

**MINUTES FOR THE SPECIAL MEETING OF THE  
CAPE CORAL CITY COUNCIL**

September 22, 2022

Council Chambers

5 05 P M

Meeting called to order by Mayor Pro Tem Tate at 5 05 p m

**INVOCATION/MOMENT OF SILENCE** – Councilmember Welsh

**PLEDGE OF ALLEGIANCE** – Councilmember Welsh

**Roll Call** Councilmembers Cosden, Hayden, Long, Nelson, Sheppard, Tate, and Welsh were present Mayor Gunter participated remotely

***Councilmember Nelson moved, seconded by Councilmember Hayden, to allow Mayor Gunter to participate remotely.***

***Council polled as follows: Welsh, Cosden, Gunter, Hayden, Long, Nelson, Sheppard, and Tate voted "aye." Eight "ayes." Motion carried 8-0.***

**CITIZENS INPUT TIME**

Tom Shadrach appeared to inquire why there were two separate hearings, one for millage and one for budget If there are two separate Public Hearings, then Council should consider having Staff presentations for each This would have them separate in the public records and recordings for each hearing

**ORDINANCES/RESOLUTIONS - PUBLIC HEARINGS**

Ordinance 80-22 Second and Final Public Hearing

**WHAT THE ORDINANCE ACCOMPLISHES**

An ordinance to establish and levy ad valorem taxes within the corporate limits of the City of Cape Coral, Florida, for the tax year 2022, providing for the levy of ad valorem taxes in the amount of 5 3694 mills (\$5 3694 per \$1,000) based on the assessed value on non-exempt real and personal property located within the City limits of the City of Cape Coral, providing for the levy of ad valorem taxes in the amount of 0 0471 mills (\$ 0471 per \$1,000) based on the assessed value of the appropriate real and personal property located within the City limits of the City of Cape Coral, for funds for annual debt services for the City of Cape Coral, Florida General Obligation Bond (Bank of America), Series 2019 and the City of Cape Coral, Florida, General Obligation Bonds, Series 2021, providing for the manner of assessment and collection, providing severability, repealing all Ordinances in conflict with this Ordinance, providing an effective date

City Clerk Bruns read the title of the Ordinance

City Manager Hernandez stated that this was the second of two public hearings to adopt the budget for FY2023 and setting the millage rate for FY2023 Financial Services Director Mason would provide one presentation to include both Ordinances 80-22 and 81-22

Financial Services Director Mason explained the following displayed slides

- City of Cape Coral Fiscal Year 2023 Budget – Final Public Hearing
- Purpose Adopt Final Millage Rate Ordinance 80-22, Adopt Final Budget Ordinance 81-22
- TRIM Notice Millage Rate
- Not to exceed millage rate of 5 5568 mills established on July 27, 2022
- 5 5568 rate included in TRIM notice mailed out in August 2022
- Proposed millage rate of 5 3694 set during the First Public Hearing on 9/8/22

- Proposed millage rate is equal to the rolled-back rate
- Rates to be Adopted
- General Operations – Adopt at 5.3694 mills
- Debt Service – Adopt at .0471 mills
- Total general operations millage rate of 5.3694 is 8806 mills lower than the FY2022 rate of 6.250 mills or a 14.1% decrease
- FY 2023 Total Tentative Budget – FY2023 Proposed \$966,894,375
- FY 2023 Budget Highlights – Public Safety, Parks, Infrastructure, Environment
- Next Steps Council must adopt final millage rates for Ordinance 80-22 and must adopt a final budget for Ordinance 81-22 at the conclusion of the public hearing

Public Hearing opened

Tom Shadrach appeared to discuss the millage rate calculations and provided a spreadsheet with his calculations. He discussed the comparison of the percentages, property values, and stated there was a 14.1% decrease in millage yielding, 24% increase in assessed value, resulting in a 6.4% increase in property tax dollars or \$7.3M higher.

Public Hearing closed

***Councilmember Nelson moved, seconded by Councilmember Welsh, to adopt Ordinance 80-22, setting the Operating Millage Rate at 5.3694 mills and the millage rate for the Parks General Obligation Bond at .0471 mills.***

Councilmember Nelson inquired about the 6.4% increase in property tax dollars as pointed out by Mr. Shadrach was exclusively due to the housing value increase.

Director Mason responded that this was exclusively due to increase or the addition of \$1.3B to the tax roll.

Discussion held regarding the \$1.3B was due to the new construction added to the tax roll and how the Rollback rate works with growth.

***Council polled as follows: Welsh, Gunter, Long, Nelson, Sheppard, and Tate voted "aye." Cosden and Hayden voted "nay." Six "ayes." Two "nays." Motion carried 6-2.***

#### Ordinance 81-22 Second and Final Public Hearing

##### **WHAT THE ORDINANCE ACCOMPLISHES**

The ordinance adopts the City of Cape Coral Operating Budget, Revenues and Expenditures, and Capital Budget for the Fiscal Year 2023 for the City of Cape Coral, Florida, and repeals all ordinances in conflict with this ordinance.

City Clerk Bruns read the title of the Ordinance.

City Manager Hernandez stated that Staff would not be giving another presentation.

Public Hearing opened

Tom Shadrach discussed the chart on the Staff's presentation on slide page 6 FY 2023 Total Tentative Budget. He opined that the \$4M from the Public Service Tax was a windfall and recommended that Council give it back to Residents to alleviate the financial stress many are facing due to the increase in electric fees. He urged Council to act today as it may take six months for implementation, stopping tax from April to September and include the Franchise Fees. In addition, he inquired about the \$22M growth.

Director Mason explained that the change was a result of the transfers between funds and required to be counted twice.

Discussion held regarding no revenue needed.

Public Hearing closed.

***Councilmember Nelson moved, seconded by Councilmember Welsh, to adopt Ordinance 81-22, establishing the Operating and Capital Budget at \$966,894,375.***

Councilmember Cosden explained that the \$4M was not a windfall, it was how the budget was configured to get to the Rollback Rate. Funds are being spent on City services, and she wanted this clarified for the Residents.

Councilmember Welsh also reiterated the same sentiments of the \$4M Public Service Tax. This was not a windfall, and the City services are being considered.

***Council polled as follows: Welsh, Gunter, Long, Nelson, Sheppard, and Tate voted "aye." Cosden and Hayden voted "nay." Six "ayes." Two "nays." Motion carried 6-2.***

Director Mason thanked City Council and Staff for all their team efforts.

Mayor Pro Tem Tate thanked Staff for their hard work, numerous meetings with Council, and getting the budget completed.

#### **TIME AND PLACE OF FUTURE MEETINGS**

A Committee of the Whole Meeting was scheduled for Wednesday, September 28, 2022, at 9:00 a.m. in Council Chambers.

A Special Meeting of the Cape Coral City Council was scheduled for Wednesday, September 28, 2022, beginning at 1:00 p.m. in Conference Room 220A.

#### **MOTION TO ADJOURN**

There being no further business, the meeting adjourned at 5:30 p.m.

Submitted by,



Kimberly Bruns, CMC  
City Clerk