



**ORANGE
COUNTY
FLORIDA**

Phil Diamond, CPA
County Comptroller
201 S. Rosalind Avenue
Post Office Box 38
Orlando, Florida 32802
Telephone: (407) 836-5690

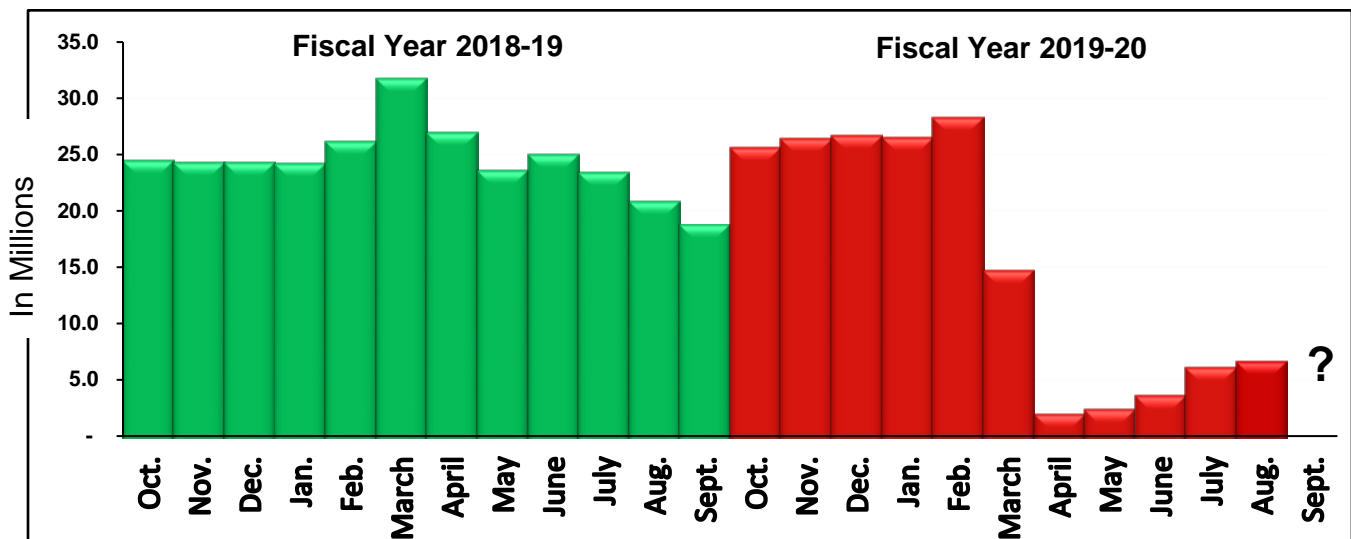
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CONTACT: Cathy Dixon or Phil Diamond
(407) 836-5690

**TOURIST DEVELOPMENT TAX COLLECTIONS
ORANGE COUNTY, FLORIDA**

ORLANDO, FLORIDA – Orange County Comptroller Phil Diamond announced today that “Tourist development tax collections received by Orange County for the August 2020 TDT collection month were \$5,787,600. That is a 71% decrease from August 2019.

TDT collections increased compared to July 2020 collections, but still remain at historic low levels as shown below.



Source: Phil Diamond, CPA – Orange County Comptroller

Looking forward to September's collections, there are signs of a continued incremental recovery as well as significant uncertainties. Occupancy rates rose to approximately 50% over the long Labor Day weekend (the highest in months), but room inventories were down by almost 25% due to hotel/motel closures. Average room rates also fell by approximately 21% compared to last year. Additionally, our area's unemployment rates are still Florida's highest with thousands of tourism related workers laid off or on extended furloughs.

An encouraging trend has been the relatively low COVID-19 positivity rate and number of new cases for both the state and Central Florida. Also, there have been no reported instances of a virus outbreak at the theme parks due to County and tourism industry safety measures. This all bodes well for the recovery of the tourism industry. However, the state has just entered Phase 3 of reopening which will essentially lift most restrictions. So, there is uncertainty about what impact this will have on these positive trends.

On the expenditure side, the County continues to use TDT reserves to offset ongoing TDT collections shortfalls and meet funding obligations. As you will see in the attached "TDT Cash Reserve Summary," reserves decreased by \$14.9 million in August. While reserves are still at a healthy level, it is important to reduce the drawdowns given the uncertainty of when the tourism industry will recover. That said, the Mayor's decision to suspend or cancel all contracts connected to the convention center expansion projects, reduce other capital and operating expenses and defer other payments has already helped decrease the drawdown of reserves.

Finally, we will release the September TDT collections report in early November."

Tourist Development Tax - Cash Reserve Summary as of August 31, 2020

<u>Reserve Accounts</u>	<u>July 31, 2020</u>	<u>August 31, 2020</u>	<u>Change</u>
Bond Reserve ¹	\$80,239,732	\$80,239,732	\$0
Renewal & Replacement Reserve:			
Property Plant & Equipment ²	\$60,935,997	\$60,887,460	(\$48,537)
Other Authorized Uses	<u>\$139,255,270</u>	<u>\$124,398,076</u>	<u>(\$14,857,194)</u>
SubTotal	<u>\$200,191,267</u>	<u>\$185,285,536</u>	<u>(\$14,905,731)</u>
Total	<u>\$280,430,999</u>	<u>\$265,525,268</u>	<u>(\$14,905,731)</u>

1. Debt service reserves are restricted for debt service only and equal the maximum annual debt service payment.

2. The County has committed to maintaining a reserve for property replacement equal to 4% of the Convention Center's gross physical plant and equipment-excluding construction in progress. This Renewal and Replacement Reserve component is currently fully funded at \$60,887,460.

TOURIST DEVELOPMENT TAX COLLECTIONS
ORANGE COUNTY, FLORIDA
FISCAL YEAR 2020 (10/1/19-9/30/20)

Monthly Collections

	Budget to Actual			
	FY 2020 Budget(1)	FY 2020 Actual	Difference	Percentage Difference
Hotel Collection Month of August 2020	\$20,068,000	\$5,787,600	(\$14,280,400)	-71.2% down

Actual to Actual			
FY 2019 Actual	FY 2020 Actual	Difference	Percentage Difference
\$19,980,300	\$5,787,600	(\$14,192,700)	-71.0% down

Cumulative Collections

	Budget to Actual			
	FY 2020 Budget(1)	FY 2020 Actual	Difference	Percentage Difference
Thru Hotel Collection Month of August 2020	\$269,932,000	\$160,006,300	(\$109,925,700)	-40.7% down

Actual to Actual			
FY 2019 Actual	FY 2020 Actual	Difference	Percentage Difference
\$266,154,900	\$160,006,300	(\$106,148,600)	-39.9% down

(1) On January 28, 2020, the Board of County Commissioners approved increasing the FY 2020 revenue budget by \$7,700,000 or 2.7%.

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