

# BUDGET WORKSHOP

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FISCAL YEAR 2018 – July 10<sup>th</sup>

- FY2017 Current Budget
- FY2017 Budget Review Committee Adjustments
- FY2018 General Fund Budget Summary
- FY2018 Highlighted Other Funds Budget Summary
- Next Steps – Budget Calendar

# FY2017 Current Budget

## Current Budget Overview

- Recognized Revenues from Increased Economic Activity
- Total Property Tax Revenues Higher than Pre-recession
- Restored Infrastructure & Facility Maintenance Funding
- Increased Staffing where Economic Conditions Demand
- Increased Police Officers
- Created Transportation Department
- Increased Contingency Levels

# Current Budget Overview

<b>General Fund</b>	<b>2017 Adopted</b>
<hr/>	<hr/>
<b>Revenues</b>	<b>424,050,709</b>
<b>Expenses</b>	<b>424,050,709</b>
<hr/>	<hr/>
<b>Total</b>	<b>-</b>
<b>Other Funds</b>	<b>2017 Adopted</b>
<hr/>	<hr/>
<b>Revenues</b>	<b>747,079,481</b>
<b>Expenses</b>	<b>747,079,481</b>
<hr/>	<hr/>
<b>Total</b>	<b>-</b>

# FY2017 Budget Review Committee Adjustments

## Budget Review Committee Program Enhancements

- Added grants for public safety, transportation, housing and parks (\$2.0M)
- Added Transportation Impact Fee projects improving road capacity and fulfilling developer commitments (\$1.3M)
- Added Water Reclamation projects maintaining our existing investment in infrastructure (\$4.9M)
- Added Stormwater projects protecting the environment (\$8.3M)
- And more

## Budget Review Committee Staffing Enhancements

- We have added 18 positions throughout the year:
  - Ten are in Economic Development
  - Three are in the Executive Offices
  - Two each are in Public Works and Community Redevelopment Agency (CRA) / Downtown South Neighborhood (DSNID) Improvement District
  - One is in Police
- Building Code Fund (8)
- General Fund (6)
- CRA, Solid Waste, DSNID and Water Reclamation Funds (1 each)



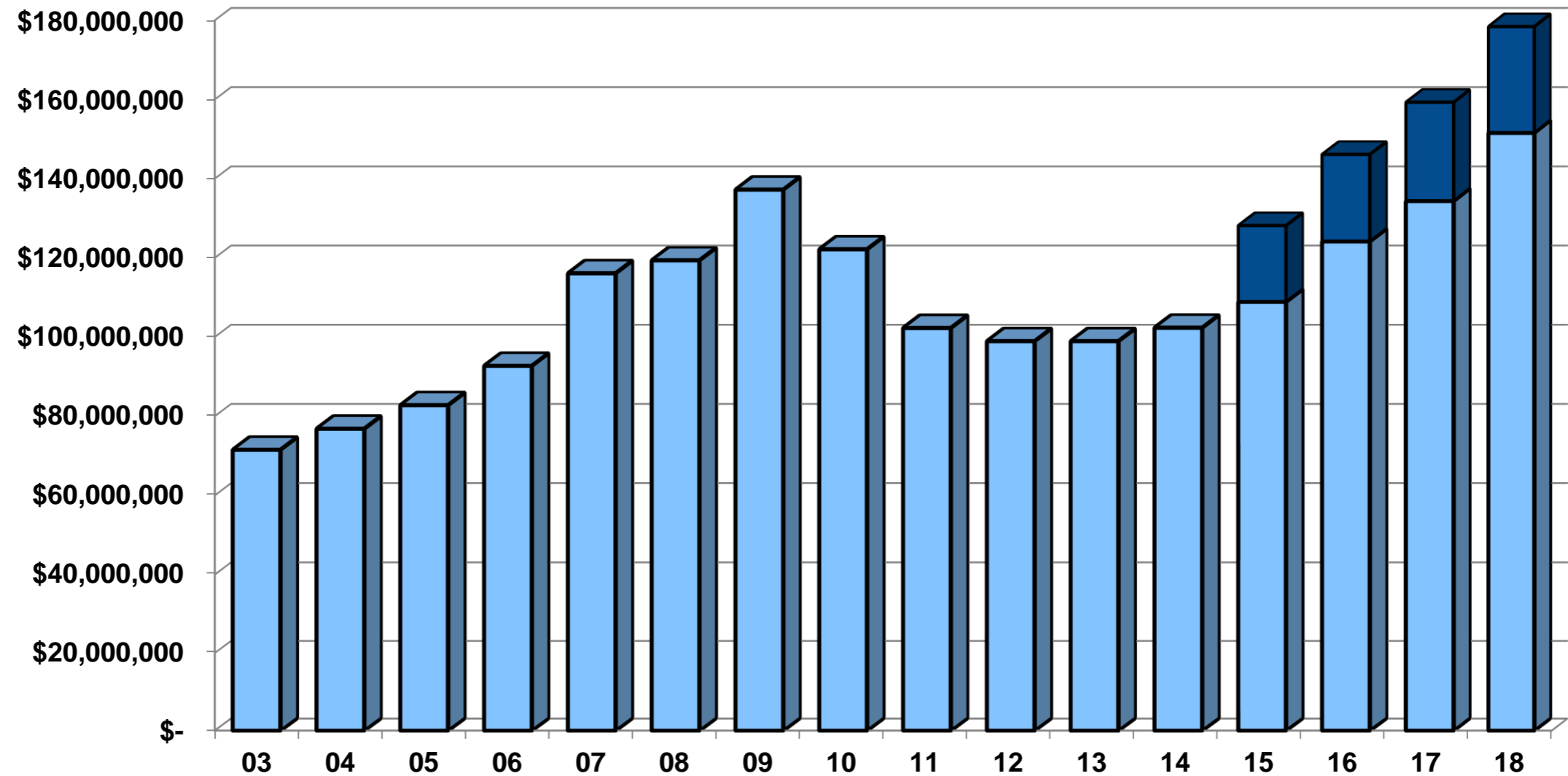
# FY2018 General Fund Budget Summary

# General Fund Revenues

	FY2017 Adopted Budget	FY2018 Working Budget	Change	Change %
Ad Valorem Taxes	\$159,311,274	\$178,408,645	\$19,097,371	11.99%
Intergovernmental	76,826,044	81,363,876	4,537,832	5.91%
Sales and Use Taxes	52,900,000	53,400,000	500,000	0.95%
Charges for Services	38,908,307	38,432,741	(475,566)	-1.22%
Transfers In	40,657,583	37,896,921	(2,760,662)	-6.79%
Franchise Fees	32,000,000	31,670,000	(330,000)	-1.03%
Licenses and Permits	12,831,000	13,995,000	1,164,000	9.07%
Other Revenues	8,166,501	8,730,554	564,053	6.91%
Fines and Forfeitures	2,450,000	2,650,000	200,000	8.16%
<b>Total Revenue</b>	<b>\$424,050,709</b>	<b>\$446,547,737</b>	<b>\$22,497,028</b>	<b>5.31%</b>

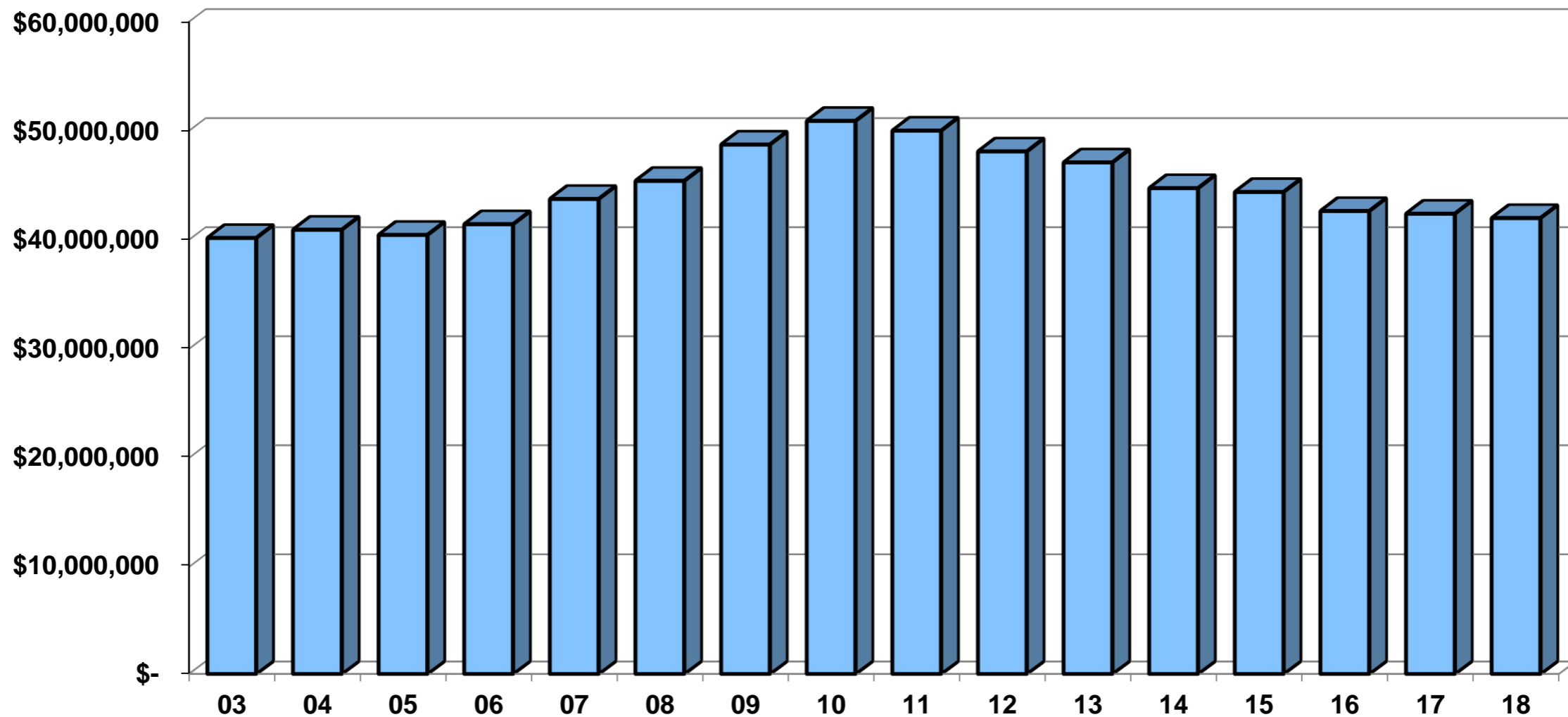
# Property Tax

Projection for FY2018 reflects maintaining our millage rate of 6.65 and the growing tax base.



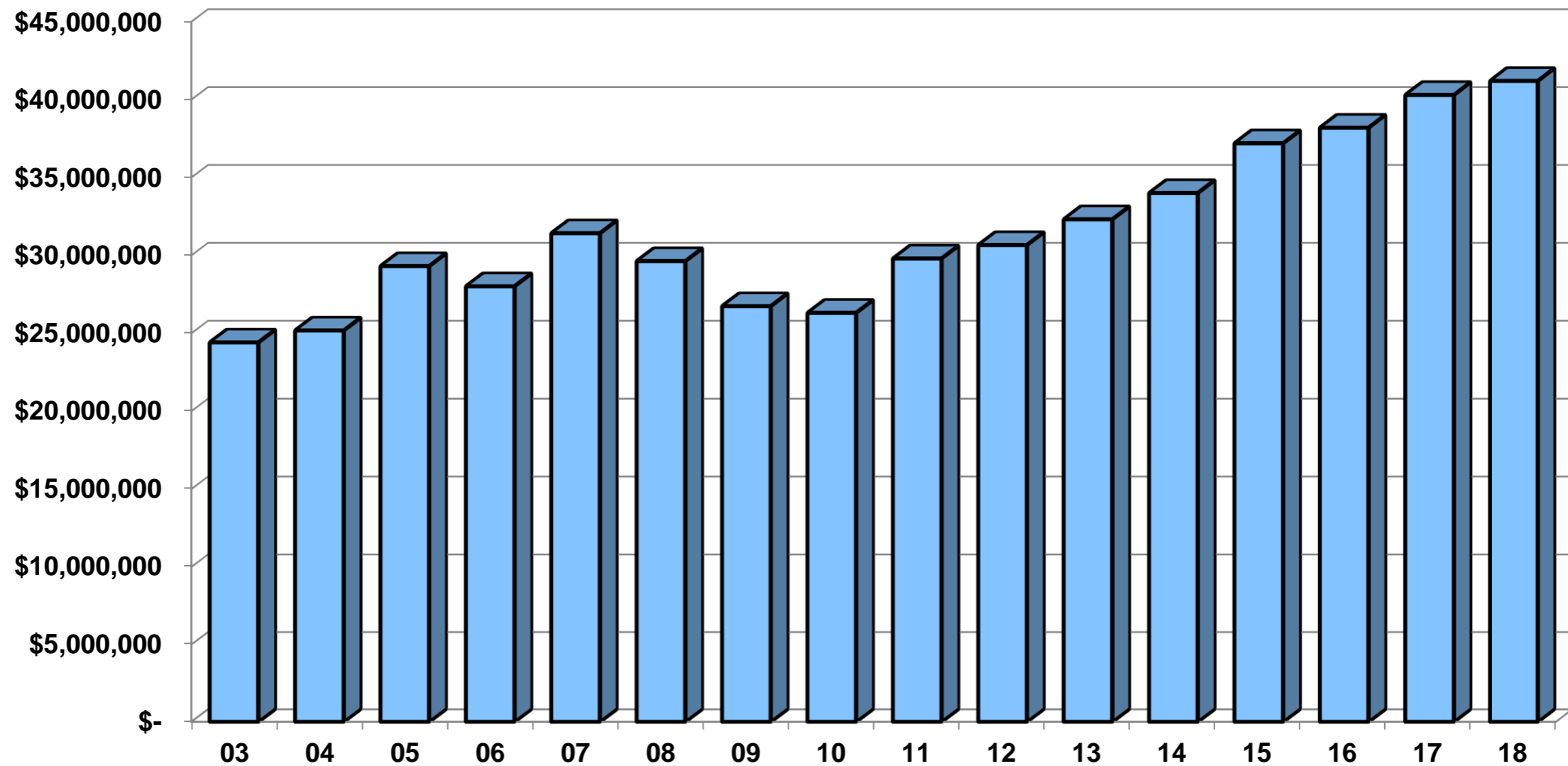
# Utilities Services Tax and Communication Services Tax

Projection for FY2018 assumes another decline in Communication Services Tax (\$400,000) and flat Utilities Services Tax.



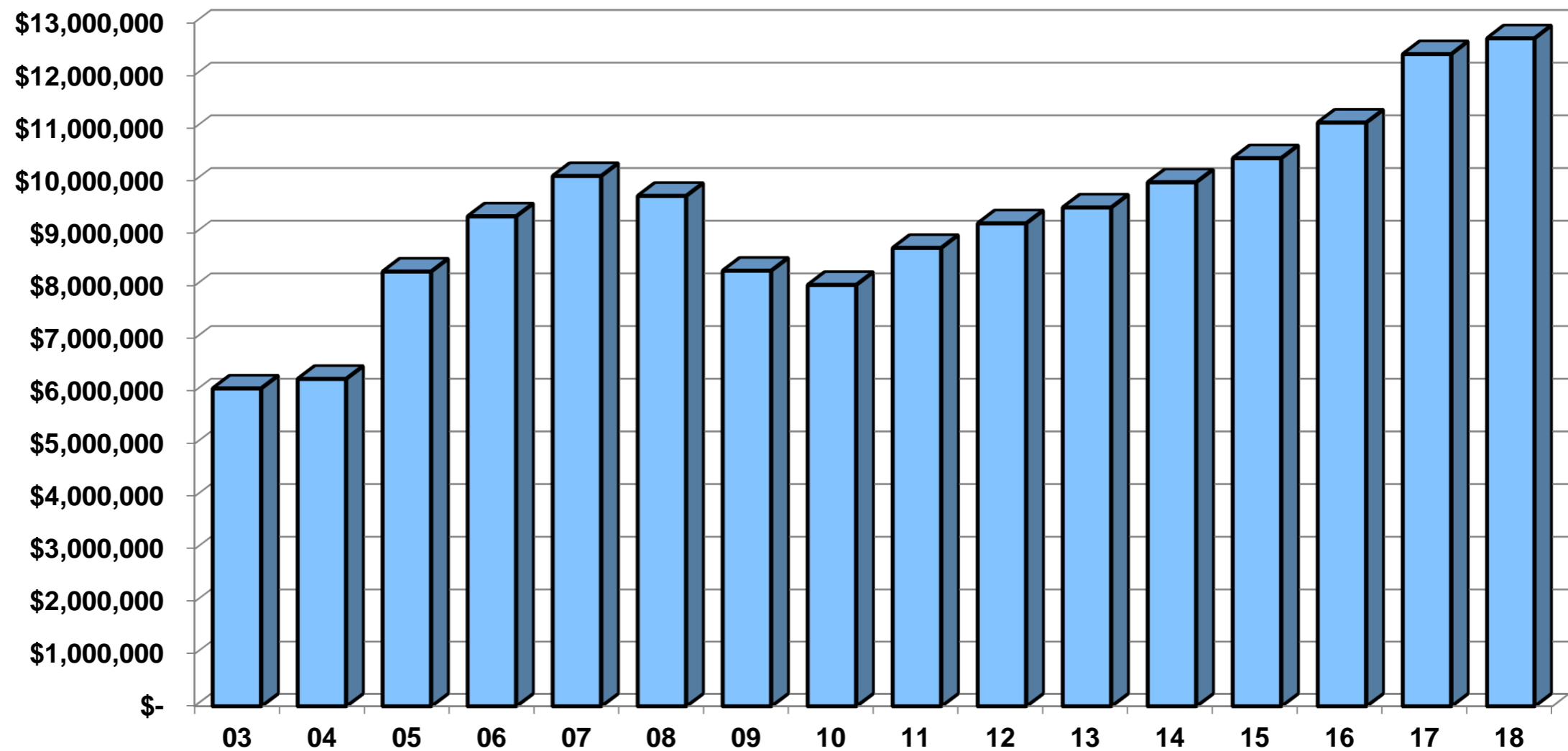
# Sales Tax

The City's Sales Tax Revenue projection assumes growth of \$900,000. This is more conservative than the State's projection and based on some cooling in the economy.



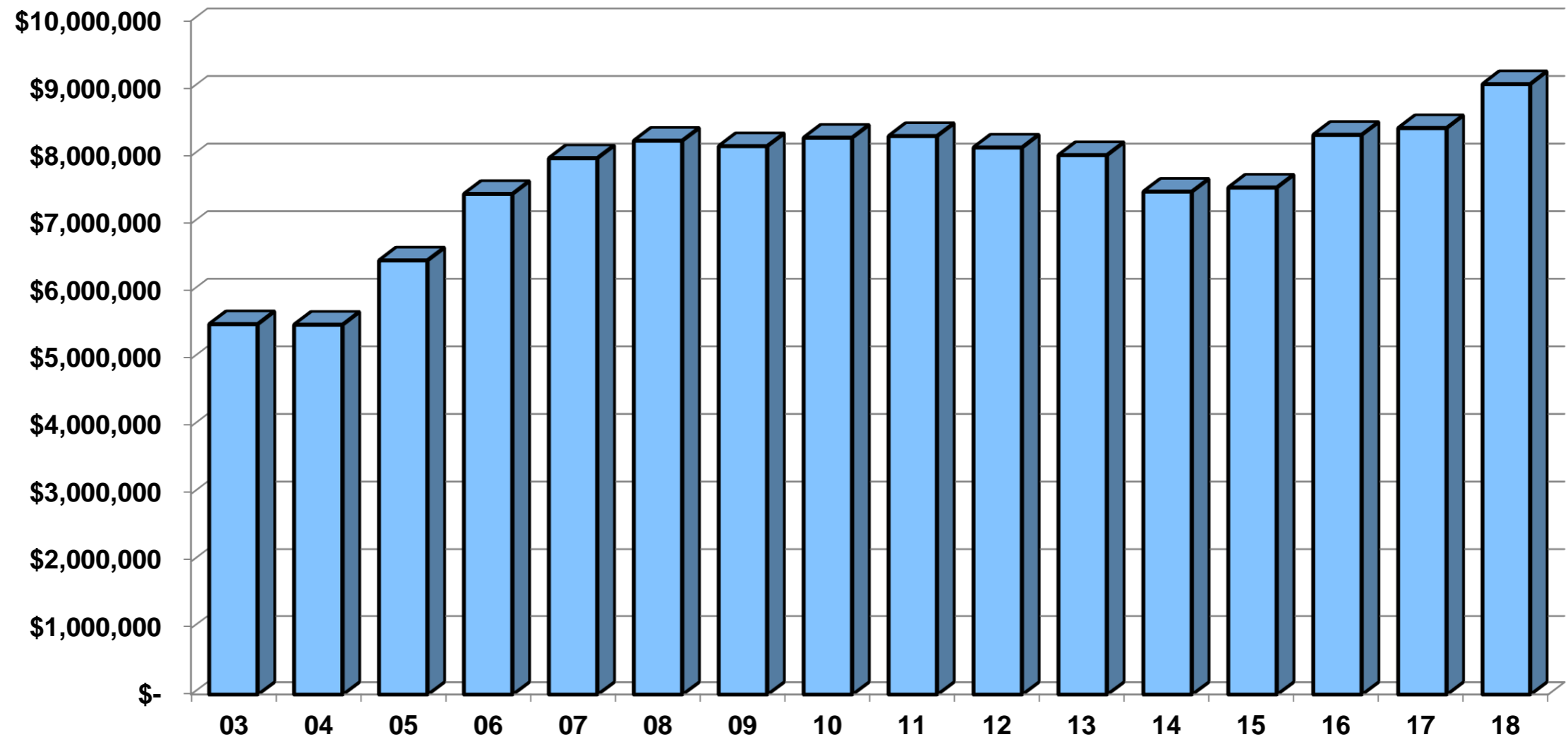
# Municipal Revenue Sharing

Portion of sales, use, and fuel taxes collected by the State shared with local governments to help revenue parity.



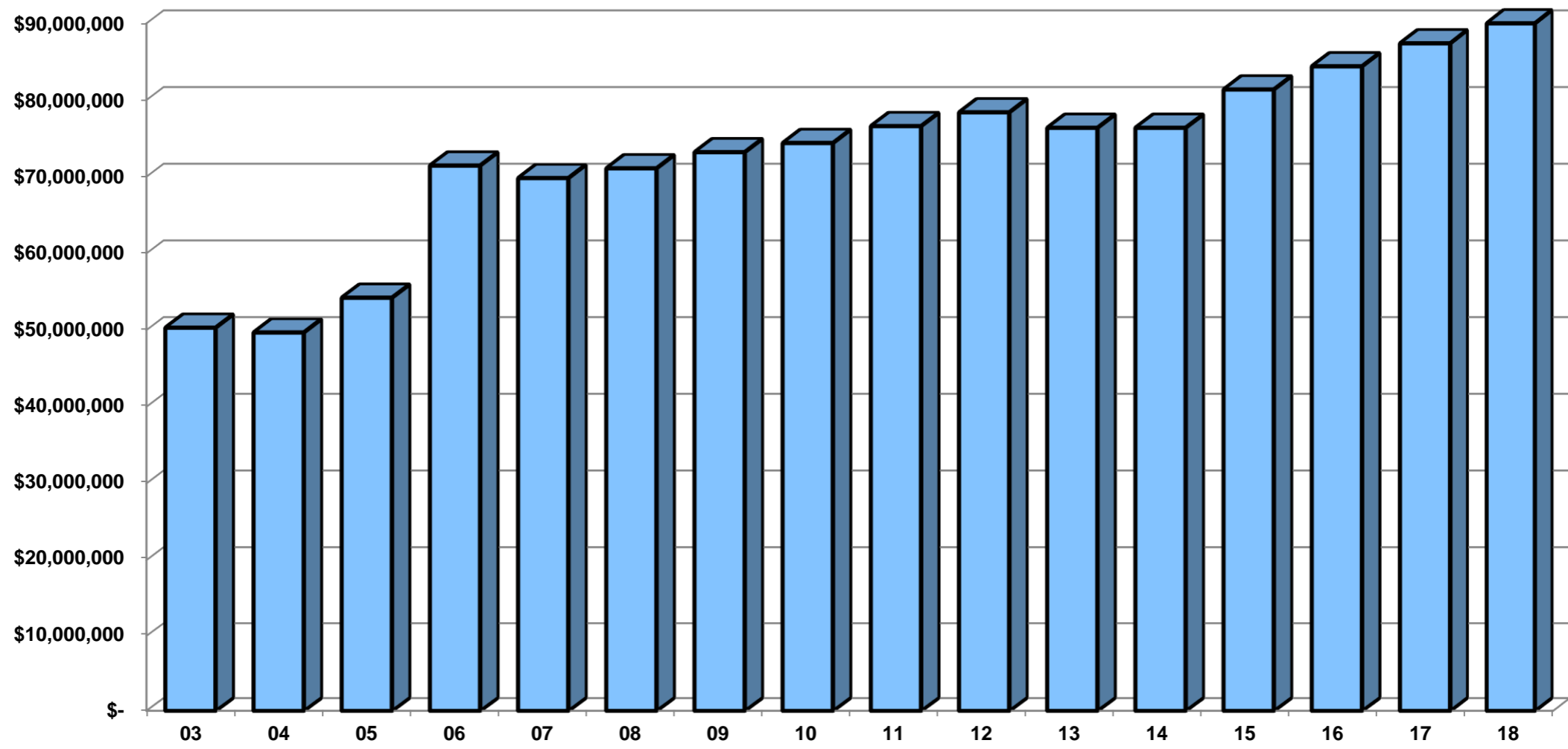
# Local Business Tax

Taxes levied on all city businesses, trades, and professions for operating within the city.



# OUC Payments

OUC Payments are a combination of electric franchise fees and a dividend.





# Other Revenue Items

- The 6.8% decrease in Transfers In is attributable to:
  - Final repayment of deferred payments from Building Code Fund
  - Moving positions supported by other funds to those respective funds (Code Lien, Risk Funds)
- The 1.0% decrease in Franchise Fees Revenue the result of energy conservation efforts by the public
- The modest decrease in Charges for Services (-1.2%) is attributable to lower projected reimbursement for labor costs

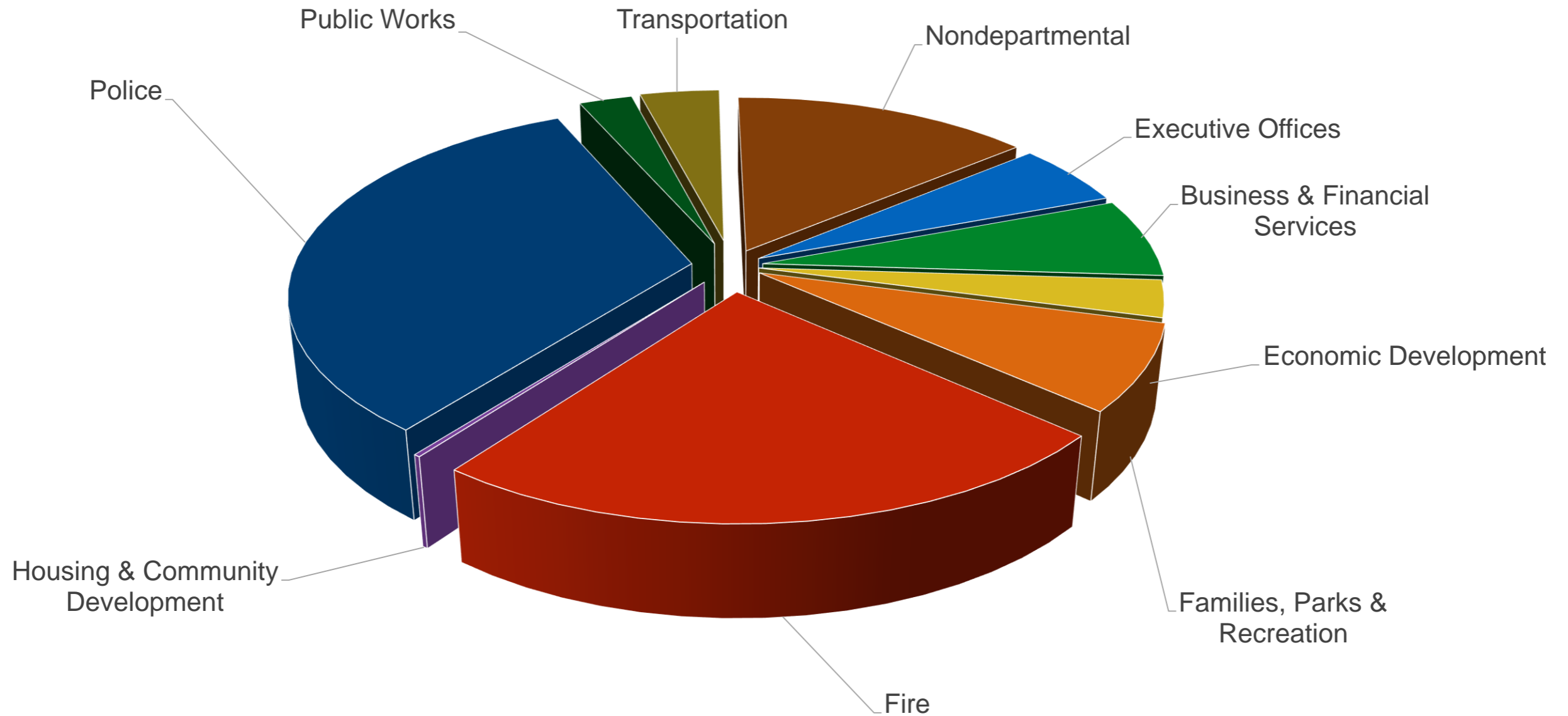


# General Fund by Department

	FY2017 Adopted Budget	FY2018 Working Budget	Change	Change %
Executive Offices	\$22,931,461	\$23,972,696	\$1,041,235	4.54%
Business & Financial Services	27,408,680	30,184,027	2,775,347	10.13%
Economic Development	15,661,899	14,103,515	(1,558,384)	-9.95%
Families, Parks & Recreation	31,212,858	32,964,441	1,751,583	5.61%
Fire	99,939,382	105,860,579	5,921,197	5.92%
Housing & Community Development	888,877	971,316	82,439	9.27%
Orlando Venues	-	-	-	
Police	136,838,570	146,972,740	10,134,170	7.41%
Public Works	10,049,120	11,347,076	1,297,956	12.92%
Transportation	15,189,205	16,945,454	1,756,249	11.56%
Nondepartmental	63,930,657	63,225,893	(704,764)	-1.10%
<b>Total Expenses</b>	<b>\$424,050,709</b>	<b>\$446,547,737</b>	<b>\$22,497,028</b>	<b>5.31%</b>



# General Fund by Department

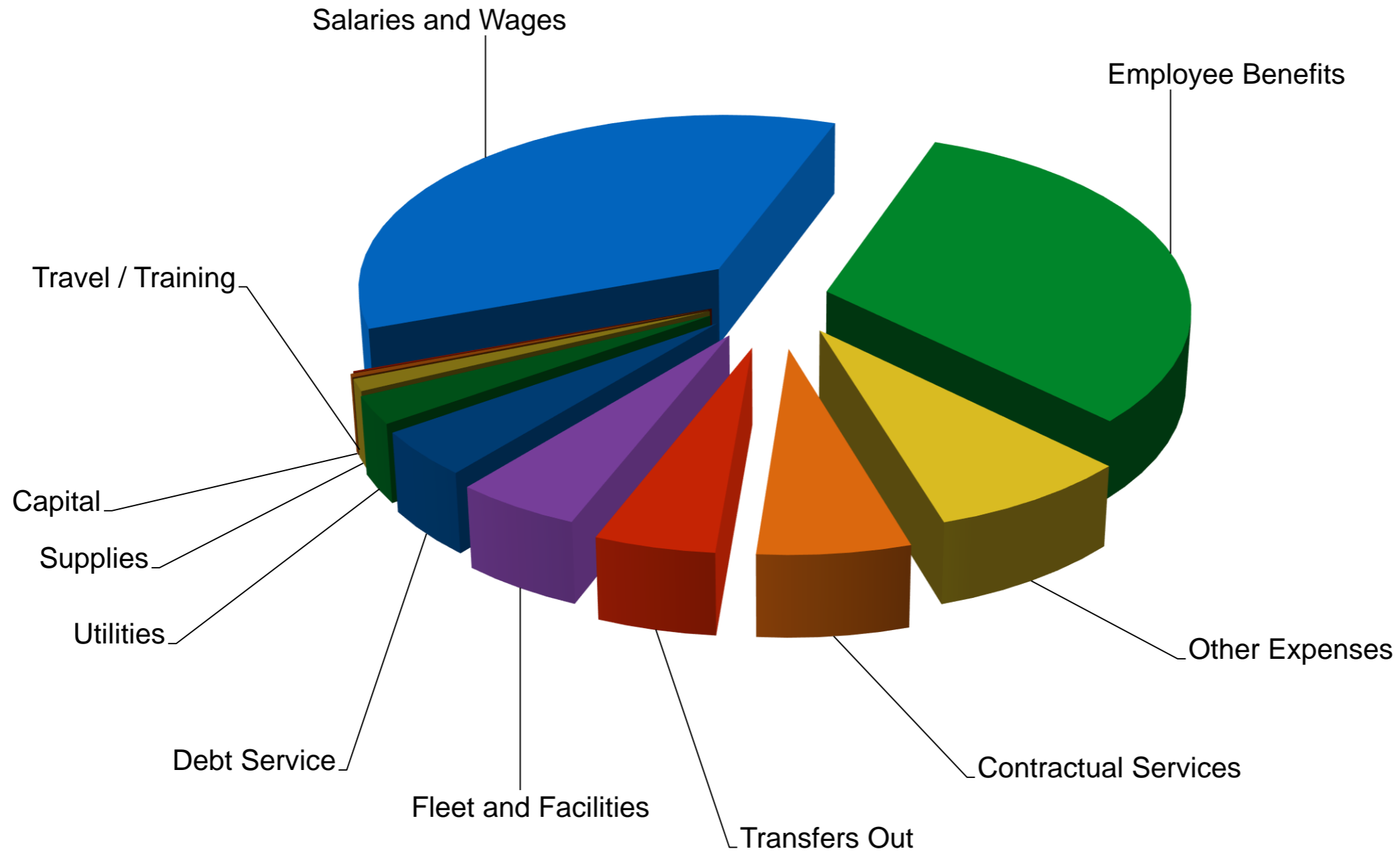


# General Fund Expenditures by Use

General Fund Uses	FY2017 Adopted Budget	FY2018 Working Budget	Change	Change %
Salaries and Wages	\$154,029,408	\$161,094,645	\$7,065,237	4.59%
Employee Benefits	131,827,715	141,693,934	9,866,219	7.48%
Supplies	4,870,822	4,936,858	66,036	1.36%
Contractual Services	25,579,482	26,901,465	1,321,983	5.17%
Utilities	12,278,516	11,587,233	(691,283)	-5.63%
Other Operating Expenses	34,753,194	35,846,095	1,092,901	3.14%
Travel / Training	556,653	612,817	56,164	9.16%
Fleet and Facilities	20,718,447	22,338,778	1,620,331	7.82%
Capital	1,104,572	1,407,065	302,493	27.39%
Debt Service	18,008,296	18,828,475	820,179	4.55%
Transfers Out	20,323,604	21,300,372	976,768	4.81%
Total Expenses	\$424,050,709	\$446,547,737	\$22,497,028	5.31%

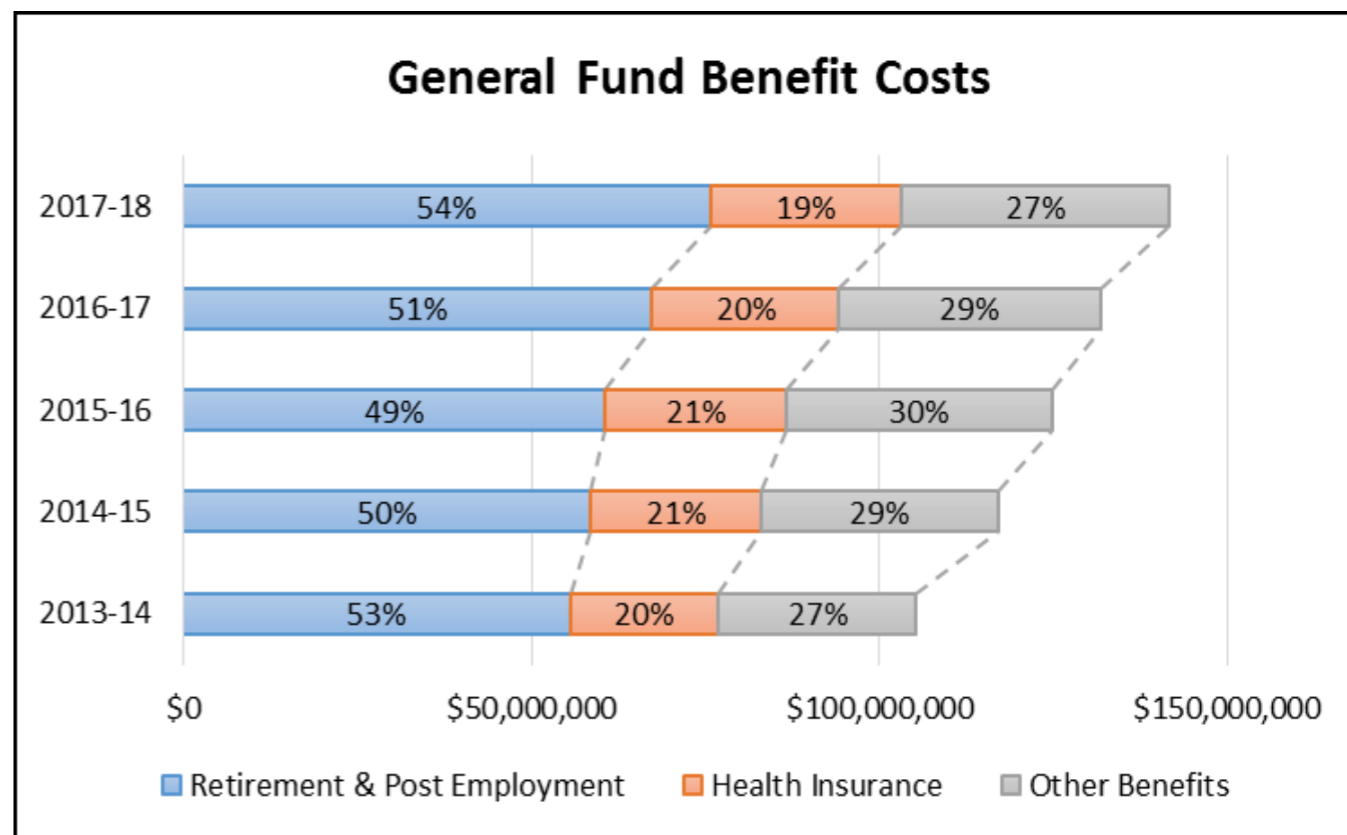
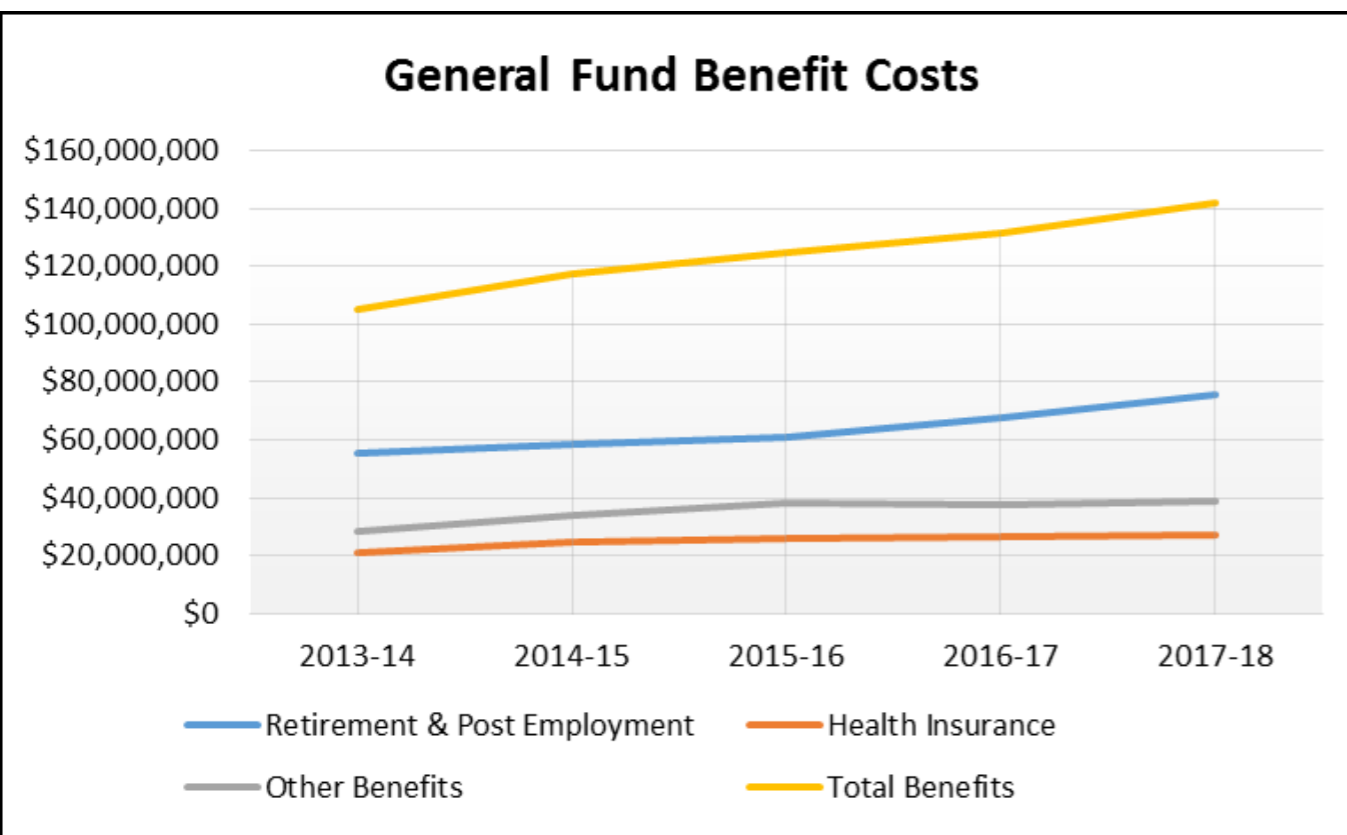


# General Fund Expenditures by Use



# Benefits Detail

- 43% of our General Fund increase is due to Benefit Costs
- In recent years retirement and post employment costs are driving the increase
  - State-mandated actuarial changes to mortality tables
  - Assumed rate of return on investment
- City-managed health care costs have remained stable



# FY2018 Highlighted Other Funds Budget Summary

# Other Funds Summary

- Waiving Water Reclamation Inflationary Fee Increase (5%)
- Waiving Solid Waste Inflationary Fee Increase (4%)
- CRA Operating Fund: 37% Growth
  - Focus on Project DTO Implementation
- Parking Fund Budget: 27% Growth
  - GEICO Garage moving from Orlando Venues
  - Under-I surface lots being closed
- Building Code Enforcement Fund: 20% Decrease
  - Reduced fund balance usage (FY2017 EDIS)
- Crossing Guard Fund: 23% Growth
  - Adding 24 new locations
- Health Care Fund: 2% Growth





# Select Funds Expenditures

	FY2017 Adopted Budget	FY2018 Working Budget	Change	Change %
Building Code Enforcement	\$16,005,601	\$12,788,309	\$(3,217,292)	-20.10%
CRA Operating	11,717,409	16,001,168	4,283,759	36.56%
Crossing Guard	565,433	693,755	128,322	22.69%
Facilities	9,307,803	11,347,574	2,039,771	21.91%
Healthcare	61,834,879	62,857,068	1,022,189	1.65%
Orlando Venues	24,012,527	19,587,106	(4,425,421)	-18.43%
Parking System	14,224,533	18,081,204	3,856,671	27.11%
Solid Waste	32,822,809	34,441,930	1,619,121	4.93%
Stormwater	26,836,029	25,235,542	(1,600,487)	-5.96%
Water Reclamation	101,616,796	99,034,630	(2,582,166)	-2.54%
All Other Non-General Funds	448,135,662	466,965,890	18,830,228	4.20%
Total Expenses	\$747,079,481	\$767,034,176	\$19,954,695	2.67%



# Next Steps – Budget Calendar

# Tentatively Balanced Budget

<b>General Fund</b>	<b>2018 Working</b>
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Revenues	\$446,547,737
Expenses	446,547,737
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Total	-
<b>Other Funds</b>	<b>2018 Working</b>
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Revenues	\$767,034,176
Expenses	767,034,176
<hr/>	<hr/>
Total	-



# Next Steps

Date	Activity	Subject Matter
July 10	Budget Workshop	Update of Budget Position, Ad Valorem Tax Revenues, Valuations, Department Requests
July 21	Mayor's State of the City Address	Fiscal Year 2017-2018 Budget Priorities
July 24	Budget Workshop	Revised Revenue and Expenditure Proposals, Resolution to Set Tentative Millage Rate
August	Commissioner Briefings	Discussion of Budget Recommendations
September 6	First Public Hearing	Resolutions for Fiscal Year 2017-2018 Millage Rate and Budget
September 25	Second Public Hearing	Finalize Resolutions for Fiscal Year Millage Rate and Budget

