

**SANIBEL CITY COUNCIL MEETING
FINAL BUDGET HEARING
TUESDAY, SEPTEMBER 20, 2011**

Mayor Ruane called the meeting to order at 5:02 p.m.

Councilman Jennings gave the Invocation and led the Pledge of Allegiance.

Members present: Mayor Ruane, Vice Mayor Denham, Councilman Congress, Councilman Harity and Councilman Jennings.

City Manager and Finance Director's Memorandum and Update of changes in the Draft Budget

Ms. Zimomra spoke to the following:

- Department Directors available for discussion
- Budget on the website
- Summary of different budgets
- Lessons learned for budget presentation
- Budget document on City's website and at the Library
- Budget message updated
- Finance Director included a summary matrix of changes to the budget document

Ms. Edwards spoke to the following:

- 2.1561 millage rate
- Less than rolled back millage rate of 2.1630
- Ad Valorem revenue decreased by \$3, 990
- Taxable property decreased by less than one-tenth of 1% for FY 11/12
- Tentative rate approved on September 10, 2011 2.1561
- Proposed rate could be lowered, but not increased

Public Comment

None

Discussion ensued regarding alleviating property owners \$165,000 from the 3% sewer increase, .0392 decrease in millage rate needed, savings of \$3.92 per \$100,000 taxable value, to realize an \$18.72 tax savings the taxable value would have to be at least \$477,541 and those with a higher taxable value would see more savings, take the next year to review sewer expenditures, examine all costs and fees in general, rolled-back rate 2.1630, and budget millage rate is currently 2.1561 and reduce millage rate to 2.1169, by reducing the millage another .0392 mills, Ms. Edwards noted there was a \$222,000 available for appropriation to reduce down to about \$60,000, what affect on budget due to not adopting reclaimed water, Ms. Edwards noted the 3% sewer increase was included in the budget and the revenue would be reduced by \$6,770, Ms. Zimomra stated that over the last 10 years staff had taken the most conservative route and if budgeted waited a year for implementation to see results, anticipating TDC grant funds, which was not budgeted, inappropriate amount was \$222,375 leaving a balance of \$57,000, could take millage rate even lower to 2.1169 to give everyone the same discount using the entire \$222,375, average taxable value would be \$354,545 to see a reduction, agreed to a 3% increase to the sewer rate, without the increase there would be a \$4.4 million reduction benefit over 20 years, reducing the millage rate would show \$220,023 available for appropriations, and 2.1038 millage rate, 2.74 decrease in the millage rate, coming from available appropriations, and Ms. Zimomra noted that all TDC grants were in the enterprise fund.

Public Comment

Steve Maxwell asked if those with a taxable value below \$477,541 would see a benefit. He further spoke to those property owners with a taxable value of less than \$477,441 would see no benefit.

Council explained that anyone with a housing value below \$477,541 would not see as much savings.

Public Hearing and adoption of RESOLUTION 11-087 ADOPTING THE FINAL OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2011 FOR THE CITY OF SANIBEL, FLORIDA

Ms. Zimomra read the title of Resolution 11-087.

Ms. Edwards, Finance Director noted that the millage rate would be 2.1038 and adopted at 5:34 p.m.

Vice Mayor Denham moved, seconded by Councilman Congress, to adopt Resolution 11-087.

Public Comment

None

The motion carried.

Public Hearing and adoption of RESOLUTION 11-088 ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2011-2012 FOR THE CITY OF SANIBEL, FLORIDA; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Resolution 11-088.

Ms. Edwards noted that the budget number was \$47,674,147 and the resolution was adopted at 5:35 p.m.

Vice Mayor Denham moved, seconded by Councilman Harrity, to adopt Resolution 11-088.

Public Comment

None

The motion carried

There being no further business the meeting was adjourned at 5:37 p.m.

Respectfully submitted by,

Pamela Smith, MMC
Sanibel City Clerk