

Suggested City Commission & Staff Budget Adjustments FY 2021

Item	Proposer	Fund	Budget Amt	Budget Source	Comments	Staff Notes
Cover General Fund Revenue Shortfall	Staff	General Fund	\$294k	Capital Projects Transfer	NA	The proposed General Fund budget includes just under \$1.4 million in funding for capital projects. This is already reduced from prior years by approximately \$600k due to revenue constraints from the recession. Removing funds from here would reduce capital improvement and replacements to city buildings and facilities, IT equipment, and Parks enhancements.
				Reduce Reserves		With the proposed budget, the city is expected to have just over \$17 million in unencumbered reserves at the end of FY21. Removing the funds from reserves will drop the city's unencumbered reserves as a percent of reoccurring operating expenditures from 29.4% to 29%.
				Increase Property Taxes		The Commission provided flexibility in the tentative millage rate of up to 0.47 mills to deal with unexpected revenue shortfalls. To cover the shortfall with a property tax rate increase would take approximately 0.053 mills, generating \$298k for the General Fund and \$43k for the CRA. On a Winter Park home with a taxable value of \$300k, this would raise annual property taxes by just under \$16.
				Utilize Contingency		City budget policy calls for one half of one percent of revenues to be held in contingency. The proposed city budget includes \$350k in contingency funding. This was made available because no payment will be required for Commuter Rail obligations next year. These funds can be utilized to cover any revenue shortfalls. While the city would not meet policy guidelines, this may be a better alternative than trying to raise revenues or make additional budget cuts that reduce services.
Cover General Fund Revenue Shortfall	DeCiccio	General Fund	\$294k	Commuter Rail Contingency	Take the money from contingency since we do not need to pay for SunRail this year.	The General Fund has a contingency balance of \$350k, which is ample to cover the revenue shortfall due to lower expectations from State revenue estimates, while keeping \$56k in contingency.
Palmetto Road	DeCiccio	TBD	TBD	TBD	Complete Palmetto and make it a straight road from 1792 to Denning so as to ease traffic on Orange.	In order to properly budget for this project, design and quotes would need to be obtained. If this project is deemed to move forward and needs to be funded in FY21, General Fund reserves would be the most likely source. The City Commission can approve any project, including the use of reserves, at any regular meeting during the year.
Bike Path (Denning - 17/92)	DeCiccio	TBD	TBD	TBD	Provide a bike path to connect from Denning improvements to 1792	In order to properly budget for this project, design and quotes would need to be obtained. If this project is deemed to move forward and needs to be funded in FY21, General Fund reserves would be the most likely source. The City Commission can approve any project, including the use of reserves, at any regular meeting during the year.
Progress Point Park	DeCiccio	TBD	TBD	TBD	Build the Park on Progress Point for all to enjoy, especially now when so many are outdoors. That area has been blighted and not in use for too long.	In order to properly budget for this project, design and quotes would need to be obtained. If this project is deemed to move forward and needs to be funded in FY21, General Fund reserves or park acquisition/impact funds could be the source. It may also be possible that fund raising could support the construction of a park. The City Commission can approve any project, including the use of reserves, at any regular meeting during the year.
Development at Progress Point	DeCiccio	TBD	TBD	TBD	Allow for a building that will provide for small shops, ice cream, coffee etc. to activate the park at Progress Point and help to start new small businesses. This would provide jobs for the community	Staff would recommend that once the park design is completed, any recommendation for development on the remaining site is best achieved through creating a public solicitation with the desired parameters and reviewing the development community's responses. Land could be provided as either a sale of the remaining property or simply as a ground lease offering which would retain the property in city ownership, keep the City out of the job of managing commercial tenants and buildings, and generate income (both through a lease/sale and having the property active on the tax rolls).
Fairbanks Turn Lanes	DeCiccio	TBD	TBD	TBD	Allocate funds for turn lanes on Denning and Orange to ease traffic on Fairbanks and through the 5 point intersection at Orange.	In order to properly budget for this project, design and quotes would need to be obtained. If this project is deemed to move forward and needs to be funded in FY21, General Fund reserves would be the most likely source. The City Commission can approve any project, including the use of reserves, at any regular meeting during the year. As a note, the CRA does have \$1 million that was approved last budget year for traffic and stormwater improvements at Denning/Fairbanks.

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Cover General Fund Revenue Shortfall	Sullivan	General Fund	\$294k	Water & Wastewater Utility Cash Reserves	Option 1: Transfer funds from the Water & Wastewater Utility to cover the revenue shortfall in the General Fund. The Water Utility has \$11.3 million cash reserves.	This would certainly be a method to cover the General Fund revenue shortfall while also not touching General Fund reserves, and would maintain the existing \$350k contingency currently in the General Fund. Though the Water Utility has significant cash on hand, this will be drawn down by more than half over the next couple years as obligations for capital share agreements for wastewater treatment plants, like Iron Bridge, are paid out. As the General Fund has available contingency to cover the revenue shortfall, staff would prefer to utilize those funds and reserve Water Utility funds for other projects or emergencies.
		Capital Projects Fund/ General Fund	294k	Capital Projects Transfer	Option 2: Reduce the General Fund transfer to capital projects by underfunding the facility replacement account for 2021. If necessary for the future, utilize reserves.	Staff does not recommend deferring major maintenance. The Facility Replacement Account is responsible for routine and emergency capital repairs and replacements to the city's numerous facilities. This is typically spent each year as demand often outweighs funding availability. Beyond routine painting and flooring work a number of larger projects are known to be on the horizon: City Hall roof replacement (\$150k - \$300k depending upon shingle or slate), three Addison AC units at \$75k each, the chiller at the old library is also close to end of life and will cost \$140k to replace or \$8k a month to rent, and repainting of Building 10 at the Compound (\$40k). Due to demands on this fund, staff would prefer to use General Fund contingency or reserves to cover this shortfall and leave these funds intact.
Defer Cemetery Improvements	Cooper	Cemetery Trust Fund	\$350k	Cemetery Trust Fund	Defer construction of columbariums at Pinneywood and Palm Cemetery. Un-encumbered funds from rollover available to spend in FY21 is \$150,000. Prior years CIP carried this project at \$650,000 total, now it is shown as \$1,450,000. What is growth? Recommend: This item be deferred until after the pandemic. FY21 Budget savings: \$350,000	Funding for Cemetery improvements are supported by the Cemetery Trust Fund and cancelation or deferment would not help any General Fund related projects or shortfalls. Funding allocated in the 5-Year CIP will allow for the columbarium improvements to be completed at Pinneywood and Palm Cemeteries as well as funding the shared maintenance facility that staff would propose be located on the Swoope property lot. Staff is still working with ACi and would like to bring this project concept back to the Commission for consideration.
Defer MLK Monitoring Station	Cooper	Capital Projects Fund	\$200k	Reimbursed from Orange County	Defer constructing replacement for air quality monitoring station at MLK Park until MLK Park Improvements are programed. Winter Park is required to pay and wait reimbursement OC. FY21 Budget savings: \$200,000	Deferring or cancelling will not provide any budget relief as this will be reimbursed by Orange County.
Facility Replacement Funding Account	Cooper	Capital Projects Fund/ General Fund	\$125k	General Fund Transfers	Average annual GF expenditures over the past 6 years is \$189,800 per year. (65% GF/\$292,000) Un-encumbered GF rollover funds account available in FY21 is \$168,350. (65%GF/\$259,000) Recommendation: Reduce this line item from \$325,000 to \$200,000 for FY21. This exceeds the average annual GF expenditures of \$189,000 and still maintains prior year un-encumbered rollover to build a replacement fund for future facilities. FY21 Budget savings: \$125,000	As recommended above, staff does not recommend deferring major maintenance.

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Fire Safety Equipment	Cooper	Capital Projects Fund/ General Fund	\$100k	General Fund Transfers	No annual expenditures reported 2015-2019. FY20 actual expenditures reported \$58,000 + \$17,000 encumbrances. FY20 year-end estimate with encumbrances totals \$87,227. Un-encumbered funds from rollover available to spend in FY21 is \$272,000. Unencumbered funds from rollover exceed FY21 proposed budget of \$175,000. Recommendation: Apply \$272,000 un-encumbered rollover funds to purchase new station alarm @ cost ~\$320K. Recommendation: Reduce this item from \$175,000 to \$75,000. Providing funding for station alerting system in FY21. FY21 Budget savings: \$100,000	Station alerting is expected to cost \$300k - \$350k but no final bids have been received. The excess margin in this capital fund allow the Fire Department to smooth the cost of replacement of needed equipment over time. If this money is reduced and there is a need to replace existing life paks or other equipment, it would necessitate using reserves.
Parks Major Maintenance	Cooper	Capital Projects Fund/ General Fund	\$175k	General Fund Transfers	Average annual expenditures over the past 6 years is \$230,000 per year. Un-encumbered funds from rollover available to spend in FY21 is \$541,000. Parks Capital improvements from FY19 totaling \$360,000 were not accomplished. Why not? Funding the FY19 projects from the rollover would still leave \$181,000 in rollover. Parks Improvements in FY21 are estimated at \$335,000. Recommend: Use un-encumbered rollover funds for FY19 parks projects and the remaining unencumbered rollover to be applied to the FY21 projects which reduces the FY21 budget need from \$335,000 to \$160,000. FY21 Budget savings: \$175.	Of the carryforward fund balance currently available, there is \$30k of savings on the Kraft Azalea Arch project that could be reappropriated as well as \$164k that is earmarked for improvements to Dinky Dock which are now on hold until Rollins completes construction on their dorms. There is also \$40k held for concession stand improvements at Ward Park as well as obligations for improvements to be made with funding received from ROAR as well as the Winter Park Health Foundation. Like other capital improvement fund pools in the CIP, this fund also serves to perform budget smoothing for unforeseen costs and issues as they arise.
Freeze employee salaries @ FY20 Level	Cooper	General Fund	\$172k	General Fund	Page 18: WP is not furloughing or laying off any employees during this recession. Recommend a freeze on all raises excluding uniformed police officers & fire. The narrative explains, "budget includes all types of wages staying relatively unchanged with growth of 0.5%, with the increases in regular pay (\$263k)*, Commission pay (\$52k)." * Budget savings due to freezing salaries possible is \$172K. Note: the increased cost of healthcare (\$182K) is not being passed on to employees. FY21 Budget savings: \$172,000	The \$263k in GF wage increases is based on Fire union pay at 3.5% (per contract) and all other employees at 1% if they make more than \$75k and 2% if they make \$75k or less. Typically the city has provided up to a potential merit pay increase of 3.5% annually. If pay was frozen for all employees with the exception of Fire Union and sworn police positions, this would reduce the current budget by about \$72k in the General Fund. Freezing pay for all employees while allowing increases for public safety, could cause morale concerns.
Freeze City Commission salaries @ FY20 Level	Cooper	General Fund	\$52k	General Fund	Page 18: WP is not furloughing or laying off any employees. Budget includes all types of wages staying relatively unchanged with growth of 0.5%, with the increases in regular pay (\$263k), Commission pay (\$52k)	As this pay increase was part of a charter amendment and voted on by the citizens of Winter Park, this cannot be reduced.
Incentivize Voluntary Early Retirement	Cooper	Varies depending upon position	TBD	Varies depending upon position	While this may increase expenses this year it should be helpful in balancing future budgets. Merits financial analysis. (One week pay for every year with City. Verify.)	This would need to be crafted as a voluntary separation agreement and can certainly be reviewed by staff.
Suspend Lobbyist Services	Cooper	General Fund	\$60k	General Fund	The Federal Lobbyist was removed from this budget but the State Lobbyist remained. Recommend suspending State Lobbyist services until revenues stabilize. Expense estimate taken from 2016 budget as it was not separately visible in budget document.	The State Lobbyist has provided far more funding benefit than the cost of the annual \$60k contract. The State Lobbyist also assists with policy issues of benefit to the city.

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Defer or Reduce Contribution to Dr Phillips Center	Cooper	General Fund/Designations Trust Fund	\$50k	General Fund Transfers	Reduce or defer the \$100,000 annual contribution to Orlando for the Dr Phillips Performing Arts Center. DPAC is keenly aware of the challenges presented by the pandemic as they have confirmed furloughs of 50 full-time staff (including two executive level positons) and 100 part-time employees as of June 1. Our contribution to DPAC is funded from non-ad valorem revenues, the very revenues that are seeing significant declines with more forecasted for next year. Request City Attorney to review our agreement and negotiate a deferral or reduction.	There is an interlocal agreement that funds the \$100k annual obligation to DPPAC and including FY 21, there are four more payments to be made. Staff has referred this proposal to the City Attorney for consideration.
Add Parking enhancements and road realignment on Progress Point	Cooper	Capital Project	TBD	TBD	Preparation of surface parking and realignment of Palmetto. Staff indicated they have the expertise in-house to accomplish this project. Engineering has been contracted. What is fiscal impact or can project be performed with existing manpower?	In order to properly budget for this project, design and quotes would need to be obtained. If this project is prioritized to move forward and needs to be funded in FY21, General Fund reserves would be the most likely source. The City Commission can approve any project, including the use of reserves, at any regular meeting during the year. The already approved Progress Point conceptual design will probably take 3-6 months. This design will not provide construction level plans. Any realignment of this roadway is likely to be a year away and would be considered as part of the FY22 budget.
Historic Winter Park Woman's Club Capital Improvement	Cooper	Designations Trust Fund Organizational Support	\$20k	Org Support Funding	The Woman's Club is requesting funding to complete exterior work on the National Historic Register building which will turn 100 years old in January, 2021. The building is a significant part of Winter Park's history. The cost of the exterior improvements total \$75,000. This \$20,000 contribution could be funded by savings from adjustments to DPAC full funding.	The CRA Agency has already approved the \$20k request from the Woman's Club.
Immediate Stormwater Improvements on significantly impacted properties on Orange Avenue	Cooper	Stormwater Fund	TBD	Stormwater Funds	Business owner is experiencing significant flooding. Staff indicated they could correct this drainage issue. What is fiscal impact of addressing this problem now? Can the project be performed with existing manpower?	This property's flooding concerns are a private property design issue. If the Commission wants the city to address this issue, a design solution would need to be completed and brought back to the Commission with estimated cost.
Orange/ Denning/Minnesota Intersection Improvement	Cooper	General Fund	\$25k	General Fund	To improve traffic flow, safety and prepare for future redevelopment on Orange Avenue, roundabout screening and detailed engineering of traffic solutions will be necessary. FDOT Safety Study estimated construction cost of Clay/Orange roundabout at \$1.1M without land acquisition. (Requested verification from staff.) KH will provide construction and acquisition cost estimates as part of their current SOW. Our out year CIP should include placeholder to address whatever solution is agreed upon. Cost here is to fund engineering of roundabout or intersection improvement in FY21.	Funding at \$25k seems insufficient to perform this work. Staff will need to solicit bids or obtain design quotes to determine actual design cost.

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Provide Contingency for management response to unforeseen needs in FY21.	Cooper	General Fund	\$300k	General Fund	Pg 9: The city's budget policy calls for setting aside half of one percent in contingency as part of the annual budgeting process, or approximately \$300k. This is an appropriation of funds to cover unforeseen events that occur during the fiscal year....separate from the Commuter Rail Set-aside and the Fund Balance (Reserve). This budget was balanced in large part by the reduction in contingency set aside. (pg 43) The budget explains that 42% of the \$1.4M in reductions needed came from what would have been contingency. Over the past 10 years the average contingency included for unforeseen events during the year has averaged \$452,000 per year not including the Commuter Rail Set-aside.	Past contingencies were more than the policy amount in order to build reserves to the 30% level. Past contingencies have been added to fund balance, used for special projects at the direction of the Commission, and utilized for adjustments to state revenue estimates. The proposed budget includes a contingency of \$350k.
Transportation Impact Fee for Commercial Development	Cooper	General Fund	TBD	Permit Fee Revenues	Winter Park does not collect transportation impact fees, proportionate fair share contributions or multi-modal fees for impacts of new development on our roads or multi-modal facilities. Transportation Impact fees are collected by most municipalities. I have recommended implementation of an equitable procedure for developer contributions to transportation improvements each budget cycle for many years. It is time the City implement this initiative to addressing our transportation challenges. I have also recommended addition of a policy within the OAO to address this issue. I am recommending calculations be performed and procedures be written and approved for implementation of this fee following pandemic.	Consideration of a transportation or mobility impact fee is already underway. A scope amendment with Kimley Horn includes the following as one of their deliverables: Kimley-Horn will provide a summary on the differences between Proportionate Share, Transportation Impact Fees and Mobility Fees. The summary will focus on how the various strategies are applicable to key properties that may develop within the Orange Avenue Overlay District.
Establish Commercial Parks Usage (Impact) Fee	Cooper	General Fund	TBD	Impact Fee Revenues	Comprehensive Plan policy 6-3.1.1. requires "all new development" to pay its fair-share of the cost to acquire new parks. Currently the fee is only assessed on residential properties in excess of 10 units. The WRT, Analysis of Potential Impediments to Economic Development, in September 2013, recommended developing " a non-residential system development charge (SDC) allowing the city to require non-residential development to pay a fee or dedicate park land as a condition of building permit approval." (pg 32) I am recommending calculations be performed and procedures be written and approved for implementation of this fee following pandemic.	This has been reviewed before and is not very common with the exception of some places in California. Staff can certainly review and get back to the Commission with an update and best practices suggestion.
Increased Tow Fee if Auto Involved in Crime	Cooper	General Fund	\$100k	Fine & Forfeiture Revenues	WP police average 60 tows per year associated with criminal activities. Winter Spring's ordinance introduces new towing guidelines and fees. Winter Springs estimates 100-200K annual revenue. Apopka averages \$60K. Recommend we review and implement this increase immediately.	The Police Department is reaching out to our municipal neighbors to better understand their programs and how they are implemented. It may be difficult to collect on these type of fee, even if implemented.

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Reconsider Fee for Removal of Healthy Trees	Cooper	General Fund	TBD	Tree Permitting Revenue	For the 5 years prior to the reduction of fees in WP's tree preservation ordinance in November 2012, our Tree Fund collected an average of \$100,000 per year...enough to plant 200 top grade oak trees. Recommend we direct staff to review compensation and define a fee that is fair to single family home owners but also provides reasonable but meaningful compensation for removal of healthy trees by home owners and developers. Recommend the new Tree Preservation Board be task with reviewing the diminished fee structure and amend as needed. I am recommending calculations be performed and procedures be written and approved for implementation of this fee following pandemic.	This issue is being taken to the newly formed Tree Preservation Board which will be reviewing the ordinance which includes the collection of fees.