



# City of Sanibel

800 Dunlop Road  
Sanibel, FL 33957

## Meeting Minutes - Draft City Council

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Monday, September 11, 2023

5:30 PM

BIG ARTS - 900 Dunlop Rd

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### First Budget Hearing

**PLEASE NOTE THAT THE CITY COUNCIL AGENDA IS SUBJECT TO CHANGE.**

**A COPY OF THE AGENDA PACKET IS AVAILABLE ON THE CITY'S WEBSITE AT  
WWW.MYSANIBEL.COM**

**"The Rules of Civility for Public Participation" as adopted by City Council can be found on the last page of this agenda. Reminder: Please turn all cell phones on to vibrate while in BIG ARTS.**

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### 1. CALL TO ORDER

The meeting convened at 5:30 p.m.

### 2. INVOCATION AND PLEDGE OF ALLEGIANCE (Councilmember Crater)

Councilmember Crater gave the Invocation and led the Pledge of Allegiance.

### 3. ROLL CALL

**Present:** 5 - Mayor Richard Johnson, Vice Mayor Mike Miller, Councilmember Scott Crater, Councilmember John Henshaw, and Councilmember Holly Smith

### 4. SET THE AGENDA

The agenda was set as published.

### 5. BUDGET

#### a. Tentative Budget Presentation by Steve C. Chaipel, Deputy City Manager/CFO

Deputy City Manager Steve Chaipel gave a brief PowerPoint presentation relating to the budget, noting calculations were based on 2.5064 mils and advising the Final Budget hearing is scheduled for 5:30 p.m., Wednesday, September 27, 2023, at the Recreation Center located at 3880 Sanibel Captiva Road.

#### b. Fiscal Year 2024 Tentative Budget

Discussion ensued regarding the rolled back rate, the possibility of allocating

appropriate funds from Natural Resources and Planning to the Building Department, and the implications to the budget and the Finance Department if the millage rate were reduced to 2.5000. Mr. Chaipel spoke to the revenue being reduced by \$25,000 and the General fund available for appropriation would be reduced \$25,000 as well.

Council inquired about the road impact fee fund (on page 52 of the tentative budget). Mr. Chaipel responded that the money was restricted and transferred over FYs 2022 and 2023 for shared use path expansion on Pine Ridge Road. City Manager Souza noted the project was in the FY2024 budget but needs to be rebid and will come back to Council for approval. Council inquired what options were available for utilizing those funds. Discussion ensued regarding addressing other shared use path expansion and widening projects when the Shared Use Path Master Plan is adopted. Discussion then turned to the Building fund and what the ending fund balance would be. Mr. Souza spoke to the extension of reduced emergency building fees as approved this morning, noting the authorized study of fees expected to be completed in early 2024 would allow for review and adjustment of fees again. He further spoke to setting aside funds in reserves for future expansion if Building and Planning move back to City Hall. Mr. Chaipel spoke to specific charges incurred while at 2475 Library way being charged to the Planning and Building Departments equally, noting Hurricane insurance paid for the outfitting of the building to get the departments in and setup.

Discussion continued regarding taking every opportunity available to improve the balance of the Building Fund, utilizing the bridge loan for personnel costs, and if there were complications in considering the 2.5000 mils. Mr. Chaipel spoke to the bridge loan being designed to cover the gap between cash outlay related to the storm until reimbursements start coming in, the funds specifically being allocated for operations; personnel expensing being the biggest outflow at the time of the storm.

Continued discussion ensued regarding the differences between 2.5064 and 2.5000 and what budget cuts were made during the process. Mr. Chaipel spoke to the capital expenditures being addressed in depth with a three-step approach to reduce expenses for FY24, further expenses were analyzed in Hurricane Ian repairs and Personnel expenditures. Discussion returned to the 2.5064 mils. City Manager Souza spoke to absorbing an increase in insurance by 150% and wage increases approved this morning, and an increase in health care in the tentative budget.

## **6. PUBLIC COMMENTS FOR NON-AGENDA ITEMS**

Public comment:

- Ross Hauser
- Steve Maxwell

City Manager Souza spoke to discussions at the 8/22 budget workshop which changed the mills to 2.5064 from 2.9598, noting the additional calculations presented for 2.5000 mills.

- a. **RESOLUTION 23-054 ADOPTING THE TENTATIVE OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2023 FOR THE CITY OF SANIBEL, FLORIDA; DETERMINING THAT THE OPERATING AND AGGREGATE MILLAGE RATES DO NOT EXCEED THE MAXIMUM MILLAGE RATES PERMITTED BY CHAPTER 200, FLORIDA STATUTES; ESTABLISHING THE DATE, TIME, AND PLACE FOR A FINAL HEARING TO ADOPT THE FINAL OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2023 (FISCAL YEAR ENDING SEPTEMBER 30, 2024); AND PROVIDING AN EFFECTIVE DATE.**

Attorney Agnew read into record the title of Resolution 23-054. Mr. Agnew noted Council would need to determine the millage rate.

Public Comment:

- Steve Maxwell

Vice Mayor Miller moved, seconded by Councilmember Crater, to adopt Resolution 23-054 with the millage rate set as 2.5000 mills. The motion carried.

- b. **RESOLUTION 23-055 ADOPTING THE TENTATIVE BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024, FOR THE CITY OF SANIBEL, FLORIDA; ESTABLISHING THE DATE, TIME, AND PLACE FOR A FINAL HEARING TO ADOPT THE FINAL BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024; AND PROVIDING AN EFFECTIVE DATE.**

Attorney Agnew read into record the title of Resolution 23-055, noting the correction of the amount in the final whereas clause to \$182,278,937.00 to reflect the 2.5000 millage rate.

Councilmember Smith moved, seconded by Councilmember Henshaw to adopt Resolution 23-055 with the millage rate set at 2.5000 mills, and the amount in the final whereas clause as \$182,278,937.00. The motion carried.

## 7. PUBLIC COMMENT

There were no further public comments from the audience.

## 8. ADJOURNMENT

There being no further business, the meeting adjourned at 6:31 p.m.