

Orlando City Council - Workshop
Council Chambers, City Hall
400 South Orange Avenue
Orlando, FL
July 13, 2015

In attendance:

Mayor Buddy Dyer
Commissioner Jim Gray, District 1
*Commissioner Tony Ortiz, District 2
Commissioner Robert F. Stuart, District 3
Commissioner Patty Sheehan, District 4
Commissioner Regina I. Hill, District 5
Commissioner Samuel B. Ings, District 6
Mayanne Downs, City Attorney
Rebecca Sutton, Chief Financial Officer
Celeste T. Brown, City Clerk
Police Officer, Edward Rosado, Sergeant at Arms

*Commissioner Ortiz entered the meeting at 10:24 a.m.

Mayor Buddy Dyer called the meeting to order at 10:07 a.m. He indicated the topic of today's workshop is the annual "Fiscal Year 2016 Budget Workshop." He noted that this past year the City has led the entire country in job growth, and also noted the positive effect of last year's property tax increase. He introduced Chief Financial Officer Rebecca Sutton.

Ms. Sutton introduced and extended a personal thank you to Budget team members Brian Battles, Deputy Chief Financial Officer and Chris McCullion, Deputy Chief Financial Officer II. Mr. Battles introduced his Financial Support Staff members.

Mr. Battles presented the following 2016 Proposed Budget (power point attached) which included a historical perspective, a 2016 proposed budget summary, as well as an explanation of main revenue sources and expenditures:

- Historical Perspective
 - Budget reduction history from 2009 through the current years
 - Maintained strong financial footing as noted in the favorable Fitch and Standard & Poor ratings
- FY2016 Proposed Budget Summary
 - Property tax revenues return to pre-recession levels
 - Revenue increase from increased economic activity
 - Focus on continuing high service levels with investments in infrastructure and facility maintenance
 - Propose modest increases in staffing where economic conditions demand (engineering survey and traffic management)
 - Includes full actuarial required contributions to all three pension funds and retiree health care
 - Return Capital Improvement program to pre-recession allocations
 - Increase contingency levels
 - Does not include use of prior year unspent revenues

A list of main revenue sources was discussed indicating a comparison of 2015 adopted budget and the proposed 2016 budget. Mr. Battles provided 2016 projected revenue sources such as property taxes, utilities and

communication services taxes, sales tax, municipal revenue sharing, local business tax and franchise fee/dividends. Property taxes were slated as the highest revenue source. Mr. Battles noted that without the 2015 millage adjustment, revenue would remain below peak years. Indicating the projection for fiscal year 2016 reflects maintaining a 6.65 tax rate and growing tax base. He noted that all discussed revenue sources are expected to increase with the exception of the utilities and communication service taxes which are projected at \$1.7 million lower primarily to falling Communication Services Tax revenue.

He next discussed the General Fund expenditure summary as follows:

- Salaries and Benefits – cost of living adjustments and public safety steps (estimated \$2.9 million annually), pension/retiree healthcare contributions increased \$1.3 million this year, health insurance increased \$900,000 this year
- Increased Transfer to Capital – increase \$5.8 million this year
- General Contingency – increase \$3 million this year
- Departmental Initiatives – programs to improve efficiency and focus on citizens \$2 million
- Increased Maintenance Program – Fleet costs and facility maintenance charges increased \$775,000 this year
- Targeted savings lowered from \$15 million to \$10 million

He reviewed expenditures by Department, indicating that Police and Fire make up two-thirds of budget.

Lastly, the presentation included an Other Funds Revenue and Expenditure summary.

Mr. Battles stated 2016 is a full balanced budget.

At approximately 10:25 a.m., the workshop was opened to comments and questions and discussion ensued.

The workshop was adjourned at 10:45 a.m.

Celeste T. Brown, City Clerk

Attachment: Power Point Presentation