



CITY OF ORLANDO

July 20, 2020

WORKSHOP MINUTES

District 1	District 2	District 3	Mayor	District 4	District 5	District 6
Jim Gray	Tony Ortiz	Robert F. Stuart	Buddy Dyer	Patty Sheehan	Regina I. Hill	Bakari F. Burns

On Monday, July 20, 2020 the Orlando City Council met in regular session by means of communications media technology pursuant to the Governor's Executive Orders. The meeting was held virtually through Zoom. Mayor Dyer welcomed those in attendance and introduced the Workshop.

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 Bakari F. Burns, District 6

Chief Assistant City Attorney Roy Payne

City Clerk Stephanie Herdocia

Deputy City Clerk Laurie Nossair

Mayor Dyer called the meeting to order at 10:00 A.M. and spoke about the last several months and how they have been unlike any other in our City's history. That today, the City undertakes another first, a virtual budget workshop. He indicated this year, as staff are finalizing their department budgets, our country faces two historic events: the Covid-19 crisis and the call to end systemic racism in our country, he stated that in some respects, these are separate issues but in other ways they're very much connected. The Mayor said both important dynamics are prioritized in our budgeting and investments over the next year and will be in the years to come. Mayor Dyer spoke about Covid-19 and how year after year, the City of Orlando has provided the best core city services of any major city in Florida while working incredibly hard to maintain that standard during this crisis. He emphasized that departments like Solid Waste and Permitting have experienced an increase in demand, while other departments like Families, Parks and Recreation had to completely reimagine how they deliver services. Mayor Dyer stated the City's goal with this budget is to continue to deliver superior service, while also organizing the budget in a way that allows the City to remain nimble and have the resources in place to respond to economic challenges that likely lay ahead because of the pandemic. Mayor Dyer said that this year's budget will allow the City to continue to deliver the services City residents depend on without the need to raise the millage rate.

Mayor Dyer then stated the next important element of the budget is how the City refocuses funding for the Police Department and how the City can expand its efforts to create racial equity. Mayor Dyer stated that we've heard time and time again that the significant investments the City has made in economic development, jobs, housing and education are more important than ever as we strive to make Orlando a more equitable city. The City's affordable housing initiative is a great example of why this work is so important. The Mayor gave as an example of how every dollar the City has invested in the Fannie Mae

properties has returned more than seven dollars in private sector investment. The City's 40-million-dollar commitment over the past five years enabled more than a quarter billion dollars in affordable housing to become reality and has given close to 1800 families a safe, affordable place to live. Mayor Dyer stated that over the last several weeks the City has spent a considerable amount of time listening to residents about what they would like to see their city government do as the City charts its path forward. Mayor Dyer said that in this budget, police funds have been allocated for the research and piloting of a co-responder model. The co-responder strategy is designed to de-escalate situations involving mental health issues. In co-response programs, a therapist, mental health counselor, social worker, or treatment professional works alongside law enforcement so that a police officer and social worker or therapist arrive together. Tools to enhance training for potential use of force incidents and enhance the review process when those incidents occur are also being invested in. In addition, the City is investing in the wellbeing of our officers by expanding mental health assistance for them.

Mayor Dyer noted the City has also secured a federal grant to add a dedicated Community Oriented Policing Team, comprised of 10 new officers who will focus on working collaboratively with residents to solve community concerns and cultivate positive relationships. With this grant, the officers will work in teams of two, with each team dedicated to a specific neighborhood, so that they can be regularly seen and interact with residents in these communities, working to earn the communities' trust, promote more community engagement and better serve and protect the residents of these neighborhoods. Mayor Dyer stated this budget renews and expands the City's efforts to create racial equity by making \$20 million dollars available in short and long-term funding for housing, also noting \$4 million in job training and economic development initiatives for minority and women owned businesses, increases in the Families, Parks and Recreation budget by 14% and expansion of the successful Parramore Kidz Zone (PKZ) to three other neighborhoods in the city. Mayor Dyer noted that the PKZ model works and that over the last decade, PKZ is credited with reducing the number of juvenile arrests by 63 percent and for 4 years in a row, 100 percent of the high-school seniors graduated, then went to college, post-secondary education or the military. Mayor Dyer stated these investments align with the City's longstanding, shared effort to create a city where everyone is equally valued, is equally protected, and has equitable access to opportunity. Mayor Dyer acknowledged that this is not a mission that's going to be accomplished in a single budget, however he said it's up to us to make sure it remains a priority, day after day, year after year, which is why this year's budget also includes the creation of new position of an Equity Official within the Executive Offices.

Mayor Dyer closed by thanking the Commissioners for all their hard work over these past few months and their passion, commitment and unique perspectives as the City works together on racial equity issues while ensuring our City can financially weather the global COVID pandemic. Mayor Dyer thanked the City employees once again for their service and sacrifice they make on behalf of the residents of the City beautiful.

Mayor Dyer then called on Chief Financial Officer Christopher McCullion to present the Budget Workshop for Fiscal Year 2020-2021. A copy of the presentation is attached as supplemental papers to these minutes.

Chief Financial Officer Christopher McCullion began by providing the presentation agenda. He stated that Michelle McCrimmon, the Deputy CFO, would present the budget process. Mr. McCullion gave a brief overview of the current impact of the Coronavirus Disease 2019 (COVID-19) on the Fiscal Year 2020 Budget. He stated that although the COVID-19 pandemic has affected the City of Orlando's finances, the City's strong financial management budgeting practices have helped the City of Orlando withstand the impact from the COVID-19 pandemic by maintaining a healthy reserve across all the City's funds. This includes the General Fund expenditures which had reserves at the end of the last

fiscal year of about 26 percent of the budget. Property taxes and the Orlando Utility Commission (OUC) contribution account for over 60 percent of the General Fund budget. He also stated that the City of Orlando received most of the property taxes for the current year, all of which were not impacted by the COVID-19 pandemic. In addition, the City of Orlando continues to receive a negotiated fixed payment amount from OUC which is annually reinvested into the community through OUC contributions through the General Fund.

Mr. McCullion pointed out that the COVID-19 pandemic affected the City of Orlando in March of 2020, but that revenue was ahead of budget, which allowed the City of Orlando to absorb some of the revenue declines that the City began to see in April and May of 2020. Through a combination of conservative budgeting practices, strong reserves, largely stable revenue streams and good financial management from the City of Orlando's staff, expenditures are slightly under budget and on track. He also stated that although hiring has slowed down for the City of Orlando, there is no hiring freeze in place, mid-year furloughs have been avoided, and the City continues to employ temporary and seasonal employees who have been reassigned to helping with COVID-19 related activities, such as assisting in testing sites, food distribution, etc. The preliminary projection is to end the year near break-even or with a small surplus which could be used in one-time capital projects. The expenditures of the City of Orlando related to COVID-19 is \$1.1 million in goods and services such as personal protective equipment, cleaning, disinfecting services for City facilities, information technology costs towards remote work, and financing for homelessness and food pantry programs. Payroll and other related costs include \$1.7 million in public safety employees out on quarantine, sick leave, overtime, and mobile tests sites. He also stated that the City of Orlando has a \$1.7 million commitment which includes \$1 million contribution to the Heart of Florida United way Project Care fund which is for utility assistance to Orlando Utilities Commission (OUC) customers. Also noting a \$1.5 million contribution from OUC totaling a little over \$2 million to assist OUC customers affected by the COVID-19 pandemic. Residents can get assistance online at ouc.com/assistance or by phone at 2-1-1 to inquire about Heart of Florida United Way Project Care.

Mr. McCullion stated that the City of Orlando has some outstanding purchase orders for additional personal protective equipment for first responders. The City has committed around \$95 thousand to assist the Salvation Army with an isolation shelter for homeless citizens, and \$65 thousand remaining committed for an additional isolation shelter. In terms of reimbursement, the City of Orlando received some grants which will be used to cover the City of Orlando's expenses related to the COVID-19 pandemic. The City also intends to seek reimbursement from the Orange County Cares Act funding which received \$243 million in Cares Act funding from the federal government to provide support to individuals, households, small businesses, social service agencies. Orange County has also made available \$24 million to cities in Orange County and Orange County constitutional officers to apply for reimbursement of COVID-19 related expenses. The City must seek reimbursement by October 30 and the County's Cares Act funding must be spent by December 30. The federal government of the United States Congress appropriated \$3 trillion in FEMA public assistance funding for COVID-19 pandemic related expenditures and the City will apply for FEMA reimbursement for up to 75 percent of eligible costs. The City of Orlando also received the CARES Act HUD grant funding for \$2,660,850 that will assist the Housing Department to prevent, prepare for and respond to COVID-19 as well as a supplemental Emergency Solutions Grant program for \$1,846,707 that will prevent, prepare for and respond to COVID-19. He also stated that more support from the CARES Act funding could be obtained in the future to assist the City during the COVID-19 pandemic.

Mr. McCullion concluded by highlighting points of the presentation for Fiscal Year 2021 which includes the major source of revenues for the City such as Property Taxes, Orlando Utility Commission (OUC) Payment, Sales Tax Revenues, State Revenue Sharing, Communication Services Taxes, and Local Business Taxes. He went over how COVID-19 has affected the current and projected year's budget. Mr. McCullion described the impact of COVID-19 on the City's Enterprise Fund Revenues noting that revenues are slightly trending down in the Water Reclamation Fund and there were no significant impact on the Streets and Stormwater fund as the fees are included on property tax bills. He noted that the parking fees are down due to reduced downtown activities although healthy reserves have helped Parking weather the impacts. The Venues Fund have been significantly reduced since the end of March although the beginning of the year was strong so that will help absorb some of the reductions of revenue. The Venues Fund is anticipated to have a loss at the end of the fiscal year. Orange County's Tourist Development Tax (TDT) revenues have declined significantly since March 2020, however even with the expected drops, he anticipates the City will be able to make their debt payments for the next 12 months. Mr. McCullion went over the City's Reserves as a percentage of the budget over the past 16 years and showed that the City has been at or above the reserve target between 25 percent which has helped the City be in a good position to weather the impacts of the COVID-19 pandemic. The City continues to have strong bond and credit ratings from the three major credit rating agencies. Mr. McCullion concluded his presentation by showing some of the budget amendments the City has made such as reallocating \$2.6 million to fund collectively bargained pay raises, adding 4 positions, awarding \$2.3 million in grant awards across 20 different grants and adjustments for several Capital Improvement projects. Mr. McCullion turned the presentation over to Deputy CFO Michelle McCrimmon to go over the Fiscal Year 2021 budget.

Ms. McCrimmon began her presentation by highlighting information on the City of Orlando's budget which consists of a twelve-month cycle fiscal year that runs from October 1 to September 30. The General Fund is the primary operating fund of the City of Orlando which pays for basic City services, programs, and daily operations. Separate funds are available for stand-alone enterprises or enterprises funds such as, Water Reclamation, Parking, Facilities and Solid Waste, where the expenses are paid by the rate payers. The City of Orlando also has other funds such as Special Revenue Funds which can only be used for specific functions, but those funds have limited uses. For example, the Housing Grant Funds can only be used for housing but cannot be used to fund firefighters or other City operations. The City of Orlando does not co-mingle these funds with the General Funds.

Ms. McCrimmon brought out that today's Workshop will highlight the proposed Fiscal Year 2021 budget. Once the budget is approved the budget book will be available online and contains a lot of helpful information about City operations. The City of Orlando's budget cycle begins in February of 2021. The City of Orlando's department staff prepare revenue estimates, capital, and expenditure requests. The City of Orlando Budget Office analyzes and evaluates the finalized details and the City budget team recommends suggested changes and moves to the final adoption process. The City of Orlando operates critical day-to-day facilities for visitors and citizens, such as safety, sidewalks, permits, parks, recreation, garbage pickup, clean lakes, maintenance of local streets, and wastewater. There are other critical services that are funded by federal and state dollars which are administered by local entities such as Orange County Public Schools, Orange County Department of Health, LYNX, and many others. The City of Orlando has set priorities for these critical services which are outside of the City's core functions. The City of Orlando is dedicated and has always provided resources through the years to contribute to programs within the core areas. This workshop is going to focus mainly on

the General Funds and how funds for these programs are distributed and used in several other funds such as special grant funds.

Ms. McCrimmon provided information on the Fiscal Year 2020 City's contribution to education, transportation, housing, social services and sustainability programs. Education program contributions are over \$11 million through programs within the City of Orlando's Families, Parks and Recreation Department. Transportation program contributions near \$11 million which includes support to LYNX and LYMMO in the amount of \$6.5 million. Housing contributions total nearly \$11 million, including funding for affordable housing projects, rental assistance, and rehabilitation programs that came from federal and state funding. In addition, contributions from social services total over \$10 million, the most significant being almost \$4 million in contributions to community service organizations that concentrate on supporting victims of domestic violence, homeless, and senior citizens. The City of Orlando has funded approximately \$2 million to support minority-owned companies and job training. Contributions to sustainability initiatives include community gardens, urban farms that increase the supply of fresh fruit and vegetables in the neighborhoods.

Ms. McCrimmon transitioned to the Fiscal Year 2021 All Funds budget, stating that it is a working draft currently totaling over \$1.4 billion, however the given estimates will revise over the coming weeks as new information is received due to the COVID-19 pandemic. The largest source of revenue is the City's charges for services which include Enterprise Funds, Water Reclamation, Solid Waste, and Stormwater. The Public Works Department has the highest spending amount due to the capital budget in this percentage, but the capital projects will be reallocated. The General Fund is around 40 percent of the City's budget and total revenues within the General Fund. The proposed budget increased by \$16.6 million at 3.2 percent in comparison to last year's proposal of \$28 million increase in the General Fund. She also spoke about property tax revenues over the last 20 years, noting Fiscal Year 2015 where the City of Orlando had a 1 mill increase and how no adjustments are being made to the current millage rate.

Ms. McCrimmon explained that the General Fund's largest single source of revenue, Property Taxes, is determined by the home's taxable value as calculated by the Orange County Property Appraiser. The millage rate for the City is determined by the City Council. The millage limit is \$1 on a taxable value of \$1,000. The current millage rate for the City is \$6.65 per \$1,000 of taxable value. The City's portion of the property tax bill is about one third of someone's total bill; the remainder is Orange County Public Schools at about 40 percent, Orange County 20 percent and the remaining 10 percent is the Orange County Public Library and the St. Johns River Water Management District. The City of Orlando's assessed value increased around 10 percent from last year and increased the City's property tax revenue. Approximately 40 percent was due to new construction. Two-thirds of the City's parcels are capped values due to the Save Our Homes Exemption which reduces the increase in the taxed value to about 2.3 percent in 2020. While homeowners and businesses benefit from these exemptions, the direct impact of these caps and exemptions affects local government funding and revenues by about \$51 million for Fiscal Year 2021. The City's charges for services is approximately 10.3 percent of the total City's General Fund revenues. The Intergovernmental & Sales and Use Tax which includes the total dividend payment from Orlando Utilities Commission (OUC) will be reduced by \$4.4 million, split by franchise fees, and dividend payments reducing the amount by nearly \$3 million. In total, between the Intergovernmental and Sales and Use Tax revenues there is a decrease of about \$8.4 million.

Ms. McCrimmon pointed out that high-level and significant impacts on General Fund spending are wage increases and that three-quarters of the City's employees are in bargaining units so there are

contractual obligations for wage increases per those bargaining agreements. There are also non-bargaining employees so the total makes up about 90 percent of our workers whom the City is contractually obligated for by these agreements. Also built into the wage increases is the minimum wage increase established last year to increase the minimum wage of the City to \$15 an hour in a three-year extension. Currently, this is the second year where a portion of this raise includes increasing the minimum wage to \$14 an hour. In a breakout of the General Fund expenditures it shows that 65 percent of expenditures is salaries, wages, and benefits. The City of Orlando closely manages benefit cost when adding new positions; since most are recurring costs. Most of these percentages are comparable to the prior year. Expenses included are pension costs, health care, post-retirement, health care workers compensation, and payroll tax. The other operating expenses are tax increment payments that go to the Community Redevelopment Agency (CRA) as well debt incentive services and contingencies. Both are equivalent combinations of the largest portion of our healthcare benefit expenses, which is around \$40 million of the General Fund budget. She also stated that largest portion of the City's benefit costs is health care, about a \$30 million cost to the City's Benefit Fund. For Fiscal Year 2021 there is a minor health care rate increase that only impacts about 10 percent of City employees with a very minimal impact on the General Fund.

Ms. McCrimmon highlighted on the increases for all expenditures by departments, non-departmental transfers for capital and operating support, tax increment payments, and debt service. The General Fund focus for Economic Development includes employees for the Fiscal Year 2021, and pay increases. Noting, this year will be the first year of the tax rebate for KPMG's new training site in Lake Nona. The General Fund budget for the Executive Offices of the Mayor, includes Community Affairs, Communications, Neighborhood Relations, City Clerk's Office, City Commissioners, City Administrative Officer Office, Minority/Women Businesses Enterprises, Human Resources, Office of Sustainability and City Attorney's Office. She noted significant budget items include a \$250,000 contingency for community nonprofit partners support. Due to the impacts of the COVID-19 pandemic impacting partners in the community, the City of Orlando added an additional contingency support in anticipation for times of needs. In addition, \$475,000 was granted for new positions within Executive Offices for a Sustainability Project Manager, Spanish Translator, Public Records Specialist, Labor Relations Specialist, and an Equity Official. The General Fund budget for Families, Parks and Recreations includes the Children's Affairs, Director's Office, and Parks and Recreations. The percentage in the total General Fund increased from 7.2 percent to 8 percent. This also includes the grant funds and after-school All-Stars funds. The City of Orlando has \$2.1 million dollars for the expansion of Parramore Kidz Zone (PKZ), \$896,000 for personnel and operating for the opening of Lake Lorna Doone Park, \$500,000 for recreation field maintenance contract, over \$261,000 for personnel and operating costs of the new Rosemont Neighborhood Center Gym, \$250,000 for personnel and operating for the opening of the Grand Avenue Neighborhood Center and an additional \$100,000 for athletics and recreation supplies for a net change in the budget of just over \$5 million.

Ms. McCrimmon brought out that the Fire Department has a percentage consistent for both the General Fund but slightly lower for All Funds. The most significant change in the Fire Department is \$200,000 for diversity funding. The City of Orlando has \$300,000 for five new Civilian Paramedics and \$150,000 for two new Communications Supervisor civilian positions. In addition, the Fire Department had a \$2.4 million increase in pension costs. She spoke about the Housing and Community Development's budget as a percentage of the General Fund total and that it is fairly stable and consistent. The General Fund piece is just for administrative costs. Most of the staff and programs for Housing are budgeted in separate grant funds. The Fiscal Year 2021 budget only includes budget for confirmed programs. The

CARES Act funding, which totals around \$4.5 million, is not included in Fiscal Year 2021 budget but would increase the All Funds budget by almost 50 percent once adopted. The All Funds budget does not include over \$200,000 in State Housing funds.

Ms. McCrimmon noted Business and Financial Services (BFS) budget remained stable. The budget as a percentage of the total was consistent with the General Fund but slightly lower for all the funds. Annual maintenance of a new CAD system for computer aided design totals to \$350,000 that is for public safety. BFS had some lower vacancy savings that will increase the budget. They also had two Payroll Clerks, one from Orlando Police Department (OPD), and another from Orlando Fire Department (OFD) moved to centralize the payroll functions along with a Pension Specialist funded from the General Fund budget. Adding that there was also an increase in the Facilities budget.

Additional details were provided on the Orlando Police Department budget. The Orlando Police Department (OPD) salaries and benefits are about 87 percent for the Police Department and that's compared to the General Fund overall at 65 percent. Also stating that the Orlando Fire Department is comparable and close to 90 percent. For public safety the biggest cost is people. The next biggest cost for OPD is fleet which is costing \$10.5 million each year with \$5 million in replacement costs. This is including a \$2.6 million cost in fuel and \$2 million in repairs. The next largest costs are the contractual expenses which are for maintaining the radio systems with a cost of about \$1.4 million, vehicle leasing is about \$1.3 million, and \$600,000 in janitorial services. Orlando Police Department staffing includes the Administrative Services Bureau, Investigative Services Bureau, Patrol Services Bureau, Special Services, and an array of new positions added within the Orlando Police Department. The Orlando Police Department budget remains steady as a percentage of the General Fund budget, but slightly lower for the All Funds Budget. The difference between the General Fund budget and the All Funds Budget is airport officers which is primarily funded by the Greater Orlando Aviation Authority (GOAA). Ms. McCrimmon stated that there is an increase of \$1.5 million in police pension costs similar to increases to Fire Department pension costs and \$100,000 support to the school crossing guard fund.

Ms. McCrimmon stated that Public Works from a General Fund perspective remain fairly stable and the budget for the General Funds and All Funds are fairly consistent. Most of the Public Works operations are accounted for in funds outside of the General Fund so this just includes the Director's Office and Engineering and Streets Division within Public Works. Transportation was fairly stable from a General Fund perspective and their budget as a percentage of total was consistent for both the General Fund and with the All Funds budget with no significant changes.

Ms. McCrimmon spoke about non-departmental which includes tax increment payments to the Community Redevelopment Agency (CRA), debt service, contingency and transfers to other funds. Those decreased as a percentage of General Fund and increased as a part of All Funds because of the capital projects that are in non-departmental that will shift as they become reallocated to the different departments. There was an increase in tax increment payments of \$1.9 million and decrease in property taxes for the General Fund. Ms. McCrimmon spoke on increasing the City's contingency. Within the Executive Offices there is \$250,000 for potential payment for nonprofit organizations. A contingency of \$1.75 million is set in place to provide a safety net if the revenues that come through are significantly different than forecasted. In addition, \$750,000 has been set aside for the Mental Health Co-Responders, \$350,000 for the Intercultural Competence Assessment evaluations, and \$175,000 allocated for police officer mental health services. There was also a reduction in the City's transfer to the Capital Improvement Fund by close to \$5 million.

Ms. McCrimmon stated that there are no Venues employees in the General Fund. The non-department transfers include transfers for Venues related operations of close to \$5 million which includes Leu Gardens and Mennello Museum.

Ms. McCrimmon spoke about the total proposed staffing for Citywide Staffing at the amount of 3,651 employees. Ms. McCrimmon compared the current year's 12.54 employees per 1,000 residents versus 2010's 13.35 employees per 1,000 residents.

Ms. McCrimmon highlighted the funds other than the General Fund noting the reduction to the Capital Improvement Fund as the primary funder of this is the General Fund by \$5 million. She stated that even with the reduced amount, they are still maintaining funding efforts. This also includes \$1 million towards affordable housing, \$2.7 million in improvements and maintenance in Families Parks and Recreations, and \$2 million in Capital Improvements Fund. Solid Waste waived fee increases this year and have been reviewing services to keep up with the demand in service. The cuts did not allow funding for the State Housing Initiatives Partner Program Fund. There was no proposed rate increase for Water Reclamation Revenue Funds. She also highlighted the \$80 million proposed project for Water Reclamation Capital Funds. The Water Reclamation Capital Funds may have debt insurance that will be spoken about next year. There has also been a 5 percent rate increase excluding multifamily houses. The average increase estimated is just over \$2 monthly.

Ms. McCrimmon touched on most of the programs from the Capital Improvement by Fund. She spoke about the next steps and about the tentatively balanced budget of \$1.4 billion. She stated that there would be a vote later today on the resolution to set the tentative millage rates. She also added that Commissioners would have their Budget in Brief which would also be available to the public in the same week. She stated that Commissioners would have their notebooks distributed as well. Ms. McCrimmon concluded by announcing that briefings to the Commissioners are scheduled in August and Council will meet in September for First and Second Public Hearings as well as adoption on budget.

At 11:02 A.M., the workshop was opened for questions and comments from the Commissioners. Discussion ensued. At 12:01 P.M., the workshop was concluded.



Mayor Buddy Dyer



City Clerk Stephanie Herdocia

BUDGET WORKSHOP

FISCAL YEAR 2021 – July 20, 2020

Agenda

- Impact of Coronavirus Disease 2019 (COVID-19) on FY2020 Budget
- FY2020 Current Fiscal Year Update
- Budget Basics, Cycle, and Process
- What are Typical Services Funded by the City of Orlando?
- Who Funds the Other Critical Services?
- FY2021 All Funds Budgets
- FY2021 General Fund Budget
- FY2021 General Fund Department Details
- FY2021 Other Funds Budgets
- FY2021 Capital Improvements Program
- Next Steps and Budget Calendar

Impact of Coronavirus Disease 2019 (COVID-19) on FY2020 Budget

Impact of COVID-19 on FY2020 Budget

- The Budget office continues to evaluate the impact of COVID-19 on FY2020 and the following estimates are subject to change during the rest of the fiscal year.
- The City's conservative budgeting practices for both revenues and expenses has helped the City weather impacts from COVID-19.
- The City started the fiscal year with a healthy reserve at over 26% of the General fund expenditures.
- Property taxes and the OUC contribution make up 61% of the total General Fund revenue and those were not impacted in FY2020 by COVID-19.

Impact of COVID-19 on FY2020 Budget

- Current revenues through March 2020 were trending up which allowed the City to absorb much of the declines that began starting April 2020.
- Current expenses through June 2020 were trending at around 73%, even with additional COVID-19 related expenses.
- There were no furloughs and many seasonal employees were redeployed to COVID-19 related activities (e.g. testing sites, food distribution, etc.)
- No hiring freezes but hiring slowed down naturally after March 2020.
- Preliminary projection is to end the year near break-even or with a small surplus.

FY2020 Budget COVID-19 Related Expenditures to date

Incurred Goods and Services - \$1.1M

- Personal Protective Equipment (facemasks, gloves, shields, etc.), thermometers, hand sanitizer and safety measures.
- Additional cleaning, disinfection, and sanitation of City facilities.
- IT costs, translation services, signage for testing sites, decontamination systems for public safety vehicles.
- Homeless – Service and Love Together (SALT) Outreach, Homeless Isolation services
- Funding for food pantries for 4 City nonprofit organizations through the Second Harvest Food Bank.

FY2020 Budget COVID-19 Related Expenditures to date

Payroll Costs - \$1.7M

- Includes employee time tagged as COVID-19 related, including public safety employees out on quarantine. All time is being reviewed.
- Time incurred for the following are best candidates for reimbursement:
 - Employer paid sick leave under the Families First Coronavirus Response Act.
 - Overtime incurred.
 - Mobile test sites
 - Backfill time when employees are out on quarantine

FY2020 Budget COVID-19 Related Expenditures to date

Commitments - \$1.7M

- \$1M commitment to OUC to contribute to Project CARE for utility assistance program (ouc.com/assistance, or call 2-1-1).
- \$500K outstanding purchase orders for facemasks, medical supplies, cleaning
- \$95K contractual payment to Salvation Army for shelter
- \$65K Remaining contractual obligation for isolation services for homeless

FY2020 Budget COVID-19 Potential Reimbursements

- **\$539,588** - FY2020 Coronavirus Grant Award (approved at June 1, 2020 City Council meeting).
- **\$103,236** - CARES Act Provider Relief Fund Grant (approved at May 11, 2020 City Council meeting).
- **\$100,000** - FY 20 Assistance to Firefighters Grant Covid-19 (applied)
- **TBD** - CARES Act funding from Orange County. Up to \$24.3M available to constitutional officers and municipalities within Orange County to address impact of COVID-19.
- **TBD** - FEMA up to 75% of eligible costs

FY2020 Budget COVID-19 Potential Funding

- **\$2,660,850** – CARES Act HUD Grant (Items related to this were approved at June 1, 2020 City Council meeting). This is for supplemental Community Development Block Grant (\$1,361,974), Emergency Solutions Grants (\$670,317), and Housing Opportunities for Persons With AIDS (\$628,559) to prevent, prepare for, and respond to COVID-19.
- **\$1,846,707** - CARES Act HUD Grant for supplemental Emergency Solutions Grant program to prevent, prepare for, and respond to COVID-19.
- Housing is currently waiting on guidance from HUD delineating federal requirements surrounding the proper expenditure of these funds.
- Additional CARES Act funding may be received this Fall but the amounts are not yet identified.

Impact of COVID-19 on FY2020 General Fund Revenues

Source of Revenue		FY20 Adopted Budget	Estimated FY20 Revenues	Estimated FY21 Revenues
Property Taxes		\$217,106,679	\$217,106,679	\$238,753,929
OUC Payment	Dividend	\$64,975,000	\$64,975,000	\$62,000,000
	Franchise Fees	\$30,525,000	\$30,525,000	\$29,100,000
	<i>Total</i>	<i>\$95,500,000</i>	<i>\$95,500,000</i>	<i>\$91,100,000</i>
Sales Tax		\$46,450,000	\$41,500,000	\$42,500,000
State Revenue Sharing		\$14,300,000	\$12,150,000	\$13,100,000
Communication Services Tax		\$14,500,000	\$14,000,000	\$13,900,000
Local Business Taxes		\$9,420,000	\$9,850,000	\$8,930,000

Impact of COVID-19 on FY2020 Enterprise Fund Revenues

- **Water Reclamation** – Revenues are slightly trending down and we will continue to monitor due to the expected lower activity in the summer season than in previous years from large commercial customers.
- **Streets and Stormwater** – No significant impact as fees are included on property tax bills.
- **Parking** – Parking fees are down from reduced downtown activities. We will continue to monitor due to continued low number of summer events. We expect the fund to break even.
- **Venues** – Venues revenues have significantly reduced since the end of March 2020. Venues revenues in the beginning of the year were strong and that has helped absorb some of these reductions in revenue as well as closely monitoring expenses. This fund will have a loss for the year.
- **Tourist Development Tax (TDT) Revenues** – TDT revenues have significantly declined since March 2020. Even with expected further drops in collections, we expect to be able to make our November 1st debt payments without using reserve funds.

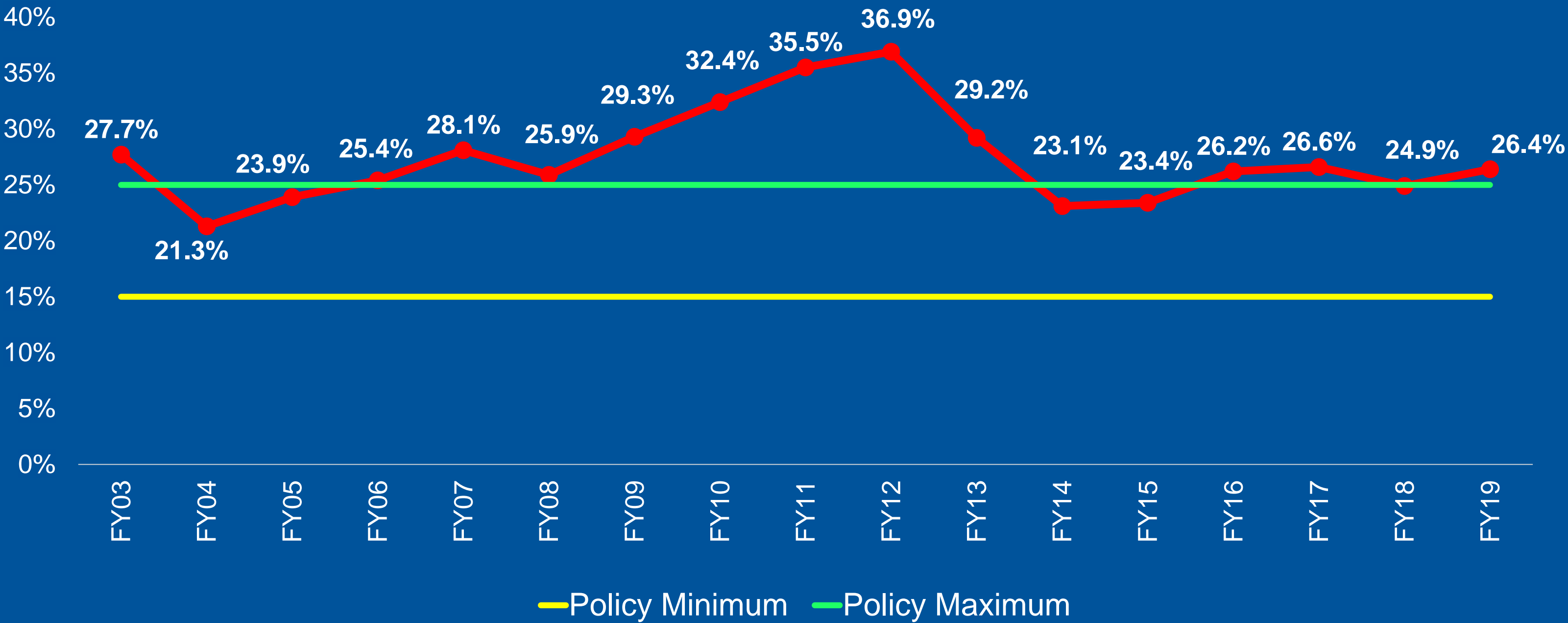
FY2020 Current Fiscal Year Update

Current Fiscal Year Budget Overview

General Fund	FY2020 Adopted Budget
Revenues	\$ 517,211,834
Expenses	517,211,834
Total	\$ -
Other Funds	FY2020 Adopted Budget
Revenues	\$ 845,504,089
Expenses	845,504,089
Total	\$ -
All Funds	FY2020 Adopted Budget
Revenues	\$ 1,362,715,923
Expenses	1,362,715,923
Total	\$ -

General Purpose City Reserves 2019

Year-End Reserves as a Percentage of Budget



Bond Ratings as of September 30, 2019

Type	Moody's	S&P	Fitch
General Obligation (implied)	Aa1	AA+	AAA
Covenant to Budget & Appropriate	Aa2	AA+	AA+
Water Reclamation	Aa1	AAA	AAA
Downtown CRA	A2	A	A+
Conroy Road CRA	NR	NR	A+
Republic Drive CRA	NR	NR	A
Sales Tax Payments Revenue	Aa2	NR	AA+
6th Cent TDT Series A	NR	A	BBB
6th Cent TDT Series B	NR	NR	NR
6th Cent TDT Series C	NR	BB+	NR

Bond Rating Agency Comments

"The city's financial resilience remains high notwithstanding the current period of pressure on its economy and revenues given its significant reserves and budgetary tools."

FITCH RATING: AAA

FitchRatings

"Orlando's credit position is very good, and its Aa1 rating exceeds the median rating of Aa3 for cities nationwide. Key credit factors include a strong financial position, an extensive tax base with a moderate wealth and income profile, and mid-ranged debt and pension burdens."

MOODY'S RATING: Aa1



"The stable outlook reflects Standard & Poor's view of the city's very strong budgetary flexibility due, in part, to management's strong policies and practices"

S&P RATING: AA+
UPGRADED FROM AA IN FY2015

**STANDARD
& POOR'S**

FY2020 Budget Review Committee Adjustments

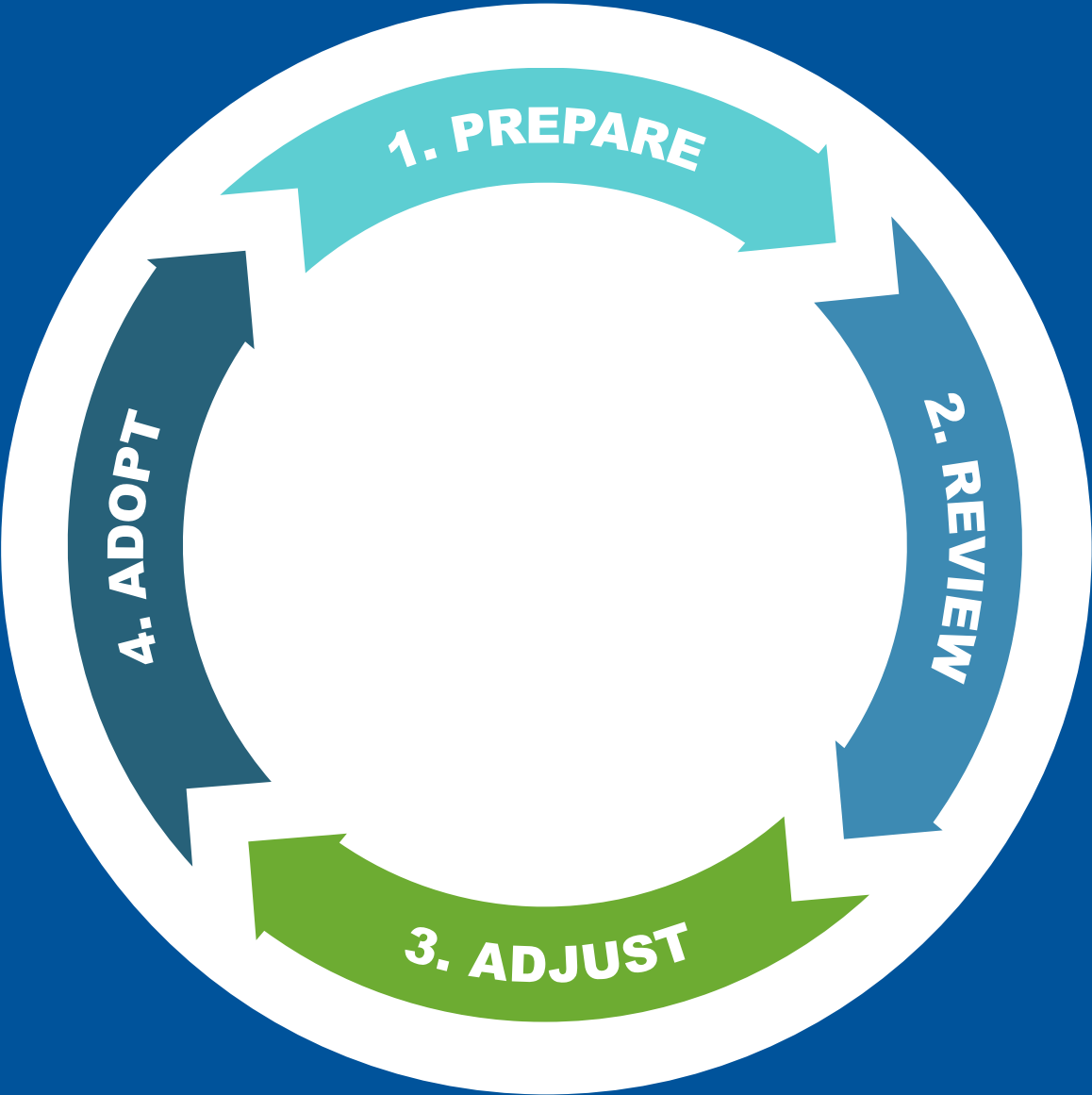
- Few General Fund actions
 - Added \$2.6M to fund pay raises effective Oct 1, 2019
 - Add 4 positions
- Grants awarded
 - \$2.3M in grant awards across 20 different grants
- Capital projects
 - Several Water Reclamation reallocations
 - Two Water Reclamation State Revolving Fund Loans
 - Creative Village Land Sales & Plaza Live Theatre Purchase
 - JPAs with Orange County and OUC

Budget Basics, Cycle, and Process

Budget Basics

- A fiscal year is a twelve-month period used for budgeting, forecasting, and reporting. The City's fiscal year is October 1 – September 30.
- The General Fund is the primary operating fund to pay for basic City services, programs, and the daily operations of the City.
- There are separate funds for standalone businesses (or enterprises) like water reclamation, parking, venues, solid waste where rate payers pay the expenses.
- There are separate funds for other specific functions where those funds have very limited uses. Example: Housing Grant Funds can only be used for housing and can't be used to fund firefighters or other City operations.

Budget Cycle



Budget Process

1. PREPARE

February – Department revenue estimates due
March – Capital requests due
April – Department expenditure requests due

2. REVIEW

May – Budget Office review and discussions

3. ADJUST

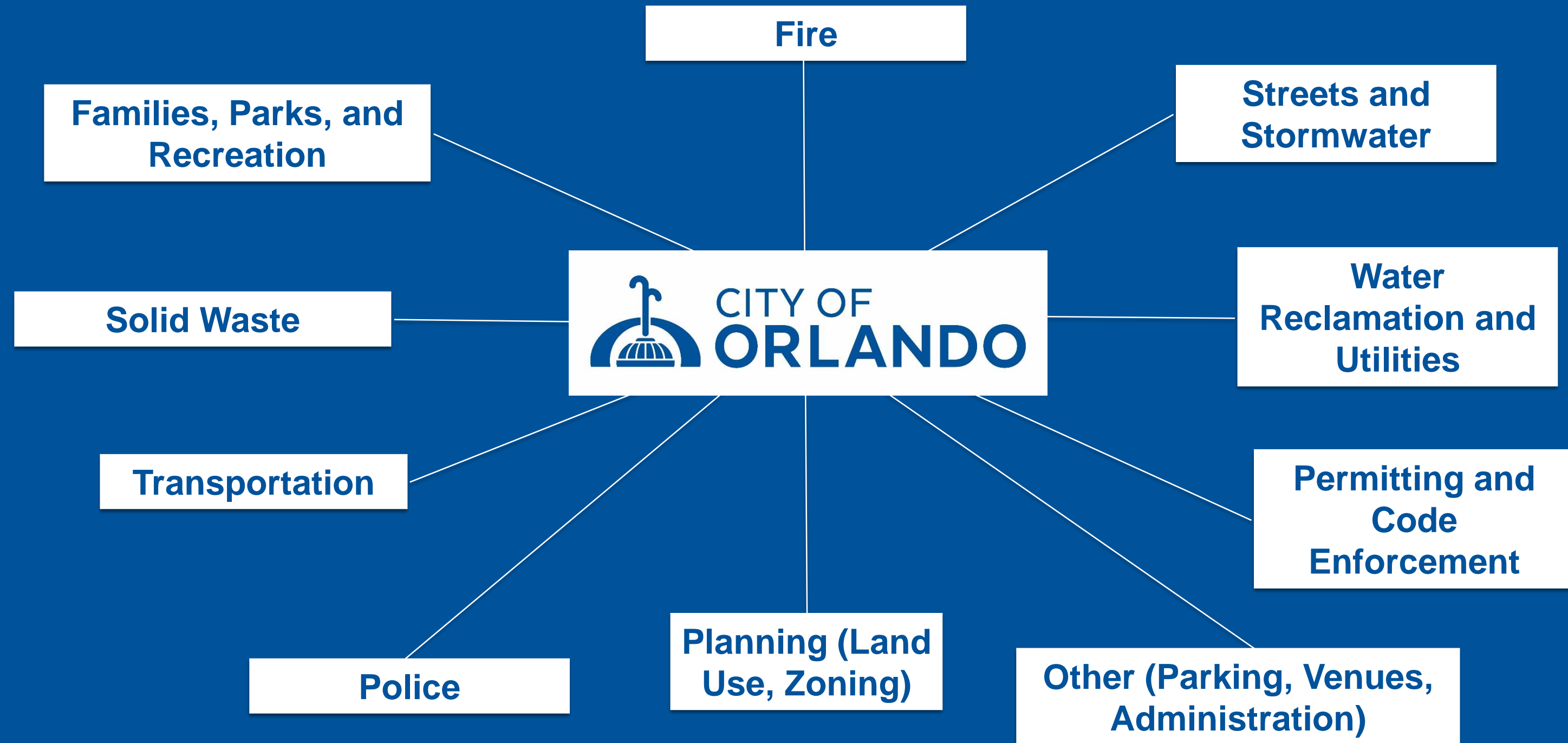
June – Budget Office recommendations
July – Budget Workshop
September 8 and 21 – Public Budget Hearings

4. ADOPT

September 21 – Budget Adoption

What are Typical Services Funded by the City of Orlando?

Core Functions Provided by the City of Orlando



Who Funds the Other Critical Services?

Critical Services Provided or Funded by Other Governments

Program	Federal	State	Other Local Government Budgets
Education	X	X	X (Orange County Public Schools)
Transportation	X	X	X (Orange County, LYNX, GOAA)
Health & Welfare (Human Services)	X	X	X (Orange County Dept. of Health, Animal Services, Head Start, Medical Clinic, Medical Examiner)
Corrections	X	X	X (Orange County Corrections)
Housing	X	X	X (Orange County, Orlando Housing Authority)
Electric and Water Services			X (OUC and Orange County Utilities)
Courts	X	X	X (Orange County Clerk of Courts)
Property Appraiser			X (Orange County Property Appraiser)
Elections			X (Orange County Supervisor of Elections)

FY2020 City Contributions

Program	City of Orlando Contributions (FY19 Year End Allocations & FY20 Budget)	Funds Sources
Education \$11,250,000	Parramore Kidz Zone	General Fund, ASAS Fund
	After School All Stars	General Fund, ASAS Fund
	21st Century Community Learning Centers (Community learning centers that provide academic enrichment for students in high-poverty and low-performing schools) (Federal grant funding)	General Fund, Grant Fund
	OPASS/AmeriCorps (Program to increase academic achievement for middle and high school students in low-income areas) (Federal grant funding)	General Fund, Grant Fund
	Meals provided to children in after school programs (Federal grant funding)	Grant Fund
	School Resource Officers (requested by OCPS for them to fulfill state mandate for law enforcement at OCPS public schools)	General Fund
Transportation \$11,000,000	Financial support to LYNX and funding for LYMMO operations in downtown Orlando	Gas Tax, CIP Fund, General Fund, CRA, Parking
	Expanding of transportation networks	Grant Fund
	Financial support for SunRail Stations and transition support.	General Fund, CIP Fund
Housing \$10,700,000	Provide rental assistance, rehabilitation, and other critical housing services (Federal and State grant funding).	SHIP grants, HUD grants, General Fund
	Provided financial support to affordable housing projects.	CIP Fund

FY2020 City Contributions

Program	City of Orlando Contributions (FY19 Year End Allocations & FY20 Budget)	Funds Sources
Social Services \$10,200,000	Mayor's Initiative on Homelessness	General Fund
	Human Relations Office enforcing non-discrimination in employment, housing and accommodations	General Fund
	Support for community service organizations	General Fund
	Census outreach	Designated Revenue Fund
	Donations from federal and local seizure funds	Contraband Forfeiture Trust Fund, DOJ Federal Equitable Sharing Agreement Fund
	Support for Minority-owned Businesses & Job Training	General Fund, CRA Fund
	Orlando United Assistance Center	CIP Fund
Sustainability \$3,800,000	Farmer's Market	DDB Fund
	Community gardens and urban farms	Grant Fund
	Office of Sustainability	General Fund, Solid Waste fund
	Renewable energy investments	CIP Fund, Bond Funds

FY2021 All Funds Budgets

FY2021 All Funds Budget

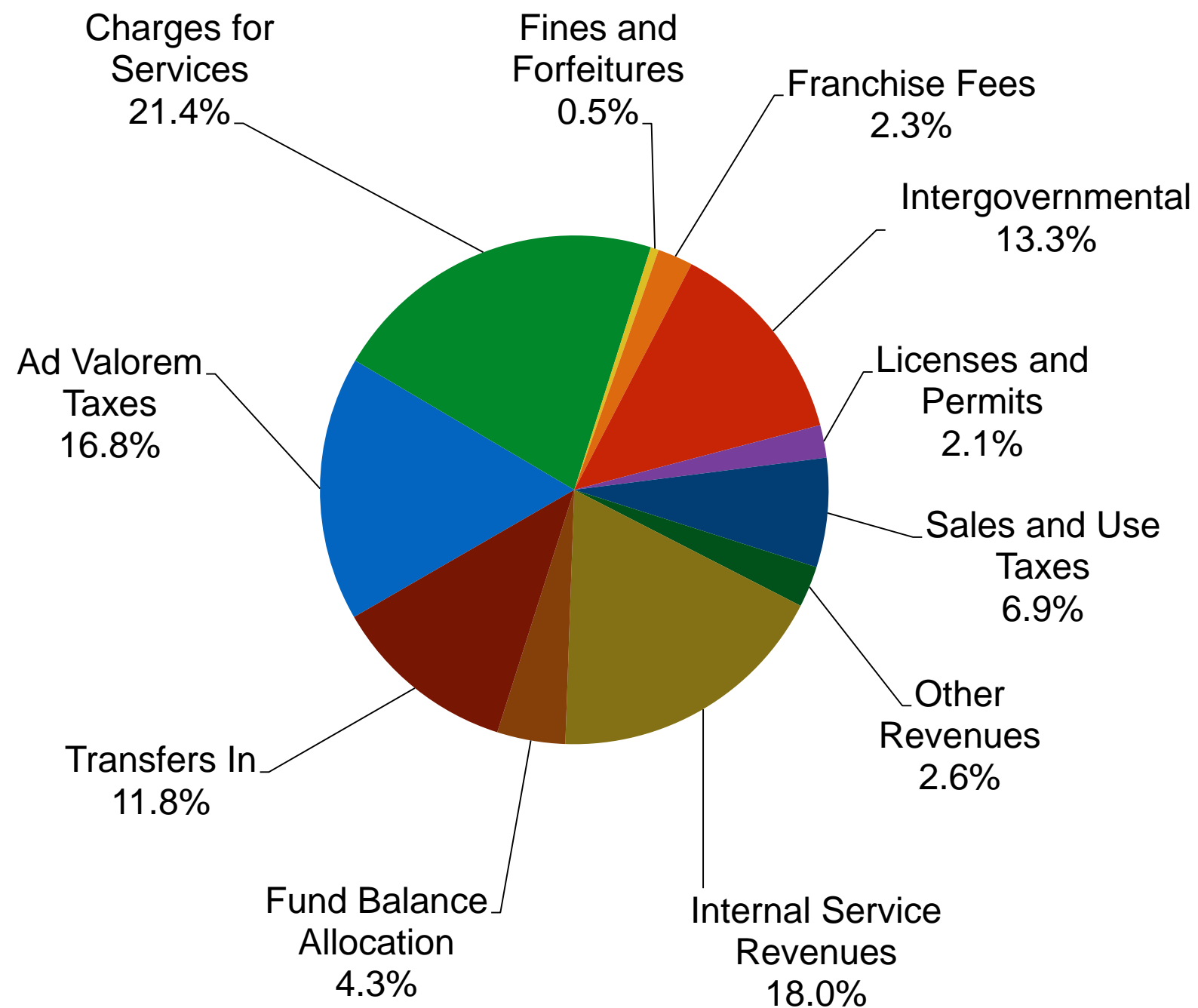
The numbers in this presentation represent a working draft for FY2021. The Office of Management and Budget will revise these numbers over the coming weeks as new information is received.

This may include:

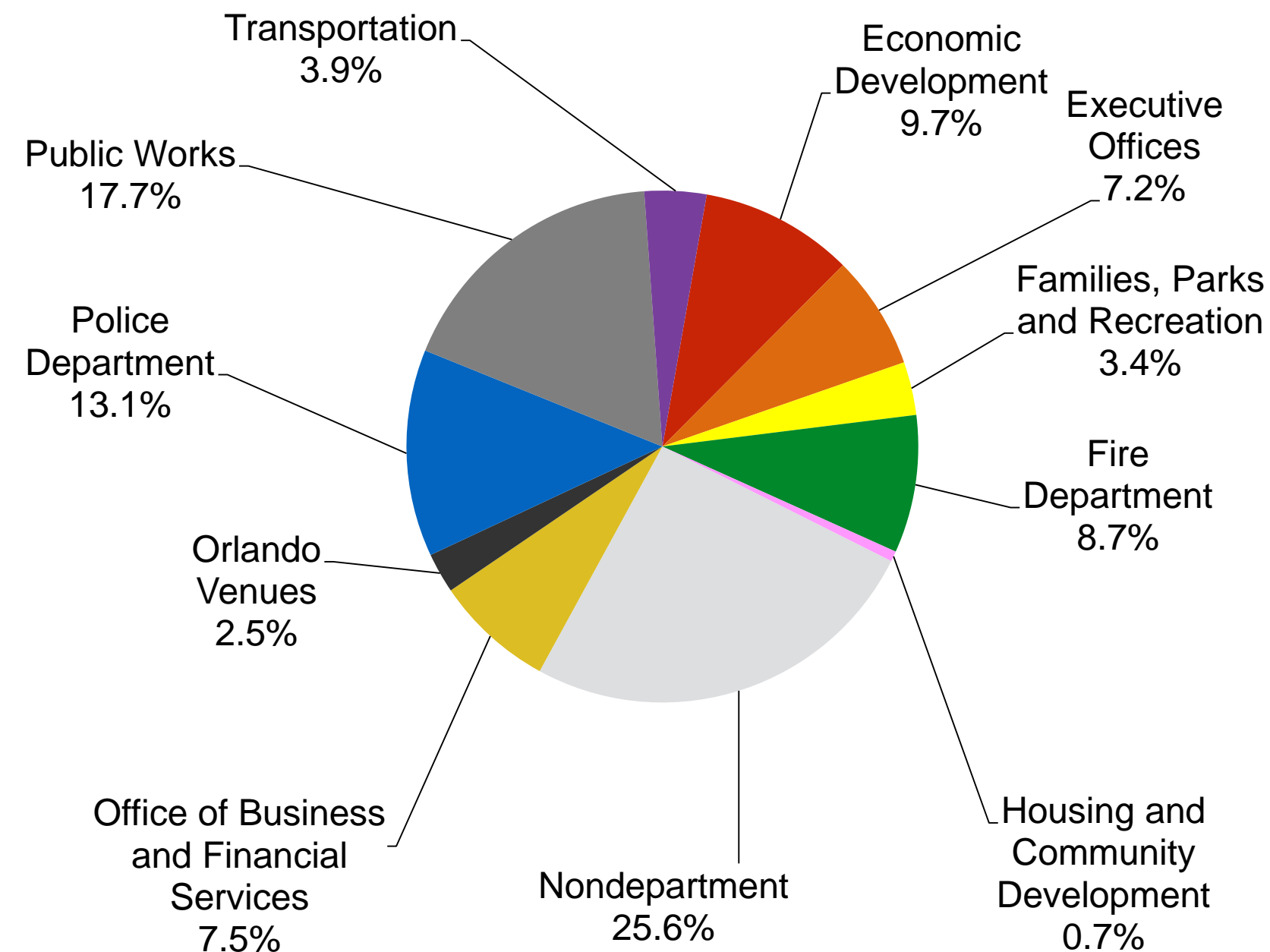
- State Revenue Estimates
- Additional Programming and Staffing Changes
- Collective Bargaining
- Benefit Costs
- Rate Proposals
- Unforeseen Events

FY2021 All Funds Budget - \$1,447,746,393

Revenues by Source



Expenses by Department



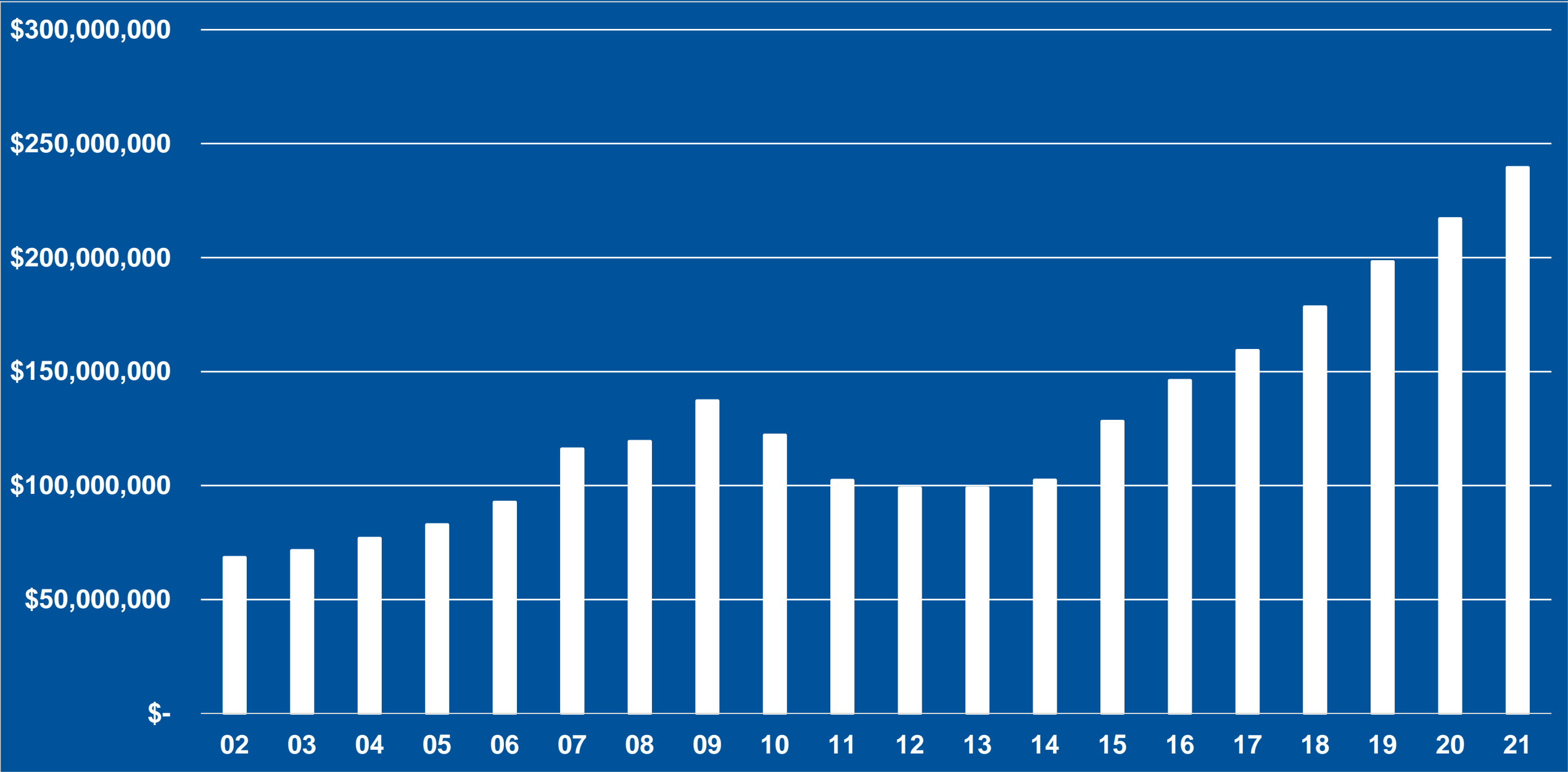
FY2021 General Fund Budget

General Fund Revenues

Source	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
Property Taxes	\$ 217,106,679	\$ 239,482,554	\$ 22,375,875	10.3%
Charges for Services	51,742,102	53,290,905	1,548,803	3.0%
Fines and Forfeitures	2,705,216	3,925,000	1,219,784	45.1%
Franchise Fees	33,700,000	32,380,000	(1,320,000)	-3.9%
Intergovernmental	86,832,325	83,006,097	(3,826,228)	-4.4%
Licenses and Permits	15,348,000	15,103,000	(245,000)	-1.6%
Sales and Use Taxes	60,950,000	56,400,000	(4,550,000)	-7.5%
Other Revenues	13,060,198	14,036,336	976,138	7.5%
Transfer In	35,767,314	36,191,183	423,869	1.2%
Total Revenues	\$ 517,211,834	\$ 533,815,075	\$ 16,603,241	3.2%

Property Taxes

Projection for FY2021 reflects maintaining our millage rate of 6.65 and the growing tax base.



Understanding Property Taxes

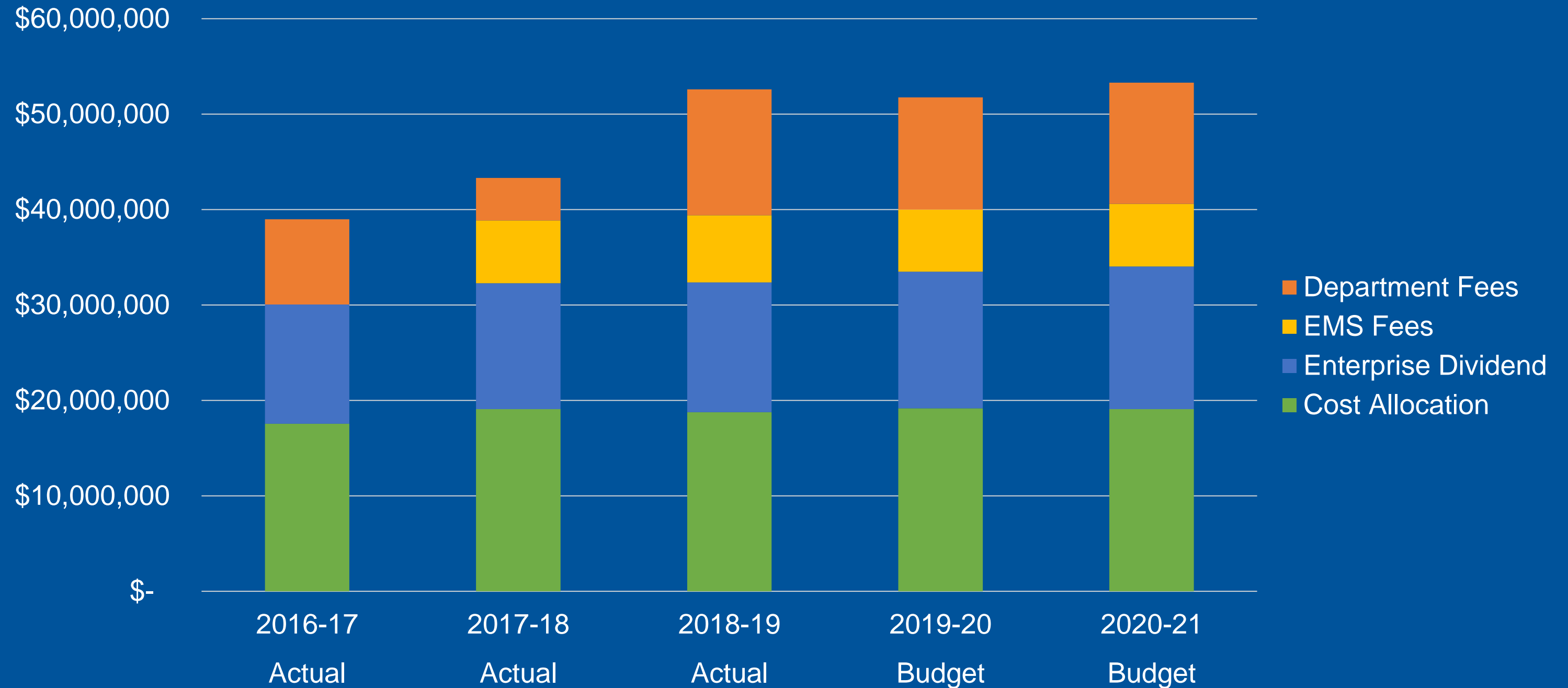
- Largest single revenue source for the General Fund (45%)
- Determined by:
 - The taxable value of your home (determined by Orange County Property Appraiser)
 - The City's millage rate (determined by City Council)
- Millage rate:
 - \$1 per \$1,000 of taxable value
 - The City's current millage rate is 6.6500, or \$6.65 per \$1,000 of taxable value

Understanding Property Taxes

- 2020 City Total Assessed Value is \$37.5B an increase of \$3.5B (10.3%) from 2019
- 2020 New Construction is almost \$1.4B of the increase and generated \$9.7M in revenues
- 2020 Initial Save Our Homes Exemption is \$2.8B in value, resulting in \$18.5M of revenues forgone
- 2020 First \$25,000 is \$967M in value, resulting in \$6.4M of revenues forgone
- 2020 Commercial and Non-Homestead Cap is \$3.1B in value resulting in a loss of \$20.6M in revenues
- 2020 Additional \$25,000 is \$819M in value, resulting in \$5.4M of revenues forgone
- Nearly two-thirds of our parcels are at capped value

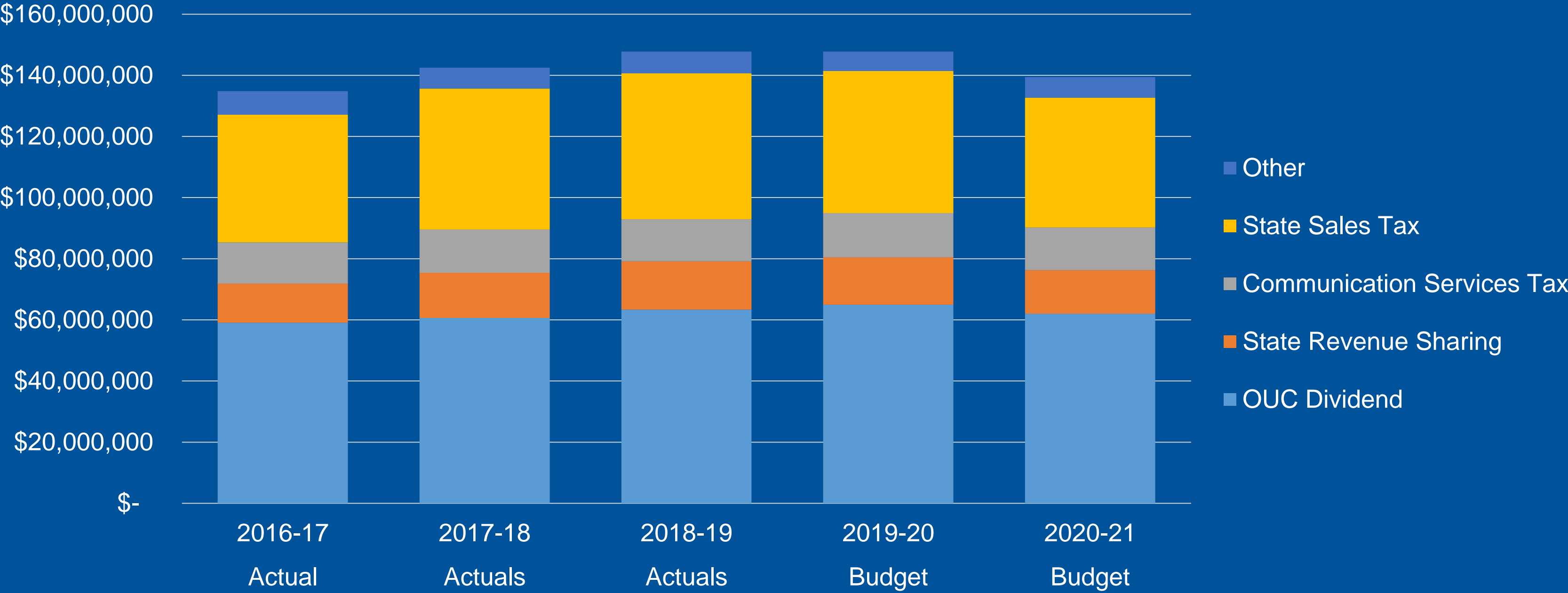
Charges for Services

Charges for services represent 10.3% of total General Fund revenue.



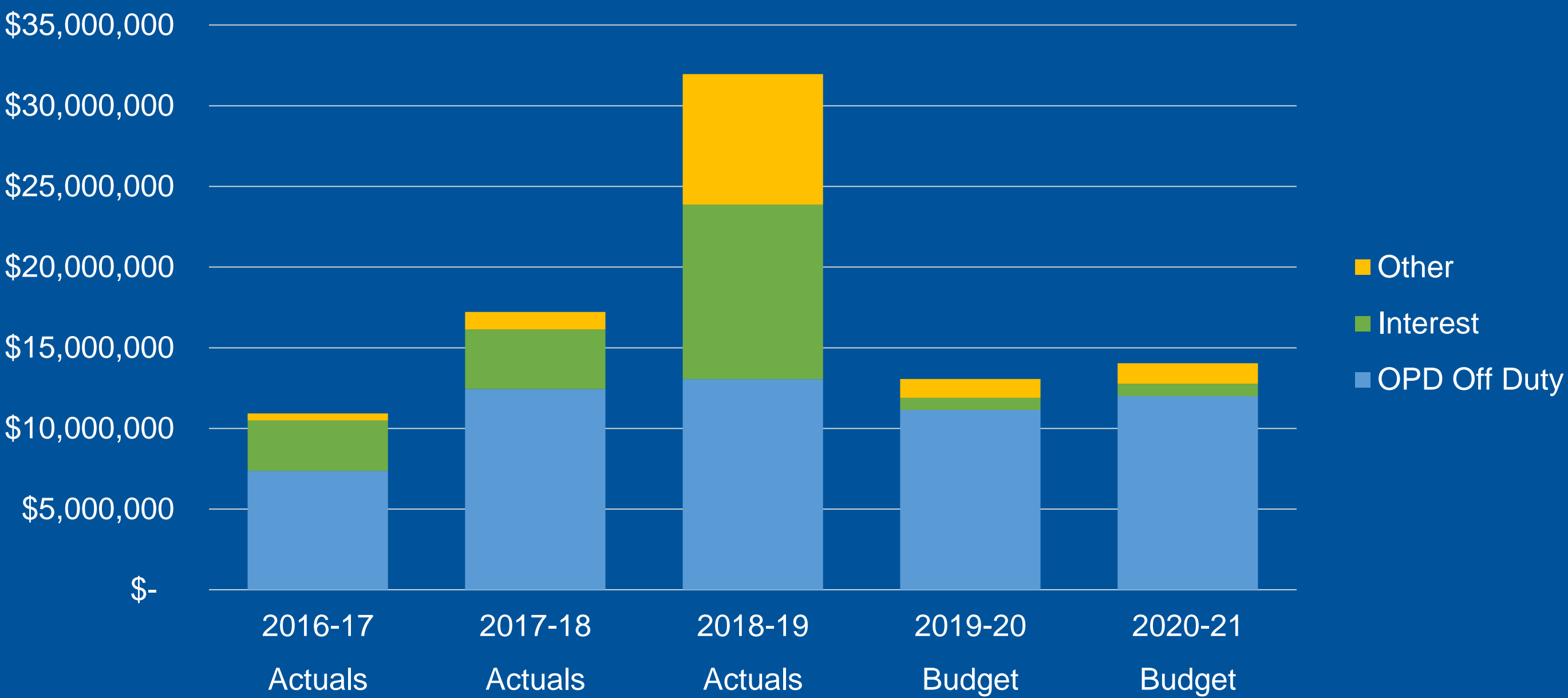
Intergovernmental & Sales and Use Tax

Orlando Utilities Commission (OUC) Dividend decrease by nearly \$3M and State Sales Tax revenue decrease by nearly \$4M from FY20. Together, they account for 41% of the total \$16.7M decrease in revenues to General Fund from these two sources.



Other Revenue

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



General Fund Expenditures by Use

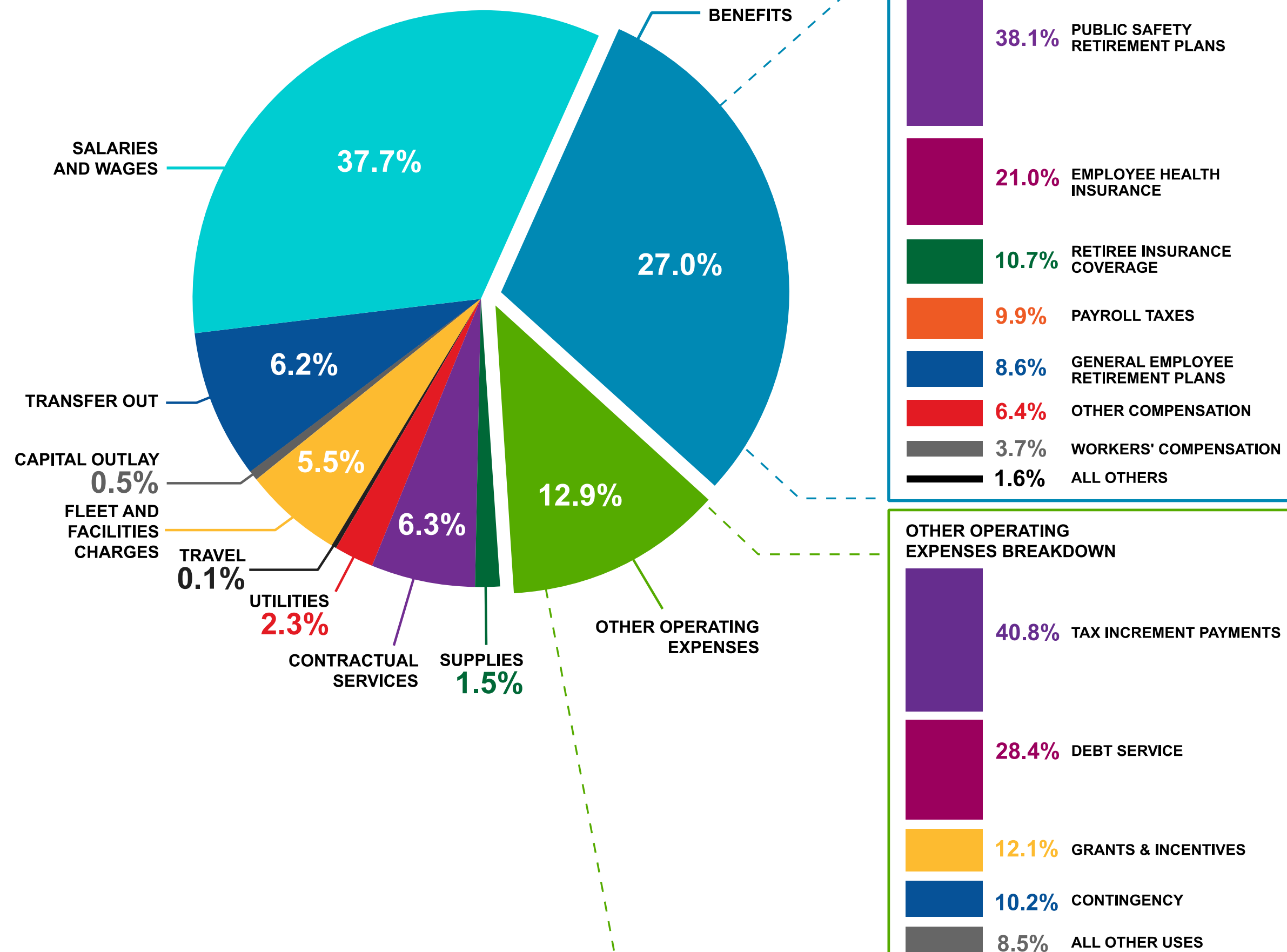
	FY2020 Adopted Budget (Note 1)	FY2021 Recommended Budget	Change	Change %
Salaries and Wages	\$ 192,572,662	\$ 201,449,639	\$ 8,876,977	4.6%
Benefits	137,104,739	144,232,591	7,127,852	5.2%
Supplies	7,415,841	8,023,468	607,627	8.2%
Contractual Services	29,740,759	33,571,643	3,830,884	12.9%
Utilities	12,506,766	12,515,609	8,843	0.1%
Training and Travel	720,588	725,197	4,609	0.6%
Fleet and Facility Charges	29,356,570	29,338,013	(18,557)	-0.1%
Capital Outlay	2,186,950	2,731,402	544,452	24.9%
Other Operating Expenses	63,207,777	68,376,296	5,168,519	8.2%
Transfer Out	42,399,182	32,851,217	(9,547,965)	-22.5%
Total Expenses	\$ 517,211,834	\$ 533,815,075	\$ 16,603,241	3.2%

*Note 1: In mid-FY20 several budget lines which were classified as 'Benefits' were reclassified as 'Salaries & Wages'.
This table shows the FY20 budget after this change to facilitate year over year comparisons.*

FY21 Preliminary Budget

- General Fund Expenditures
 - Wage increases existing employees: +\$4.5M
 - Police & Fire pensions: +\$3.8M
 - Contractual cost increases: +\$2.5M
 - Tax increment payments: +\$1.9M
 - Workers Compensation premiums: +\$1.6M
 - General Liability premiums: +\$850,000
 - Contingency: +\$2M
 - Transfer to CIP Fund: -\$5M
 - Transfer to Designated Revenue: -\$4M

General Fund Expenditures

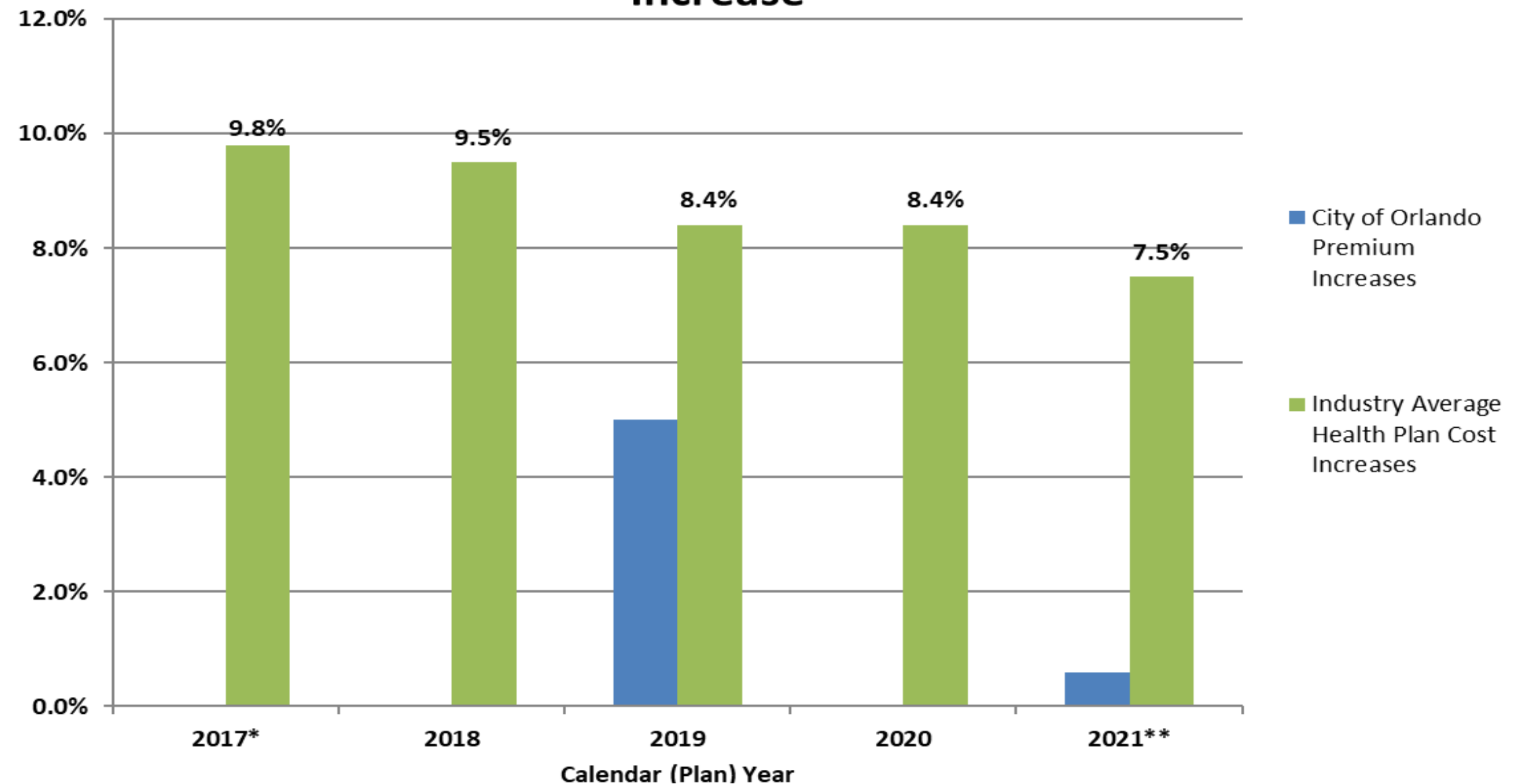


Health Benefits Detail

City-managed health care costs have remained stable.

- General Fund FY21 budget for health insurance is \$30.3M. It is the single largest benefit item.
- The FY21 budget includes blended premium increase of less than 1%.
- This has caused premiums to essentially stay flat compared to FY20.

City Actual Premium Increase vs. Industry Average Cost Increase



*A one-month premium holiday was given in December 2017

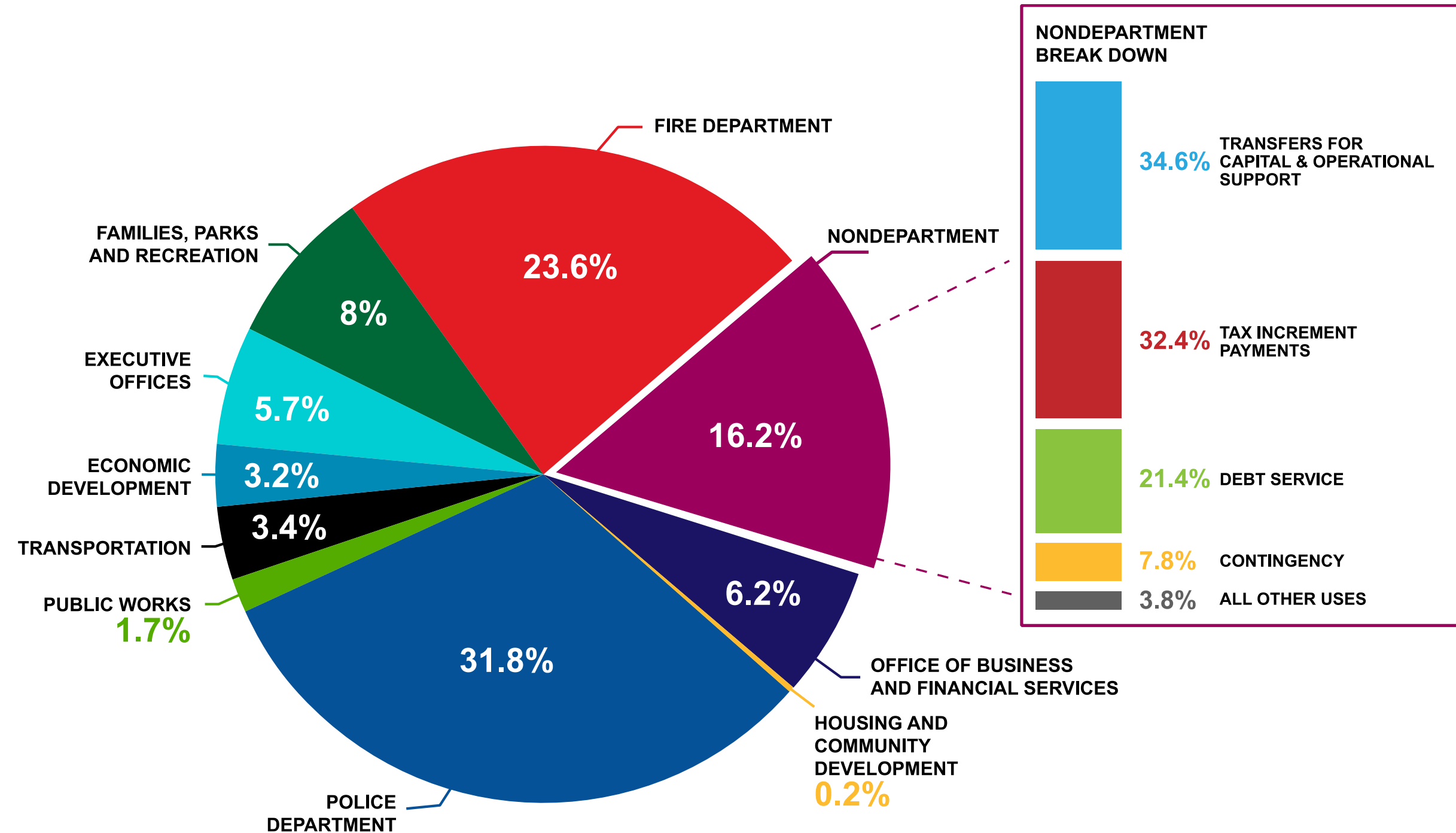
** Premium increase is a blended average of less than 1% across all tiers

FY2021 General Fund Department Details

General Fund by Department

	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
Economic Development	\$ 16,273,760	\$ 16,969,136	\$ 695,376	4.3%
Executive Offices	28,332,832	30,436,660	2,103,828	7.4%
Families, Parks & Recreation	37,342,739	42,477,578	5,134,839	13.8%
Fire	121,280,206	125,993,894	4,713,688	3.9%
Housing & Community Development	1,102,371	1,310,847	208,476	18.9%
Nondepartmental	91,564,968	86,310,304	(5,254,664)	-5.7%
Business & Financial Services	30,895,592	32,876,131	1,980,539	6.4%
Police	163,636,744	169,916,391	6,279,647	3.8%
Public Works	9,402,264	9,270,867	(131,397)	-1.4%
Transportation	17,380,358	18,253,267	872,909	5.0%
Total Expenses	\$ 517,211,834	\$ 533,815,075	\$ 16,603,241	3.2%

General Fund Expenditures by Department FY 2020/21





General Fund Divisions

- Business Development
- City Planning
- Code Enforcement
- Director of Economic Development
- Permitting



General Fund Full Time Employees

- FY2020 Adopted: 99
- FY2021 Recommended: 100
- Net Change: +1



General Fund Budget

- FY2020 Adopted: \$16,273,760
- FY2021 Recommended: \$16,969,136

All Funds Budget

- FY2021 Recommended: \$140,297,089



New FY2021 Recommended Programming

- \$500,000 – Tax rebate (KPMG)
- \$25,000 – After-hours construction inspections
- \$25,000 – Main Street Assistant Administrator (partial funding)



General Fund Divisions

- Office of the Mayor
- Office of Community Affairs
- Office of Communications & Neighborhood Relations
- Office of the City Clerk
- Office of City Commissioners
- Office of Chief Administrative Officer
- Minority/Women Business Enterprises
- Human Resources Division
- Office of Sustainability
- City Attorney's Office



General Fund Full Time Employees

- FY2020 Adopted: 158
- FY2021 Recommended: 165
- Net Change: +7



General Fund Budget

- FY2020 Adopted: \$28,332,832
- FY2021 Recommended: \$30,346,660

All Funds Budget

- FY2021 Recommended: \$104,201,459



New FY2021 Recommended Programming

- \$250,000 – Contingency for Community Nonprofit Partner Support
- \$475,000 – Add Sustainability Project Manager, Spanish Translator, Public Records Specialist, Labor Relations Specialist and Equity Official



General Fund Divisions

- Children Affairs
- Director of Families, Parks & Recreation
- Parks
- Recreation



General Fund Full Time Employees

- FY2020 Adopted: 223
- FY2021 Recommended: 240
- Net Change: +17



General Fund Budget

- FY2020 Adopted: \$37,342,739
- FY2021 Recommended: \$42,477,578

All Funds Budget

- FY2021 Recommended: \$48,646,277



New FY2021 Recommended Programming

- \$2,100,000 – Expansion of Paramore Kidz Zone to 3 other neighborhoods
- \$896,000 – Personnel and Operating for opening of Lake Lorna Doone Park
- \$520,000 – Increase for recreation field maintenance contracts
- \$261,000 – Personnel and Operating for increasing activities at new Rosemont Neighborhood Center Gym
- \$250,000 – Personnel and Operating for opening of Grand Avenue Neighborhood Center
- \$100,000 – Increase for Athletics/Recreation supplies



General Fund Divisions

- Fire Chief's Office
- Fire Administrative Services Bureau
- Fire Support Services Bureau
- Fire Rescue Operations Bureau



General Fund Full Time Employees

- FY2020 Adopted: 651
- FY2021 Recommended: 659
- Net Change: +8



General Fund Budget

- FY2020 Adopted: \$121,280,206
- FY2021 Recommended: \$125,993,894

All Funds Budget

- FY2021 Recommended: \$126,101,894



New FY2021 Recommended Programming

- \$200,000 – Diversity funding
- \$300,000 – 5 new Paramedics
- \$150,000 – 2 new Communications Supervisors
- \$2,400,000 – Increase for fire pension costs
- (\$85,000) – Transfer of Payroll Clerk



General Fund Divisions

- Housing and Community Development (Administrative costs only)



General Fund Budget

- FY2020 Adopted: \$1,102,371
- FY2021 Recommended: \$1,310,847

All Funds Budget

- FY2021 Recommended: \$9,451,596



General Fund Full Time Employees

- FY2020 Adopted: 0
- FY2021 Recommended: 0
- Net Change: 0



New FY2021 Recommended Programming

- \$85,000 – Unfreezing one additional position
- \$40,000 – Administrative costs due to loss of SHIP funding



General Fund Divisions

- Chief Financial Officer
- Accounting and Control Division
- Management and Budget Division
- Procurement and Contracts Management Division
- Real Estate Management Division
- Information Technology Division
- Treasury Management Division



General Fund Full Time Employees

- FY2020 Adopted: 173
- FY2021 Recommended: 177
- Net Change: +4



General Fund Budget

- FY2020 Adopted: \$30,895,592
- FY2021 Recommended: \$32,876,131

All Funds Budget

- FY2021 Recommended: \$109,135,197



New FY2021 Recommended Programming

- \$350,000 – Annual maintenance of new CAD system
- \$300,000 – Lower vacancy savings
- \$275,000 – Transfer of two Payroll Clerks from OPD, OFD and Pension Specialist
- \$150,000 – Increase in Facilities budget



CITY OF ORLANDO

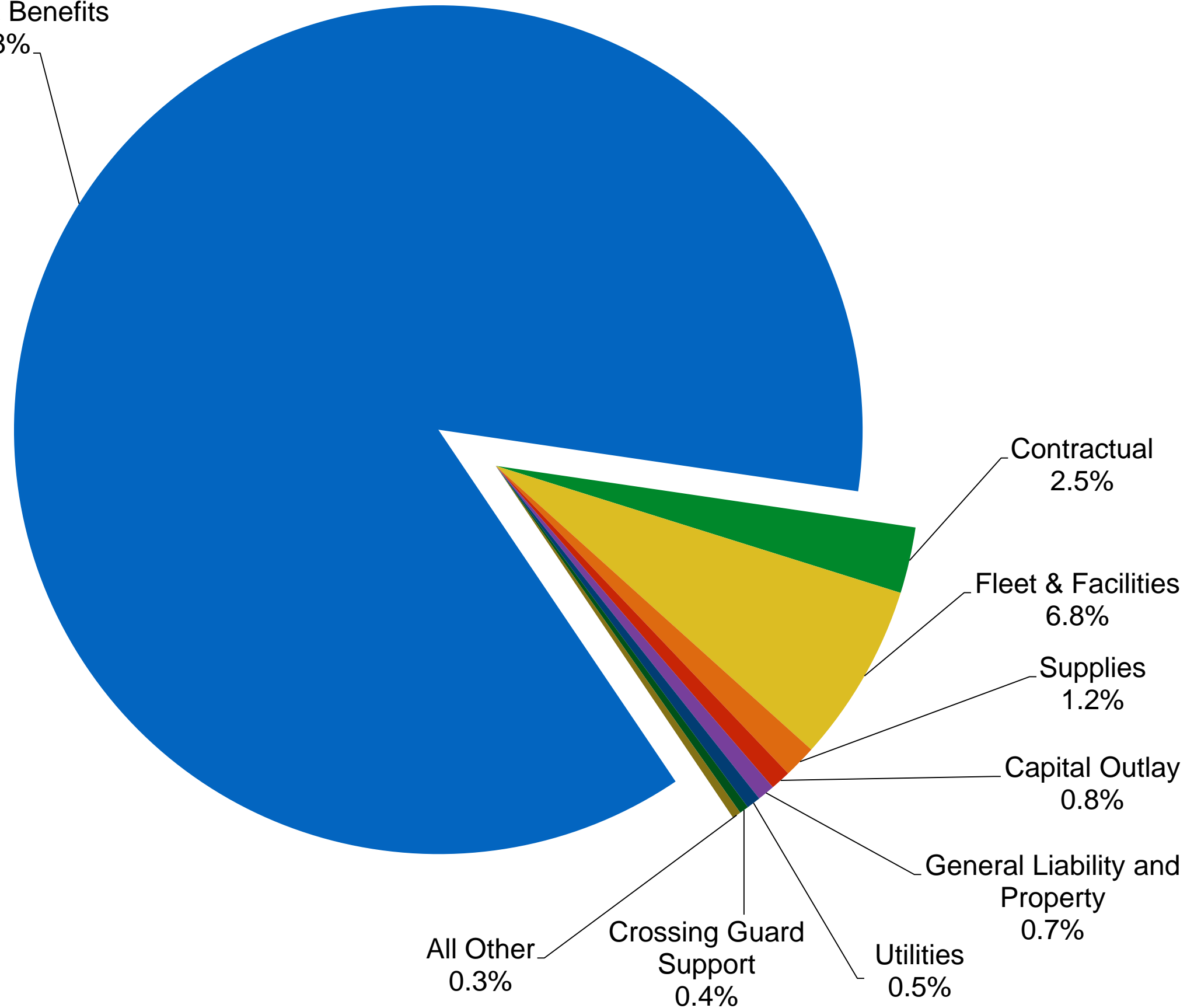
POLICE DEPARTMENT



General Fund Budget

- Labor costs drive the OPD budget. Salaries are almost \$82M and benefits are \$65M.
- Fleet expenses exceed \$10.5M annually. The main drivers are replacement costs (\$4.8M), fuel (\$2.6M) and repairs (\$2M)
- The largest contractual expenses are to maintain the radio system (\$1.4M), vehicle leasing costs (\$1.3M) and janitorial services (\$600,000)

Salaries & Benefits
86.8%





CITY OF ORLANDO

POLICE DEPARTMENT



General Fund Staffing

- Just over three-quarters of all OPD employees are sworn.
- Civilian employees predominate in Communications (90) and Support Services (45).
- Positions are often moved between units in response to operational needs and available staffing.

	Position Count	Proposed FY21 Positions	FY21 Count	% of Total
Administrative Services Bureau				
Police Support Services	46	-	46	4.5%
Police Recruiting	9	-	9	0.9%
Police Communications	93	-	93	9.2%
Professional Standards Division	25	3	28	2.8%
Police Officer Training	28	-	28	2.8%
Police Administration	10	(1)	9	0.9%
Bureau Total	211	2	213	21.1%
Investigative Services Bureau				
Criminal Investigations Division	112	5	117	11.6%
Special Enforcement Division	44	-	44	4.4%
Police Special Investigations	13	-	13	1.3%
Bureau Total	169	5	174	17.2%
Patrol Services Bureau				
Police Patrol	382	-	382	37.8%
Community Oriented Policing Program	75	10	85	8.4%
Community Service Officers	30	-	30	3.0%
Bureau Total	487	10	497	49.2%
Special Services Bureau				
Community Relations Division	18	-	18	1.8%
School Resource Officers	57	3	60	5.9%
Police Special Operations	48	-	48	4.7%
Bureau Total	123	3	126	12.5%
Department Total	990	20	1,010	



General Fund Divisions

- Police Administration
- Administrative Services Bureau
- Investigative Services Bureau
- Special Services Bureau
- Patrol Services Bureau



General Fund Budget

- FY2020 Adopted: \$163,636,744
- FY2021 Recommended: \$169,916,391

All Funds Budget

- FY2021 Recommended: \$189,451,662



General Fund Full Time Employees

- FY2020 Adopted: 990
- FY2021 Recommended: 1,010
- Net Change: +20



New FY2021 Recommended Programming

- \$912,000 – 10 new Community Oriented Policing officers, partially funded by Federal grant
- \$513,000 – Civilian personnel for new Crime Data Center
- \$495,000 – Increase for Janitorial Contract
- \$275,000 – Additional Use of force investigators
- \$1.5M – Increase for police pension costs
- \$100,000 – Increase in support to school crossing guard fund
- (\$115,000) – Transfer of Payroll Clerk to OBFS
- \$260,000 – 3 new School Resource Officers



General Fund Divisions

- Director of Public Works
- Engineering/Engineering Services Division
- Streets Division



General Fund Budget

- FY2020 Adopted: \$9,402,264
- FY2021 Recommended: \$9,270,867

All Funds Budget

- FY2021 Recommended: \$256,905,494



General Fund Full Time Employees

- FY2020 Adopted: 91
- FY2021 Recommended: 91
- Net Change: 0



New FY2021 Recommended Programming

- \$80,000 – Increase of temporary help to process right-of-way permits
- \$20,000 – Equipment for Streets Asst Construction Manager
- (\$400,000) – Increase in vacancy savings



General Fund Divisions

- Director of Transportation
- Transportation Engineering Division
- Transportation Planning Division



General Fund Budget

- FY2020 Adopted: \$17,380,358
- FY2021 Recommended: \$18,253,267

All Funds Budget

- FY2021 Recommended: \$56,615,775



General Fund Full Time Employees

- FY2020 Adopted: 73
- FY2021 Recommended: 73
- Net Change: 0



New FY2021 Recommended Programming

- \$100,000 – Roundabout feasibility study
- \$130,000 – Bucket truck for signal group
- \$69,000 – Increase for red light contract



General Fund Divisions

- Tax Increment Payments
- Debt Service
- Contingency
- Transfers to Other Funds



General Fund Full Time Employees

- FY2020 Adopted: 0
- FY2021 Recommended: 0
- Net Change: 0



General Fund Budget

- FY2020 Adopted: \$91,564,968
- FY2021 Recommended: \$86,310,304

All Funds Budget

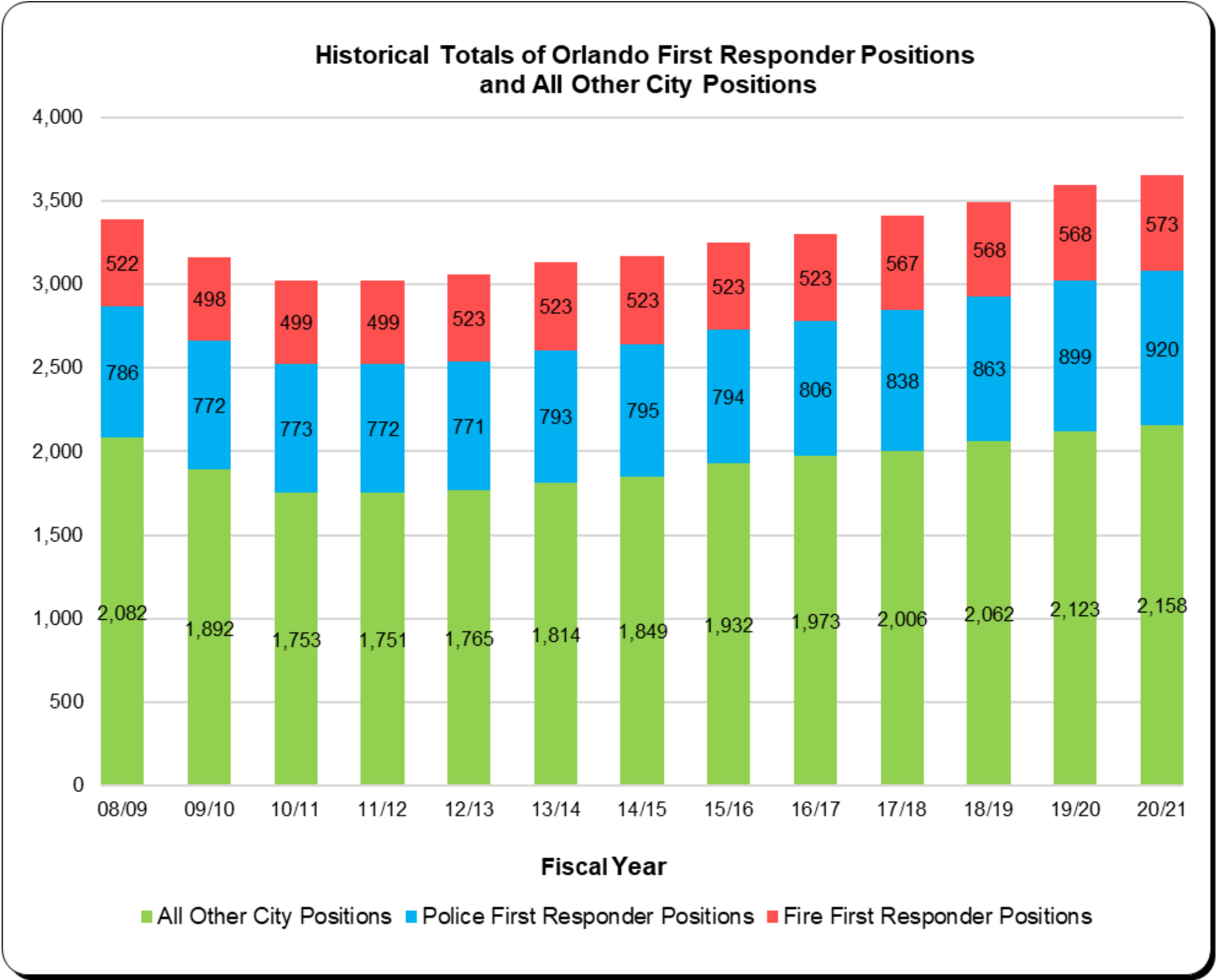
- FY2021 Recommended: \$370,170,346



New FY2021 Recommended Programming

- \$1,900,000 – Increase in tax increment payments
- \$1,750,000 – Increase to Contingency
- \$750,000 – Set-aside for mental health co-responders
- \$350,000 – Intercultural Competence Assessment evaluations for police officers
- \$175,000– Allocate for police officer mental health services
- (\$5,000,000) – Reduce transfer to Capital Improvement Fund

Citywide Staffing All Funding Sources



FY2021 Other Funds Budgets

Select Funds Expenditures

	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
Capital Improvements Fund	\$ 27,267,281	\$ 20,932,744	\$ (6,334,537)	-23.2%
Fleet Replacement Fund	22,806,289	19,694,933	(3,111,356)	-13.6%
Health Care Fund	70,048,977	71,216,084	1,167,107	1.7%
Parking System Revenue Fund	20,341,489	20,640,741	299,252	1.5%
Solid Waste Fund	41,212,730	41,384,243	171,513	0.4%
State Housing Initiatives Partnership Program Fund	394,966	-	(394,966)	-100.0%
Stormwater Funds	25,714,233	27,974,235	2,260,002	8.8%
Transportation Impact Fee Funds	10,198,738	13,653,429	3,454,691	33.9%
Water Reclamation Capital Funds	39,419,511	90,760,497	51,340,986	130.2%
Water Reclamation Revenue Fund	112,105,921	119,140,132	7,034,211	6.3%
All Other Non-General Funds	475,993,954	488,534,280	12,540,326	2.6%
Total Expenses	\$ 845,504,089	\$ 913,931,318	\$68,427,229	8.1%

Other Funds Summary

- Capital Improvement Fund budget decreases by \$6.3M
 - Decrease due to \$5M cut in General Fund support
 - Maintains funding for renewal and replacement efforts
- Fleet Replacement Fund decreases by \$3.2M because \$5M for OFD frontline vehicles budgeted in FY20
- Health Care Fund budget increases \$1.2M on rate increase of less than 1%
- Parking Fund budget includes a capital maintenance budget of \$1.1M
- Solid Waste Fund budget is up slightly by \$172K as rate increase is waived. Allocating fund balance for possible increase in fleet size.

Other Funds Summary

- State Housing support was eliminated in the state budget
- With no fee increase, the Stormwater Fund supports a \$2.1M capital program and anticipated debt service of \$1.9M
- Transportation Impact Fee budgets are increasing by \$3.5M
- Water Reclamation Capital projects include the rehabilitation of Conserv I
 - Preliminary estimate is \$80M
 - Anticipates possible debt issuance to fund the long-term improvements
- Water Reclamation operating increased by \$7M, which corresponds with 5% rate increase

FY2021 Capital Improvements Program

Capital Improvement Program by Fund

Fund	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
55 West Garage Renewal and Replacement Fund	\$ -	\$ 200,000	\$ 200,000	N/A
Capital Improvement Fund	25,142,681	19,469,881	(5,672,800)	-22.6%
Community Redevelopment Agency	11,275,000	12,340,000	1,065,000	9.4%
Downtown South Neighborhood Improvement District Fund	1,160,000	350,000	(810,000)	-69.8%
Dubsdread Renewal and Replacement Fund	225,000	255,000	30,000	13.3%
Fleet Management Fund	1,000,000	-	(1,000,000)	-100.0%
Gas Tax Fund	9,924,469	9,603,006	(321,463)	-3.2%
Transportation Impact Fee Funds	8,382,000	9,182,000	800,000	9.5%
Parking R&R Fund	1,093,000	1,075,000	(18,000)	-1.6%
Real Estate Acquisition Fund	1,000,000	1,000,000	-	0.0%
Solid Waste Fund	4,400,000	3,072,700	(1,327,300)	-30.2%
Stormwater Capital Fund	1,680,000	2,140,000	460,000	27.4%
Water Reclamation Capital Projects Funds	30,360,000	90,760,497	60,400,497	199%
Total Expenses	\$ 95,642,150	\$ 149,448,084	\$ 53,805,934	56.3%

Capital Improvement Program by Function

Function	FY2021 Recommended Budget
Community Infrastructure	\$ 2,250,000
Economic Development	13,740,000
General Government	3,083,346
Public Facilities	1,000,000
Public Safety	3,010,724
Recreation & Culture	5,755,811
Solid Waste	3,072,700
Stormwater	3,115,000
Transportation	23,660,006
Water Reclamation	90,760,497
Total Expenses	\$ 149,448,084

Next Steps and Budget Calendar

Tentatively Balanced Budget

General Fund	FY2021 Recommended Budget
Revenues	\$ 533,815,075
Expenses	533,815,075
Total	\$ -
Other Funds	FY2021 Recommended Budget
Revenues	\$ 913,931,318
Expenses	913,931,318
Total	\$ -
All Funds	FY2021 Recommended Budget
Revenues	\$ 1,447,746,393
Expenses	1,447,746,393
Total	\$ -

Next Steps

Date	Activity	Subject Matter
July 20	Budget Workshop	Update of Budget Position, Ad Valorem Tax Revenues, Valuations, Department Requests
July 20	Agenda Item	Vote on Resolution to Set Tentative Millage Rate
August	Commissioner Briefings	Continued Discussion of Budget Recommendations
September 8	First Public Hearing	Resolutions for Fiscal Year 2020-2021 Millage Rate and Budget
September 21	Second Public Hearing	Final Resolutions for Fiscal Year 2020-2021 Millage Rate and Budget

BUDGET WORKSHOP

FISCAL YEAR 2021 – July 20, 2020

Agenda

- Impact of Coronavirus Disease 2019 (COVID-19) on FY2020 Budget
- FY2020 Current Fiscal Year Update
- Budget Basics, Cycle, and Process
- What are Typical Services Funded by the City of Orlando?
- Who Funds the Other Critical Services?
- FY2021 All Funds Budgets
- FY2021 General Fund Budget
- FY2021 General Fund Department Details
- FY2021 Other Funds Budgets
- FY2021 Capital Improvements Program
- Next Steps and Budget Calendar

Impact of Coronavirus Disease 2019 (COVID-19) on FY2020 Budget

Impact of COVID-19 on FY2020 Budget

- The Budget office continues to evaluate the impact of COVID-19 on FY2020 and the following estimates are subject to change during the rest of the fiscal year.
- The City's conservative budgeting practices for both revenues and expenses has helped the City weather impacts from COVID-19.
- The City started the fiscal year with a healthy reserve at over 26% of the General fund expenditures.
- Property taxes and the OUC contribution make up 61% of the total General Fund revenue and those were not impacted in FY2020 by COVID-19.

Impact of COVID-19 on FY2020 Budget

- Current revenues through March 2020 were trending up which allowed the City to absorb much of the declines that began starting April 2020.
- Current expenses through June 2020 were trending at around 73%, even with additional COVID-19 related expenses.
- There were no furloughs and many seasonal employees were redeployed to COVID-19 related activities (e.g. testing sites, food distribution, etc.)
- No hiring freezes but hiring slowed down naturally after March 2020.
- Preliminary projection is to end the year near break-even or with a small surplus.

FY2020 Budget COVID-19 Related Expenditures to date

Incurred Goods and Services - \$1.1M

- Personal Protective Equipment (facemasks, gloves, shields, etc.), thermometers, hand sanitizer and safety measures.
- Additional cleaning, disinfection, and sanitation of City facilities.
- IT costs, translation services, signage for testing sites, decontamination systems for public safety vehicles.
- Homeless – Service and Love Together (SALT) Outreach, Homeless Isolation services
- Funding for food pantries for 4 City nonprofit organizations through the Second Harvest Food Bank.

FY2020 Budget COVID-19 Related Expenditures to date

Payroll Costs - \$1.7M

- Includes employee time tagged as COVID-19 related, including public safety employees out on quarantine. All time is being reviewed.
- Time incurred for the following are best candidates for reimbursement:
 - Employer paid sick leave under the Families First Coronavirus Response Act.
 - Overtime incurred.
 - Mobile test sites
 - Backfill time when employees are out on quarantine

FY2020 Budget COVID-19 Related Expenditures to date

Commitments - \$1.7M

- \$1M commitment to OUC to contribute to Project CARE for utility assistance program (ouc.com/assistance, or call 2-1-1).
- \$500K outstanding purchase orders for facemasks, medical supplies, cleaning
- \$95K contractual payment to Salvation Army for shelter
- \$65K Remaining contractual obligation for isolation services for homeless

FY2020 Budget COVID-19 Potential Reimbursements

- **\$539,588** - FY2020 Coronavirus Grant Award (approved at June 1, 2020 City Council meeting).
- **\$103,236** - CARES Act Provider Relief Fund Grant (approved at May 11, 2020 City Council meeting).
- **\$100,000** - FY 20 Assistance to Firefighters Grant Covid-19 (applied)
- **TBD** - CARES Act funding from Orange County. Up to \$24.3M available to constitutional officers and municipalities within Orange County to address impact of COVID-19.
- **TBD** - FEMA up to 75% of eligible costs

FY2020 Budget COVID-19 Potential Funding

- **\$2,660,850** – CARES Act HUD Grant (Items related to this were approved at June 1, 2020 City Council meeting). This is for supplemental Community Development Block Grant (\$1,361,974), Emergency Solutions Grants (\$670,317), and Housing Opportunities for Persons With AIDS (\$628,559) to prevent, prepare for, and respond to COVID-19.
- **\$1,846,707** - CARES Act HUD Grant for supplemental Emergency Solutions Grant program to prevent, prepare for, and respond to COVID-19.
- Housing is currently waiting on guidance from HUD delineating federal requirements surrounding the proper expenditure of these funds.
- Additional CARES Act funding may be received this Fall but the amounts are not yet identified.

Impact of COVID-19 on FY2020 General Fund Revenues

Source of Revenue		FY20 Adopted Budget	Estimated FY20 Revenues	Estimated FY21 Revenues
Property Taxes		\$217,106,679	\$217,106,679	\$238,753,929
OUC Payment	Dividend	\$64,975,000	\$64,975,000	\$62,000,000
	Franchise Fees	\$30,525,000	\$30,525,000	\$29,100,000
	<i>Total</i>	<i>\$95,500,000</i>	<i>\$95,500,000</i>	<i>\$91,100,000</i>
Sales Tax		\$46,450,000	\$41,500,000	\$42,500,000
State Revenue Sharing		\$14,300,000	\$12,150,000	\$13,100,000
Communication Services Tax		\$14,500,000	\$14,000,000	\$13,900,000
Local Business Taxes		\$9,420,000	\$9,850,000	\$8,930,000

Impact of COVID-19 on FY2020 Enterprise Fund Revenues

- **Water Reclamation** – Revenues are slightly trending down and we will continue to monitor due to the expected lower activity in the summer season than in previous years from large commercial customers.
- **Streets and Stormwater** – No significant impact as fees are included on property tax bills.
- **Parking** – Parking fees are down from reduced downtown activities. We will continue to monitor due to continued low number of summer events. We expect the fund to break even.
- **Venues** – Venues revenues have significantly reduced since the end of March 2020. Venues revenues in the beginning of the year were strong and that has helped absorb some of these reductions in revenue as well as closely monitoring expenses. This fund will have a loss for the year.
- **Tourist Development Tax (TDT) Revenues** – TDT revenues have significantly declined since March 2020. Even with expected further drops in collections, we expect to be able to make our November 1st debt payments without using reserve funds.

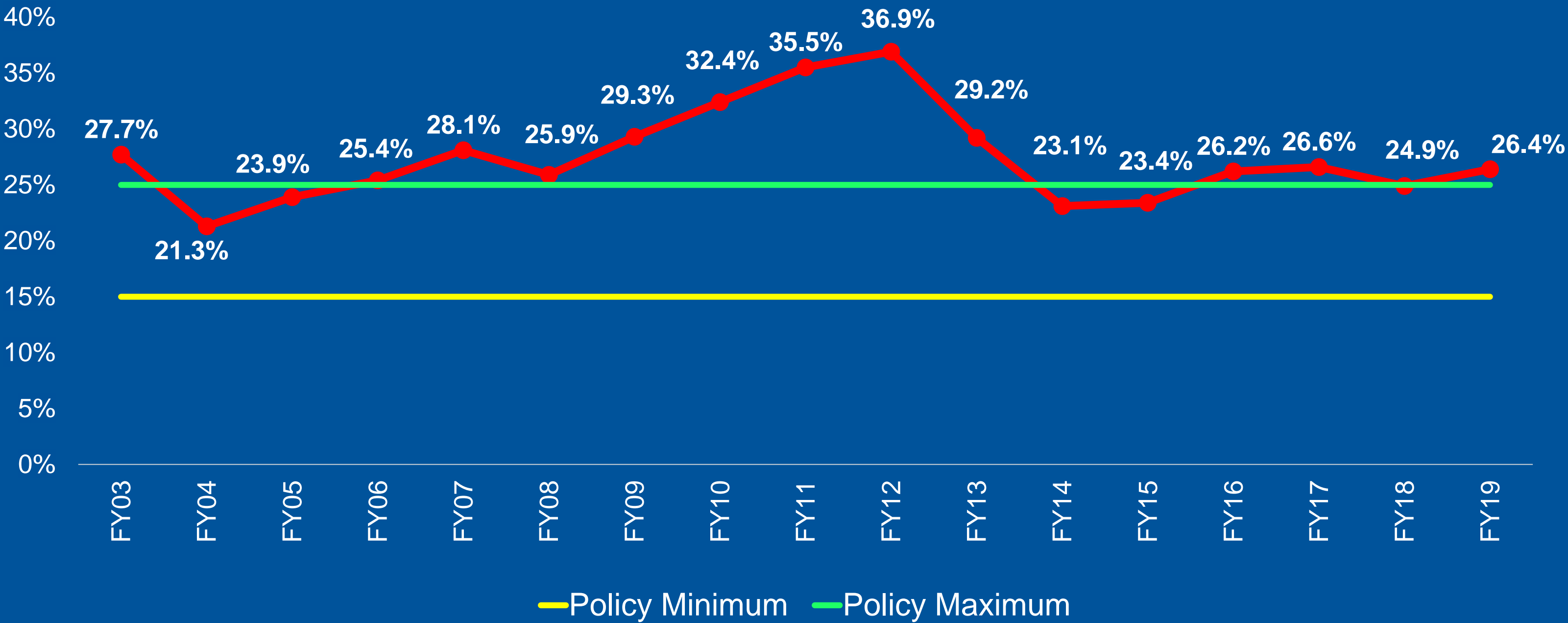
FY2020 Current Fiscal Year Update

Current Fiscal Year Budget Overview

General Fund	FY2020 Adopted Budget
Revenues	\$ 517,211,834
Expenses	517,211,834
Total	\$ -
Other Funds	FY2020 Adopted Budget
Revenues	\$ 845,504,089
Expenses	845,504,089
Total	\$ -
All Funds	FY2020 Adopted Budget
Revenues	\$ 1,362,715,923
Expenses	1,362,715,923
Total	\$ -

General Purpose City Reserves 2019

Year-End Reserves as a Percentage of Budget



Bond Ratings as of September 30, 2019

Type	Moody's	S&P	Fitch
General Obligation (implied)	Aa1	AA+	AAA
Covenant to Budget & Appropriate	Aa2	AA+	AA+
Water Reclamation	Aa1	AAA	AAA
Downtown CRA	A2	A	A+
Conroy Road CRA	NR	NR	A+
Republic Drive CRA	NR	NR	A
Sales Tax Payments Revenue	Aa2	NR	AA+
6th Cent TDT Series A	NR	A	BBB
6th Cent TDT Series B	NR	NR	NR
6th Cent TDT Series C	NR	BB+	NR

Bond Rating Agency Comments

"The city's financial resilience remains high notwithstanding the current period of pressure on its economy and revenues given its significant reserves and budgetary tools."

FITCH RATING: AAA

FitchRatings

"Orlando's credit position is very good, and its Aa1 rating exceeds the median rating of Aa3 for cities nationwide. Key credit factors include a strong financial position, an extensive tax base with a moderate wealth and income profile, and mid-ranged debt and pension burdens."

MOODY'S RATING: Aa1



"The stable outlook reflects Standard & Poor's view of the city's very strong budgetary flexibility due, in part, to management's strong policies and practices"

S&P RATING: AA+
UPGRADED FROM AA IN FY2015

**STANDARD
& POOR'S**

FY2020 Budget Review Committee Adjustments

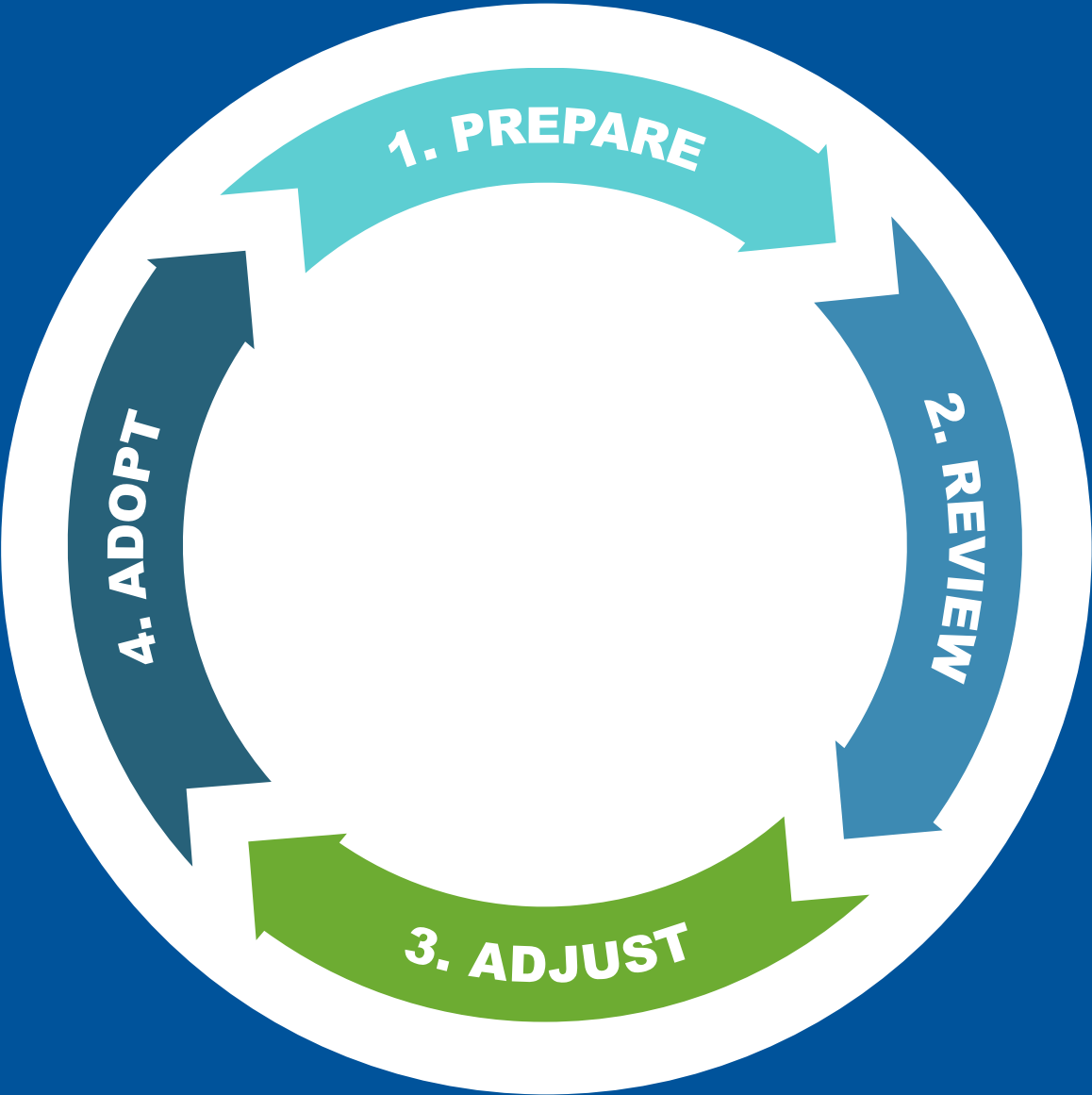
- Few General Fund actions
 - Added \$2.6M to fund pay raises effective Oct 1, 2019
 - Add 4 positions
- Grants awarded
 - \$2.3M in grant awards across 20 different grants
- Capital projects
 - Several Water Reclamation reallocations
 - Two Water Reclamation State Revolving Fund Loans
 - Creative Village Land Sales & Plaza Live Theatre Purchase
 - JPAs with Orange County and OUC

Budget Basics, Cycle, and Process

Budget Basics

- A fiscal year is a twelve-month period used for budgeting, forecasting, and reporting. The City's fiscal year is October 1 – September 30.
- The General Fund is the primary operating fund to pay for basic City services, programs, and the daily operations of the City.
- There are separate funds for standalone businesses (or enterprises) like water reclamation, parking, venues, solid waste where rate payers pay the expenses.
- There are separate funds for other specific functions where those funds have very limited uses. Example: Housing Grant Funds can only be used for housing and can't be used to fund firefighters or other City operations.

Budget Cycle



Budget Process

1. PREPARE

February – Department revenue estimates due
March – Capital requests due
April – Department expenditure requests due

2. REVIEW

May – Budget Office review and discussions

3. ADJUST

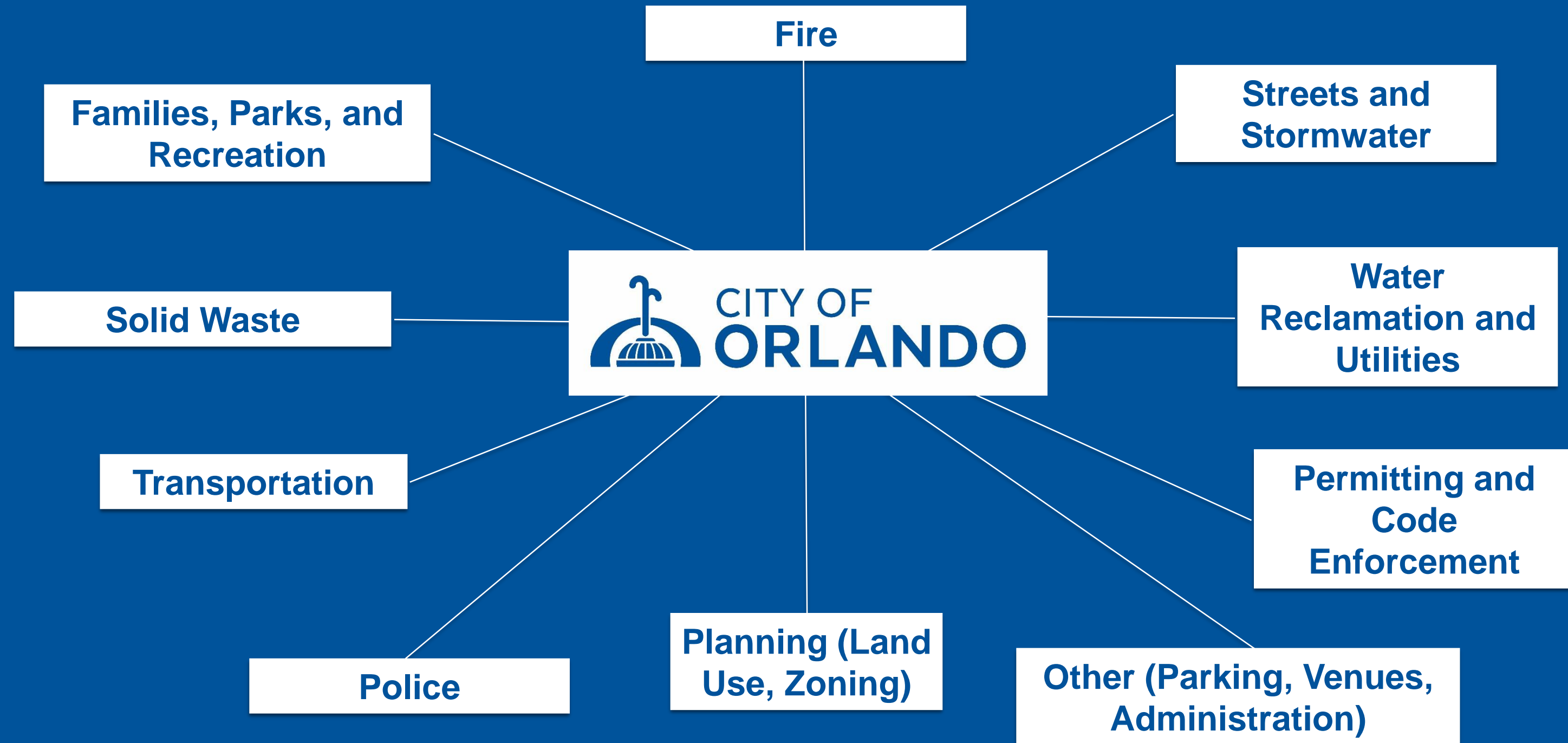
June – Budget Office recommendations
July – Budget Workshop
September 8 and 21 – Public Budget Hearings

4. ADOPT

September 21 – Budget Adoption

What are Typical Services Funded by the City of Orlando?

Core Functions Provided by the City of Orlando



Who Funds the Other Critical Services?

Critical Services Provided or Funded by Other Governments

Program	Federal	State	Other Local Government Budgets
Education	X	X	X (Orange County Public Schools)
Transportation	X	X	X (Orange County, LYNX, GOAA)
Health & Welfare (Human Services)	X	X	X (Orange County Dept. of Health, Animal Services, Head Start, Medical Clinic, Medical Examiner)
Corrections	X	X	X (Orange County Corrections)
Housing	X	X	X (Orange County, Orlando Housing Authority)
Electric and Water Services			X (OUC and Orange County Utilities)
Courts	X	X	X (Orange County Clerk of Courts)
Property Appraiser			X (Orange County Property Appraiser)
Elections			X (Orange County Supervisor of Elections)

FY2020 City Contributions

Program	City of Orlando Contributions (FY19 Year End Allocations & FY20 Budget)	Funds Sources
Education \$11,250,000	Parramore Kidz Zone	General Fund, ASAS Fund
	After School All Stars	General Fund, ASAS Fund
	21st Century Community Learning Centers (Community learning centers that provide academic enrichment for students in high-poverty and low-performing schools) (Federal grant funding)	General Fund, Grant Fund
	OPASS/AmeriCorps (Program to increase academic achievement for middle and high school students in low-income areas) (Federal grant funding)	General Fund, Grant Fund
	Meals provided to children in after school programs (Federal grant funding)	Grant Fund
	School Resource Officers (requested by OCPS for them to fulfill state mandate for law enforcement at OCPS public schools)	General Fund
Transportation \$11,000,000	Financial support to LYNX and funding for LYMMO operations in downtown Orlando	Gas Tax, CIP Fund, General Fund, CRA, Parking
	Expanding of transportation networks	Grant Fund
	Financial support for SunRail Stations and transition support.	General Fund, CIP Fund
Housing \$10,700,000	Provide rental assistance, rehabilitation, and other critical housing services (Federal and State grant funding).	SHIP grants, HUD grants, General Fund
	Provided financial support to affordable housing projects.	CIP Fund

FY2020 City Contributions

Program	City of Orlando Contributions (FY19 Year End Allocations & FY20 Budget)	Funds Sources
Social Services \$10,200,000	Mayor's Initiative on Homelessness	General Fund
	Human Relations Office enforcing non-discrimination in employment, housing and accommodations	General Fund
	Support for community service organizations	General Fund
	Census outreach	Designated Revenue Fund
	Donations from federal and local seizure funds	Contraband Forfeiture Trust Fund, DOJ Federal Equitable Sharing Agreement Fund
	Support for Minority-owned Businesses & Job Training	General Fund, CRA Fund
	Orlando United Assistance Center	CIP Fund
Sustainability \$3,800,000	Farmer's Market	DDB Fund
	Community gardens and urban farms	Grant Fund
	Office of Sustainability	General Fund, Solid Waste fund
	Renewable energy investments	CIP Fund, Bond Funds

FY2021 All Funds Budgets

FY2021 All Funds Budget

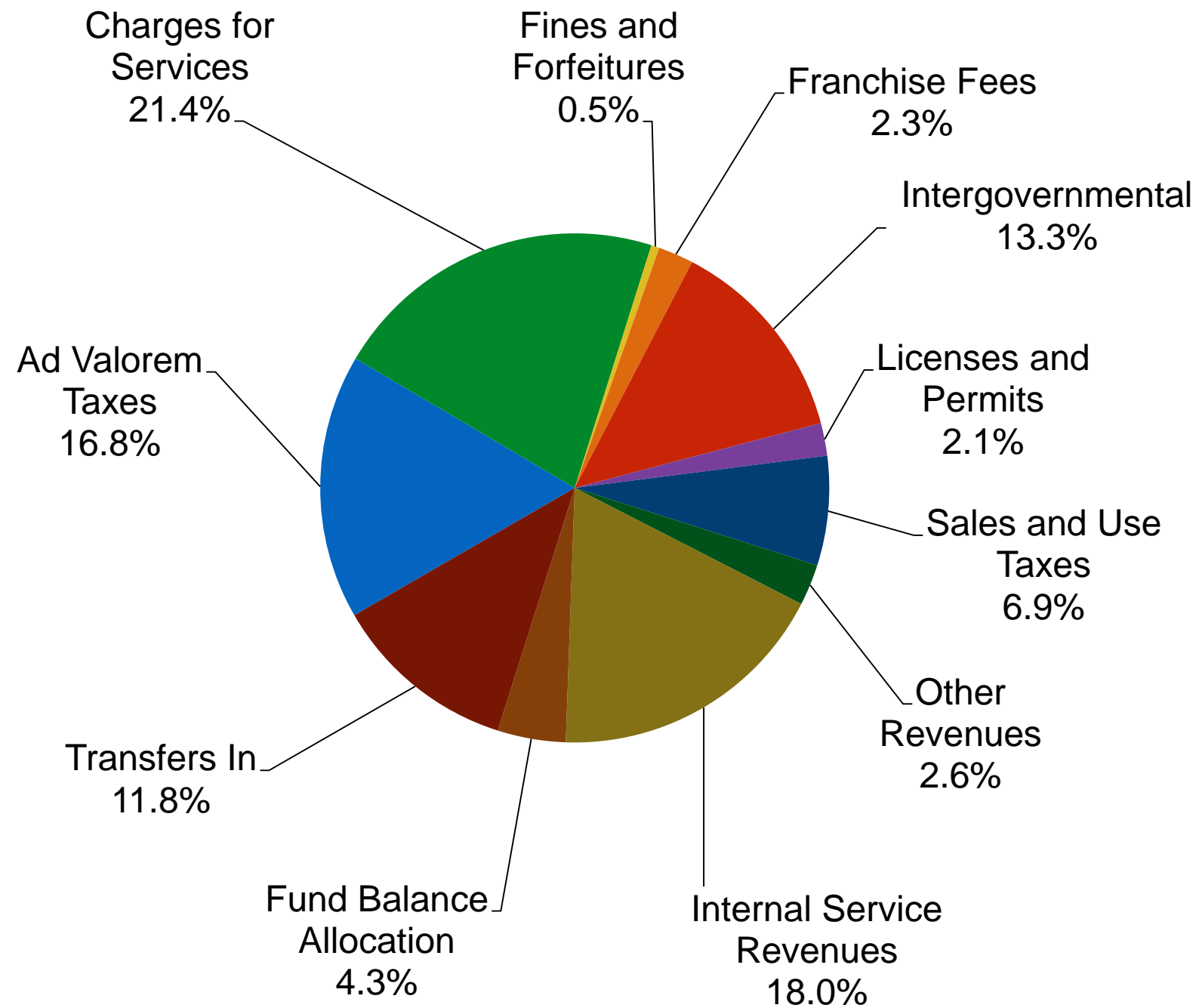
The numbers in this presentation represent a working draft for FY2021. The Office of Management and Budget will revise these numbers over the coming weeks as new information is received.

This may include:

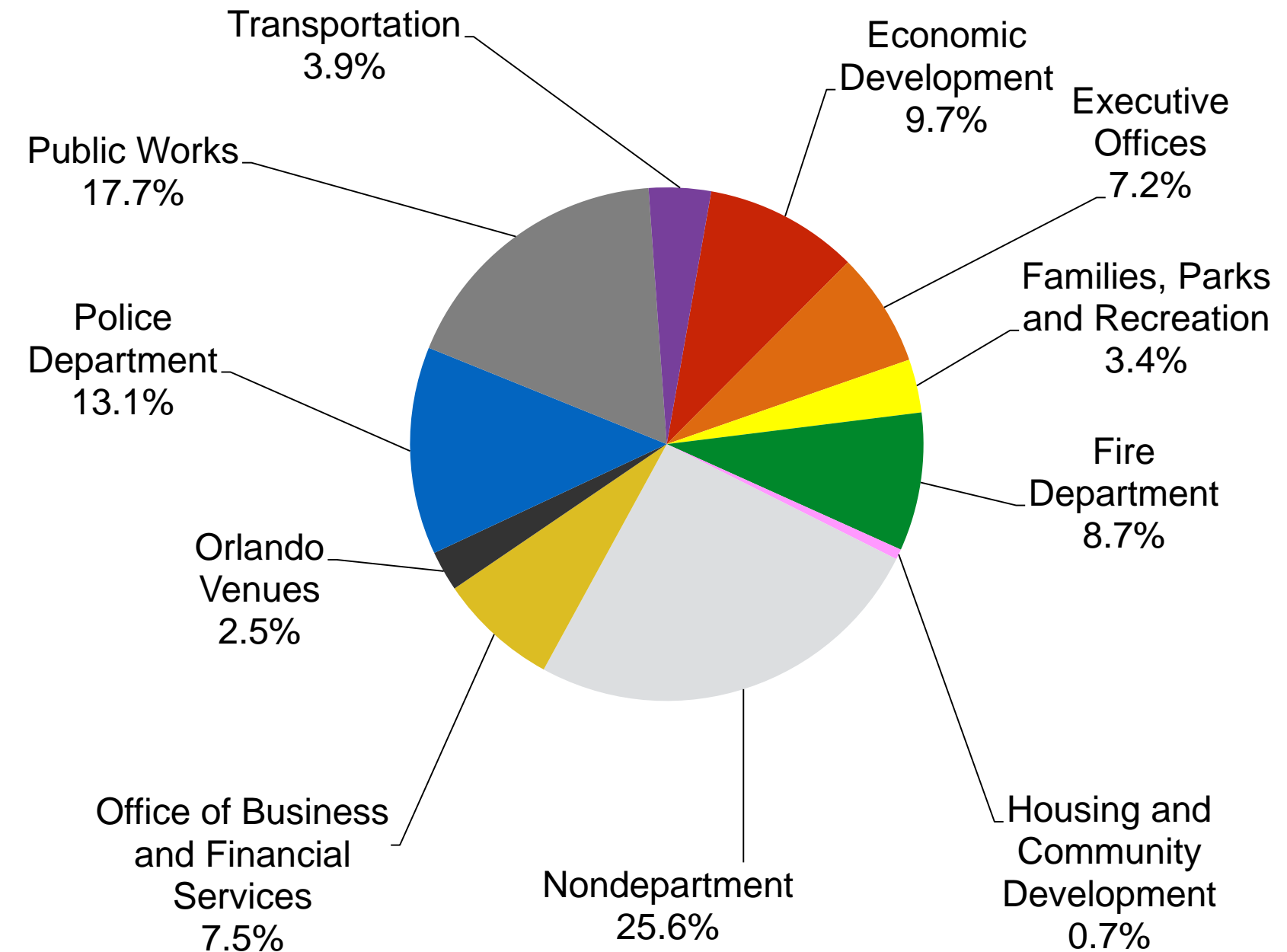
- State Revenue Estimates
- Additional Programming and Staffing Changes
- Collective Bargaining
- Benefit Costs
- Rate Proposals
- Unforeseen Events

FY2021 All Funds Budget - \$1,447,746,393

Revenues by Source



Expenses by Department



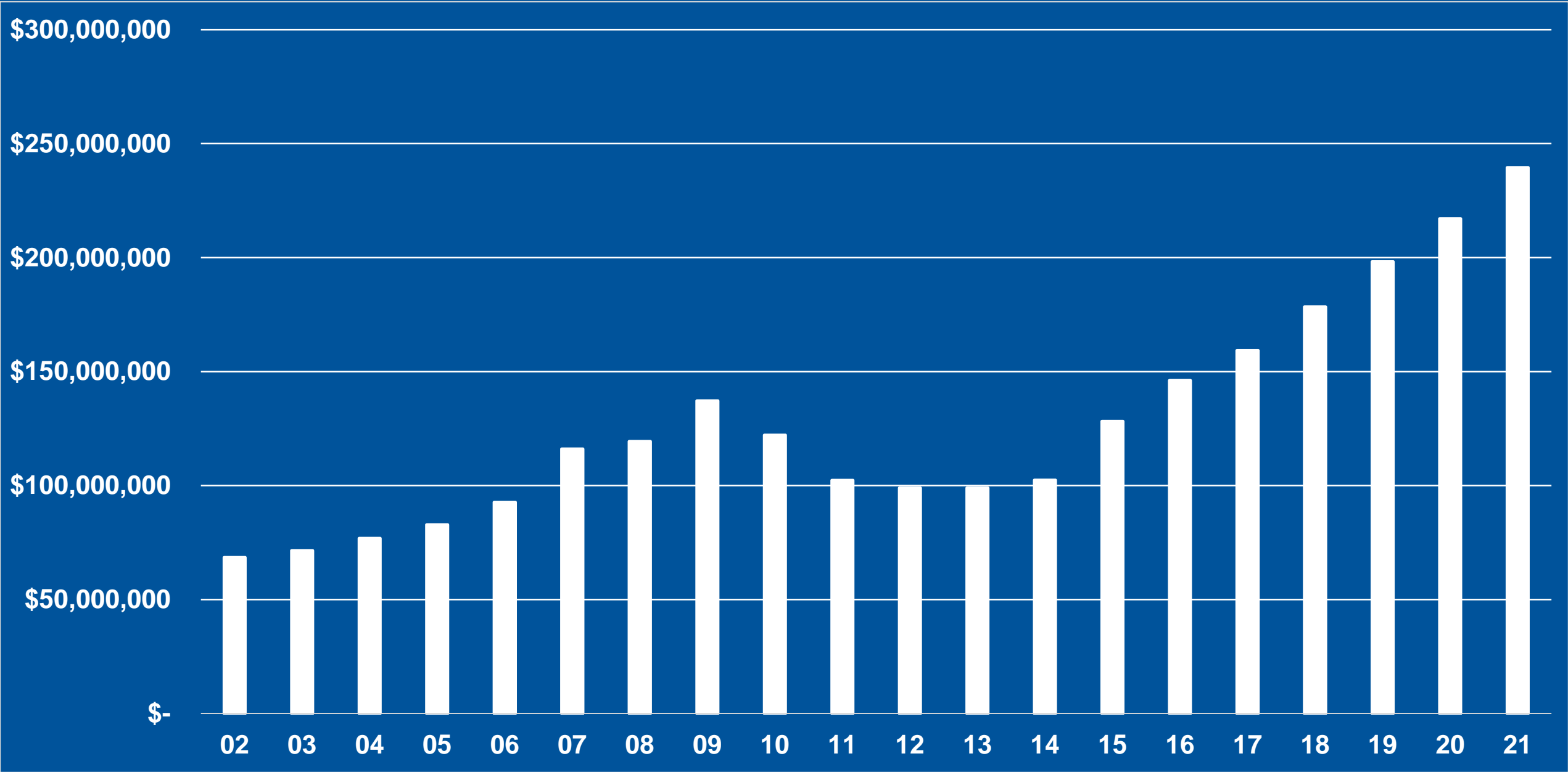
FY2021 General Fund Budget

General Fund Revenues

Source	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
Property Taxes	\$ 217,106,679	\$ 239,482,554	\$ 22,375,875	10.3%
Charges for Services	51,742,102	53,290,905	1,548,803	3.0%
Fines and Forfeitures	2,705,216	3,925,000	1,219,784	45.1%
Franchise Fees	33,700,000	32,380,000	(1,320,000)	-3.9%
Intergovernmental	86,832,325	83,006,097	(3,826,228)	-4.4%
Licenses and Permits	15,348,000	15,103,000	(245,000)	-1.6%
Sales and Use Taxes	60,950,000	56,400,000	(4,550,000)	-7.5%
Other Revenues	13,060,198	14,036,336	976,138	7.5%
Transfer In	35,767,314	36,191,183	423,869	1.2%
Total Revenues	\$ 517,211,834	\$ 533,815,075	\$ 16,603,241	3.2%

Property Taxes

Projection for FY2021 reflects maintaining our millage rate of 6.65 and the growing tax base.



Understanding Property Taxes

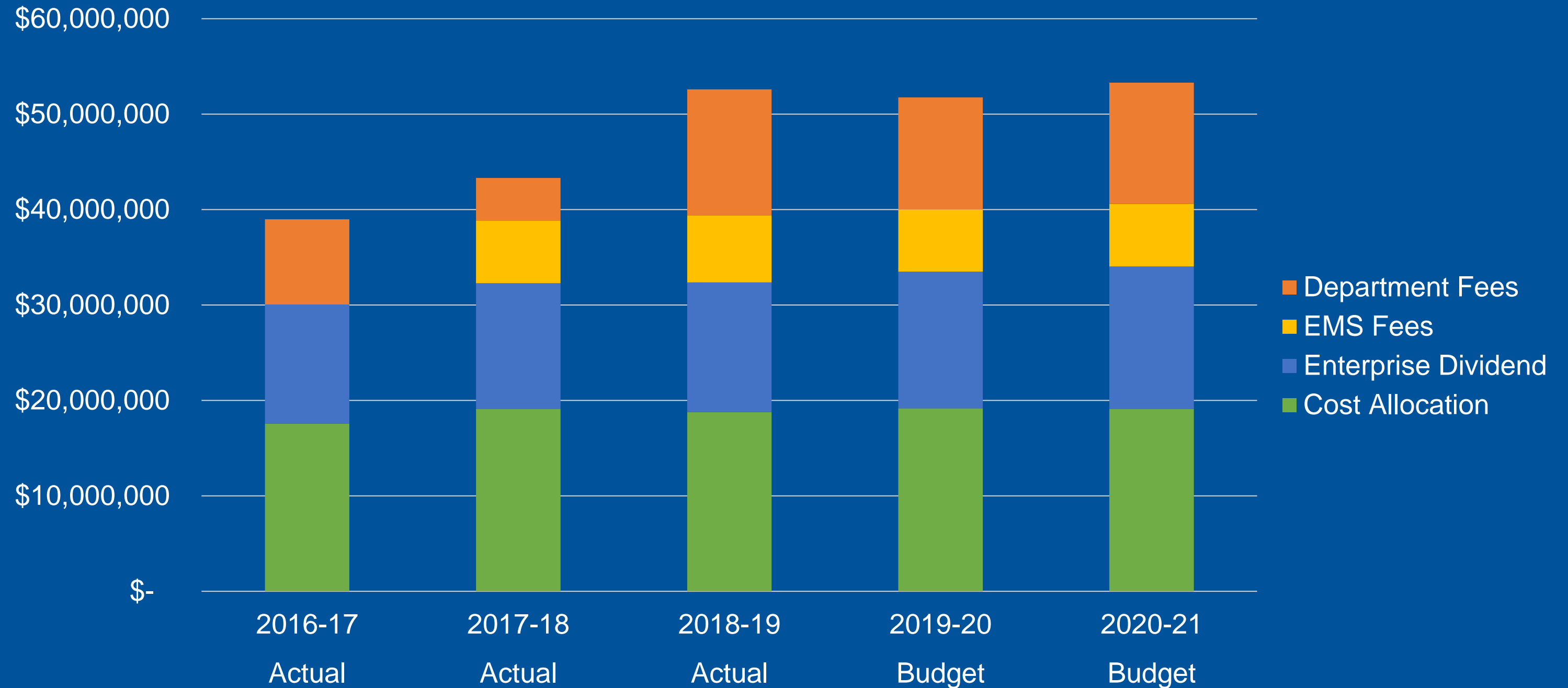
- Largest single revenue source for the General Fund (45%)
- Determined by:
 - The taxable value of your home (determined by Orange County Property Appraiser)
 - The City's millage rate (determined by City Council)
- Millage rate:
 - \$1 per \$1,000 of taxable value
 - The City's current millage rate is 6.6500, or \$6.65 per \$1,000 of taxable value

Understanding Property Taxes

- 2020 City Total Assessed Value is \$37.5B an increase of \$3.5B (10.3%) from 2019
- 2020 New Construction is almost \$1.4B of the increase and generated \$9.7M in revenues
- 2020 Initial Save Our Homes Exemption is \$2.8B in value, resulting in \$18.5M of revenues forgone
- 2020 First \$25,000 is \$967M in value, resulting in \$6.4M of revenues forgone
- 2020 Commercial and Non-Homestead Cap is \$3.1B in value resulting in a loss of \$20.6M in revenues
- 2020 Additional \$25,000 is \$819M in value, resulting in \$5.4M of revenues forgone
- Nearly two-thirds of our parcels are at capped value

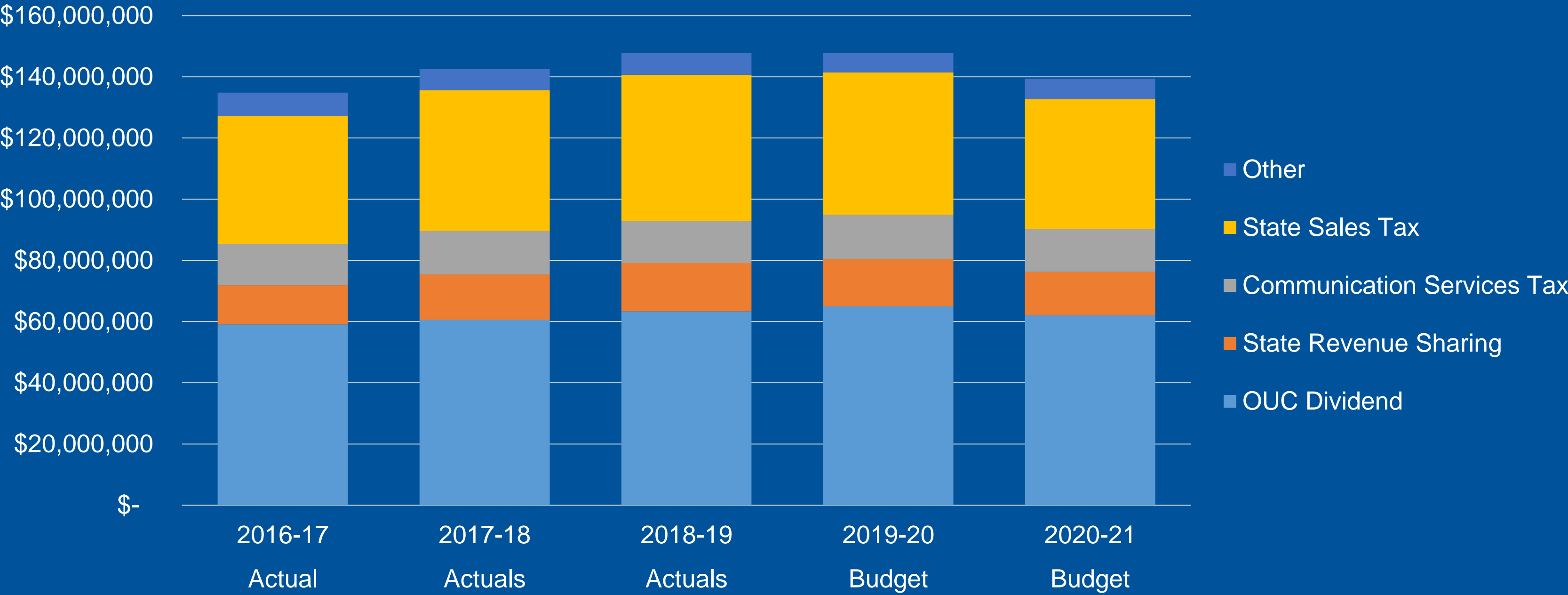
Charges for Services

Charges for services represent 10.3% of total General Fund revenue.



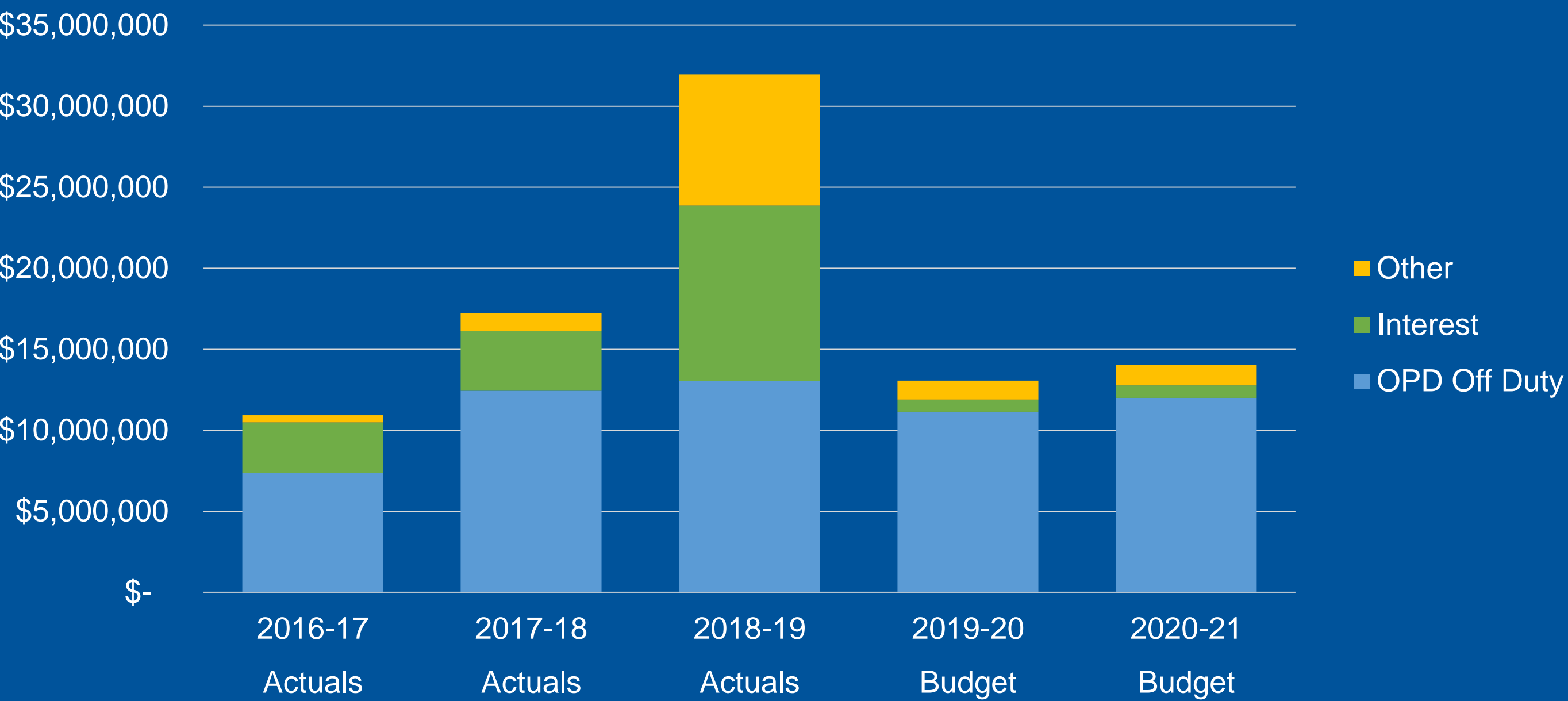
Intergovernmental & Sales and Use Tax

Orlando Utilities Commission (OUC) Dividend decrease by nearly \$3M and State Sales Tax revenue decrease by nearly \$4M from FY20. Together, they account for 41% of the total \$16.7M decrease in revenues to General Fund from these two sources.



Other Revenue

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



General Fund Expenditures by Use

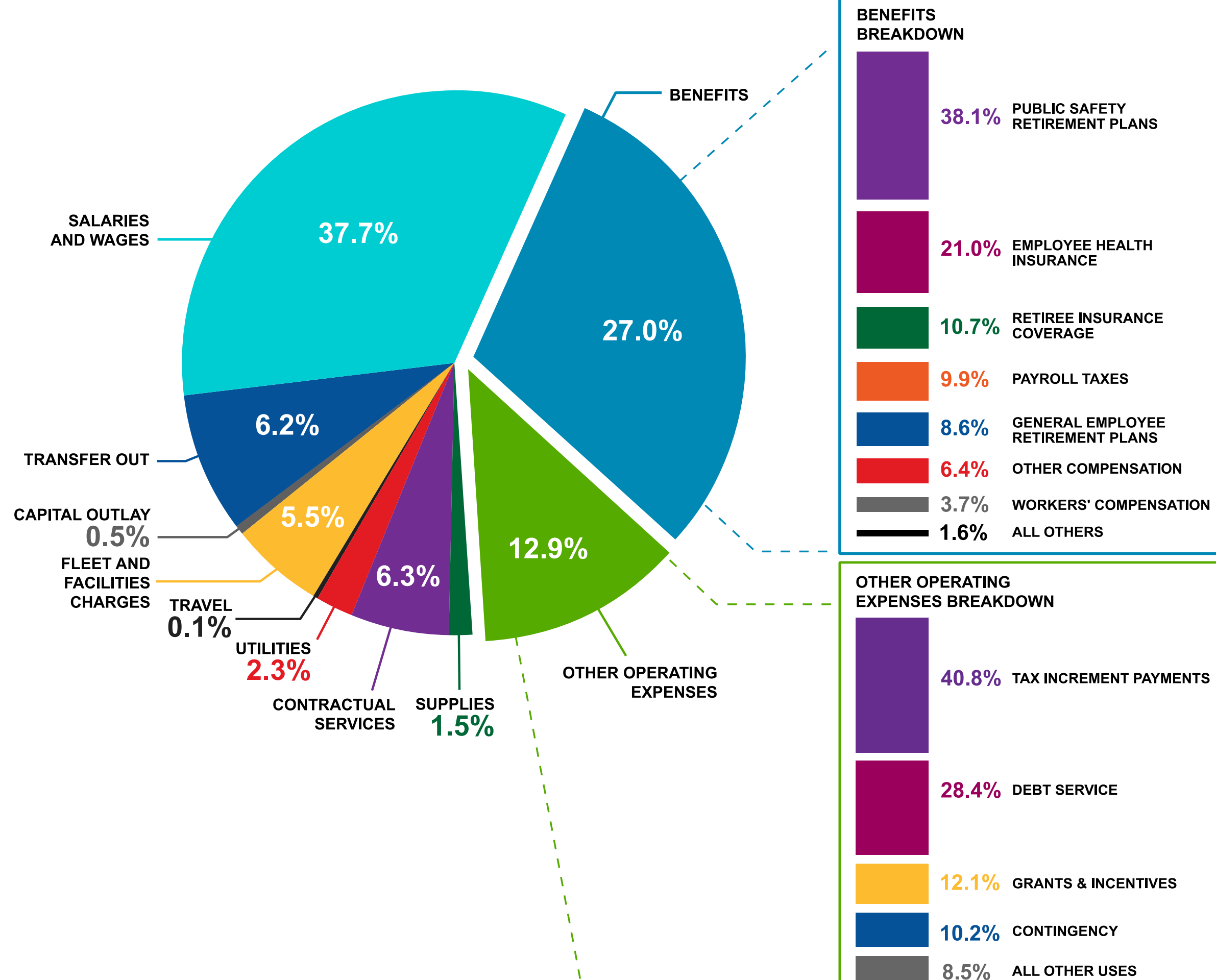
	FY2020 Adopted Budget (Note 1)	FY2021 Recommended Budget	Change	Change %
Salaries and Wages	\$ 192,572,662	\$ 201,449,639	\$ 8,876,977	4.6%
Benefits	137,104,739	144,232,591	7,127,852	5.2%
Supplies	7,415,841	8,023,468	607,627	8.2%
Contractual Services	29,740,759	33,571,643	3,830,884	12.9%
Utilities	12,506,766	12,515,609	8,843	0.1%
Training and Travel	720,588	725,197	4,609	0.6%
Fleet and Facility Charges	29,356,570	29,338,013	(18,557)	-0.1%
Capital Outlay	2,186,950	2,731,402	544,452	24.9%
Other Operating Expenses	63,207,777	68,376,296	5,168,519	8.2%
Transfer Out	42,399,182	32,851,217	(9,547,965)	-22.5%
Total Expenses	\$ 517,211,834	\$ 533,815,075	\$ 16,603,241	3.2%

*Note 1: In mid-FY20 several budget lines which were classified as 'Benefits' were reclassified as 'Salaries & Wages'.
This table shows the FY20 budget after this change to facilitate year over year comparisons.*

FY21 Preliminary Budget

- General Fund Expenditures
 - Wage increases existing employees: +\$4.5M
 - Police & Fire pensions: +\$3.8M
 - Contractual cost increases: +\$2.5M
 - Tax increment payments: +\$1.9M
 - Workers Compensation premiums: +\$1.6M
 - General Liability premiums: +\$850,000
 - Contingency: +\$2M
 - Transfer to CIP Fund: -\$5M
 - Transfer to Designated Revenue: -\$4M

General Fund Expenditures

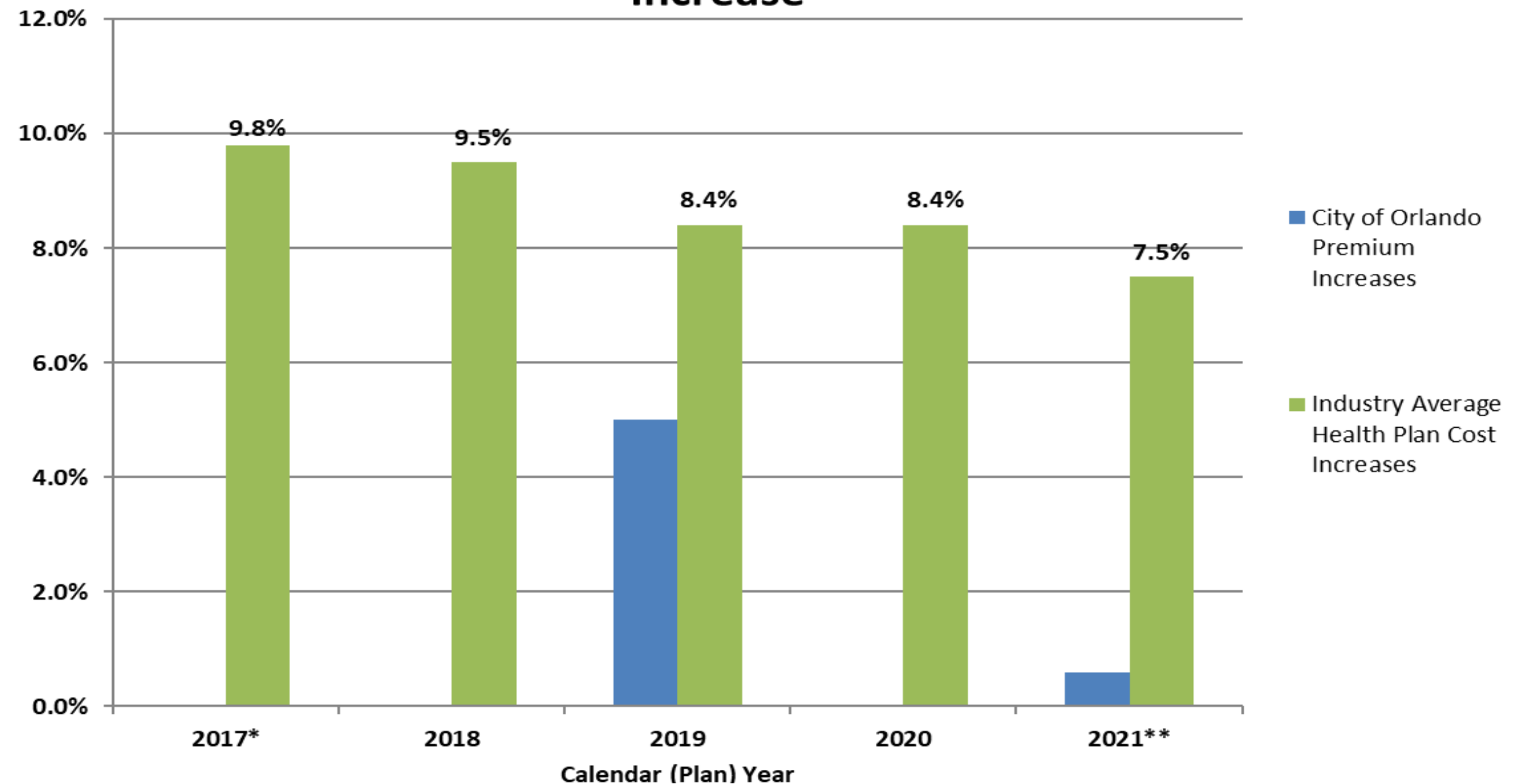


Health Benefits Detail

City-managed health care costs have remained stable.

- General Fund FY21 budget for health insurance is \$30.3M. It is the single largest benefit item.
- The FY21 budget includes blended premium increase of less than 1%.
- This has caused premiums to essentially stay flat compared to FY20.

City Actual Premium Increase vs. Industry Average Cost Increase



*A one-month premium holiday was given in December 2017

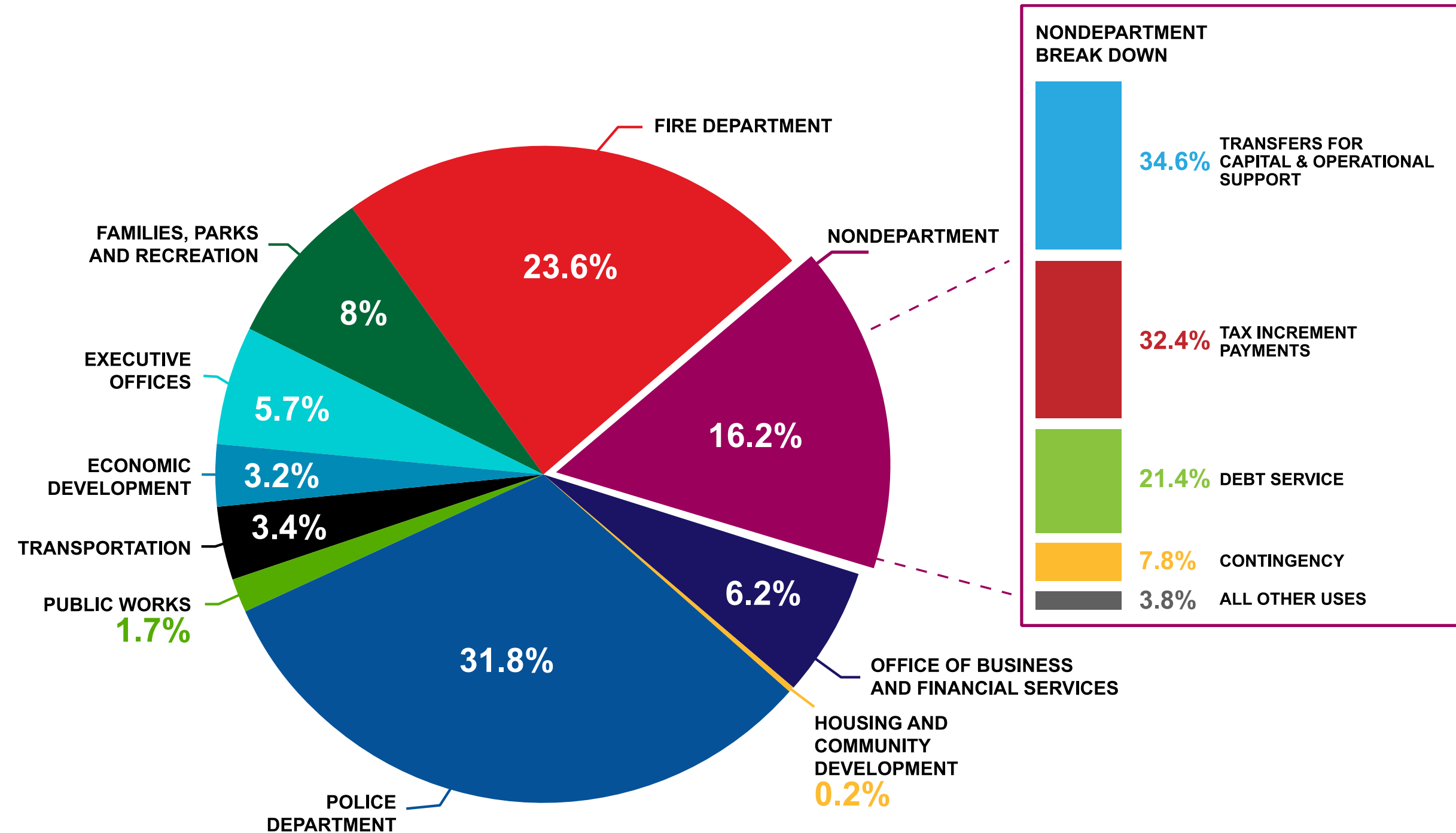
** Premium increase is a blended average of less than 1% across all tiers

FY2021 General Fund Department Details

General Fund by Department

	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
Economic Development	\$ 16,273,760	\$ 16,969,136	\$ 695,376	4.3%
Executive Offices	28,332,832	30,436,660	2,103,828	7.4%
Families, Parks & Recreation	37,342,739	42,477,578	5,134,839	13.8%
Fire	121,280,206	125,993,894	4,713,688	3.9%
Housing & Community Development	1,102,371	1,310,847	208,476	18.9%
Nondepartmental	91,564,968	86,310,304	(5,254,664)	-5.7%
Business & Financial Services	30,895,592	32,876,131	1,980,539	6.4%
Police	163,636,744	169,916,391	6,279,647	3.8%
Public Works	9,402,264	9,270,867	(131,397)	-1.4%
Transportation	17,380,358	18,253,267	872,909	5.0%
Total Expenses	\$ 517,211,834	\$ 533,815,075	\$ 16,603,241	3.2%

General Fund Expenditures by Department FY 2020/21





General Fund Divisions

- Business Development
- City Planning
- Code Enforcement
- Director of Economic Development
- Permitting



General Fund Full Time Employees

- FY2020 Adopted: 99
- FY2021 Recommended: 100
- Net Change: +1



General Fund Budget

- FY2020 Adopted: \$16,273,760
- FY2021 Recommended: \$16,969,136

All Funds Budget

- FY2021 Recommended: \$140,297,089



New FY2021 Recommended Programming

- \$500,000 – Tax rebate (KPMG)
- \$25,000 – After-hours construction inspections
- \$25,000 – Main Street Assistant Administrator (partial funding)



General Fund Divisions

- Office of the Mayor
- Office of Community Affairs
- Office of Communications & Neighborhood Relations
- Office of the City Clerk
- Office of City Commissioners
- Office of Chief Administrative Officer
- Minority/Women Business Enterprises
- Human Resources Division
- Office of Sustainability
- City Attorney's Office



General Fund Full Time Employees

- FY2020 Adopted: 158
- FY2021 Recommended: 165
- Net Change: +7



General Fund Budget

- FY2020 Adopted: \$28,332,832
- FY2021 Recommended: \$30,346,660

All Funds Budget

- FY2021 Recommended: \$104,201,459



New FY2021 Recommended Programming

- \$250,000 – Contingency for Community Nonprofit Partner Support
- \$475,000 – Add Sustainability Project Manager, Spanish Translator, Public Records Specialist, Labor Relations Specialist and Equity Official



General Fund Divisions

- Children Affairs
- Director of Families, Parks & Recreation
- Parks
- Recreation



General Fund Full Time Employees

- FY2020 Adopted: 223
- FY2021 Recommended: 240
- Net Change: +17



General Fund Budget

- FY2020 Adopted: \$37,342,739
- FY2021 Recommended: \$42,477,578

All Funds Budget

- FY2021 Recommended: \$48,646,277



New FY2021 Recommended Programming

- \$2,100,000 – Expansion of Paramore Kidz Zone to 3 other neighborhoods
- \$896,000 – Personnel and Operating for opening of Lake Lorna Doone Park
- \$520,000 – Increase for recreation field maintenance contracts
- \$261,000 – Personnel and Operating for increasing activities at new Rosemont Neighborhood Center Gym
- \$250,000 – Personnel and Operating for opening of Grand Avenue Neighborhood Center
- \$100,000 – Increase for Athletics/Recreation supplies



General Fund Divisions

- Fire Chief's Office
- Fire Administrative Services Bureau
- Fire Support Services Bureau
- Fire Rescue Operations Bureau



General Fund Full Time Employees

- FY2020 Adopted: 651
- FY2021 Recommended: 659
- Net Change: +8



General Fund Budget

- FY2020 Adopted: \$121,280,206
- FY2021 Recommended: \$125,993,894

All Funds Budget

- FY2021 Recommended: \$126,101,894



New FY2021 Recommended Programming

- \$200,000 – Diversity funding
- \$300,000 – 5 new Paramedics
- \$150,000 – 2 new Communications Supervisors
- \$2,400,000 – Increase for fire pension costs
- (\$85,000) – Transfer of Payroll Clerk



General Fund Divisions

- Housing and Community Development (Administrative costs only)



General Fund Budget

- FY2020 Adopted: \$1,102,371
- FY2021 Recommended: \$1,310,847

All Funds Budget

- FY2021 Recommended: \$9,451,596



General Fund Full Time Employees

- FY2020 Adopted: 0
- FY2021 Recommended: 0
- Net Change: 0



New FY2021 Recommended Programming

- \$85,000 – Unfreezing one additional position
- \$40,000 – Administrative costs due to loss of SHIP funding



General Fund Divisions

- Chief Financial Officer
- Accounting and Control Division
- Management and Budget Division
- Procurement and Contracts Management Division
- Real Estate Management Division
- Information Technology Division
- Treasury Management Division



General Fund Full Time Employees

- FY2020 Adopted: 173
- FY2021 Recommended: 177
- Net Change: +4



General Fund Budget

- FY2020 Adopted: \$30,895,592
- FY2021 Recommended: \$32,876,131

All Funds Budget

- FY2021 Recommended: \$109,135,197



New FY2021 Recommended Programming

- \$350,000 – Annual maintenance of new CAD system
- \$300,000 – Lower vacancy savings
- \$275,000 – Transfer of two Payroll Clerks from OPD, OFD and Pension Specialist
- \$150,000 – Increase in Facilities budget



CITY OF ORLANDO

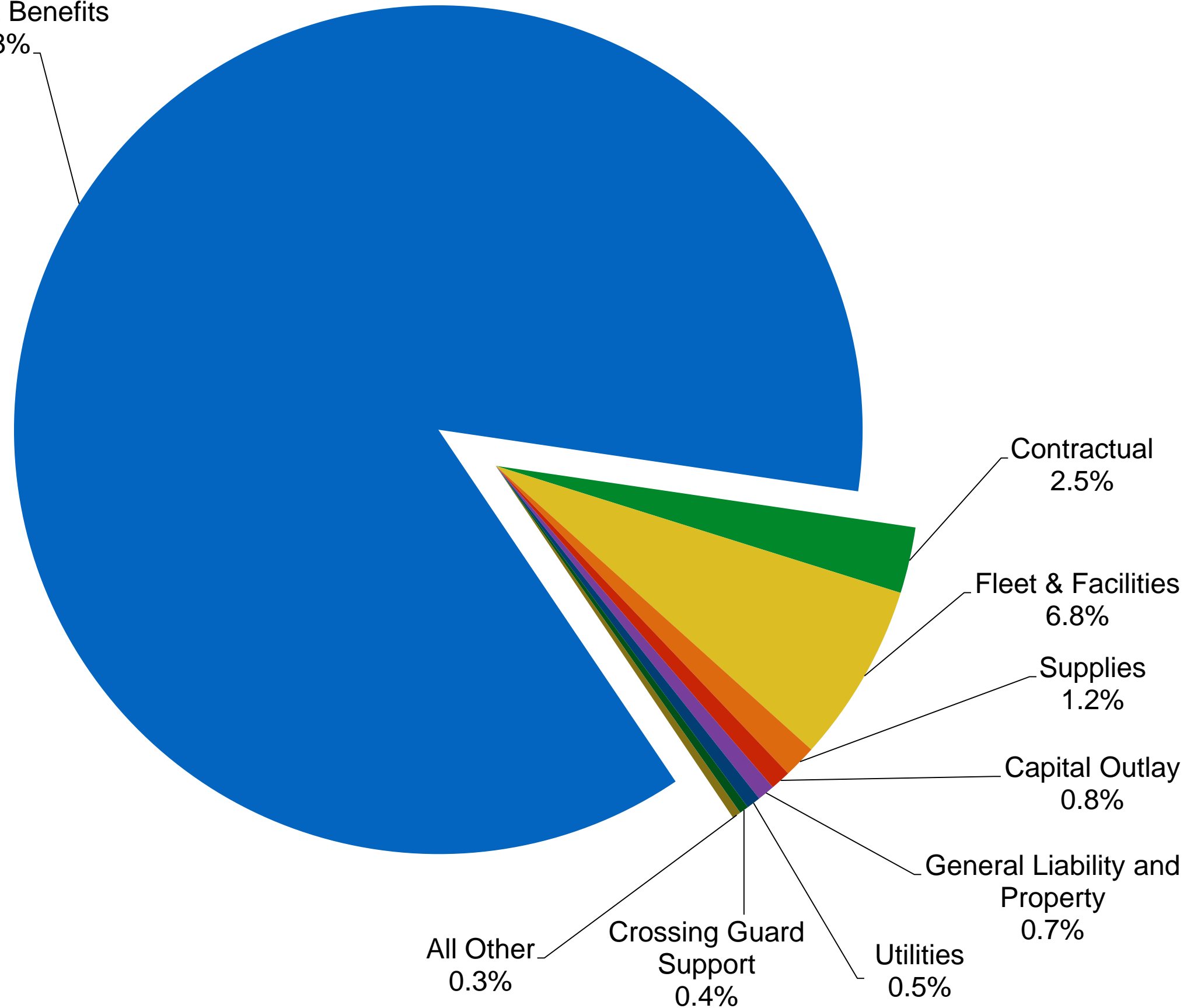
POLICE DEPARTMENT



General Fund Budget

- Labor costs drive the OPD budget. Salaries are almost \$82M and benefits are \$65M.
- Fleet expenses exceed \$10.5M annually. The main drivers are replacement costs (\$4.8M), fuel (\$2.6M) and repairs (\$2M)
- The largest contractual expenses are to maintain the radio system (\$1.4M), vehicle leasing costs (\$1.3M) and janitorial services (\$600,000)

Salaries & Benefits
86.8%





CITY OF ORLANDO

POLICE DEPARTMENT



General Fund Staffing

- Just over three-quarters of all OPD employees are sworn.
- Civilian employees predominate in Communications (90) and Support Services (45).
- Positions are often moved between units in response to operational needs and available staffing.

	Position Count	Proposed FY21 Positions	FY21 Count	% of Total
Administrative Services Bureau				
Police Support Services	46	-	46	4.5%
Police Recruiting	9	-	9	0.9%
Police Communications	93	-	93	9.2%
Professional Standards Division	25	3	28	2.8%
Police Officer Training	28	-	28	2.8%
Police Administration	10	(1)	9	0.9%
Bureau Total	211	2	213	21.1%
Investigative Services Bureau				
Criminal Investigations Division	112	5	117	11.6%
Special Enforcement Division	44	-	44	4.4%
Police Special Investigations	13	-	13	1.3%
Bureau Total	169	5	174	17.2%
Patrol Services Bureau				
Police Patrol	382	-	382	37.8%
Community Oriented Policing Program	75	10	85	8.4%
Community Service Officers	30	-	30	3.0%
Bureau Total	487	10	497	49.2%
Special Services Bureau				
Community Relations Division	18	-	18	1.8%
School Resource Officers	57	3	60	5.9%
Police Special Operations	48	-	48	4.7%
Bureau Total	123	3	126	12.5%
Department Total	990	20	1,010	



General Fund Divisions

- Police Administration
- Administrative Services Bureau
- Investigative Services Bureau
- Special Services Bureau
- Patrol Services Bureau



General Fund Budget

- FY2020 Adopted: \$163,636,744
- FY2021 Recommended: \$169,916,391

All Funds Budget

- FY2021 Recommended: \$189,451,662



General Fund Full Time Employees

- FY2020 Adopted: 990
- FY2021 Recommended: 1,010
- Net Change: +20



New FY2021 Recommended Programming

- \$912,000 – 10 new Community Oriented Policing officers, partially funded by Federal grant
- \$513,000 – Civilian personnel for new Crime Data Center
- \$495,000 – Increase for Janitorial Contract
- \$275,000 – Additional Use of force investigators
- \$1.5M – Increase for police pension costs
- \$100,000 – Increase in support to school crossing guard fund
- (\$115,000) – Transfer of Payroll Clerk to OBFS
- \$260,000 – 3 new School Resource Officers



General Fund Divisions

- Director of Public Works
- Engineering/Engineering Services Division
- Streets Division



General Fund Budget

- FY2020 Adopted: \$9,402,264
- FY2021 Recommended: \$9,270,867

All Funds Budget

- FY2021 Recommended: \$256,905,494



General Fund Full Time Employees

- FY2020 Adopted: 91
- FY2021 Recommended: 91
- Net Change: 0



New FY2021 Recommended Programming

- \$80,000 – Increase of temporary help to process right-of-way permits
- \$20,000 – Equipment for Streets Asst Construction Manager
- (\$400,000) – Increase in vacancy savings



General Fund Divisions

- Director of Transportation
- Transportation Engineering Division
- Transportation Planning Division



General Fund Full Time Employees

- FY2020 Adopted: 73
- FY2021 Recommended: 73
- Net Change: 0



General Fund Budget

- FY2020 Adopted: \$17,380,358
- FY2021 Recommended: \$18,253,267

All Funds Budget

- FY2021 Recommended: \$56,615,775



New FY2021 Recommended Programming

- \$100,000 – Roundabout feasibility study
- \$130,000 – Bucket truck for signal group
- \$69,000 – Increase for red light contract



General Fund Divisions

- Tax Increment Payments
- Debt Service
- Contingency
- Transfers to Other Funds



General Fund Full Time Employees

- FY2020 Adopted: 0
- FY2021 Recommended: 0
- Net Change: 0



General Fund Budget

- FY2020 Adopted: \$91,564,968
- FY2021 Recommended: \$86,310,304

All Funds Budget

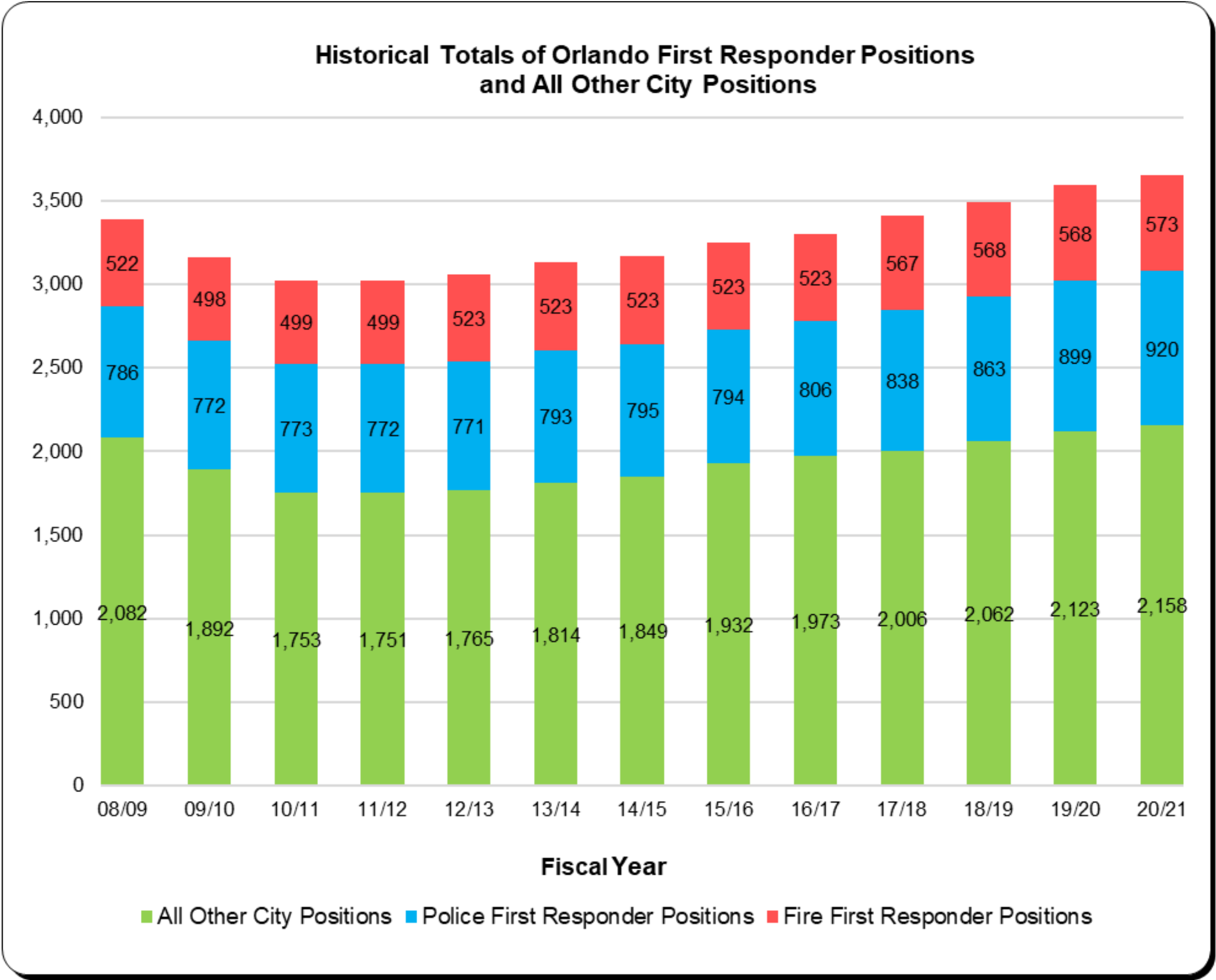
- FY2021 Recommended: \$370,170,346



New FY2021 Recommended Programming

- \$1,900,000 – Increase in tax increment payments
- \$1,750,000 – Increase to Contingency
- \$750,000 – Set-aside for mental health co-responders
- \$350,000 – Intercultural Competence Assessment evaluations for police officers
- \$175,000– Allocate for police officer mental health services
- (\$5,000,000) – Reduce transfer to Capital Improvement Fund

Citywide Staffing All Funding Sources



FY2021 Other Funds Budgets

Select Funds Expenditures

	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
Capital Improvements Fund	\$ 27,267,281	\$ 20,932,744	\$ (6,334,537)	-23.2%
Fleet Replacement Fund	22,806,289	19,694,933	(3,111,356)	-13.6%
Health Care Fund	70,048,977	71,216,084	1,167,107	1.7%
Parking System Revenue Fund	20,341,489	20,640,741	299,252	1.5%
Solid Waste Fund	41,212,730	41,384,243	171,513	0.4%
State Housing Initiatives Partnership Program Fund	394,966	-	(394,966)	-100.0%
Stormwater Funds	25,714,233	27,974,235	2,260,002	8.8%
Transportation Impact Fee Funds	10,198,738	13,653,429	3,454,691	33.9%
Water Reclamation Capital Funds	39,419,511	90,760,497	51,340,986	130.2%
Water Reclamation Revenue Fund	112,105,921	119,140,132	7,034,211	6.3%
All Other Non-General Funds	475,993,954	488,534,280	12,540,326	2.6%
Total Expenses	\$ 845,504,089	\$ 913,931,318	\$68,427,229	8.1%

Other Funds Summary

- Capital Improvement Fund budget decreases by \$6.3M
 - Decrease due to \$5M cut in General Fund support
 - Maintains funding for renewal and replacement efforts
- Fleet Replacement Fund decreases by \$3.2M because \$5M for OFD frontline vehicles budgeted in FY20
- Health Care Fund budget increases \$1.2M on rate increase of less than 1%
- Parking Fund budget includes a capital maintenance budget of \$1.1M
- Solid Waste Fund budget is up slightly by \$172K as rate increase is waived. Allocating fund balance for possible increase in fleet size.

Other Funds Summary

- State Housing support was eliminated in the state budget
- With no fee increase, the Stormwater Fund supports a \$2.1M capital program and anticipated debt service of \$1.9M
- Transportation Impact Fee budgets are increasing by \$3.5M
- Water Reclamation Capital projects include the rehabilitation of Conserv I
 - Preliminary estimate is \$80M
 - Anticipates possible debt issuance to fund the long-term improvements
- Water Reclamation operating increased by \$7M, which corresponds with 5% rate increase

FY2021 Capital Improvements Program

Capital Improvement Program by Fund

Fund	FY2020 Adopted Budget	FY2021 Recommended Budget	Change	Change %
55 West Garage Renewal and Replacement Fund	\$ -	\$ 200,000	\$ 200,000	N/A
Capital Improvement Fund	25,142,681	19,469,881	(5,672,800)	-22.6%
Community Redevelopment Agency	11,275,000	12,340,000	1,065,000	9.4%
Downtown South Neighborhood Improvement District Fund	1,160,000	350,000	(810,000)	-69.8%
Dubsdread Renewal and Replacement Fund	225,000	255,000	30,000	13.3%
Fleet Management Fund	1,000,000	-	(1,000,000)	-100.0%
Gas Tax Fund	9,924,469	9,603,006	(321,463)	-3.2%
Transportation Impact Fee Funds	8,382,000	9,182,000	800,000	9.5%
Parking R&R Fund	1,093,000	1,075,000	(18,000)	-1.6%
Real Estate Acquisition Fund	1,000,000	1,000,000	-	0.0%
Solid Waste Fund	4,400,000	3,072,700	(1,327,300)	-30.2%
Stormwater Capital Fund	1,680,000	2,140,000	460,000	27.4%
Water Reclamation Capital Projects Funds	30,360,000	90,760,497	60,400,497	199%
Total Expenses	\$ 95,642,150	\$ 149,448,084	\$ 53,805,934	56.3%

Capital Improvement Program by Function

Function	FY2021 Recommended Budget
Community Infrastructure	\$ 2,250,000
Economic Development	13,740,000
General Government	3,083,346
Public Facilities	1,000,000
Public Safety	3,010,724
Recreation & Culture	5,755,811
Solid Waste	3,072,700
Stormwater	3,115,000
Transportation	23,660,006
Water Reclamation	90,760,497
Total Expenses	\$ 149,448,084

Next Steps and Budget Calendar

Tentatively Balanced Budget

General Fund	FY2021 Recommended Budget
Revenues	\$ 533,815,075
Expenses	533,815,075
Total	\$ -
Other Funds	FY2021 Recommended Budget
Revenues	\$ 913,931,318
Expenses	913,931,318
Total	\$ -
All Funds	FY2021 Recommended Budget
Revenues	\$ 1,447,746,393
Expenses	1,447,746,393
Total	\$ -

Next Steps

Date	Activity	Subject Matter
July 20	Budget Workshop	Update of Budget Position, Ad Valorem Tax Revenues, Valuations, Department Requests
July 20	Agenda Item	Vote on Resolution to Set Tentative Millage Rate
August	Commissioner Briefings	Continued Discussion of Budget Recommendations
September 8	First Public Hearing	Resolutions for Fiscal Year 2020-2021 Millage Rate and Budget
September 21	Second Public Hearing	Final Resolutions for Fiscal Year 2020-2021 Millage Rate and Budget