



1015 Cultural Park Blvd.
Cape Coral, FL

BUDGET REVIEW COMMITTEE

September 9, 2019

9:00 AM

**Conference Room
220A**

1. Call to Order

A. Chair Starner

2. Roll Call:

A. Botkin, Eidson, Gruber, Hayden, Jacquet-Castor, Osborn, and Starner

3. Public Input

4. Business

- A. Approval of Meeting Minutes - July 22, 2019
- B. Approval of Meeting Minutes - July 23, 2019
- C. Approval of Meeting Minutes - July 24, 2019
- D. Approval of Meeting Minutes - July 29, 2019
- E. Approval of Meeting Minutes - July 30, 2019
- F. Approval of Meeting Minutes - July 31, 2019
- G. Approval of Meeting Minutes - August 1, 2019
- H. Approval of Meeting Minutes - August 5, 2019
- I. Approval of Meeting Minutes - August 7, 2019
- J. Approval of Meeting Minutes - August 8, 2019
- K. Approval of Meeting Minutes - August 12, 2019
- L. 2020 Meetings Schedule
- M. Planning Session for Topics Over the Coming Months

5. Public Input

6. Member Comment

7. Date and Time of Next Meeting:

- A. The next meeting of the Budget Review Committee will be held on Monday, October 7, 2019, at 9:00 a.m. in Conference Room 220A.

8. Adjournment

In accordance with the Americans with Disabilities Act and Section of 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the Office of the City Clerk at least forty-eight (48) hours prior to the meeting. If hearing impaired, telephone the Florida Relay Service Numbers, 1-800-955-8771 (TDD) or 1-800-955-8770 (v) for assistance.

If a person decides to appeal any decision made by the Board/Commission/Committee with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings, and for such purpose, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.

Item Number:	4.A.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - July 22, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - July 22, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Monday, July 22, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Eidson, Gruber, Jacquet-Castor, Obsorn, Starner, and Alternate Member Boller were present.

ALSO PRESENT: John Gunter, Council Liaison
Jo-Anne Velotti, Assistant Management Budget Administrator

Chair Starner announced that an ad was published in the newspaper for the open position. He inquired about the number of applicants and if the applications were available online.

Recording Secretary Castillo responded that the three applicants will be interviewed at the City Council meeting this evening, and the applications were available online and part of the Agenda backup material.

Public Input

Tom Hayden appeared and voiced that he applied for the open BRC board position.

BUSINESS

Approval of Meeting Minutes – July 8, 2019

Chair Starner stated that the minutes from the July 8, 2019 meeting were presented for approval.

Vice Chair Eidson moved, seconded by Alternate Member Boller, to approve the Meeting Minutes from the July 8, 2019 meeting, as presented. Voice Poll: All “ayes.” Motion Carried.

Update of the BRC FY 2020 Presentation

Chair Starner reminded the BRC that in the next two weeks the Committee would be reviewing the FY 2020 City Manager’s Proposed Budget.

Vice Chair Eidson announced that he would not be available for the September 5th Public Hearing.

Assistant Management Budget Administrator Velotti introduced herself to the Committee and stated that she would be able to address the Committee's questions.

Vice Chair Eidson suggested having a budget review process.

Chair Starner recommended that the Committee become familiarized with the typical budget process listed in the proposed budget (Page 3-6). He mentioned that the first place to start would be the Budget Message in Section 2.

Member Gruber inquired about the Charter School budget proposal.

Member Jacquet-Castor suggested to look for the Charter School budget proposal online and if it is not located, then they would request the proposal from the Staff.

Discussion held regarding:

- Page 2-4: FEMA awarded Cape Coral \$5.6 million in grant dollars
- Application of funds – Disaster Reserve
- Old building at the Everest facility, roof replaced recently
- Recommendation for Golf Course banquet facility
- General Fund Balance Disaster Fund – minimum of \$2 million, is it enough?
- Page 2-7: Estimated increase of 4 percent with property tax revenues of \$92.7 million for FY 2020; current millage of 6.75 mils would generate \$100 million; about \$7.3 million of additional property tax revenue above last year's estimated revenue needs for FY 2020 proposed budget
- Homestead Exemption increase - \$3.8 million of unexpected revenue
- Employee pension plans decreased by \$4.8 million
- \$15.9 million of unexpected revenue
- Page 2-8 Millage reduction recommended by City Manager from 6.75 mils
- Increase in property values were released after proposed budget was completed
- Look at possibly doubling the millage reduction instead of .2 to .4 which would be over a \$6 million reduction in taxes to the taxpayer

Member Botkin suggested to keep the meetings at a maximum of one and a half hour each day to keep the focus on the budget review.

Discussion held regarding:

- Page 2-3 - FSA 64 percent rate would generate about \$2.1 million
- Concerns with funding; millage rate; and Hurricane Irma reimbursement
- Recommending that Council commit to reducing the millage by a mil or mil and a half once the FEMA reimbursement received

- Page 2-8 - \$568,000 Subsidiary to Charter Schools
- Opposition to applying more tax dollars to schools than paving program
- Recommendation to the Council to hold a Public Referendum if City should continue funding Charter Schools
- Golf Course \$3.7 million and Waterparks \$3.9 million subsidiary FY2017–FY2022
- Pros and cons of outsourcing the operations of the Waterparks
- “On the Move” article reference Summer 2019 Issue related to a performance audit conducted by an outside firm
- Possible savings and cost of audit
- Article reported savings based on the analysis of additional employees and technological advancements vs. building a new fire station
- Including article as backup material
- Page 7-29 Waterpark transfers-in and transfers-out
- Page 7-30 Golf Course transfers-in and transfers-out
- Page 12-3 Charter School Authority subsidies
- Page 13-24 Charter School Maintenance FY2022 \$1.5 million subsidiary
- Building dept if the Charter School no longer managed by the City

Chair Starner requested that the Recording Secretary obtain the following information pertaining to the Charter School: capacity, enrollment, and waiting list of each school.

Council Liaison Gunter mentioned that the above information was contained in the Charter School proposed budget.

Discussion held regarding the following:

- Schools litigation and escrow funds placed in escrow per Federal Law
- \$1.6 million in escrow for capital expenditures

Chair Starner instructed the Recording Secretary not to request any information on the Charter School.

Discussion held regarding the following:

- Reserves in the Charter Schools - \$7 million
- Looking forward to receiving the Charter Schools report to compare enrollment
- Charter School website should show the enrollment information.
- Page 10-19 Yacht Basin, Boat House Public Private Partnership
- Page 14E-137: Boat Docking and Concession Rental Service Charges
- Difference between the figures in the Adopted and Amended Budget
- Real 2019 numbers
- Two Budget Amendments
- Council approval of amendments
- Budget process categories

- BRC focus on benefits to the taxpayers and employees of the City
- External Performance Review
- UEP construction and timing concerns
- Bidding process
- WCIND (West Coast Inland Navigation District) Local Grant (Lee County interlocal) for Public Works and Parks & Rec
- Section A – Pages 15-A1-A12: Glossary of Financial Terms and Acronyms
- Page 10-17: Re-verifying stormwater revenue totals
- Administrator Velotti would review that the data and confirm the totals
- Page 6-69 Government Services: Charter Schools Charges for the Senior Accountant and HR Liaison, operating costs plus repair and maintenance for buses, \$500,000 reimbursement included in the General Fund
- Page 6-2: Charge for Services-General Government reflect funds that would be reimbursed to the City
- \$500,000 – Full-time Senior Accountant, HR Liaison, and fleet costs for buses repair maintenance
- Charter School in-kind contributions

Council Liaison Gunter distributed a 15-Year Comparison about the Fire Department staffing from FY 2005 through FY 2020.

Discussion held regarding:

- Page 5-17: Budget Summary
- Page 9-3: Capital Projects Funds
- Streetscape and CRA Expenditure by Program
- Tax Increment Funds for Special Tax Districts
- CRA taxes
- Tabs coloration: white tabs for funds, teal green for Departments
- Page 7-15: Community Redevelopment Agency (CRA) – Special Revenue Fund
- Usage of dollars

Council Liaison Gunter recommended that someone from Finance in the off season could teach the Committee on how to navigate the proposed budget.

Vice Chair Eidson responded in the affirmative.

Alternate Member Boller inquired whether the millage rate in the CRA was the same as the millage rate for the City.

Assistant Budget Administrator Velotti responded in the affirmative.

Discussion held regarding the following:

- CRA establishment, assessment baseline, and CRA property tax values

- Page 5-17: Expenditures increased by percent
- Page 5-21: 9.9 percent increase between the FY 2019 amended budget and the FY 2020 proposed budget
- Formula utilized to calculate budget

Council Liaison Gunter discussed the 15-Year Fire Department Staffing Comparison from FY 2005 through FY 2020.

Chair Starner inquired about the population between FY 2005 and FY 2020.

Council Liaison Gunter stated that he would forward the information to the Recording Secretary to distribute to the Committee.

Discussion held regarding the following:

- Land Use Development Regulation changes
- DCD budget, proposing additional staffing, Special Revenue Fund for Building
- Process to be streamlined for administrative approval
- Zoning and Future Land Use Map changes

Public Input

Tom Hayden discussed Section 26-16 Code of Ordinances for the Charter Schools located on the Charter School website.

Discussion held regarding the use of taxpayers' funds to subsidize the Charter Schools.

Member Comments

Member Osborn stated to keep tomorrow's discussion simple.

Member Gruber inquired about the format of discussion.

Chair Starner suggested to the Committee to review the proposed budget and select a specific section to discuss and analyze at the next meeting.

Member Botkin shared that he identified his big-ticket items and requested to hear the other Members' focus.

Discussion held regarding:

- External performance review, cost associated, and supporting data
- Citywide external performance review recommendation
- Justification for the Citywide review
- Best Practices and Six Sigma correlation

- Using as an example the Cape Coral Fire Department Develops Strategic Plan by consulting firm – see the “On the Move” article on page 18
- Fire Chief Ryan Lamb awarded the Fire Chief of the Year for the State of Florida

Alternate Member Boller inquired about where the assessments for the FSA, solid waste, and stormwater were listed in the proposed budget book.

Chair Starner directed the Committee to review Page 5-13 for the Special Assessments.

Discussion held regarding:

- Property Trim Notices location of assessments for waste water and stormwater
- Page 5-8: PST (Public Service Tax) scheduled to increase by three percent

Vice Chair Eidson discussed his report from the Council for Progress meeting.

Discussion held regarding the appointment of the BRC member at the Council meeting.

Date and Time of Next Meeting

The next meeting will be held on Tuesday, July 23, 2019, at 9:00 a.m. in Conference Room 130-C.

Adjournment

There being no further business, the meeting was adjourned at 10:46 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.B.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - July 23, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - July 23, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Tuesday, July 23, 2019

CONFERENCE ROOM 130C

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Eidson, Gruber, Hayden, Jacquet-Castor, Obsorn, and Starner were present. Alternate Member Boller was absent.

ALSO PRESENT: John Gunter, Council Liaison
Christopher Phillips, Mgt/Budget Administrator left at 9:55 a.m.
Jo-Anne Velotti, Asst/Mgt/Budget Administrator arrived at 10:02 a.m.

Chair Starner announced that a new Committee Member, Tom Hayden, was appointed at the City Council meeting last night. He discussed the voting capacity of the Alternate Member.

Committee Member Hayden introduced himself to the Committee and provided his background.

Public Input

None.

BUSINESS

Discussion of FY 2020-2022 City Manager's Proposed Budget

Chair Starner informed that in yesterday's meeting the Committee discussed the Charter Schools. He provided information regarding Code of Ordinance 26-16 and 26-17, as well as CAFR #27 unfunded mandate.

Committee Member Botkin inquired about the Charter Schools costs reimbursement.

Mgt/Budget Administrator Phillips responded that the City Council discussed and voted on the Charter Schools cost allocation and break on the lease for the City buildings.

Chair Starner mentioned the indebtedness paragraph in Ordinance 26-16.

Discussion held regarding:

- Charter School capacity and attendance – 750 max / 715 anticipated

- Cost comparison; waiting list; and lost revenues
- Elimination of VPK
- Revenue per student – included
- State reimbursement around \$7,500
- Code of Ordinances 26-16 Indebtedness and 26-17 Administrative Services
- Recommendation to address this topic in the BRC presentation
- Law not being followed
- Legislation has shown a bias toward the Charter Schools
- Hurricane shelters in Cape Coral
- Addressing the facts in the BRC presentation
- BRC supports the Charter Schools
- Code of Ordinance 26-16 Indebtedness
- Including in budget line item of \$500,000 to \$600,000 to cover costs
- Put up to vote by the electorate
- Include the last couple of years expenditures
- Charge per student dollar amount assigned
- 2016 study with realistic and actual approach including all division involvement
- 2017-2019 Charter Schools not capable of reimbursing the City for the costs
- General Fund does not provide any subsidiary from FY 2021-2022
- Unsustainability of the Charter Schools
- City would be in debt for the school buildings – approximately \$3.2 million
- Research of the viability of the school buildings
- Bottom-line BRC wants the Charter Schools to succeed
- State sharing of PICO funds - \$1.6 million annual assistance
- Lee County litigation against the State
- Charter Schools \$7 million reserve funds
- CAFR lists the \$1.6 million
- Possible expenditures of the \$1.6 million
- \$500,000 Administrative proposed budget allocation
- Obligation to present to the Community the BRC findings on the Ordinance
- State educational funding
- Other revenues listed in the Charter Schools Operating Proposed Budget
- Florida's Public Education Capital Outlay or PECO Program
- Page 12-3 Charter School Authority
- Charges for Services include food service
- Charter Schools Internal Funds and inclusion in the City's audit process

Chair Starner mentioned that he would work on the Charter Schools slide in the BRC presentation.

Vice Chair Eidson requested that Council Liaison Gunter discuss the trees replacement topic that was discussed and voted at the City Council's meeting.

Council Liaison Gunter provided information regarding the tree replacement, costs, bidding, profit margin, and cost comparisons. He suggested changes in the procurement process.

Discussion held regarding:

- Same specifications being planted
- Budget allocation for median and City's beautification
- Adopt-A-Median Program
- BRC recommendation for Advisory Board, Council for Progress in place
- Recommendation for the median beautification of \$312,000 budget allocation

Mgt/Budget Administrator Phillips left at 9:55 a.m.

Discussion held regarding:

- Procurement process and increasing \$50,000 threshold change
- City Council voting process on bids
- Pros and Cons of the threshold change
- Suggestion to include slide supporting the external performance audit

Chair Starner shifted the discussion to Council Liaison Gunter's handout distributed at yesterday's meeting.

Council Liaison Gunter explained the population figures listed in the handout.

Assistant Management Budget Administrator Velotti arrived at 10:02 a.m.

Discussion held regarding:

- Population averages
- DCD Staff
- Reactive vs. Proactive ratio
- Quality of life issue
- What would be better? Reactive or Proactive DCD response
- Past Code Enforcement violations
- Cultural Change
- Increasing Code Enforcement Staff by seven employees
- Page 15-C3: No Staffing changes anticipated for DCD
- Discussion held having a reactive or proactive response
- Page 15-C5: DCD Unfunded Positions

Committee Member Gruber inquired if the BRC could obtain data from DCD regarding how many calls they received and the response time.

Recording Secretary Castillo stated she could inquire and send an email to Finance and have them request that they provide that information.

Committee Member Gruber inquired about the anticipated response from DCD.

Recording Secretary Castillo stated that she would forward the request to Finance.

Committee Member Gruber requested that the information include several different quarters. She assumed that there may be seasonality averaged into the data. If the population grew by 30% due to the snowbirds, there might be a different answer. Maybe this was the right staffing in the summer or maybe not. Does DCD have the Staff to maintain that change? She inquired about DCD's process and procedure on addressing issues and complaints.

Discussion held regarding registered complaints.

Committee Member Hayden inquired if DCD also had the same recording process as Fire or priority assignment to address each call or complaint received and processed.

Chair Starner read into the record some of the bullets on Page 6-41 FY 2020 – 2022 Goals and Priorities.

Discussion regarding:

- Page 6-44: Expenditures Charts comparison of Code Compliance and Personnel
- Proactive enforcement efforts above 50% to aggressively address violations
- Growth of department needs to continue with the growth of the City

Chair Starner summarized that the Committee discussed the Charter School and DCD. He inquired about the 2020 BRC presentation.

Recording Secretary Castillo reminded the Committee that the changes discussed would need to be incorporated in the FY 2020 presentation by a Committee Member.

Recording Secretary Castillo was instructed to provide Committee Member Hayden with copies of the BRC FY 2019 presentation and the Meeting Minutes from the July 8, 2019 with the suggested changes.

Discussion held regarding:

- Charter School slide – have concept, but need to finalize
- Code Enforcement slide – have concept, but need to finalize
- External Performance Review slide supported by median issue and Fire Department “On the Move” article pertaining to the strategic plan
- Technology slide
- Parks and Recreation GO Bond related slide
- Water Park and Golf Course slide
- Millage rate, FSA, and PST review
- Past years' Joint Budget Workshops with Council, BRC, and Departments
- Locked in rates in Proposed Budget

- Reduction of millage rate to 6.55 percent proposed by City Manager
- Last year's rate not to exceed 6.75 and the proposed rate reduction
- Millage methodology and calculations
- Upcoming budget meetings and process
- Millage rate reduction, allocation of excess funds, and application
- Sharing the data with the Community

Council Liaison Gunter suggested that the topics or sections of the proposed budget be listed before tomorrow's meeting.

Chair Starner suggested the following topics to discuss at the next meeting:

- What if slide? Millage rate and PST reduction
- How to apply excess funds?
- Changes to Charter Schools Code
- Hiring More Code Officers
- Potential Performance Review and Cost
- Show comparison of numbers from last year's millage rate

Public Input

None.

Member Comments

Committee Member Hayden expressed that he looked forward to working with the BRC.

Chair Starner welcomed aboard Committee Member Hayden.

Date and Time of Next Meeting

The next meeting was scheduled for Wednesday, July 24, 2019, at 9:00 a.m. in Conference Room 220A.

The meeting location was changed to the Council Chambers after the meeting.

Adjournment

There being no further business, the meeting was adjourned at 10:47 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.C.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - July 24, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - July 24, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Wednesday, July 24, 2019

COUNCIL CHAMBERS

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Gruber, Hayden, Jacquet-Castor, Obsorn, and Starner were present. Alternate Committee Member Boller was excused. Vice Chair Eidson arrived at 9:07 a.m.

ALSO PRESENT: Christopher Phillips, Mgt/Budget Administrator arrived at 9:44 a.m.
Jo-Anne Velotti, Asst/Mgt Budget Administrator arrived at 9:44 a.m.

Public Input

None.

BUSINESS

Continued Review of BRC FY2019 Presentation

Code Enforcement Discussion

Chair Starner stated that Committee Member Botkin compiled some information for the external performance audit and the findings would be shared with the Committee.

- Comments on handout about 50 percent proactive ratio

Committee Member Gruber stated that she does not share the same opinion to recommend the change of 70/30 requested.

- Keeping percentage with the growth of the population to reach the 70/30 ratio

Chair Starner inquired whether a proactive response was better than a reactive response.

Committee Member Jacquet-Castor responded that she did not agree that a reactive response would be a better. She discussed a scenario supporting her opinion.

Vice Chair Eidson arrived at 9:07 a.m.

Discussion held regarding:

- BRC objective
- Proactive vs. reactive responses

- Number of active DCD complaints
- Complaint scenario involving a stationary flatbed in a neighborhood
- Complaint priorities and culture
- Violations response issues
- Process of filing complaint
- Suggesting cultural language
- Making management aware of the issues not being addressed
- 50/50 ratio

Chair Starner mentioned that the handouts distributed today were his suggestions and not final.

Committee Member Gruber inquired if data would include all Code Enforcement tickets including open “reactive” and proactive ratios.

Recording Secretary Castillo responded that she would forward this additional request to the Finance Director.

Committee Member Botkin suggested adding the wording “currently the goal for the ratio is to be reactive” as referenced in Page 6-41 and listed in the third bullet point.

Millage Rate Discussion

Chair Starner discussed the handout regarding the millage rate.

Committee Member Botkin voiced his concern with the increase in revenue and yet there was only a \$3M increase in reserves.

Discussion held regarding:

- Page 5-5: Reserves
- Page 6-4: Summary of General Fund Expenditures by Department
- Reserves calculation – policy of reserving at least 3 months
- City Manager’s message on application of FEMA reimbursement
- BRC recommendation to reduce the millage rate to the rollback rate
- City Manager’s proposed 6.55 millage rate
- Calculation of property taxes with the suggested millage rate
- Page 5-15: Millage Rate History – General Operations and Debt Service
- Road resurfacing budget
- FY 2020 Proposed Debt Service Millage 0.0600 with a total of 6.61

Charter Schools Discussion

Chair Starner read into the record the Code of Ordinance 26-16 Indebtedness.

Mgt/Budget Administrator Phillips and Asst/Mgt Budget Administrator Velotti arrived at 9:44 a.m.

Discussion held regarding:

- Code of Ordinance 26-16 Indebtedness
- No City ad valorem taxes (real estate taxes)
- Does not exclude other sources of revenue
- City cannot assess a millage rate specifically for Charter School indebtedness
- Non-taxpayer revenues
- State Shared Sales Tax
- PST (Public Service Tax) \$7M year
- Communications Service Tax
- Page 6-2: General Fund
- Franchise Fee – utility entities such as cable companies or electric companies and electrical right-a-way usage fee
- Revenue and General Obligation Bonds
- FSA (Fire Services Assessment) pays for 64 percent of Fire expenditures
- “No City ad valorem tax revenue shall ever be pledged”
- Spirit of the law and letter of the law
- Dealing with facts and revenue source findings regarding the Charter School
- No double taxation
- Code of Ordinance 26-17 – Administrative Services
- Focusing on the City’s budget
- Concerns with City revenue expenditures
- Referendum to pledge \$500,000 to the Charter School
- Charter School management of capital maintenance
- Lee County School District revenue - \$1.6M
- Transportation maintenance
- Page 6-69: Government Services-Charter School Charges FY 2020 Payroll
- Charter School Charges Payroll increased by \$50,000 from FY 2019 to FY 2020
- City charging the Charter School for these expenses

Mgt/Budget Administrator Phillips left at 10:02 a.m.

Discussion held regarding:

- Charter School buses transportation and maintenance
- Could the franchise fee may be an idea to offset the Charter School expenses?

Chair Starnes instructed the Recording Secretary to send an inquiry to the Finance Director for Legal/City Attorney to clarify whether or not the Franchise Fees could be used to help with the Charter School’s budget as opposed to the ad valorem taxes.

External Performance Audit Discussion

Committee Member Botkin discussed the handout regarding Principles of Performance Audits. He mentioned the benefits of the recommendation:

- Economy, efficiency, effectiveness, and potential savings
- Sample of performance audit to be included on the slide
- Including the word “external” before performance audit
- Purpose, basic review of the operations, and potential cost of audit
- Implementation of changes to reduce expenditures
- Lee County School District audit could be an example – results available online

Public Input

None.

Member Comments

Committee Member Gruber shared her interest to discuss the impact of all the technological changes the City implemented and the results in terms of savings or efficiency performance.

Committee Member Botkin responded that the City was currently working on implementing the technological changes and that it was too soon to measure results.

Discussion held regarding:

- Obtaining an update on the technological implementation
- When would the implementation be completed?
- Parks and Recreation GO Bond

Chair Starner suggested that the meeting on Thursday, July 25, 2019, be canceled.

Committee Member Botkin moved, seconded by Committee Member Hayden, to cancel the BRC Meeting scheduled for July 25, 2019. Voice Poll: All “ayes.” Motion Carried.

Date and Time of Next Meeting

The meeting scheduled on Thursday, July 25, 2019, at 9:00 a.m. was canceled.

The next meeting was scheduled for Monday, July 29, 2019, at 9:00 a.m. in Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:20 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.D.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - July 29, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - July 29, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Monday, July 29, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Eidson, Gruber, Hayden, Starner and Alternate Member Boller were present. Committee Member Botkin was excused. Committee Member Osborn arrived at 9:15 a.m. After the start of the meeting, the Clerk received a correspondence from Committee Member Jacquet-Castor requesting to be excused and she was marked so.

ALSO PRESENT: John Gunter, Council Liaison
Victoria Bateman, Finance Director
Christopher Phillips, Mgt/Budget Administrator

Public Input

None.

BUSINESS

**Discussion of the FY 2020-2022 City Manager's Proposed Budget
and
(BRC Recommendations to the FY 2020 Proposed Budget)**

Chair Starner announced that he started working on the draft PowerPoint presentation that was displayed on the monitor for the Committee's review and discussion. He stated that nothing was set in stone and changes would be made as needed.

The Committee began reviewing the suggested recommendations as follows:

- Slide #1: BRC Recommendations for the FY 2020 (title page)
- Slide #2: FY 2020 Proposed Budget (standard language)
- Slide #3: Unexpected Revenue

Finance Director Bateman and Mgt/Budget Administrator Phillips arrived at 9:06 a.m.

Discussion held regarding:

- Checkbook Approach
- Bullet Point #2 - \$7.3 million calculation
- Page 6-2 based on 6.55 millage rate
- Page 2-7 reflect anticipated gain and loss of property taxes
- Total proposed revenue

- If the millage rate left at 6.75, revenues could yield \$100M
- Ad valorem revenue of \$4.3 million
- City Manager proposed millage rate reduction

Committee Member Osborn arrived at 9:15 a.m.

Continued discussion held regarding:

- Difference between last year's expected figures
- Actual dollars and current budget based on 6.55 millage rate
- Change \$7.3MM to \$4.3MM and \$15.9MM would decrease to \$12.9MM
- Fire Assessment (FSA) listed in proposed budget
- Fire additional apparatus costing \$26 million
- Page 6-2 Summary of General Fund Revenues by Category
- Sources of Revenue
- FSA and expenses
- Slide #3: Three major additional revenues – language change to be made
- Slide #4: Diversified Revenue
- Rollback rate 6.4903 – less than \$100,000
- FSA commentary
- Suggested 6.35 millage rate – Board would need to vote
- Page 6-2 – FSA increasing about \$480,000
- Amounts changing since publication of proposed budget
- Revenue derived from Fund Balance
- Fund Balance = Revenue Minus Expense Minus Debt Service Minus Transfers
- Property taxes evaluation based on \$150,000 taxable value
- Comparison of last year's property taxes and FSA
- Fair market, assessed value, and building value
- Property Appraiser calculates taxes based on building value
- Vacant lots pay Tier 1 assessments
- Tiers not reflected in the proposed budget
- Increase and offsets need to be described
- Three-legged stool
- Adding note on top of slide: "Assuming you have a \$150,000 building value"
- Clear translation in dollars vs. percentage
- Creating charts for each bullet point: FSA, Ad valorem, and PST

Committee Member Hayden left at 9:52 a.m.

Finance Director Bateman offered to provide charts for the FSA, Ad valorem, and PST.

Committee Member Gruber inquired about the joint meetings, public hearings, and millage meetings.

Finance Director Bateman provided information on the meetings.

Discussion held regarding:

- City Council would vote on the millage rate and FSA
- Suggested that the millage rate should not exceed a certain amount
- Slide #5: Other Revenues
- Golf Course and Waterpark – reigning in estimates on a five-year forecast
- Figure listed in proposed budget listed at a higher amount
- Break-even philosophy by Parks and Rec
- Bullet Point #3: expanding banquet facility
- Cost of fleet facility approximately \$16 million
- Ideas to save the golf course
- Big investment to expand existing facilities
- Public Private Partnership possibilities

Finance Director Bateman and Mgt/Budget Administrator Phillips left at 10:01 a.m.

Continued discussion held regarding:

- City Manager's Message on pages 2-1 – 2-10
- Fleet facility
- FEMA funds and City Manager's proposed usage
- Bullet Point #2: elaborating more on the Sun Splash and Coral Oaks Golf Course to include a five-year overview

Council Liaison Gunter discussed that the homeowners are more concerned with how much they need to pay and what would they get for the additional taxes. He has inquired what would be done with the additional funds.

Discussion held regarding:

- Millage rate reduction
- Need to clearly identify how additional funds would be applied
- Sun Splash and Golf Course Public Private Partnerships recommendation
- Taxpayers' decision to support the \$60 million GO Bond
- Finding an efficient way to spend additional revenue
- Slide #6: Use of Reserves – two months reserved for operating expenditures
- Disaster Reserves – allocating the FEMA reimbursement into this category
- Increasing the disaster reserves above \$4 million
- Historical records of past disasters to estimate increase of disaster reserves
- Proactive vs. Reactive Code Compliance Response
- Council Liaison Gunter requested a 10-year history of complaints/calls serviced
- Basis of Code Compliance proactive response
- BRC to provide specific questions for DCD, Code Compliance, etc.

- Replenishing the disaster reserves – Council would be discussing this topic
- Slide #7: Economic Development
- Need to focus on whether department needs more funds
- Recommendation and concept to change current 90/10 ratio
- BRC recommendation to change ratio to 80/20
- Recommending additional Code Compliance FTEs
- Suggestion to allocate some of the FEMA reimbursement to EDO
- BRC supports having a robust Economic Development Division
- Comparing City's EDO with other similar cities in Florida

Chair Starner requested that the Finance Director provide the BRC with the following: Please provide budget information for Economic Development from other Florida Cities that are similar in size to Cape Coral.

Council Liaison Gunter stated that he preferred to support any recommendations with data and cost similarities.

Discussion held regarding the amount spent and manpower that Lee County spends for medians and quality of life issues.

Chair Starner continued with the PowerPoint presentation:

- Public Safety Slide – Deleted
- Sidewalks expenditures and grants
- Recommendation for gas tax revenue allocation for new sidewalks
- Page 9-3: Capital Projects Funds and Page 9-4 footnotes
- Slide #8: Code Compliance
- Figures accurate based on reports
- 30% increase in population growth
- Increasing Code Compliance FTEs
- Page 6-41: Community Development Goals and Priorities
- Implementing specific action steps to reach goals and priorities
- Bullet Point: Support Goals and Enforcements and develop action steps
- How would an increase DCD manpower affect the response ratios?
- BRC presentation at the second Joint Budget Workshop
- BRC preference to meet outside of Chambers
- Slide #9: Human Resources
- BRC recommendation for Professional Volunteer Coordinator
- Each department standards and training
- Bullet Point #1: Eliminated
- Including statistical data to support the elimination of unfilled funded positions
- Recommend reallocating the funds for much needed positions, such as Code Compliance, Economic Development, and median budget

Alternate Boller suggested that the Committee review Page 3-11 – Budget Management regarding FEMA allocations.

Public Input

None.

Member Comments

None.

Date and Time of Next Meeting

The next meeting was scheduled for Tuesday, July 30, 2019, at 9:00 a.m. in Conf PW Green/Room A200.

Adjournment

There being no further business, the meeting was adjourned at 11:09 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.E.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - July 30, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - July 30, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Tuesday, July 30, 2019

CONF PW GREEN/ROOM A200

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Eidson, Gruber, Hayden, Jacquet-Castor, Obsorn, and Starner were present. Committee Member Botkin and Alternate Member Boller were excused.

ALSO PRESENT: John Gunter, Council Liaison
Christopher Phillips, Mgt/Budget Administrator arrived at 9:02 a.m.

Public Input

None.

BUSINESS

**Discussion of the FY 2020-2022 City Manager's Proposed Budget
and
(BRC Recommendations to the FY 2020 Proposed Budget)**

Chair Starner continued with the review of the proposed BRC recommendations presentation as follows:

- Slide #10: Charter Schools
- Franchise Fees deposited into General Fund
- Receival of the \$1.6 million on an annual basis
- Capital campaign and foundation
- Charter School being funded with public funds, which should not be happening
- In-kind contribution direct conflict with Charter School Code 26-17
- City should continue to subsidize the Charter School until resolution of PECO issue
- Recommendation of taking this issue to vote by the public
- Including the figures in the slide
- Updating language until pending litigation regarding the PECO funds
- Lawsuit length of resolution – couple of years
- Pending resolution of litigation before taking the issue to vote
- Expected time when PECO funds could be received
- Initial payment of \$1.6 million being held in escrow until resolution of lawsuit
- Possible retroactive funding
- Page 6-69 Government Services: General Fund Transfers-Charter School Charges

- Page 6-71 Debt Services
- Payroll \$174,388 and Operating \$573,476
- \$568,000 for Support Services compared to \$311,000 last year (in-kind service)
- Charter School pay for the two FTEs
- Page 6-2 Other Sources-Interfund Transfer
- Designation of Franchise Fees to a specific item
- General Fund allocation
- Recommendation to continue Support Services
- City Council discussion of Charter School subsidization
- Topics addressed by the City Council
- Legal action pending that may provide funds for the Charter School
- BRC recommend the City Council review the policy

BRC requested a Staff member from the City Attorney's Office attend the next BRC meeting (July 31st at 9:00 a.m. Conf Room 220A) to discuss and answer questions pertaining to Chapter 26-16 – Cape Coral Charter School Authority - Indebtedness.

The Committee continued reviewing the following:

- Slide #11 and #12: Performance
- Incorporation of Member Botkin's handout into the slides
- Recommendation for an external performance audit
- City total employees approximately 1,454
- Slide #11 title change to include "External" and restructuring of information

Mgt/Budget Administrator Phillips discussed the handout regarding the Cost to Citizen with \$150,000 Taxable or Building Value (FSA) as follows:

- Ad Valorem Property Taxes – FY 2020 Proposed \$982.50 – Decrease of \$30.00
- FSA – FY 2020 Proposed \$224.66 – Increase of \$16.87
- Public Service Tax (Electric Bill) – FY 2020 Proposed – rates remain constant
- New customers bringing in new revenue
- Including chart in the PowerPoint presentation
- How much money are the taxpayers paying?
- Homestead 3% increase and Non-Homestead 7.86% increase
- Council Liaison Gunter requested to see these scenarios
- Lee County Property Appraiser's Office chart with total taxable value
- GO Bond Debt Service

Mgt/Budget Administrator Phillips left at 9:55 a.m.

The Committee continued reviewing the following:

- Slide #12: External Performance Audit-Continued
- Title change and formatting of information

- Example: Fire utilizing an outside source for the strategic planning
- Examples: Tree issue, median, and procurement process
- Discussing examples in oral presentation or Q&A
- Audit Committee oversees the performance audits handled by the City Auditor

Consensus agreed with no objections to include the External Performance Audit recommendation in the presentation.

The Committee continued reviewing the following:

- Slide #3: Additional Revenue
- Slide #4: Diversified Revenue

Council Liaison Gunter requested that the Mgt/Budget Administrator provide the tax increase.

The Committee continued reviewing the following:

- Slide #4: Diversified Revenue
- Removing percentage
- BRC supports the final increment
- Offset of tax increase by FSA decrease
- Suggestion to add the chart after this slide
- Millage rate discussion
- Median budget and procurement process
- Alley pavement percentages – check and balance
- Reserve Funds – Police Impact Fund – collected from impact fees
- Reallocation of funds for other categories
- Review of extra revenue and proposed usage and spending
- Joint Budget Council Meetings – each department proposed budget presentation
- BRC recommendation for spending any extra revenue
- Slide #7: Economic Development content changes
- Slide #8: Code Enforcement – chart included and changes
- City Council meeting discussions
- Improving proactive and reactive ratio
- Responses to BRC inquiries on call logs and response time
- Members experience with Code Compliance
- Removal of ratios
- Three main factors: welfare, public safety, and quality of life
- Improving quality of life in the Community
- Emphasizes on proactive measures
- Substituting “Enforcement” with “Compliance”

Public Input

None.

Member Comments

Committee Member Gruber requested to discuss the questions she compiled from her review of the proposed budget at the next meeting.

Date and Time of Next Meeting

The next meeting was scheduled for Wednesday, July 31, 2019, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:45 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.F.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - July 31, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - July 31, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Wednesday, July 31, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Eidson, Gruber, Hayden, Jacquet-Castor, Obsorn, Starner and Alternate Member Boller were present. Committee Member Botkin was excused.

ALSO PRESENT: John Gunter, Council Liaison
Christopher Phillips, Mgt/Budget Administrator

Public Input

None.

BUSINESS

**Discussion of the FY 2020-2022 City Manager's Proposed Budget
and
(BRC Recommendations to the FY 2020 Proposed Budget)**

Chair Starner started the meeting with addressing the questions Committee Member Gruber requested to discuss as follows:

- Page 10-11: Water & Sewer Capital Projects
- Water & Sewer Revenue and Cash Balances
- Amendment forthcoming with completed budget
- Just planned projects are about in the 25% mark – planned vs. completed
- Page 10-12: List of detailed items for the proposed \$30.6 million budget
- Page 10-13: What were the FY 2019 Actual Expenditures, as not listed on page?
- City-wide Pension \$4.8 million
- What is needed and what is funded?
- Yearly report of what needs to be contributed
- FY 2020 City can reduce the budget by \$4.8 million
- Goal to reach 80% funding mark for the Police, Fire, and General Pensions
- Police already at 80%; Fire close; General in healthy area
- Main differences between the City Pension and Florida Retirement System (FRS)
- Page 6-70 Designated: Disaster & Other
- Balance of Relief Funds
- Components: economic development; technological, and disaster reserve

- Page 6-71 Footnotes
- FEMA approved additional funds
- Page 6-51 Anticipated Accomplishments
- Page 6-2 Internal Service Charges
- Why the item has increased to \$7.9 million—about \$2 million since FY 2019?
- Page 15-D2: Section D contains the breakdown of charges
- Mgt/Budget Administrator Phillips would provide more detail
- Page 6-70 Animal Shelter – free standing contribution (possible in-kind)
- Slide #8: Code Compliance
- Increasing Code Compliance FTEs by 11 additional officers

Council Liaison Gunter discussed the Code Compliance proactive & reactive chart.

Discussion held regarding:

- Watering Cases not handled by Code Enforcement
- Pending additional information
- Last year's reported proactive ratio was at 48%
- Repositioning of FTE within the department
- New Customer Service Representative and Code Compliance Officer moved into the field
- Proactivity rate increased to 53% by adding one additional field officer
- Officer Case Totals and Calls for Service - calculation of calls per officer
- Need to know the number of multiple visits per each complaint/call
- Important to know the proactive and reactive ratios
- Case Number established on each complaint received or generated
- Initial and Re-Inspections Fees
- Visits vs. Cases created by the Citizens or Code Compliance Officers
- Determining the need for the additional Code Compliance Officers
- Recommendation supported based on City's population growth
- Code Compliance updating software technology
- Calls for Service actual number of complaints
- Each complaint/call would have a minimum of two calls
- Review and discussion of the new Code Compliance charts
- Calculations of proactive and reactive percentages
- Majority of the watering cases are outsourced to third-party
- Is the department meeting the goals?
- How many total visits for each complaint (follow-up visits)?
- Proactive complaints generated by Code Compliance Officers
- Reactive complaints generated by Residents
- Determining the appropriate proactive rate
- Section E: Detailed Budget Schedules by Fund
- Slide # 4: Diversified Revenue
- Expenditure of the additional revenue

- Page 9-3: Capital Projects Funds – Sidewalks - \$1.9 million
- Review of revised 3-Legged Stool Revenue Chart handout
- Net effects of the 6.55 and 6.35 millage rate
- Calculation of millage rate difference between 6.55 and 6.35 millage rate
- PST began October 2013 and started at 7%
- Recommendations on how the additional funds could be allocated
- Reinvestment back into the City projects
- Assessed value of all Lee County properties \$15,438,898,927
- History of rollback rate?
- Dollar difference between 6.55 millage rate and rollback rate
- Slide #4: Changes to reduction of the millage to the rollback rate of 6.4903

Consensus agreed with no objection to recommend the reduction of the millage to the rollback rate of 6.4903.

Discussion held regarding Internal Service Charges and Interfund Transfers.

Council Liaison Gunter offered to share at the next meeting the subsidies breakdown for the Golf Course and Waterpark. He mentioned that the subsidies increased.

Public Input

None.

Member Comments

Committee Member Jacquet-Castor shared that she would not attend the next meeting.

Alternate Committee Member Boller shared that he might not attend the next meeting.

Date and Time of Next Meeting

The next meeting was scheduled for Thursday, August 1, 2019, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:48 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.G.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - August 1, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - August 1, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Thursday, August 1, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Eidson, Gruber, Hayden, Obsorn, and Starner were present. Committee Members Botkin, Jacquet-Castor, and Alternate Member Boller were excused.

ALSO PRESENT: John Gunter, Council Liaison
Christopher Phillips, Mgt/Budget Administrator

Public Input

None.

BUSINESS

**Discussion of the FY 2020-2022 City Manager's Proposed Budget
and
(BRC Recommendations to the FY 2020 Proposed Budget)**

Chair Starner acknowledged that Committee Member Gruber and Council Liaison Gunter distributed handouts before the start of the meeting.

He commenced the meeting with discussing the following:

- Slide 8: Code Compliance
- Slide 9: Code Compliance-Continued
- Information requires clarification and justification for the additional FTEs
- Rearrangement of bullet points in the slides
- Unknown actual number of visits
- Allocation model and strategic goal of 50% proactivity
- Determine if 50% proactivity needs to be increased
- Is the end result, as far as the public concerned, at the level of expectation?
- How would the proactivity rate be increased?
- Data indicated that the proactive ratio increased by 5% by adding one Officer
- Analyzing and substantiate goal
- Code Compliance tracking procedures and process
- No additional FTEs requested by Code Compliance

- Additional FTEs justified by past proactive ratio of adding one additional FTE
- Additional FTEs justified by population growth
- Data: 18 total Code Enforcement Officers one assigned to each District
- 3-Officers at-large assigned to specific targeted areas
- 2-Officers handling the utilities/watering violations
- 2-Officers handling the unlicensed contractors
- BRC recommendation to increase the proactive ratio to 70%
- Concerns with current response and issues management process
- Changes made to content in the presentation
- Justification for additional FTEs
- Transparency of data
- Additional FTEs based on population growth and performance
- Review of handouts regarding Golf Course and Sun Splash subsidies
- Revenue projections and greater subsidies budgeted
- Subsidies analysis vs. revenue analysis
- Attempting to break-even may price the facilities out of the market
- Page 5-18: All Funds Revenues
- Council Liaison Gunter requested the waterpark data for this year
- Capital expenditures due to Fire, renovations, Hurricane Irma, etc.

Mgt/Budget Administrator Phillips left at 10:00 a.m.

Continued review of the FY2020 BRC Recommendations presentation:

- Slide 5: Other Revenues
- Additional actual subsidies from the prior five years
- Combination of recent, past, and future estimations
- Expanding the banquet facility
- Study on privatizing Coral Oaks
- Other local Golf Course comparisons
- Yacht Club
- Page 6-66: Goals and Priorities to building a new clubhouse for Coral Oaks
- Overall goal to reduce subsidies

Council Liaison Gunter left at 10:09 a.m. and returned at 10:11 a.m.

Continued review of the FY2020 BRC Recommendations presentation:

- Boathouse and Yacht Basin – boat slip managed by the City
- Boathouse only P3 facility
- Committee Member Gruber's handout regarding Homeowner Tax
- Homeowner Costs and City Revenues in \$000's

- FY 2020 proposed millage (6.55) and rollback millage (6.4903) calculations for Ad Valorem, Fire FSA, Public PST, GO Bond, Total to City, Increase and Decrease
- GO Bond figure not correlated to the property value
- Adding under the 3-legged stool titles FSA 62%-64% and PST 7%
- Including chart between Slides 4 and 5 in the PowerPoint
- City Revenue – changing \$000's to millions
- Joint Budget Workshop timeline and process

Chair Starner announced that the Committee would be meeting on Monday, August 5, 2019, to review the PowerPoint presentation, assign which Committee Member would handle which slide, and review the meeting schedule. He stated that the Committee may not meet on Tuesday, August 6, 2019 due to the Joint Budget Workshop between the City Council and the BRC scheduled in the afternoon.

Discussion held regarding:

- City Manager's and Department heads presentations
- Tweaking presentation if changes made during the Joint Budget Workshops
- Anticipating BRC presentation at the second Joint Budget Workshop
- Department Budget presentations
- City Council review of the proposed budget as a whole
- Public Input at the workshops

Public Input

None.

Member Comments

Council Liaison Gunter suggested that anyone ad-libbing in addition to the PowerPoint presentation should provide the Committee a written document with their bullet points.

Discussion held regarding:

- External Performance Audit would be handled by Committee Member Botkin
- Follow-up on request to have the City Attorney attending the BRC meeting.

Date and Time of Next Meeting

Vice Chair Eidson requested that a copy of the PowerPoint presentation.

Recording Secretary Castillo stated that she would send the presentation to the entire Committee.

The next meeting was scheduled for Monday, August 5, 2019, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:38 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Subject to Approval

Item Number:	4.H.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - August 5, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▫ Meeting Minutes - August 5, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Monday, August 5, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Eidson, Gruber, Hayden, Obsorn, Starner and Alternate Member Boller were present. Committee Member Jacquet-Castor arrived at 9:12 a.m.

ALSO PRESENT: John Gunter, Council Liaison
Victoria Bateman, Finance Director
Christopher Phillips, Mgt/Budget Administrator
Dolores Menendez, City Attorney arrived at 9:07 a.m.
Mark Moriarty, Assistant City Attorney

Assistant City Attorney Moriarty introduced himself and stated that he was present at the meeting to answer any questions the Committee had regarding Chapter 26-16.

Alternate Committee Member Boller announced that he would not be attending any more BRC meetings after today. He distributed copies of the property tax notice and discussed the following: non-ad valorem tax, increase of 4.64% more, backdoor tax or assessment, total \$64 million of income, difference between the two millage rates, and 3.85% decrease less than FY 2019.

Public Input

None.

**Discussion of the FY 2020-2022 City Manager's Proposed Budget
and
(BRC Recommendations to the FY 2020 Proposed Budget)**

Chair Starner inquired about the expenditures allowed under Charter 26-16.

Assistant City Attorney Moriarty provided an explanation of which items were allowed.

Discussion held regarding the interpretation of expenditures allowable under Charter 26-16.

City Attorney Menendez arrived at 9:07 a.m.

Chair Starner inquired about the funding used for Charter School expenditures.

Discussion held regarding the pledging of funds, provisions, and referendum to allocate General Funds to subsidize Charter School.

Committee Member Jacquet-Castor arrived at 9:12 a.m.

Continued discussion held regarding:

- Pledging power
- Understanding of the General Fund and sources
- Pledging taxing authority
- Similarities and research of Pembroke Pines Charter System
- Cape Coral Charter School alternatives
- Political/Psychological stances
- Utilization of City services
- Charter 26-17 – “City shall charge”
- Objective to avoid duplication of services and promote uniformity
- Intention and actual involvement
- Ordinance creation and purpose
- Review and revision of Ordinance

Chair Starner inquired if there have been any legal ramifications due to this issue.

City Attorney Menendez responded that there have been none.

Chair Starner mentioned that the BRC’s unwritten vision statement was to look out for the Citizens.

Vice Chair Eidson stated that there is no legal premise and BRC would need to focus on financial side.

Committee Member Gruber responded in the affirmative.

Discussion held regarding:

- Eliminating the last two bullet points in the Charter School Slide #12
- Intentions of Chapter 26-17
- In-kind services to Charter School proposed budget FY 2020 \$568,000
- Suggestion to modify the Ordinance
- Appropriating expenses for legal and other services
- Challenges of statements “bearing all the costs”
- Transportation busing challenges
- PECO money resolution
- Statute amendment for schools

- Challenges of specific allocation of millage for capital appreciation
- Annual funding
- Appeal and litigation process
- Discretionary annual appropriation by State Legislation
- Cape Coral and Pembroke Pines – municipalities managing Charter Schools
- Charter Schools are considered public schools per the Statute
- \$1.6 million placed in escrow and State appropriation

City Attorney Menendez and Assistant City Attorney Moriarty left at 9:45 a.m.

Council Liaison Gunter inquired about the dollars appropriated to the Charter Schools.

Mgt/Budget Administrator Phillips responded that there was no revenue on the proposed budget reflected for the \$568,000 for the Charter School.

Discussion held regarding:

- Page 12-3 Transfer In of \$149,704
- Two FTEs charged by the City to the Charter School paid directly
- Does the \$568,000 include any discount?
- Analysis of what the City does for the Charter School
- School Resource Officers considered an in-kind or dollar amount; fully borne by the City SROs placed in every Cape Coral schools; not including private schools
- Slide #12: eliminate last two bullet points regarding Charter 26-16
- Transparency of the additional \$568,000 funding to the Charter School
- Stating a fact as a concern
- Adding “City” Charter School

Vice Chair Eidson moved, seconded by Committee Member Hayden, to eliminate the last two bullet points in Slide #12 – Charter Schools. Voice Poll: All “ayes.” Motion Carried.

Continued review of the FY2020 BRC Recommendations presentation:

- Philosophical opinion of allocating funds to the Charter School
- Increase of in-kind budget for services
- Future discussion of Chapter

Vice Chair Eidson moved, to add language to Slide #12. No second, therefore, motion failed. (Vice Chair Eidson withdrew the motion).

Discussion held regarding:

- Slide #12 change of context
- \$311,000 subsidy to Charter School FY 2019
- \$568,000 subsidy to Charter School FY 2020

- 82.6% increase from FY 2019 to FY 2020
- Page 2-8: Municipal Charter School System
- No Transfer In of \$568,000
- Slide 12: added language regarding in-kind contribution for Chapter 26-16
- Revisiting Chapter 26 halted to review the Charter School's best practices
- Joint Budget Workshop meetings
- Two meetings and third one would be optional if needed
- Slide #6: Impact of Various Millage Rates
- Fair comparisons of the assessed values
- Reconciliation of FSA budget and retirement costs shown in Government Services
- Police and Fire Impact Fees only for Growth as well as Road Impact Reserves
- Parks and Recreation Impact Fees decrease
- Police Impact Fees allocation
- Allocation of different funds to different departments and items

Mgt/Budget Administrator Phillips suggested that the BRC review Page 5-11 which reflects the impact fees collectively.

Mgt/Budget Administrator Phillips left at 10:32 a.m.

Discussion held regarding handouts provided by Vice Chair Eidson:

- First handout: Quality of Life (palm tree sheet)
- Code Compliance and Median examples to support External Performance Audit
- Second handout: Code Enforcement
- BRC recommends; basis for recommendations; and acknowledgements
- Third handout: Code Compliance: A Quality of Life Issue (excel spreadsheet)
- Understanding Proactive and Reactive ratios
- Recommendation that 6 additional Code Compliance Officers required to take a proactive stance in the Community to improve the Quality of Life
- Formulation and calculation for proactivity
- Cases should be increasing based on population growth
- Establishing matrix to determine if more officers required and track case

Committee Member Hayden left at 10:50 a.m. and returned at 10:52 a.m.

Discussion held regarding:

- Number of officers and correlation to number of proactive cases
- Justification of cases and reporting data
- Requesting head of Code Compliance to meet with BRC
- Quality of Life issues being revisited in October by the City Council
- Police performance model and metrics
- Code Compliance goals based on a 50/50 ratio

- Re-evaluating performance, manpower, and recording metrics
- Slide #9: Using 2015 data instead of 2005
- Ad-lib presentation
- City Manager's Budget Message
- Total number of cases vs. percentage
- Helping residents understand how Code Compliance works
- Declination of total number of cases argument
- Rebuttal based on proactivity rate

Committee Member Hayden recommended that a Code Compliance Staff member be invited to the BRC meeting to clear up any questions and information.

Discussion held regarding:

- Slide #10: Code Compliance-Continued
- Referencing numbers that may contradict data

Council Liaison Gunter read into the record the memorandum dated July 31, 2019 provided by Code Compliance Manager Carr.

Discussion held regarding:

- FY 2019 vs. FY 2020 of four additional FTEs to none
- Recommending dollars to add three additional FTEs

Public Input

None.

Member Comments

Chair Starner suggested not to meet in the morning on Tuesday, August 6, 2019 at 9:00 a.m.

Consensus agreed to cancel the meeting.

Consensus agreed without objection to request that the Code Compliance Manager attend the next BRC meeting on Wednesday, Thursday, or Monday.

Date and Time of Next Meeting

The meeting scheduled for Tuesday, August 6, 2019, at 9:00 a.m. in Conf PW Green/Room A200 was cancelled.

The Joint Budget Workshop with City Council was scheduled for Tuesday, August 6, 2019, at 1:00 p.m., in Council Chambers.

Adjournment

There being no further business, the meeting was adjourned at 11:23 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Subject to Approval

Item Number:	4.I.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - August 7, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - August 7, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Wednesday, August 7, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Eidson, Gruber, Hayden, Jacquet-Castor, Obsorn, and Starner were present.

ALSO PRESENT: John Gunter, Council Liaison
Christopher Phillips, Mgt/Budget Administrator arrived at 9:05 a.m.
Richard Carr, DCD Code Compliance Manager arrived at 9:01 a.m.

Chair Starner announced that Alternate Committee Member Boller officially resigned as of August 5, 2019 and the City Clerk would be running an ad in the Breeze newspaper for his replacement.

DCD Code Compliance Manager Carr was present and introduced himself to the Committee.

Chair Starner inquired about when the Code Compliance ratio was established.

Manager Carr responded that the ratio was established before his employment.

Discussion held regarding:

- Possibility of increasing proactive ratio by 20% with the same number of FTEs
- Keeping the same measures and goals to reach proactivity ratio
- Delivery of service and goal to improve performance, including morale impacts
- Complaints process and tracking of calls
- Statistics and service levels
- Cost of additional FTEs including capital, maintenance, salary, and benefits
- Roughly \$93,000 for Code Compliance Officer for the first year
- Following years decreased to about \$63,000
- Recommendation of three additional FTEs
- FY 2019 requested three FTEs and FY 2020 FTEs none requested
- FTE for Code Compliance Officer instead of regular Staff
- Assessment of Code Compliance Officers and workload
- Management driven directives

Public Input

None.

BUSINESS

Discussion of the FY 2020-2022 City Manager's Proposed Budget

Chair Starner continued the meeting with reviewing the Code Compliance slides included in the FY2020 BRC Recommendations presentation:

- Slide #9: Code Compliance
- Slide #10: Code Compliance - Continued

Chair Starner clarified that the second bullet point listed on Slide #10 pertained to actual proactive response rate.

Manager Carr stated that the year-to-date for the 2019 data were 63,000 for actions including incoming and service calls. He stated that the second bullet point was not accurate.

Discussion held regarding:

- Green cards process – not a ticket and represents a code violation notice
- Proactive and reactive ratios
- Face-to-face response methodology
- Incoming call and response time process
- Capturing of investigation number
- Measuring response time to complaints
- Code Compliance metrics
- 70% of the time response within same day that the complaint received
- Tracking process improved from three days to one day
- 2015-2018 – 20 FTEs – Code Compliance Officers working in the street
- 2019 – 21 FTEs – Code Compliance Officers working in the street
- Understanding the reporting numbers
- Proactivity comparisons in the last five years
- Fair equal workload for the Staff and ability to work proactively
- Objective to maintain a good morale
- Extra resources would assist with proactivity – raising proactive ratio to 70%
- Redirecting BRC's focus on dollars and cents
- Recommending three additional FTEs – Code Compliance Officers
- To deliver a higher level of service more Staff would be required
- Anticipated hiring and training process
- Trucks equipped with laptop—work desk for Code Compliance Officers
- Goal to address complaints on a timely basis
- Complaints initiated through 311 Call Center and direct phone calls
- 311 Call Center calls uploaded into the workspace on laptops in the trucks
- Calls assigned based on geographical location of the Code Compliance Officers

- Response process for urgent matters and level of importance
- Case scenario: commercial vehicle and boat located on residential neighborhood
- DCD Code Compliance Methodology
- One number does not always equate to the same analysis
- Recommend more FTEs to increase the level of service by Code Compliance
- FY 2019 additional FTEs provided, and Officer moved from office into truck
- Improving Quality of Life for Citizens
- Code Compliance violation fine process and opportunity to correct violation

Chair Starnier stated that the BRC was established to represent the Citizens. He discussed the need for Code Compliance.

Manager Carr summarized that with more Staff, Code Compliance could do more.

Management/Budget Administrator Phillips left at 10:00 a.m.

Discussion held regarding:

- Expectations
- Comparison with other Florida Cities
- Cape Coral Code Enforcement strives to set the example among the State
- Slide #10: Remove second bullet point and add recommendation of 3 FTEs
- Add cost of each FTE: roughly first year \$93,000 and recurring cost \$64,000
- City's objective to be proactive
- Code Compliance Officers provide more service than expected-unseen activities

Committee Member Hayden left at 10:06 a.m. and returned at 10:08 a.m.

Discussion held regarding bulk trash pickup process and the working relationship between Code Compliance and Waste Pro.

Discussion held regarding:

- Voluntary compliance
- Expected response time
- City's curb appeal

DCD Code Compliance Manager Carr left at 10:19 a.m.

Committee Member Botkin left at 10:20 a.m. and returned at 10:23 a.m.

Discussion held regarding:

- FY 2019: added Code Compliance Officers: one moved to street work
- Rewording recommendations
- Changes made to Slide #10 and Slide #9 – reposition of slides

- Procurement process and challenges
- Slide #1: Omit Alternate Member Boller from Member list
- Future department presentations
- Sidewalk budget and grant funding
- Slide #8: Economic Development – changes to data
- Tax abatements, impact fees, and tax deferrals
- 80/20 ratio achievable goal
- Open and ended robust budget
- Economic Development budget of \$1.3 million
- Third bullet point changes

Council Liaison Gunter left at 11:02 am and returned at 11:04 a.m.

Committee Member Gruber inquired about the discussion held at the Joint Budget Workshop regarding Economic Development.

Discussion held regarding:

- Economic incentives
- Location of information in budget book
- 14-E45 Economic Development Incentives
- Slide #8: Data updated to reflect figures listed in 14-E45
- Past recommendation for Grant Writer Specialist
- Economic Development \$500,000 incentive budget

Public Input

None.

Member Comments

None.

Date and Time of Next Meeting

The next meeting will be held on Thursday, August 8, 2019, at 9:00 a.m. in Conference PW Green/Room A200.

Adjournment

There being no further business, the meeting was adjourned at 11:19 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.J.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - August 8, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - August 8, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Thursday, August 8, 2019

CONF PW GREEN/ROOM A200

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Gruber, Hayden, Jacquet-Castor, Obsorn, and Starner were present. Vice Chair Eidson arrived at 9:20 a.m.

ALSO PRESENT: Christopher Phillips, Mgt/Budget Administrator arrived at 9:04 a.m.

Public Input

None.

BUSINESS

Discussion of the FY 2020-2022 City Manager's Proposed Budget

Chair Starner commenced the meeting with discussing the following slides in the FY2020 BRC Recommendations presentation:

- Slide #8: Economic Development
- Review of PowerPoint presentation from the beginning
- Slide #3: Revenue terminology
- Pension Plans Investments
- Employee contribution of 10% of their gross income into Pension Plan
- City contribution based on annual and actuarial requirements
- Defined Benefit Plan opposed to defined contribution
- Fully vested after 25 years and then eligible for the Drop Program
- Arrival of 10% through Union negotiations
- Justifications for recommending rollback rate
- Slide #4: Diversified Revenues
- Proposed millage rate of 6.55 and rollback rate of 6.49 difference
- BRC decided to change original recommendation of 6.35 to rollback rate
- Reserves and revenue increase of about \$4 million
- Additional \$3.4 million if rollback rate adopted
- Fund balance and special revenues

Vice Chair Eidson arrived at 9:20 a.m.

Discussion continued regarding:

- Benchmarks and growth patterns
- Alleviating dollars from General Fund
- What constitutes growth?
- Article in the newspaper pertaining to additional reserves
- Slide #5: Other Revenues – Title terminology
- Slide #6: Updated Title of Slide to Public Private Partnerships Opportunities
- Slide #7: Use of Reserves – Changes to Undesignated Reverses
- Reverses usage and disaster relief fund properly funded
- Page 2-4: Disaster reserves and capital expenditures for functional Fleet facility
- Terminology change: Undesignated to Unassigned Reverses
- Slide #8: Economic Development
- Tax incentives for new businesses
- Changes to slide information
- Slide #9: Code Compliance

Mgt/Budget Administrator Phillips left at 10:20 a.m.

Discussion continued regarding:

- Pros and Cons of negative vs. positive statements
- Slides #9-10: Code Compliance
- Slide #11: Human Resources
- Slide #12: Charter Schools
- Slides #13-14: External Performance Audits

Committee Member Gruber left at 10:45 a.m.

Discussion continued regarding:

- Examples of the benefits for the external performance audits
- Medians and palm trees analysis
- Editorializing the full benefits for the external performance audits
- Estimated cost of citywide external performance audit
- Deadline for presentation submission to be included in the backup materials
- Final review of the PowerPoint presentation

Committee Member Hayden moved, seconded by Vice Chair Eidson, to approve the BRC recommendations. Voice Poll: All “ayes.” Motion Carried.

Public Input

None.

Member Comments

Discussion held regarding when the BRC would present their recommendations to the City Council in the upcoming Joint Budget Workshops.

Date and Time of Next Meeting

The next meeting was scheduled for Monday, August 12, 2019, at 9:00 a.m. in Conference 220A.

Adjournment

There being no further business, the meeting was adjourned at 11:00 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Subject to Approval

Item Number:	4.K.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of Meeting Minutes - August 12, 2019

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ Meeting Minutes - August 12, 2019	Backup Material

**MINUTES OF THE REGULAR MEETING OF
THE CAPE CORAL BUDGET REVIEW COMMITTEE**

Monday, August 12, 2019

CONFERENCE ROOM 220A

9:00 a.m.

Chair Starner called the meeting to order at 9:00 a.m.

ROLL CALL: Botkin, Eidson, Gruber, Hayden, Obsorn, and Starner were present. Member Jacquet-Castor was excused.

Public Input

None.

BUSINESS

Discussion of the FY 2020-2022 City Manager's Proposed Budget

Chair Starner mentioned that today would be a walk-through practice of the FY2020 BRC Recommendations presentation.

Discussion held regarding the PowerPoint slide animations and configuration of information.

Discussion held regarding Council Liaison Gunter's involvement with the presentation.

Chair Starner commenced the review of the presentation starting from:

- Slide 1: Introduction
- Slide 2: 2020 Proposed Budget
- Slide 3: Additional Revenue
- Slide 4: Diversified Revenue
- Slide 5: Impact of Various Millage Rates (\$150,000 taxable value home)
- Slide 6: Public Private Partnerships Opportunities
- Slide 7: Use of Reserves
- Slide 8: Economic Development

Vice Chair Edison continued with the presentation of the following slides:

- Slide 9: Code Compliance
- Slide 10: Code Compliance (Chart)

Chair Starner continued to present the following slides:

- Slide 11: Human Resources
- Identifying what unfilled funded positions mean
- Amount budgeted and not spent; allocated for those unfilled positions
- Suggestion to reallocate unspent funds to other areas
- Applicable to position vacant for two or more years, especially five years
- Number of unfilled funded positions
- Council Liaison Gunter shared a printed copy of a chart
- 5 positions for \$38,000 vacant for more than two years
- Suggestion supported BRC recommendation of hiring 3-Code Compliance Officers
- Presenting the chart if needed at the Joint Budget Workshop
- Last year \$2.8 million funds budgeted for unfilled funded positions
- Council Liaison Gunter could address questions in the Q&A section
- Human Resources presentation on tomorrow's Joint Budget Workshop Agenda
- Slide 12: Charter Schools
- Rearrangement of slides within the presentation

Committee Member Botkin reviewed the following slides:

- Slide 13: External Performance Audit
- Slide 14: External Performance Audit-Continued

Council Liaison Gunter referenced the Zucker System Report on Planning and Permitting Process completed in 2013 by a third-party for a specific department.

Recording Secretary Castillo displayed the Zucker report located on the City's website under publications on the monitor for the Committee's review. She offered to forward the report link to the Committee after the meeting.

Discussion held regarding:

- Insertion of the Zucker Report in the oral presentation
- Examples to support the recommendation of the external performance audit
- Q&A section
- Closing statement – thanking Committee for their time and research
- Including which departments were invited to the BRC meetings
- Thanking Committee, number of hours, internal and external speakers
- Conclusion: \$1.1 million savings to incorporate into recommendations while reducing the millage rate from 6.55 to 6.49
- Discussion of the medians by Council Liaison Gunter
- Councilmembers and Mayor feedback and suggestions to the proposed budget
- Council Liaison Gunter would be proposing keeping the FSA at 62%, reducing the millage rate to 6.49 and other areas where funds could be allocated
- Incorporating opening and closing statement into the oral presentation
- Rollback rate would generate additional revenue

- City Manager's proposed allocation of FEMA funds and additional revenue
- Future BRC meetings this week and next week
- Joint Budget Workshops on August 13, 2019 and August 20, 2019 if needed

Public Input

None.

Member Comments

Discussion held regarding next BRC meetings arranged for this week on Tuesday morning before the Joint Budget Workshop and next week's meetings. No meetings have been arranged for Wednesday or Thursday.

Chair Starner agreed to inform the Recording Secretary if a meeting was necessary.

Date and Time of Next Meeting

The meeting scheduled for Tuesday, August 13, 2019, at 9:00 a.m. in Conference Room 130C was canceled.

The Joint Budget Workshop with City Council was scheduled for Tuesday, August 13, 2019, at 1:00 p.m., in Council Chambers.

Adjournment

There being no further business, the meeting was adjourned at 9:52 a.m.

Submitted by,

Betty Castillo
Recording Secretary

Item Number:	4.L.
Meeting Date:	9/9/2019
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

2020 Meetings Schedule

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ 2020 BRC Meetings Schedule-Proposed	Backup Material

BUDGET REVIEW COMMITTEE

PROPOSED – 2020 Meetings Schedule

Meetings will be held the 2nd Monday of each month at 9:00 a.m. in Conference Room 220A, unless otherwise noted.

January 13

February 10

March 9

April 13

May 11

June 8

July 13

August 10

September 14

October 5 *

November 9

December 14

Please note that the annual meetings to review the City Manager's Proposed Budget are tentatively scheduled to start on July 20th (subject to the availability of the proposed budget) and may include daily meetings until around the middle of August with the possibility of having Joint Budget Workshops with Council in August.

***(Meeting scheduled 1-week earlier since October 12th Columbus Day is a City Holiday)**