**CITY OF MOUNT DORA, FLORIDA**
**CITY COUNCIL**
**BUDGET WORKSHOP MINUTES**
**July 6, 2026**
**City Hall 510 North Baker Street**
**Mount Dora, Florida 32757**

## CALL TO ORDER

Having been duly advertised as required by law, at 6:00 p.m., Mayor Homich called to order the City Council Budget Workshop in the City Hall Council Chamber.

## MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE

A moment of silence and the Pledge of Allegiance were led by Mayor Homich. The Mayor advised that the workshop would have a 7:30 p.m. hard stop and that any unfinished items could be continued to a future meeting.

## ROLL CALL

| Members Present | Also Present |
|---|---|
| James Homich, Mayor | Vince Sandersfeld, City Manager |
| John Cataldo, Vice-mayor | Matt Dodson, Budget Officer |
| Cal Rolfson, District 2 | Jeanann Hand, City Clerk |
| Dennis Dawson, District 3 | |
| Nate Walker, District 5 | |
| Doug Bryant, At-large | |

Members Not Present

Marc Crail, District 4

## DISCUSSION ITEM

1. Capital Outlay, Capital Improvement Program (CIP), and Enterprise Funds

Budget Officer Matt Dodson introduced the Fiscal Year 2026–2027 budget discussion, which focused on capital outlays, capital planning, enterprise funds, utility rates, and utility customer growth.

Mr. Dodson advised that the proposed budget was being developed conservatively due to uncertainty surrounding potential changes to property tax exemptions. The next budget workshop was scheduled to focus primarily on the General Fund and other significant budget issues.

The distinction between capital outlays and capital improvements was reviewed. Capital outlays generally include equipment, machinery, and other tangible assets with a useful life greater than one year and a value exceeding $5,000.

Proposed capital requests included vehicles, equipment, facility improvements, security systems, utility infrastructure, and public safety equipment.

Mr. Dodson reviewed proposed capital purchases supported by the General Fund, Infrastructure Sales Tax Fund, and Fire Assessment Fund.

Items discussed included: parks equipment and improvements, Police Department vehicles, a Public Works vehicle, replacement of the Community Building HVAC system, mobile lighting for equipment for public safety, emergency response and special events and Fire Department equipment.

Council was advised that the Community Building HVAC system is experiencing operational difficulties and should be replaced.

Council requested that staff determine the age of the existing HVAC system and continue evaluating grant opportunities that could offset the replacement cost.

Mr. Dodson discussed proposed utility vehicle replacements as several vehicles had reached an age or condition that made continued operation and standardization difficult.

He emphasized the importance of maintaining a consistent fleet replacement schedule to avoid larger future expenses caused by delaying multiple replacements.

Council also discussed the proposed expansion and replacement of security cameras.

Mr. Dodson presented portions of the five-year capital plan, including facility roof replacements, HVAC projects, vehicle replacements, utility improvements, and other scheduled projects.

Council discussed the proposed Fourth Avenue Docks reconstruction project. Staff advised that the project remained in the conceptual and planning stage. The City has applied for grant funding to assist with the project.

Mr. Dodson emphasized the importance of outside funding and grants, particularly in light of potential future impacts to property tax revenues.

Proposed projects supported by the Infrastructure Sales Tax Fund were discussed. These projects include sidewalk improvements, street resurfacing, facility improvements, Community Building HVAC replacement, and partial replacement of the Public Library roof.

Council questioned whether the Public Library roof project could be funded through the General Fund rather than the Infrastructure Sales Tax Fund. Mr. Dodson agreed to evaluate the most appropriate funding source.

Staff discussed the proposed Public Works Building retention pond project that was developed in response to permitting concerns, facility needs and prior flooding events.

**Enterprise Funds**

The Electric Fund was reviewed, including substation repairs, system maintenance and implementation of the Advanced Metering Infrastructure project.

Electric rates are reviewed twice each year while a comprehensive electric rate study is completed every three years, with an industry-based inflationary adjustment used during intervening years.

The proposed Electric Fund capital program totaled approximately $622,000.

The Water/Wastewater Fund was presented with a budget of approximately $18.8 million, which includes: operating expenses, personnel costs, administrative service allocations, debt service, capital transfers, insurance, and payment in lieu of taxes.

The proposed rate adjustment for water and wastewater services is 6.5 percent.

The Sanitation Fund's revenues and expenditures were reviewed.

A 2.56 percent sanitation rate adjustment was discussed and Council questioned whether the proposed rate adjustment could take effect on October 1 or whether billing requirements would require implementation on January 1.

Council requested a review of the billing cycle and rate structure.

The expiration of the current waste collection contract was also discussed and Council advised staff to begin the procurement process in advance to allow for adequate time to evaluate alternative services.

The Stormwater Fund was reviewed with a proposed $6 rate increase to support repairs, improvements, maintenance, and future projects.

Council was informed the City's rate consultant, Raftelis, will present the completed stormwater rate sufficiency study at the next Council meeting.

Council discussed the Pine Avenue flooding issues and recommended staff continue to work with the City's engineering consultant to develop a master plan and preliminary design based on updated flood modeling.

Mr. Dodson reported continued growth in the City's utility customer base and explained the difference between Power Cost and Base Rate.

Council discussed the combined effect of the proposed electric, water, sanitation, and stormwater rate adjustments on residents.

Staff was directed to calculate the estimated average monthly increase for a typical utility customer so that Council could clearly communicate the anticipated impact to the public.

The Enterprise Fund was also reviewed and Council was advised that the proposed enterprise budgets were balanced.

Council inquired about the City's reserve levels.

Mr. Dodson stated that reserves are reviewed regularly and opportunities to increase reserve balances would continue to be evaluated throughout the budget process.

Council discussed the potential acquisition, restoration, maintenance, and future use of Witherspoon Lodge and advised staff to pursue historic preservation and other grant opportunities once the City acquires the property.

Mr. Dodson reviewed dates for upcoming meetings, workshops and public hearings. Final budget dates in September were also reviewed.

**Closing Discussion**

Council thanked the Finance Department, City administration, department directors, and staff for their work in preparing the proposed budget and capital improvement program.

**ADJOURNMENT**

There being no further business, the workshop was adjourned at 7:30 p.m.

**JAMES HOMICH, MAYOR**
CITY OF MOUNT DORA

Jeanann Hand

JEANANN HAND, CITY CLERK