FY 2027 CITY OF CAPE CORAL BUDGET WORKSHOP AUGUST 4, 2026

Cape Coral FLORIDA

AGENDA

Structural Balance

Ad Valorem Revenues

Millage Rate Options

City Council Discussion

Fiscal Year 2027 Proposed Budget
General Fund – Fund Balance

General Fund	FY 2026 Adopted	FY 2026 Amended	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast
Revenue	$ 262,501,397	$ 269,949,636	$ 285,012,674	$ 290,236,592	$ 303,188,821
Expense	262,501,397	269,949,636	285,012,674	297,549,572	316,045,600
Total Surplus/(Deficit)	$ -	$ -	$ -	$ (7,312,980)	$ (12,856,779)

Note:

1. Ad Valorem Increase FY 2028 – 3.00% and FY 2029 – 3.00%
2. General Fund is structurally balanced in FY 2027
3. General Fund is not structurally balanced in FY 2028 and FY 2029
4. Pending Legislative changes, deficit is subject to change
5. Does not include any additional Public Safety positions

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Fiscal Year 2027 Proposed Budget
General Fund Category Overview

General Fund	FY 2026 Adopted	FY 2026 Amended	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast
Personnel Services	$ 151,898,264	$ 151,898,264	$ 162,762,345	$ 175,877,246	$ 189,202,940
Operating	68,968,104	72,239,565	75,100,478	74,963,045	78,647,984
Capital Outlay	7,849,408	12,397,226	11,734,370	6,586,840	8,948,860
Debt Service	-	-	1,200,560	1,200,841	1,241,933
Transfers Out	33,364,581	33,353,980	34,214,921	38,921,600	38,003,883
Reserves	421,040	60,601	-	-	-
Total Budget	$ 262,501,397	$ 269,949,636	$ 285,012,674	$ 297,549,572	$ 316,045,600

Fiscal Year 2027 Proposed Budget
Millage Rate Analysis

FY 2027 Proposed Budget - Rolled-back 5.1988			FY 2027 Proposed Budget at 5.1471		
$	33,099,276,068	July 1, 2026 Certified from Property Appraiser	$	33,099,276,068	July 1, 2026 Certified from Property Appraiser
$	33,099,276	Taxable Value	$	33,099,276	Taxable Value
	5.1988	Millage Rate (FY 2026)		5.1471	Millage Rate (FY 2026)
$	172,076,516		$	170,365,284	
	0.96	Collection Rate		0.96	Collection Rate
$	**165,193,456**	Tax Revenue	**$**	**163,550,672**	Tax Revenue

FY 2027 Budget Deficit **$** **(1,642,783)**

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Fiscal Year 2027 Three Options to Balance

Options to balance to support a millage rate of 5.1471

1. Reduce revenue and expenditures
   A. Reduce ad valorem revenue
   B. Remove scheduled replacement equipment for Athletic Field lighting
   C. Remove one vacant Internal Auditor position

2. Replace revenue with an increase in Parks & Recreation program fees

3. Replace revenue by establishing a budget policy on interest earnings

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Fiscal Year 2027 Options to Balance

#1 Reduce revenue and expenditures

A. Remove expenditure of $1,500,000 for Northwest Softball Complex Musco Lighting Replacement at Fields 1-5

General Fund	FY 2026 Adopted	FY 2026 Amended	FY 2027 Proposed	FY 2028 Forecast	FY 2029 Forecast
Revenue	$ 262,501,397	$ 269,949,636	$ 285,012,674	$ 290,236,592	$ 303,188,821
Expense	262,501,397	269,949,636	285,012,674	297,549,572	316,045,600
Total Surplus/(Deficit)	$ -	$ -	$ -	$ (7,312,980)	$ (12,856,779)
Revenue Reduction	$ -	$ -	$ (1,642,783)	$ (1,692,066)	$ (1,742,829)
Expense Reduction	-	-	(1,642,783)	-	-
Net Revenues & Expenses	$ -	$ -	$ -	$ (1,692,066)	$ (1,742,829)
Total Surplus/(Deficit)	$ -	$ -	$ -	$ (9,005,046)	$ (14,599,608)

Program Impact:

- 6 leagues – 5 Adult, 1 youth
- Registration revenue - $68,000
- Field rental revenue - $11,500

Status of Lighting:

- 35 years old
- Missing fixtures from Hurricane Ian
- Fixtures are difficult to replace due to age
- Poles are becoming obsolete with growth of LED lighting

B. Remove one vacant Internal Auditor position

C. Expense Reduction will include unidentified Quality of Life reductions in FY 2028 and FY 2029

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Fiscal Year 2027 Options to Balance

#2 Replace revenue with Program Fees

A. Parks and Recreation Program Fee Adjustments – Increase 80%

I. Athletics
II. Vendors
III. Camps
IV. Youth Center/South Cape
V. Parking
VI. Pavillion Rentals
VII. Dock Fee's
VIII. Pop's Café

Note: Resolution 198-26 Parks and Recreation Program Fees will be on the August 5, 2026, City Council Meeting under New Business.

#3 Replace revenue with interest earnings policy

A. Establish a budget policy on interest earnings

- Availability to spend on non-recurring expenditures is dependent on the timing of interest recognition
- Current budget of $1,325,000 would need to increase to $2,967,783 to cover the reduction in ad valorem revenue

Proposed Policy – *Interest earnings in the General Fund shall be budgeted using a conservative, prudent and supportable estimate based on the estimated Budget Stabilization Reserve for the ensuing year and shall be treated as variable revenue and shall not be used to support recurring obligations. Interest earnings for all other funds are restricted for use in those funds either by law and/or policy.*

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Fiscal Year 2027 Vacancy Listing

General Fund

Description	DEPARTMENT	NOTES	# of Days Vacant	FY 2027 Payroll Costs	Previously advertised in the last 12 months
ASSISTANT CITY ATTORNEY III	City Attorney	Posted	879	$ 201,768	Once
SR ADMINISTRATIVE SPECIALIST - CITY ATTORNEY	City Attorney	Vacant	292	101,149	None
ADMINISTRATIVE SPECIALIST - CITY ATTORNEY	City Attorney	Vacant	292	97,022	None
INTERNAL AUDITOR	City Auditor	Vacant	726	119,764	Once
ADMINISTRATIVE ASSISTANT - CM COMMUNICATIONS	City Manager	Vacant	7	120,615	Once
BUSINESS SERVICES MANAGER - DSD	Development Services	Vacant	291	50,538	Once
PRINCIPAL PLANNER - DS PLANNING	Development Services	Vacant	117	161,935	None
CODE COMPLIANCE OFFICER - DS CODE COMPLIANCE	Development Services	Vacant	11	103,148	Several (eligibilty list)
RESEARCH SPECIALIST - CODE COMPLIANCE	Development Services	Vacant	47	89,298	Once
CONTROLLER	Financial Services	Vacant	228	181,333	Twice
ASSISTANT MGMT/BUDGET ADMINISTRATOR	Financial Services	Vacant	12	175,779	None
HRIS ANALYST	Human Resources	Vacant	118	130,581	Once
TALENT ACQUISITION COORDINATOR	Human Resources	Vacant	28	129,272	None
MAINTENANCE TECHNICIAN - P&R PARKS MAINT	Parks & Recreation	Vacant	19	108,830	None
HEAVY EQUIPMENT OPERATOR - PW CAPITAL MAINT	Public Works	Vacant	29	106,879	None
SURVEY CREW SUPERVISOR	Public Works	Vacant	29	140,531	Once
CONSTRUCTION INSPECTOR - PW TRAFFIC ENGINEERING	Public Works	Vacant	61	110,313	Once
SR ENGINEER PE - PW TRAFFIC ENGINEERING	Public Works	Vacant	40	146,494	Once
GIS ANALYST	Public Works	Vacant	123	138,190	Three
GIS TECHNICIAN	Public Works	Vacant	149	82,555	Once
SERVICE WORKER III - PW SIDEWALKS	Public Works	Vacant	40	97,568	Once
HEAVY EQUIPMENT OPERATOR - PW SIDEWALKS	Public Works	Vacant	26	105,732	None
Total Current Vacancy Costs for FY 2027 Budget				**$ 2,699,294**	

Fiscal Year 2027 Proposed Budget
Important Dates to Remember

1. First Public Hearing:
   a. Thursday, September 10, 2026, at 5:05 pm
   b. Approve Tentative Millage Rates and Proposed Budget
2. Final Public Hearing
   a. Thursday, September 24, 2026, at 5:05 pm
   b. Adopt Millage Rates and Budget

The City may not meet on the same days as the Board of County Commissioners or the School Board.

Lee County BOCC – Tuesday September 1st and Tuesday, September 15th

Lee County School Board – Tuesday September 8th

Thank you

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