



# FY2025 PROPOSED BUDGET



*Winter Park is the city of arts and culture, cherishing its traditional scale and charm while building a healthy and sustainable future for all generations.*



# Summary of the FY25 Budget

Cost Pressures



Demand for Services

Slowing Economy

Infrastructure Investment

ARPA

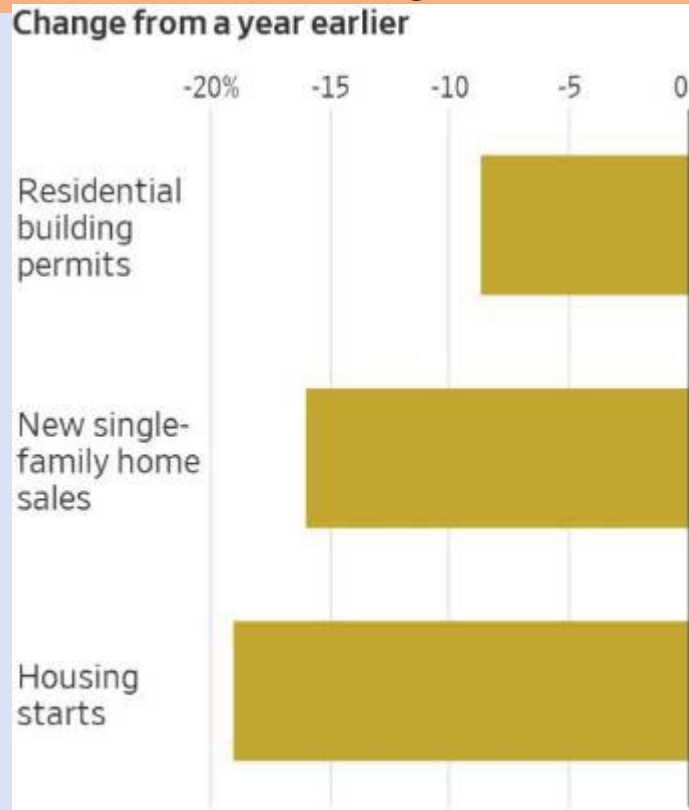


# Recession Avoided but Economy Slowing



*We're STILL having a great revenue year, but we're also STILL having a great inflation year.*

The Residential Construction Industry is Finally showing some Slowing

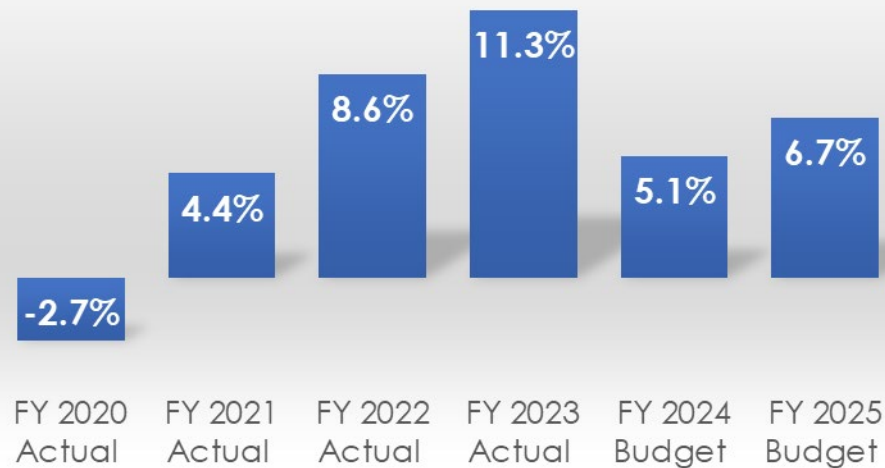


Note: May 2023 to May 2024  
Source: U.S. Census Bureau via St. Louis Fed

## The ARPA Effect

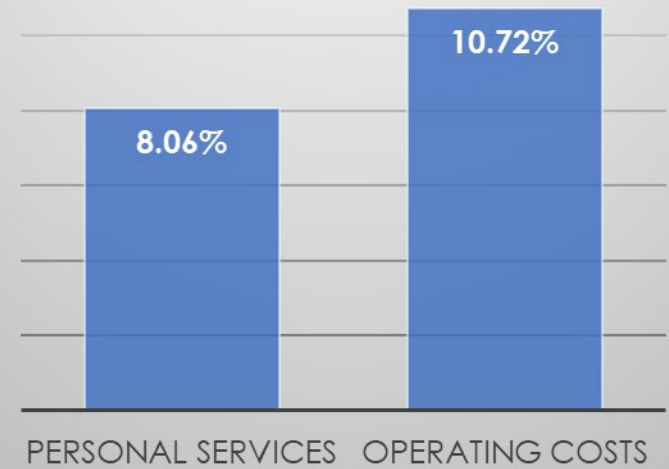
Revenue growth is strong, but it is slowing.

### General Fund Revenue Growth-Rate History



Budgets are still experiencing inflation.

### General Fund Personnel & Operating Cost Increases FY25 Budget

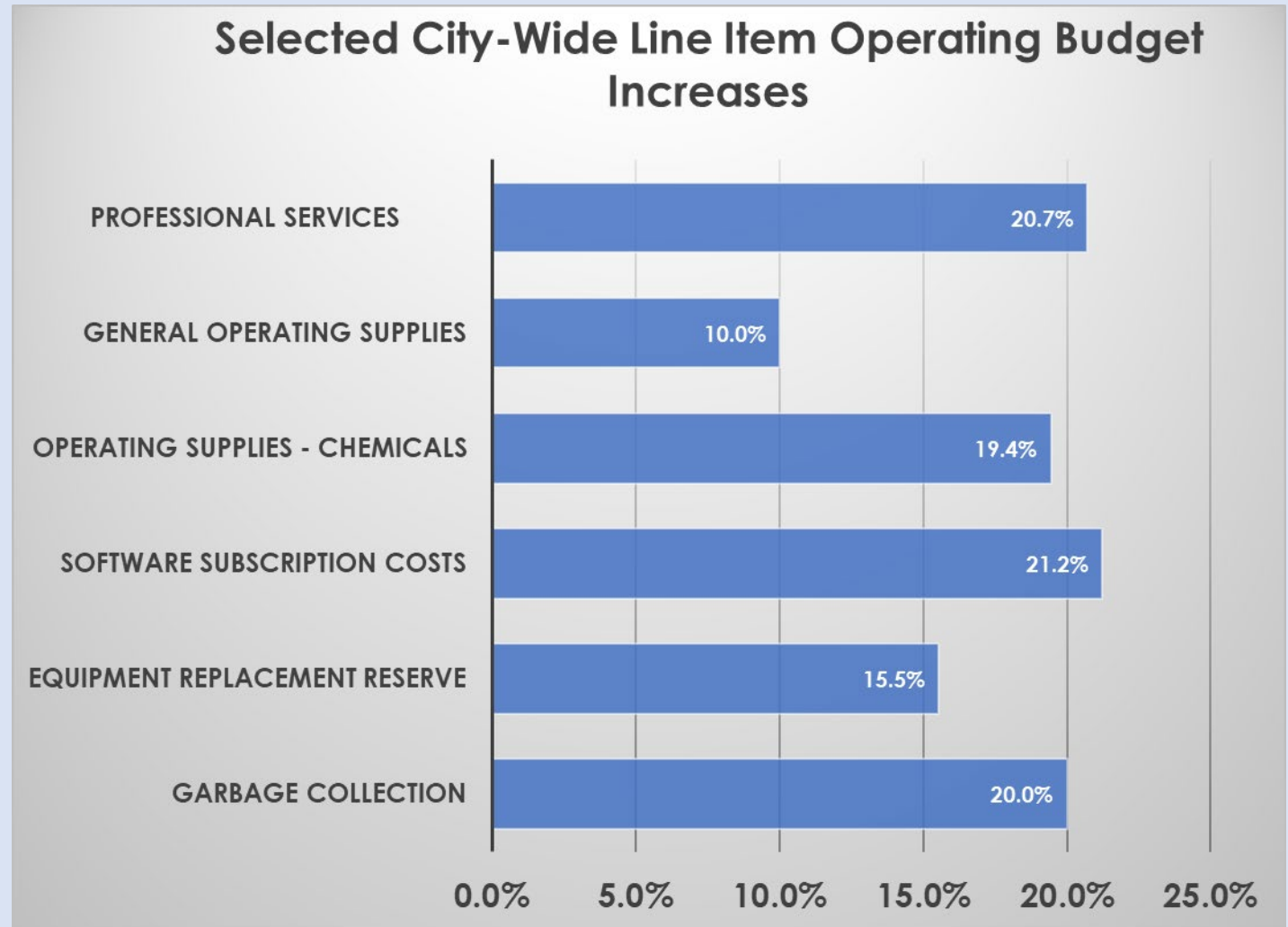


# Inflationary Highlights



Pressures remain on a diverse set of components that make up much of city operations. Professional and contracted services are still in high demand, and general operating supplies and critical components such as chemicals are all still costly.

Planned increases in the budget related to the second phase of the solid waste contract and planned increased investment in the Equipment Replacement Fund to maintain timely replacement of critical equipment are all related to cost increases seen in the waste and car manufacturing industries.



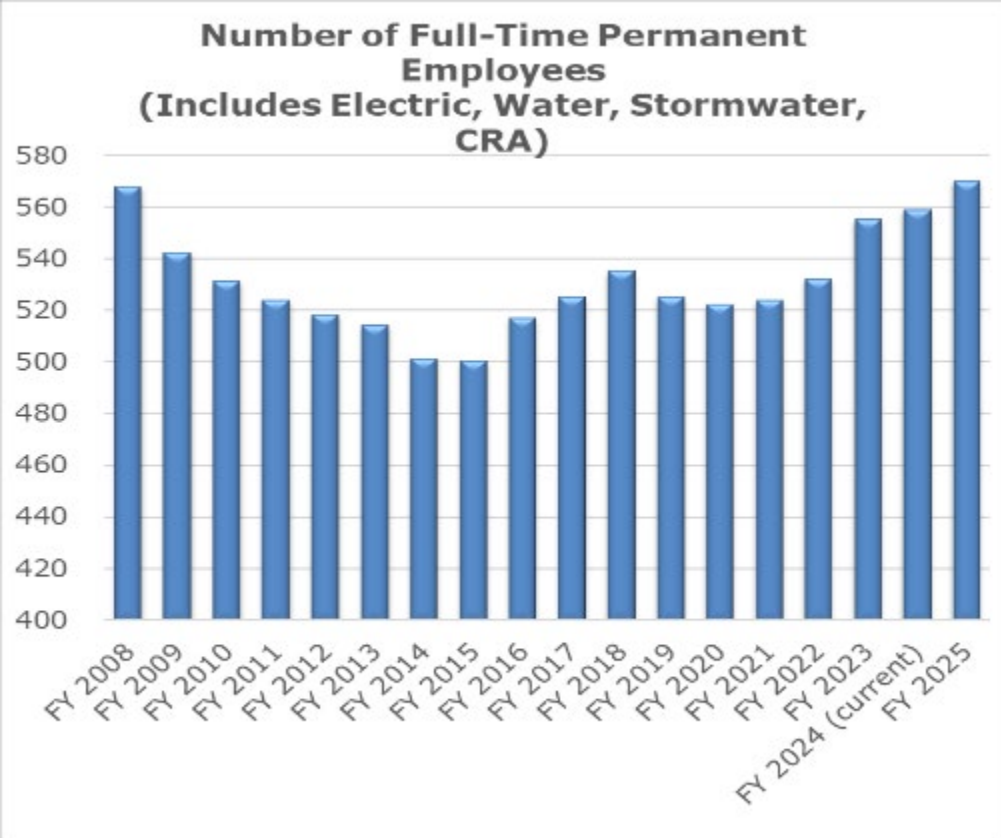
# Employees and Wages



Wage pressure and new positions are adding to growth in personnel costs.

**Personnel and Benefit Costs**

- 3.0% COLA
- 3.5% Merit
- Pension costs +16.5%
- Healthcare +4.5%



City-Wide Wages & Benefits (\$1,000's)	2024 Budget	2025 Budget	\$ Change	% Change
<b>Wages</b>	43,875	47,290	3,415	7.8%
<b>Regular Wages</b>	38,524	41,720	3,196	8.3%
<b>Part Time Wages</b>	1,909	1,775	(134)	-7.0%
<b>Overtime Wages</b>	2,215	2,255	40	1.8%
<b>Other Wages</b>	1,226	1,539	313	25.5%
<b>Benefits</b>	<b>17,980</b>	<b>19,657</b>	<b>1,677</b>	<b>9.3%</b>
<b>Group Healthcare</b>	7,570	7,908	337	4.5%
<b>Pension &amp; Retirement</b>	5,805	6,763	958	16.5%
<b>Other Benefits</b>	4,605	4,986	381	8.3%
<b>Grand Total</b>	<b>61,855</b>	<b>66,947</b>	<b>5,092</b>	<b>8.2%</b>

Source: City of Winter Park

# Enhanced Levels of Service: Public Works & Safety



Growth in expenditure is largely focused on Public Safety and Public Works.

Four new positions in Public Safety:

2 Firefighter/EMTs

1 Fire Dept. Logistics Manager

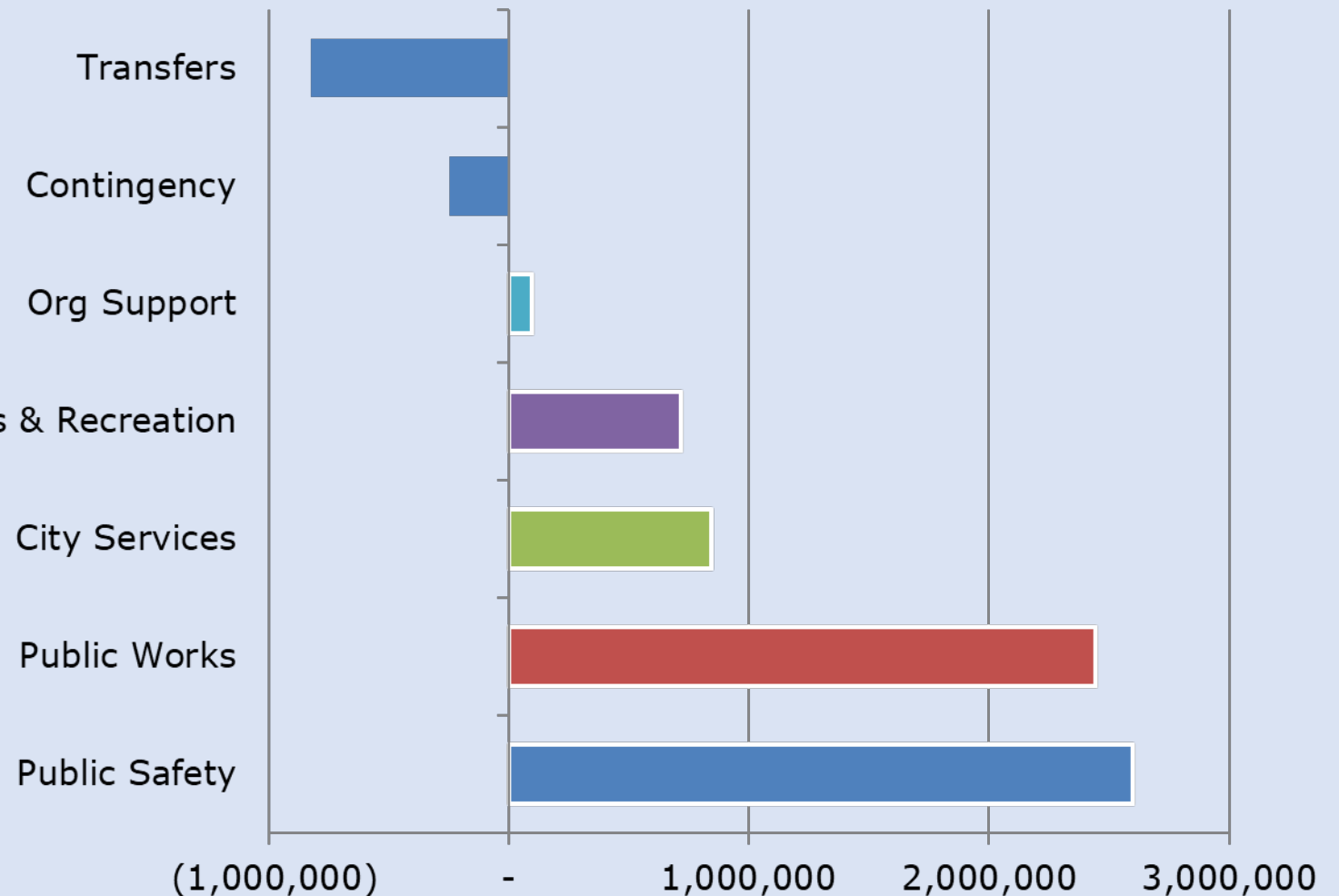
1 Police Grant Writer

(2 Police Officers applied through grant.)

1 New Facilities Project

Manager in Public Works

**Distribution of Expenditure Growth FY25 Budget  
(Excludes Reimbursements & Non-departmental)**





# Enhanced Levels of Service: Fee and Rate Impacts

FY2025  
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The inflation of both materials and labor requires the pass-through of costs to consumers. All property owners will feel the increase in waste, water, and stormwater fees to varying degrees. Solid waste fees are rising due to the second half increase in the two year deal with Waste Pro and the Water rates will rise by the PSC index adjustment for inflation.

Category	Proposed Increase	Budget Impact	Customer Impact
Stormwater Fees	16.7%	\$700k	\$4 month
Solid Waste	20%	\$1.15 million	\$6 month
Water & Wastewater Rates	3.24%	\$1.17 million	\$3 month



Stormwater Fees are part of a three year plan to raise rates to about 9 cents per impervious SF and raise over \$2.7 million in annual funding for flooding and lake quality improvements.

# Enhanced Levels of Service: Revenue Growth Rates



General Fund:	FY 2024 Budget	FY 2025 Budget	% Change
Property Tax	33,445,887	36,201,662	8.2%
Utility Taxes	7,299,423	7,531,878	3.2%
Franchise Fees	571,805	698,755	22.2%
Licenses and Permits	3,283,629	3,189,714	-2.9%
Sales Tax	5,136,263	5,523,509	7.5%
Local Option Gas Tax	945,738	940,000	-0.6%
Other Intergovernmental	2,665,899	2,911,317	9.2%
Charges for Services	14,847,491	16,979,138	14.4%
Fines and Forfeitures	1,559,848	1,902,101	21.9%
Other Revenue	1,077,500	1,206,864	12.0%
Transfers from Other Funds	5,609,678	5,902,381	5.2%
Fund Balance	1,300,000	-	-100.0%
<b>Total</b>	<b>77,743,161</b>	<b>82,987,319</b>	<b>6.7%</b>

Property tax revenue growth will make up just under half of all revenue growth in the General Fund.

Intergovernmental Revenues will increase due to still resilient sales taxes.

Licenses and Permits will decline due to falling permitting activity for new construction.

Charges for Services will climb due to fee changes and the solid waste contract.

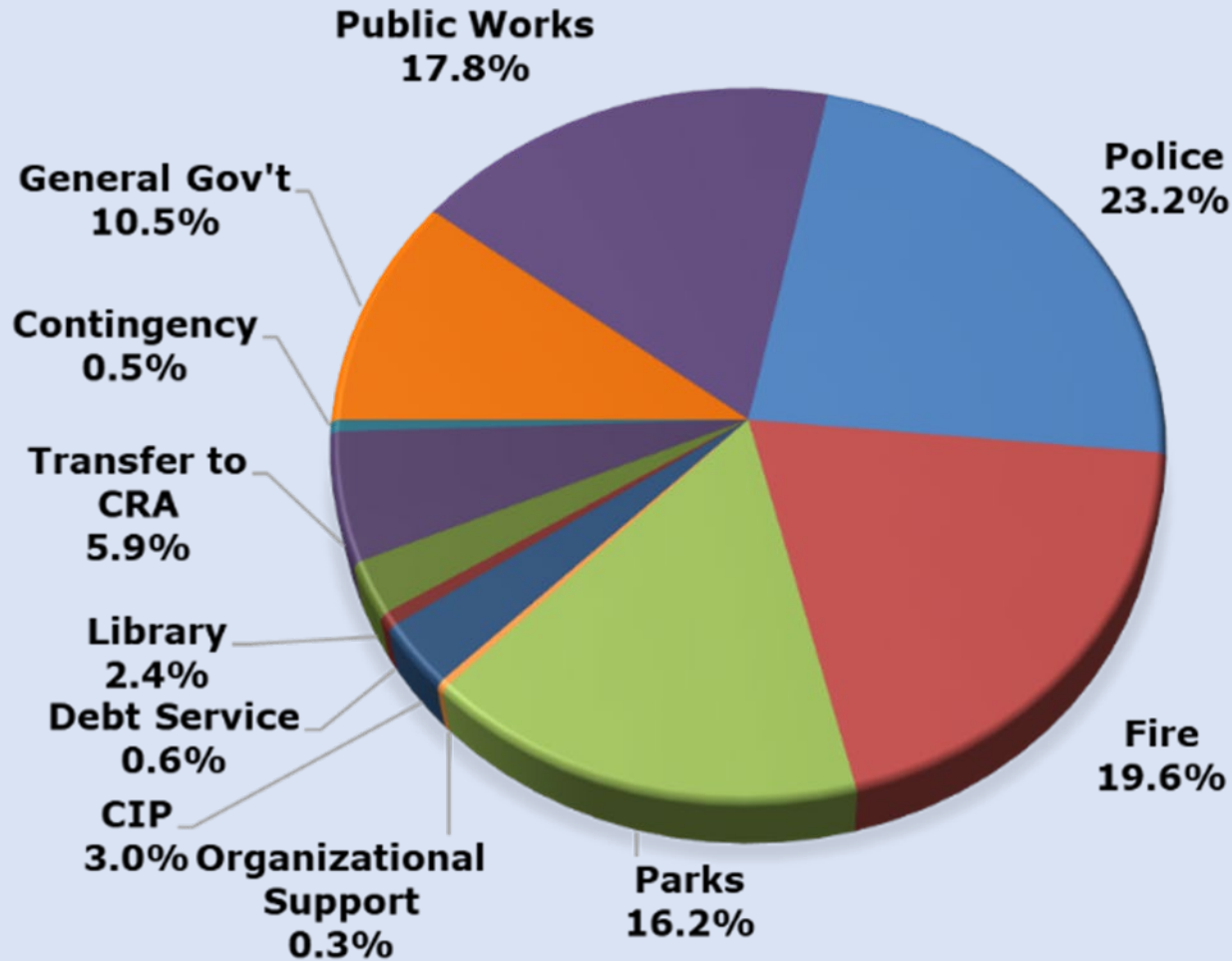
Restricted fund balance in the prior year was used to contribute to the Building Department Office construction.



# General Fund Expenditures



## GENERAL FUND EXPENDITURES FY 2025



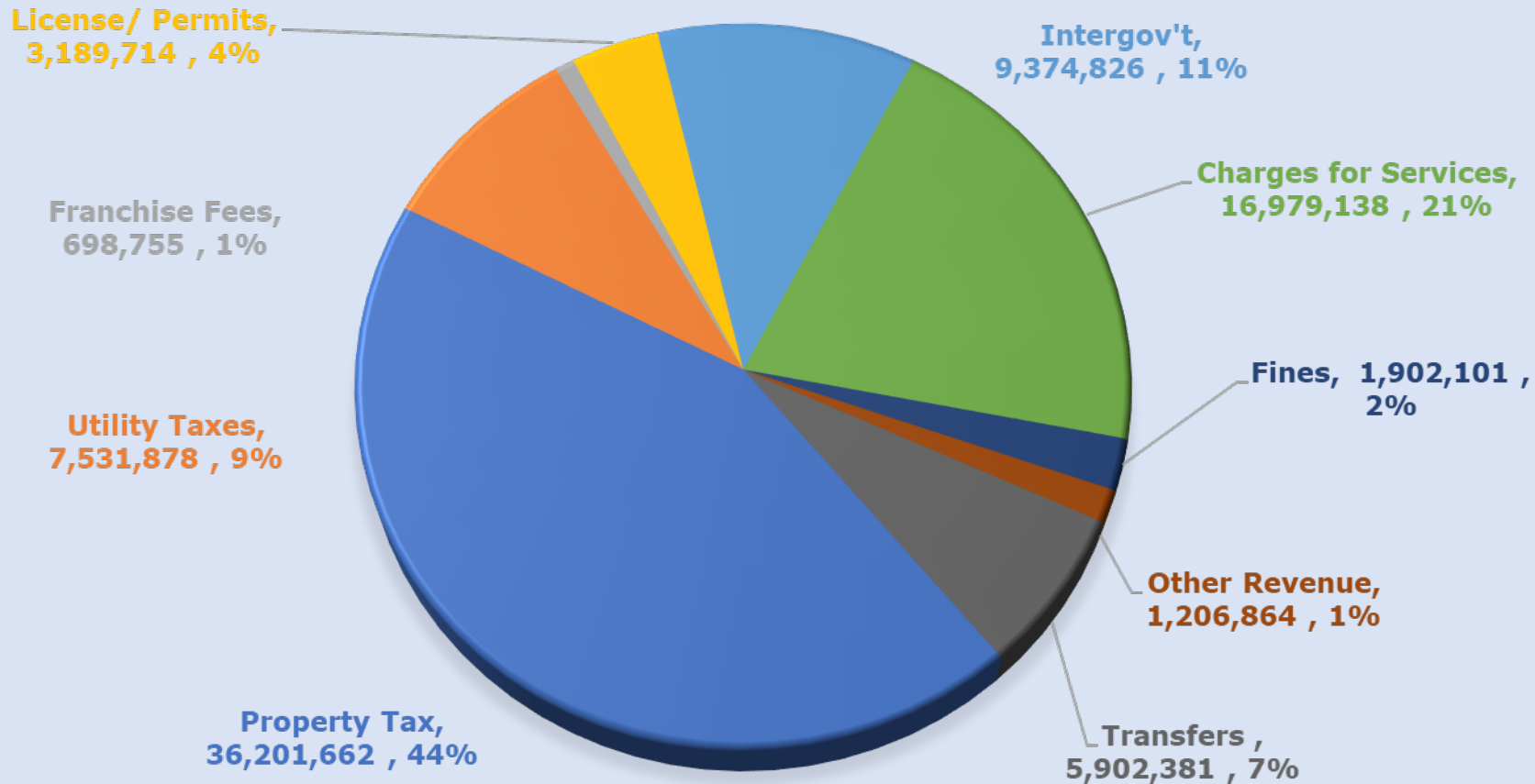
Public Safety services are still the largest portion of the budget with Public Works becoming a larger piece of the pie due to the solid waste contract and investments in road repair and facilities.



# General Fund Revenues



**GENERAL FUND REVENUE  
FY 2025**



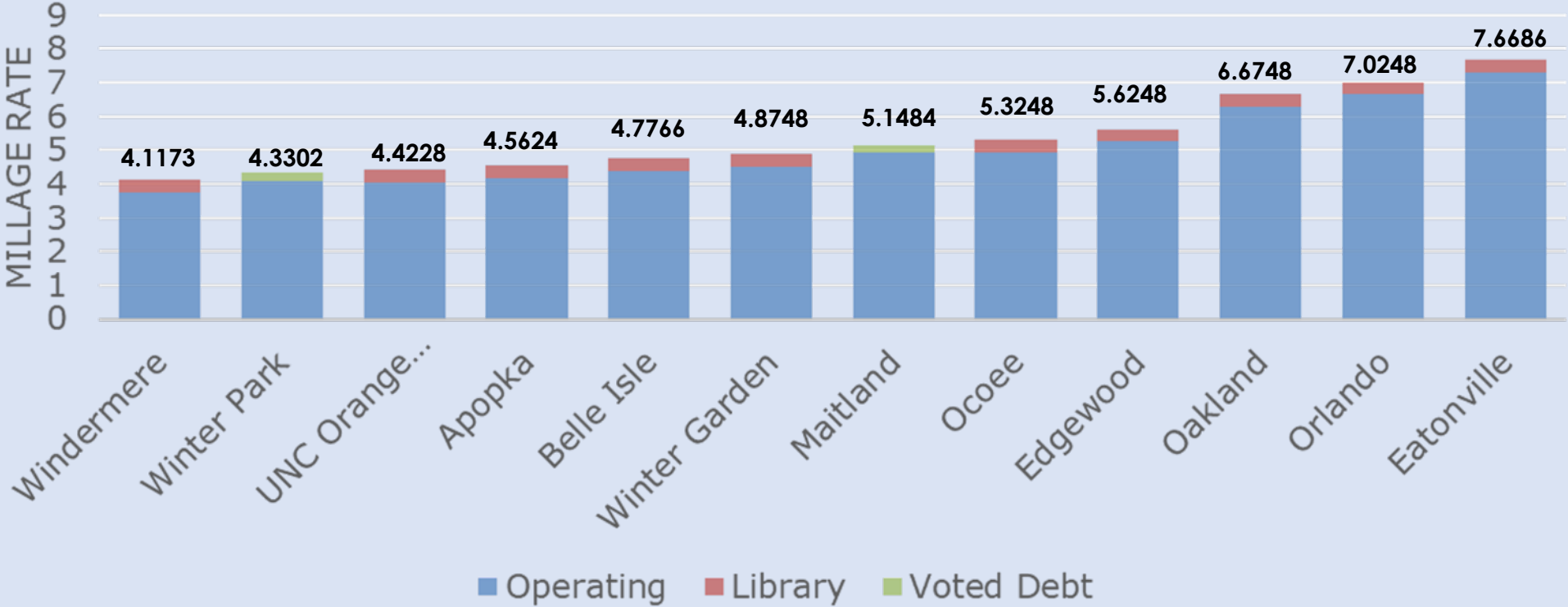
Property Tax revenue is now an even larger share of revenues, but Charges for Services are increasing due to the solid waste contract and the fee based services provided by the city's numerous facilities and rental venues.



# Millage Comparisons – 2023 Tax Year



### MILLAGE COMPARISONS ORANGE COUNTY 2023 (OPERATING, LIBRARY, DEBT SERVICE)



Winter Park has the lowest operating millage and the second lowest overall millage rate in Orange County among major municipalities. The proposed budget is balanced at the current millage rate.

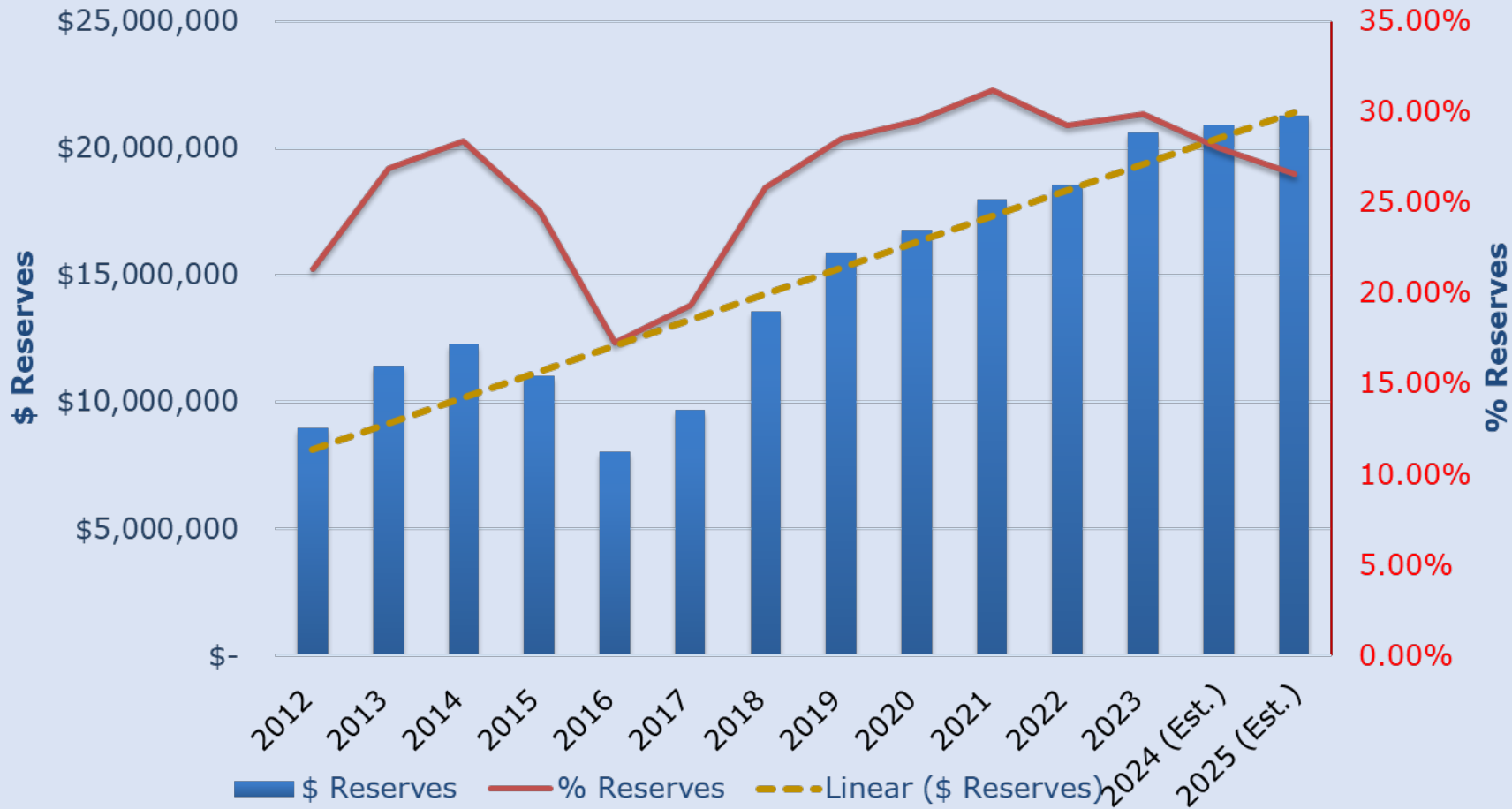
Note: Based on most recent tax year millages, cities may adjust their rates as part of the budget process which could impact rankings.



# General Fund Cash Reserves



## Unassigned General Fund Balance



Given the current FY24 budget and proposed FY25 budget, reserves are expected to grow to just over \$21.2 million or about 27% of reoccurring annual operating cost in the General Fund. It would take approximately \$2.7 million to reach the 30% budget goal. The proposed budget has a contingency of \$450k.

While reserves are increasing, as a percentage of costs, they are declining as contributions to fund growth are outpaced by expenditure growth.

# Budget Highlights

FY2025  
BUDGET

- 3.1% Increase in the total City-wide All Funds Budget, reaching a total of \$214.6 million. Of the over \$6 million growth, almost all of it comes from the General Fund. With other funds flat or seeing declines due to planned capital spending and reductions in the Electric Power Portfolio costs.
- No Change in Millage - Balances the General Fund budget with the same millage rate that has been in place for 16 years.
- \$21 million in General Fund reserves estimated by the end of FY25, a record for the city.
- Capital Project spending will be stable at \$25.6 million, with the majority due to Electric Undergrounding, and capital transfers and investment in infrastructure in W&WW. General Fund transfers for capital projects will remain consistent with prior years and fund a number of park and facility improvements.
- Adds 4 New Public Safety Positions based on demand for services and as part of the annexation preparation:
  - Adds two additional Firefighter/EMT positions
  - Adds a Fire Logistics Manager
  - Upgrades a PT Police Grant & Accreditation Manager position to FT.



# Budget Highlights

FY2025  
BUDGET

- Increases Support to Non-Profit Partners Provides inflationary support to non-profit partners.
- Provides funding to perform 9 lane miles of street paving and to make brick repairs. (\$3.7 million grant for Penn rebricking is pending)
- Additional positions to increase level of service:
  - Downtown code enforcement
  - Lakes quality
  - Facility upkeep
  - Project management





# Capital Highlights – General Fund

FY2025  
BUDGET

- \$1.7 million – Pavement, bikepath, curbing, and brick road repairs
- \$923k – Facility improvements including additional generators and HVAC replacements.
- \$613k - Park facility investments including Winter Park 9 and Pines course improvements, first of two years of investment in the Tennis Center, Community Center installation of geothermal for the pool and equipment replacement, replacement of athletic field lighting, and upgrades to AV at the Farmers' Market.
- \$500k – Expanded Public Safety capital support for the Police FUSUS platform and replacement of major Fire Department life safety equipment.
- \$400k – Expanded signalization and bike/ped improvement funding to support the transportation master plan.
- \$400k – IT infrastructure enhancements to Cybersecurity.
- \$200k – Fleet wash bay for maintenance of vehicles.



# Capital Highlights – Utilities

FY2025  
BUDGET

Both Utilities are currently undergoing a strategic planning process that will likely influence future years in the CIP.

Planned FY25 Capital Spending:

- **Electric**

- \$8.1 million – Expanded undergrounding funding
- \$1.1 million – Routine capital investment in the distribution system
- \$300k – Substation investments and Decorative Lighting

- **Water & Wastewater**

- \$1.3 million in lift station improvements
- \$800k – Capital contribution payment to Orlando for wastewater plant improvements
- \$2 million – Investment in water and sewer mains
- \$575k – Capital improvements to the city's water and wastewater treatment plants



# Capital Highlights – CRA

FY2025  
BUDGET

- The CRA strategy is largely on hold, waiting for approval of the extension and expansion. If approved by Orange County, the CRA will be able to reprioritize project balances and the planned CIP spending to make targeted improvements in stormwater infrastructure, transportation, and housing, from W. Fairbanks through the core of the city.
  - \$2 million – Set-aside of future payments to afford the city's required match to the 17/92 streetscape. Total funding in the CIP is \$5 million but was last estimated by FDOT in 2018 and may be over ten million by now.
  - \$1.5 million – Stormwater improvements
  - \$1.5 million – Previously planned allocation toward eventual Post Office purchase.
  - \$140k – In smaller scale connectivity and infrastructure improvements throughout the district.





# Capital Highlights – Stormwater

FY2025  
BUDGET

- The one penny increase a year for three years will fundamentally transform the utility's ability to make capital investments in lake clarity and flooding mitigation projects.
- Capital spending will almost double to \$1.3 million in FY25 and grow to \$2.7 million annually by FY28.
- Basin studies, prioritizing capital projects in the city, will be released in August and incorporated into the project priority list. Currently planned CIP spend for FY25 includes:



- \$590k - Drainage improvements and specifically at Canton/Knowles
- \$300k – Nutrient Studies for Lake Treatment
- \$200k - Corrugated Metal Pipe Replacement
- \$130k – Canal Sediment Removal

# 10 Year Proforma Summary

A blue circular logo with a white border containing the text "FY2025 BUDGET" in white capital letters.

FY2025  
BUDGET

General Fund: Weakness due to still lingering wage and general inflation as well as planned increases to public safety personnel and actuarial estimates for public safety pension costs that will likely outweigh revenue growth rates.

Water Fund: Declining operating cashflow as inflation crimps capital capacity. PSC index increases are likely insufficient to handle future demand for investment and should be considered along with findings during the strategic planning process in FY25.

Electric Utility: Higher costs to the power portfolio will weigh on balances. The Utility will likely need to consider a rate increase in FY26 and should evaluate this along with a renegotiation of the power portfolio while working on their strategic planning effort.

CRA: Without an extension, it will end in four years and it is unlikely that the larger projects in the CIP will be accomplished at the current prices and will require reprioritization.

# Unfunded Projects



The Commission's recent strategic planning session and the 5/25 Year Strategic Capital Plan, contain a number of projects and priorities for which no funding source has been identified. Currently, there is over \$126 million in potential projects in the 25 year plan that have no funding source identified.

Funding Sources Available Now	Amount
General Fund Contingency	\$450,000
Organizational Support Surplus Funds	\$100,000
Alternative Funding Sources Not Currently Part of the Proposed Budget	Amount
Raising user fee rates for facilities and Services	Varies
Adjust the millage rate	1/4 pt. increase = \$2.2 million



# Decision Points to Address Over Budget Process

FY2025  
BUDGET

- Review allocation of Stormwater Capital as basin studies are completed
- Discuss allocation of organizational support funds
- Address CRA project capacity with Extension/Expansion
- Consider revenue growth options in each fund to deal with future demands for services and projects.
- Update the 5/25 Year Plan to account for new project priorities.



# Budget Schedule & Next Steps

FY2025  
BUDGET

## 2024 Budget Meeting Schedule

<b>City Manager &amp; Department Proposed Budget Presentations</b>	<b>July 10</b>
<b>Department Presentations (continued at Worksession)</b>	<b>July 11</b>
<b>CRA Budget &amp; Capital Planning Meeting Receive Public Input &amp; Set Tentative Millage Rate Department Presentations (continued)</b>	<b>July 24</b>
<b>Receive Public Input at City Commission Meeting</b>	<b>August 14</b>
<b>CRA Agency Budget Adoption Receive Public Input at City Commission Meeting</b>	<b>August 28</b>
<b>Adoption of Budget » First Reading</b>	<b>September 11</b>
<b>Adoption of Budget</b>	<b>September 25</b>

Commission will receive an updated 5/25 Year Plan as well as their Budget Suggestion Worksheets at the July 24<sup>th</sup> meeting, to be completed in time for discussion at the August 28<sup>th</sup> meeting.

**please note:** other meetings and/or work sessions may be scheduled as needed.