



1015 Cultural Park Blvd.
Cape Coral, FL

BUDGET REVIEW COMMITTEE

March 12, 2018	9:00 AM	Conference Room 220A
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1. Call to Order

A. Chair Starnier

2. Roll Call:

A. Botkin, Doviak, Jacquet-Castor, McQuality, Osborn, Starnier, Wolfson, and Alternate Eidson

3. Public Input

4. Business

A. Election of Chair and Vice Chair

B. Approval of meeting minutes - February 12, 2018 regular meeting minutes

C. Discussion of Section 3 - Budget Overview

5. Public Input

6. Member Comment

7. Date and Time of Next Meeting:

A. Monday, April 9, 2018 at 9:00 a.m. in Conference Room 220A

8. Adjournment

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

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

Item Number:	4.B.
Meeting Date:	3/12/2018
Item Type:	Business

AGENDA REQUEST FORM
CITY OF CAPE CORAL



TITLE:

Approval of meeting minutes - February 12, 2018 regular meeting minutes

SUMMARY:

ADDITIONAL INFORMATION:

ATTACHMENTS:

Description	Type
▢ February 12, 2018 meeting minutes	Backup Material

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

Monday, February 12, 2018

CONFERENCE ROOM 220A

9:00 a.m.

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

ROLL CALL: Botkin, Jacquet-Castor, McQuality, Osborn, Starner, Wolfson, and Alternate Edison were present. Doviak arrived at 9:01 a.m.

ALSO PRESENT: John Gunter, Councilmember Liaison
Victoria Bateman, Financial Services Director
Chris Phillips, Management Budget Administrator

Public Input

No speakers.

BUSINESS

Welcome to New Budget Review Committee Members: Michael Botkin, Beatrice Jacquet-Castor, and Gary Eidson (alternate)

All members on the Committee, as well as the Council Liaison and Finance Staff, introduced themselves and provided a brief background.

**Approval of meeting minutes
November 13, 2017 meeting minutes**

Chair Starner stated the minutes from the November 13, 2017 meeting were presented for approval.

Vice Chair Wolfson moved, seconded by Committee Member McQuality, to approve the minutes for the November 13, 2017 meeting as presented. Voice Poll: All "ayes." Motion carried.

2019 Budget Timeline

Management Budget Administrator Phillips discussed the 2019 Budget Timeline which was distributed and published online. He went over the following:

- January and February – Budget Packages and Policy Guidelines sent to Departments

- March – Strategic Plan Update and Department Preparation
- April, May, June, and July – Budget Workshops, Final Review Development of City Manager's Proposed Budget

Finance Director Bateman discussed the following:

- The City keeps a three-year budget.
- This year it is time to update the third-year budget.
- FY 19 and FY 20 budgets in current adopted budget will be updated.
- Departments cannot go over what they already allocated.
- Two to three months operating expenses are in reserves plus designated emergency reserves.
- Process of Finance meeting with the Departments
- Going over supplemental requests with the City Manager
- City Manager's Proposed Budget usually comes out in mid-July.
- BRC meets almost daily in late July/early August.
- Department Directors will be invited to BRC meetings if Committee requests.
- Council holds a couple of Budget Workshops in August.
- BRC presents their recommendations at these Workshops.
- Discuss what revenue would come from the PST, FSA, and millage rate.
- Council sets the tentative millage in early September.
- Council approves the final millage in late September.

Administrator Phillips continued with key dates:

- June 1: Property Appraiser estimate letter
- July 1: final letter from the Property Appraiser

Director Bateman discussed what they usually project using 4%.

Administrator Phillips mentioned how in 2020 the additional homestead exemption will affect the City by about \$3.7 million in reduced ad valorem revenues.

Discussion held regarding the additional homestead exemption; how the exemption is on the higher value of homes; exemption kicks in when a person moves into the City.

Director Bateman went over the City Manager's recommendation on the millage last year as well as reducing the FSA to 59%. She explained what would have happened if Council had voted on 6.5 millage last year. Last September Council approved releasing the \$4 million of designated reserves for the emergency due to Hurricane Irma. \$9 million was spent on debris removal.

Discussion held regarding the FSA going back up and how to overcome the loss of revenue due to the additional homestead exemption.

Director Bateman discussed the following spreadsheets:

- Millage Rate Reduction of 0.25 to 6.50 and 59% FSA Recovery, Total Reduction - \$5.1 million
- Roll Back Rate of 6.344 and 64% FSA Recovery, Total Reduction - \$5.1 million
- Fire Budget

Director Bateman stated she would send these documents to the Recording Secretary to forward to the BRC.

Discussion held regarding

- One mil equal to \$12 million which will change depending on the total property value (one tenth of one percent of whatever the taxable value is)
- What number the FSA would be based on
- Revenue from the PST
- Cost of Hurricane Irma's cleanup
- FEMA reimbursement
- Insurance company reimbursement
- How the City cannot pay for residents' damage to their seawalls
- SBA
- Five contractors lined up for debris removal in case of emergency

Director Bateman stated money from FEMA will not be in the budget until around 2020 or 2021. She explained the many funds in a government budget: General Fund, Special Revenue, Enterprise, etc. BRC will look at the whole budget; most of the focus is on the General Fund.

Discussion of What City Council Wants from the Budget Review Committee

Chair Starner stated Director Bateman did a good job of explaining. He asked if Council Liaison Gunter wanted to expand on that.

Council Liaison Gunter stated he was rather new at this but basically to make sure the budget is balanced and the reserves are there. He stated we need to set our priorities and take care of needs first rather than wants.

Director Bateman stated this group does not have much guidance for Council on what they would like them to focus on, but maybe that is a discussion that Council should have. There is really nothing to do until the City Manager's budget comes out. She mentioned the Strategic Planning Session coming up and maybe a discussion could be held on what priorities the BRC should dig into.

Chair Starner stated we need to ask how money is being spent. The BRC has no power to change anything. He stated the BRC does a power point presentation with their recommendations and can ask questions at a Council meeting.

Member Eidson stated the BRC was not mentioned under Typical Budget Process, page 3-6. He asked the group to consider BRC standing as an acknowledgement in the Budget Book and recommend to Council to accept BRC to be part of the process.

Director Bateman stated she could ask the City Manager to add that at the bottom near the dotted line by "Council sets proposed millage rate."

Chair Starner reminded the Committee that towards the end of July and early August the BRC will meet almost daily.

Vice Chair Wolfson stated the BRC can request Department Directors to attend if the BRC has any questions.

Discussion of Expectations of Attendance and Who to Notify If One Cannot Attend

Chair Starner stated anyone wishing to be excused from a meeting to send an email to the Recording Secretary.

Public Input

None.

Member Comments

Vice Chair Wolfson welcomed all the new members.

Member Jacquet-Castor thanked Director Bateman for the budget overview.

Member Doviak commented on the productivity of the committee.

Member Botkin asked for the next meeting to spend time going over Financial Management Policies, Page 3-11, Item Number BM#4: "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."

Council Liaison Gunter thanked the committee members for volunteering.

Member Eidson stated it was an honor to be serving on this committee. He appreciated the information provided by the Finance Director.

Member Osborn mentioned how important it is to be the alternate to fill in for missing members.

Member McQuality stated Director Bateman does a great job and how she won't be here all the time, but to have someone from Finance present at meetings. He gave kudos to the Recording Secretary for keeping the BRC in order and up to speed.

Chair Starner mentioned the Citizen's Academy run by Joyce Easton held on Wednesdays and suggested everyone take it.

Date and Time of Next Meeting

The next meeting will be held on Monday, March 12, 2018, at 9:00 a.m. in Conference Room 220A.

Adjournment

There being no further business, the meeting was adjourned at 10:19 a.m.

Submitted by,

Barbara Kerr
Recording Secretary