

# BUDGET WORKSHOP

FISCAL YEAR 2019 – July 9<sup>th</sup>



## AGENDA

- FY2018 Current Fiscal Year Budget
- FY2018 Budget Review Committee Adjustments
- FY2019 General Fund Budget Summary
- FY2019 Highlighted Other Funds Budget Summary
- FY 2019 Department Staffing & Program Enhancements
- FY 2019 Capital Improvement Program
- Next Steps – Budget Calendar



# FY2018 Current Fiscal Year Budget




## Current Fiscal Year Budget Overview

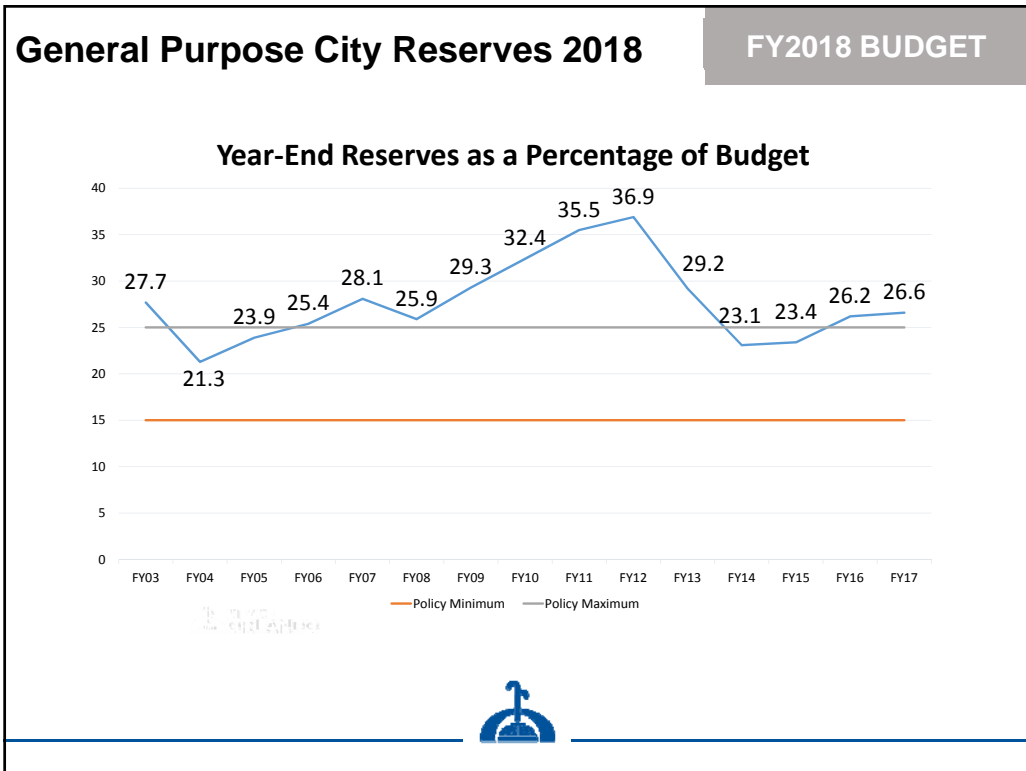
FY2018 BUDGET

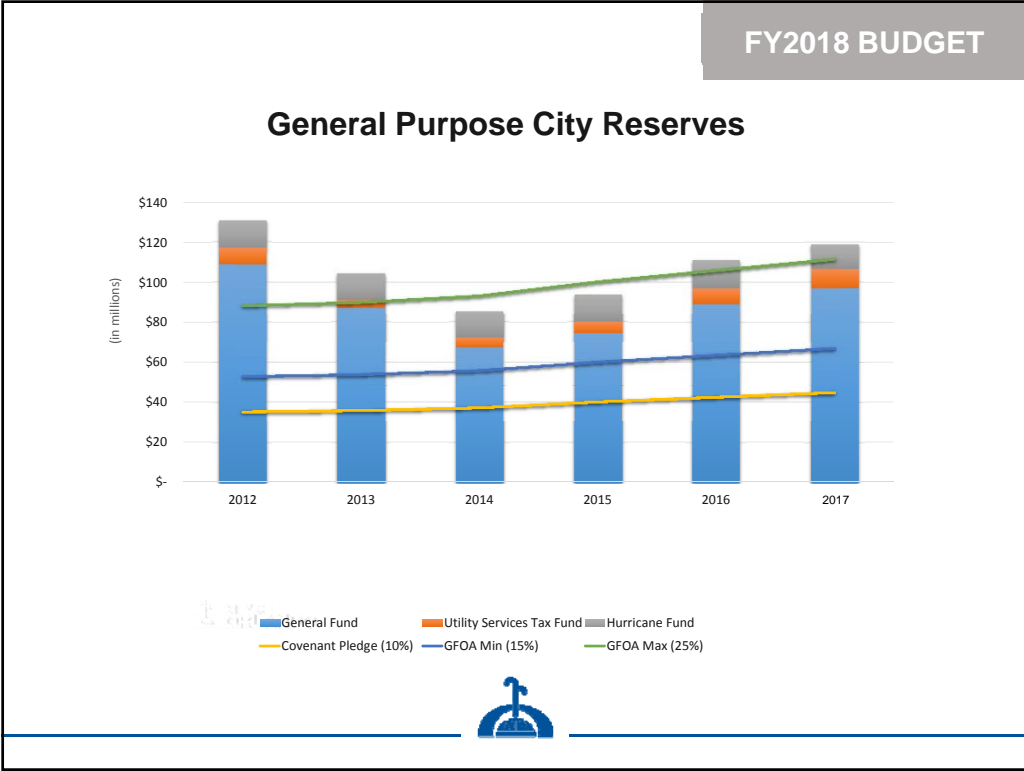
- Total Property Tax Revenues Continue to Increase from Recession
- Infrastructure & Facility Maintenance Funding were Maintained
- Increased Staffing where Economic Conditions Demand
- Added 15 Police Officers and 12 Firefighters
- \$3M Contingency at the Start of the Year



Current Fiscal Year Budget Overview		FY2018 BUDGET
<b>General Fund</b>		
Revenues	2018 Adopted	446,401,952
Expenses	2018 Adopted	446,401,952
Total		-
<b>Other Funds</b>		
Revenues	2018 Adopted	767,663,198
Expenses	2018 Adopted	767,663,198
Total		-







# FY2018 Budget Review Committee Adjustments



## Budget Review Committee Program Enhancements

FY2018 BUDGET

- Funding for new Children Affairs Division to provide greater focus on programming and activities
- Funding for maintenance and improvements to Park of the Americas
- Added Transportation multi-use trail projects using Federal, State and Local funds (\$6.3M)
- Added Water Reclamation projects maintaining our existing investment in infrastructure (\$12.8M)
- Added Stormwater projects protecting the environment (\$6.1M)
- Established Parking Repair and Replacement Capital Fund
- Created the Real Estate Acquisition Fund



## Budget Review Committee Staffing Enhancements

FY2018 BUDGET

- 15 COPs-funded Police Officers (est. Federal reimbursement \$677,000)
- Children's Affairs Division and Grants Coordinator in FPR
- Added a Chief Planner position in Housing for affordable housing initiatives
- 5 Plan Review positions in Permitting re-organization (Building Code Fund)
- 35 positions for EMS Civilian Transport (EMS Transport Fund)



## Investing in Our Neighborhoods Bond Program

FY2018 BUDGET

- City Council approved up to \$80 Million for a future bond issuance and cost reimbursement allowance to provide additional amenities and enhanced infrastructure throughout our community.
- Progress continues between staff, consultants and development partners including design, land acquisition, site improvements and pre-construction activities.
- Plan of Action Includes:
  - Creating an Orlando Bicycle Beltway
  - Building New Fire Stations
  - Lake Lorna Doone Park
  - Cleaning Up Lake Notasulga
  - Enhancements at Rosemont and Dover Shores Neighborhood Centers
  - Repurposing Grand Avenue Elementary
  - New Orlando Tennis Centre



# FY2019 General Fund Budget Summary



## FY 2019 General Fund Budget Summary

FY2019 BUDGET

The numbers in this presentation represent a working draft for 2018/19. The Office of Management and Budget will revise these numbers over the coming weeks as new information is received.

This includes:

- State Revenue estimates
- Cost Allocation Plan values
- Water Reclamation and Solid Waste Rate Reviews
- Additional Programming and Staffing Changes



## General Fund Revenues

FY2019 BUDGET

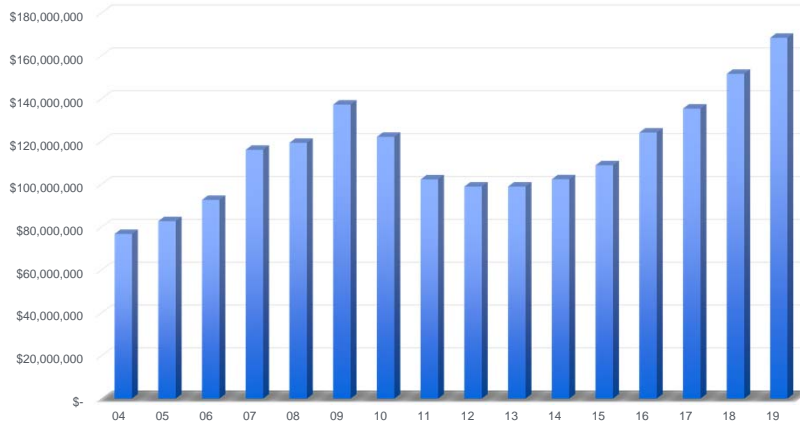
	FY2018 Adopted Budget	FY2019 Working Budget	Change	Change %
Property Taxes	\$178,408,645	\$198,215,309	\$19,806,664	11.10%
Charges for Services	38,143,161	49,261,793	11,118,632	29.15%
Fines and Forfeitures	2,650,000	3,320,000	670,000	25.28%
Franchise Fees	31,670,000	31,805,000	135,000	0.43%
Intergovernmental	81,363,876	84,334,344	2,970,468	3.65%
Licenses and Permits	13,995,000	14,345,000	350,000	2.50%
Sales and Use Taxes	53,400,000	56,900,000	3,500,000	6.55%
Other Revenues	8,730,554	10,892,257	2,161,703	24.76%
Transfers In	38,040,716	39,070,887	1,030,171	2.71%
<b>Total Revenue</b>	<b>\$446,401,952</b>	<b>\$488,144,590</b>	<b>\$41,742,638</b>	<b>9.35%</b>



## Property Taxes

FY2019 BUDGET

Projection for FY2019 reflects maintaining our millage rate of 6.65 and the growing tax base.



## Understanding Property Taxes

FY 2019 BUDGET

- Largest single revenue source for the General Fund (40%)
- Determined by:
  - The taxable value of your home (determined by Orange County Property Appraiser)
  - The City's millage rate (determined by City Council)
- Millage rate:
  - \$1 per \$1,000 of taxable value
  - The City's current millage rate is 6.6500, or \$6.65 per \$1,000 of taxable value

City of Orange

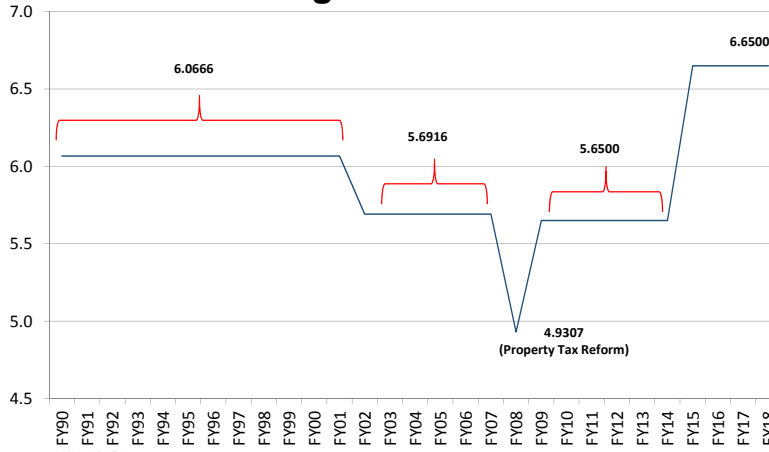




Understanding Property Taxes

FY 2019 BUDGET

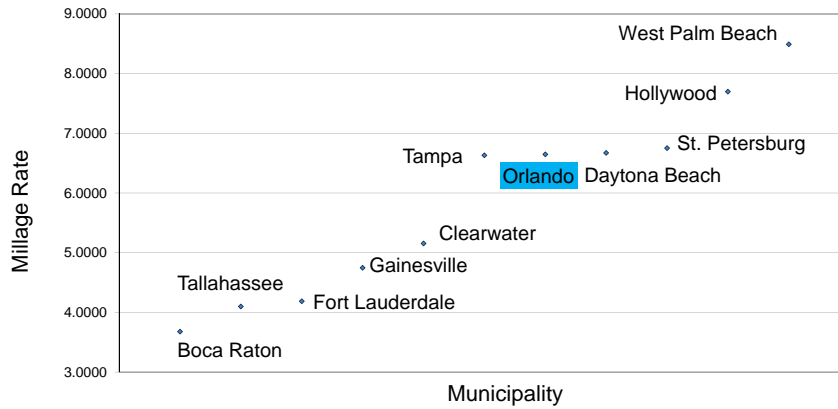
Millage Rate Trend



Understanding Property Taxes

FY 2019 BUDGET

Millage Rate (6.6500)



## Understanding Property Taxes

FY2019 BUDGET

Based on the median home price in Orlando of \$238,000:

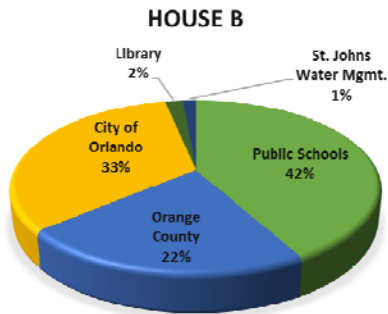
- The City successfully funds all public services by only utilizing 33% of each resident’s tax bill
- City Percentage is less than the Public Schools percentage

Property	Assessed Value	Exemption	Tax Value	Taxing Entity	Millage Rate	Taxes	Tax Percentage
HOUSE B	\$238,000	\$25,000	\$213,000	Public Schools	7.47	\$1,591.11	42%
	\$238,000	\$50,000	\$188,000	Orange County	4.4347	\$833.72	22%
	\$238,000	\$50,000	\$188,000	City of Orlando	6.65	\$1,250.20	33%
	\$238,000	\$50,000	\$188,000	Library	0.3748	\$70.46	2%
	\$238,000	\$50,000	\$188,000	St. Johns Water Mgmt.	0.2724	\$51.21	1%
				<b>TOTAL</b>	<b>19.2019</b>	<b>\$3,796.71</b>	



## Understanding Property Taxes

FY2019 BUDGET



Daily Cost:  
\$3.43  
or



## Understanding Property Taxes

FY 2019 BUDGET

- 2018 City Total Assessed Value is \$31.0B an increase of \$3.1B (11.1%) from 2017
- 2018 New Construction is almost \$900M of the increase and generated \$6.0M in revenues
- 2018 Initial Save Our Homes Exemption is \$2.3B in value, resulting in a loss of \$15.3M in revenues
- 2018 First \$25,000 is \$906M in value resulting in a loss of \$6.0M in revenues



## Understanding Property Taxes

FY 2019 BUDGET

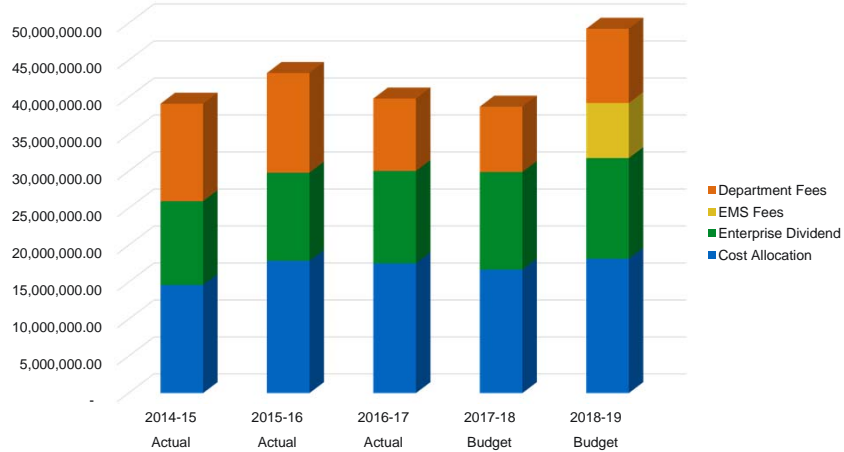
- 2018 Commercial and Non-Homestead Cap is \$3.5B in value resulting in a loss of \$23.3M in revenues
- 2018 Additional \$25,000 is \$733M in value resulting in a loss of \$4.9M in revenues
- Two-thirds of our parcels are at capped value



## Charges for Services

FY2019 BUDGET

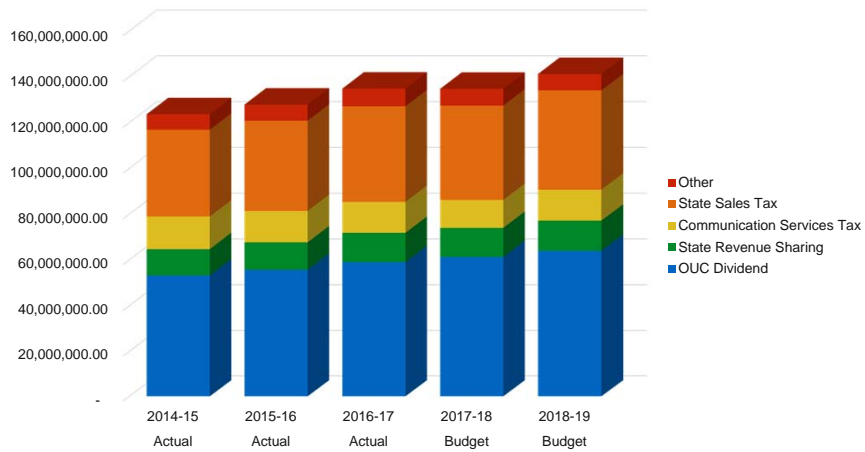
Much of the increase in the Charges for Services revenue budget is due to the addition of EMS Transport Fees to the General Fund.



## Intergovernmental & Sales and Use Tax

FY2019 BUDGET

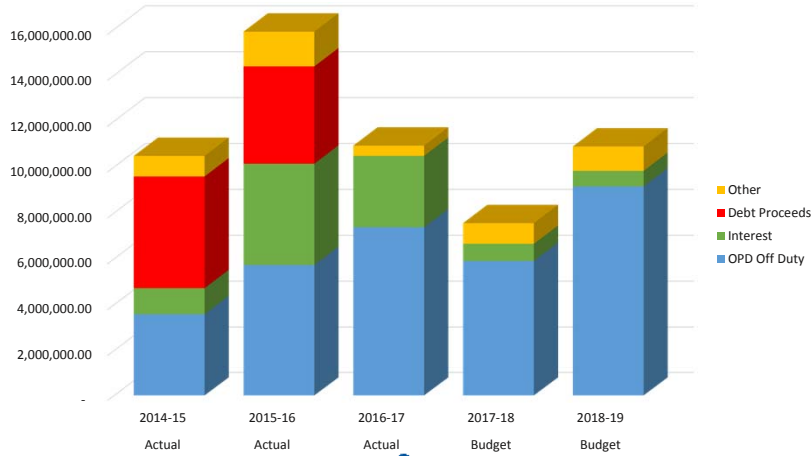
OUC Dividend and State Sales Tax revenue each increase by over \$2M and together account for an almost \$5M increase in General Fund revenue



## Other Revenue

FY2019 BUDGET

The increase in Other Revenue is being driven primarily by OPD Off Duty reimbursement.

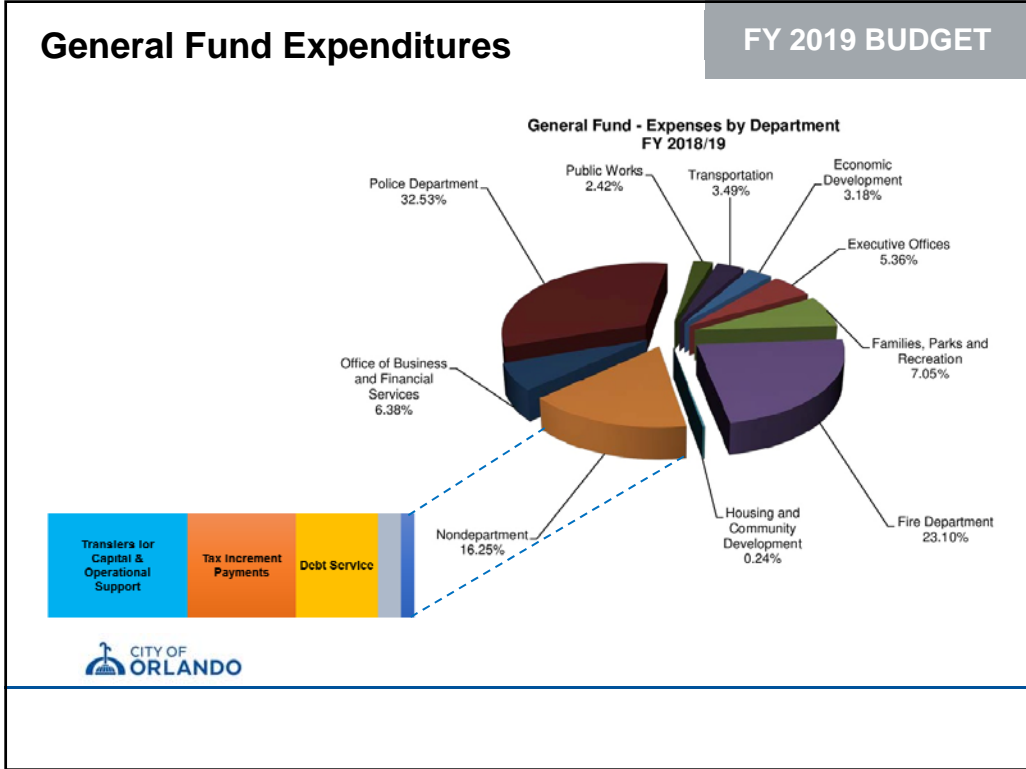


## General Fund by Department

FY2019 BUDGET

	FY2018 Adopted Budget	FY2019 Working Budget	Change	Change %
Economic Development	\$14,126,323	\$15,498,705	\$1,372,382	9.72%
Executive Offices	24,231,443	26,166,715	1,935,272	7.99%
Families, Parks & Recreation	32,921,230	34,401,877	1,480,647	4.50%
Fire	105,780,800	112,761,378	6,980,578	6.60%
Housing & Community Development	973,312	1,158,435	185,123	19.02%
Nondepartmental	63,212,639	79,318,899	16,106,260	25.48%
Business & Financial Services	30,134,535	31,143,699	1,009,164	3.35%
Police	146,676,695	158,816,333	12,139,638	8.28%
Public Works	11,415,099	11,818,949	403,850	3.54%
Transportation	16,929,876	17,059,600	129,724	0.77%
<b>Total Expenses</b>	<b>\$446,401,952</b>	<b>\$488,144,590</b>	<b>\$41,742,638</b>	<b>9.35%</b>

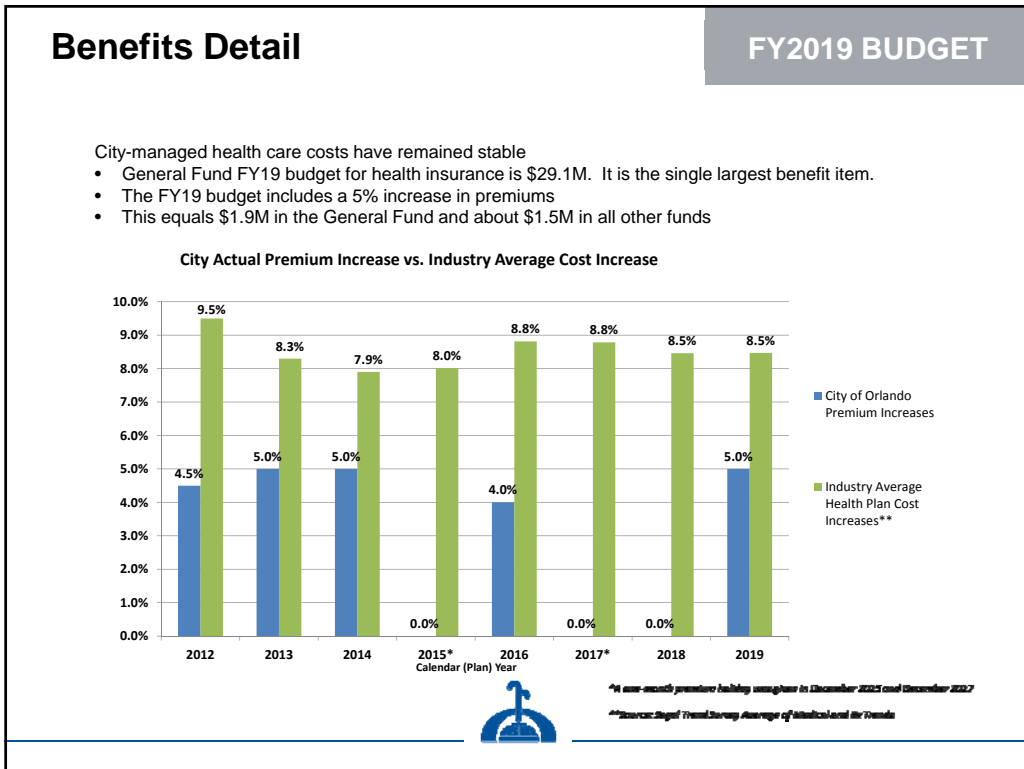
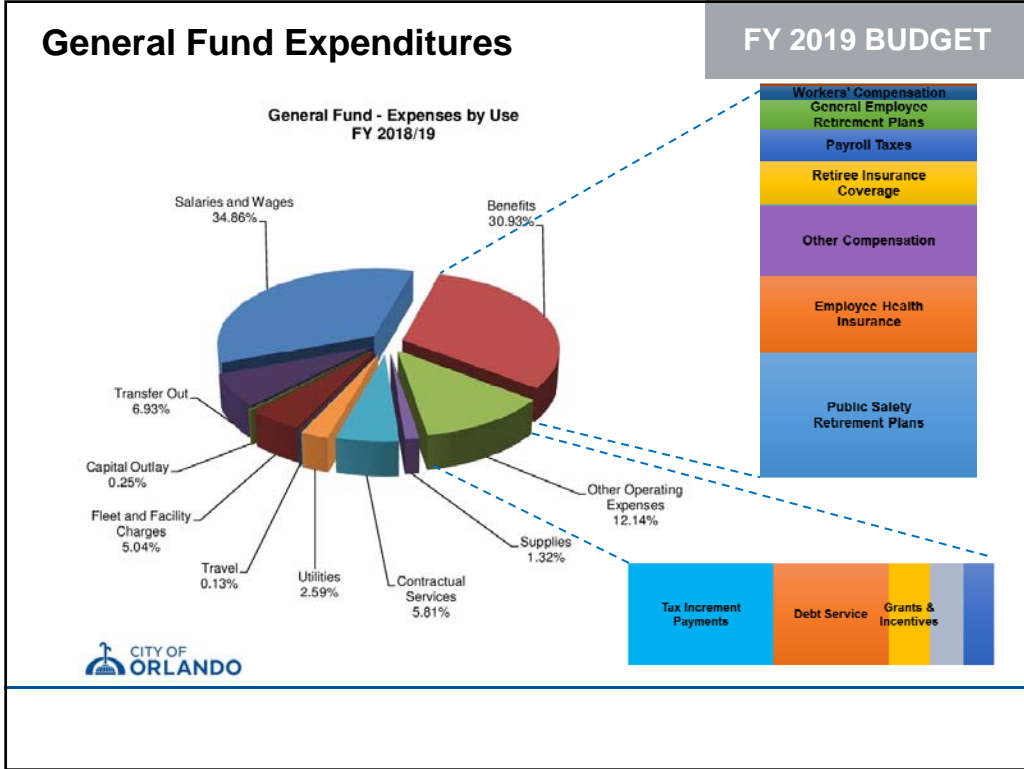




## General Fund Expenditures by Use

FY2019 BUDGET

General Fund Uses	FY2018 Adopted Budget	FY2019 Working Budget	Change	Change %
Salaries and Wages	\$160,910,456	\$170,178,919	\$9,268,463	5.76%
Employee Benefits	141,658,754	151,004,603	9,345,849	6.60%
Supplies	4,936,858	6,447,497	1,510,639	30.60%
Contractual Services	26,925,465	28,382,906	1,457,441	5.41%
Utilities	11,605,988	12,636,149	1,030,161	8.88%
Travel / Training	623,017	635,123	12,106	1.94%
Fleet and Facilities	22,509,551	24,612,347	2,102,796	9.34%
Capital Outlay	1,407,065	1,206,375	(200,690)	-14.26%
Other Operating Expenses	54,512,513	59,192,513	4,680,000	8.59%
Transfers Out	21,312,285	33,848,158	12,535,873	58.82%
<b>Total Expenses</b>	<b>\$446,401,952</b>	<b>\$488,144,590</b>	<b>\$41,742,638</b>	<b>9.35%</b>



# FY2019 Highlighted Other Funds Budget Summary



## Other Funds Summary

FY2019 BUDGET

- Water Reclamation Revenue Fund supports a \$28.1M capital program
- With no fee increase the Stormwater Fund supports a \$2.5M capital program and anticipated debt service of \$1.1M
- CRA Operating Fund reflects a 10.1% increase supporting Parramore Housing Initiatives, Project DTO, and deployment of the new Downtown Ambassador's Program
- Capital Improvement Fund almost doubles as we make one-time improvements





## Other Funds Summary

FY2019 BUDGET

- Parking Fund budget includes a capital maintenance budget of \$830,000
- Building Code Enforcement Fund budget reflect a 13.1% increase which requires the use of \$2.8M of fund balance. This is driven by increased staffing.
- Crossing Guard Fund budget has a 20% increase for 28 new posts, the result of new OCPS schools opening
- Health Care Fund budget grows by \$4.5M
- First-time budgets proposed for Real Estate Acquisition Fund and Park Impact Fee Funds
- Consolidating EMS Transport into the General Fund



## Select Funds Expenditures

FY2019 BUDGET

	FY2018 Adopted Budget	FY2019 Working Budget	Change	Change %
Building Code Enforcement	\$12,799,319	\$14,472,158	\$1,672,839	13.07%
CRA Operating	16,021,631	17,644,880	1,623,249	10.13%
Fleet Fund	19,373,986	18,690,037	(683,949)	-7.06%
Facilities	11,347,574	12,047,565	699,991	6.17%
Healthcare	62,857,068	67,399,631	4,542,563	7.23%
Orlando Venues	19,634,048	20,461,122	827,074	4.21%
Parking System	18,293,062	19,525,359	1,232,297	6.74%
Solid Waste	33,441,930	34,318,121	876,191	2.62%
Stormwater	24,950,399	24,457,646	(492,753)	-1.97%
Water Reclamation	99,034,630	106,352,031	7,317,401	7.39%
All Other Non-General Funds	449,909,551	442,264,189	(7,645,365)	-1.70%
Total Expenses	\$767,663,198	\$777,632,739	\$9,969,541	1.30%



# Department Staffing & Program Enhancements



## Departmental Staffing All Funding Sources

FY 2019 BUDGET

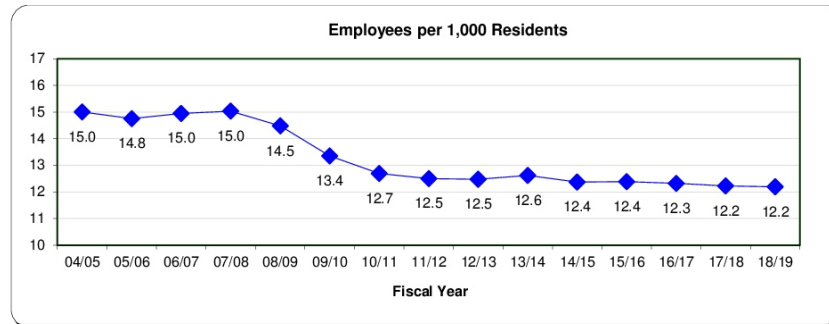
Department	FY 2017/18 Adopted	FY 2018/19 Working
Economic Development	232	252
Executive Offices	163	167
Families, Parks and Recreation	225	232
Fire Department	611	648
Housing and Community Development	19	20
Office of Business and Financial Services	276	278
Orlando Venues	89	88
Police Department	1,025	1064
Public Works	540	539
Transportation	166	168
<b>Total</b>	<b>3,346</b>	<b>3,456</b>



## Departmental Staffing All Funding Sources

FY 2019 BUDGET

Staffing increases in this tentative budget maintain the 15 year low ratio of employees to residents from last fiscal year



## Department Staffing

FY 2019 BUDGET

- Police: (15) COPs-funded Police Officers, (1) CAD Lieutenant, **(23) Police Officers**
- Fire: (35) EMS Civilian Transport, (1) CAD Fire Assistant Chief, **(1) Civilian Manager**
- Families, Parks and Recreation: (1) Grants Coordinator, **(5) Parks maintenance staff, (1) Regional Recreation Coordinator**
- Office of Business and Financial Services: (2) Fleet Coordinators
- Housing and Community Development: (1) Chief Planner



## Department Staffing (continued)

FY 2019 BUDGET

- Economic Development: (1) Short-term rental compliance staff, (5) Plans Review – Permitting, (1) CRA Project Manager, (1) EDIS Admin Assistant **(5) Multi-family Code Enforcement team, (1) Graphic Designer for DDB, (1) Project Coordinator for Affordable Housing, (1) Assistant City Planning Division Manager, (3) Permitting Review & Inspection, (1) Sr. Development Review Tech**
- Executive Offices: **(1) Admin Assistant in Office of Sustainability, (1) Smart Cities Project Manager**
- Public Works: (1) Permit Tech III
- Transportation: (1) Asst. Traffic Control Supervisor, (1) Traffic Maintenance Worker, **(1) Parking Enforcement Supervisor**



## Program Enhancements

FY 2019 BUDGET

### Police:

- Increased extra duty budget (reimbursable)
- Expanded crossing guard locations
- Additional overtime for CID, Communications
- Increased funding for radio equipment maintenance
- Funding for replacement rifles for all officers

### Fire:

- Full funding for holidays and shift differential
- Funding to additional radios, fleet, and supplies

### Public Works:

- Increased budget for litter crews



**Program Enhancements (continued)**

FY 2019 BUDGET

**Transportation:**

- Increased TRE temporary / seasonal funding for special events
- Sign and Signal Shop assessment
- Initial funding for Smart Cities effort

**Families, Parks and Recreation:**

- Increased rate of pay for temporary / seasonal workers
- Increased supplies and equipment required for new parks
- Increased General Fund support for ASAS at new schools
- Additional funding for parks & play ground renovations
- Additional funding for recreation center renovations

**Program Enhancements (continued)**

FY 2019 BUDGET

**Office of Business & Financial Services:**

- Increased IT temporary / seasonal funding for Public Safety technology deployments
- Increased funding for Citywide facilities assessments and improvements
- Initial budget for new Real Estate Acquisition Fund
- Annual budget for IT upgrades and IT security
- Funding for 9<sup>th</sup> floor conference and training rooms

**Executive Offices:**

- Consolidation of Blueprint Office & MBE Office
- Creation of Office of Sustainability
- Increased funding for each District office
- Increased operating budget for new records warehouse



## Program Enhancements (continued)

FY 2019 BUDGET

### Economic Development:

- Increase funding for vacant lot upkeep and short term rental compliance
- Creation of new dedicated multi-family Code Enforcement team

### Orlando Venues:

- Funding for expanded Leu Gardens parking
- Budget for improved lighting at Mennello Museum

### Housing and Community Development:

- Funding for affordable housing initiative



## School Resource Officers

FY2019 BUDGET

	Existing SRO Staffing	Additional OCPS Request (based on MSD Public Safety Act)	Existing + OCPS Request	FY19 Proposed Budget
Number of SROs	29 2 in high schools 1 in middle schools 0.25 in elementary	23 2 in high schools 1 in middle schools 1 in elementary	52	44
Cost for SROs (average actual)	\$4,785,000 \$165,000 per SRO	\$4,255,000 \$185,000 per SRO	\$9,040,000 29 @ \$165,000 23 @ \$185,000	\$7,560,000 29 @ \$165,000 15 @ \$185,000
OCPS Reimbursement	\$1,150,000 \$40,070 per SRO	\$922,000 \$40,070 per SRO	\$2,100,000 \$40,070 per SRO	\$1,750,000 \$40,070 per SRO
City support to OCPS	\$2,450,000	\$2,300,000	\$4,700,000	\$3,950,000
Backfill / Overtime	n/a	n/a	n/a	\$225,000



# FY 2019 Capital Improvement Program



## Capital Improvement Program by Fund

### CAPITAL PROGRAM

Fund	FY 2017/18 Adopted Budget	FY 2018/19 Working Budget
Capital Improvements Fund	\$11,155,218	\$21,807,411
Transportation Impact Fee-North Fund	1,802,000	932,000
Transportation Impact Fee-Southeast Fund	4,295,000	3,500,000
Transportation Impact Fee-Southwest Fund	3,010,000	1,600,000
Solid Waste Fund	0	1,728,155
Gas Tax Fund	9,893,000	8,808,555
Water Reclamation General Construction Fund	45,044,000	27,850,000
Water Reclamation Renewal and Replacement Fund	4,500,000	2,000,000
Water Reclamation Revenue Bonds 2013 Construction Fund	1,240,000	1,800,000
Parking System Revenue Fund	1,324,000	830,000
Real Estate Acquisition Fund	0	1,000,000
Stormwater Utility Fund	3,660,000	2,450,000
Community Redevelopment Fund	6,820,831	6,825,000
Downtown Development Board	75,000	100,000
Downtown South Neighborhood Improvement District	270,000	440,000
Dubsdread Renewal and Replacement Fund	465,794	150,000
<b>Total</b>	<b>\$93,554,843</b>	<b>\$81,821,121</b>



## Capital Improvement Program

## CAPITAL PROGRAM

Function	FY 2018/19
Community Infrastructure	\$1,440,000
Economic Development	7,925,000
General Government	2,775,000
Public Facilities	4,430,000
Public Safety	4,617,500
Recreation & Culture	5,734,911
Stormwater	2,700,000
Solid Waste	1,728,155
Transportation	19,020,555
Water Reclamation	31,450,000
<b>Total</b>	<b>\$81,821,121</b>



## Next Steps – Budget Calendar





**Tentatively Balanced Budget****FY2019 BUDGET**

<u>General Fund</u>	<u>2019 Working</u>
Revenues	\$488,144,590
Expenses	488,144,590
Total	-

<u>Other Funds</u>	<u>2019 Working</u>
Revenues	\$777,632,739
Expenses	777,632,739
Total	-

**Next Steps****FY2019 BUDGET**

<b>Date</b>	<b>Activity</b>	<b>Subject Matter</b>
July	Commissioner Briefings	Discussion of Budget Recommendations
July 9	Budget Workshop	Update of Budget Position, Ad Valorem Tax Revenues, Valuations, Department Requests
July 23	Agenda Item	Vote on Resolution to Set Tentative Millage Rate
August 7	Mayor's State of the City	Fiscal Year 2018-2019 Budget Priorities
August	Commissioner Briefings	Continued Discussion of Budget Recommendations
September 4	First Public Hearing (Tentative)	Resolutions for Fiscal Year 2017-2018 Millage Rate and Budget
September 17	Second Public Hearing	Final Resolutions for Fiscal Year Millage Rate and Budget

