

News for Neighborhoods



CITY OF DELRAY BEACH - AUGUST 2006



CITY DIRECTORY

Delray Beach City Hall
100 NW 1st Avenue
Delray Beach, Florida 33444
General Information
(561) 243-7000

Emergency 9-1-1
Non-Emergency 243-7800
English-Spanish-Creole

City Manager's Office 243-7010
Mayor and City Commission
Oficina del Administrador de la Ciudad
Biwo Manajè Vil-la

Police Department 243-7888
Departamento de la Policía
Depatman Polis

Fire Department 243-7400
Parque de Bomberos
Depatman pou Dife

City Clerk's Office 243-7050
Oficina del Actuario de la Ciudad
Biwo Komì pou Vil-la

Utility Billing 243-7100
Cargos de Utilidades
Depatman Bil Dlo/Elektrik

Water/Sewer Maint. 243-7312
Mantenimiento del Agua y Alcantarilla
Depatman pou Pwòpte Dlo avèk Egou

Animal Control 243-7330
Mando de Animales
Depatman Ki An Chaj Zannimo

Jobline 243-6201
Línea de Trabajos
Liy Telefòn pou Jwenn Travay

Parks & Recreation 243-7250
Parques y Recreación
Depatman Pak & Rekreyasyon

Municipal Golf Course 243-7380
Campo de Golf Municipal
Magazen Golf

City Website: MyDelrayBeach.Com

SPECIAL BUDGET EDITION DELRAY BEACH CITY COMMISSION TO DETERMINE 2006-2007 BUDGET IN AUGUST

On October 1, 2006, the City of Delray Beach begins a new fiscal year facing an unprecedented number of challenges. Energy, property insurance, expanding demand for City services, materials for infrastructure replacement and maintenance and employee health and pension benefits are just a few of the City's expenses that have escalated beyond anyone's forecast. The budget review process begins this August and some of the major factors to be discussed are as follows:

Property Taxes

■ Did you know that when you look at the total amount on your property tax bill that 66% of that total goes to other government entities? The majority of your property taxes go to other entities such as Palm Beach County, the Water Management District and the School District.

■ Nearly 82% of all property tax revenues collected by the City come from residential property owners. Assuming that nearly all of those residents have homestead exemptions, no matter how much the market value increases for those properties, their taxable assessed value can only increase up to a maximum of 3% per year.

■ Homestead exemptions and the 3% cap combine to reduce the City's taxable value by over one billion dollars a year in taxable value on properties that have had huge gains in price over the past five years. If that value were on the tax roll, our tax rate would be reduced from \$8.00 per thousand to about \$6.50 per thousand.

■ Increases in property tax revenues realized by the City due to soaring property values are offset by current economic realities. We pay the extraordinary increase in fixed expenses, not unlike every family in our community. The City is obliged to manage huge increases in:

- ✓ Liability insurance / Property insurance / Health insurance
- ✓ Employee compensation and pensions
- ✓ Building material costs
- ✓ Energy and fuel costs
- ✓ Replacement vehicles and equipment costs



- ✓ Labor and contractor expenses
- ✓ Infrastructure maintenance
- ✓ Staffing and operational expenses for new Park facilities

Some examples of large increases in operating expenses include a 40% increase in fuel and a 45% increase in concrete in the past year. Property insurance costs are expected to double this year. In spite of increased expenses, the City has not increased its tax rate for an entire decade

■ A substantial portion of property tax revenues received by the City must be transferred to the CRA (Community Redevelopment Agency). In 2006, that was \$6.7 million. The CRA is a separate taxing district whose mission is to revitalize and rehabilitate areas of the City which had been in a state of decline or deterioration.

As Delray Beach has very little vacant property left, redevelopment is the primary source of economic growth while continuing maintenance of our historic districts remains a priority. Some of the CRA's accomplishments over the past few years include:

- The renaissance of Downtown Delray Beach that became the economic engine which ultimately benefits our entire City.
- Creation of the Community Land Trust
- Renovation and beautification of NW/SW Fifth Avenue

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Delray Beach Calendar of Events & Activities

**August – September
2006**

August 12

**12th Annual Jaycees Fishing
Tournament
Benefits Delray Citizens for
Delray Police Holiday Toy Drive
Info: (561) 243-7138**

August 15

**City Commission Meeting
City Hall Commission Chambers
6:00 PM**

August 17

**Art & Jazz on the Avenue and
Gallery Stroll
Live Entertainment
Atlantic Avenue & Pineapple
Grove Way
6:00 PM – 10:00 PM
Info: (561) 279-1380 ext. 17**

August 18

**Sushi & Stroll Sunset Walk
Morikami Japanese Museum &
Gardens
5:30 PM – 8:30 PM
Info: (561) 495-0233**

August 24

**Music For A Summer's Eve
St. Paul's Episcopal Church
7:00 PM Parish Hall
Info: (561) 278-6003**

August 26

**Nature Walk
Sandoway House Nature Center
10:00 AM
Info: (561) 274-7263**

September 4

Labor Day / City Hall Closed

September 5

**City Commission Meeting
City Hall Commission Chambers
6:00 PM**

September 9

**Darrin's Dance Grooves
Dance Class for Grades
6th thru 12th Pompey Park
11:00 AM – 2:00 PM**

City Website:

mydelraybeach.com

- Acquired property to make way for the Old School Square Garage
- Downtown Master Plan and the Southwest Area Neighborhood Redevelopment Plan
- The Atlantic Grove development on West Atlantic

The Parks & Recreation Bond - Unexpected Costs

In January of 2004, voters overwhelmingly passed the \$24 million Parks & Recreation Bond Issue. That bond measure was to finance new parks, improvements to existing facilities, a large municipal parking garage adjacent to Old School Square and the addition of a Western Community and Senior Center.

In 2003, when the measure was being formulated and prepared for the ballot, no one could have foreseen the rapid escalation of costs for land, building materials and construction.

Although challenged by these unforeseen circumstances, the City Commission is keeping its promises to build these projects within the 8.0 mill tax rate. Drive around the City and you will see those projects are all underway with some already completed: Six new parks, Old School Square Garage construction, Pompey Park improvements and a new Public Library and the Western Community and Senior Center will break ground in January of 2007.

Hurricanes

Natural disasters, such as Hurricanes Frances, Jeanne, Katrina and Wilma put a heavy strain on the City's economy. Following Wilma, the City had to spend over \$11,000,000 for recovery expenses before seeing any compensation from FEMA or our insurers. Therefore, the City maintains a reserve fund for these unforeseen circumstances. Some other cities in Palm Beach County have had to levy extra taxes or assessments to cover hurricane recovery costs.

Recruiting and Retaining Qualified Employees

The City of Delray Beach is in constant competition with neighboring municipalities and counties for Fire-Rescue, Paramedic, and Police Department personnel who must meet rigorous standards set by those departments. The private sector has hired away Planning & Zoning specialists and engineers who supervise City construction projects.

Chemists and laboratory technicians who assure our water quality, code enforcement personnel who insure

the safety of our buildings and neighborhoods and trades people who maintain city facilities; all are skilled professionals who are hard to come by. They require and deserve compensation commensurate with their level of expertise.

Compounding the problem of attracting new employees is cost of housing in this area. Providing for all of these skilled personnel is another budget challenge faced by the City.

The Bottom Line

There are no plans to increase the property tax millage rate. The City Commission and the City Manager are determined to follow through on all the projects approved by and expected by the residents. The City's finances are on a sound footing as reflected by the Finance Department receiving accolades and awards from the Government Finance Officer's Association year after year. Our City's annual external audits have been exemplary.

In addition, the City has maintained its underlying bond ratings of A1 for General Obligation Bonds. A for Utility Tax Bonds and an A+ for Water & Sewer Bonds. All have insured ratings of AAA from Standard & Poors and an Aaa from Moody Investors Service. This bodes well for future bond issues at favorable rates if necessary.

The City Commission, the City Manager and the entire City staff are acutely aware of their responsibilities in assigning public funds to the myriad of municipal services as well as projects, both ongoing and in the planning stages. Federal and State funds for municipal purposes are being steadily reduced, but the City of Delray Beach prevails by deliberate and innovative management; continuously examining and prioritizing each new project and always reaching out to the public for their point of view before making a decision.

The City Commission will continue our tradition of sound fiscal management and we will continue providing quality services for our residents.

These are some of the factors that go into the decision making process as the City Commission reviews the City Manager's recommendations for 9 Departments, 17 Divisions, over 800 City employees, 3 unions and the effect the 2006 -2007 Fiscal Budget for Delray Beach will have on the 64,000 citizens of our community.



Delray Beach Emergency Radio 1620 AM

**Your source of information during and
after emergencies and a daily reference
for local meetings and activities in
Delray Beach.**

**WQEY 255 Delray Beach Emergency
Radio at 1620 AM**