

BUDGET WORKSHOP MINUTES
ORLANDO UTILITIES COMMISSION
July 9, 2013
2:00 P.M.

Present:

COMMISSIONERS:

Dan Kirby, President
Linda Ferrone, First Vice President
Maylen Dominguez, Second Vice President
Buddy Dyer, Mayor

Kenneth P. Ksionek, General Manager & Chief Executive Officer
Jan Aspuru, Clint Bullock, Roseann Harrington, Byron Knibbs, Chip Merriam
and Rob Teegarden, Vice Presidents
Jerry Sullivan, Vice President & Chief Information Officer
John H. Hearn, Vice President & Chief Financial Officer
W. Christopher Browder, Vice President & General Counsel
Nanci Schwartz, Recording Secretary

The Budget Workshop of the Orlando Utilities Commission was held Tuesday, July 9, 2013, at 2:00 P.M., at the Orlando Utilities Commission's Reliable Plaza Commission Chambers.

Ken Ksionek provided brief opening remarks explaining the purpose of this Workshop.

Mindy Willis presented the 2014 Proposed Capital Plan and Operating Budget.

The proposed Budget and Capital Plan will be presented to the Commission on August 20, 2013 for approval and adoption. Ms. Willis thanked her staff for their work on the Budget and Capital Plan.

President Kirby noted OUC's low water rates compared to other utility companies and indicated the need for further study on these rates. He commented that OUC should not delay a rate adjustment for too long, to lower the risk of having to make a major adjustment. Minor adjustments are better for customers. Ms. Willis responded that staff has been examining water rates, and a full evaluation will most likely proceed in Spring 2014.

President Kirby also asked about determining the 2014 growth projection of 1.6 percent. Ms. Willis responded that staff used sales growth, the impact of Medical City and increased construction in Downtown to anticipate this growth. Commissioner Dominguez asked for clarification regarding weather

anticipations. Ms. Willis clarified that a conservative forecast was used when calculating the Budget and Capital Plan.

Commissioner Ferrone asked if expense decreases anticipated with the implementation of large projects were considered in the budget. Ms. Willis replied that labor and benefit savings are included in the budget, as well as Information Technology costs.

President Kirby commended the decrease in operational expenses. He stated that OUC should be guarded in terms of anticipating growth numbers, and that past projections no longer hold true.

The Budget/Rate Workshop adjourned at 2:27 P.M.