0	1	No Change

Legal Department Budget:

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Regular Salaries - Legal	\$0	\$0	\$90,651	\$98,096	\$106,632
FICA Taxes - Legal	\$0	\$0	\$6,925	\$7,505	\$8,157
Retirement Contributions - Legal	\$0	\$0	\$12,165	\$20,236	\$21,889
Life and Health Insurance - Legal	\$0	\$0	\$15,984	\$18,623	\$19,533
Contracted Legal Services	\$806,462	\$892,747	\$583,111	\$400,000	\$550,000
Travel and Per Diem-Legal	\$0	\$0	\$1,052	\$1,000	\$1,000
Communication - Legal	\$0	\$0	\$720	\$750	\$650
Postage- Legal	\$0	\$0	\$500	\$500	\$500
Printing and Binding - Legal	\$0	\$0	\$500	\$500	\$500
Office Supplies - Legal	\$0	\$0	\$500	\$500	\$500
Books, Membership, Training - Legal	\$0	\$0	\$4,486	\$6,029	\$7,500
Total	\$0	\$0	\$133,483	\$153,739	\$716,861

Fiscal Year 2017-2018 Goals:

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

Fiscal Year 2018-2019 Goals

- ◇ Resolve pending legal issues
- ◇ Write a Town Ordinance for Procurement Procedures
- ◇ Oversee the RFP (Request for Proposal Process for a new waste removal contract
- ◇ Oversee the RFP for the Phase I CIP design project

Fiscal Year 2019-2020 Goals

- ◇ Begin process of evaluating and updating Town’s Code
- ◇ Oversee the RFP (Request for Proposal Process for any necessary bids
- ◇ Oversee the RFP for the construction of Phase I CIP project

Solid Waste Cost Center:

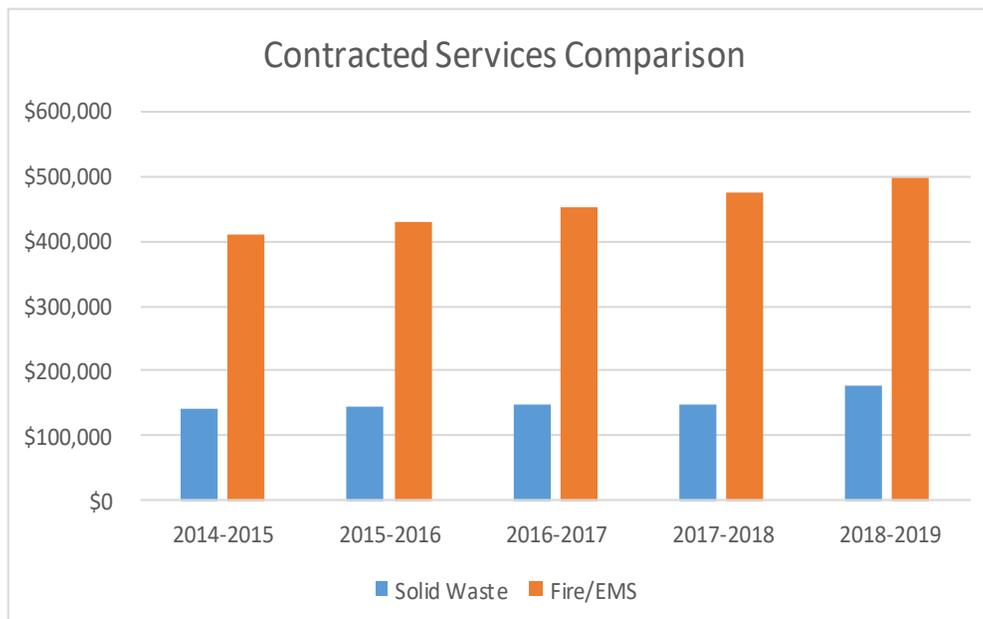
The Town of Gulf Stream has historically contracted out its waste management collection. The current contract, expired at the end of Fiscal Year 2017-2018 is to provide twice weekly backdoor household refuse collection, once weekly recycling collection and once weekly bulky pick up for oversized, non-hazardous material items, has been extended for six months into Fiscal Year 2018-2019 to ensure service during contract negotiations. There are no personnel expense items for this “department” as it is a self-contained contracted service.

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Garbage Contract Services	\$140,000	\$142,000	\$148,000	\$141,200	\$167,600
Misc. Trash Disposal	\$1,000	\$1,000	\$1,000	\$7,800	\$7,800
Total	\$141,000	\$143,000	\$149,000	\$149,000	\$175,400

Fire Control and EMS 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.

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Fire Control Contract Services	\$409,014	\$429,464	\$450,938	\$473,500	\$498,000
Misc. Repair and Maintenance	\$999	\$1,000	\$999	\$1,000	\$1,000
Total:	\$410,013	\$430,464	\$451,937	\$474,500	\$499,000



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 past few fiscal years. However, things settled down tremendously during Fiscal Year 2017-2018 and the police force enjoyed a fully staffed department for the first time in a long time. 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.



Police Department Accomplishments:

Fiscal Year 2017-2018 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 2018-2019 Goals

- ◇ Maintain existing low crime rate
- ◇ Expand offsite training
- ◇ Continue to train for emergency and terror preparedness
- ◇ Implement and utilize disaster notification system, CodeRED
- ◇ Regulate commercial vehicles throughout the town
- ◇ Update the Police Handbook and Procedure Manual

Fiscal Year 2019-2020 Goals

- ◇ Implement recommendations from the personnel study
- ◇ Continue training of officers to respond in emergency and terror situations

Town of Gulf Stream Police Department

Benchmark Data:

Activity	Fiscal Year 14-15	Fiscal Year 15-16	Fiscal Year 16-17	Fiscal Year 17-18	Fiscal Year 18-19 Goals
Alarms	139	186	204	195	45
Police Service	105	129	145	122	25
Traffic Contacts	671	678	1011	1235	335
Town Ordinance Violation	170	208	269	355	119
Suspicious Incident	23	32	40	42	7
Total Count	1108	1233	1669	1949	531

Police Department:

Staffing Level History:

	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	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.

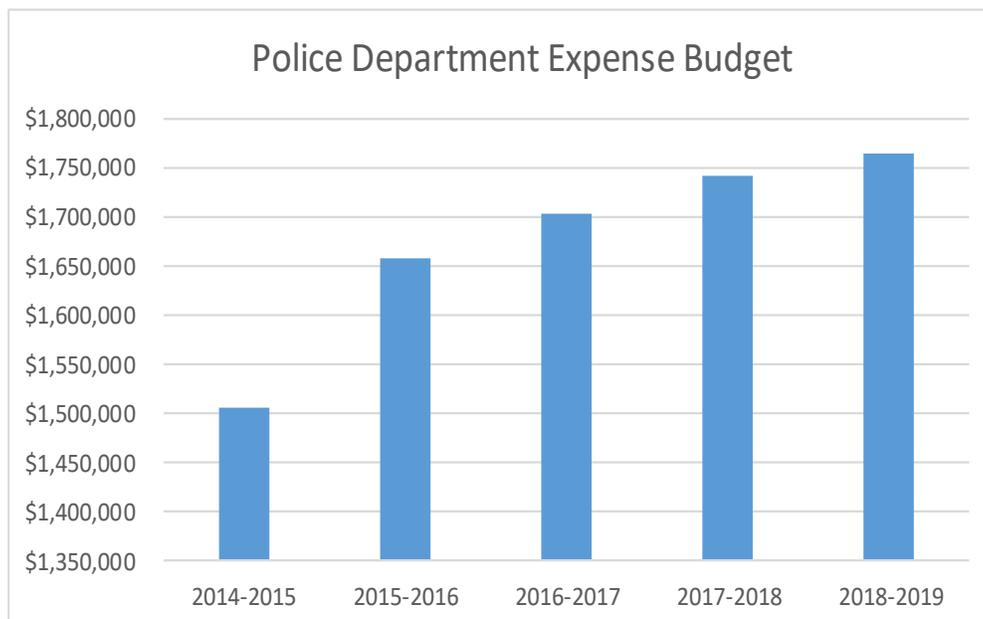
*No part time as of 15/16 fiscal year.

	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	Fiscal Year 2017-2018	Fiscal Year 2018-2019
Chief	119,767	109,445	123,959	112,685	116,629	120,953
Lieutenant	96,095	89,219	99,458	102,856	106,455	110,182
Sergeant (2)	171,053	160,455	90,792	137,823	142,316	155,410
Patrol Officers	419,595	398,736	540,121	449,011	463,131	516,034
Part Time	24,000	24,000	0	0	0	0
Bonus	0	0	45,000	45,000	45,000	49,000
Overtime	9,000	9,000	15,000	15,000	15,000	15,000
Sick Leave	20,000	20,000	35,000	35,000	35,000	35,000
Total Police	859,510	\$810,855	\$829,998	\$897,375	\$923,353	1,001,579



POLICE DEPARTMENT EXPENDITURES:

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Executive Salaries	\$0	\$0	\$43,341	\$116,630	\$135,881
Regular Salaries - Police Offi	\$851,140	\$922,031	\$924,407	\$847,138	\$859,132
Overtime - Police	\$11,241	\$15,000	\$40,000	\$15,000	\$15,000
Incentive Pay	\$6,720	\$8,257	\$10,131	\$12,028	\$11,880
FICA Taxes	\$66,695	\$72,188	\$78,113	\$74,900	\$76,620
Retirement Contributions	\$171,299	\$180,860	\$193,736	\$184,935	\$188,818
Life and Health Insurance	\$0	\$0	\$0	\$0	\$0
Life and Health Insurance	\$155,064	\$161,200	\$161,388	\$223,305	\$235,658
Workers' Compensation	\$0	\$0	\$0	\$0	\$0
Unemployment Compensation	\$0	\$0	\$0	\$0	\$0
Legal Services - PD	\$0	\$500	\$500	\$500	\$500
Misc Prof Svcs - PD	\$2,441	\$930	\$2,591	\$1,000	\$1,000
Dispatch Service Contract	\$58,200	\$59,303	\$60,500	\$65,000	\$57,000
Travel and Per Diem - PD	\$500	\$500	\$500	\$2,000	\$2,000
Communication - PD	\$5,500	\$4,000	\$4,000	\$3,500	\$3,000
Electric - PD	\$3,500	\$3,500	\$4,000	\$3,000	\$2,500
Water-PD	\$0	\$0	\$0	\$0	\$1,000
Rental and Lease Expense-PD	\$0	\$0	\$0	\$315	\$2,500
Building Maintenance - PD	\$2,615	\$4,145	\$3,210	\$6,402	\$4,000
Vehicle Maintenance	\$7,500	\$8,012	\$7,500	\$22,222	\$12,325
Office Eq/Supp/Computer - PD	\$4,500	\$5,008	\$4,500	\$12,980	\$8,000
Printing and Binding - PD	\$773	\$642	\$500	\$600	\$800
Legal Advertisement & Other	\$0	\$0	\$0	\$0	\$0
Uniform Cleaning	\$3,300	\$3,300	\$3,300	\$3,300	\$2,000
Office Supplies	\$0	\$0	\$0	\$0	\$2,500
Fuel	\$55,000	\$55,000	\$55,000	\$55,000	\$45,000
Uniforms & Equipment	\$7,350	\$13,277	\$6,500	\$6,500	\$4,000
Books, Memberships, Training - PD	\$2,300	\$2,300	\$2,300	\$5,566	\$7,000
Continued Education - CPE	\$0	\$0	\$0	\$0	\$0
Capital Outlay - PD	\$89,070	\$137,405	\$98,000	\$80,767	\$86,000



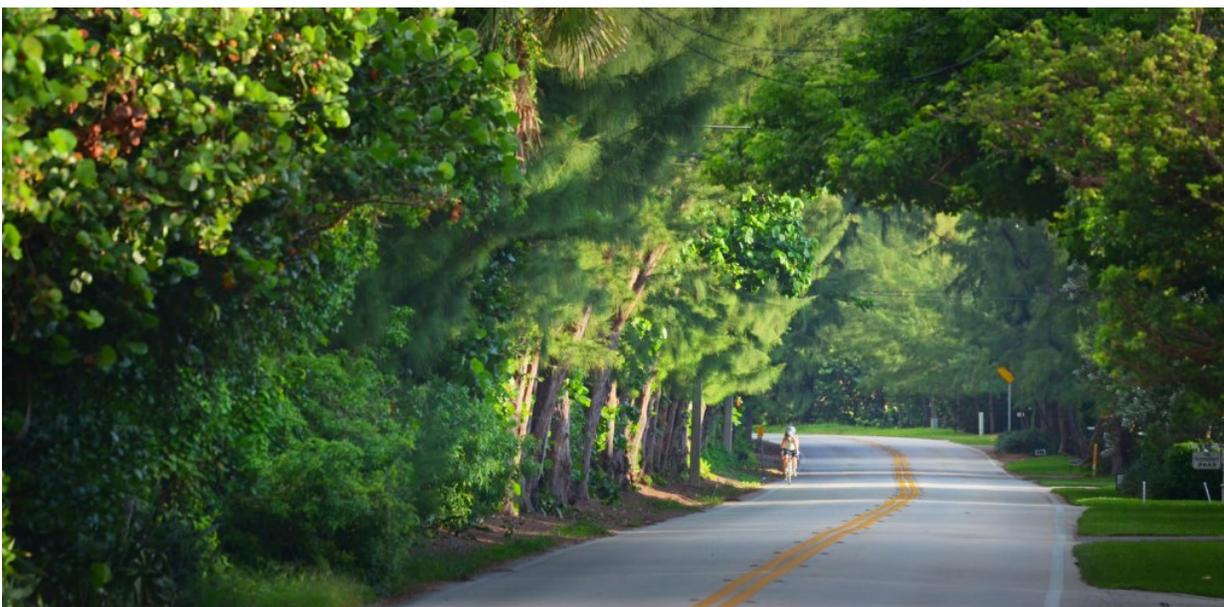
Department of Streets and Building Maintenance:

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 CIP (Capital Improvement Plan) 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.



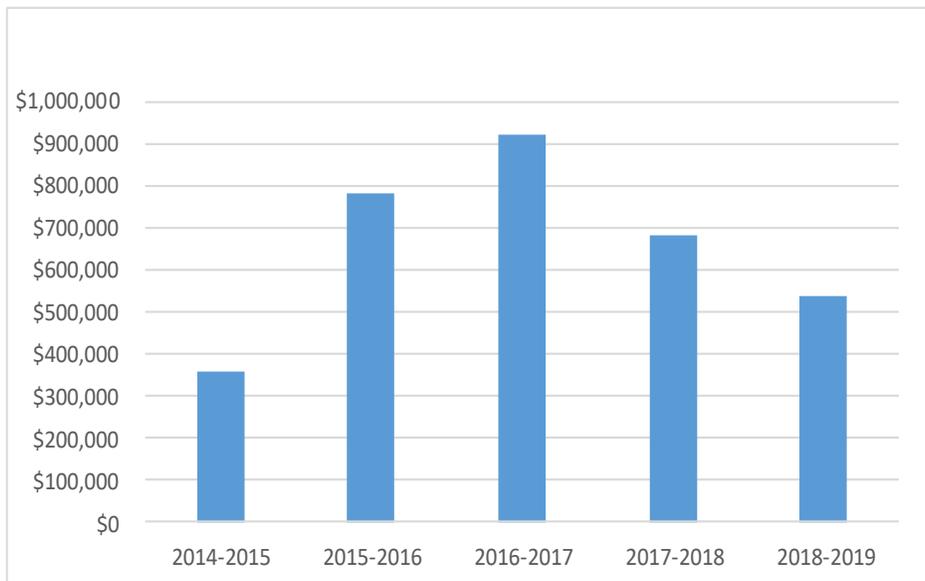
Department of Streets and Building Maintenance:

Staffing Statistics

Position	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	Status
Public Works Superintendent	1	1	1	1	1	No Change

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Regular Salaries - Streets	\$62,138	\$62,724	\$64,551	\$67,082	\$68,073
Overtime - Streets	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
	\$64,138	\$64,724	\$66,551	\$69,082	\$70,073

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Regular Salaries - Streets	\$66,138	\$66,724	\$68,551	\$71,082	\$72,073
Overtime - Streets	\$2,000	\$2,000	\$6,209	\$2,000	\$2,000
FICA Taxes	\$4,690	\$5,538	\$5,720	\$5,542	\$5,667
Retirement Contributions	\$13,071	\$12,845	\$13,344	\$13,759	\$14,241
Life and Health Insurance	\$15,630	\$16,612	\$16,812	\$18,644	\$19,533
Misc Prof Svcs - Streets	\$0	\$0	\$0	\$50,000	\$36,000
Communication - Streets	\$500	\$500	\$500	\$500	\$500
Electric - Streets	\$16,146	\$15,425	\$17,812	\$17,281	\$16,000
Rental and Lease Expense	\$400	\$400	\$400	\$400	\$400
Vehicle Maintenance- Streets	\$0	\$0	\$0	\$5,000	\$3,000
Misc. Repair and Maintenance	\$24,999	\$36,150	\$36,150	\$33,000	\$20,000
Misc. Other - NPDES	\$7,500	\$7,500	\$7,500	\$7,500	\$9,000
Water Fund Labor Fees	\$0	\$0	\$0	\$0	\$0
Operating Supplies	\$551	\$414	\$1,213	\$3,531	\$1,600
Uniforms & Equipment	\$1,093	\$693	\$593	\$1,092	\$650
Road Materials and Supplies	\$1,554	\$1,200	\$1,200	\$1,200	\$1,200
Capital Outlay - Streets	\$202,900	\$608,617	\$745,517	\$448,710	\$335,179



Street and Building Maintenance

Department Accomplishments:

Fiscal Year 2017-2018 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**
- ◇ Installation of stormwater outfall on Polo Dr.- **accomplished**

Fiscal Year 2018-2019 Goals

- ◇ Continued upkeep and maintenance of Town of Gulf Stream properties and assets- **in progress**
- ◇ Oversee the completion of Phase II of the Undergrounding Utility Project- **in progress**
- ◇ Act as the Town Project Supervisor during the new street lighting installation project- **in progress**
- ◇ Participate in the bid process for the first phase of the CIP, the North Core District design
- ◇ Oversee the reconstruction/repair of the Place Au Soleil Guard House- **in progress**

Fiscal Year 2019-2020 Goals

- ◇ Implement the first phase of construction for the CIP

Performance Measurements

	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	Proposed Goal FY 2019-2020
EPA/NPDES Annual Review	Pass	Pass	Pass	Pass	Pass



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 2014-2015	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	Proposed Goal FY 2019-2020
Meter Change Outs	6	6	12	10	200	200
Daily Water Chlorine Tests	365	365	260	260	260	260
Bacterial and Microbial Sampling	12	12	12	12	12	12
Annual CCCP (Cross Contamination Control Program) Backflow Preventer compliance test	0	0	0	0	99	99



Utility Department Accomplishments:

Fiscal Year 2017-2018 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 2018-2019 Goals

- ◇ Accurate maintenance of all water related reports and records
- ◇ Update, repair and replace water meters and valves as needed
- ◇ Installation of backflow preventers
- ◇ Implement the new CCCP (Cross Contamination Control Program)- **in progress**
- ◇ Contribute and assist with the design of the first phase, North Core District, CIP projects
- ◇ Secure bids on installation of smart meters
- ◇ Begin installation of smart meters throughout the town

Fiscal Year 2019-2020 Goals

- ◇ Continue the water sampling program
- ◇ Continue the CCCP (Cross Contamination Control Program)
- ◇ Contribute and assist with the implementation of the first phase, North Core District, CIP installation
- ◇ Complete installation of smart meters through out the town



Capital Expenditure Enterprise Utility Fund Impact:

The Enterprise Utility Fund’s capital purchases budgeted for Fiscal Year 2018-2019 is the purchase and conversion to Radio Read Water Meters, commonly known as “Smart Meters” for all of the water meters in the Town. Tied to the new Capital Improvement Plan, also known as the CIP, the Town Commission ordered a study from an engineering consulting group that looked at the Town’s infrastructure, and particularly the water infrastructure, and as a result of that study water infrastructure replacement has moved to the top of the Commission’s priority list. While the Town is fortunate to have an operational system at the moment, the water distribution system is very old in parts and in need of upgrades to continue to ensure adequate service without interruptions to the residents. As the CIP is designed to be a dynamic plan to be implemented over the next ten years, it is understood that projects may be interchanged depending on situational and emergency need.

Town of Gulf Stream CIP Detail for Fiscal Years 2019 and 2020		Fiscal Year 2019 (Year 1)	Fiscal Year 2020 (Year 2)
Project Area Severity	Project Detail	Water Fund	Water Fund
	North Core Area design and permitting	\$ 231,104	
	North Core Area reconstruction and inspection		\$ 1,540,693
MODERATELY EXCESSIVE DEFECTS	Bermuda Lane (Sea Road to south end) Water Main		\$ 79,860
MODERATE DEFECTS	Gulf Stream Road (Sea Road to Banyan Road) Water Main		\$ 273,242
MODERATE DEFECTS	Old School Road (Gulfstream Road to cul-de-sac) Water Main		\$ 193,828
MODERATE DEFECTS	Oleander Way (Banyan Rd to north end) Water Main		\$ 28,724
MINIMAL DEFECTS	Polo Drive (Old School Road to Banyan Road) Water Main		\$ 113,932
MINIMAL DEFECTS	Wright Way (Old School Road to cul-de-sac) Water Main		\$ 90,276
MINIMAL DEFECTS	Sea Road (Ocean Boulevard to Gulfstream Road) Water Main		\$ 121,897
MINIMAL DEFECTS	North County Road (Ocean Boulevard to Sea Road) Water Main		\$ 296,415
MINIMAL DEFECTS	Banyan Road (Ocean Boulevard to cul-de-sac) Water Main		\$ 342,519

As referenced by the chart above, water main replacement will dominate the future of the Enterprise Fund capital projects for the foreseeable future. Also, note that some projects are listed as “minimal defects” and “moderate defects”. These classifications were designed to assist the Town Commission in prioritizing which Capital Improvement projects to consider as most dire in need of repair or replacement. The current infrastructure’s state is described by the Project Area Severity classification. Meaning, that while it is either opinion that the infrastructure could be replaced at this time or in the near future to realize any cost savings by being close to an area that needed repairs more drastically, the defects in the current system are minimal and could be deferred if cost or time were a factor in the Commission’s decision process. As good stewards of the public’s funds and trust, the Town Staff and the Commission want to approach any capital repairs and replacement with need balanced by interruption to the residents’ daily lives and benefit of those repairs would be notable enough to justify the cost, interruption, and burden on the town. As discussions over which projects to move forward begin to take place, the Commission will listen to their constituents to ensure that concerns from the public are heard and given due consideration.

It is the Commission’s desire to also achieve the implementation of the Capital Improvement Plan without the Town assuming any debt. Careful consideration was given to creating a plan that could be accomplished without securing a loan, necessitating another special assessment, nor raising the millage rate. It did become apparent that midway through the ten year plan, that the general fund would need to supplement the Enterprise Fund infrastructure costs. The Town Commission decided they were comfortable with this scenario and it was used in future cost projects.

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:

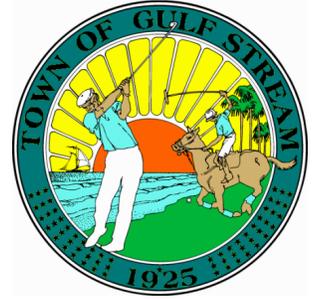
Revenues	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Water Sales	\$945,000	\$1,040,000	\$1,040,000	\$1,040,000	\$1,050,000
Late Fees	\$0	\$0	\$0	\$0	\$0
Reserves Fees	\$66,000	\$132,000	\$132,000	\$135,000	\$135,000
Interest On Investment	\$0	\$0	\$0	\$0	\$8,000
Water Fund Balance Transfer In	\$0	\$0	\$0	\$0	\$16,372
	\$1,011,000	\$1,172,000	\$1,172,000	\$1,175,000	\$1,209,372

Expenses	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Regular Salaries - Water	\$46,989	\$49,399	\$50,068	\$50,712	\$51,386
Overtime - Water	\$32	\$457	\$2,888	\$5,000	\$5,000
FICA Taxes	\$3,356	\$3,457	\$4,052	\$3,898	\$4,313
Retirement Contributions	\$9,181	\$9,819	\$9,775	\$10,031	\$10,331
Life and Health Insurance	\$14,263	\$15,268	\$15,440	\$18,669	\$19,533
GIS/Mapping	\$6,500	\$6,500	\$6,500	\$7,447	\$6,500
Water Sampling & Testing	\$4,140	\$4,140	\$4,140	\$4,000	\$4,000
Repair Services	\$105	\$2,106	\$4,220	\$27,575	\$21,924
General Management Fees	\$75,190	\$90,000	\$90,000	\$90,000	\$90,000
Software Maintenance Contract	\$17,284	\$14,621	\$11,726	\$8,227	\$8,500
Miscellaneous Services	\$100	\$138	\$0	\$0	\$100
Communication	\$500	\$500	\$500	\$500	\$500
Postage	\$1,928	\$1,000	\$1,000	\$1,048	\$1,000
Water Purchased - Commodity	\$620,000	\$640,272	\$640,272	\$640,000	\$640,000
Water - Capacity	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Water Purchased-Meter Charge	\$1,363	\$110	\$110	\$110	\$110
Electric - Chlorinator	\$500	\$500	\$550	\$550	\$550
Rental and Lease Expense	\$485	\$0	\$0	\$0	\$400
Insurance - General Liability	\$14,790	\$0	\$15,333	\$15,000	\$15,000
Insurance - Property	\$4,826	\$0	\$0	\$0	\$0
Vehicle Maintenance- Water	\$0	\$0	\$0	\$0	\$2,000
Printing and Binding	\$107	\$99	\$360	\$150	\$150
Provision for Bad Debt	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Payment In Lieu of Taxes	\$39,700	\$39,700	\$39,700	\$39,700	\$29,700
Contra for W/F Mgmt Fees	\$0	\$0	\$0	\$0	\$0
Misc. Operating Supplies	\$5,000	\$9,307	\$14,775	\$5,000	\$6,000
General Office Supplies	\$0	\$1,033	\$0	\$500	\$500
Uniforms & Equipment	\$95	\$693	\$303	\$360	\$300
Books, Membership, Training-Water	\$0	\$0	\$190	\$400	\$1,471
Depreciation Expense	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Renewal & Replacement Expense	\$34,566	\$46,918	\$18,982	\$15,000	\$15,000
Capital Outlay- Water	\$0	\$76,977	\$35,000	\$187,123	\$231,104
	\$945,000	\$1,057,014	\$1,009,884	\$1,175,000	\$1,209,372

Department of Utility Maintenance Staffing Statistics:

Position	F/Y 13-14	F/Y 14-15	F/Y 15-16	F/Y 16-17	F/Y 17-18	F/Y 18-19
Maintenance Worker	1	1	1	1	1	No Change

Water Utility Fund Goals:



Fiscal Year 2015-2016 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 2016-2017 Goals

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

Fiscal Year 2017-2018 Goals

- ◇ Accurate maintenance of all water related reports and records- **accomplished**
- ◇ Update, repair and replace water meters and valves as needed- **accomplished**
- ◇ Updated and adopted new CCCP (Cross Contamination Control Program)- **accomplished**
- ◇ Decision to proceed with “smart meter” installation- **deferred action**

Fiscal Year 2018-2019 Goals

- ◇ Accurate maintenance of all water related reports and records-
- ◇ Update, repair and replace water meters and valves as needed-
- ◇ Implementation of new CCCP (Cross Contamination Control Program)-
- ◇ Proceed with the installation of smart meters for half of the town’s water meters
- ◇ Secure bid for the design of the first phase of the CIP

Fiscal Year 2019-2020 Goals

- ◇ Accurate maintenance of all water related reports and records-
- ◇ Continued implementation of the CCCP (Cross Contamination Control Program)
- ◇ Proceed with the installation of smart meters for half of the town’s water meters
- ◇ Secure bid for the construction of the first phase of the CIP North Core District)

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 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 2018-2019.

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 primarily completed 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).



After many delays, the Undergrounding Project should be complete during Fiscal Year 2018-2019. Conversion to the underground lines for electric was almost 100% complete by the end of Fiscal Year 2017-2018. Comcast Cable had already begun their installation during Fiscal Year 2017-2018 and is anticipated to be completed during the first half of Fiscal Year 2018-2019. Due to industry union rules, AT&T cannot perform either work or begin their installation process until Comcast is complete with their part of the undergrounding process. It is anticipated that AT&T will begin their work as soon as Comcast is finished. Though not in the Town's power to set a timeline or deadline for the public utilities such as Comcast and AT&T, after many project coordination meetings with representatives from both corporations, it is anticipated that all services will be underground by the end of Fiscal Year 2018-2019. The last item for the project will be the removal of the old poles, which will be completed by FPL once both telecommunication companies have completed their portions of the work.

The Town Administration continues to work closely with all parties to ensure that the project is completed and the benefits to underground utilities are finally realized for the residents of Gulf Stream.

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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.

