

MINUTES OF THE BUDGET WORKSHOP MEETING  
CITY COUNCIL  
CITY OF BOCA RATON, FLORIDA  
MONDAY, JULY 26, 2004  
6:00 PM

The budget workshop meeting of the City Council of the City of Boca Raton, Florida was called to order by Mayor Steven L. Abrams at approximately 6:00 p.m.

ROLL CALL:

Mayor Steven L. Abrams  
Deputy Mayor Bill Hager  
Council Member Dave Freudenberg  
Council Member Susan Haynie  
Council Member Susan Whelchel

Also attending the meeting were:

City Manager Leif J. Ahnell  
Office of Management and Budget Director Linda Davidson  
City Attorney Diana Grub Frieser  
Financial Services Director Mervyn Timberlake  
Development Services Director Jorge Camejo  
Police Services Chief Andrew J. Scott, III  
Fire Rescue Services Chief Bruce Silk  
Municipal Services Director Robert DiChristopher  
Recreation Services Director Mickey Gomez  
Utility Services Director Michael Woika

The purpose of the meeting is for review of the proposed budget for FY 2004-05.

The City Manager reported that the total proposed operating budget for FY 2004-05, including operations, transfers, and fund balance/reserves is \$338,871,700. The recommended General Fund portion is \$114,766,600; the overall Citywide operating budget is proposed at approximately \$264 million. The proposed budget does not require an increase in the ad valorem tax rate. He expressed appreciation to Council for their direction in the May goal setting sessions, and stated that the proposed budget supports the goals and priorities set by the Council and continues to maintain the City's outstanding financial condition. Mr. Ahnell then listed those goals and priorities. He emphasized that it is imperative that the City continue to look beyond the next fiscal year when preparing the budget, noting the many projects in process and the challenges faced by continual increases in operating expenses. Specific projects noted were fire stations, additional library facilities and expanded park operations.

Mr. Ahnell stated that the total millage for next year is 3.5546 mills per \$1,000, made up of 3.15 mills for operations, which is the same as last fiscal year. The proposed debt millage rate is proposed at .4046 mills, a reduction of .0685 mills. The reduction is due to the outstanding general obligation debt remaining the same as last year, while the tax value rose, therefore a smaller portion is allocated towards debt service payments. The end result is an overall reduction in the tax rate for next year of 1.9% for taxpayers in the City. Based on the proposed millage rate, the owner of a home with a \$175,000 taxable value would pay approximately \$12.00 less than last year.

Mr. Ahnell stated that, including the newly annexed area, property values in the City increased 15.79%; without the annexed area, the increase was 5.9%. He cited impacts to the revenue stream, including the loss of \$1.7 million in telecommunication tax revenue and added that increases in user fees, as well as at least one new user fee, will be proposed to help offset revenue losses. Mr. Ahnell noted that he is recommending an 8.04% increase in the General Fund operating budget. He then identified the primary

areas where increases are proposed. Additionally, he noted that sanitation services would be reviewed in the next year to determine if there can be savings or new revenue generated.

New programs include (Police Services) Smart Choices Program and Child Identification Kits; (Fire-Rescue Services) Rescue 47 and 48; (Municipal Services) Downtown Feeder Bus System – 50% reimbursable by FDOT; and (Recreation Services) maintenance of the new T-Rex bicycle trails and Fire Station No. 8. It was also noted that 27.35 new personnel are being recommended, the majority being Police Services' and Fire-Rescue Services' positions. The combined cost of approximately \$2.1 million for new programs and new personnel has been absorbed in the budget without increasing taxes. The fund balance projections for FY 2004-05 continue to exceed the ten percent recommended for coastal communities and help assure that the City will maintain its "aaa" bond rating.

Other components of the City's overall budget were reviewed including the Beautification Fund, the Greater Boca Raton Beach and Park District, Cemetery and Mausoleum Fund, the Golf Course Enterprise Fund and Water and Sewer Enterprise Fund. The Beautification Fund is currently able to fund the landscaping and maintenance of all the medians but continues to be an issue. The Water and Sewer Enterprise Fund will include a Consumer Price Index (C.P.I.) increase of 3.3% in rates, as authorized by ordinance. He added that the Boca Raton Housing Authority is proposed to become a separate operation as of October 1<sup>st</sup> and, therefore, is not included in the proposed budget. Mr. Ahnell then summarized new personnel and new programs for the other funds.

Mr. Ahnell concluded by expressing appreciation to all involved in the preparation of the FY 2004-05 budget.

Each department head and the City Attorney then provided a brief review of their respective budgets. Mr. Ahnell reviewed the City Council, City Manager and non-divisional budgets.

No members of the public came forward to speak.

The budget workshop meeting of the City Council of the City of Boca Raton, Florida adjourned at approximately 7:26 p.m. on Monday, July 26, 2004.

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Sharma Carannante, City Clerk