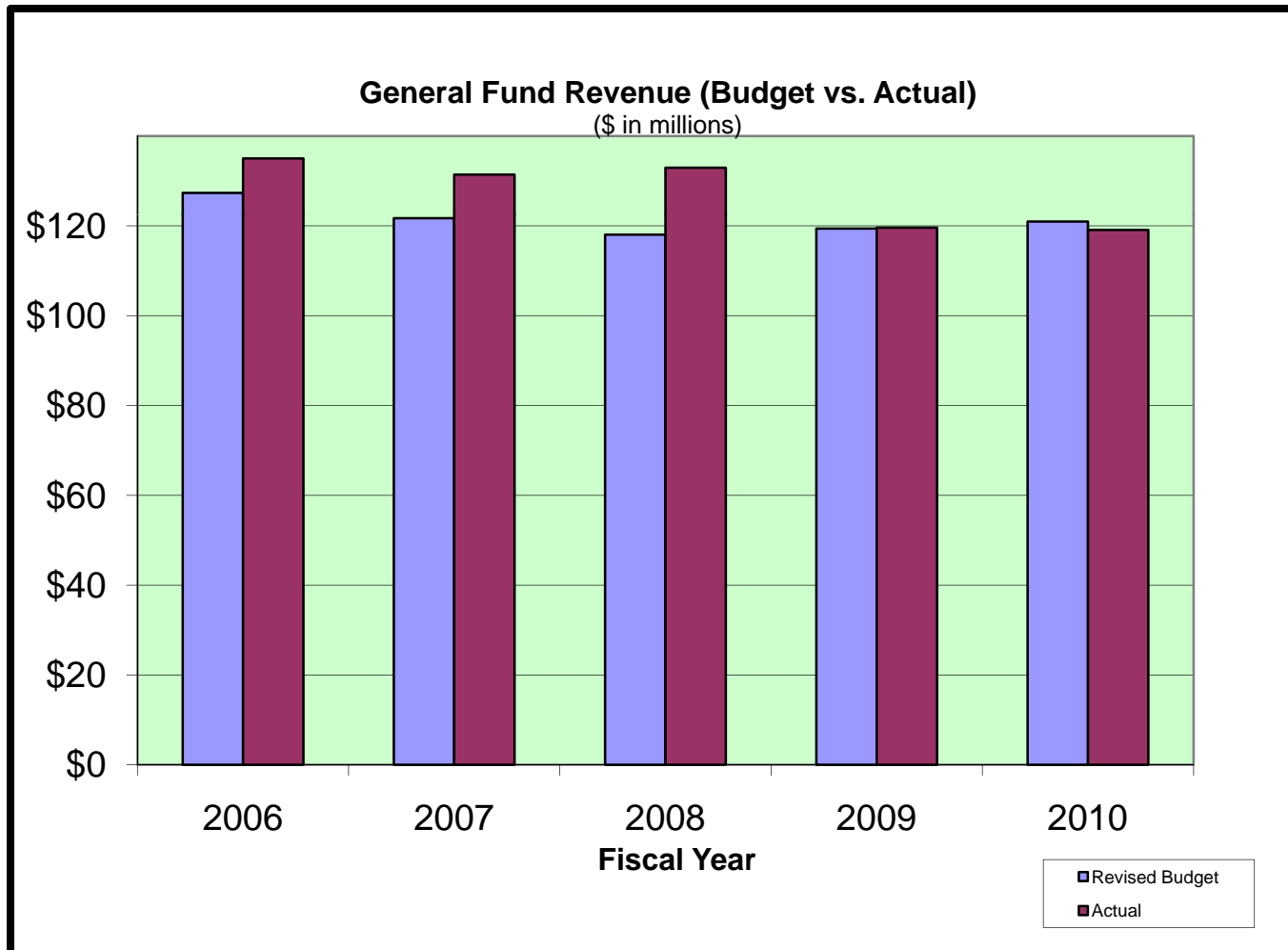


Long Range Financial Plan

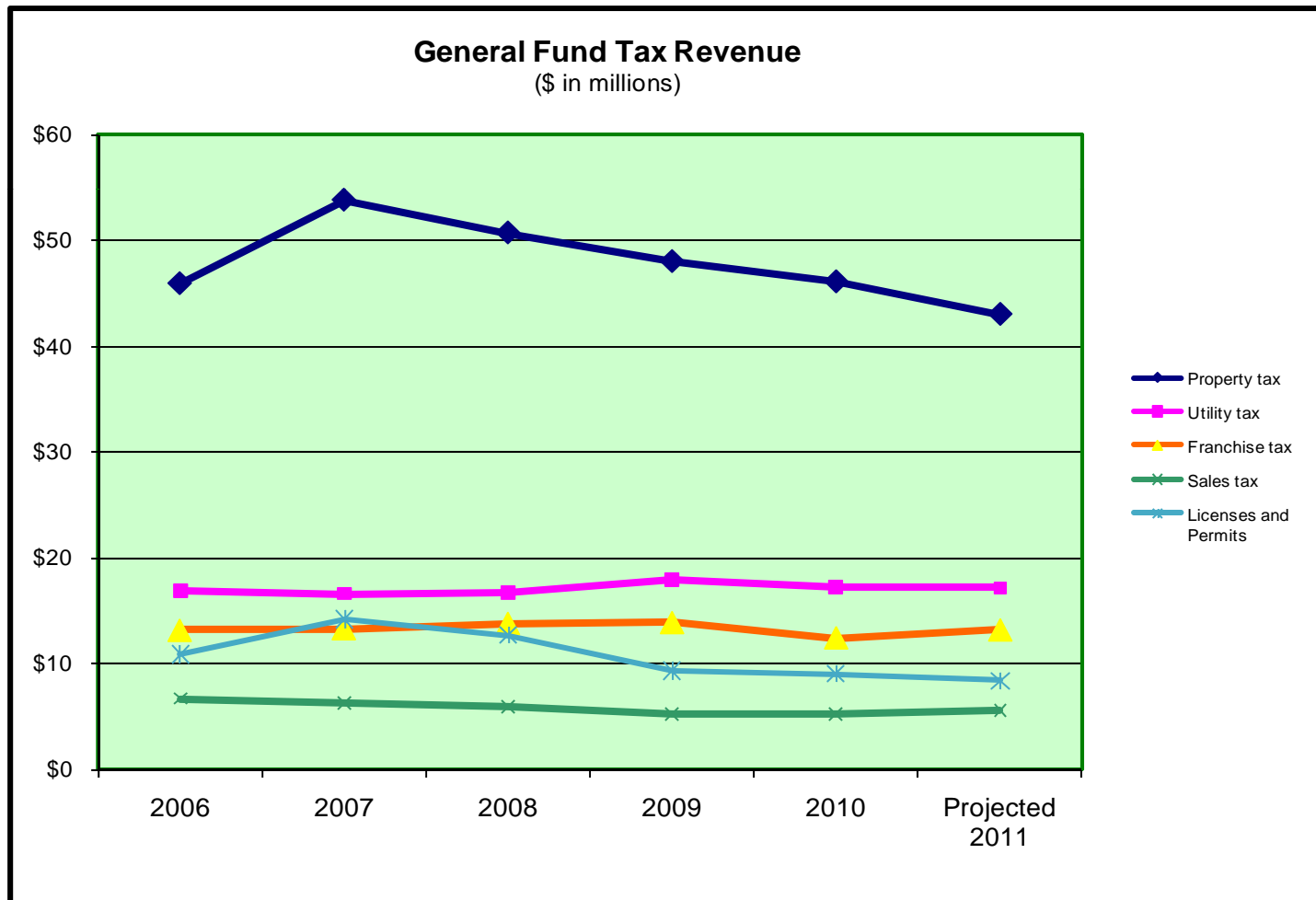


April 2011

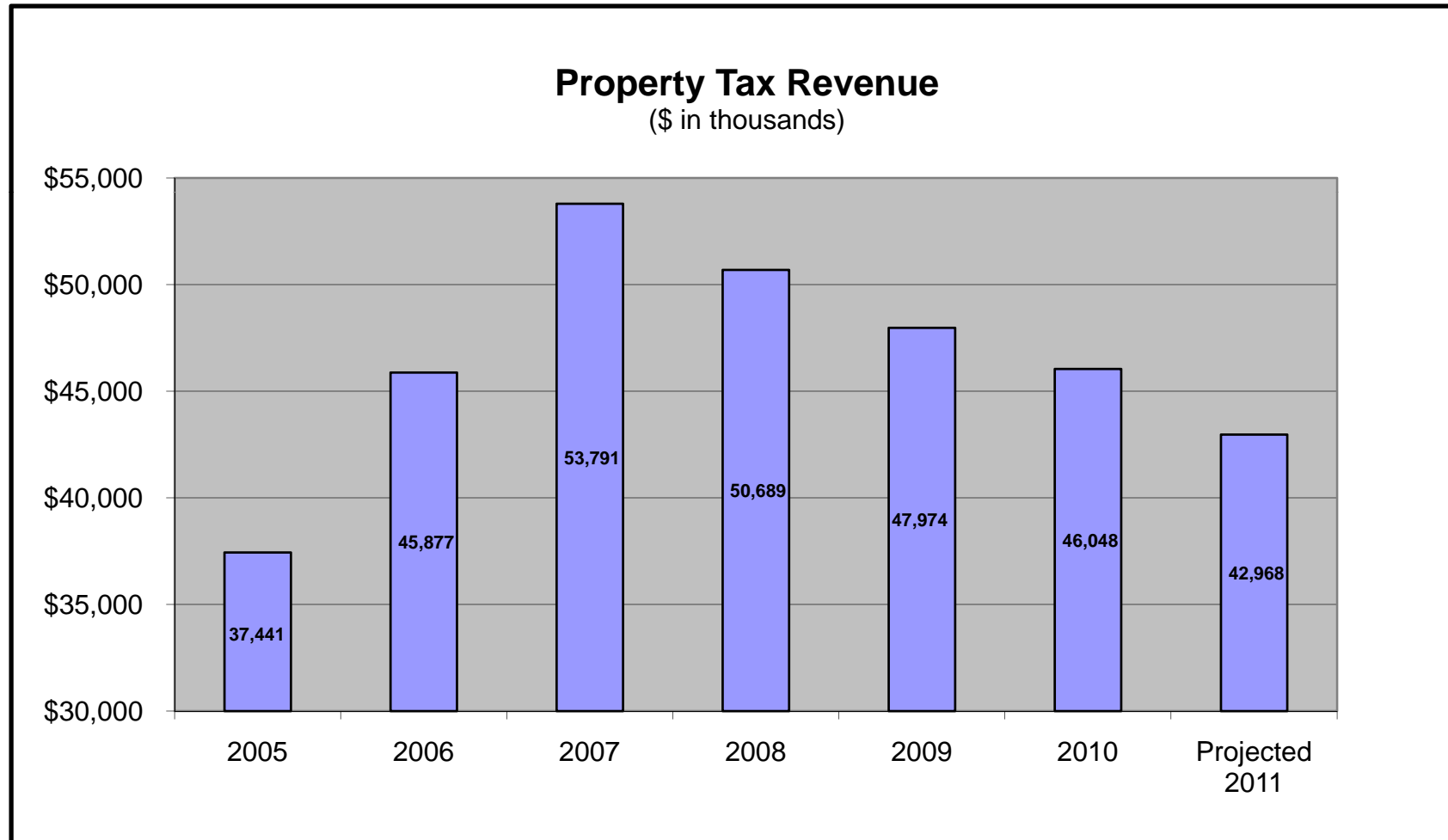
General Fund Revenue (Budget vs. Actual)



Revenue History



Property Tax Revenue

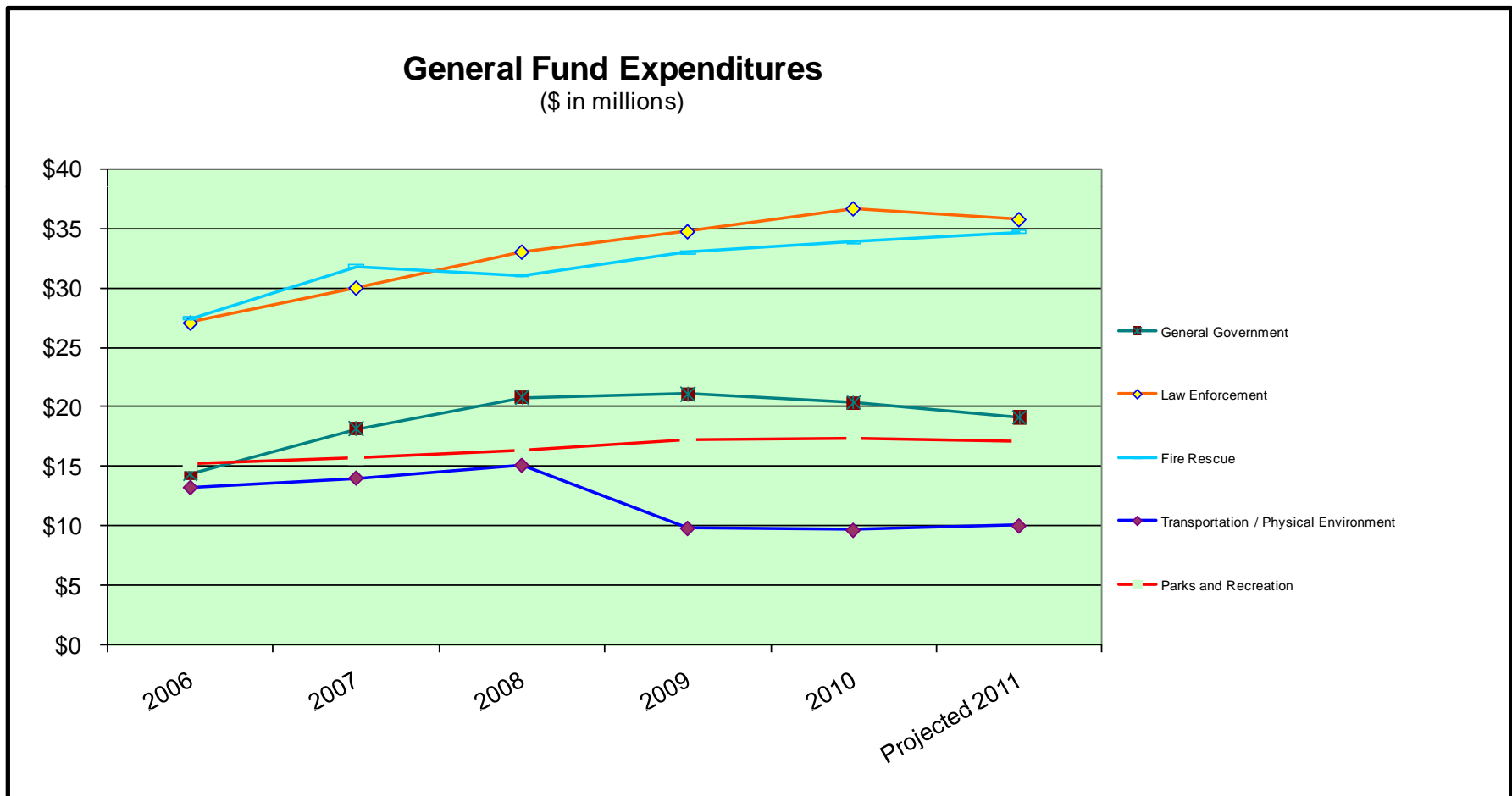


Making Adjustments Early in 11 Budget

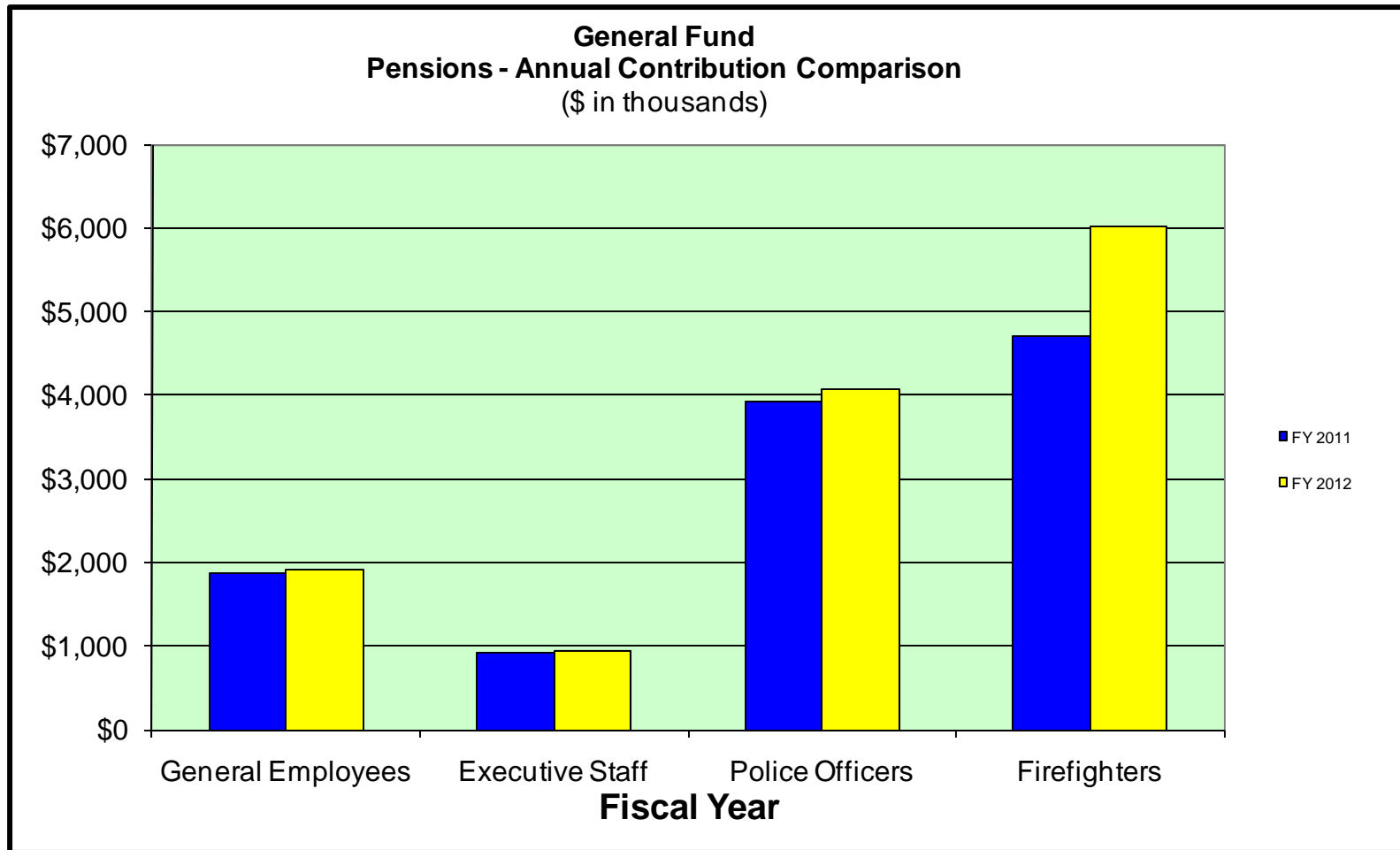


- Elimination of 35 FT 14 PT
- Several Programs scaled back
- Salary freeze for General Employees
- Pension adjustments

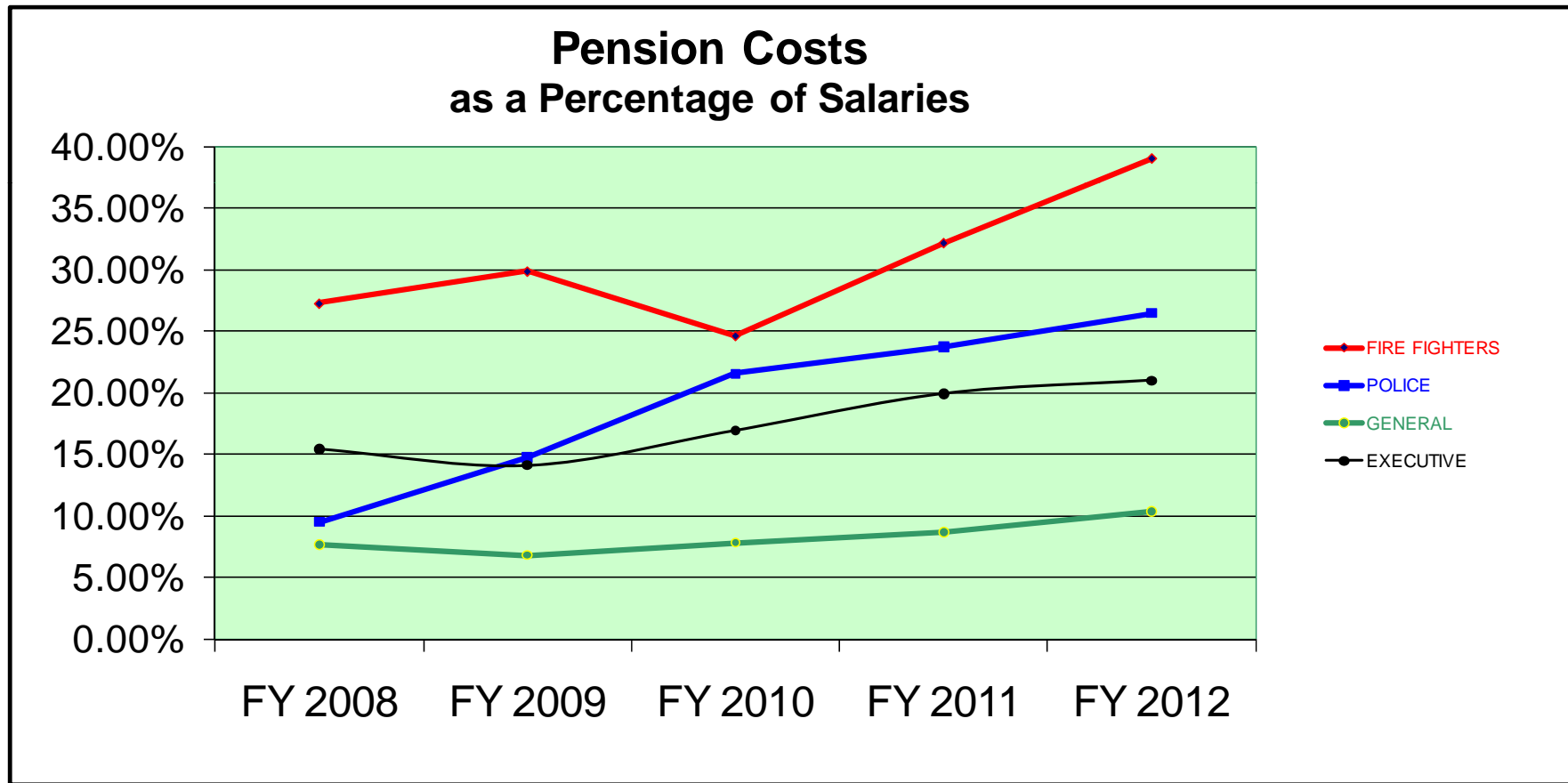
Expenditure History



Pension Costs



City Pension Contributions



Assumptions



- The only new program for the future is the operation of the new downtown library in FY13. (\$360,000) annually
- The CRA will continue to repay the City.
- No annexations forecast in the plan.
- Assessed Values will continue to decrease/ flat.
- No additional legislative restrictions.
- Pension costs will continue increase.
- No impacts of future health care legislation.

Property Tax Assumptions



- Assessed Value will decrease 6% in FY12 and will continue to decrease 1% in FY13.
- No adjustments to millage have been made.

Revenue Growth

Revenue Growth Assumptions for Plan:

- Property Taxes (6.0%) to .0%
- Public Service Taxes 2.0%
- Franchise Fees 1.0%
- Licenses & Permits 1.5%
- State Shared .0%
- Charges for Services 2.0%
- Fines 2.0%
- Interest 1.5%

Expenditures



Projected Expenditures for Plan:

- Personal Services
 - General 3.0%
 - Public Safety 7.0%
- Supplies 1.5%
- Capital Outlay 1.5%

Fund Balance



- 90 day budgetary coverage
- 3% Windstorm Deductible
- Ability to fund emergency items without having to borrow funds
- Bond Rating Agencies desire a stronger fund balance (10% of the budget) of coastal communities when developing bond ratings

Fund Balance



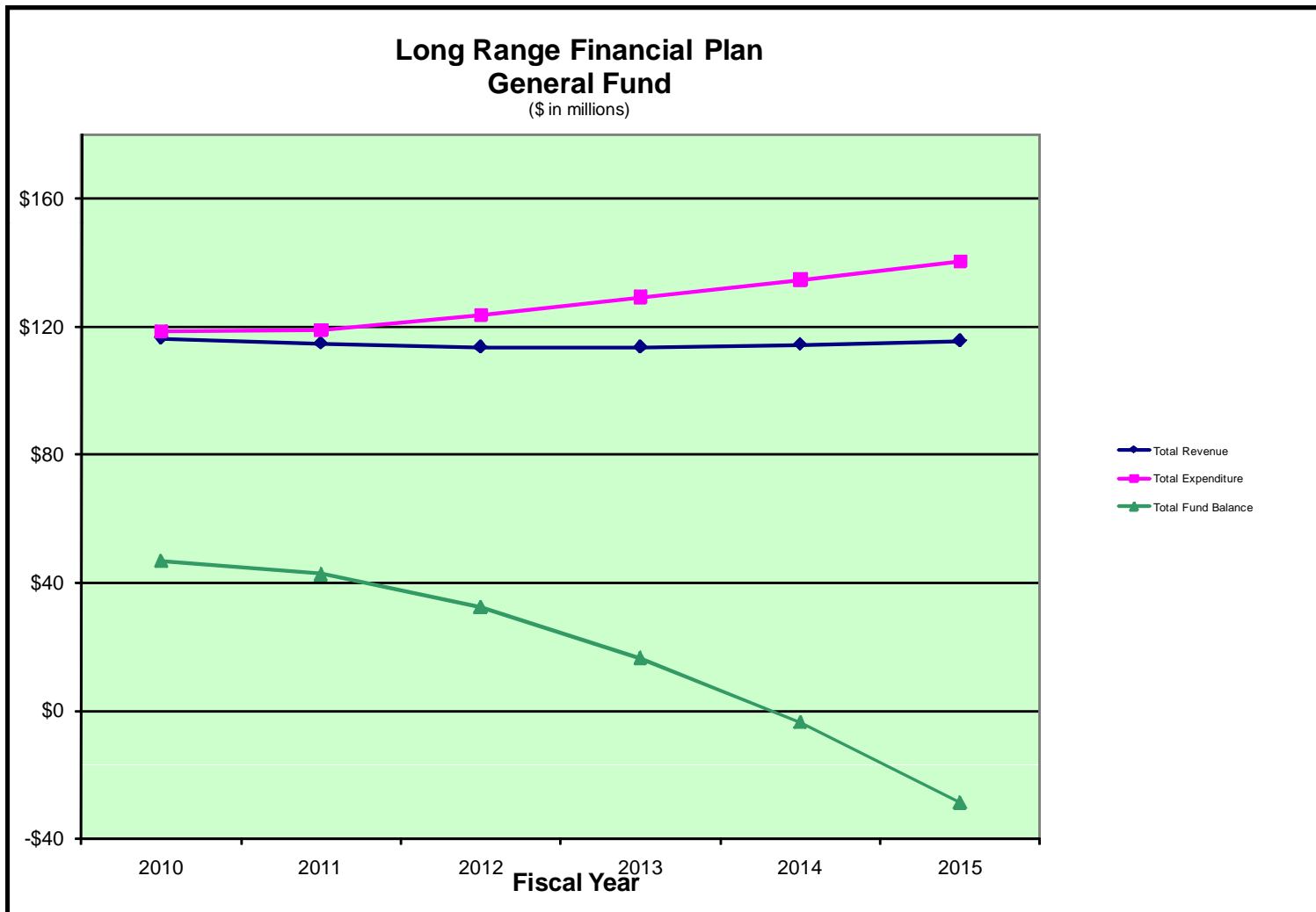
- Committed Fund Balance of \$47 million at 9/30/10:
 - \$10.6 million is reserved for hurricanes/emergency
 - \$1.633 million for Mizner Park debt service
 - \$8.5 million is reserved for the retirement systems
- Unassigned fund balance at 9/30/10 represents 20% of total General Fund expenditures and other financing uses

Resources Forward

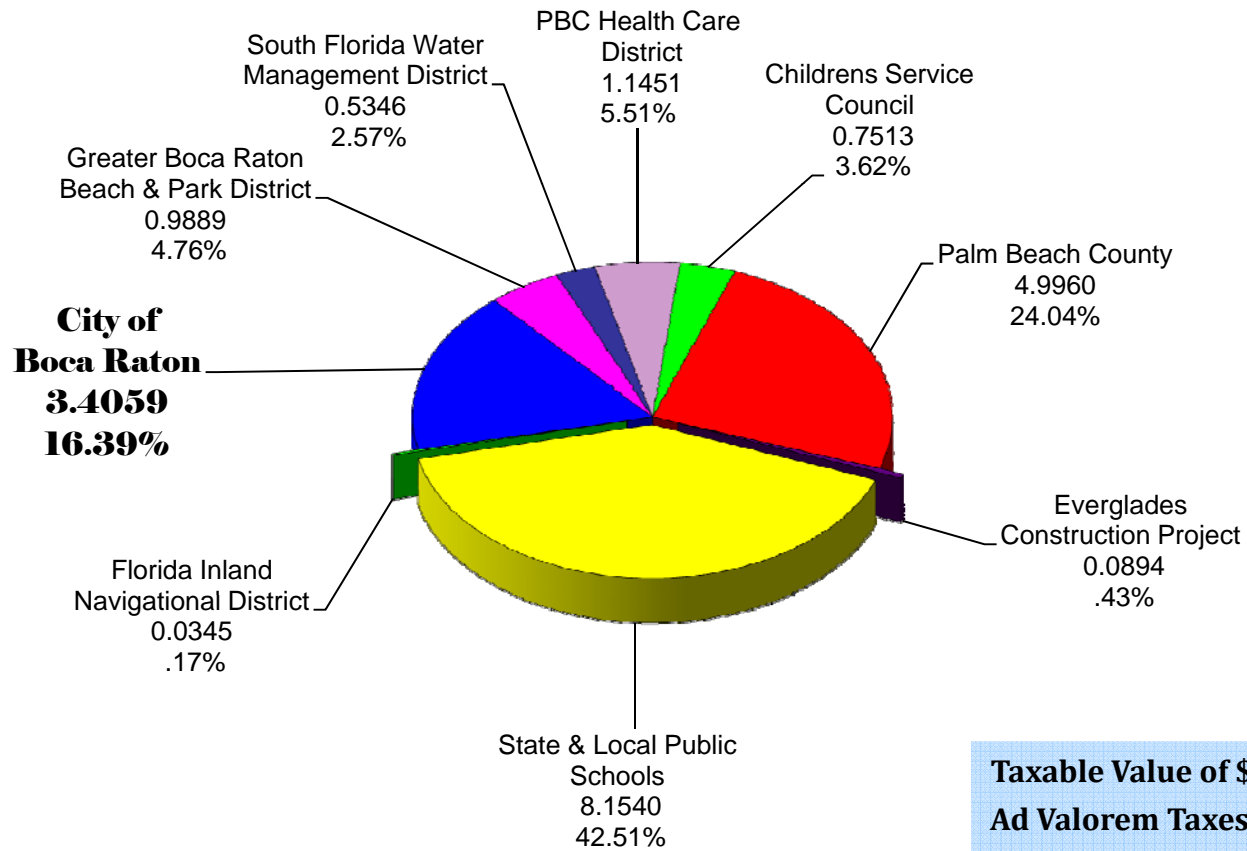


- Revenues 100.5%
- Budget Expenditures 99%
- Fiscal Year 2011/12 (in thousands) \$1,735
- Fiscal Year 2012/13 (in thousands) \$1,728

General Fund Expenditures vs. Funds Available

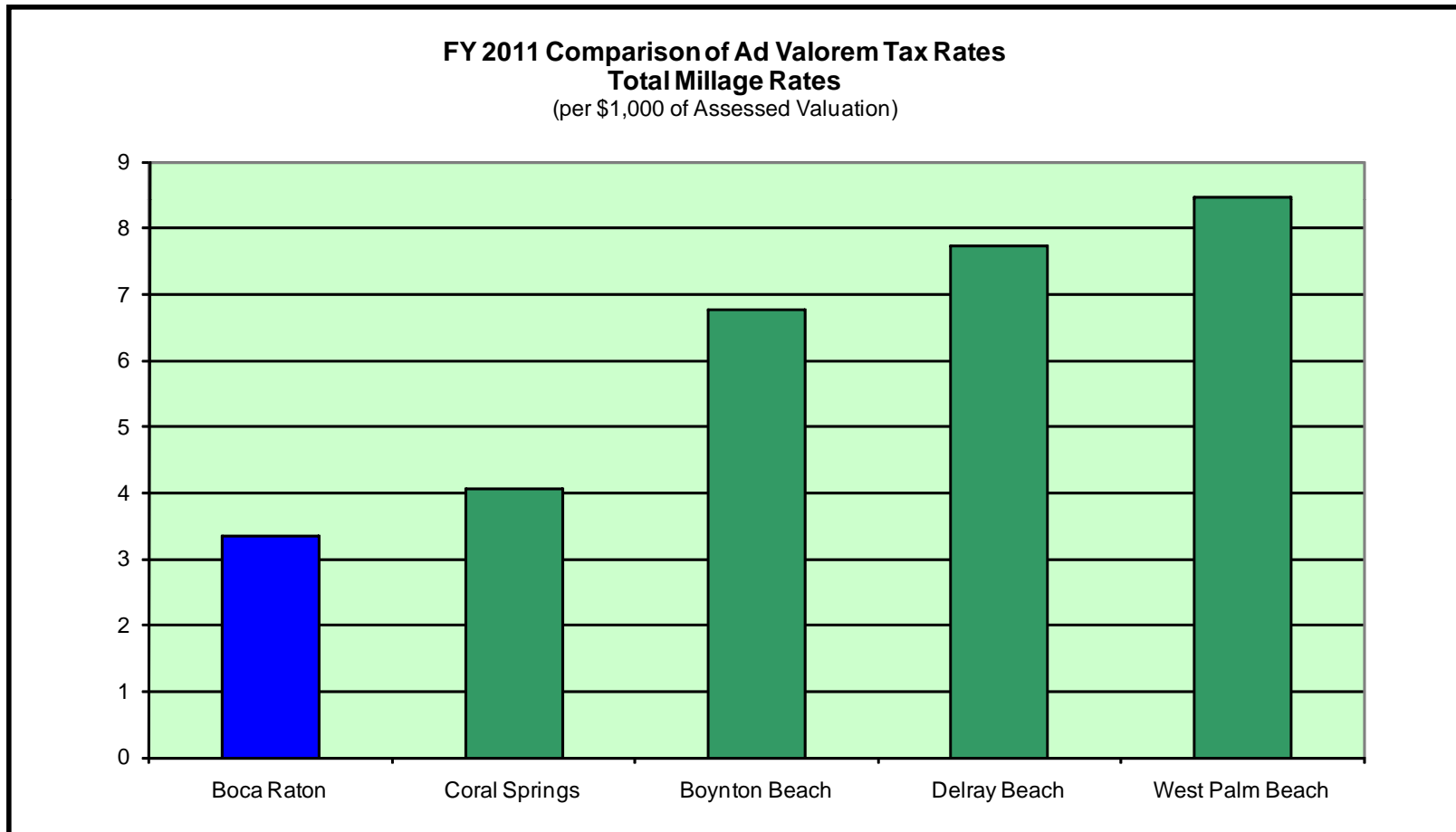


Tax Bill graph

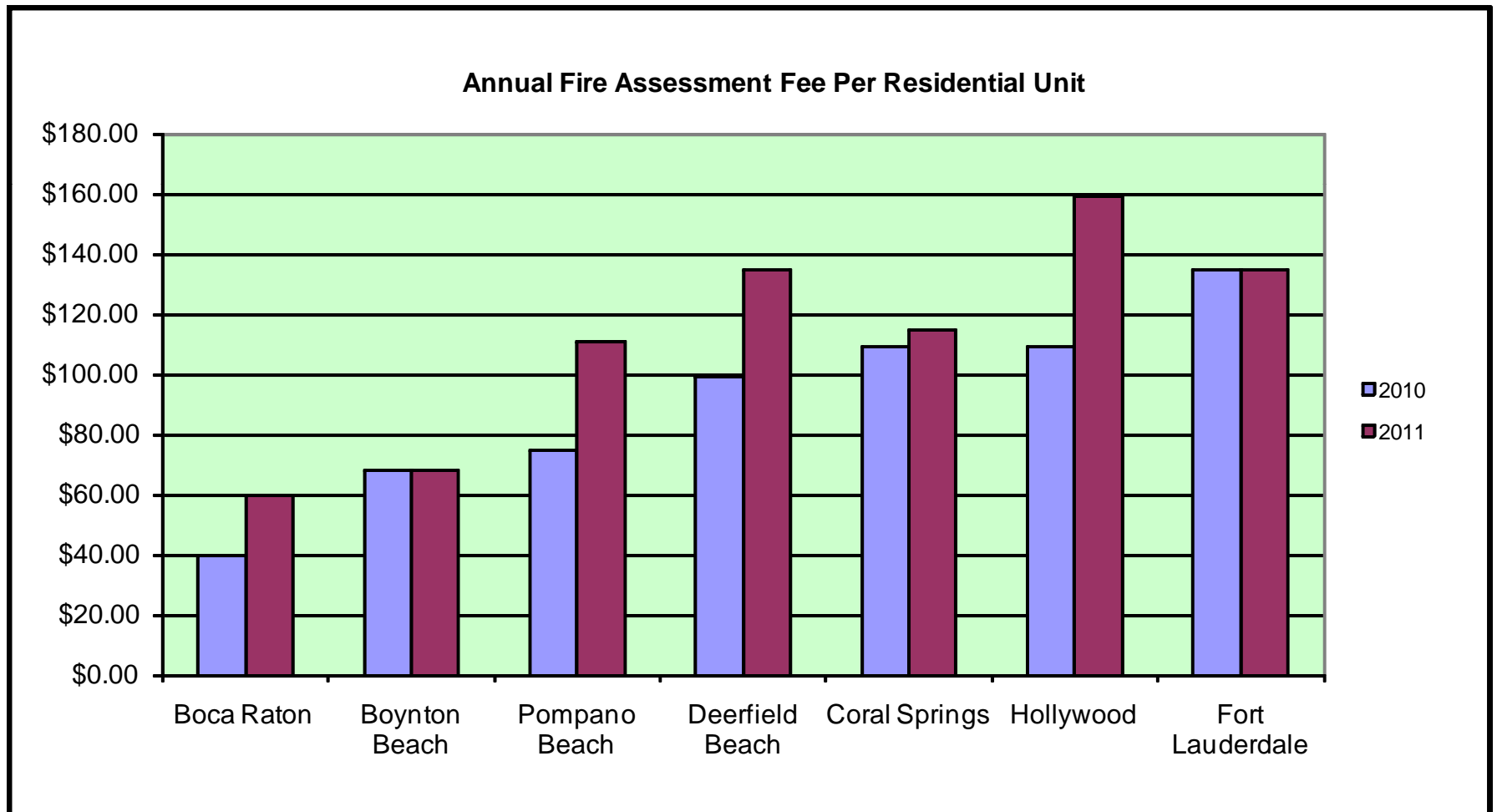


Taxable Value of \$300,000
Ad Valorem Taxes = \$6,233.76
Total Millage = 20.0997

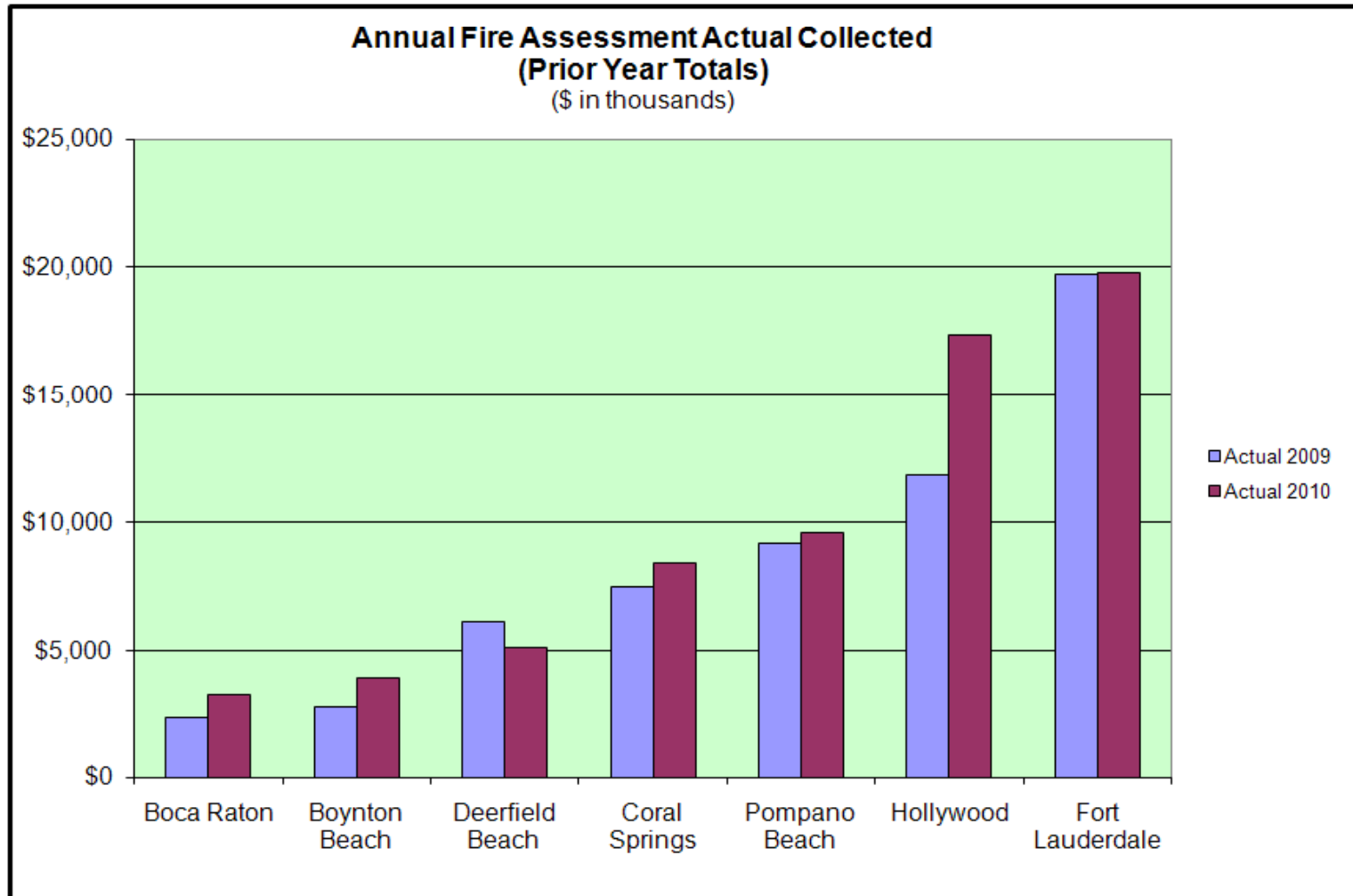
Comparison of Property Taxes



Fire Assessment Fee



Fire Assessment Fee



Recommendations



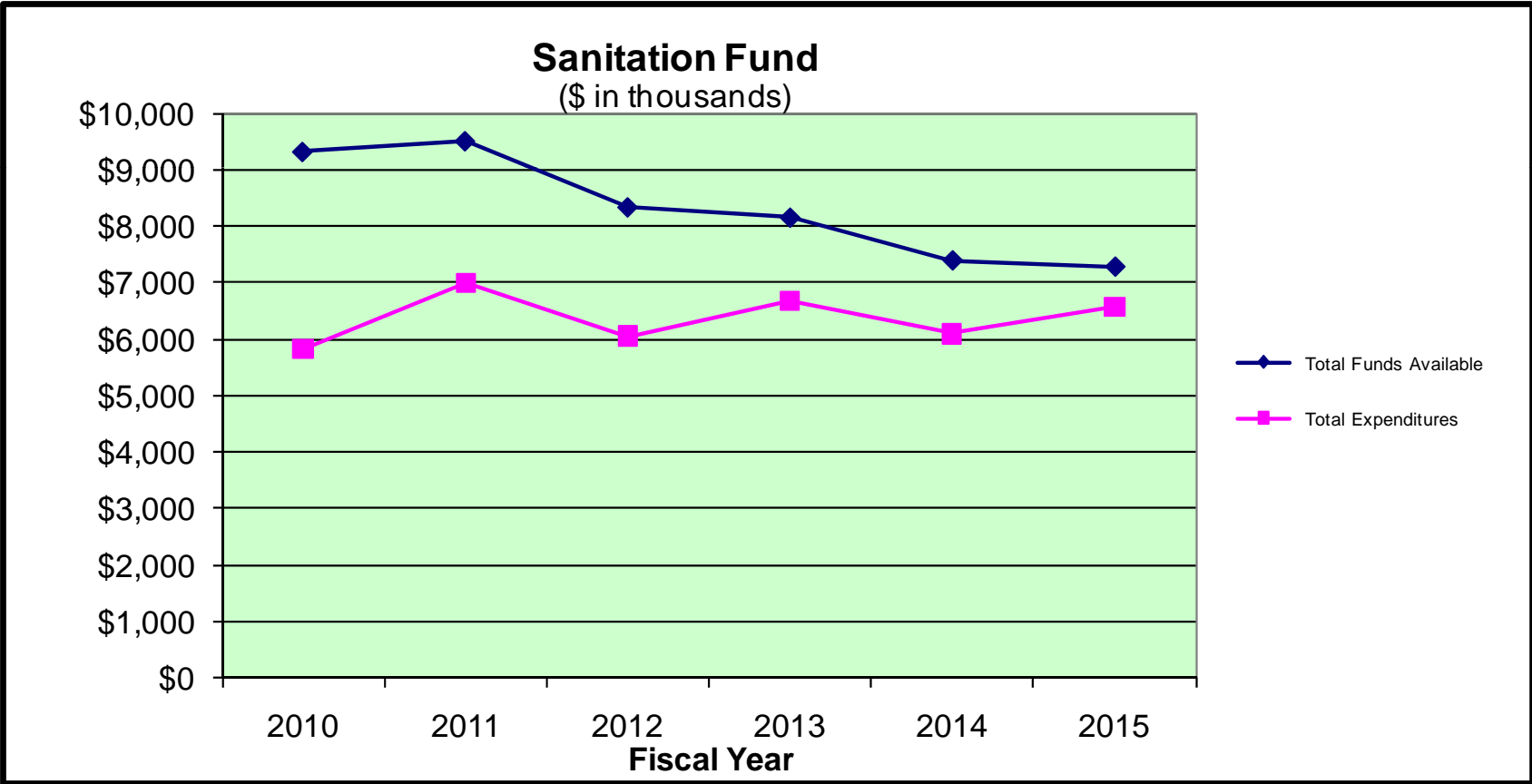
- Maintain recommended fund balance
- Explore additional annexations
- Explore other fees for services
- Be very selective about service additions
- Continue emphasis on efficient use of existing resources
- Continue emphasis on finding effective cost containment measures
- Continue evaluations of long-term effects of decisions
- Continue evaluation of comprehensive cost recovery objectives
- Economic development efforts
- Explore increasing revenues

Water & Sewer Recommendations



- Continue to build Reserves
- Continue with CPI rate adjustments
- Continue funding repair and replacement of utility infrastructure
- Monitor federal and state environmental mandates

Sanitation Fund



Sanitation Fund Recommendations



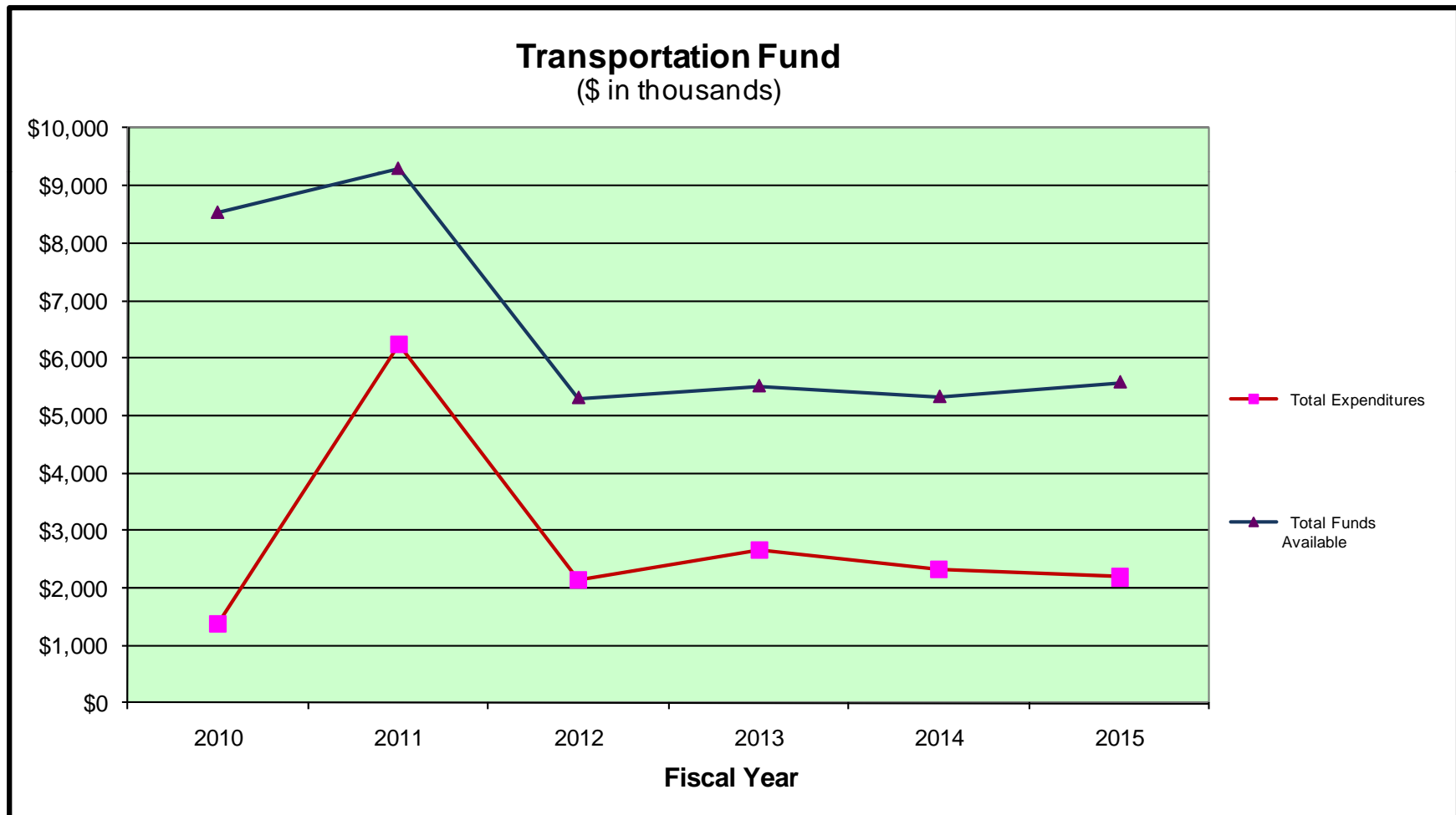
- Continue to increase user fee to cover costs of operations.
- Monitor operating costs to ensure 100% cost recovery
- Establish appropriate reserves for future capital needs

Transportation Fund



- Funded by: Local Option Gas Tax
- Due to economic conditions, existing funds may not be sufficient to complete capital projects as scheduled.
- Careful consideration must be given toward additional capital projects.

Transportation Fund

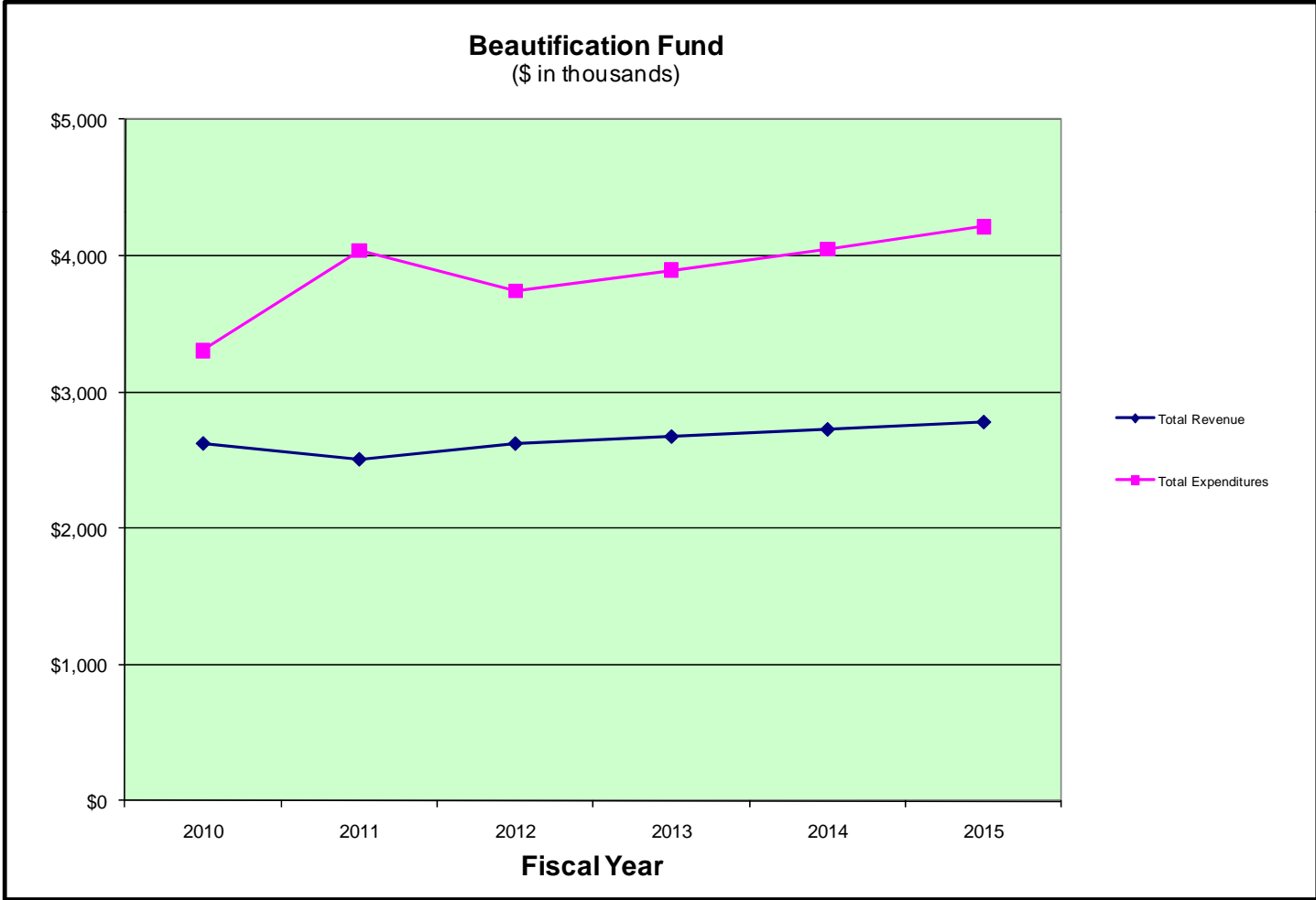


Beautification Fund



- Be very selective regarding additional beautification projects
- Maintenance of medians
- Funds will not be available in the next year Plan.
- Additional funding sources will need to be identified.

Beautification Fund

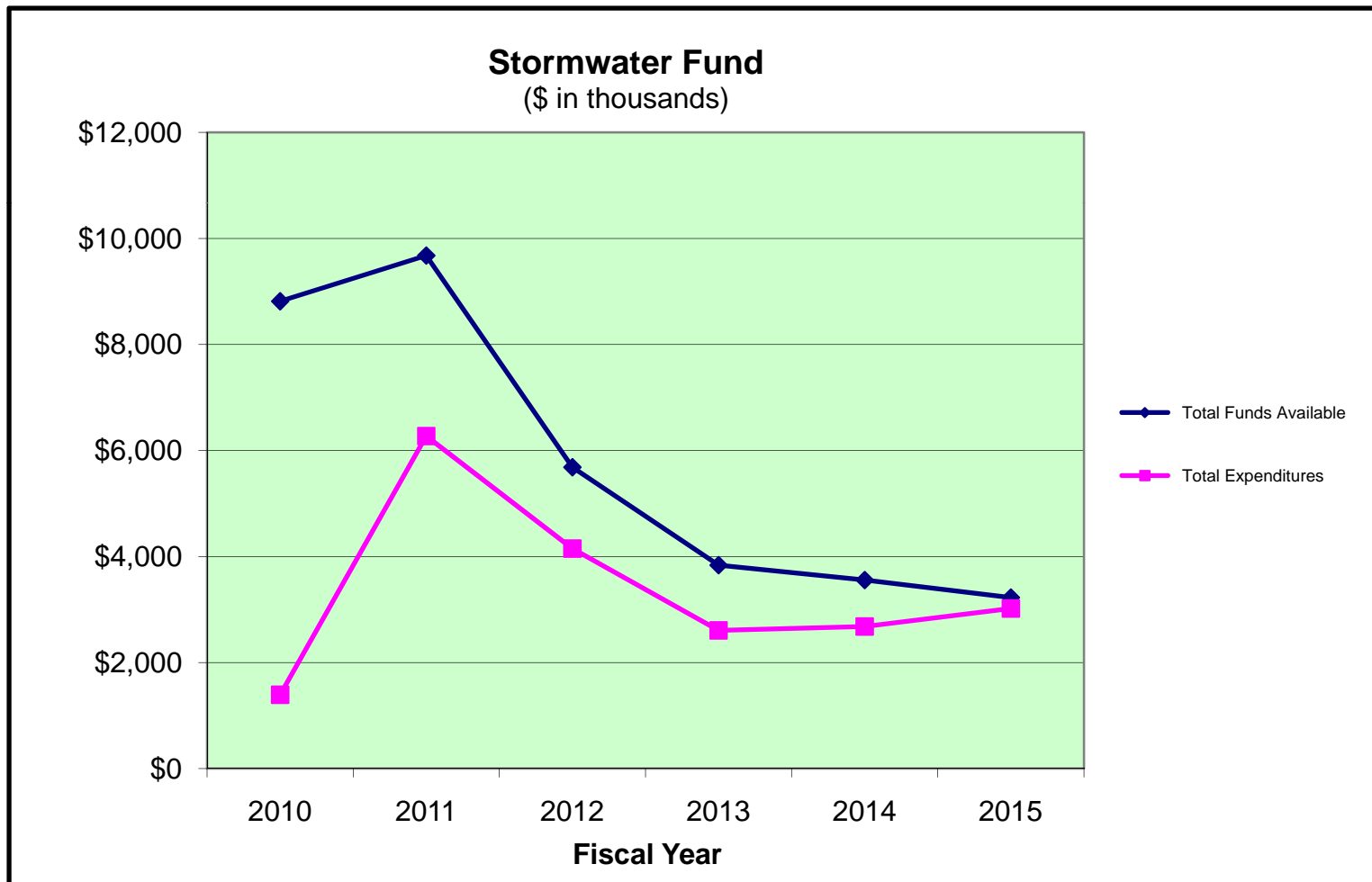


Stormwater Utility



- Revenue from fees collected on water bills
- Fund accumulated for major projects
- Sufficient funding during plan
- Monitor Federal Mandates

Stormwater Utility

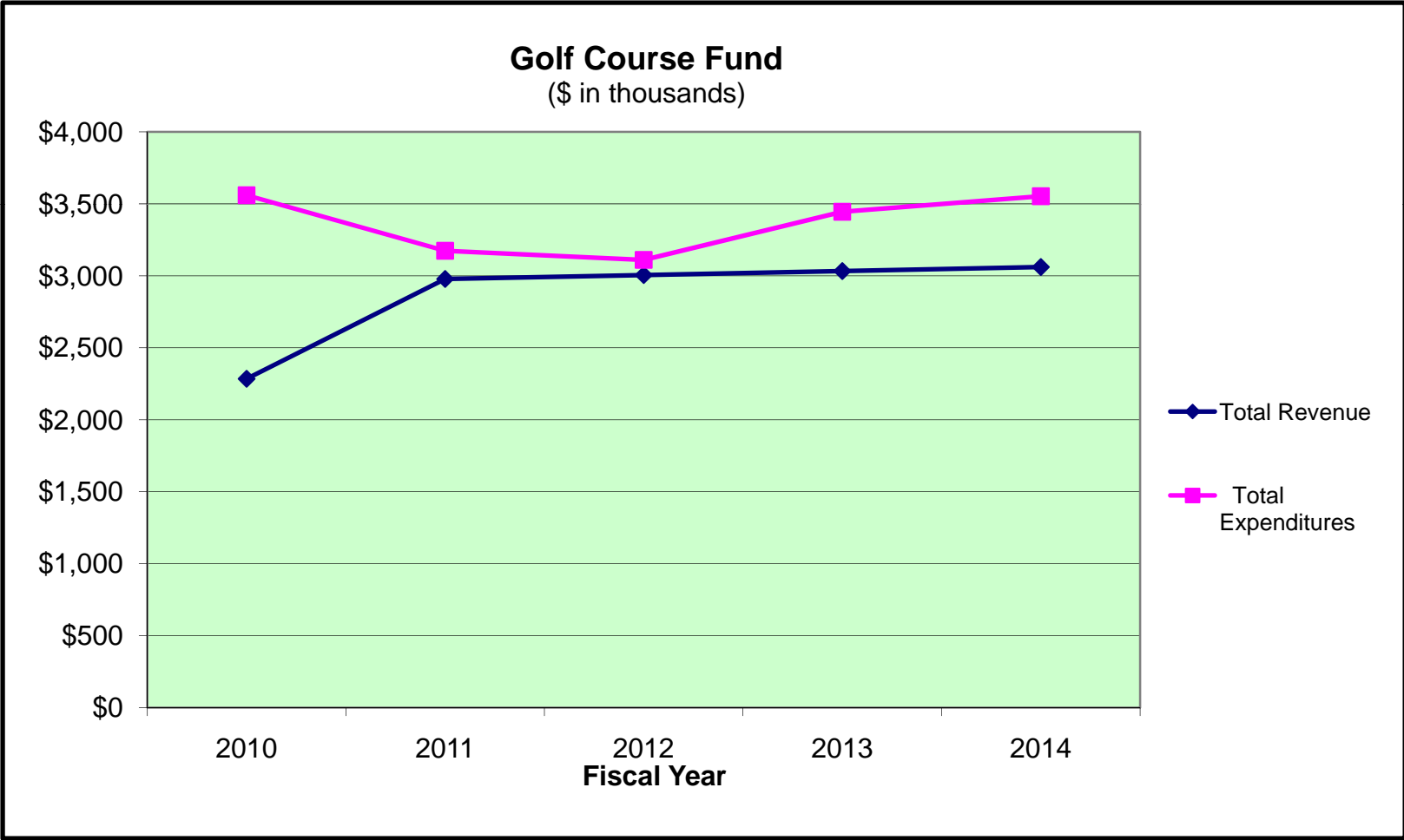


Golf Course Fund



- Current courses are being affected by increased competition and economic conditions, and currently are not able to provide sufficient funds to cover both operating and capital costs
- R&R generated \$166,639 in FY10
- Operating Loss of \$794,848
- Closely monitor financial condition
- Revenue bonds may be issued to fund course clubhouse renovation in FY15.

Golf Course Funds

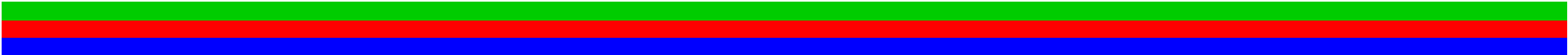


Cemetery/Mausoleum Fund



- A total of 55 lots were sold, but Fund continues net loss
- Mausoleum and Cemetery Perpetual Care Funds total \$5.7 million
- Transfers from Perpetual Care Funds required during FY11

Cemetery/Mausoleum Fund Recommendations



- Develop new projections
- Look at ways to reduce annual operating costs
- Examine policy of City residents to allow sales to non residents at a premium

Long Range Financial Plan



The City's financial statements are located at:

<http://www.ci.boca-raton.fl.us/fin/pdf/LRFP.pdf>