



1015 Cultural Park Blvd.
Cape Coral, FL 33990

MEETING OF THE CITY OF CAPE CORAL BUDGET REVIEW COMMITTEE

September 12, 2022

9:00 AM

**Conference Room
220A**

PLEDGE OF CIVILITY

We will be respectful of each other even when we disagree.
We will direct all comments to the issues. We will avoid personal attacks.

1. Call to Order

A. Chair Gruber

2. Roll Call:

A. Badalow, Gruber, Lorek, Merchant, Reagan, Shadrach, and Starner

3. Public Input

A. A maximum of 60 minutes is set for input of citizens on matters concerning the City of Cape Coral Budget; 5 minutes per individual

4. Business

- A. Meeting Minutes - July 21, 2022
- B. Meeting Minutes - July 25, 2022
- C. Meeting Minutes - July 26, 2022
- D. Meeting Minutes - July 27, 2022
- E. Meeting Minutes - July 28, 2022
- F. Meeting Minutes - August 1, 2022
- G. Meeting Minutes - August 2, 2022
- H. Meeting Minutes - August 3, 2022

- I. Meeting Minutes - August 4, 2022
- J. Meeting Minutes - August 8, 2022
- K. Financial Policies Discussion
- L. Debrief of City Council and Budget Review Committee Joint Budget Workshops
- M. Duration of Regular Monthly Meetings
- N. Content of Monthly Meetings

5. Member Comment

6. Date and Time of Next Meeting:

- A. The next meeting of the Budget Review Committee is scheduled for Monday, October 3, 2022, at 9:00 a.m. in Conference Room 220A.

7. Adjournment

In accordance with the Americans with Disabilities Act and Florida Statutes 286.26, persons needing a special accommodation to participate in this proceeding should contact the Office of the City Clerk whose office is located at City Hall, 1015 Cultural Park Boulevard, Florida; telephone number is 1-239-574-0411, at least forty-eight (48) hours prior to the meeting for assistance. If hearing impaired, telephone the Florida Relay Service Numbers, 1-800-955-8771 (TDD) or 1-800-955-8700 (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:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - July 21, 2022

SUMMARY:

Meeting Minutes from July 21, 2022 meeting for review and approval.

ADDITIONAL INFORMATION:

Betty Castillo, Assistant City Clerk, 1-239-242-3243

ATTACHMENTS:

Description	Type
1. Meeting Minutes - July 21, 2022	Backup Material

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

Thursday, July 21, 2022

COUNCIL CHAMBERS

9:00 a.m.

Chair Gruber called the meeting to order at 9:01 a.m.

ROLL CALL: Gruber, Lorek, Merchant, Reagan, Shadrach, and Starner were present. Member Badalow was excused.

ALSO PRESENT: Tom Hayden, Council Liaison
Mark Mason, Financial Services Director
Nicole Reitler, Management/Budget Administrator
Wendy Phillips, Public Works Contract Administrator

Public Input

None.

BUSINESS

FSA Discussion

Financial Services Director Mason presented the following slides:

- Understanding the Fire Protection Assessment a.k.a. Fire Service Assessment (FSA)
- Fire Protection Assessment
 - Introduced in FY 2009 – By Consensus, Council did not pursue the matter at that time.
 - Reintroduced in FY 2013 – Council approved to move forward.
 - Methodology and first assessment approved and put on tax rolls.
 - Methodology challenged, approved by local court and validated by the Florida Supreme Court, considered one of two validated methodologies for Fire Assessments in Florida.
 - Fire Assessments are apportioned to parcels in proportion to the benefit received from the fire protection service provided by the City in accordance with State Statutes and case law.
- Cost Apportionment and Assessment Rate Design (continued for 11 slides)
 - Two-pronged test for a legal non-ad valorem assessment:
 - First Prong - Property assessed must derive a special benefit from the service provided.
 - Second Prong - Assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.

- The proposed assessment program complies with both prongs of the two-pronged test as follows:
- Special Benefit – Fire Protection Service is available to all properties in the City 24 hours per day 7 days per week without discrimination or limitation as to property class, size, location, or other characteristics.
- Fair Apportionment - Fair apportionment of costs has two components:
- Availability Benefit - Fixed costs of maintaining a state of response readiness (exclusive of response costs) – apportioned to parcels equally per parcel
- Protection from Loss of Structures Benefit – Allocated personnel costs and variable operating costs associated with actual response – apportioned to parcels based upon relative value of structures on each parcel.
- Apportionment- parcels in the City benefit from fire protection service in two tiers of benefit as follows:
 - Availability Benefit - Tier 1 - Response Readiness Availability
 - Protection from Loss of Structures Benefit - Tier 2 - Protection from Loss of the Cost Value of Structures
 - Tier 1 Benefits
 - Tier 2 Benefits
 - Tier 1 Costs – Response Readiness Availability
 - Tier 2 Costs – Protection from Loss of the Value of Structures
 - Example of application of the distribution of Tier 1 and Tier 2 costs to 62% cost recovery

Discussion held regarding:

- Costs associated with the assessment costs:
 - Legal cost to develop the assessment, Finance personnel to do the assessment, mailing, uncollectable costs, cost of the discount
- Intent is to collect the full costs - \$33.7M
- Discounts for paying taxes earlier than due date
- Government parcels, parcels under Code 80-97 are exempted

Director Mason continued with the following slides:

- Calculation of Tier 1 annual assessment rate per parcel
- Tier 2 Rate Design
- Calculation of Tier 2 annual assessment rate per parcel
- Assessments Rates; 62% Recovery

Discussion held regarding:

- Valuation of properties
- Each year structured value is adjusted
- Take the total of structured Equivalent Benefit Unit (EBU) and multiply by 5,000
- 3-Legged Stool methodology
- FSA would be in addition to the ad valorem property taxes

- No offsetting amounts
- Methodology process validation
- Burnt Store MSTU set by Lee County
- Revenue received from MSTU
- Public Service Tax (PST) – allowable tax by Statute that each community could levy up to 10% for different services - electric, natural gas, propane, and water
- City Council levied the PST at 7% on electric in 2013 as well as the first 500 kwh to be exempted for residential properties
- City Council recently approved to remove the 500-kwh exemption and apply the revenues received to support the Charter School System
- Levy of 7% on propane
- PST calculations
- Difference of calculations on the electric bill

Vice Chair Starner appreciated how Financial Services Director Mason and his Staff have always shared information and provided responses.

Debrief of the Joint Budget Workshop held on 7/20/2022

Chair Gruber opened the floor for discussion and comments regarding the Joint Budget Workshop.

Committee Member Merchant commented:

- Receiving budget information earlier than prior years
- Opined that it was too early to weigh-in on the millage rate

Vice Chair Starner commented:

- Parking Lot Items – page 23 of Joint Budget Workshop presentation
- Not in agreement with removal of items

Committee Member Reagan commented:

- Timing and suggested giving BRC at least 30 minutes to digest information before providing comments

Committee Member Shadrach commented:

- Purpose of the Joint Budget Workshop
- TRIM notices
- Not to exceed rate

Council Liaison Hayden discussed the not to exceed rate of 6.250.

Director Mason stated that the rate would be set at 6.250 for the TRIM notices.
Discussion held regarding:

- City Council will set the not to exceed rate through a Resolution on July 27th
- Not to exceed rate is usually set by the highest rate
- Why setting the rate at the higher rate?
- Page 13 – Joint Budget Workshop presentation – Millage Rate History reflects how the higher number was set due to Hurricane Irma
- Preliminary Budget versus the Proposed Budget – relying on detailed information
- City Manager's Proposed Budget would include additional information

Chair Gruber commented:

- In favor of new process and receiving preliminary budget
- Page 23 – Joint Budget Workshop presentation – Parking Lot Removed Items
- Whatever the millage rate, the \$16.9M would still remain in the budget with the 2.5 months reserves
- Parking Lot Items – different set of desires and wishes

Committee Member Merchant inquired about the comment of not receiving vehicles.

Director Mason explained that would reduce Public Works by \$280K and reduce the acquisition of vehicles and equipment by approximately \$1.1M.

Discussion of City Facility Renewal and Maintenance

Chair Gruber requested that this item be added to the agenda as she noticed that this would be a critical topic for the BRC to discuss in the future. She opened the floor for discussion by the Board.

Council Liaison Hayden noted there is money in the Budget for the Museum and Cultural Park Theater.

Discussion of the BRC Meetings for the Budget Review Sessions

Chair Gruber opened the floor for discussion by the Board on the upcoming BRC Budget Review Sessions. A copy of the approved schedule was distributed in the meeting packet. She inquired when the City Manager's Proposed Budget Book will be available so that BRC could determine when to start the meetings.

Director Mason stated that the City Manager's Proposed Budget should be distributed on August 2, 2022.

Director Mason left the meeting at 9:48 a.m.

Council Liaison Hayden stated based on yesterday's discussion, it appeared that the BRC's consensus was that they would recommend the Rollback Rate.

Discussion held regarding:

- Consensus of the Millage Rate
- BRC Recommendation of the Millage Rate slide to include the vote results
- Keeping reserves at 2.5 months with goal of 3 months in the next 2-3 years
- 62% Cost Recovery for FSA – keep it there or recommend going higher
- Discussion yesterday on Impact Fees
- Council was at 4 - 4 on 5.5 or 5.3
- Cutting Impact Fees in half to encourage more development
- Who sets the Impact Fees?
- County went down to 45% to try to stimulate the economy
- Governor's discussion of eliminating the Gas Tax for some period of time
- Establishing talking points on Millage Rate
- BRC would most likely provide recommendations at the 2nd workshop on August 16th but need to be ready on August 9th
- Council may be discussing the Millage Rate on August 9th and BRC may be asked for their input
- ***Consensus agreed to have the BRC presentation ready by August 9th***
- Committee Member Shadrach - not available due to conflicts on 7/26 and 8/2
- Vice Chair Starner - not available on 8/1 – 8/4
- Committee Member Lorek - not available on 8/16
- Recommendation of generating a list of questions for Finance
- Proposed Budget would be a smaller condensed book with information not included in the Preliminary Budget
- Data would be extended with 3 years of budgets
- Also have 5 years included
- Look at projects in the future – good idea
- Each of the future years are forecasted.
- Analysis of prior predictions and trends from past history
- FY 2022 budget prediction from prior year was \$904M and ended up with \$978M – why the difference?
- Enterprise Capital projects as they come up chop up all funds
- Ability to see transfers
- Providing questions in a written form
- List of BRC questions to be provided to Finance on 7/25
- BRC Questions from Preliminary Budget – topic for Monday's agenda
- Committee Member Reagan - available to attend all meetings

Committee Member Lorek commented:

- Page 11 – Joint Budget Workshop presentation – using Rollback Rate sets a path of deficits in the future
- **Supported the Preliminary 5.5568 or Fallback 5.4631 Millage Rate**
- **Number of months in Reserves: 2.5 with desire to move toward 3 months**

Committee Member Merchant commented:

- **Supported the Rollback 5.3694 Millage Rate**
- **Number of months on Reserves: 2.5**
- Inquired why the FY2021 \$16.9M is not used to pay for the One-time initiatives; FY2022 had not been forecasted

Chair Gruber commented:

- **Supported the Preliminary 5.5568**
- **Number of months in Reserves: 2.5 with desire to move toward 3 months**

Vice Chair Starnes commented:

- **Supported the Halfback 5.9034 Millage Rate**
- **Number of months in Reserves: 2.5 with desire to move toward 3 months**
-

Committee Member Reagan commented:

- **Supported the Rollback 5.3694 Millage Rate**
- **Number of months in Reserves: 2.5 with desire to move toward 3 months**

Committee Member Shadrach commented:

- **Supported the Rollback 5.3694 Millage Rate**
- **Number of months on Reserves: Go from 2.5 to 2.0 months**

Council Liaison Hayden stated he would support the Preliminary 5.5568 Millage Rate and Reserves at 2.5 with goal to get to 3 months in 2-3 years.

Committee Member Merchant agreed with the Mayor's comment that this was a critical decision. BRC needs to look at who is paying this budget. The average citizen just got a \$100 or more increase in their electric bills. If taxes are increased, we need to acknowledge that there is inflation, price of gas is sky high, and electricity is also high.

Discussion held regarding:

- Committee Member Badalow anticipated remote participation to Monday meeting
- **Consensus for meeting on Monday, no objections**
- No consensus on Millage Rate - still split
- Majority supporting 2.5 or going to the 3 months in Reserves
- Open for discussion adjusting the schedule at the Monday meeting
- Questions for Finance on the Preliminary Budget
- Reserves, Millage Rate, Impact Fees, what to do if we get a gas holiday?
- Impact Fees studies ongoing and charged to new construction
- Collecting Impact Fees, the fees not increased over a period of years
- Impact Fees paying for new Fire Tower and Police Training Center
- If fuel prices start to drop over the next 2-3 months, electric bills will drop too.
- Fluctuations of electric and gas prices

- LCEC different charges for 1st, 2nd, and 3rd kilowatts tiers
- Power cost adjustment
- Inflationary impact on average Cape Coral taxpayer with LCEC and other charges
- Salary increases
- Cannot assume that everyone is receiving pay increases
- Small decrease in tax due to tapping into strategic oil reserves federally temporarily giving an illusion that things are on their way down promoting a small decrease at the pumps

Member Comment

None.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Monday, July 25, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:30 a.m.

Submitted by,

Betty Castillo
Assistant City Clerk

Transcribed by Barbara Kerr 8/1/2022

Item Number:	4.B.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - July 25, 2022

SUMMARY:

Meeting Minutes from July 25, 2022 meeting for review and approval.

ADDITIONAL INFORMATION:

Betty Castillo, Assistant City Clerk, 1-239-242-3243

ATTACHMENTS:

Description

Type

- ▢ 1. Meeting Minutes - July 25, 2022

Backup Material

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

Monday, July 25, 2022

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Badalow, Gruber, Lorek, Merchant, Reagan, Shadrach, and Starner were present.

Committee Member Merchant moved, seconded by Chair Gruber, to accept Member Badalow to attend meeting remotely. Voice Poll: All "ayes." Motion carried.

ALSO PRESENT: Keith Long, Councilmember District 6 (observant)
Nicole Reitler, Management/Budget Administrator
Christine Earullo, Public Works Accounts Coordinator

Public Input

None.

BUSINESS

BRC Questions for Preliminary Budget

Chair Gruber stated that the BRC agreed to work on a list of questions related to the preliminary budget to provide to Finance. She opened the floor for discussion, and each member was surveyed for their questions to be added to the list.

Vice Chair Starner commented:

- Page 20 Budget Stabilization Reserve Calculation
- Supported Millage Rate of 5.9034
- \$11.3M at bottom of 2.5 months - is that available for FY2023 parking lot items?
- Page 23 One-time expenditures
- Page 14 Ad Valorem Effects
- Quality of Life
- This year's lower rate is next year's maximum rate.

Committee Member Shadrach commented:

- \$94M sitting in reserves – General Fund
- FY2023 One-time expenditures - try to understand those real numbers for that projection in the future

- All subject to Council's decision
- \$16.9M – lots to be discussed before spending
- \$280M in reserves in entire budget which includes UEP

Discussion held regarding:

- \$94M in Reserves same regardless of millage rate
- Value of this money five years ago probably half
- Page 20 – Millage Rate of 5.9 - \$11.3M – money to be spent in FY2023 on either Parking Lot Items or some of the items listed on Page 23 – verified
- \$11.3M will reduce to \$4M going backwards on millage rate to the next rate down
- When will some of the things kicked down the road be done?

Committee Member Merchant commented:

- Would like to see a graph with number of households over last 5 years to include the average assessed value of those households and total assessment. This would provide an indication of growth.
- Last page of packet showed the average household at \$274K – FY 2023
- Average of 2019-2023
- Number of households to get to this number
- Average number of homesteaded properties
- Total of ad valorem assessments
- All available on Lee County website

Discussion held regarding:

- Page 13 Taxable Assessed Value
- Data being requested to compare to resources – number of homes, total assessed valuation, ad valorem
- How many households have grown over the 5 years?

Committee Member Reagan agreed to pull the information and provide for tomorrow's meeting.

Management/Budget Administrator Reitler stated that the household average increased from \$229K to \$274K in the last couple of years.

Committee Member Badalow - no questions at this time.

Committee Member Lorek - no questions at this time.

Chair Gruber commented:

- Discussion in June regarding additional money for Museum, Theater, and Arts Center. This is rolled into operating budget, additional funding for each (Museum and Theater brought up to \$60K each); nothing additional for Arts Center.

- Parks and Recreation (Page 35) – Line Item: Arts Studio, part of Parks and Rec Program - Is the number of employees 8.33 correct?
- Field Service Techs – read meters
- Page 30 of Preliminary Budget – Property & Liability Insurance rate going down – 14.10% - details will be provided by Finance
- Page 32-33 of Preliminary Budget – HR budget exploded – increase in tuition, training, and travel - small department - any significant change could make an impact
- Total went from \$35M to \$40M – increase due to health coverage increases
- Urban Land Institute (ULI) study – Final report forthcoming

Discussion held regarding:

- ULI Report expected release
- PowerPoint shared with BRC several months ago

Chair Gruber commented:

- Proposed Budget Book structure
- GL details could be requested
- Open positions within the City and tracking of how long positions open

Vice Chair Starner stated that the information was provided during a previous presentation.

Committee Member Shadrach reviewed the list of 19 questions distributed during the meeting on the following topics:

- 3rd Quarter Financial Review – mid August – expedition of data helpful
- Computation of the Roll Back Rate - values used to complete the DR-420
- Budget values expected to be transferred from City Government to Enterprise and Charter Schools
- Understanding the balances of all Transfer In/Out
- No Transfers between General Government and Enterprise Funds
- Charter School receives \$300K from City to fund building maintenance
- FY2022 New Initiatives – Status Report impact to the budget
- Encumbrances from yearly budget
- Time it takes to close out a project – could be as long as four years

Management/Budget Administrator Reitler provided responses to the questions. Staff working through the data.

Committee Member Lorek inquired about a possible disconnect between the number of Staff and typical hours.

Management/Budget Administrator Reitler explained the process of time and cost allocation to a project such as the sidewalk crew.

Discussion held regarding:

- No simple math as Staff being pulled into different projects
- Grants (contract, services, CDBG)

Committee Member Shadrach continued reviewing the list of questions as follows:

- Page 12 of Prelim Budget: Health Insurance Cost
- Page 12 of Prelim Budget: Pension Rate contribution

Discussion held regarding:

- Budgeted versus actual which can be skewed
- Actuary prepares the pension rate contributions who give us a percentage rate
- What establishes 80% as the target? Sound standard practice in Florida
- Gains and losses effect
- All pensions for City employees – defined benefit except for our general restoration plan which is outside the scope
- Ten percent required employee contribution towards pension
- Pension options

Committee Member Shadrach continued with the following topics:

- Page 13 of Prelim Budget: FTE Headcount of 1,807 versus actual FTE of 1,576
- Page 13 of Prelim Budget: 15 Police Officers and 4 are for Patrol
- Page 13 of Prelim Budget: Parks employees: Why convert contract hires to full time? We should be looking to go the other way for non-critical (low skilled) workers. With City benefits, we pay double for low-income workers. – **Cannot hire anyone due to economy; beneficial to bring in fulltime employee instead of contract**

Discussion held regarding challenges of hiring and retaining employees if no benefits are offered and contracting work has become more difficult. Retaining Fulltime Staff to continue to provide adequate consistent level of service for the community.

Committee Member Shadrach continued reviewing his 19 questions:

- Page 16 and 17 of Prelim Budget: I am having trouble tracking the fund revenues and expenditures back to the Adopted Budget Book. Need to trace these numbers back to the budget book. **Budget follows plan of current year revenues versus current year expenditures – having adequate funds**
- What is the current value of our City Reserves by fund? – **Not all in one place but can be looked up.**
- Page 26 of Prelim Budget: Adding Senior Budget Analyst. Suggest this person be added to the Audit Department and report directly to the council.

Performance Measurement needs more focus from the council. – **Other cities keep this person in Budget department.**

- Page 30 of Prelim Budget: \$16M reduction in Retiree Health Costs? Explain. – **Pension and retiree health costs moved to each respective department; allocated to the last department where employee worked**
- Page 35 of Prelim Budget: Staffing: New parks will not be open per the FY22 budget, how will the new employees that are not hired in FY22 going to be added in FY23? (Timing). Also, park ranger positions should be moved to Volunteer Police. – **Budget can obtain direction from Interim Parks & Recreation Director Barron and provide information. Reminder that new staff are budgeted at base of salary range.**
- Page 35 of Prelim Budget: \$5.4M increase to parks maintenance? Is this a one-time increase? Budget went from \$6M to \$7.6M now asking for \$13M. – **Major increase is due to deferred / lack of maintenance. Park buildings will not be a part of the new building maintenance plan.**
- Page 37 of Prelim Budget: What is the budget for Community Events? – **Budget will provide information.**

Discussion held regarding:

- Promotion of eco-tourism initiatives in Strategic Plan
- Old Golf Course is the same acreage as the Naples Botanical Garden

Committee Member Shadrach continued reviewing his 19 questions:

- Page 41 of Prelim Budget: Explain the major difference in cost for Public Works? Is this real-time dollar? **Budget will provide information.**

Committee Member Shadrach commented on the Resolution to be heard at Council on Wednesday for the proposed millage rate. He requested to be distributed during the meeting:

- Section 1 - Rolled-Back Rate is 5.3694 and Proposed Millage Rate is 6.250

Management/Budget Administrator Reitler explained the reasoning for the maximum proposed rate of 6.250 to allow room for unanticipated expenditures that may arise.

Committee Member Shadrach commented that TRIM stands for Truth in Millage.

Management/Budget Administrator Reitler explained within Florida Statutes and TRIM guidance, whatever you put in for your proposed millage rate, you cannot go higher than it. If anything changes or anything occurs between their August deadline and the end of the year, you have no room for adjustment.

Vice Chair Starner reminded everyone that Hurricane Irma in September 2017 was a great example.

Committee Member Lorek stated that TRIM notices are compiled based on law. He did not see a problem with the way it is.

Committee Member Shadrach explained that his argument was that the Resolution stated “proposed” which is not a true statement.

Vice Chair Starner stated that the higher rate would provide the possibility of meeting the needs and wants.

Discussion held regarding:

- Budget built on Rollback Rate – four additional options were presented to Council
- Grant money on sidewalks (material provided in 2020)
- Grant report on website within Finance who will send to the BRC
- Grants have specific requirements

Committee Member Badalow commented:

- Staffing issues and building something into budget for future staffing
- Rate in the middle – did not want to go to the highest or lowest millage rate

Consensus agreed, with no objections, to forward the questions to Budget.

Assistant City Clerk Castillo confirmed that after this meeting she would circulate that list to the BRC as well as to Finance.

Millage Rate and Reserves Discussion

Chair Gruber opened the floor for further discussion pertaining to the millage rate and reserves.

Vice Chair Starner commented:

- Page 23 – Removed items for Police \$664K; and Parks and Rec funding for \$1.2M Skate Park Building

Management/Budget Administrator Reitler explained why items were removed from the One-Time Expenditures Use of Unassigned Fund Balance at Council's request.

Committee Member Reagan left and returned to the meeting at 10:51 a.m.

Discussion held regarding communications equipment.

Committee Member Lorek suggested moving the Millage Rate and Reserves Discussion to tomorrow's meeting.

Vice Chair Starnier suggested listing the names of the Members and the recommendation of the millage rate.

Discussion held regarding inclusion of a presentation slide outlining rationale and listing each Member's vote on the millage rate.

Committee Member Merchant moved, seconded by Vice Chair Starnier, to approve Member Badalow to attend remotely at whatever sessions she is able to (this week). Voice Poll: All "ayes." Motion Carried.

Discussion held regarding:

- Future meetings topics
- Page 3 Preliminary Budget – One-time Capital Investments
- Suggestion to have Members provide each day thoughts on Millage Rate and rationality if changes occur
- Millage Rate Discussion – Tuesday, 7/26 BRC meeting
- Committee Member Shadrach will not be present at meetings on 7/26 and 8/2
- Discussion of One-Time Expenditures – Wednesday, 7/27 BRC meeting
- Providing rationality to recommendations
- 3 Areas to present to City Council: (1) Millage Rate; (2) Parking Lot Items; (3) Side Section of future ventures such as follow the Strategic Plan; Eco-tourism; items that do not fall under the Millage Rate or the Parking Lot items
- Keeping in mind that if Rollback Rate is recommended not much would be budgeted for the Parking Lot Items

Committee Member Reagan explained and distributed the Florida Tax Holidays and Exemptions for 2022-2024 that is available on the Florida Department of Revenue website.

Discussion held regarding the sales tax holidays or temporary exemptions and the motor fuel tax exemption.

Chair Gruber reviewed the agenda for the next meeting:

- Millage Rate and Reserves Discussion
- Continued Discussion of our Meetings

Member Comment

Committee Member Lorek suggested that everyone start gathering thoughts on the three areas identified under Millage Rate, Parking Lot Items, and other recommendations. Each member could provide their thoughts, sort into a single place with everyone's thoughts and then start organizing into the recommendations next week.

Committee Member Merchant discussed that there were about eight pages of the BRC presentation, and she did not want to go less as she has about six topics to be considered for the presentation. She discussed her suggestion to add the "Pledge of Civility" to the BRC Agenda.

Committee Member Merchant moved, seconded by Committee Member Shadrach, to add the "Pledge of Civility" at the beginning of the agendas going forward.

Discussion held regarding having the Pledge printed and not read on the Agenda.

Vice Chair Starner commented that he did not think this was necessary.

Committee Member Reagan stated that she has felt well respected by the Committee and was not opposed to adding the Pledge.

***Voice Poll: Majority responded with "ayes." No "nays." Motion Carried.
(One Member abstained with no Form 8B referenced.)***

Chair Gruber inquired if Vice Chair Starner voted "aye".

Vice Chair Starner stated he did not cast a vote, "no vote."

Committee Member Shadrach commented that he will send his thoughts on the Parking Lot Items to the Assistant City Clerk to distribute to the Members for tomorrow's meeting.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Tuesday, July 26, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 11:15 a.m.

Submitted by,

Betty Castillo
Assistant City Clerk

Transcribed by Barbara Kerr 8/2/2022

Item Number:	4.C.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - July 26, 2022

SUMMARY:

Meeting Minutes from July 26, 2022 meeting for review and approval.

ADDITIONAL INFORMATION:

Betty Castillo, Assistant City Clerk, 1-239-242-3243

ATTACHMENTS:

Description	Type
1. Meeting Minutes - July 26, 2022	Backup Material

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

Tuesday, July 26, 2022

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Gruber, Lorek, Merchant, Reagan, and Starner were present. Member Badalow participated remotely. Member Shadrach was excused.

ALSO PRESENT: John Gunter, Mayor (observant and left at 10:09 a.m.)
Tom Hayden, Council Liaison
Nicole Reitler, Management/Budget Administrator (available by phone)
Wendy Phillips, Public Works Contract Administrator

Public Input

None.

BUSINESS

Millage Rate and Reserves Discussion

Chair Gruber opened the floor for further discussion pertaining to the Millage Rate and Reserves. She announced that Member Shadrach would comment on Wednesday.

Committee Member Lorek commented:

- **Changed position to Halfback Millage Rate 5.9034 from Preliminary 5.5568**
- Allows for some of the ULI recommendations to be funded
- Allows for many Parking Lot Items to be addressed
- Setting the City up for the future
- If Rollback Rate is considered, will be setting up for deficit in the future
- Why incur cost of the ULI study if not going to implement
- Still saving money
- The difference between Rollback and Halfback is only \$120 per year (\$26 vs. \$146) for an average Homesteaded property.
- We have a long-term Strategic Plan, and we need to follow it, otherwise what's the point.
- Make Cape Coral a desirable place to work
- Cultivate a culture to attract and retain talent

- Don't kneecap the City by setting a too-low rate. We can still lower property tax rates without creating an issue where we have to raise it significantly in a year or two.
- Maintain existing Reserves until economy recovers, then go to 3 months of Reserves
- Still save people money
- **Supported Reserves at 2.5 and not increase Reserves at the moment, build up to the 3 months as the economy allows**

Committee Member Reagan commented:

- Lots of money coming from tourism and real estate
- With the millage as high as it is, some homes are on brink of unaffordability
- If a home is sold at \$225K, extremely under the market median for this area, the tax bill would rocket to \$3,800 for non-homesteaded and \$3,100 for homesteaded
- Save some money here but may spend some money elsewhere
- 3% capped once homesteaded
- Total mills 17.1 and Ad valorem is 6.25 mills
- Formula for tax bill calculations (distributed during meeting)
- **Supported the Rollback Rate 5.3694**
- **Reserves at 2.5 months and in favor of growth to 3 months over time**

Discussion held regarding:

- Homestead exemption
- Taxable line items on tax bill
- 6.25 Mills - Equivalence into dollars
- Out of the 17.6 Mills, City of Cape Coral is 6.25 mills
- Scenario of tax bill on a home with lowest market rate

Committee Member Merchant commented:

- **Supported the Rollback Rate 5.3694**
- Price of gasoline has currently subsided to \$3.99 for who knows how long
- Inflation on goods and services is currently at 9%
- Cars and used cars are priced out of sight.
- LCEC has added a power cost adjustment in July of .0550 per KWH in place of .0228 from prior months.
- No timing has been given for this increase in costs from FPL
- Unemployment is higher now.
- Taxpayers cannot take another increase at this time due to the inflation of home value assessment in the market.

- Page 11 – red numbers for FY24 and 25 if you go with Rollback Rate – numbers are not based on normal growth but based on growth of 3% or 4% - future years are raised – she was not worried about the negative numbers
- **Supported Reserves stay at 2.5 months, no need to go to 3 months**

Vice Chair Starner commented:

- Question: Material handed out FY2022 New Initiative Status Report – Project for hiring Contract Parks & Recreation Positions were on hold – transfer of Waterpark employees – funds allocated for those positions

Council Liaison Hayden stated that five positions were transferred.

Discussion held regarding:

- When Sun Splash closed for several months – employees reassigned duties

Vice Chair Starner commented:

- **Supported Halfback Millage Rate 5.9034**
- Attractive place to live and work
- Did not want to go into deficit in future years
- Whatever Council decides, it should be the maximum rate next year if history holds from prior years
- **Reserves at 2.5 months and in favor of growth to 3 months over time**

Discussion held regarding:

- 7% increase in home values
- What if scenario if property values decrease?
- Risks of going to the Rollback Rate and probability of having to raise it the next year due to financial hardships

Chair Gruber commented:

- **Supported Preliminary Millage Rate 5.5568**
- Agreed with having a cushion for this year and future years to address some of the of the items completed
- Considered with possible recession by the end of the year
- Being respectful of those that are not as financially stable as others
- Favored the idea of having some funds for initiatives: Possibility of lower-paid employees to have a one-time bonus; eco-tourism in lieu of the super bowl and New Year's Eve Party; little concern about some of the other initiatives
- **Supported Reserves of 2.5 months and in favor of moving toward 3 months**
- Located several prior distributed information, such as Sidewalks from 2020

Council Liaison Hayden requested that the Assistant City Clerk distribute to the BRC Members a copy of the Urban Land Institute (ULI) presentation.

Discussion held regarding sidewalk grants process and award.

Committee Member Badalow commented:

- **Supported the Halfback Millage Rate 5.9034**
- Still considering the highest millage of 6.250
- In favor of generating funds to accomplish the needed projects
- **Reserves at 2 months; reduce from 2.5 months**

Council Liaison Hayden continued to support the Preliminary Millage Rate of 5.5568. Reserves – at 2.5 months with the goal of getting to 3 months in two or three years.

Discussion held regarding:

- Board at 3-3-1 with majority above the Roll Back Rate
- Not providing a single rate recommendation but a list of rate recommendations by each Member's name
- List rationale for each recommended rate
- Develop a recommendation based on the majority of the Board
- City Council discussing and approving the not to exceed Millage Rate
- TRIM Notice worded differently and Resolution wording
- TRIM Notice - government document
- Need to improve communications with public
- Availability of meeting agendas, video recordings, and documentation
- Communications two-way street – speaker and listener – public has the opportunity to attend meetings at their leisure
- Engaging public input and participation
- Suggestion to recommend communication improvements, identify cost, and funding
- Plan for presentation: Add Member's Name to recommended Millage Rate and rationale, Thoughts on Parking Lot Items
- Budgeted items on Council meeting agenda: FSA, Water and Sewer Assessments, Solid Waste
- BRC Recommendation for Council to consider other items such as the old golf course, eco-tourism, revisiting the Yacht Club
- Identifying each BRC Member's Millage Rate and Reserves recommendation
- Having each member speak at the Joint Budget Workshop
- Starting slide on Millage Rate and Reserves
- Writing down ideas and forwarding comments to Assistant City Clerk
- Board will vote on recommendation presentation to Council

Committee Member Badalow strongly supported the Halfback Millage Rate and would send her comments to the Assistant City Clerk to be shared at the next meeting.

Chair Gruber requested that she weigh in thoughts on the One-time Expenditures Use of Unassigned Fund Balance on Page 23 of the PowerPoint presentation.

Discussion held regarding where to locate the information.

Assistant City Clerk Castillo offered to resend the FY2023-2027 City Manager's Preliminary Budget presentation provided at the 7/20/2022 Joint Budget Workshop to the BRC Members.

Committee Member Badalow left the meeting at 10:09 a.m.

Committee Member Lorek created the slides for each Millage Rate, Reserves, and Parking Lot Items for the BRC Recommendations.

Discussion held regarding:

- Start with outline
- Recommendation to improve the Office of Communications, what are their duties
- City of Cape Coral Government Facebook page
- Placing current events on the City's initial webpage
- LCEC response on the increased bills posted on several social platforms
- Vice Chair Starner shares info on 400 Residents Condominium Association Facebook page
- Created slide for each Millage Rate recommendation
- Created slide for Reserves recommendations
- Will create a slide for the Parking Lot Items
- **Rollback Rate slide** updated
- **Preliminary Rate slide** updated
- **Halfback Rate slide** updated
- Provide thoughts to Assistant City Clerk in bullet points on the Millage Rate recommendations
- **General Fund Reserves Recommendations slide** updated – those who supported the 2.5 current rate also supported the 3.0
- Calculations of the Reserves
- Parking Lot Recommendations – review page 3 of the Preliminary Budget booklet and page 23 of the 7/20/2022 Joint Budget Workshop presentation
- FY22 New Initiatives already built into the FY2022 budget
- BRC Members to provide recommended changes and thoughts for the Parking Lot Recommendations
- Review of Member Shadrach's Parking Lot Items from Workshop spreadsheet
- Bullet Points on Millage Rate and Reserve Recommendations
- No written input on the Parking Lot Items
- Bring budget material to review and backup recommendations
- Adding and omitting slides in the PowerPoint

Member Comment

Vice Chair Starner suggested keeping information broad and related to the recommendations if each member is going to speak on their support of their Millage Rate.

Discussion held regarding:

- Presenters at the Joint Budget Workshops of the BRC Recommendations
- Few years ago, BRC recommended external performance audit of the entire City
- Is there a State agency that audits the books of municipalities? no
- CliftonLarsonAllen is the External Auditor for the City
- City has Internal Auditors who work for the City Council
- Presentation more concise, more high level, not too detailed
- Project big ideas
- Old Golf Course same size as the Naples Botanical Garden
- Originally the Southwest Florida Conservancy funded by grants and donors
- Sale of Surplus Properties allocation recommendations
- Council Liaison Hayden will check if the list can be expedited and published

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Wednesday, July 27, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:59 a.m.

Submitted by,

Betty Castillo
Assistant City Clerk

Transcribed by Barbara Kerr 8/3/2022

Item Number:	4.D.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - July 27, 2022

SUMMARY:

Meeting Minutes from July 27, 2022 meeting for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1-239-574-0743

ATTACHMENTS:

Description

Type

- ▢ 1. Meeting Minutes - July 27, 2022

Backup Material

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

Wednesday, July 27, 2022

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Gruber, Lorek, Merchant, Reagan, Shadrach, and Starner were present. Member Badalow was excused.

ALSO PRESENT: Mark Mason, Financial Services Director
Wendy Phillips, Public Works Contract Administrator
Tom Hayden, Council Liaison, arrived at 10:18 a.m.

Public Input

None.

BUSINESS

One-Time Expenditures Discussion

Chair Gruber opened the floor for discussion about One-Time Expenditures and Parking Lot Items, and each member was surveyed for their input.

Chair Gruber read Member Badalow's suggestions:

- Redirect \$2M from Median Improvements to Intersection Improvements
- Tree Canopy and Financial Software should be added back

Discussion held regarding:

- \$1M budgeted for weir improvements, 30 weirs
- Definition of *needs to be financed*
- Something that will be used for 20 plus years – should look into financing
- City of our size – under debt – increase our debt significantly to the information provided by Finance – there are limitations with what can be done with debt
- Do as much as we can with the remaining fund balances
- And then finance the larger scale projects wherever possible/appropriate
- What is the bottom line of using one-time money?
- \$16.9M based on remaining Fund Balance - nothing to do with the Millage Rate
- If using a zero Millage Rate, \$16.9M would be available for One-Time Expenditures
- Council was provided with a list of things, they elected to add other things

- Some items had to be removed in order to achieve other things
- Some Parking Lot Items moved to the actual budget
- Those items were associated with the one-time funding
- Preliminary Budget Page 3 - One-Time Capital Investments list
- Preliminary Budget Page 17 - \$16.98M Fund Balance
- Comparisons of items added in and removed per Council's Request
- Comparing Preliminary Budget Page 17 and 7/20/2022 presentation Page 23
- Preliminary Budget has not been adopted by Council
- Crime Center equipment and construction – removed
- Fund Balance \$16.9M remaining from prior FY2021

Chair Gruber commented:

- Agreed with everything; add back Budget Software and Crime Center equipment
- Suggested financing the Median Improvements

Discussion held regarding:

- Community Needs Assessment – requested by one Councilmember – determine what is needed in Social Services
- Compensation and Classification Study – evaluate existing positions range of pay compared to other municipalities – required by Ordinance to review every five years

Committee Member Reagan commented:

- Remove Aquatic Center Study
- Add back in Crime Center equipment and Budget Software
- Median Improvements – \$2M remove it and do it in the future, suggested removal if just palm trees and flowers

Discussion held regarding:

- Cape Coral age demographics getting younger
- Median Improvements – requirements for tree replacements and curbing
- Police, Fire, Community Needs priorities
- Don't start any projects while inflation is so high, scarcity of materials, already have too much on our plate that needs to be finished
- City needs to find room in the budget for more Staff
- ULI's report – suggested the need for a Community Center
- Oasis Football Field Design and Study costs

Vice Chair Starner commented:

- Widening Pine Island Road - PD&E (Planning, Design, and Engineering) - City will be funding \$4.5M for the study, anticipating item be moved up in the timeline
- Add back in Crime Center equipment and Intersection Improvements
- Funding source to be determined by Finance

Discussion held regarding:

- Metropolitan Planning Organization (MPO)
- Intersection Improvements – masked arms, medians, and aesthetics
- Study, installation, and maintenance of traffic signs

Committee Member Merchant commented:

- Add back in Budget Software and Crime Center
- Agreed with Compensation and Classification Study
- Remove \$1.2M for the Skate Park Building, Community Needs Assessment
- Add back in Tree Canopy and Intersection Improvements
- Agreed with removal of Community Needs Assessment
- Agreed with Pine Island Road PD&E Study
- Unable to identify funding sources

Discussion held regarding:

- CAD Software – Police and Fire dispatch system and records management
- Skate Park Building gone and brings in revenue
- Fire Station Funding for the design of Fire Station 10 in the Gator Circle area

Committee Member Lorek commented:

- Add back in Budget Software, Crime Center, and Tree Canopy
- Reduce Median Improvements and use funding to pay for the above items

Committee Member Shadrach commented:

- Add back in Budget Software
- Studies should be done by internal staff instead of outside sources
- Defer Coral Oaks Club House to the following year
- Crime Center supported this but not with one-time funding, not eligible for Impact Fee funding, grant money not available – remove it as a one-time item
- Remove Parks already budgeted \$13M for maintenance as stated on Page 35 of the Preliminary Budget, an additional \$6M increase
- Skate Park Building suggested to finance and take out of the one-time
- Aquatic Center is not in the Parks Master Plan; add to a new school as amenity
- None of the 10 parks has a Community swimming pool included
- If there is an interest for the 30-foot pool look into a third party
- Add back in Tree Canopy
- Sidewalks – remove for this year
- Median Improvements – suggested cutting in half or do not include
- Pocket Parks – remove – Member Reagan also agreed with the removal
- Fire station Funding – remove now and check on Impact Fees
- Impact Fee Study – do without funding – use existing personnel
- Agreed with Bridge Maintenance Fund contribution

- Pine Island Road PD&E – remove from one-time funding
- Oasis Football Field Design – remove from one-time funding
- Agreed with CAD Software

Committee Member Lorek summarized Member Shadrach's recommendations:

- Add Budget Software, Intersection Improvements
- Remove the Parks Renewal, Aquatic Center Study, Median Improvements, Pocket Parks, Fire Station Funding, Impact Fee Study, Pine Island Road Study, Oasis Football Field
- Finance the Skate Park

Discussion held regarding:

- Reserves
- Committee coming to a consensus
- Present majority opinion of additions and removals

Recessed at 10:21 a.m. and reconvened at 10:26 a.m.

Chair Gruber summarized that the majority agreed upon adding the Budget Software and Crime Center.

Financial Services Director Mason clarified that the title of the slide pertaining to Parking Lot Items should be titled One-Time Expenditures as this was the correct term to use.

Chair Gruber inquired about the Staff at the Arts Studio.

Director Mason noted the location of this City facility was on Coronado Parkway with eight employees.

Discussion held regarding funds available from sale of surplus property maybe more than \$1M and Director Mason will provide the information to the Board.

Chair Gruber discussed that majority agreed to Reduce Median Improvements to cover additions.

Council Liaison Hayden mentioned that Council was not supportive of removing funding for the Median Improvements.

Discussion continued regarding median cost about \$1M for one and cannot be reduced to \$500K.

Committee Member Lorek summarized to reduce Median Improvements to cover additions.

Discussion held regarding:

- Other possibilities for One-Time Expenditures or opportunity to save funds
- Some items can be financed by debt

Director Mason discussed:

- Reason why things are included in one-time funding
- Items do not lend themselves to issuing debt for the type of improvements
- Pine Island Road Study – design and engineering exercise that needs to be done – do not borrow money for this – cannot use Impact Fees for a State Road
- Would not recommend borrowing money for these types of items
- Cash spent for immediate results of an improvement
- Suggested looking at old budgets to get a better understanding

Discussion held regarding:

- Do not finance \$1.2M for Skate Park Building, too small of amount
- Page 19 of the July 20th Joint Budget Workshop presentation shows Reserves at \$40.5M for 2.5 Months at the Millage Rate of 5.5568

Chair Gruber stated there was an assorted list of other things that members would remove from the Parking Lot Items.

Discussion held regarding One-Time Expenditures different from Parking Lot Items.

Chair Gruber asked for input from the Board as to how we would summarize the other comments with respect to the list the Board has been working on.

Director Mason confirmed that on Page 30 of the Preliminary Budget reflected that property insurance was going down. He explained the self-insurance fund. It did not mean that insurance was necessarily going down, just that contributions for this particular year was lower than it had been in prior years because others have added property to the system.

Committee Member Lorek summarized:

- 3 Members recommended the Rollback Millage Rate – couple of bullet points
- 4 Members recommended the Halfback Millage Rate – with commentary
- BRC recommendation on General Fund Reserves
- BRC recommendation of use of One-Time Unassigned Fund Balance
- Individual recommendations on separate slides – informational only for BRC – not necessarily make it part of the final packet for presentation
- Final piece to include other recommendations – discuss at the next meeting

Discussion held regarding:

- Should we include the Old Golf Course?
- What are other recommendations? Yacht Club, Golf Course, Eco-tourism, Chiquita Lock
- Suggest to Council what we want to spend money or not or revisit
- Last year's slides

Council Liaison Hayden commented that the slides presented the last two or three years were starting to get stale. The recommendations did not keep the vision of the City's Strategic Plan. He was encouraged by the conversations the BRC held today.

Chair Gruber stated tomorrow's discussion should start with the Parking Lot Items and the items that had not been discussed today.

Discussion held regarding money from surplus property sales which is one-time money and not for recurring expenditures.

Member Comment

None.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee was scheduled for Thursday, July 28, 2022, at 9:00 a.m. in Council Chambers.

Adjournment

There being no further business, the meeting was adjourned at 10:55 a.m.

Submitted by,

Sheri Rhine
Recording Secretary

Transcribed by Barbara Kerr 8/10/2022

Item Number:	4.E.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - July 28, 2022

SUMMARY:

Meeting Minutes from July 28, 2022 meeting for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1-239-574-0743

ATTACHMENTS:

Description	Type
1. Meeting Minutes - July 28, 2022	Backup Material

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

Thursday, July 28, 2022

CONFERENCE ROOM 220A

9:00 a.m.

Chair Gruber called the meeting to order at 9:01 a.m.

ROLL CALL: Gruber, Lorek, Merchant, Reagan, Shadrach, and Starner were present. Member Badalow was excused.

ALSO PRESENT: Tom Hayden, Council Liaison
Mark Mason, Financial Services Director
Wendy Phillips, Public Works Contract Administrator

Public Input

Public Works Director Ilczyszyn discussed the following:

- Capital Projects have a multi-year appropriation
- Small operational projects have a shorter appropriation
- Capital Project delivery methods: Design/Bid/Build, Construction Manager at Risk (CMAR), and Design/Build
- Design Criteria Package created for sidewalks; sidewalks should now be built in the same year funds appropriated

Discussion held regarding the following:

- Process for bidding and building sidewalks
- Performance measures and production rate for building sidewalks
- Funding for sidewalks
- Transportation Advisory Commission reviews paving, road resurfacing, sidewalk, and median landscaping programs
- Completion time for building sidewalks varies depending on number of homes on a street and complexity of the area
- Capital Project Delivery Methods possible cost savings
- Sidewalk project funding
- Sidewalk distance from school, almost completed with the one-mile distance and want to expand it to two miles
- Median Landscaping budget and cost

BUSINESS

Continued Discussion on One-Time Expenditures

Chair Gruber stated that the BRC agreed to continue working on one-time expenditures (parking lot items) discussion. She opened the floor for input from each Member.

Council Liaison Hayden stated that City Council voted to set the not to exceed Millage Rate at 5.5568 last night's meeting. The Halfback Millage Rate is no longer in play.

Discussion held regarding:

- Not to exceed Millage Rate of 5.5568
- Page 15 of July 20th Preliminary Budget presentation is for future items
- Parks & Recreation Youth Center
- Fiber Optics
- Two different Parking Lot Items lists
- Expand permanent facility for solid waste
- Doctor at the medical office keeping in FY2023
- Yacht Club – review for future years expenditures and other recommendations
- Street Lighting
- Cost of Living Adjustment (COLA) – 3% to 10% increase discussed
- One-Time Bonus to Employees for this year
- Cape Coral Botanical Garden at the Old Golf Course

Chair Gruber asked Committee Member Shadrach if he had any other items to cover from yesterday.

Committee Member Shadrach did not have any other items to cover.

Chair Gruber opened the discussion to the Members for their recommendations.

Committee Member Lorek commented:

- Yacht Club expansion
- Push hard to finish existing projects
- Burnt Store, Kismet, and Nicholas Parkway taking a long time
- Flooding after rains in the North

Discussion held regarding:

- Flooding in the North (Diplomat)
- Using surplus money from sales for One-Time employee bonus
- Chiquita Lock

Committee Member Shadrach commented:

- Policy Training Facility, Fire Training, Fire Station, and Complete Maintenance Facility should be pooled into a finance scheme for debt
- Bimini Mooring Field and D&D Boat Ramp do not seem to be moving forward

Discussion held regarding:

- Pool capital projects and fund via debt (Fleet Maintenance Facility, D&D Boat Ramp, and Jaycee Park)

Committee Member Reagan commented:

- Pocket Parks being funded by the Stormwater Fund
- Pine Island Road PD&E Study
- Golf Course – pushing to the future
- Oasis Football Field – design in the FY2023 budget
- Museum and Theatre funding increased
- Facility Transportation Study
- Youth Center

Discussion held regarding:

- Jaycee Park
- Doctor at Medical Office

Committee Member Reagan commented:

- Additional Funding for Sidewalks agree to add
- Ten-year plan on two committee centers don't think we should be dealing with that until we get the Yacht Club under control
- Reserves

Discussion held regarding:

- Street Lighting
- Oasis Football Field

Committee Member Merchant stated that the Doctor at Employee Health Clinic would be a money saving for the City.

Chair Gruber commented:

- Spend the money for the Super Bowl Party and New Year's Party on an Eco-tourism effort
- Enhance cities communication effort to the citizens

Discussion held regarding:

- Cities communication efforts
- Eco-tourism Initiatives (Burrowing Owls, Burrowing Owl Festival, Butterfly House, Butterfly Garden, and potential Botanical Garden)

Council Liaison Hayden suggested polling the Members on the Millage Rate to identify consensus.

Chair Gruber polled the members for Millage Rates as follows:

- Shadrach was in favor of the Rollback Millage Rate or less
- Gruber, Lorek, and Starner were in favor of the Preliminary Millage Rate
- Merchant and Reagan were in favor of the Rollback Millage Rate

Discussion held regarding:

- Not to exceed Millage Rate set at 5.5568
- BRC Questions provided to finance for answers
- Future Debt

Assistant City Clerk Castillo requested Chair Gruber identify the agenda topics for the next meeting.

Chair Gruber responded that the following topics be added to the agenda:

- Answers to the BRC Budget Questions
- Work on the presentation – Discussion of the FY2023 BRC Presentation

Member Comment

Vice Chair Starner stated he will not be in attendance on August 1, 2, 3 and 4. He inquired if the committee would be meeting on August 8, 2022, it is the second Monday in August which is the normal BRC meeting date and the day before the Joint Budget Workshop with Council.

Discussion held regarding the August 8, 2022 BRC meeting and whether to keep as scheduled. BRC would discuss and decide at the upcoming meetings.

Vice Chair Starner inquired if the August 8, 2022 meeting was advertised.

Assistant City Clerk Castillo stated that the meetings for the Budget Review Sessions were advertised in the newspaper and on the City's website. As a Board collectively, BRC could discuss and decide which meetings to keep or cancel.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Monday, August 1, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:59 a.m.

Submitted by,

Sheri Rhine
Recording Secretary

SUBJECT TO APPROVAL

Item Number:	4.F.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - August 1, 2022

SUMMARY:

Meeting Minutes from August 1, 2022 for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1-239-574-0743

ATTACHMENTS:

Description	Type
▢ 1. Meeting Minutes - August 1, 2022	Backup Material

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

Monday, August 1, 2022

CONFERENCE ROOM 220A

9:00 a.m.

Chair Gruber called the meeting to order at 9:04 a.m.

ROLL CALL: Gruber, Lorek, Merchant, Reagan, and Shadrach were present.
Member Badalow and Starner were excused.

ALSO PRESENT: Mark Mason, Financial Services Director
Wendy Phillips, Public Works Contract Administrator

Public Input

Richard Jones, president of the International Union of Painters and Allied Trades (IPUAT) Local 2301, read into the record the minimum hourly starting rates Cape Coral, Lee County, Fort Myers, Charlotte County, Punta Gorda, North Port, Collier County, Naples, Hendry County, and State of Florida: \$14.39, \$15.86, \$12.00, \$15.50, \$12.24, \$14.23, \$15.58, \$15.89, \$11.07, and \$15.00. State of Florida then gave employees a 5.38% increase as a result of inflation. He urged Council when deliberating the budget for this next fiscal year that we consider what we need to do to get to \$15.00 per hour for our city employees. We are no longer at the 75th percentile but at the bottom 1/3 as it pertains to the local operating area.

Chair Gruber inquired if Mr. Jones had any recommendation.

Mr. Jones recommended a 4.75% market adjustment for all classifications. This would eliminate the compression issue and put the starting salary for the laborer at \$15.07 per hour. This would cost the City an additional \$2.4M above what is already obligated for wage increases for the General Employees.

Committee Member Shadrach asked if the contract had already been negotiated this year.

Mr. Jones answered in the affirmative.

Committee Member Shadrach asked if this point was brought up during negotiations.

Mr. Jones stated during negotiations the focus was on movement within the range. He is making this recommendation as it benefits the employees, but it also helps the City keep the workforce and assists with recruitment.

Committee Member Shadrach inquired about the rate of attrition.

Committee Member Merchant left the room at 9:15 a.m. and returned at 9:20 a.m.

Mr. Jones stated he does not have the answer. One personal experience, an electrician left the plant to work for FPL for \$30,000 more a year and a great benefit package.

BUSINESS

Answers to BRC Questions

Chair Gruber opened the floor for discussion about BRC questions related to the Preliminary Budget provided to Finance.

Financial Services Director Mason stated that the documents were sent this morning in response to the questions.

Committee Member Shadrach inquired if the budget would be completed tomorrow.

Financial Services Director Mason responded in the affirmative.

Discussion held regarding:

- FY2021 One-Time Reserves
- DR-420 Certificate of Taxable Value submission with 5.55 Millage Rate
- Less Nonspendable Funds, Disaster Reserve, and Capital Funds for GO Bond overrun – Fund Balance Analysis for FY2023
- Amount of available funds from surplus land about \$1.2M as of September 2021
- FY2023 Preliminary Budget proposes three months of Reserves
- Status of One-Time Use Funds from past years
- Funds set aside for projects and status of the projects
- Non-Ad Valorem Assessments and Millage Rate to be reflected on tax bill
- Fees are transferred from the Enterprise Funds to the General Fund
- Health Insurance Costs
- City Reserves by Fund
- New hires for Parks
- Parks increase is a one-time maintenance
- Community Events budgeted at \$19K
- 2018 – 2023 Single family non-homesteaded houses increased by 1,424 properties
- 2018 – 2023 Single family homesteaded houses increased by 7,195 properties
- Cost of medians
- Proposed three-month Reserves
- Sidewalks
- Time allotted to Public Works Director Ilczyszyn
- Design and staffing for Public Work projects

Discussion of the FY2023 BRC Presentation

Chair Gruber opened the floor to discuss the Other Recommendations for the FY2023 BRC Presentation.

Discussion held regarding:

- Yacht Club
- Old Golf Course
- Botanical Garden
- Pool capital projects and fund via debt
- Funding for Jaycee Park, D&D Boat Ramp, and Facility Maintenance Building
- One-time bonus to City employees
- Eco Tourism
- BRC's stance on specific budget items being included in the presentation
- Upcoming meeting dates

Member Comment

Chair Gruber discussed meeting for Tuesday ending on time.

Committee Member Reagan discussed the Art Studio containing one room of art and having eight Staff members.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Tuesday, August 2, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:30 a.m.

Submitted by,

Sheri Rhine
Recording Secretary

Item Number:	4.G.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - August 2, 2022

SUMMARY:

Meeting minutes from August 2, 2022 for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1239-574-0743

ATTACHMENTS:

Description	Type
▢ 1. Meeting Minutes - August 2, 2022	Backup Material

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

Tuesday, August 2, 2022

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Gruber, Lorek, Merchant, and Reagan were present. Members Shadrach and Starner were excused. Member Badalow was Absent.

ALSO PRESENT: Rob Hernandez, City Manager
Tom Hayden, Council Liaison
Mark Mason, Financial Services Director
Nicole Reitler, Management/Budget Administrator
Stacey Maine, Public Works Business Manager

Public Input

None.

BUSINESS

Discussion of the FY2023 BRC Presentation

Discussion held regarding member attendance.

Chair Gruber opened the floor for further discussions pertaining to the FY2023 BRC Presentation and asked Financial Services Director Mason if he would like to start.

Financial Services Director Mason informed the committee the FY2023 Proposed Budget Book should be available today at 5 p.m. and will be posted online. Since the July 20, 2022, meeting adjustments were made to the General Fund. It was increased for retiree Health Insurance being moved back into the General Fund, power cost adjustment, and balanced fleet expenditures. Revenues were adjusted by the removal of the Bus Bench Revenue, moved the County Occupational License Revenue to Economic Business Development Fund, increase in the FSA assessments, increased other various sources, and an increase in the MSTU. Further adjustments to the budget would be made in August for the Communication Services Tax Revenue adjustments.

Discussion held regarding:

- Communication Services Tax

- Payroll adjustment
- Millage Rate
- Positions and infrastructure impacted under the Rollback Millage Rate

Chair Gruber opened the floor to items not discussed previously pertaining to the FY2023 BRC Presentation.

Discussion held regarding:

- Oasis multi-purpose athletic field
- Wage increases for General Union Employees
- One-time bonus for employees
- Three-year budget and forecast for 5 years
- Slides to be marked for removal from the FY2023 BRC Presentation
- Medians and Sidewalks
- Millage Rate Recommendation Introduction slide
- TRIM notice

City Manager Hernandez discussed the board's role to review the proposed budget and make recommendations.

Discussion held regarding the Millage Rate Recommendation Introduction presentation slide.

Council Liaison Hayden suggested after getting the FY2023 Proposed Budget, the BRC Members could confirm their positions on the Millage Rate.

Discussion held regarding the following:

- Additional Revenue for the Proposed (Preliminary) and Rollback Rates
- Committee members positions on the Millage Rate
- Millage Rate Recommendation Introduction slide
- Member's names appearing on the slide for the Proposed and Rollback Rates
- Rational to support the Rollback Rate
- Rational to support the Proposed (Preliminary) Rate
- Revenue difference between Rollback and Proposed (Preliminary) Millage Rates
- FY2023 Proposed Budget book availability
- Low assessed value growth on homesteaded properties
- Discussions scheduled for upcoming meetings
- Presenting the FY2023 BRC Presentation to Council
- General Fund Reserves
- One-time bonus for City Employees
- Unassigned Fund Balance One-time Expenditure Recommendations
- Other budget Related Recommendations

- Surplus property sales
- Funding additional Community Events

Member Comment

Committee Member Merchant discussed a couple of slides need further work tomorrow, should finalize, and rehearse the FY2023 BRC Presentation on Monday.

Committee Member Reagan discussed how she enjoys working with the members.

Discussion held regarding:

- Agenda for the August 3, 2022 meeting
- Obtaining the FY2023 Proposed Budget book

Chair Gruber discussed the agenda for tomorrow, review the FY2023 Proposed Budget book and continued discussion of the FY2023 BRC Presentation.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Wednesday, August 3, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:49 a.m.

Submitted by,

Sheri Rhine
Recording Secretary

Item Number:	4.H.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - August 3, 2022

SUMMARY:

Meeting minutes from the August 3, 2022 for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1-239-574-0743

ATTACHMENTS:

Description	Type
1. Meeting Minutes - August 3, 2022	Backup Material

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

Wednesday, August 3, 2022

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Badalow, Gruber, Lorek, Merchant, Reagan, and Shadrach were present. Member Starner was excused.

ALSO PRESENT: Rob Hernandez, City Manager
John Gunter, Mayor (observant)
Tom Hayden, Council Liaison
Mark Mason, Financial Services Director
Nicole Reitler, Management/Budget Administrator
Wendy Phillips, Public Works Contract Administrator

Public Input

None.

BUSINESS

Discussion of FY2023-2025 City Manager's Proposed Budget

Chair Gruber opened the floor for discussion of the FY2023-2025 City Manager's Proposed Budget.

Discussion held regarding:

- FY2023-2025 City Manager's Proposed Budget audience
- Water park owned by the City and being leased
- Change in HR Compensation and Classification (Page 42)
- Charter School Capacity (Page 56)
- Transfers between the Capital Facility Expansion Fees, CIAC Fees and Water and Sewer System to the Capital Projects Fund for the Utility System (Page 55)
- Millage Rate History (Page 21)
- Community Events versus Special Events
- CAD System funding split between General Fund and FSA
- Personal Services payments for Retiree Health Insurance

Committee Member Lorek discussed the Millage Rates comparison on Page 11 of the Proposed Budget.

Committee Member Merchant voiced her approval of the smaller FY2023-2025 City Manager's Proposed Budget book.

Discussion held regarding:

- Final FY2023 Budget book size
- Reductions Column (Page 11-Alternate Millage Rate Scenario)
- Not to exceed Millage Rate set at 5.558

Chair Gruber stated that the Members would be surveyed for their preferred Millage Rate.

Committee Member Merchant suggested working on the presentation.

Chair Gruber opened the floor to the Board to discuss the topics of interest.

Committee Member Shadrach suggested reviewing the FY2023-2025 City Manager's Proposed Budget and requested to refresh his thoughts prior to discussing the Capital Projects, One-Time Funding, and the Fund Balances.

Discussion held regarding:

- Fund Balances (Page 17-Summary of Our Funds)
- Budget Stabilization Reserve (Page 19-Budget Highlights & Summary Schedules)
- Budget Stabilization Reserves settled at 2.5 months
- FEMA, COVID and land sales are Restricted Funds
- All Funds (Page 19)
- Transfers between funds

Discussion of the FY2023 BRC Presentation

Chair Gruber opened the floor for further discussions pertaining to the FY2023 BRC Presentation.

Discussion held regarding:

- Median and Sidewalks
- BRC Recommendations Outline slide
- Proposed Millage Rate

Chair Gruber surveyed the Members on their stance regarding the Millage Rate.

Committee Member Merchant: Rollback Rate

Committee Member Reagan: Rollback Rate

Committee Member Shadrach: Might be for less than the Rollback Rate

Chair Gruber: Proposed Rate

Committee Member Lorek: Proposed Rate

Committee Member Badalow: Proposed Rate

Discussion held regarding:

- Difference between Rollback and Proposed Millage Rates
- Rational to support Rollback Rate
- Budget adjusted/program modifications to support the Proposed Rate (Page 11)
- Government Services removed first year of Fiber Optics (Page 40)
- Order of slides in the FY2023 BRC Presentation
- Showing both the Proposed and Rollback rationales in FY2023 BRC presentation
- Property Tax Revenue received by the City
- Rational to support Proposed Rate
- Strategic Plans Funding
- Reductions items (Page 11)
- Budget deficit under Proposed Millage Rate
- General Fund Reserves Recommendations slide
- Restricted Funds
- Unassigned Fund Balance One-Time Expenditure Recommendations (Page 22)
- Budget Related Recommendations slide
- One-Time Bonus for City Employees
- Combine Capital Projects and fund through Departments
- Strategic Plan to expand Community Events to include Eco-Tourism
- Funding of Projects, i.e., Yacht Club
- Recommendation of Old Golf Course purchase with remediation contingency
- Enhance City's Communications Efforts

Chair Gruber stated the agenda for tomorrow's meeting would include the continued discussions on the Proposed Budget and BRC Presentation.

Member Comment

Committee Member Badalow asked to be excused from tomorrow's meeting as she has a work scheduled meeting.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Thursday, August 4, 2022, at 9:00 a.m. in Council Chambers.

Adjournment

There being no further business, the meeting was adjourned at 11:03 a.m.

Submitted by,

Sheri Rhine
Recording Secretary

Item Number:	4.I.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - August 4, 2022

SUMMARY:

Meeting minutes from August 4, 2022 for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1-239-574-0743

ATTACHMENTS:

Description	Type
1. Meeting Minutes - August 4, 2022	Backup Material

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

Thursday, August 4, 2022

COUNCIL CHAMBERS

9:00 a.m.

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

ROLL CALL: Gruber, Lorek, Merchant, Reagan, and Shadrach were present. Member Badalow arrived at 9:35 a.m. Member Starner was excused.

ALSO PRESENT: Tom Hayden, Council Liaison
Mark Mason, Financial Services Director
Nicole Reitler, Management/Budget Administrator
Stacey Maine, Public Works Business Manager

Public Input

None.

BUSINESS

Discussion of FY2023-2025 City Manager's Proposed Budget

Chair Gruber opened the floor for discussion of the FY2023 Proposed Budget.

Discussion held regarding the charts provided by Committee Member Shadrach:

- Budget increase from the Adopted FY2022 and the Proposed FY2023
- Budget increase for People, Operating, and Capital Funding from the Adopted FY2022 and the Proposed FY2023

Committee Member Shadrach discussed the following:

- Rationale for Rollback Millage Rate
- Summary of property tax chart using the Proposed and Rollback Millage Rate
- Other Recommendations

Discussion held regarding the use of FEMA and CARES Reserve Funds before using the GO Bonds balance.

Committee Member Shadrach discussed the charts provided by Financial Services Director Mason in the FY2023 Proposed Budget and his spreadsheet suggestions.

Discussion held regarding:

- Return PST exemption to taxpayers
- Funds for Charter Schools
- Police Staffing
- Cost of Medians Improvements
- Delay some projects until supply chain improves

Committee Member Badalow arrived at 9:35 a.m.

Chair Gruber asked if there was any further commentary on the FY2023-2025 City Manager's Proposed Budget.

Discussion held regarding:

- Rationale for the Rollback Millage Rate (chart provided by Member Shadrach)
- Budgeting for 97% of Staff
- Budgeting for 97% of Personal Services
- Items funded by the Millage Rate
- Deficit for future years based on the Proposed and Rollback Millage Rates (provided by Financial Services Director Mason)
- Future Year Millage Rates
- Reduced Bus Bench Revenue

Discussion of the FY2023 BRC Presentation

Chair Gruber opened the floor for further discussions pertaining to the FY2023 BRC Presentation.

Discussion held regarding:

- Millage Rate Recommendations Introduction slide
- Recommendations for both the Proposed and Rollback Millage Rates
- Rational to support the Proposed Millage Rate – presentation slide updated
- Rational to support the Rollback Millage Rate – presentation slide updated
- Ideas provided by Member Shadrach to support the Rollback Millage Rate slide
- Budget Related Recommendations – two slides in presentation updated
- Return PST exemption to taxpayers
- One-Time bonus of \$1,000 for City Employees
- Deleting unwanted presentation slides
- Unassigned Fund Balance One-Time Expenditure Recommendations

Member Comment

Committee Member Merchant recommended to have the Chair and Vice Chair present the FY2023 BRC Presentation to City Council at the Joint Budget Workshop.

Date and Time of Next Meeting

The next meeting of the Budget Review Committee will be held Monday, August 8, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 11:03 a.m.

Submitted by,

Sheri Rhine
Recording Secretary

Item Number:	4.J.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Meeting Minutes - August 8, 2022

SUMMARY:

Meeting minutes from August 8, 2022 attached for review and approval.

ADDITIONAL INFORMATION:

Sheri Rhine, Recording Secretary, 1-239-574-4743

ATTACHMENTS:

Description	Type
▢ 1. Meeting Minutes - August 8, 2022	Backup Material

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

Monday, August 8, 2022

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Badalow, Gruber, Lorek, Merchant, Reagan, Shadrach, and Starner were present.

ALSO PRESENT: Rob Hernandez, City Manager
Tom Hayden, Council Liaison
Mark Mason, Financial Services Director
Stacy Maine, Public Works Business Manager

Public Input

None.

BUSINESS

Approval of Meeting Minutes – July 11, 2022

Chair Gruber stated that the Minutes from July 11, 2022 were distributed before the meeting for review and were being presented for approval.

Committee Member Merchant moved, seconded by Committee Member Shadrach, to approve the Meeting Minutes from July 11, 2022. Voice Poll: All “ayes.” Motion Carried.

Discussion of the FY2023 BRC Presentation

Chair Gruber opened the floor for further discussion pertaining to the FY2023 BRC Presentation.

Discussion held regarding:

- Taking a final poll on the millage rate recommended by each person
- Moving first slide further in the presentation
- Recommendation slides
- Proposed Rate of 5.5568 – Badalow, Gruber, Lorek, and Starner slide
- Rollback Rate of 5.3694 – Merchant, Reagan, and Shadrach slide
- Halfback Rate of 5.9034 – which members previously supported

- What is on a TRIM notice
- Not to exceed Millage Rate set at 5.5568
- Proposed Rate provides \$10.9M in additional net property tax revenue over the prior year - provides savings for the average homesteaded property - \$42 higher than the Rollback Rate
- Rollback Rate provides \$6.8M in additional net property tax revenue over the prior year – provides savings for the average homesteaded property - \$42 less than the Proposed Rate
- All Funds \$221M increase over last year
- Reserves not showing in the Proposed Budget for FY23
- Funds are restricted for specific uses
- Page 7 of the Proposed Budget – General Fund
- Page 19 of the FY2023 Proposed Budget
- \$10.9M in net property tax revenue with Proposed Rate
- Chart provided by Member Shadrach on how to reduce the budget by \$4M
- Suggestions to get to Rollback Rate provided by Member Shadrach
- Reserves not in budget as they are already earmarked. Revenue is money coming in. Current revenue equals current spendings. Cannot remove Reserves from FY22 budget because it was adopted.
- General Fund Reserves Recommendation
- Unassigned \$16.98M Fund Balance One-Time Expenditure Recommendations
- Budget Related Recommendations
- Provide a one-time bonus of \$1,000 for City Employees
- Use Debt to combine Capital Projects
- Use FEMA and CARES Reserves Funds before issuing the GO Bonds
- Yacht Club – reevaluate overall plan and update project details
- Budget Related Recommendations – slide 2
- Consider postponing some projects until supply chain improves
- Return Public Service Tax exemption to taxpayers - Public Service Tax is authorized by Statute
- Charter School funding
- Charter School buildings – City owned
- Strategic Plan Items
- Old Golf Course purchase with remediation contingency and use as Botanical Garden or Greenspace
- Enhance Communications Department
- FY23 Proposed Budget has \$23M additional General Fund expenditures over FY Adopted
- Undesignated or Designated Reserves no longer in the Proposed FY23 Budget
- Reserves Page 17 and 19 of the FY2023 Proposed Budget
- General Budget Observations
- FY23 change in Proposed Budget by removing the Reserves

- To support year over year clarity and comparison, detail and explain changes in accounting policy
- Budget Stabilization Plan
- Review of final slides
- Introduction
- Millage Rate Recommendations – 3 slides
- General Fund Reserves Recommendation
- Unassigned Fund Balances
- Budget Related Recommendations – 3 slides
- Presentation possibly being presented at the first Joint Budget Workshop

Chair Gruber asked for the Board to state where they are with the millage rate.

Committee Member Badalow – 5.5568

Committee Member Lorek – 5.5568

Committee Member Merchant – 5.3694

Chair Gruber – 5.5568

Vice Chair Starnes – 5.5568

Committee Member Reagan – 5.3694

Committee Member Shadrach – 5.3694

Discussion held regarding:

- Presenters – suggestion of Chair and Vice Chair to present
- Suggestion to have one from each side speak

Consensus agreed to present recommendations if called upon by Council tomorrow.

Discussion held regarding:

- No reason for Budget Workshops beyond tomorrow if finalized
- Process designed this year to get input from Council and BRC ahead of time
- When proposed budget is submitted, Staff's work is done
- Budget never a complete document
- Last minute tweaks are expected to be requested to Staff
- Divided Council on millage rate
- Will need at least one more Budget Workshop
- BRC's recommendation in past on millage rate – always provided one number
- Continuation of 4-4 vote

Committee Member Lorek noted that he sent an email to the Recording Secretary to inform her that he will not be available for the second Budget Workshop.

Discussion held regarding the BRC meeting schedule.

Committee Member Merchant moved, seconded by Committee Member Badalow, to approve the Budget Review Committee FY2023 Recommendations Presentation. Voice Poll: All “ayes.” Motion carried.

Member Comments

Committee Member Merchant discussed how hard everyone has worked.

Chair Gruber agreed and appreciated everyone's hard work.

Committee Member Shadrach discussed any questions regarding the budget that were sent out on Friday.

Date and Time of Next Meeting

A Joint City Council and Budget Review Committee Workshop has been scheduled for Tuesday, August 9, 2022, at 2:00 p.m. in Council Chambers.

The next regular Budget Review Committee meeting has been scheduled for Monday, September 12, 2022, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 12:05 p.m.

Submitted by,

Sheri Rhine
Recording Secretary

Transcribed by Barbara Kerr 8/30/2022

Item Number:	4.K.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Financial Policies Discussion

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
1. City of Cape Coral Financial Policies	Backup Material

CITY OF CAPE CORAL, FLORIDA FINANCIAL MANAGEMENT POLICIES

As stewards of public funds, the City of Cape Coral must ensure the proper handling of finances, utilize best practices, and deliver high quality services by providing an overarching outlook to guide the City, thereby preserving the integrity and financial sustainability of the organization.

The financial integrity and sustainability of the City of Cape Coral is of utmost importance and adopting a set of financial management policies is a key element of this goal. The financial management principles and policies outlined in this document set forth the basic framework for the overall fiscal management of the City. This document contains financial policies that shall govern the City's financial management. Detailed policy direction is set forth in separate policy documents as described herein.

The financial management policies will be reviewed and updated as necessary but will be comprehensively evaluated at least every five years.

Budget Management

Policy #1: **Structurally Balanced Budget.** The City of Cape Coral shall commit to and develop and maintain a structurally balanced budget, whereby current revenues equal current expenditures for the current and forecasted years, to support the high-quality services provided to our residents consistent with the needs of the City.

1. The City shall adopt a one-year budget pursuant to Chapter 166.241, Florida Statutes.
2. The City shall prepare a one-year budget and a two-year forecast.

Policy #2 **Revenue Estimates.** Revenue estimates for annual budget purposes should be conservative. In this light, General Fund revenues should be budgeted in the manner delineated below.

1. Property taxes shall be budgeted at 96% of the Property Appraiser's estimate as of July.
2. The following revenue sources should be budgeted at 95% of the estimates either prepared by outside sources or the Financial Services Department:
 - a. State shared revenues
 - b. Franchise fees
 - c. Public Service Tax
 - d. 5 cent and 6 cent Gas Tax

City of Cape Coral, Florida Financial Policies

General Fund net revenues in excess of budget should be applied to the various categories of Fund Balance in accordance with the Policy #20.

- Policy #3: **Expenditures.** Expenditures should be managed to create a positive cash balance (surplus) in each fund at the end of the fiscal year. Personnel Services budgets or salary savings shall not be transferred to fund operating, capital or other expenses except in the event of a declared emergency.
- Policy #4: The City will not fund recurring municipal services with reserve funds and/or other temporary or non-recurring revenue sources.
- Policy #5: Fund balances shall be maintained at fiscally sound levels in all funds pursuant to Policy #21.
- Policy #6: The City will not commit itself to the full extent of its taxing authority.
- Policy #7: **Allocation of Overhead/Indirect Costs.** The City shall develop procedures for completing and administering a full cost allocation methodology to allocate administrative overhead costs to enterprise funds, special revenue funds, internal service funds, and when allowable, grants. Actual documented indirect costs associated with the operations of any other operating fund will be identified and accounted against the operations of those funds and be reimbursed to the general fund through an indirect cost allocation model.
- Policy #8: **Cost Recovery.** All fee schedules and user charges should be reviewed and adjusted annually but, not more than every three years, to ensure that rates are equitable and cover the cost of the service or that portion of the cost deemed appropriate by the City. The following framework is recommended by the administration to be applied to user fees:

Total Fee Support (90-100%)

- a. Enterprise Funds (Water/Sewer, Stormwater, Yacht Basin)
- b. Building Code Fund
- c. Lot Mowing
- d. Parks & Recreation – Golf Course; Youth Program; Special Populations City Hall Food Program

Moderate Fee Support (40-90%)

1. Parks & Recreation – Athletics, Off-Site/Special Events, Four Freedoms, Yacht Club, Youth Center, Lake Kennedy and Rotino Senior Centers, Special Populations, Parking Program
2. Development Services – Planning Fees

Minimum Fee Support (less than 40%)

1. Parks & Recreation --Aquatics, Transportation, Environmental Recreation

City of Cape Coral, Florida Financial Policies

- Policy #9: The financial burden on the City's taxpayers must be minimized through systematic annual program reviews and evaluation aimed at improving the efficiency and effectiveness of City programs. As such, the annual budget will be based on a City-wide work program of goals, implemented by departmental goals and objectives.
- Policy #10: **Asset Management Program.** The City will prepare a six-year asset improvements program annually consisting of the adoptable one-year asset improvement program and a five-year forecast. The asset improvements program will identify the source of funding for all projects, as well as the impact on future operating costs.
- Policy #11: Revenue and expenditures for all operating funds should be projected for at least four years beyond the current budget.

Operating Management

- Policy #12: The City shall adopt and maintain an investment policy.
- Policy #13: The City shall adopt and maintain a grant management policy.
- Policy #14: **Risk Management.** The City shall maintain adequate protection from loss due to property damage or liabilities of the City. The City will continue to be self-insured for a maximum of \$350,000 for each worker's compensation claim, \$100,000 for each general liability claim, and \$25,000 for each property damage claim. The City shall purchase excess commercial insurance. Each department director will ensure that safeguards are in place to minimize damage to personnel and property.
- Policy #15: **Revenue Recovery.** City management is responsible for recovery of budgeted and non-ad valorem revenues as planned for in the budget. Management shall maintain adequate billing and claiming processes to effectively manage their accounts receivable systems in conformance with the fiscal plan and sound business principles.
- Policy #16: The Director of Financial Services will develop and maintain written policies for the administration of such adjustments to service bills and payment plans for remittance of outstanding obligations as requested by customers, in compliance with existing ordinances and resolutions. Such policies will provide administrative authority to specific positions and parameters under which such authority should be exercised. Any exceptions to such policies must be approved, in writing, by the Financial Services Director or designee.

City of Cape Coral, Florida Financial Policies

Policy#17: An allowance for uncollectible revenue (receivable), not including deferred or hardship accounts will be determined at the end of each fiscal year. The aging of the receivable will be based on the number of days from the billing general ledger date to the fiscal year end date. The allowance on all receivables with an aging of less than or equal to 120 days will be 1% of the receivable and for all receivables with an aging greater than 120 days will be 100%.

Policy#18: Annually, the City will write off all customer accounts, not including deferred or hardship accounts) that are deemed uncollectible. For purposes of this policy, uncollectible is defined as any account that is greater than or equal to 180 days delinquent from the date of the invoice. The write off amount will be removed from the allowance and the account receivables balances, thereby no longer impacting the City's financial reporting. All legal standing related to these accounts will remain in effect and collection efforts on these accounts will continue through the appropriate collection agency.

Any action to "write off" uncollectible accounts will be taken subordinate to and in compliance with outstanding bond resolutions or applicable ordinances.

Policy #19: The City's role in social service funding should be supplemental (addressing special or unique local needs) to the basic responsibilities of regional agencies. Funding shall be restricted to those funds provided through the Community Development Block Grant (C.D.B.G) program and State Housing Initiative Program.

Policy #20: The Financial Services Director shall review the Financial Policies annually and include said policies annually as an exhibit to the annual budget ordinance for adoption.

Fund Balance

Policy #21: Fund balance is the difference between assets and liabilities reported in governmental funds in the Annual Comprehensive Financial Statements and are differentiated as follows:

Non-Spendable Fund Balance - Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as the long-term amount of loans, notes receivable and advances, as well as property acquired for resale.

Restricted Fund Balance - Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action of the City Council, the City's highest level of decision-making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally, which is by resolution.

Assigned Fund Balance – Portion that reflects a government's intended use of resources. Such intent must be established by the Finance Director pursuant to the Financial Management Policies approved by City Council. Assigned fund balance also includes spendable fund balance amounts established by management of the City that are intended to be used for specific purposes that are neither considered restricted nor committed.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the general fund. This classification represents a fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Unrestricted Fund Balance – The total of committed fund balance, assigned fund balance, and unassigned fund balance.

Policy #22: General Fund fund balances shall be maintained in accordance with the following.

1. The City shall maintain a *Budget Stabilization Reserve* (BSR) in Committed Fund Balance of between 2 to 3 months of expenditures or 16.67% to 25%, with a goal of 3 months, of the General Fund operating expenses, including fund transfers. The purpose of the reserve is to provide a method of insuring resources are available in the lean years and of funding the reserve in prosperous years.

a. Funding the Budget Stabilization Reserve:

- 1) It is the City Council's goal to achieve 3 months balance in the Budget Stabilization Reserve.
- 2) Within three (3) years of a use of the Budget Stabilization Fund and/or to achieve the City Council's goal of 3 months reserve:

- I. Annually, up to 50% of the net change in fund balance shall be committed to the Budget Stabilization Reserve until it reaches 3 months or 25% of the annual general fund operating expenses including transfers.
 - II. Annually, if there is a negative net change to fund balance, then up to 100% of unassigned fund balance will be applied until 3 months reserve is achieved.
 - III. If there is no unassigned fund balance, then taxes will be increased to fund the reserve.
 - b. Use of the Budget Stabilization Reserve –
 - 1) The BSR may be used to support the City's government in the event of a major catastrophic event provided that the disaster reserve has been exhausted and Federal and State Funding have been applied for.
 - 2) The BSR may be used to fund recurring operating expenses for a limited period in the event of a significant economic downturn threatening the City's ability to provide services to the community.
 - 3) The maximum amount that can be used in any one year or successive years shall be 33% of the reserve.
 - c. In no event shall the Budget Stabilization Reserve stay below 2 months or 16.67% of the annual operating budget including transfers for more than one year.
2. The City shall maintain the following additional committed reserves to provide resources for the purpose identified:
- a. Disaster Reserve – \$8,000,000 – for the purpose of providing temporary resources in the event of a federally and/or state declared emergency and further used as a match for Federal and State Emergency Management Funds.
 - b. Land acquisition – Net balance of surplus property land sale proceeds and land acquisition or other expenditures approved by the City Council. Annual balance, if any, may be used for any one-time expenditures as approved by the City Council.
 - c. Hurricane Irma Federal and State Emergency Management Funds reimbursed to the City. Amount determined by receipt and/or award. Annual balance, if any, earmarked to support General Obligation Bond Parks & Recreation Projects or may be used for any one-time expenditures as approved by the City Council.

- d. COVID Payment Reimbursements from the County. Amount determined by receipt. Annual balance, if any, earmarked to support General Obligation Bond Parks & Recreation Projects or may be used for any one expenditure as approved by the City Council.
3. Assigned Fund Balance shall include the annual amount of purchase order balances carried forward to the next year as well as the subsequent year's use of fund balance resources for one-time use as identified for specific purposes by the City Council and set forth in the annual budget and any amendments thereto.

Policy #23: Reserves for other major operating funds are as follows:

1. Water and Sewer Fund:

- a. An operating reserve at least equal to 25% of the cost of operation and maintenance in the annual budget for the then current fiscal year.
- b. Any surplus revenue in excess of this operating reserve minimum balance target is utilized to pay for all or a portion of the cost of capital projects.
- c. An annual transfer to the Renewal and Replacement Fund equal to 5% of the prior fiscal year's gross revenues (not cumulative).
- d. After deposit, surplus Renewal and Replacement funds above the Renewal and Replacement Fund Requirement are available to fund capital projects and these funds are used for this purpose in each year.

2. Stormwater Fund:

A renewal & replacement reserve shall be maintained at a minimum of 25% of operating expenditures.

3. Yacht Basin:

A renewal and replacement reserve with a minimum of 25% of operating expenditures.

4. Risk Management Fund:

- a. The City shall maintain reserves for worker's compensation in accordance with actuarial values established by an actuary on an annual basis.
- b. The City shall maintain reserves for property liability and general liability in sufficient amounts to support the claims liability pursuant to an actuarial study on an annual basis.

5. Fire Services Fund:

The Fire Serves Fund shall maintain a restricted fund balance at the same percentage or months of operating expenditures as the General Fund.

Policy #24: Spending order of fund balances – restricted amounts shall be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Policy #25: Annual review and determination of fund balance policy – The Financial Services Department shall review, as a part of the annual budget adoption process, and the amounts of restricted, committed, assigned, nonspendable and the minimum level of unassigned fund balance shall be determined during this process.

Debt Management

Policy #26: The City will develop and maintain a Debt Management Policy.

Policy #27: An annual report of the City's debt position will be provided to the City Council.

Policy #28: The City will annually review the Capital Improvements Element of the Comprehensive Plan to ensure consistency with the six-year capital improvement program.

Policy #29: The City will continue to finance its capital improvements with current revenue ("pay as you go" financing) to the extent current revenues meet current capital improvement needs.

City of Cape Coral, Florida Financial Policies

- Policy #30: The City will not issue tax or revenue anticipation notes to fund governmental operations.
- Policy #31: The City will not issue bond or revenue anticipation notes for a period longer than needed to secure permanent financing.
- Policy #32: The City will maintain debt service ratios at levels necessary to be in compliance with bond requirements.

Accounts Management & Financial Planning

- Policy #33: Accounting systems shall be maintained to facilitate financial reporting in conformity with generally accepted accounting principles promulgated by the Government Accounting Standards Board, American Institute of Certified Public Accountants and State Uniform Accounting System.
- Policy #34: An annual audit shall be prepared pursuant to Chapter 218.39, Florida Statutes.
- Policy #35: Financial systems shall be maintained in a manner that provides for the timely monitoring of expenditures, revenues, performance, and receivables/billing status on an ongoing basis.
- Policy #36: The City should annually seek the GFOA Certificate of Achievement for Excellence in Financial Reporting and Distinguished Budget Presentation Award.

Economic Resources

- Policy #37: The City should diversify and expand its economic base to provide relief to the homeowner from the most significant share of the tax burden and to protect the community against economic downturns. This effort should include the attraction of new businesses, retaining existing businesses, enticement of new residents, and tourism.
- Policy #38: The City should encourage economic development initiatives that provide growth in the tax base and employment for City residents as a priority and in the County and region as a second priority.

Item Number:	4.M.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM

CITY OF CAPE CORAL



TITLE:

Duration of Regular Monthly Meetings

SUMMARY:

Attached for Board's consideration is the City Clerk's Office explanation of procedural practices for meeting reservations.

ADDITIONAL INFORMATION:

Betty Castillo, Assistant City Clerk, 1-239-242-3243

ATTACHMENTS:

Description	Type
<div> <div></div> <div>1. City Clerk's Office Procedural Practices for Meeting Reservations</div> </div>	Backup Material

Chair Gruber,

I wanted to provide some insight regarding Agenda Item 4.L. – Duration of Regular Monthly meetings.

The City Clerk's Office procedural practices for meeting reservations are as follows:

- 3-hour block booked to allow sufficient meeting time, including ½ hour cleanup after the meeting
- Duration of meeting depends on the business to transact, can last 15 minutes to 2 ½ hours
- Provides a transition window between meetings booked in the same conference room back-to-back

Respectfully,

Betty Castillo
Assistant City Clerk

Item Number:	4.N.
Meeting Date:	9/12/2022
Item Type:	Business

AGENDA REQUEST FORM

CITY OF CAPE CORAL



TITLE:

Content of Monthly Meetings

SUMMARY:

Suggested Action #1: Give permission in an official vote to the Chair to cancel meetings in the following situations:

1. No quorum established in writing
2. No business to transact by the day before the regular meeting day

Suggested Action #2: Utilize the proposed BRC Presentation Schedule to outline the topics and presenters to invite for the remaining meetings in 2022.

ADDITIONAL INFORMATION:

Betty Castillo, Assistant City Clerk, 1-239-242-3243

ATTACHMENTS:

Description	Type
▣ 1. BRC Presentation Schedule 2022-Proposed	Backup Material
▣ 2. 2022 BRC Regular Meeting Schedule- Approved 11-08-2021	Backup Material
▣ 3. Resolution 99-15	Backup Material



Budget Review Committee Presentation Schedule 2022

Third Half of Calendar Year 2022			September 12, 2022 9:00 A.M.
			<ul style="list-style-type: none"> ➤ 10 Sets of Meeting Minutes (July-August 2022) ➤ Debrief of City Council and Budget Review Committee Joint Budget Workshops ➤ Duration of Regular Monthly Meetings ➤ Content of Monthly Meetings
Fourth Half of Calendar Year 2022	October 3, 2022 9:00 A.M.	November 14, 2022 9:00 A.M.	December 12, 2022 9:00 A.M.
	<ul style="list-style-type: none"> ➤ _____ ➤ _____ _____ 	<ul style="list-style-type: none"> ➤ _____ ➤ _____ _____ 	<ul style="list-style-type: none"> ➤ _____ ➤ _____ ➤ _____

January 2023 – TBD – Topics: _____

Notes:

****Meetings may be canceled if there is no business to transact by the day before the regular meeting date per Resolution 99-55****

BUDGET REVIEW COMMITTEE

2022 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 10

February 14

March 14

April 11

May 9

June 13

July 11

August 8

September 12

October 3 *

November 14

December 12

Please note that the annual meetings to review the City Manager's Proposed Budget are tentatively scheduled to start on July 19th (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 10th Columbus Day is a City Holiday)**

Approved 11/08/2021

RESOLUTION 99 - 15

A RESOLUTION AMENDING RESOLUTION 5-12, WHICH ESTABLISHED THE BUDGET REVIEW COMMITTEE, BY ESTABLISHING ONE ALTERNATE MEMBER POSITION FOR THE BUDGET REVIEW COMMITTEE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council established the Budget Review Committee to provide citizen input into the budgetary process so as to best promote the health, safety, financial soundness, and general welfare of the City of Cape Coral; and

WHEREAS, the City Council desires to add one alternate member to the Budget Review Committee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CAPE CORAL, FLORIDA:

SECTION 1. Resolution 5-12 is hereby amended as follows:

Section 1. The City of Cape Coral, Florida hereby establishes a Budget Review Committee.

Section 2. The Budget Review Committee shall be composed of seven (7) members appointed by the City Council. The initial board shall consist of four (4) members to be appointed for a term expiring September 30, 2014, and three (3) members to be appointed for a term expiring September 30, 2015. Thereafter, the term of the members shall be for three (3) years for the period commencing October 1 through September 30 of the third year. Any member of the committee may be removed by a majority vote of the Council. Whenever a vacancy occurs on the committee, the Council shall fill the vacancy for the remainder of the term within thirty (30) days after the vacancy occurs. In addition to the aforesaid seven members, one alternate member shall be appointed by a majority vote of the City Council to serve as an alternate for the term of one year, commencing on the date of appointment, even if the appointment occurs before adoption of this resolution. When substituting for an absent member, the alternate member may vote and participate in all discussions of the Committee in the same manner and to the same extent as other members of the Committee. When not substituting for an absent member, the alternate member shall not vote on any matter before the Committee, but may participate in all discussions of the Committee in the same manner and to the same extent as the other members of the Committee.

Section 3. When appointing members, expertise shall be the prime consideration of the Council. The expertise of applicants shall be determined by whether an applicant possesses an established financial background. This may include an educational background, experience, or both in a government budget process or private sector budget process, accounting experience, or high level financial management experience such as a Chief Financial Officer that has directly overseen budgetary processes, including the preparation and implementation of a budget for a large organization or company.

Section 4. The Committee shall elect one of its members as a Presiding Officer and one as a Presiding Officer Pro Tem. Elections shall be held at the first regularly scheduled meeting, or as soon thereafter as practical, after appointment of the Budget Review Committee. The Presiding Officer shall preside and conduct meetings of the Budget Review Committee. The Presiding Officer Pro Tem shall act in the absence of the Presiding Officer. The term of the Presiding Officer and Presiding Officer Pro Tem shall be for one year. A vacancy in the office of Presiding Officer or Presiding Officer Pro Tem shall be filled at the earliest possible date by the Committee by the election of one of its members to fill the unexpired term.

Section 5. The City Council shall appoint for a one (1) year term one of its members or the Mayor as liaison to the Budget Review Committee. Such appointment shall occur by December 1 of each year, which term shall run from December 1 of the year appointed through November 30th of the following year. The term of the initial appointee shall be from the date of appointment until November 30, 2012.

Section 6. The Committee shall meet at least once per month unless there is no business to transact by the day before the regular meeting date. Special meetings may be called by a majority vote of the members of the Budget Review Committee or as requested by City Council.

Section 7. The Committee may adopt its own rules and regulations as may be deemed necessary, providing such rules shall not be contrary to the spirit and intent of this article nor to the policies of the City or of the charter. All meetings of the committee shall be open to the public. City staff shall be responsible for recording minutes for all meetings of the Budget Review Committee. Minutes of the meetings and records shall be filed in the appropriate offices of the City and shall be public records.

Section 8. A majority of the committee membership shall constitute a quorum for the transaction of business; providing, however, that no official action shall be taken by the committee without the concurring vote of a majority of all members present at such meeting.

Section 9. Responsibilities of the Budget Review Committee shall include, but not be limited to, the following duties:

- A. Review the City Manager's proposed budget and asset improvements program and provide recommendations of expenditure/revenue allocations.
- B. Review the annual Strategic Plan as part of the budget process.
- C. Review non-departmental applications for funding and provide funding recommendations in accordance with direction received from the Mayor and City Council.
- D. Review financial management policies and provide recommendations for revision, where appropriate.
- E. Address any other financial matters as requested by the City Council.

Section 10. The Committee may review the City's financial activity on a quarterly basis and report to the Council any concern it may have, based upon majority vote of the committee, in maintaining a balanced budget and good financial management.

Section 11. Effective Date. This resolution shall take effect immediately upon its adoption by the Cape Coral City Council.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF CAPE CORAL AT ITS REGULAR COUNCIL SESSION THIS 20th DAY OF July, 2015.

Marni L. Sawicki
MARNI L. SAWICKI, MAYOR

VOTE OF MAYOR AND COUNCILMEMBERS:

SAWICKI	<u>Aye</u>
BURCH	<u>Aye</u>
CARIOSCIA	<u>Aye</u>
NESTA	<u>Aye</u>
LEON	<u>Aye</u>
ERBRICK	<u>Aye</u>
WILLIAMS	<u>Aye</u>
DONNELL	<u>Aye</u>

ATTESTED TO AND FILED IN MY OFFICE THIS 27th DAY OF July, 2015.

Rebecca Van Deutekom
REBECCA VAN DEUTEKOM,
CITY CLERK

APPROVED AS TO FORM:

Dolores D. Menendez
DOLORES D. MENENDEZ
CITY ATTORNEY

res/Budget Review Committee Alternate
06/26/15