

City of Delray Beach

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Minutes - Final

Tuesday, July 8, 2025

3:30 PM

Budget Workshop Meeting at 3:30 PM

Delray Beach City Hall or Watch on YouTube:

<https://www.youtube.com/channel/UCc2j0JhnR8Hx0Hj13RhCJag/s>
treams

City Commission

Mayor Thomas F. Carney, Jr.

Vice Mayor Rob Long

Deputy Vice Mayor Angela Burns

Commissioner Tom Markert

Commissioner Juli Casale

Pursuant to Section 3.12 of the Charter of the City of Delray Beach, the Mayor has instructed me to announce a Workshop Meeting of the City Commission to be held for the following purposes:

WS.1. FY 2025-2026 PROPOSED BUDGET CONSIDERATIONS

Sponsors: Finance Department

Attachments: [FY 2026 July 8 2025 - Budget Workshop Presentation Final - 07.03.25 REVISED](#)

The July 8, 2025 City Commission Budget Workshop was called to order at 3:33 p.m. Alexis Givings, City Clerk, called the roll, and the following were present:

Present: 5 - Mayor Thomas F. Carney, Jr., Vice Mayor Rob Long, Deputy Vice Mayor Angela Burns, Commissioner Juli Casale, Commissioner Tom Markert

Others present were:

Terrence Moore, City Manager
Kelly Brandon, Assistant City Attorney
Alexis Givings, City Clerk

Mr. Moore informed the Commission that this workshop aimed to highlight the considerations presented at the June 10th Budget Workshop Meeting for achieving a balanced budget by presenting various scenarios based on proposed millage rate options. He provided his recommendations for the General Fund only and advised that the Capital Improvement Program would be presented separately.

Henry Dachowitz, Chief Financial Officer, provided the Commission with millage rate scenarios for FY 2025-26, which would aid in determining the City's revised potential shortfall based on the City's proposed revenues and expenditures as of July 3, 2025. He stated that increasing the millage rate allows the City to fund the Fire Department's Rescue Model of 3/3 and the A-Guide (funding for non-profits). He noted that while reviewing revenues and expenses, they were being mindful of the policy regarding the fund balance. He explained that the City's residential taxes are based on the taxable value of a home, rather than its market value. He provided a breakdown of the projected citywide operating expenses for FY 2025-26 by fund type and weight:

Internal Services:	\$ 42,731,958	(12.26%)
Enterprise:	\$ 79,731,934	(22.87 %)
Debt Services:	\$ 0	(0.00 %)
General:	\$ 200,411,824	(57.49%)
Special Revenue:	\$ 25,731,286	(7.38 %)

Total Budget: **\$ 348,607,002.00 (100%)**

Mr. Moore presented the increases and rate adjustments that were driving each type of fund within the aggregated proposed budget. He outlined the timeline and the next steps in the budget process.

July 1 - Property Appraiser certifies taxable value to municipalities.

July 8 - Budget workshop to discuss the recommended budget and tentative millage.

July 24 - Town Hall Meeting on Budget.

Late July - The Florida Department of Revenue provides estimates for state-shared revenue sources.

August - Additional budget workshop conducted (if necessary) - City submits tentative millage rate and non-ad valorem information to the Property Appraiser.

September - Public hearings held to adopt millage and budget.

October 1 - Fiscal year begins.

Mr. Moore stated that significant changes to the proposed budget were not expected based on the trend analysis from the past 3 years.

The Commission provided their thoughts on the presentation.

Mayor Carney expressed concerns that the City had not thoroughly examined potential areas for implementing budget cuts. He proposed various strategies for generating additional revenue to include employee contributions to health insurance and increasing parking fees for City-owned lots. Additionally, he mentioned that specific departmental responsibilities could be reassigned to other areas to help achieve budgetary savings.

Deputy Vice Mayor Burns raised concerns that the millage rate options presented did not adequately address the budget shortfall. She pointed out increases that residents would face in the upcoming year and expressed her desire to avoid placing further financial burdens on taxpayers. She opposed raising the millage rate at this time, and suggested the City explore more comprehensive solutions to achieve a balanced budget.

Vice Mayor Long mentioned that most of the City's road resurfacing projects have been put on hold due to budget constraints. He noted that the rollback rate from last year has contributed to the current situation and that the proposed maximum rate increase of 6.211 is still lower than the rate set for 2024. He added that increasing the millage rate would help stabilize the budget shortfalls while the City continues to look for ways to offset

expenses.

Commissioner Casale noted that the budget cuts presented would necessitate further depletion of the City's reserve funds. Additionally, she recommended the Mayor outline his proposed cuts before the Commission votes on the ad valorem tax. She noted that despite the City receiving funds from the American Rescue Plan Act (ARPA), there was still a shortfall in the City fulfilling the level of service that residents require and that the actual budget amount needed was \$11.5 million to maintain the status quo.

Commissioner Markert mentioned that during discussions with the Federal Emergency Management Agency (FEMA), they stated there were significant cuts to government funding. He emphasized that Florida needs to be prepared to manage a catastrophic event independently. Additionally, he noted that maintaining high reserves is beneficial, as it generates interest, and suggested that revenue generated from in-lieu parking fees be allocated towards parking improvements.

Mr. Dachowitz stated the Finance Department has provided the Commission with different scenarios based on the current rate, as per their instructions. He noted the next 8 to 10 months would provide valuable insights for analyzing the budget for the next fiscal year.

Mr. Moore emphasized that achieving a balanced budget is an ongoing process, and the Commission must continue to provide feedback, as this process is not yet complete.

WS.2. PUBLIC COMMENTS

Mayor Carney asked that public comments be saved until the following meeting, which took place immediately after; however, due to procedural requirements, he still allowed the public to speak. Seeing no one present, he closed public comments.

Mr. Moore indicated that he required direction and expectations from the Commission regarding the millage rate scenarios provided, due to a timeline constraint.

Vice Mayor Long suggested striking a balance between the rates of 6.0611 and 6.2611, which was supported by Commissioner Casale and Commissioner Markert.

Deputy Vice Mayor Burns expressed her desire to avoid burdening taxpayers, and if maintaining the current millage rate is effective, then she recommended keeping it.

Mayor Carney stated that considering the additional revenues the City was anticipating receiving, he did not favor increasing the millage rate.

Mr. Moore stated that based on the majority feedback, he would work on creating a balanced budget with a millage rate of 6.1611.

There being no further business to discuss, Mayor Carney adjourned the meeting at 5:09 p.m.

The City shall furnish appropriate auxiliary aids and services where necessary to afford an individual with a disability an equal opportunity to participate in and enjoy the benefits of a service, program, or activity conducted by the City. Please contact the Human Resources Department at (561) 243-7125 at least 24 hours prior to the program or activity for the City to reasonably accommodate your request. Adaptive listening devices are available for meetings in the Commission Chambers.