

FY 2021/22 Major Revenue Budget Worksession #1



Seminole County Florida
March 9, 2021

1

- Property Appraiser, David Johnson
 - Property Valuations
 - Ad Valorem Revenues
- Major Revenue Update
 - Sales Taxes
 - Utility Tax
 - Gas Tax
 - Tourism Tax
- Budget Development Timeline



2



FY 2021/22 Budget Worksession *Property Valuation Update*

March 9, 2021

3

Seminole County at a Glance



- 177,937 real estate parcels
- 14,852 TPP accounts
- 39,100 apartment units
- **Total Market Value – 2020 \$53.5 Billion**
- **Taxable Value – 2020 \$38.1 Billion**



4

Commercial vs Residential



Total Value of Tax Roll:

68% Residential

32% Commercial/Industrial



2020 Sales Volume

Residential: \$3.1 billion

Commercial: \$354 million

5

2021 Residential Market



- 155,928 parcels
 - 102,000 parcels have homestead exemption
- \$25.2 Billion Taxable Value



6

2021 Commercial Market



- 4,463 parcels
 - 54.6 million square ft.
- \$5.5 Billion Taxable Value



7

2021 Industrial Market



- 1,468 parcels
 - 28.4 million square ft.
- \$1.5 Billion Taxable Value



8

COVID-19 Effects on Property Valuation



9

Date of Assessment



Why is January 1 Important?

JANUARY 2021						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	31	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3	4	5	6

10

Residential Impacts



- Florida residential real estate has been very resilient because:
 - Historically Low-interest Rates
 - Low Inventory/Intense Demand = Housing Boom/Prices are UP
- Strong renters' market
 - 34% of housing units are non-homesteaded in Seminole County
- All signs of a Seller's real estate market
- 1,000 new residents moving to Florida per day
 - Orlando is considered top market to relocate to nationwide

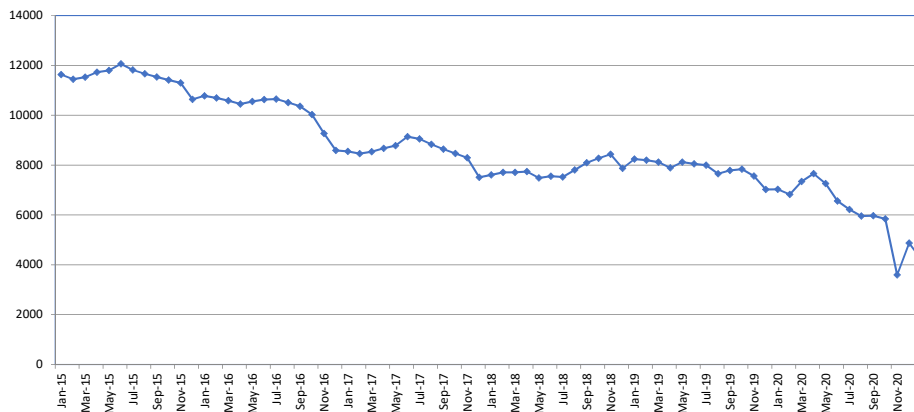


11

Inventory of Homes on the Market in the Orlando Metro Area



2015 - January 2021



12

Average Mortgage Interest Rate



January 2018	4.07%
January 2019	4.32%
January 2020	3.55%
January 2021	2.74%

13

Detached Single Family Homes



Median Sales Price of Existing Single Family Homes

<u>Sale Year</u>	<u>Median Sale Price</u>	<u>% Change</u>
2016	\$ 248,000	-
2017	\$ 259,000	4.4%
2018	\$ 273,000	5.4%
2019	\$ 296,000	8.4%
2020	\$ 314,250	6.2%



Median Sales Price of NEW
Single Family Homes in 2020: \$410,000
1,340 new homes added to the roll

14

Townhomes



Median Sales Price of Existing Townhomes

<u>Sale Year</u>	<u>Median Sale Price</u>	<u>% Change</u>
2016	\$ 166,000	-
2017	\$ 182,000	9.6%
2018	\$ 215,000	18.1%
2019	\$ 213,000	-0.9%
2020	\$ 225,900	6.1%



Median Sales Price of NEW Townhomes in 2020: \$314,600

15

Commercial Impacts



For 2021, 12% of total tax roll can be considered 'Vulnerable'

Vulnerable Segments of Commercial Real Estate in 2021

<u>Segment</u>	<u># of Properties</u>	<u>Size</u>	<u>Taxable Value</u>
Hotel	48	4,947 Rooms	\$273 Million
Restaurant	277	1.2 million sq. ft.	\$275 Million
Retail	1,144	24 million sq. ft.	\$2.3 Billion
Office	2,192	20 million sq. ft.	\$2 Billion

In 2009-2012, 65% of total tax roll was considered 'Vulnerable'

16

What we're doing now



- Started dialogue with property owners and managers: informal discussions, meetings, exchange of information
- Encouraging the submittal of Income & Expense information and other property related data
- Monitoring industry data



17

New Construction



Total New Construction (Residential & Commercial)

2018
\$950 Million

2019
\$840 Million

2020
\$526 Million

2021 & Beyond
\$1 Billion in the pipeline



18

New Construction for 2021



- Overall new construction continues to make steady improvement throughout the County.
- \$550 million in new construction to be added to the 2021 Tax Roll*

**subject to change due to continued reappraisal work*



19

Save Our Homes



Value of Save Our Homes Savings

2017: \$4.1 Billion

2018: \$5 Billion

2019: \$5.8 Billion

2020: \$6.1 Billion

Average SOH Cap per Home

2017: \$40,500

2018: \$49,000

2019: \$57,000

2020: \$60,000

Year	SOH CAP
2017	2.1%
2018	2.1%
2019	1.9%
2020	2.3%
2021	1.4%



20

10% Cap, Non-Homesteaded Properties



Value of the 10% Cap

2017: \$1 Billion

2018: \$1.1 Billion

2019: \$1.3 Billion

2020: \$1.2 Billion



21

Taxable Value History & Projections



7% average change in taxable value for last 5 years

Projections

Year	% Change in Taxable Value
2021	5.00%
2022	5.50%
2023	5.50%



22

Value of a Mil (Calculated at 96%)



Year	Value of 1 Mil- General Fund
2017	\$ 29.3 Million
2018	\$ 31.7 Million
2019	\$ 34.3 Million
2020	\$ 36.5 Million
2021	\$ 38.3 Million*
2022	\$ 40.4 Million*
2023	\$ 42.6 Million*

**Projections*



23

Value of a Mil (Calculated at 96%)



Year	Value of 1 Mil- Fire Fund
2017	\$ 21.1 Million
2018	\$ 22.7 Million
2019	\$ 24.5 Million
2020	\$ 26.0 Million
2021	\$ 27.3 Million*
2022	\$ 28.8 Million*
2023	\$ 30.4 Million*

**Projections*



24

Value of a Mil (Calculated at 96%)



Year	Value of 1 Mil- Road
2017	\$ 15.0 Million
2018	\$ 15.9 Million
2019	\$ 17.2 Million
2020	\$ 18.3 Million
2021	\$ 19.2 Million*
2022	\$ 20.2 Million*
2023	\$ 21.3 Million*

*Projections

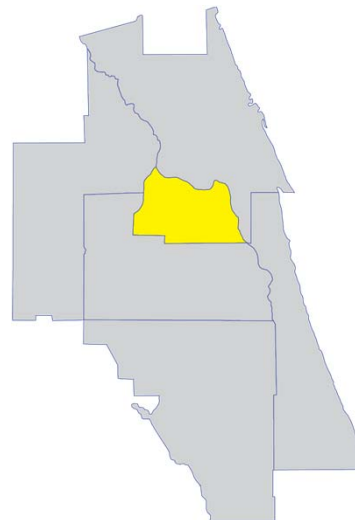


25

Millage Rates



**Seminole County
Lowest Millage Rate in
Central Florida**



26

Taxable Value 2021 Estimate



	2020 Final Taxable	2021 Taxable Estimate
General Fund	37,994,757,904	39,894,495,799
Fire	27,098,041,494	28,452,943,569
Road	19,024,443,030	19,975,665,182



27

Challenges in Seminole County



Supply & Demand



Attainable Housing

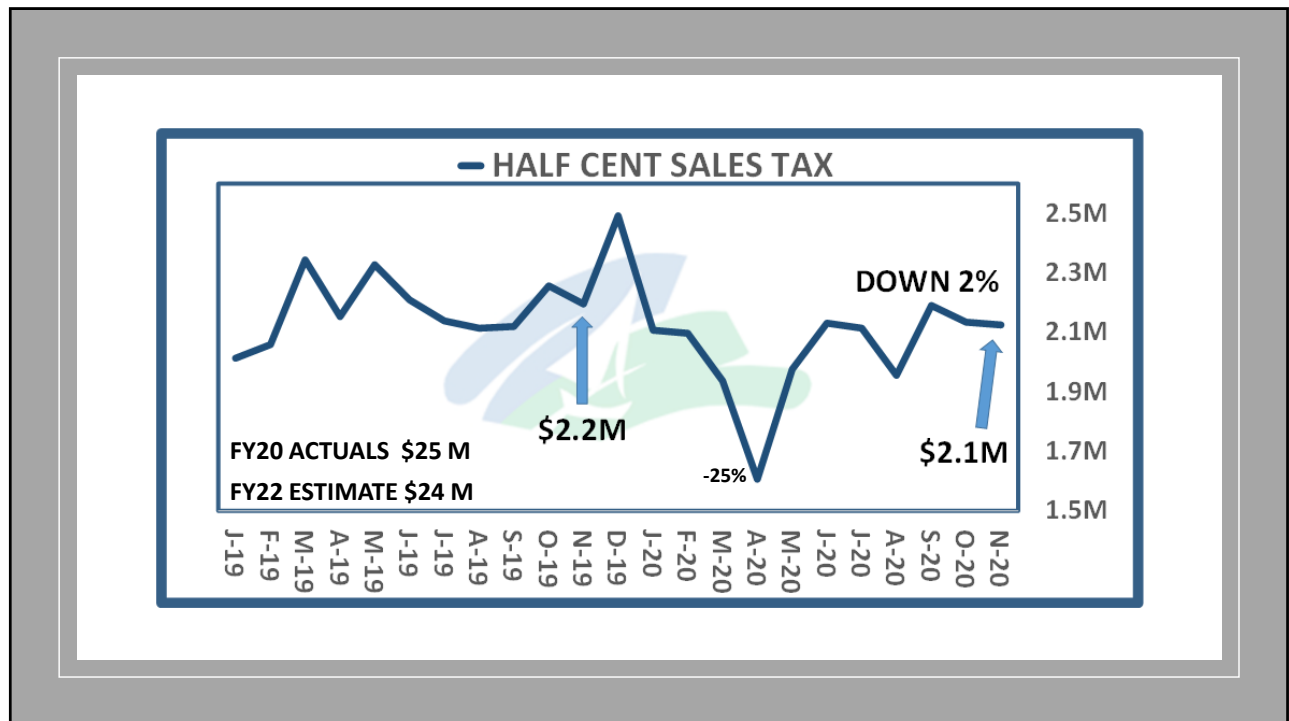


28

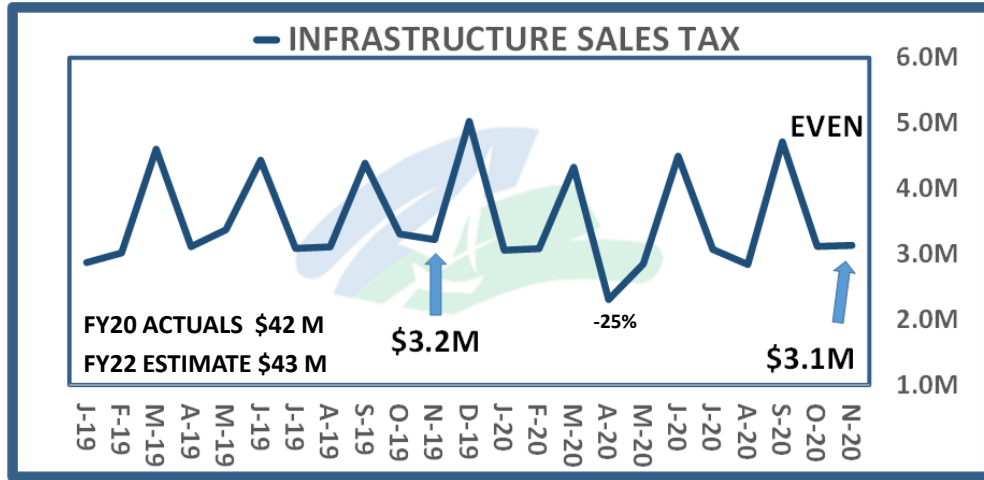


QUESTIONS?

29

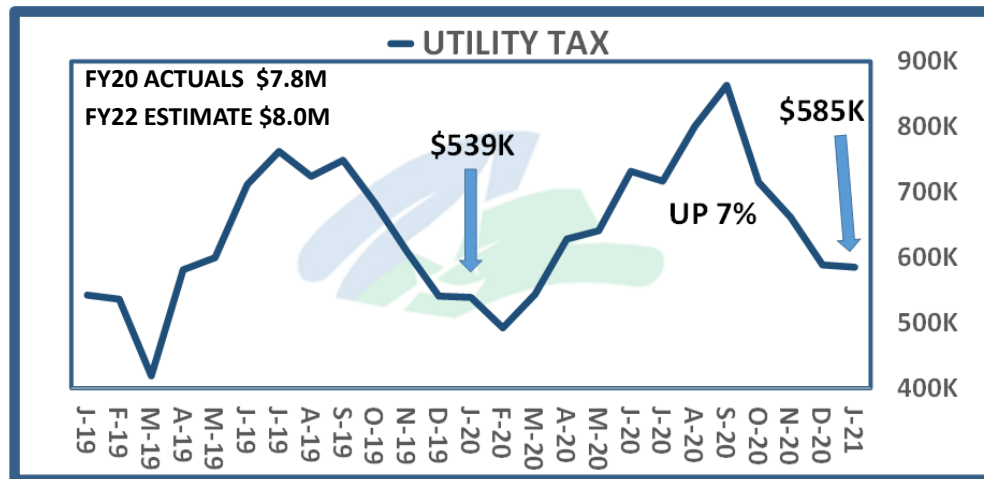


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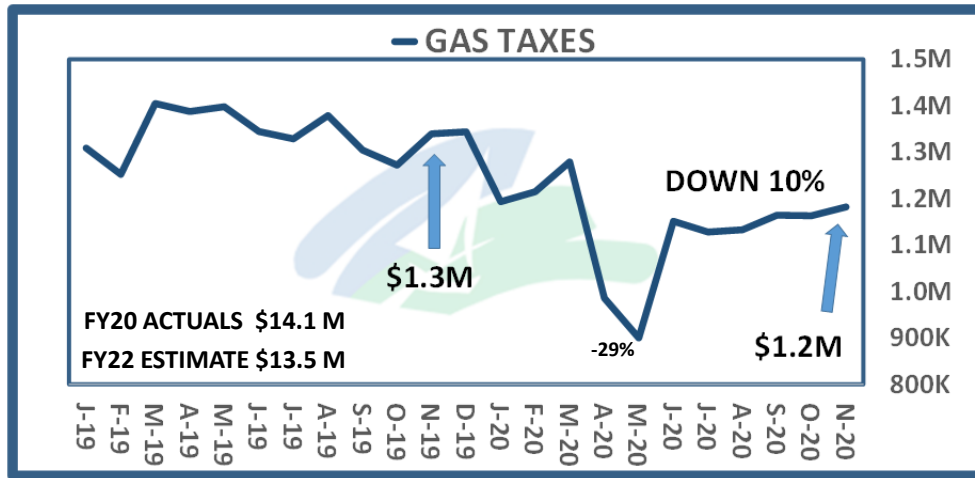


Non General Fund Revenue

31

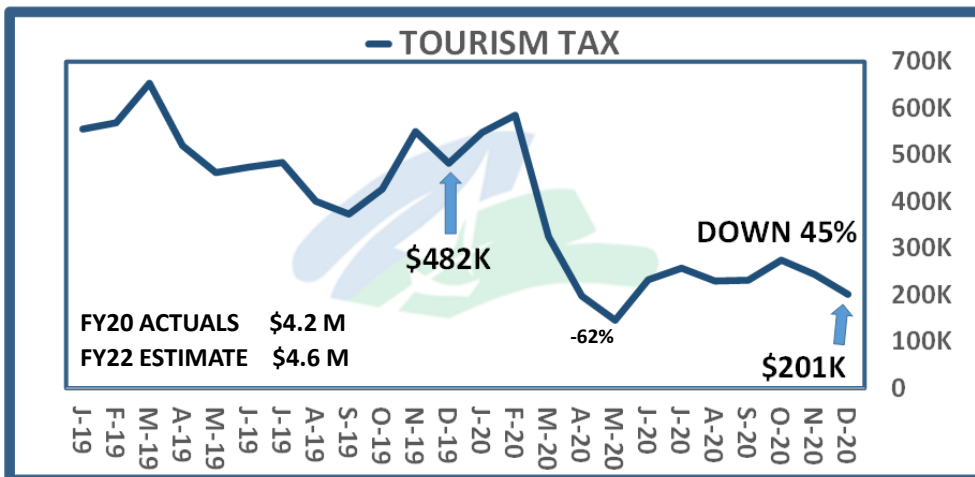


32



General Fund Impact

33



Non General Fund Revenue


34

GENERAL FUND FORECAST (PRE BUDGET ESTIMATES)							
	FY20 ACTUALS	FY21 ADOPTED	FY22 FORECAST	FY23 FORECAST	FY24 FORECAST	FY25 FORECAST	FY26 FORECAST
PROPERTY GROWTH	8.1%	6.6%	5.0%	5.5%	5.5%	3.0%	3.0%
TOTAL REVENUES	240.6	240.6	249.3	259.9	271.1	277.8	284.6
TOTAL EXPENDITURES	238.3	244.6	254.9	268.1	279.4	289.4	300.0
STRUCTURAL BALANCE (BUDGETED)	2.3	-4.0	-5.6	-8.2	-8.3	-11.6	-15.4
RESERVES	46.2	45.3	52.9	46.0	39.0	28.8	14.8
RESERVE %	19.2%	18.8%	21.2%	17.7%	14.4%	10.4%	5.2%

Amounts in millions

35

Tentative Budget Timeline



- *Department Budgets Submitted* *March*
- *County Manager Worksessions* *April to May*
- *Constitutional Budgets Due* *May 1st*
- *BCC Worksessions (Tentative)* *5/18 - 6/15 - 6/29*
- *TRIM Adoption (BCC Meeting)* *July 27th*
- *1st Public Hearing* *Sept 15th*
- *2nd Public Hearing* *Sept 28th*

36