

Office of Management & Budget

Public Hearing Annual Budget Amendment FY 2021-22

January 25, 2022



Presentation Outline

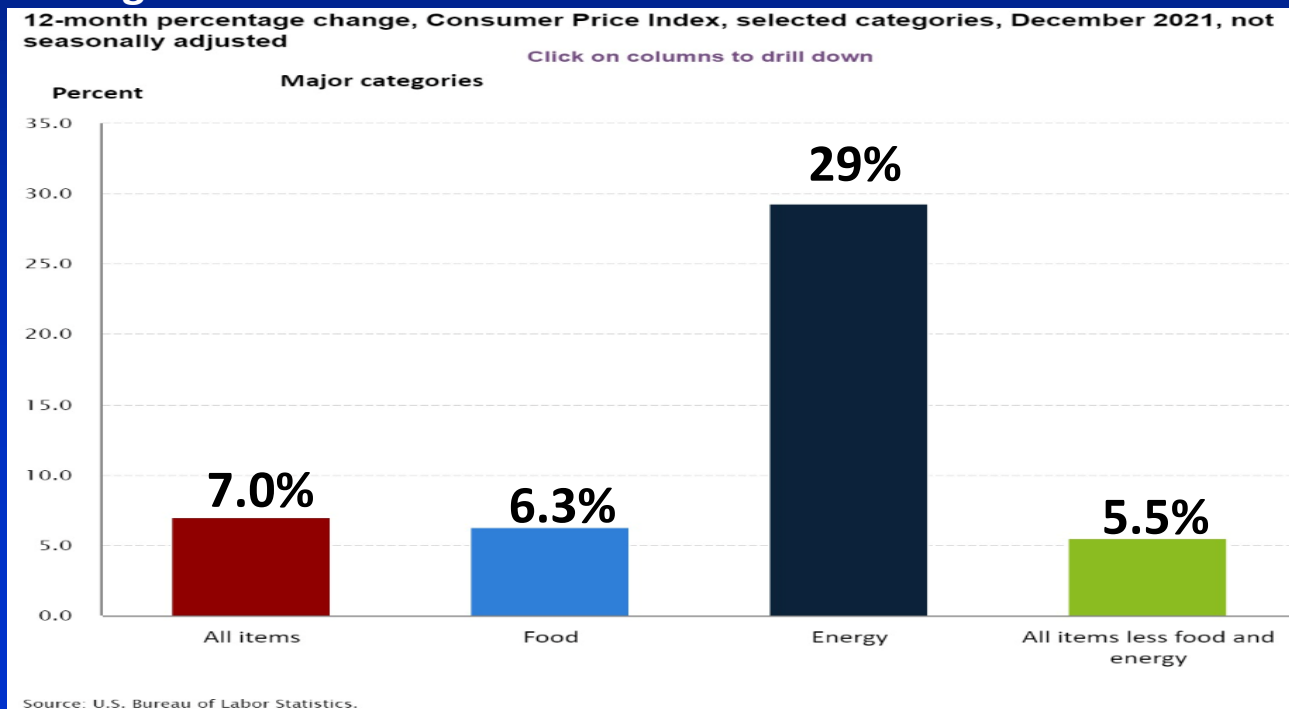


- **Financial Outlook**
 - General Fund - Ad Valorem Tax
 - State Half Cent Sales Tax (portion County receives from State)
 - Tourist Development Tax
 - Public Service Tax
 - Fuel Taxes
- **FY 2021-22 Annual Budget Amendments**
- **Board Actions**



Financial Outlook

- Economic activity has rebounded from its pandemic depths
 - Still experiencing waves of infections and strains
- Supply-chain disruptions and other factors resulting in inflation and cost increases
 - Consumer Price Index 7.0% (December 2020 to December 2021) - Prices paid by urban consumers for a market basket of consumer goods and services. Last time it was this high was 1982.

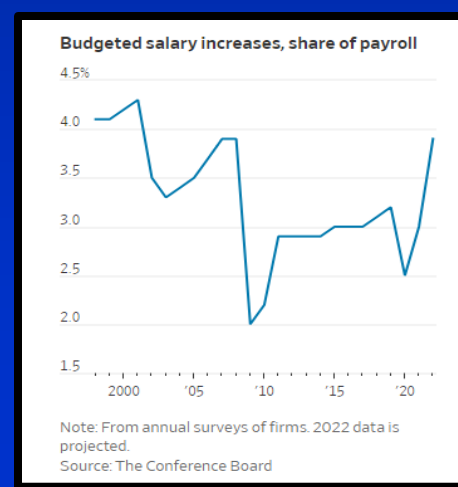
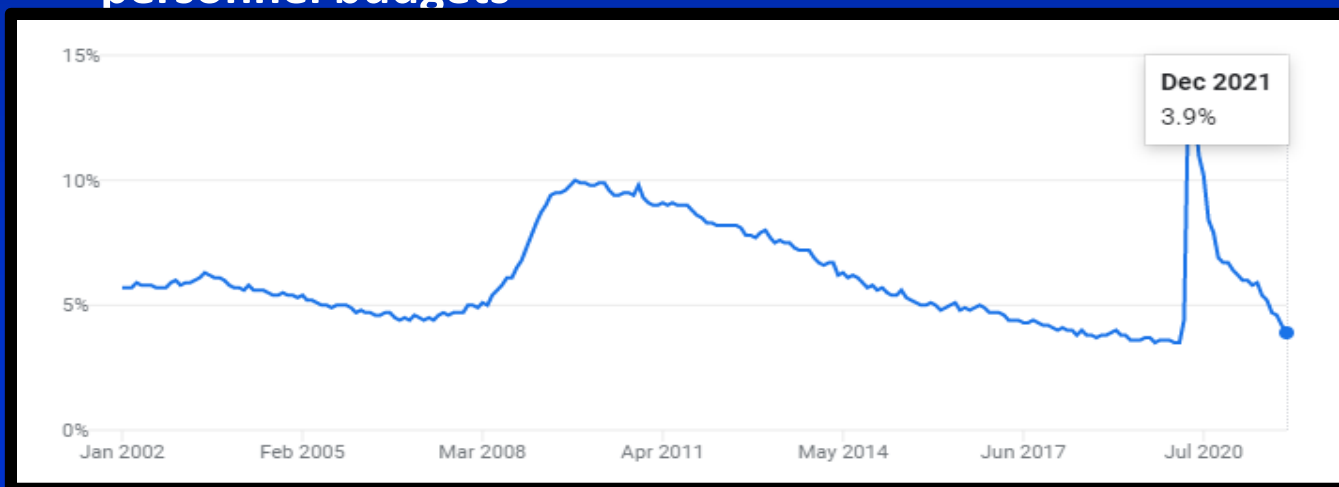




Financial Outlook

■ Tight labor market and rising labor costs

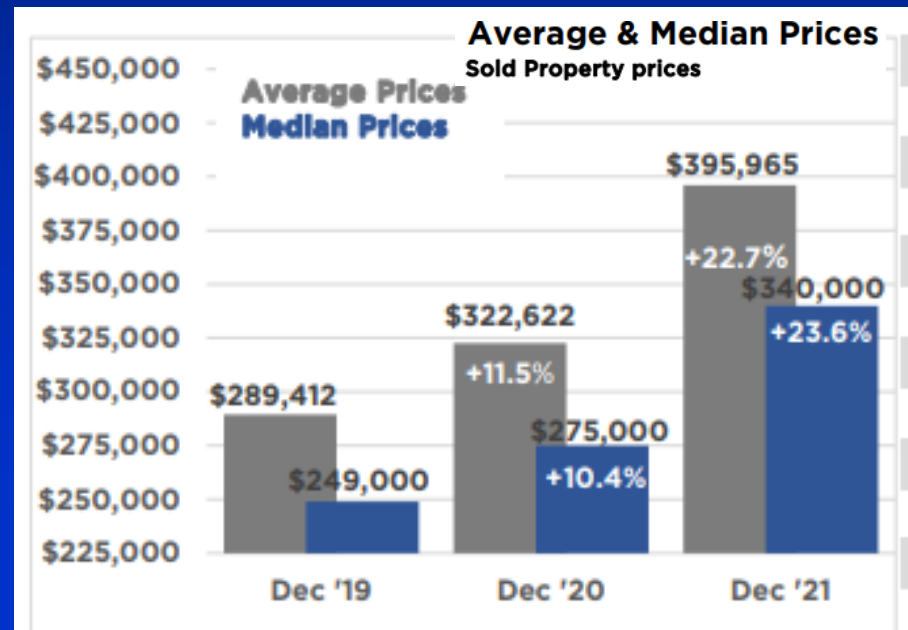
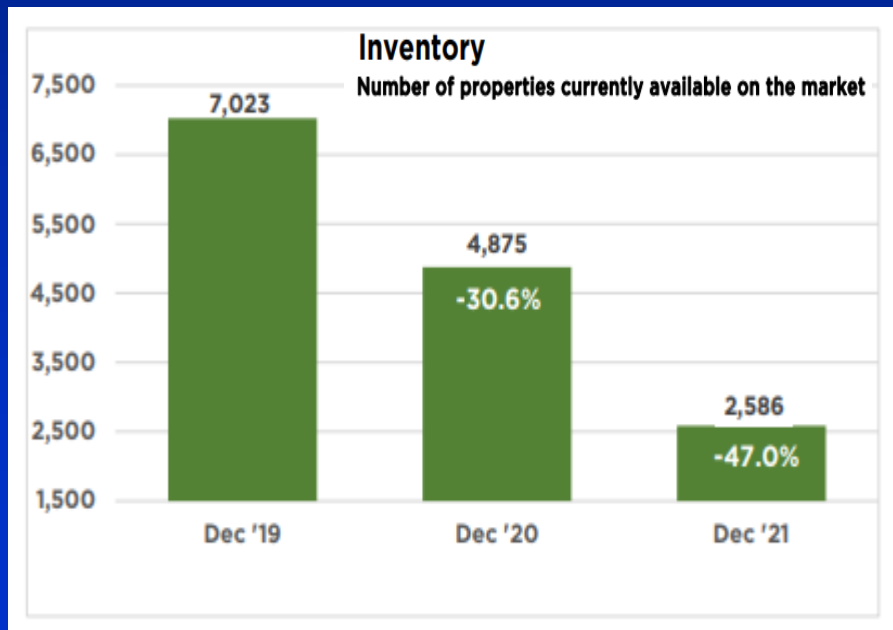
- Nationally initial jobless claims was 230,000 in the week ended Jan 8, slightly higher than December, which was the lowest level since September 1969. It is starting to rise again.
- Unemployment claims have been steadily falling as the labor market has tightened
 - National Unemployment Rate 3.9% (December 2021)
 - Orlando Metro Area Unemployment 3.9% (November 2021)
- WSJ Survey says employers planning for nearly a 4% increase in their personnel budgets





Financial Outlook

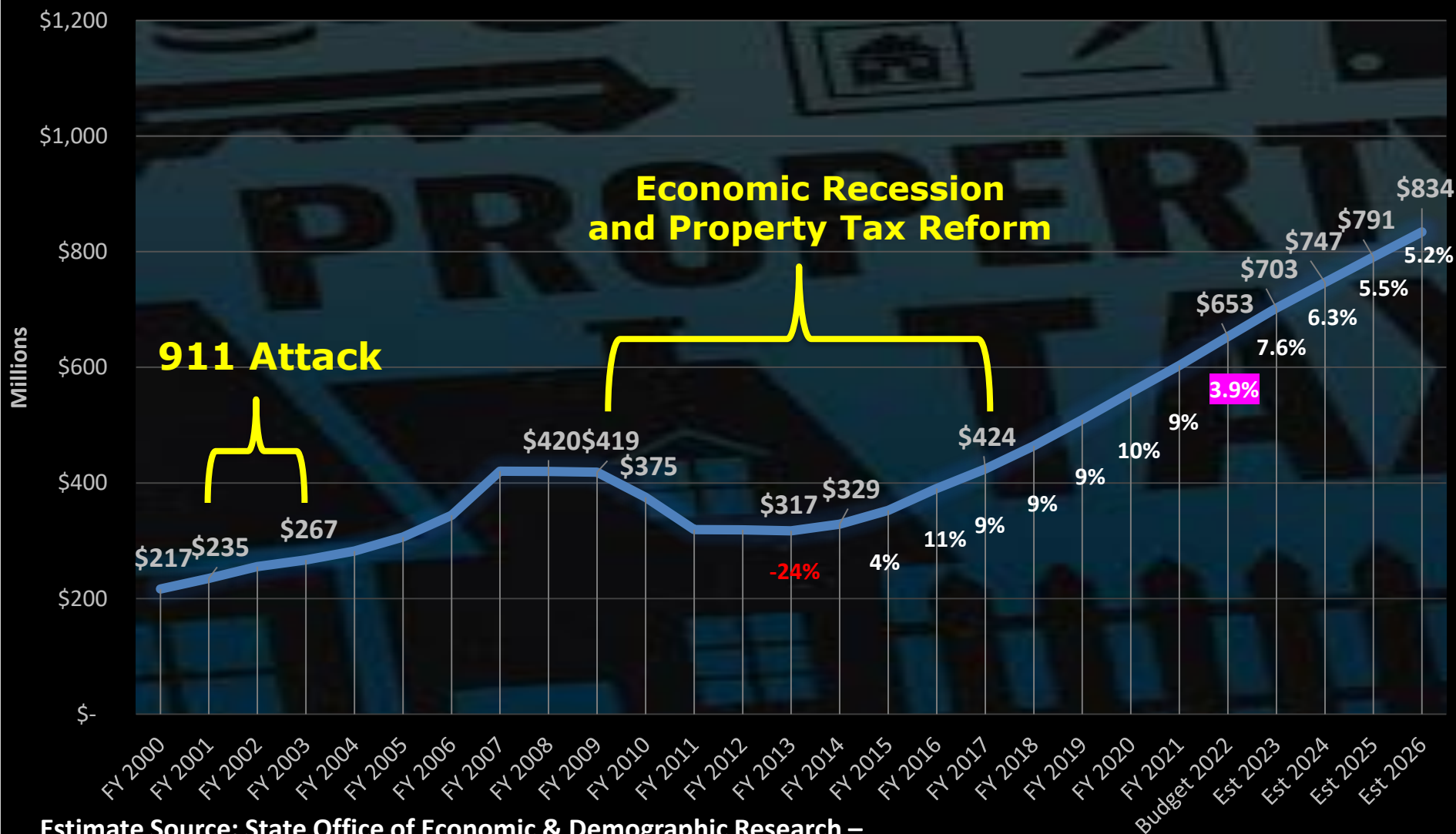
- **Strong Metro Orlando Housing Market Continues**
 - \$340,000 Median Home Price a 23% increase over 2020.
 - Orlando area inventory decreased by 47% from December 2020 to December 2021 from 4,875 homes to 2,586 homes.
 - The supply of homes remain at less than one month. Six-month supply is considered a healthy inventory.
 - Low inventory coupled with high demand continues to drive up home prices.



Sources: Orlando Realtor Association



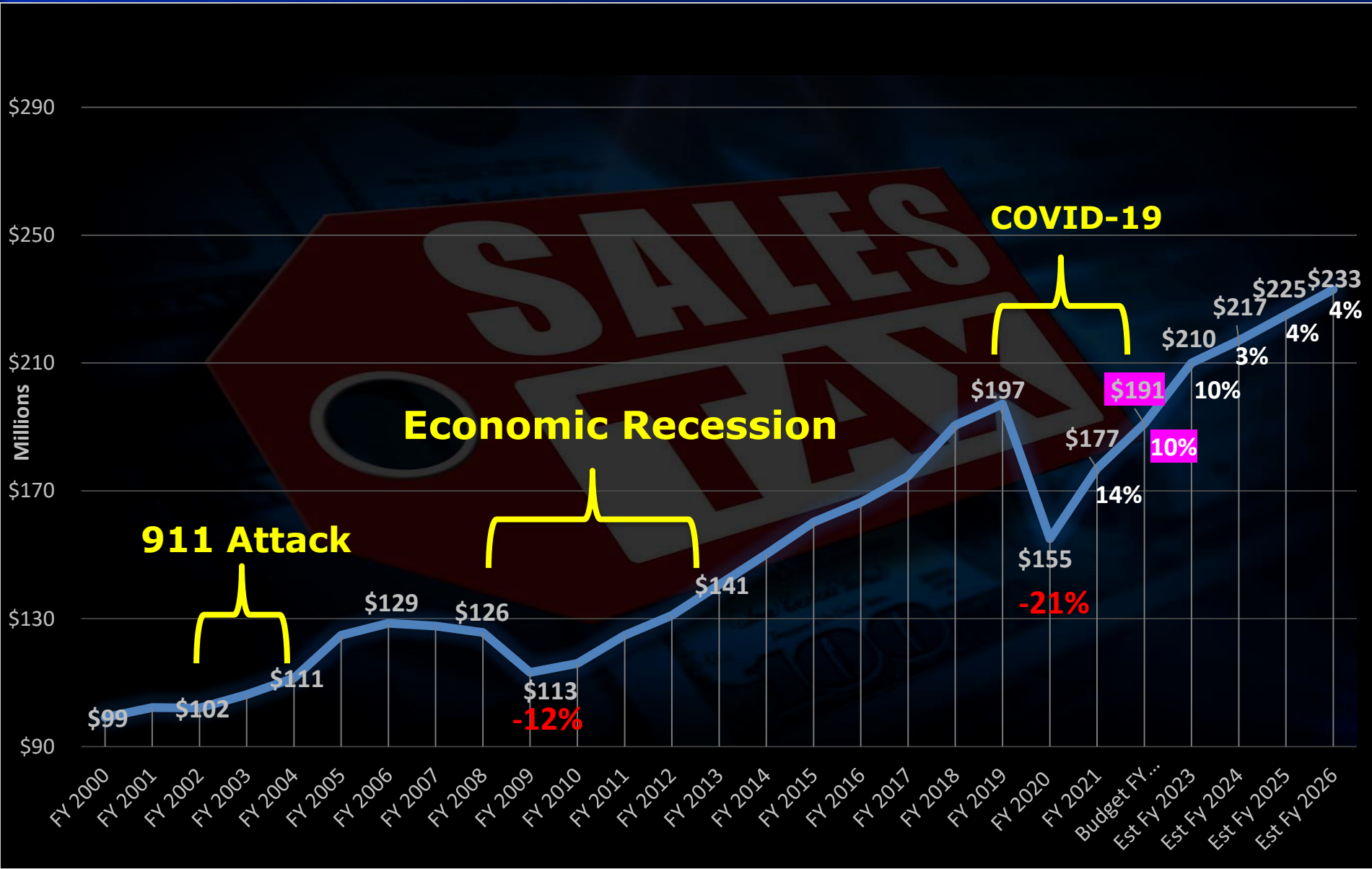
County Financial Forecast Ad Valorem – General Fund



Estimate Source: State Office of Economic & Demographic Research –
January 6 Revenue Estimating Conference for FY 2023 to FY 2027

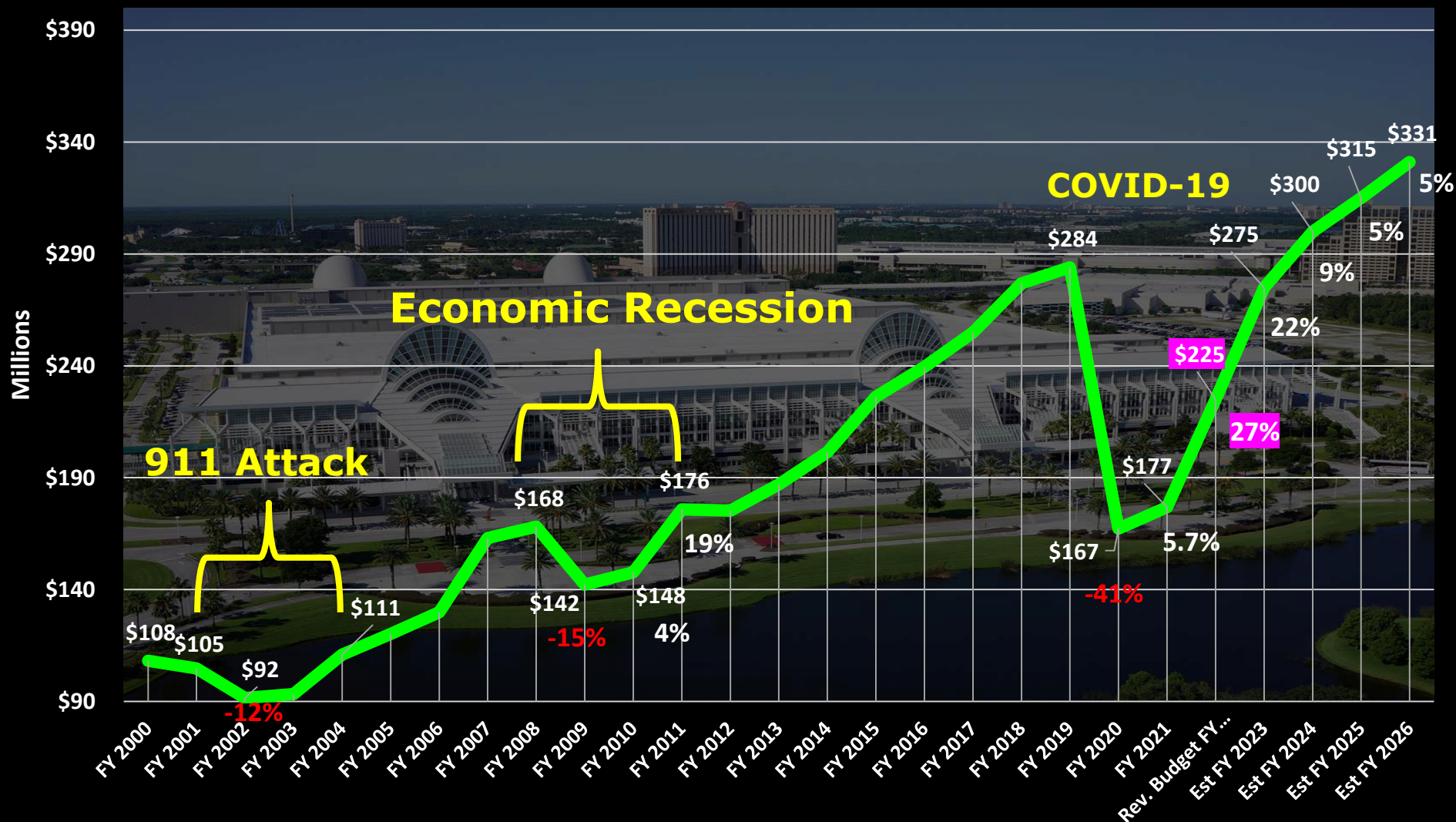


County Financial Forecast – State Half Cent Sales Tax



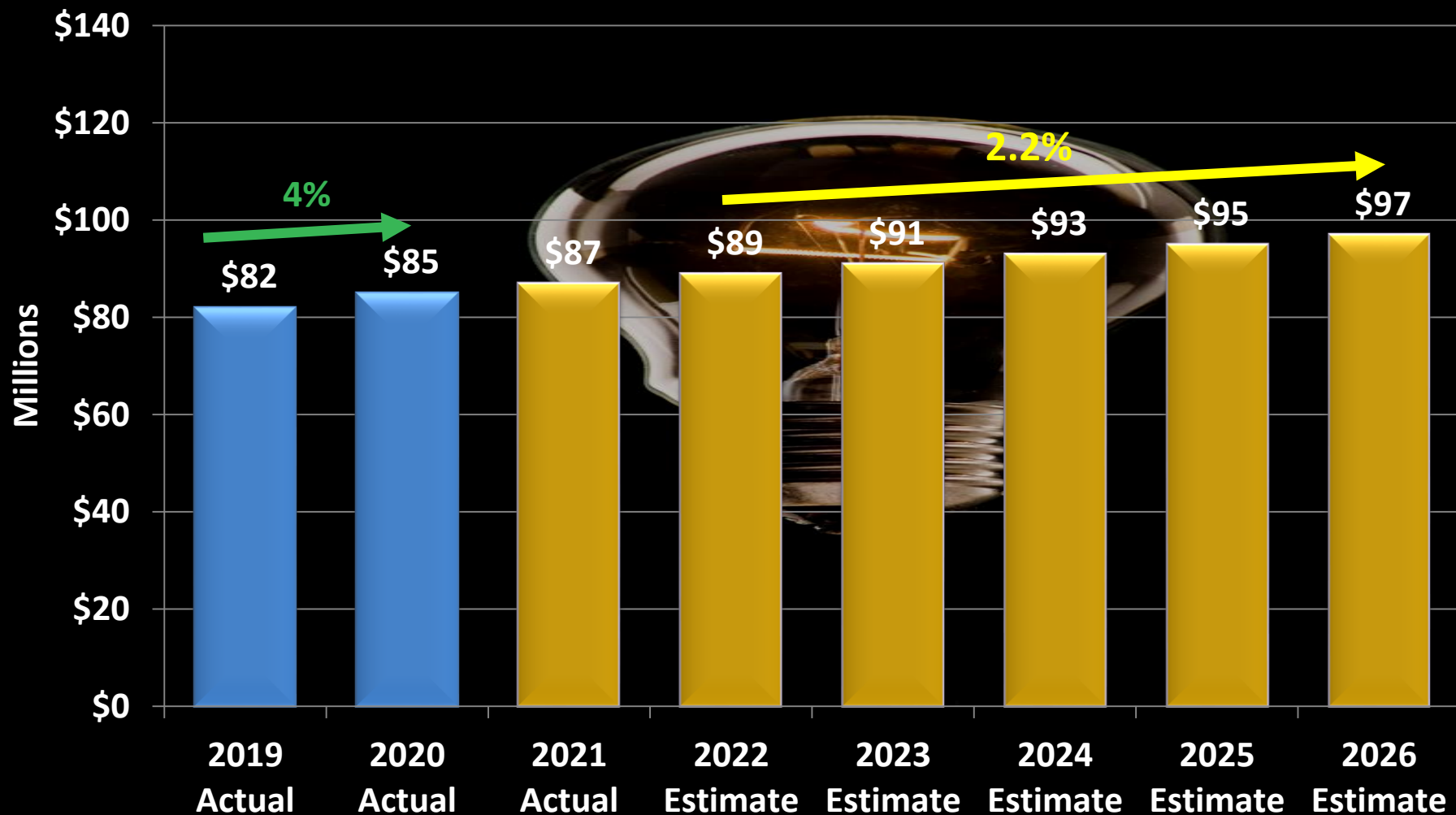


County Financial Forecast – Tourist Development Tax



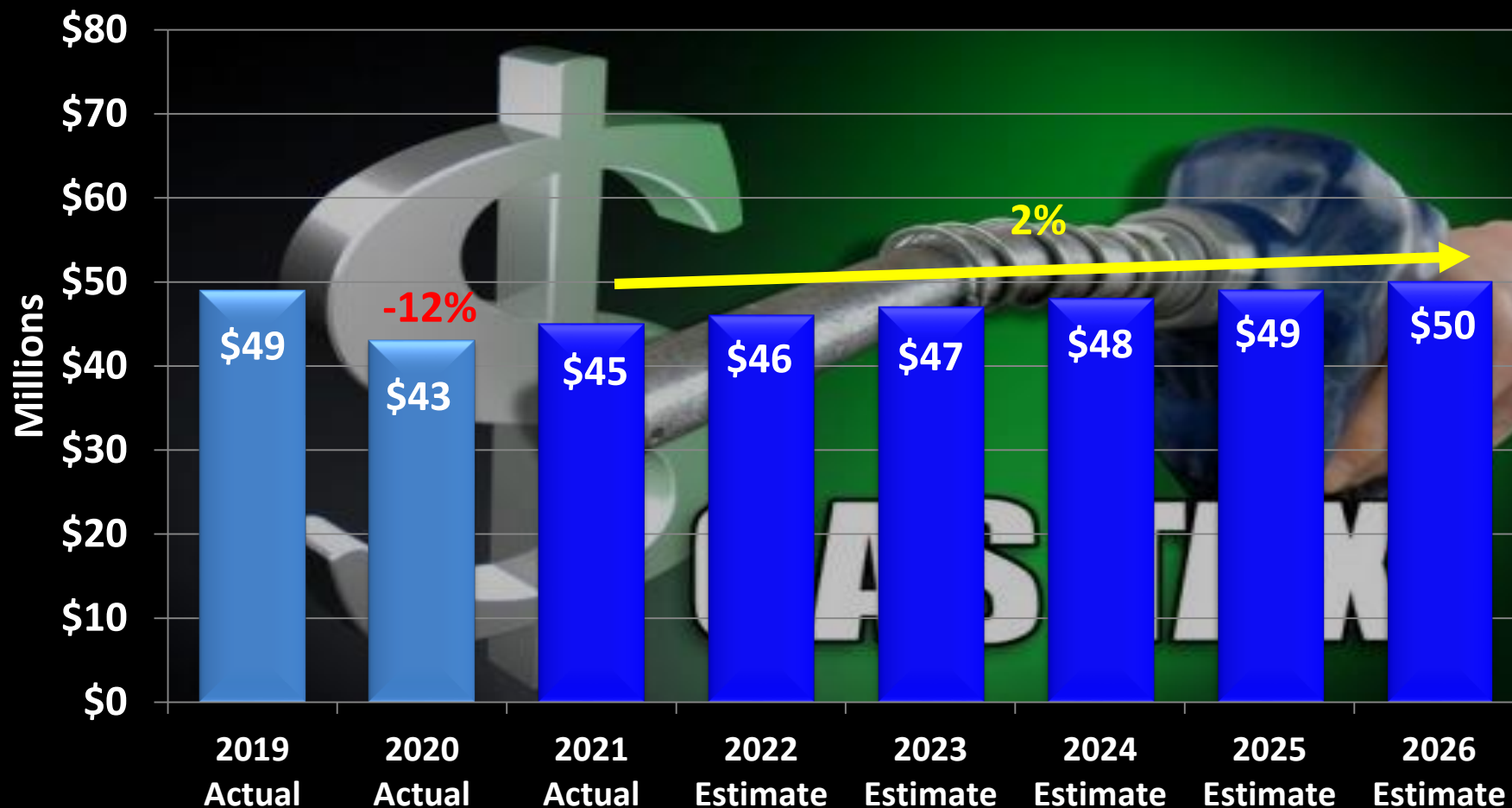


County Financial Forecast – Public Service Tax





County Financial Forecast – Fuel Taxes





Presentation Outline

- Major County Revenue Sources Update
 - General Fund - Ad Valorem Tax
 - Sales Tax
 - Tourist Development Tax
 - Public Service Tax
 - Fuel Taxes
- FY 2021-22 Annual Budget Amendments
- Board Actions





FY 2021-22 Annual Budget Amendments

- **In accordance with Section 129.06(2)(f), Florida Statutes, the following amendments are being considered:**
 - **Fund Balance or CBF**
 - **Encumbrance Rollovers**
 - **Grants Rollovers**
 - **Capital Improvement Rebudgets**



FY 2021-22 Annual Budget Amendments

- Total County Budget Adopted was \$5.4 Billion
- Current Budget After Encumbrance Rollovers/Grant Rollovers/Other Grant Budget Adjustments is \$5.9 Billion
- Total Budget After Budget Amendment \$6.3 Billion





FY 2021-22 Annual Budget Amendments

- **General Fund Ended FY 2020-21**
with a **\$26M** Surplus (2% of General Fund)
 - **Revenue**
 - Constitutional Offices Excess Fees
 - Other General Fund Revenues
 - **Expenditure Surplus**
 - Responsible Expenditure Practices by the County
 - Staff Vacancies





FY 2021-22 Annual Budget Amendments

■ Focus of Budget Amendment Adjustments

- 1. Update cash balance**
- 2. Rebudget unspent funding in prior fiscal year required to complete projects/services**
- 3. Adjust for unanticipated items and cost increases occurring after the budget was adopted**



FY 2021-22 Annual Budget Amendments

General Fund Revenue Adjustments	Amount
Cash Brought Forward	\$26.0 Million
Total Revenue Adjustment	\$26.0 Million
General Fund Expenditure Adjustments	Amount
Sheriff (\$3 Million Supply Chain Delays and \$2 Million FBI Helicopter)	\$5.0 Million
Property Appraiser (Supply Chain Delays – Equipment and Vehicles)	\$0.6 Million
Rebudgets (Unspent dedicated funding in prior year, needed in new fiscal year)	\$4.2 Million
Corrections Inmate Hospital Costs & Travel Nurses	\$2.0 Million
Other Net Adjustments	\$0.4 Million
Reserves (7.1% to 8.2%)	\$13.8 Million
Total Expenditure Adjustments	\$26.0 Million



FY 2021-22 Annual Budget Amendments

- **General Fund Reserves**
 - Current Reserves \$86.6M (7.1%)
 - Proposed Amendment Reserves \$100.4M (8.2%)
- **Total Budget Reserves is 26% of the Total Budget**





New Position Requests

■ 6 - PEDS Positions

- 3 Building Inspector II Positions – Fast Track Help Desk Team (Building Fund)
- 3 Housing Positions – Program Manager and 2- Housing Assistant (HOME ARPA Grant)

■ 1 - Mental Health & Homelessness

- Monitor and Evaluation Coordinators – Responsible for oversight, expenditures and monitoring of the ARPA contracts.

■ 3 - Sheriff's Office

- 2 Traffic Infraction Enforcement Officers – Red Light Program
- 1 School Resource Officer – Water Spring Middle School



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Board Actions

1. Approval of Budget Amendments

- 22-16 Fund Balance
- 22-17 Encumbrance Rollovers
- 22-18 Grants Rollovers
- 22-19 Capital Improvement Rebudgets



2. Approval of New Position Requests

3. Approval of Payment to Sheriff's Office and Property Appraiser

- Sheriff's Office \$5 million
- Property Appraiser \$597,518

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