



## TOWN OF PALM BEACH

### Town Marina

### MEMORANDUM

TO: Kirk W. Blouin, Town Manager  
 FROM: Carolyn Stone, Deputy Town Manager  
 SUBJECT: FY2024 Town Marina Budget Highlights  
 DATE: June 13, 2023

The following document highlights the Town Marina budget. This memo contains comparisons between FY2023 and FY2024 proposed revenue and fee schedules and an overall budget-to-budget comparison for quick review. In addition, it includes a narrative as to any substantive departures from budgeted amounts and actuals.

### Town Marina

#### Budget (Expenses)

**FY2024 Request:** \$3,633,862  
**FY2023 Approved:** \$2,919,693

This represents an increase of 24.5%, \$714,169

#### Revenue

**FY2024 Requested:** \$15,932,000  
**FY2023 Approved:** \$12,579,200

This represents an increase of 27%, \$3,352,800

#### ***Notable Budget Changes***

##### Salaries

- 3% decrease totaling \$10,805
  - Decrease due to the reallocation of the Deputy Town Manager position.
  - Compensated Absence: increase by 8%: \$100, increase due to purchase of vacation time.
  - The FY2024 budget includes a COLA increase and pay for performance increases.

##### Benefits

- 1% decrease, \$2,104
  - Decrease due to the staffing model update for the Marina following renovation.
  - The employee benefit costs include FICA, health insurance, retirement costs, any paid incentives and allowances, and the performance bonus. The health insurance and retirement costs are based on an allocation of the total Town costs by FTE per program.

Contractual (FY24 Requested: \$3,011,704; FY23 Approved: \$2,310,700)

30% overall increase: \$701,004

- Other Contracted Service: increase 3%: \$10,500
  - Increase due to contractual labor costs for security and dock attendants.
- Travel and Per diem: increase 33%: \$500
  - Travel to boat shows, trade shows, conferences, seminars.
- Electric: increase of 13%: \$70,000
  - Based on anticipated increased consumption.

Water: 19% decrease: \$8,000

- Based on anticipated consumption.

Rental and Leases: increase 110%: \$630,000

- Cost associated with submerged land lease. These fees are collected in the lease and then passed through as an expense to the State. The higher the revenue for the marina, the more is due to the State.
- Calculated as a percentage of 6% of annual dockage revenue. Plus base fee.
- Generally based upon the previous year's revenue, with a base of \$137,000
- Town Dock Maintenance: increase of 50%: \$5,000
  - Non-warranty repairs and general upkeep – based on 2023 maintenance.
- Printing: increase 100%: \$500
  - Cost associated with printing flyers and program information - notices, parking placards (if necessary), etc.
- Promotional Activities: decrease of 20%: \$2,000
  - Cost associated with Owner; Captain & Crew Appreciation luncheon/event decrease due to eliminating the grand opening event
- Promotional Advertising: decrease of 12%: \$50,000

Decrease in expenses associated with promotion of Town Marina

- Amenities: 5% increase: \$10,500

Commodities (FY24 Requested: \$98,700; FY23 Approved: \$42,200)

- 134% overall increase: \$56,500
- Office Supplies: increase of 169%: \$2,200
  - Cost associated with miscellaneous office supplies - paper, pens, printer ink, etc.
  - Re-stocking of supplies for larger, busier administrative activity
- Uniforms: increase of 75%: \$1,900
  - Costs associated with staff shirts, rain gear, hats.
- Other Supplies: increase of 816%: \$49,000.
  - Additional Cameras \$45,000; Buoy markers \$2,000; Janitorial supplies \$1,000; Ladders \$1,000.
- Training: increase of 12%: \$4,500
  - Training for marina staff.

Depreciation4% overall decrease, \$52,940

- Includes annual depreciation (docks and equipment), debt services costs and revenue bond interest, contingency, transfer for services, and retained earnings.

***Town Docks Revenues***Revenue

FY24 Proposed: \$15,932,000

FY23 Approved: \$12,579,200

Staff recommends a 6% increase to annual rates.

**Town Marina FY2024 Revenue Projection**  
**FY2023 to FY2024 Budget-to-Budget Comparison for the Town Marina**

Program Revenue	FY2023 Budget	FY2023 Estimated	FY2024 Proposed	FY23/24 Difference \$	FY23/24 Difference %
(509) Marina Enterprise Fund	\$ 12,579,200	\$ 15,564,062	\$ 15,932,000	\$ 3,352,800	26.7%

Program Operating Expenses	FY2023 Budget	FY2023 Estimated	FY2024 Proposed	FY23/24 Difference \$	FY23/24 Variance %
(509) Marina Enterprise Fund	\$ 2,919,693	\$ 2,892,731	\$ 3,633,862	\$ 714,169	24.5%

**Operating Cost Recovery Estimates**

Program Area	FY2023 Budget	FY2023 Estimated	FY2024 Proposed
(509) Marina Enterprise Fund	430.80%	538.00%	438.40%

Account Number	Account Description	FY2023 Anticipated Amount	FY2024 Proposed Amount
401.344.220	Annual Slip Rental	12,509,510	13,262,000
401.344.230	Transient Slip Rental	2,098,052	1,750,000
401.344.240	Electricity	640,000	650,000
401.344.250	Waiting List Application Fee	60,000	-
401.361.120	Fmivt Interest	250,000	250,000
401.369.200	Merchandise		20,000
401.369.990	Misc Revenue	6,500	-
<b>TOTAL</b>		<b>15,564,062</b>	<b>15,932,000</b>

## 2024 Marina Rates

## Includes FY24 proposed rates for Town of Palm Beach Marina and current rates

**ANNUAL LEASE (December 1 - November 30)**

Slip Size	60	65	80	85	90	105	110	120	125	130	145	150	200	214	215	224	295
FY2024 Proposed	\$ 2.65	\$ 2.65	\$ 2.90	\$ 2.90	\$ 2.90	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.65	\$ 4.65	\$ 5.00	\$ 5.25	\$ 5.25	\$ 5.25	\$ 5.25
FY2023 Approved	\$ 2.50	\$ 2.50	\$ 2.75	\$ 2.75	\$ 2.75	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 4.40	\$ 4.40	\$ 4.70	\$ 4.95	\$ 4.95	\$ 4.95	\$ 4.95

**TRANSIENT WINTER DAILY (November 1 - May 14)**

Slip Size	60	65	80	85	90	105	110	120	125	130	145	150	200	214	215	224	295
FY2024 Proposed	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 8.25	\$ 8.25	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75
FY2023 Approved	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 8.25	\$ 8.25	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75

**TRANSIENT WINTER MONTHLY (November 1 - May 14)**

Slip Size	60	65	80	85	90	105	110	120	125	130	145	150	200	214	215	224	295
FY2024 Proposed	\$ 4.75	\$ 4.75	\$ 4.75	\$ 4.75	\$ 4.75	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 6.85	\$ 6.85	\$ 7.90	\$ 7.90	\$ 7.90	\$ 7.90	\$ 7.90
FY2023 Approved	\$ 4.75	\$ 4.75	\$ 4.75	\$ 4.75	\$ 4.75	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 6.85	\$ 6.85	\$ 7.90	\$ 7.90	\$ 7.90	\$ 7.90	\$ 7.90

**TRANSIENT SUMMER DAILY (May 15 - October 31)**

Slip Size	60	65	80	85	90	105	110	120	125	130	145	150	200	214	215	224	295
FY2024 Proposed	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.25	\$ 3.25	\$ 3.25	\$ 3.25	\$ 3.25	\$ 4.25	\$ 4.25	\$ 5.50	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75
FY2023 Approved	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.35	\$ 3.25	\$ 3.25	\$ 3.25	\$ 3.25	\$ 4.25	\$ 4.25	\$ 5.50	\$ 5.75	\$ 5.75	\$ 5.75	\$ 5.75

**TRANSIENT SUMMER MONTHLY (May 15 - October 31)**

Slip Size	60	65	80	85	90	105	110	120	125	130	145	150	200	214	215	224	295
FY2024 Proposed	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.65	\$ 2.65	\$ 2.65	\$ 2.65	\$ 2.65	\$ 3.45	\$ 3.45	\$ 3.50	\$ 3.50	\$ 3.50	\$ 3.50	\$ 3.50
FY2023 Approved	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.65	\$ 2.65	\$ 2.65	\$ 2.65	\$ 2.65	\$ 3.45	\$ 3.45	\$ 3.50	\$ 3.50	\$ 3.50	\$ 3.50	\$ 3.50

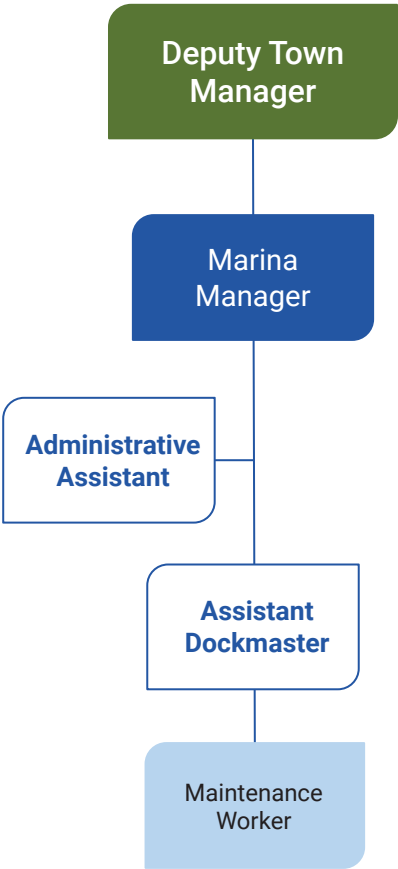
**TENDER RATES (Marginal Side Tide), up to 45'****Winter, October 1 - May 31**

FY2024 Proposed	\$100.00 per day, flat rate
FY2023 Approved	\$100.00 per day, flat rate

**Summer, June 1 - September 30**

FY2024 Proposed	\$75.00 per day, flat rate
FY2023 Approved	\$75.00 per day, flat rate

MARINA ENTERPRISE FUND ORGANIZATIONAL CHART

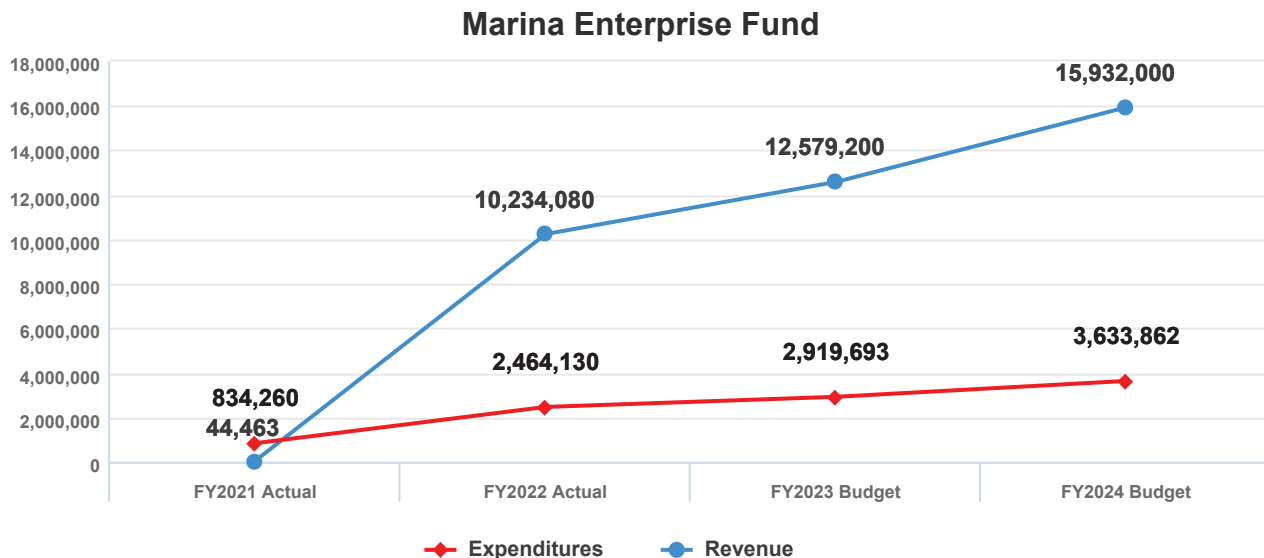


## FUND 401: MARINA ENTERPRISE FUND

The only public facility of its kind in the area, a classic dating from the 1940s, The Town of Palm Beach Marina reopened after an extensive \$36 million renovation in Fall 2021. It is designed to fit in with the desirable, historic Palm Beach community, with coveted berths ranging in size from 60'-294' for residents and visitors alike. The Marina's location near both the island's fashionable Worth Avenue shopping district and the commercial downtown of West Palm Beach, makes it a perfect boater's destination.

The 84- slips will be leased annually, monthly or daily. The marina property will offer a variety of amenities - three dock buildings, electrical service panels for all vessels, freshwater, Wi-Fi, Captain's lounge and showers, sewage pump-out systems, and 7 day a week security with surveillance cameras.

The Dockmaster is responsible for daily operations, supervision of employees (Town and contractual), slip assignments, safety, and revenue collection in accordance with established policies, with assistance from the Assistant Dockmaster, Administrative Assistant and Dock Attendants and Dock Hands. A Marina Maintenance worker provides routine maintenance services and in-house repairs.



## FUND 401: MARINA ENTERPRISE FUND

## Revenue and Expense Summary

	FY2021 Actual	FY2022 Actual	FY2023 Budget	FY2023 Adjusted*	FY2023 Projected	FY2024 Budget	% Change
<b>Revenues</b>							
Annual/Seasonal Leases	16,355	6,187,165	11,000,000	11,000,000	12,509,510	13,262,000	20.56%
Transient Rental	(5,747)	3,803,573	770,000	770,000	2,098,052	1,750,000	127.27%
Electricity	(520)	497,913	687,700	687,700	640,000	650,000	(5.48%)
Waiting List Applic Fee	-	-	40,000	40,000	60,000	-	(100.00%)
Tender Rental	-	-	5,000	5,000	-	-	(100.00%)
Ice Sales	(102)	-	-	-	-	-	-%
Merchandise	-	-	20,000	20,000	-	20,000	-%
Interest Earnings	34,476	(256,291)	50,000	50,000	250,000	250,000	400.00%
Sales Tax Commissions	-	360	-	-	-	-	-%
Miscellaneous Revenue	-	1,360	6,500	6,500	6,500	-	(100.00%)
<b>TOTALS</b>	<b>44,463</b>	<b>10,234,080</b>	<b>12,579,200</b>	<b>12,579,200</b>	<b>15,564,062</b>	<b>15,932,000</b>	<b>26.65%</b>
<b>Expenses</b>							
Salaries and Wages	178,451	331,246	373,904	373,904	347,630	457,400	22.33%
Employee Benefits	76,316	189,419	192,889	192,889	181,663	208,058	7.86%
Contractual	575,982	1,896,110	2,310,700	2,402,115	2,316,092	2,914,704	26.14%
Commodities	3,511	47,355	42,200	47,940	47,346	53,700	27.25%
<b>TOTALS</b>	<b>834,260</b>	<b>2,464,130</b>	<b>2,919,693</b>	<b>3,016,847</b>	<b>2,892,731</b>	<b>3,633,862</b>	<b>24.46%</b>
Over/(Under) Expenses	(789,797)	7,769,950	9,659,507	9,562,353	12,671,331	12,298,138	
Depreciation	(155,431)	(1,650,358)	(1,246,774)	(1,246,774)	(1,246,774)	(1,723,069)	
Capital Expenses	(21,402,929)	(4,761,696)	-	-	-	(81,725)	
Reclass to Capital Assets	21,402,929	4,761,696	-	-	-	-	
Contingency	-	-	(145,985)	(145,985)	-	(185,883)	
Transfer to General Fund	-	(511,665)	(620,465)	(620,465)	(620,465)	(1,096,000)	
Transfer to TWUU Fund	-	(2,600,000)	(2,600,000)	(2,600,000)	(2,600,000)	(4,100,000)	
Pension/OPEB Expense	241,848	(406,926)	-	-	-	-	
Gain/(Loss) on disposal of asset	(990,486)	-	-	-	-	-	
Grant Revenues - FIND	1,918,494	-	-	-	-	-	
Debt Service Costs	(699,360)	(677,043)	(1,992,950)	(1,992,950)	(1,992,950)	(1,992,463)	
M & I Reserve (1% Revenue)	-	-	(125,292)	(125,292)	(125,292)	(158,217)	
Total Revenues Over/(Under) Expenses	(474,732)	1,923,958	2,928,041	2,830,887	6,085,850	2,960,781	
Beginning Net Assets	12,481,388	12,006,656	13,930,615	13,930,615	13,930,615	20,016,465	
<b>Ending Net Assets</b>	<b>12,006,656</b>	<b>13,930,615</b>	<b>16,858,656</b>	<b>16,761,501</b>	<b>20,016,465</b>	<b>22,977,246</b>	

## FUND 401: MARINA ENTERPRISE FUND

### REVENUES

#### Annual Leases

Revenue from vessels under an annual lease at the Town Marina

#### Transient Rental

Revenue from transient vessels (those staying on a daily or monthly rate without a long-term lease)

#### Electricity/Utilities

Use of electricity/utilities by dock customers invoiced based upon usage

#### Sales Tax Commissions

Discount received from the State of Florida for timely filing and payment of sales tax

### EXPENSES

#### Salaries and Wages

The salary budget is derived from the payroll data for the Full Time Equivalent Employees (FTE) listed in the table below. The FY2024 budget includes a COLA increase and pay for performance increases.

#### Employee Benefits

The employee benefit costs include FICA, health insurance, retirement costs, any paid incentives and allowances, and the performance bonus. The health insurance and retirement costs are based on an allocation of the total Town costs by FTE per program.

#### Contractual

Increase due to the renovation and closing of the Town Marina beginning in May 2020; costs include electrical costs, 7 day-a-week security, the payment to the state for the Sovereign Submerged Lands Lease (based on the previous year's revenue), contractual labor (Dock Attendants/Hands), water, and the ongoing international marketing and re-branding campaign.

#### Commodities

Increase due to the renovation and closing of the Town Marina beginning in May 2020: costs include re-stocking office supplies, equipment supplies (non-warranty pumping station parts, compactor maintenance/repair/parts), dock cart replacements and parts, janitorial and cleaning supplies, staff uniforms.



**FUND 401: MARINA ENTERPRISE FUND**

Full Time Equivalent Employees	FY2020	FY2021	FY2022	FY2023	FY2024
Deputy Town Manager	0.000	0.000	0.000	0.000	0.250
Assistant Town Manager	0.000	0.000	0.250	0.250	0.000
Marina Manager	0.000	0.000	0.000	0.000	1.000
Assistant Director of Recreation	0.100	0.100	0.100	0.100	0.100
Assistant Marina Manager	0.000	0.000	0.000	0.000	1.000
Administrative Assistant	0.100	0.100	1.100	1.100	1.100
Facilities Maintenance Worker	0.000	0.000	1.000	1.000	1.000
Recreation Facilities Maintenance Supervisor	0.000	0.000	0.100	0.100	0.100
Administrative Clerk	0.100	0.000	0.000	0.000	0.000
Assistant Dockmaster	0.000	0.000	1.000	1.000	0.000
Director of Business Development and Operations	0.250	0.250	0.000	0.000	0.000
Dockmaster	1.000	1.000	1.000	1.000	0.000
Public Works Employees	0.068	0.018	0.000	0.000	0.000
Recreation Supervisor	0.200	0.100	0.000	0.000	0.000
Dock Attendant (Part Time)	1.500	0.000	0.000	0.000	1.125
	3.318	1.568	4.550	4.550	5.675

## FUND 401: MARINA ENTERPRISE FUND

### Marina Budget Forecast for Business Plan FY23 - FY33

Marina Income	FY2023 Approved	FY2024 Proposed	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
Annual/Seasonal Lease Revenue	11,000,000	13,262,000	13,659,860	14,069,656	14,491,745	14,926,498	15,374,293	15,835,522	16,310,587	16,799,905	17,303,902
Transient Rental	770,000	1,750,000	1,802,500	1,856,575	1,912,272	1,969,640	2,028,730	2,089,592	2,152,279	2,216,848	2,283,353
Sub-Total Dockage revenues	11,770,000	15,012,000	15,462,360	15,926,231	16,404,017	16,896,138	17,403,023	17,925,114	18,462,866	19,016,753	19,587,255
Tender revenue	5,000	-	-	-	-	-	-	-	-	-	-
Utility Reimbursement	687,700	650,000	663,000	676,260	689,785	703,581	717,653	732,006	746,646	761,579	776,810
Investment Income	50,000	250,000	396,543	458,557	531,305	612,182	783,449	965,016	1,157,396	1,360,916	1,576,115
Merchandise	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Waiting List Fee	40,000	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue/Deposits	6,500	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>12,579,200</b>	<b>15,932,000</b>	<b>16,541,903</b>	<b>17,081,048</b>	<b>17,645,107</b>	<b>18,231,901</b>	<b>18,924,124</b>	<b>19,642,135</b>	<b>20,386,907</b>	<b>21,159,247</b>	<b>21,960,180</b>

Marina Expenses											
Salaries and Wages	373,904	456,924	475,201	494,209	513,977	534,536	555,918	578,155	601,281	625,332	650,345
Employee Benefits	192,889	206,490	240,281	260,935	271,982	283,427	295,400	307,927	321,032	334,745	349,093
Contractual Costs	2,310,700	2,914,704	3,066,008	3,177,814	3,260,102	3,345,182	3,433,174	3,524,200	3,618,394	3,715,896	3,816,856
Commodities	42,200	53,700	55,311	56,970	58,679	60,440	62,253	64,121	66,044	68,026	70,066
Total Marina Operating Expenses	2,919,693	3,631,818	3,836,801	3,989,928	4,104,741	4,223,585	4,346,745	4,474,402	4,606,751	4,743,999	4,886,361
FTE Count	4.550	4.550	4.550	4.550	4.550	4.550	4.550	4.550	4.550	4.550	4.550
<b>Net Income from Operations</b>	<b>9,659,507</b>	<b>12,300,182</b>	<b>12,705,102</b>	<b>13,091,120</b>	<b>13,540,366</b>	<b>14,008,316</b>	<b>14,577,379</b>	<b>15,167,733</b>	<b>15,780,156</b>	<b>16,415,249</b>	<b>17,073,819</b>

Other Non Operating Expenses											
Capital Expense		81,725	250,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Debt Service	1,992,950	1,992,463	1,996,244	1,999,238	1,996,500	1,998,031	2,003,719	2,003,563	2,007,563	2,005,719	2,008,031
Depreciation Reserve	1,246,774	1,723,069	1,776,009	1,776,009	1,776,009	1,776,009	1,776,009	1,776,009	1,776,009	1,776,009	1,776,009
Contingency	145,985	181,591	191,840	199,496	205,237	211,179	217,337	223,720	230,338	237,200	244,318
Maintenance and Improvement Reserve 1% of Reven	125,292	156,820	161,454	166,225	171,138	176,197	181,407	186,771	192,295	197,983	203,841
Transfer to General Fund for Cost Allocation	620,465	1,096,000	1,128,880	1,162,746	1,197,629	1,233,558	1,270,564	1,308,681	1,347,942	1,388,380	1,430,031
Transfer to TWUU Fund	2,600,000	4,100,000	4,100,000	4,100,000	4,100,000						
<b>Total Non Operating Expenses</b>	<b>6,731,466</b>	<b>9,331,668</b>	<b>9,604,427</b>	<b>9,453,715</b>	<b>9,496,513</b>	<b>5,444,974</b>	<b>5,499,036</b>	<b>5,548,745</b>	<b>5,604,146</b>	<b>5,655,291</b>	<b>5,712,230</b>

## FUND 401: MARINA ENTERPRISE FUND

## Marina Budget Forecast for Business (continued)

## Plan FY23 - FY33

Marina Income	FY2023 Budget	FY2024 Proposed	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
Net Income Including all Operating and Non Operating Marina Expenses	2,928,041	2,968,514	3,100,676	3,637,405	4,043,854	8,563,342	9,078,343	9,618,988	10,176,010	10,759,957	11,361,589
Beginning Unrestricted Net Position	13,930,614	16,858,655	19,827,169	22,927,845	26,565,250	30,609,103	39,172,445	48,250,788	57,869,776	68,045,786	78,805,744
Ending Unrestricted Net Position	16,858,655	19,827,169	22,927,845	26,565,250	30,609,103	39,172,445	48,250,788	57,869,776	68,045,786	78,805,744	90,167,333
Depreciation Reserve Balance	7,992,843	9,715,912	11,491,921	13,267,930	15,043,939	16,819,948	18,595,957	20,371,966	22,147,975	23,923,984	25,699,993
Maintenance and Improvement Reserve	125,292	282,112	443,566	609,791	780,929	957,126	1,138,532	1,325,304	1,517,599	1,715,582	1,919,423
<b>Total Reserves</b>	<b>8,118,135</b>	<b>9,998,024</b>	<b>11,935,487</b>	<b>13,877,721</b>	<b>15,824,868</b>	<b>17,777,074</b>	<b>19,734,489</b>	<b>21,697,270</b>	<b>23,665,574</b>	<b>25,639,566</b>	<b>27,619,416</b>