



City of Sanibel

800 Dunlop Road
Sanibel, FL 33957

Meeting Minutes - Final City Council

Monday, September 13, 2021

5:01 PM

City Hall

First Budget Hearing

1. CALL TO ORDER

The meeting convened at 5:01 p.m.

2. INVOCATION AND PLEDGE OF ALLEGIANCE (Vice Mayor Johnson)

Vice Mayor Johnson gave the Invocation and led the Pledge of Allegiance.

3. ROLL CALL

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

4. PUBLIC COMMENT

There were no public comments from the audience.

5. BUDGET

a. Fiscal Year 2022 Tentative Budget Presentation

i. City Wide Budget Summaries

ii. General Fund

iii. Special Revenue Funds

iv. Debt Service Funds

v. Capital Project Funds

vi. Capital Improvement Plan Detail

vii. Enterprise Funds

viii. Personnel Budget Summary

b. Fiscal Year 2022 Tentative Budget PowerPoint Presentation

Mayor introduced Finance Director Steve Chaipel and Finance Operations Manager, Jocelyn Upchurch.

Director Chaipel spoke to the following:

- Tentative budget and change schedules attached to the agenda which outline changes between draft and tentative budget
- Property values assessed by the Lee County Property Appraisers Office increased by about 3.7%
- \$5.6 billion assessed with 1.8922 operating millage
- Total millage of 2.1854
- Tentative Budget is approximately \$77 million due to unanticipated revenues from last year
- General fund accounts for the majority of the funds, with Beach and Sewer funds making up the Enterprise fund
- Based on tentative millage rates, average tax payer taxes levied by the City go to the School Board
- Maximum that could have been levied by Council was 3.2436 with voted millage of 1.8922
- General fund at approximately \$29 million
- Capital Project Improvement Funds at \$7.5 million
- Total Reserves and Ending Fund Balance at \$22 million city wide
- \$9.9 million in reserves in the General Fund

Director Chaipel concluded his report by stating the next budget hearing is September 27th at 5:01 to adopt Fiscal Year 2022 budget.

Councilman Miller thanked the department for their hard work, and inquired about the \$340,000 reserves not included for the Recreation Center. Director Chaipel stated that it would be included in the \$11 million dollars of the Recreation Center Ending Fund balance. Mr. Miller further inquired as to the special revenue for transportation and how it was handled for the budget given the numbers were better than expected. Director Chaipel responded that based on the traffic history, the Lee County Toll Portion of the fund is about \$1.5 million dollars. The expectation is that a part of that money would be allocated for lost revenues. The Director further stated that the City is waiting on funds from the County and allocating money as the agreement allows for the American Restoration Act (ARPA) which is expected the first week of October. Discussion ensued regarding the allocation of these funds in either transportation or special revenues and the transfer of these funds for future use.

Councilman Henshaw thanked the department and inquired about shortfalls for the toll revenue this year from the County. Director Chaipel responded with approximately \$500,000 from what we expected last year, but expects another \$300-400 thousand, and noted this was already addressed in the budget.

Councilman Crater offered his thanks and commented on the future financial stability of Sanibel.

Vice Mayor Johnson congratulated and thanked Director Chaipel. Mr. Johnson further noted that he recognizes the unknown in regard to revenue sources, like gas tax and tolls, and suspects these to be lower than years prior.

Mayor Smith offered her thanks for the work done and commented on the current health of the budget with the ability to make adjustments.

6. PUBLIC HEARING

- a. **RESOLUTION 21-077 ADOPTING THE TENTATIVE OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2021 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, AND 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 2021 (FISCAL YEAR ENDING SEPTEMBER 30, 2022)**

City Manager Zimomra read into the record the title of Resolution 21-077.

Director Chaipel stated the blank in Section 1 would be filled as 1.8922.

The final budget hearing is set for September 27, 2021, at 5: 01 p.m.

Councilman Miller moved, seconded by Councilman Henshaw, to adopt Resolution 21-077. The motion carried.

- b. **RESOLUTION 21-078 ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2021-22 FOR THE CITY OF SANIBEL, FLORIDA AND ESTABLISHING THE DATE, TIME AND PLACE FOR A FINAL HEARING TO ADOPT THE FINAL BUDGET FOR FISCAL YEAR 2021-22**

City Manager Zimomra read into record the title of Resolution 21-078.

Director Chaipel stated the blank in Section 1 would be filled as \$76,711,153.

The final budget hearing is set for September 27, 2021, at 5: 01 p.m.

Vice Mayor Johnson moved, seconded by Mayor Smith, to adopt Resolution 21-078. The motion carried.

7. PUBLIC COMMENT

There were no public comments from the audience.

8. ADJOURNMENT

There being no further business the meeting adjourned at 5:26 p.m.