

Budget Guide

Table of Contents

POLICY SECTION

CITY GOVERNMENT:

Organizational Structure	2
City Policies for Growth Management	3

BUDGET POLICIES AND PROCEDURES:

Budget Policies	6
Budget Preparation	7
Budget Review	8
Budget Adoption	8
Budget Implementation	9
Budget Revisions	11

FINANCIAL STRUCTURE:

Accounting Structure	12
Method of Budgeting	12

ANALYSIS SECTION

ECONOMIC ANALYSIS:

Revenues	16
Major Revenue Sources—General Fund	18
Major Revenue Sources—Other Funds	21
Appropriations	22

DEBT OBLIGATIONS:

Debt Limits/Measures of Future Flexibility	24
Primary Government	25
Component Unit	26
Internal Loan Fund	27
Debt Service Budget Summary	29

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
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Budget Guide

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 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

I. CITY GOVERNMENT

The City of Orlando was incorporated on July 31, 1875, and the City Charter was adopted ten years later on February 4, 1885. Orlando, located in the approximate center of the State, is the central city of the Orlando Metropolitan Statistical Area (MSA), which consists of Orange, Osceola, Lake and Seminole Counties. The population of Orlando for FY 2003/2004 is estimated to be 202,860.

A. ORGANIZATIONAL STRUCTURE

The Citywide organization chart in the Budget-in-Brief section of this document displays the relationships between organizational units of the City. The Mayor, as presiding officer of the City Council, also serves as the Chief Executive Officer. The independent boards that operate under the City's jurisdiction report directly to the City Council.

The Mayor oversees the daily administration of City operations and implementation of City policy through a nine member cabinet. The nine cabinet members are the department directors. The Chief of Staff and City Attorney serve as advisors to the cabinet.

In addition to the nine operating departments, there are five staff offices that report to the Chief of Staff. Each department is functionally divided into divisions and further divided into programs. The following explains the hierarchy by which a department is organized. Organizational charts in the departmental section of this document show each department's structure and chain of command.

DEPARTMENTAL ORGANIZATIONAL STRUCTURE

DEPARTMENT - An organizational unit responsible for carrying out a major governmental function. Housing and Fire are examples of City departments.

DIVISION - Divisions are the major organizational and functional subdivisions of departments. Divisions within the Public Works Department include Engineering/Streets and Drainage, Transportation Engineering, Parking, Stormwater Utility, Solid Waste and Wastewater.

PROGRAM - A program is an organized set of related work activities which are directed toward a common purpose or goal and represent a well-defined expenditure of City resources. *Direct service programs* produce results that directly affect citizens or the environment, while *support programs* serve other City programs. Examples of programs include Library Garage Operations in the Parking Division and Sign and Pavement Markings in the Transportation Engineering Division.

ACTIVITY - An activity is a significant element of a department's program responsibilities. It accomplishes a function for which the department is responsible. A program activity merits clear-cut identification, budgetary consideration and performance measurement. Examples of various activities include property and evidence, drug enforcement, street sweeping and lift station maintenance.

Budget Guide

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Department Identifier:

[Executive Offices](#)
[Economic Development](#)
[Families, Parks & Recreation](#)
[Finance](#)
[Fire](#)
[General Administration](#)
[Housing](#)
[Mgmt., Budget & Accounting](#)
[Police](#)
[Public Works](#)
[Special Funds](#)

B. CITY POLICIES FOR GROWTH MANAGEMENT

The Growth Management Plan (GMP) is a long-range, general policy guide for decisions about the physical, social and economic development of the City as a whole. For the purpose of meeting the requirements of Florida Statutes, the GMP is the City of Orlando's local government comprehensive plan.

The GMP describes the City's vision; translates that vision into policies, programs and public investments; and promotes coordination between technical specialists to ensure the rational and efficient scheduling of physical improvements. The GMP also includes the Official Future Land Use Map Series, a visual representation of the type, intensity and location of development that will be allowed to occur throughout the City. This map series depicts the pattern of development that will accommodate the City's projected population while protecting existing neighborhoods and ensuring the long-term livability of the community.

The policies of the GMP reflect the belief that projected economic and population growth should be accommodated while preserving the amenities that define Orlando as a desirable place to live, work and visit. To achieve this goal, the City will pursue the following:

Development

- Affordable housing which efficiently accommodates future population growth.
- An urban form that is accessible and more conducive to the effective provision of services.
- Protection of sensitive natural areas through direction of new development to environmentally suitable areas.
- Annexations that contribute to efficient urban form.

Economic

- Economic development programs designed to attract industries and employers that create high-paying, skilled job opportunities, and support the development of small businesses.

Social

- An urban area with a variety of opportunities for living, working and social interaction for persons of all income, racial and age groups.

Public Fiscal

- Public services supported through public financing, user charges and impact fees emphasizing the private sector is bearing proportionate responsibility for capital costs to provide or upgrade services related to their development activity.
- Increased property tax revenues from the revitalization of deteriorating areas and the encouragement of new development within existing communities.
- Program budgeting based on established minimum desired levels of service.

Metropolitan Responsibilities

- A leadership role in areas such as transportation, regional sewage systems, stormwater management, and growth management policy.
- An environment of strong intergovernmental coordination.

Budget Guide

Mission Statement:

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Department Identifier:

[Executive Offices](#)
[Economic Development](#)
[Families, Parks & Recreation](#)
[Finance](#)
[Fire](#)
[General Administration](#)
[Housing](#)
[Mgmt., Budget & Accounting](#)
[Police](#)
[Public Works](#)
[Special Funds](#)

Management

- An integrated governmental organization supported by a coordinated set of citizen boards and advisory groups.
- Understandable, responsive and accountable governmental processes at all levels.

Transportation

- A transportation system that is convenient, accessible, energy wise, and offers a choice of travel modes.
- An expanded and more efficient public transit system that offers quick and inexpensive transportation between major areas.
- A 100-mile bikeway system including trails, bike lanes, and signed routes throughout the City.

Environment

- A balance between environmental protection and the need for residential, industrial and commercial land, including the protection of the natural environment and sites and structures of historic and cultural significance.

Public Services

- Police, fire, and emergency medical services that meet the expectations of the community for safety and security, with an emphasis placed on preventive and protective programs.
- Provision for the recreation and open space needs of the City's residents including the joint use of school facilities for community recreation programs, the rehabilitation and upgrading of existing municipal pools and athletic fields and an upgraded pedestrian and bikeway system to facilitate access to recreation and open space areas.
- Revenues for providing recreation opportunities to non-City residents provided through a non-resident user fee system.
- Elimination of wasteful and inefficient duplication of public services through intergovernmental coordination.

GMP Impact

Implementation of the City of Orlando's Growth Management Plan has been recognized as having a significant impact on the development decisions within the City. In order to effectively accommodate projected growth within budget constraints, while meeting the service requirements of that growth, the City's GMP concentrates higher intensity development in designated activity centers. This approach limits development along traditional strip commercial roadways and protects existing neighborhoods. As a result, services can be more efficiently targeted to specific locations and scarce resources can be utilized to accommodate concentrated development surrounded by areas of lower intensity. Limiting the amount of commercially available land will reduce the likelihood of oversupply and the blight associated with land use transition.

Speculation, based on the anticipated transition of inner City residential neighborhoods into commercial and industrial areas, has also been reduced by implementation of firm policies designed to protect existing neighborhoods. This approach maintains the housing stock as an available resource and more efficiently utilizes available infrastructure.

The GMP also promotes good urban design and has resulted in the preservation of the positive design characteristics of our downtown neighborhoods and business districts. It has also had a positive influence on the design of more suburban areas, providing for alternative travel modes, more efficient transportation access, and stronger neighborhoods.

Budget Guide

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The **CAPITAL IMPROVEMENT PROGRAM (CIP)** is an important tool for implementing the GMP. Every year, the City evaluates the various projects that constitute the Capital Improvement Program to ensure that those projects are consistent with and support the GMP. During the CIP evaluation process, projects that directly implement the goals and policies of the GMP are given higher priority than those that only support the intent but do not directly implement these goals and policies.

On October 1, 1985, new State planning legislation went into effect requiring, among other things, that the City adopt an economically feasible Capital Improvements Element by January 1, 1991. Implementation of this legislation required identification of minimum acceptable service standards for public facilities, existing deficiencies and needs, improvements required to attain and maintain minimum standards, provision of goals and objectives to meet current and future needs, and a more extensive project monitoring system to indicate if the goals and objectives are being met.

The legislation requires that all future development and provision of public facilities be consistent with this and other elements of the comprehensive plan. It also prohibits land development approvals that would result in a reduction in the level of public services below that required by the standards of the comprehensive plan.

The State legislature passed this landmark act in 1985 with the anticipation of reviewing the necessary revenue enhancement. Unfortunately, the State legislature ultimately failed to make any significant changes to address revenue requirements for the State or local levels.

A major uncertainty for all governments in Florida (including the City of Orlando) is when and to what extent the State Legislature will actually address the second half of the Growth Management Issue (the revenue generation requirement) and the nature and forms of relief which may be provided.

The City is a principal advocate for expansion of the local option revenue agenda which requests that the State legislature permit each local jurisdiction (by actions of its governing body) to implement, within its community, county or district, new revenue generation measures intended to address capital and/or operation requirements. While the Florida legislature has continued to wrestle with this issue, it has failed to provide any meaningful relief. This has forced Orlando and other local governments to rely on property tax and not on unavailable, but more appropriate user fees and other charges.

II. BUDGET POLICIES AND PROCEDURES

The Management and Budget Division of the Management, Budget and Accounting Department coordinates the budget process. The formal budgeting process, which begins in December and ends in September, provides the primary mechanism by which key decisions are made regarding the levels and types of services to be provided, given the anticipated level of available resources. Revenues and expenditures are projected on the basis of information provided by City departments, outside agencies, current rate structures, historical data and statistical trends.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

[Executive Offices](#)
[Economic Development](#)
[Families, Parks & Recreation](#)
[Finance](#)
[Fire](#)
[General Administration](#)
[Housing](#)
[Mgmt., Budget & Accounting](#)
[Police](#)
[Public Works](#)
[Special Funds](#)

A. BUDGET POLICIES

The development of the budget is guided by the following budget policies:

- The budget must be balanced for all funds. Total anticipated revenues must equal total estimated expenditures for each fund (Section 166.241 of Florida Statutes requires that all budgets be balanced.)
- All operating funds are subject to the annual budget process and reflected in the budget document.
- Each operating program prepares a "current services," and an "expanded services" budget. The sum of the two categories reflects the total requested budget. A current services budget is defined as that level of funding which is necessary to provide the same level of service for the upcoming year that is currently being provided. An expanded services budget includes funding requests associated with a new service or additional personnel, along with expenditures that are specific to one budget year and will not be a recurring cost or revenue to subsequent years. Examples include capital requests or one-time fees or charges.
- Current services budget requests may not always be funded prior to consideration of expanded services requests. In evaluating both current services and expanded services, funding priority will be given to the use of new technologies that increase productivity and reduce costs.
- In contrast to a "line-item" budget that focuses exclusively on things to be purchased (such as personnel, supplies and equipment), the City also develops a performance budget that is designed to:
 - structure budget choices and information in terms of divisions and their related program work activities; provide information on what each program is committed to accomplish in the long run (mission statement) and in the short run; and,
 - measure the degree of efficiency, effectiveness and outcomes achieved (performance measures).

As such, this budget will show what citizens should actually receive in services.
- The enterprise operations of the City are to be self-supporting; i.e., current revenues will cover current expenditures, including debt service.
- An 8.5 percent administrative service fee will be assessed by the General Fund against all enterprise and internal service funds of the City. This assessment will be based on operating appropriations of the fund and will be used to reimburse the General Fund for the administrative and support services provided to these funds.
- In no event will the City of Orlando levy ad valorem taxes against real property and tangible personal property in excess of 10 mills, except for voted levies (Section 200.081 of Florida Statutes places this millage limitation on all Florida municipalities.)
- The City will budget 96 percent of anticipated gross ad valorem proceeds to provide an allowance for discounts for early payment of taxes (Section 200.065 of Florida Statutes states that each taxing authority shall utilize not less than 95 percent of the taxable value.)
- The City will coordinate development of the capital improvement budget with the development of the annual operating budget. Each capital improvement project is reviewed for its impact on the operating budget in terms of revenue generation, additional personnel required and additional operating expenses.
- A calendar will be designed each year to provide a framework within which the interactions necessary to formulate a sound budget could occur. At the same time, it will ensure that the City will comply with all applicable State and Federal legal mandates.

Budget Guide



Mission Statement:

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Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

B. BUDGET PREPARATION

The budget calendar used in preparation of the FY 2003/2004 budget is presented as Exhibit I-A. The process of developing the operating budget begins officially in February of each year. The budget preparation process provides department and division directors an opportunity to examine their program(s) of operation, to propose changes in current services, to recommend revisions in organizations and methods, and to outline requirements for capital outlay items.

The Performance Optimization Program and Management and Budget work closely with the departments to formulate performance measures for the upcoming fiscal year and to assist with new personnel requests (deadlines for submission are reflected in the budget calendar).

In March each year, basic operating budget request forms and data on prior year appropriations are distributed to the departments. Each program manager must compile a budget request for the new fiscal year and enter the program budget request and justification into the computerized budget development system.

The FY 2003/2004 millage rate will remain the same for the third consecutive year at 5.6916 mills.

Exhibit I-A

December 2	Distribution of project request packets for CIP requests.
January 24	CIP project request input due to Management & Budget.
January 29	Distribution of instructions and forms for revenue budgets, revenue manual revisions and new personnel requests.
February 14	New Personnel requests and Revenue Manual revisions due in Management, Budget & Accounting.
February 27	Distribution of instructions and forms for Technology Management equipment requests along with Performance Management information.
March 14	Technology Management equipment requests and revenue budgets due in Management & Budget.
March 17	Distribute instructions & forms for expenditure requests.
April 14	City Council workshop on FY 2003/204 revenue projections.
April 25	Original revenue and expenditure requests due in Management & Budget.
May 2	Performance management information due to the Performance Optimization Program.

Budget Guide



Mission Statement:
Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:
[Executive Offices](#)
[Economic Development](#)
[Families, Parks & Recreation](#)
[Finance](#)
[Fire](#)
[General Administration](#)
[Housing](#)
[Mgmt., Budget & Accounting](#)
[Police](#)
[Public Works](#)
[Special Funds](#)

June 9	CIP status reports & project summary sheets distributed.
June 27	CIP status reports due in Management & Budget.
July 1	Certification of property values by County Property Appraiser.
July 7-11	Budget Camp between Departments, Mayor and City Council.
July 10	Revised budgets due to Management & Budget.
July 28	Mayor presents budget to City Council.
August 4	Budget workshop with Mayor and City Council.
Sept 15	First public hearing to adopt proposed millage rate, budget and Capital Improvement Program.
Sept 29	Final public hearing to adopt millage rate, budget and Capital Improvement Program.
October 1	Implementation of adopted budget.

C. BUDGET REVIEW

During the budget review phase, Management and Budget analyzes new positions, operating and capital budget requests; reviews service level and departmental revenue estimates; and recommends funding levels. Budget recommendations regarding requests for new personnel and capital are based on: 1) departmental priorities as submitted by department directors; and 2) available funding after current services are budgeted (funding levels required to maintain the status quo). Management and Budget staff recommendations on operating and capital budgets and new personnel requests are reviewed with department directors.

D. BUDGET ADOPTION

The formal adoption process begins with the Mayor's budget presentation to City Council in July, followed by a budget workshop. The workshop, along with the Budget Camp, provides Council members an opportunity to review the budget submission and Capital Improvement Program to ensure that the requests meet the best interests of the City of Orlando and its citizens.

The final step before budget adoption is to hold two public hearings to present the proposed millage rate and budget. This essential step provides a vehicle for the citizens to comment directly to the Mayor and City Council regarding priorities. According to State regulations, the first public hearing must be held within 80 days of certification of property values but not earlier than 65 days after certification. At this hearing, the City presents the proposed millage rate and tentative budget and, if the millage rate to be adopted is higher, the percent difference from the rolled-back rate is announced at this time.

Budget Guide

Within 15 days of the first hearing, the City must advertise its intent to adopt a final millage rate and budget. Finally, the millage rate and budget are adopted by separate resolutions of City Council at the second hearing which must be held not less than two days or more than five days after the day that the advertisement is first published. Exhibit I-B illustrates the timetable required in the legal process of adopting and implementing the millage rate.

E. BUDGET IMPLEMENTATION

Florida Statutes mandate that the fiscal year run from October 1 through September 30. Implementation of the approved budget begins on October 1. Monitoring of the approved budget takes place on both the financial and service provision levels. Each division director or manager has formulated levels of performance as a part of the budget development. The department mission statement provides general direction to division directors and managers and program managers with specific performance accomplishment indicators. All divisions submit reports to the Performance Optimization Program showing status of performance, goals and accomplishments, and explaining variances from targets established during the budget process. Mission statements and service efforts and accomplishments are presented in the departmental sections of this document.

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Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

Budget Guide



Mission Statement:
 Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:
 Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

EXHIBIT I-B
 2003/2004 LOCAL GOVERNMENT TRIM TIMETABLE

	Day	
Property Appraiser Certifies Roll (Taxable Value).	1	July 1
Mayor submits tentative budget to City Council.		
Property Appraiser prepares notice of proposed property taxes.		
Agency (taxing authority) advises Property Appraiser of proposed millage, current year rolled-back rate and date, time and place of first public hearing.	35	
Property Appraiser mails notice of proposed property taxes.	55	
First public hearing on tentative millage and budget; tentative millage and budget adopted at this hearing.	65-80	
Public advertisement of hearing on final millage and budget.	95	
Public hearing to adopt the final millage and budget.	97-100	
Taxing Authority forwards resolution or ordinance adopting millage to Property Appraiser and Tax Collector.	103	
Property Appraiser notifies taxing authority of final adjusted tax roll.		
Property Appraiser extends roll.		
Taxing Authority certifies final adjusted tax roll within three days of Receipt from Property Appraiser.		
Taxing Authority certifies compliance with F.S. 200.065 and 200.068 to the Florida Department of Revenue.	130	

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

F. BUDGET REVISIONS

After adoption of the annual budget, any budgetary transaction that reflects an increase or decrease to fund totals is considered a Budget Amendment. This includes, but is not limited to, grants, donations, reimbursements, insurance settlements, and increased receipts from enterprise funds or proprietary funds for a particular purpose.

After implementation of the budget, all requests to change any appropriation, personnel structure, project, capital request or contract change orders must be submitted to Management and Budget for appropriate routing and approvals. The three levels of approval responsibility and their limits of authority are delineated as follows:

The **MANAGEMENT, BUDGET & ACCOUNTING DIRECTOR** has final approval of:

- Budget transfers involving \$2,500 or less.
- All expenditures from the Law Enforcement Trust Fund including all capital outlay redesignations.
- All project requests where funding is available in the correct accounts and all transfer requests within approved projects.
- All budget transfers (with the exception of capital outlay funding redesignation) within a division or office.
- All budget transfers within the same fund between the same group account or line item.
- All requests for capital equipment items in projects with appropriate concurrence.
- All transfer requests into travel accounts amounting to \$1,000 or less when funds come from within the same department and fund.

The **CHIEF ADMINISTRATIVE OFFICER** has final approval of:

- Any budget transfer greater than \$2,500, and less than or equal to \$5,000.

The **BUDGET REVIEW COMMITTEE (BRC)** is chaired by the Chief Administrative Officer (CAO) and was established for the purpose of maintaining centralized budgetary control. The BRC consists of three permanently assigned voting members, two additional voting members and non-voting technical advisors as needed.

The **BUDGET REVIEW COMMITTEE** has final approval of:

- Budget transfers in excess of \$5,000.
- All requests for new projects requiring an appropriations transfer greater than \$5,000.
- Position reclassifications.
- All grant applications submitted to secure funding on behalf of the City of Orlando for which matching funds are required.
- All contract change orders requiring funding in excess of established contract contingencies.
- Transfers into travel accounts in excess of \$5,000 when funds are requested from accounts other than existing "Travel Expense and Training" groups within the same department and fund.
- All requests for transfers from salary group accounts to operating or capital group accounts.

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

[Executive Offices](#)
[Economic Development](#)
[Families, Parks & Recreation](#)
[Finance](#)
[Fire](#)
[General Administration](#)
[Housing](#)
[Mgmt., Budget & Accounting](#)
[Police](#)
[Public Works](#)
[Special Funds](#)

Finally, **CITY COUNCIL** approval must be obtained before BRC action is considered final on the following:

- The creation of a new position.
- All General Contingency requests in all funds.
- Departmental reorganization requests.
- Administrative Amendment - approval of BRC minutes will amend the fund totals for items described in City Code Section 2.70 such as grants, donations, gifts, reimbursements and increased receipts from enterprise funds or proprietary funds for a particular purpose.
- Amendment by Resolution - amendments of fund totals after adoption require a resolution of the City Council at any regular or special meeting as required by City Code, Section 2.69.
- All other items as required by City code.

III. FINANCIAL STRUCTURE

A. ACCOUNTING STRUCTURE

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units.

The financial transactions of the City are recorded in individual funds and account groups. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds and account groups are reported by generic classification within the financial statements of the Comprehensive Annual Financial Report (CAFR). Identification of funds, their purpose, and principal revenue sources received by the City are displayed in the Fund Summary (Exhibit I-C). Explanations of sources are provided in the Revenue Manual available in the Management, Budget and Accounting Department and on the Internet (www.cityoforlando.net).

B. METHOD OF BUDGETING

The City of Orlando's budget is prepared under concepts compatible with the modified accrual basis of accounting. Under this basis of budgeting, revenues are recognized in the accounting period in which they become available and measurable. Thus, revenues received shortly after year-end, but related to the current year, are budgeted in the current year.

Expenditures are budgeted in the accounting period in which the fund liability is incurred, if measurable. Under this basis of budgeting, interest on long-term debt and certain similar accrued obligations, is budgeted when due. Depreciation is not budgeted, but the related capital replacement is budgeted during the year the expenditure, or replacement, will occur. Compensated absences are also not budgeted.

Budget Guide



Mission Statement:
 Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:
 Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

Exhibit I-C

FUND SUMMARY

<u>PURPOSE</u>	<u>Governmental Funds</u>	<u>PRINCIPAL REVENUES</u>
The General Fund is used to account for all financial resources except those required to be accounted for in another fund.		Ad Valorem taxes, licenses and permits, utility taxes, state taxes and contributions such as revenue sharing and service charges.
<u>SPECIAL REVENUE FUNDS</u>		
The Law Enforcement Training Fund provides training funds for sworn police officers.		Fines collected by the County Court.
The Community Development Block Grant Fund represents housing rehabilitation and community development in low and moderate income neighborhoods.		Community Development Block Grant funds received from Housing and Urban Development (HUD).
The State Housing Initiatives Partnership Fund (SHIP) provides funds as an incentive to create partnerships that produce and preserve affordable housing.		State of Florida Grant under the State Housing Initiatives Partnership Fund.
The HOME Investment Partnership Fund expands the supply of affordable housing for low and very low income families with emphasis on rental housing.		HOME Investment Partnership Program Grant funds received from HUD.
The HUD/Homeless Grant Fund provides funds for the provision of support services and operating expenses for emergency shelters and activities for the homeless population.		Emergency Shelter Grant funds received from HUD.
The Transportation Impact Fee Funds provide capital projects in respective collection districts (N, SE, SW and I-4/Republic Drive).		Impact fees collected from new development related to impact on the transportation system.
The Utility Services Tax Fund is for receipt of utilities services taxes and subsequent contribution to the General Fund.		Taxes paid on electricity, natural gas, LP gas, water and telecommunications.
The Gas Tax Fund is for receipt of State gas tax revenues and disbursement for transportation improvements.		Gas Tax is six cents per gallon of gasoline sold. The City will receive 20.27 percent of the revenues collected in Orange County in FY 2003/2004.
The Community Redevelopment Agency Fund reflects the activity within the Downtown District.		Tax increment financing.
The CEB Lien Assessment Fund represents Code Enforcement Board liens placed on property primarily used for housing rehabilitation.		Fines assessed for non-compliance with City codes and ordinances.

Budget Guide



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- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

FUND SUMMARY

PURPOSE

The **H.P. Leu Gardens Fund** accounts for garden operations.

The **Contraband Forfeiture Trust Fund** is used to provide law enforcement activities.

The **Cemetery Trust Fund** accounts for Greenwood Cemetery operations.

The **CRA Trust Funds** for debt service and operating obligations for the City's four Community Redevelopment Areas (CRA's).

DEBT SERVICE FUND

The **CRA Revenue Bonds Funds** are used for principal and interest payments on bonds used to fund capital improvements in the redevelopment areas.

CAPITAL PROJECTS FUNDS

The **Capital Improvement Project Fund** for capital projects not accounted for elsewhere.

The **FY 03/04 Construction Fund** for various capital projects to be financed through a bond issue. See the Capital Improvements section for a project listing.

Proprietary Funds

ENTERPRISE FUNDS

The **Parking System Fund** is for operation of the City's on-street, off-street and parking garage facilities including enforcement.

The **Centroplex Fund** and **Arena Concessionaire Fund** is for the operation of the Expo Centre, Performing Arts Centre and TD Waterhouse Arena.

The **Solid Waste Fund** is for collection and disposal of commercial and residential garbage which is disposed of at a County landfill.

The **Stormwater Utility Fund** is for the operation and maintenance of the storm drainage system; enhancement of water quality; plans review and inspection of private drainage facilities.

The **Wastewater Revenue Fund** is for operation of wastewater collection and treatment plants including construction.

PRINCIPAL REVENUES

Contribution from the General Fund and charges for services.

Receipts of money or property confiscated during illegal activities.

Proceeds from trust fund.

Tax increment financing.

Tax increment collected in the four districts.

Capital grants, operating transfers from other funds, property tax.

Bond proceeds.

Parking fees.

Charges for the use of the facilities, including ticket sales, service charges and a portion of concessionaire sales.

Service charges.

Utility fees.

Wastewater System user fees.

Budget Guide



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Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

FUND SUMMARY

<u>PURPOSE</u>	<u>PRINCIPAL REVENUES</u>
<u>INTERNAL SERVICE FUNDS</u>	
The Fleet Management Fund operates and maintains all City owned vehicles.	Fees assessed to other funds.
The Risk Management Fund oversees the administration of insurance for worker's compensation, auto liability, property and contents and general liability.	Fees assessed to other funds.
The Supplemental City Staff Fund , also known as the Rapid Assistance Program, is comprised of employees that will be used to supplement existing City staff when and where needed.	Fees assessed to other funds.
The Pension Participant Services Fund assists current and former employees with their deferred compensation and defined contribution pension programs.	Sponsor rebate from ICMA.
The Internal Loan Fund redistributes loans received from the Sunshine State Governmental Financing Commission and bond proceeds to other funds to finance Capital Projects.	Loans from the Sunshine State Governmental Financing Commission and other bond issues.
<u>Component Unit</u>	
The Downtown Development Board Fund promotes development and redevelopment in the downtown area.	One mill tax levy collected within the established downtown area.
The Civic Facilities Authority Fund operates the Florida Citrus Bowl and Tinker Field Sports complex.	Orange County contribution, charges for use of the facilities, including a portion of concession sales.
The Central Florida Fire Academy Fund, a joint venture between the City, County and School Board, accounts for firefighter training activities. Although, not part of the the City, the City does maintain the accounting records.	Charges for services.
<u>Fiduciary Funds</u>	
<u>PENSION TRUST FUNDS</u>	
The Fire, Police and General Employees Pension Funds account for retirement benefits and related administrative expenditures.	Transfers from other funds.

Budget Guide

Mission Statement:

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Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

IV. ECONOMIC ANALYSIS

A. REVENUES

Ad valorem taxes are the single largest source of general revenue. Ad valorem tax revenue is a function of assessed property values and the millage rate set by City Council. In 1980, the millage rate was over eight mills--meaning that for every \$1,000 of assessed property value, a property owner must pay eight dollars. From 1980 through 1988, the millage rate decreased. Because property values continued to increase, actual revenues were not adversely impacted. In fact, revenues increased although the proportion of total General Fund revenue they represent decreased.

In the mid 1980's, State and Federal revenues were implemented which lifted a substantial portion of the revenue burden from local governments. The following years, however, witnessed a reversal of this trend. Federal revenue sharing was completely eliminated and State revenue sharing suffered from a stagnant composition of revenue and a restrictive allocation formula. The formula that distributes the funds is based in part on a municipality's ability to generate its own revenue via property taxes. As a growing city with expanding boundaries, Orlando did not fare well in the competition for supplemental State revenue sharing funds. Effective July 1994, the State legislature amended the law by increasing the distribution for emergency and supplemental funds, thereby increasing the City's revenue.

Over the years many local governments were forced to balance their annual budgets with increased property taxes. The City of Orlando did raise its millage rate in 1989 and 1990. However, the rate then remained at the 1990 level of 6.0666 mills for twelve years. It was reduced to the roll back rate of 5.6916 for 2001/2002 and remains at that rate.

Exhibit I-D compares the revised General Fund revenue budget for fiscal year 2002/2003 with the proposed revenue budget for fiscal year 2003/2004.

- * The increase in Ad Valorem and Utility Taxes reflects the City's continued growth through both new construction and annexations.
- * License and permit fees, along with Franchise and Other Fees continue to increase with the City's commercial growth.
- * The decrease in Federal revenues reflects a smaller police staffing grant contribution.
- * The decrease in State revenues reflects lower revenue sharing.
- * Local revenue is primarily a profit sharing revenue from the Orlando Utilities Commission. Revenue is based on a formula computed and forecast by OUC. The City currently receives 60 percent of OUC net income.
- * Charges for services include revenues such as building inspection fees, recreation fees, fees from the Orlando International Airport for Orlando Police Department services and reimbursements from other funds for General Fund provided services. The increase primarily reflects increased reimbursements from other funds and the provision of services formerly provided by an Internal Service Fund.
- * The decrease in miscellaneous revenue reflects a decrease in investment earnings and one time revenues that were included in the 2002/2003 budget.
- * The decrease in nonoperating revenue reflects one time transfers from other funds that were included in the 2002/2003 budget.

Budget Guide

* Nonoperating revenue consists of transfers from other funds and encumbrance carry forwards. The FY 2002/2003 total is significantly higher than the FY 2003/2004 total due to the following: A) An encumbrance carry forward of \$3.9 million is included in the FY 2002/2003 total. No encumbrance carry forward is included in the 2003/2004 total. A budget adjustment is made after the start of the fiscal year when the correct amount to be carried forward is known. B) One time transfers from other funds of almost \$10 million are included in the FY 2002/2003 total.

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Exhibit I-D

REVENUE COMPARISON
GENERAL FUND

REVENUES	REVISED	PROPOSED	PERCENT
	Fy 2002/2003	Fy 2003/2004	CHANGE
AD VALOREM TAXES	\$ 72,544,207	\$ 76,831,480	5.91%
UTILITY TAXES	36,500,000	37,500,000	2.74%
FRANCHISE AND OTHER	22,323,954	23,112,985	3.53%
LICENSES AND PERMITS	4,993,000	5,417,000	8.49%
FEDERAL/STATE	40,875,102	37,477,887	(8.31%)
LOCAL	29,160,639	31,660,000	8.57%
CHARGES FOR SERVICES	21,567,460	26,904,096	24.74%
FINES AND FORFEITURES	1,854,000	1,815,300	(2.09%)
MISCELLANEOUS REVENUE	15,525,800	12,726,204	(18.03%)
NONOPERATING REVENUE	16,113,762	3,102,864	(80.74%)
	<u>\$ 261,457,924</u>	<u>\$ 256,547,816</u>	<u>(1.88%)</u>

Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

Budget Guide

MAJOR REVENUE SOURCES GENERAL FUND

The five largest sources of revenue within the General Fund are property taxes (30%), the Orlando Utilities Commission dividend (12%), transfer from the Utility Services Tax Fund (15%), sales taxes (10%) and franchise fees (9%). Together these revenue sources account for over 75% of all General Fund revenue.

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Ad Valorem Property Taxes

Property taxes, or more specifically ad valorem property taxes, provide approximately 30% of the City's General Fund revenue. With an ad valorem tax, the property tax is proportional to the value of the property. Some of Orlando's most valuable property is in special districts, some or all of whose revenues are dedicated and flow through the General Fund into Community Redevelopment Agencies or CRAs. These special taxing districts or CRAs include CRAs I & II (downtown), CRA III Conroy Road (Millenia Mall) and CRA IV Republic Drive (Universal Studios).

In Florida, there are three factors for calculating the amount of property tax. These factors are: the value of the property, the amount of the value not subject to taxes because of exemptions, and the tax rate. Florida Statutes provide the authority for municipal governments to adjust their property tax rates.

Article 7 of the Florida Constitution allows municipalities to levy property taxes (section 9), creates the homestead exemption (section 6) and exempts motor vehicles (automobiles, boats and mobile homes) from property taxation (section 1).

The value of property is determined by the county Property Appraiser (Florida Statute 192.042). The combined property tax for all governmental entities is collected by the county Tax Collector (Florida Statute 193.116(2)). Tax bills are issued by the county Tax Collector in November and must be paid by April 1st. There is a one percent discount for each month (up to four months) that the tax bill is paid early as well as penalties for late payment (Florida Statutes 197.162 and 197.172). A city receives payments from the county Tax Collector once or twice a month according to the schedule in Florida Statute 197.383. The Property Appraiser certifies the assessment roll and provides an estimate of revenue each June on a Florida Department of Revenue form DR-420. Due to discounts, non-payments and possible Value Adjustment Board changes, it is prudent to budget at less than 100% of assessed property tax revenue. Florida statute 200.065(2)(a)1 requires cities to budget at least 95% of the taxable value. In FY 2003/2004 the City has budgeted 96%.

In 1980, the Florida Legislature passed the "Truth in Millage (TRIM)" Act. The Florida TRIM Act established strict requirements that all taxing authorities levying a millage in Florida must follow. The City of Orlando property tax rate or millage is set by a resolution of the City Council after holding two public hearings following a procedure described in Florida Statute 200.065. The City of Orlando millage is 5.6916 (equivalent to \$5.6916 per thousand dollars of taxable valuation).

Department Identifier:

Executive Offices
Economic Development
Families, Parks & Recreation
Finance
Fire
General Administration
Housing
Mgmt., Budget & Accounting
Police
Public Works
Special Funds

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

MAJOR REVENUE SOURCES GENERAL FUND

OUC Dividend

The Orlando Utilities Commission (OUC) provides electric and water service to the City of Orlando and surrounding areas. As the Orlando Utilities Commission is 100% owned by the City, the City, as shareholder, receives a dividend from the net income of OUC. Currently, the dividend is set at 60% of net income from the electric and water system. The OUC dividend is paid to the City in monthly installments based on an OUC estimated annual net income with an annual true up to actual net income. OUC provides a forecast of revenue and net income to the City.

Sales Taxes

Sales Taxes, pursuant to Chapter 212 Florida Statutes, are collected by businesses and remitted to the State of Florida. In 1982, the Florida Legislature created the "Local Government Half-Cent Sales Tax Fund" program. The program is administered by the Florida Department of Revenue. Monies in this trust fund are distributed monthly to eligible counties and municipalities. The City receives the monthly distributions approximately two months after the retail sales take place. For example, the seasonal Christmas peak in retail sales is received in February as part of the December sales tax distribution. Each June, the Legislative Committee on Intergovernmental Relations (LCIR) provides a forecast of the estimated sales tax distribution.

As part of the Half Cent Sales Tax program, the Florida Legislature earmarks a percentage of the State sales tax collected in each county for distribution to cities in that county according to a population based formula (Florida Statute 218.61). As a result of recent legislation (HB 113-A), effective July 1, 2004 the percentage of sales tax revenue allocated for distribution to cities will be reduced from 9.653% to 8.814%. Under the legislation, cities are supposed to be "held harmless" by a corresponding increase in Municipal Revenue Sharing.

Franchise Fees

Franchise Fees are paid by utility providers (electricity, natural gas & water) for their use of City streets, alleys and property in providing their services. The franchise fee is six percent of gross receipts.

The Communications Services Tax replaced the franchise fee for dealers of communications services (including, but not limited to, phone and cable TV services). The tax in the City is five percent of the sales price on all taxable sales of communications services provided within the municipality. Each June, the LCIR provides a forecast of the estimated Communications Services Tax distribution. Proceeds received are distributed 17 percent to the General Fund to replace former franchise fees and 83 percent to the Utilities Services Tax Fund.

Budget Guide

**MAJOR REVENUE SOURCES
GENERAL FUND**

Franchises are defined by City Code as businesses (public service utilities) that use or occupy any street or alley or property of the City for a period of more than six months, or when a business is a public service customarily without competition from others (City Code, Chapter 26). Franchises are not implied and must be created by a written ordinance, or contract signed by the City Council.

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Utility Taxes

Utility taxes are collected in the Utilities Services Tax Fund and then transferred to the General Fund. Refer to the non-General Fund discussion on the following page.

Revenue projections for all City funds for the current year are based on the following assumptions.

- * Inflation is estimated at 2.5 percent for the year.
- * Interest rates will be 2.5 percent throughout the year.

- * Property tax rate for the City will remain at 5.6916 in FY 2003/2004.
- * Property tax rate for the Downtown Development Board will be held constant at 1.0 mill.
- * State revenues are expected to decrease over last year.

Department Identifier:

Executive Offices
Economic Development
Families, Parks & Recreation
Finance
Fire
General Administration
Housing
Mgmt., Budget & Accounting
Police
Public Works
Special Funds

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

MAJOR REVENUE SOURCES NON GENERAL FUNDS

Utilities Services Tax

A tax levied on purchases of electricity, water, natural gas, LP gas and fuel oil services on customers within the City limits. A rate of 10 percent of the monthly purchase price is applied for such services. Tax is collected per F.S. 166.231 and City Code. The City's Office of Audit and Evaluation and OUC provide estimates of Utilities Services Taxes. Also, see text regarding the Communications Services Tax under General Fund franchise fees.

CRA Trust Funds

Tax increment funds received by the City on property within the four designated Community Redevelopment Districts. This financing is used to fund capital improvement projects and programs that encourage development in the redevelopment districts. The tax increment for each redevelopment district is calculated as follows: current fiscal year assessed value of property in district less base year assessed value of property in district, multiplied by applicable current millage rate for each of the possible three agencies (the City, Orange County and the Downtown Development Board) that levy taxes in the redevelopment districts, less five percent. Community Redevelopment Districts are created under authority of F.S. Chapter 163. The County Property Appraiser determines the value of property (Florida Statute 192.042). The Property Appraiser certifies the assessment roll and provides an estimate of revenue each June on a Florida Department of Revenue form DR-420. Florida Statutes require budgeting at 95% of the taxable value.

Solid Waste

Fees for refuse and trash collection services for residential and commercial customers within City limits. Monthly fees are based on container type, size, type and frequency of collection. Fees are collected per City Code, Sec. 28. The Solid Waste Management Division provides budget estimates.

Stormwater Utility

Fee charged every applicable parcel within the corporate limits based on each parcel's contribution of stormwater runoff to the City system and its use and benefit from the system. Funds raised can only be expended for the operation, maintenance and construction of the City's stormwater management system. Fees are based on lot size/impervious area or equivalent residential units. Due to early payment discounts and non-payments, it is prudent to budget at less than 100% of possible revenue. F.S. 403.0893, 197.162 and City Code 31.13 provide for this fee.

Wastewater

Charges assessed for the use of services and facilities of the municipal sanitary sewer system by each dwelling, business, church, hospital or other type of building or activity producing sewage or waste. Charges vary with user/availability classifications per Chapter 30.12 of the City Code. Also includes a sewerage benefit fee, charged to developers or owners requesting capacity in the City Sewer system. The Wastewater Division provides budget estimates.

Budget Guide



Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

B. APPROPRIATIONS

City services are provided through five staff offices and nine operating departments and all are supported at least in part by the General Fund.

Exhibit I-E compares the revised General Fund department expenditure budget for fiscal year 2002/2003 with the proposed expenditure budget for fiscal year 2003/2004.

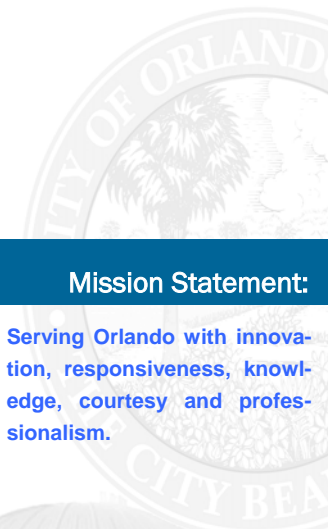
- * The decrease in Families, Parks and Recreation is due to the Facilities Management Division no longer billing General Fund departments for their services.
- * The increase in Fire is due to increased personnel and union contractual salary increases.
- * The increase in General Administration is due to the elimination of the Facilities Management Internal Service Fund and absorption of those functions into the General Fund.
- * The decrease in Police is due to personnel vacancy savings.
- * The increase in Public Works is due to the elimination of the Project/Construction Management Division and the employees being absorbed into the General Fund. Some former Stormwater Utility Division personnel were also absorbed into the General Fund.
- * The decrease in nondepartmental is due to assigning these expenditures to specific departments for better accountability. Nondepartmental expenditures consist of transfers to other funds, debt service, tax increment payments, retiree health insurance, contributions to human service and other community organizations, and contingency funding. The majority of transfers to other funds are recurring and are consistent from year to year. The amount can vary depending upon one time items included in a particular fiscal year. The other expenditures listed are variable depending upon price increases, property values and other factors.

Exhibit I-E

**APPROPRIATION COMPARISON BY DEPARTMENT
GENERAL FUND**

APPROPRIATIONS By Department	REVISED	PROPOSED	PERCENT
	Fy 2002/2003	Fy 2003/2004	CHANGE
EXECUTIVE OFFICES	\$ 10,649,874	\$ 10,056,431	(5.57%)
ECONOMIC DEVELOPMENT	12,501,691	11,367,740	(9.07%)
FAMILIES, PARKS & REC.	27,120,792	21,065,491	(22.33%)
FINANCE	1,287,280	1,588,222	23.38%
FIRE	46,329,195	49,295,223	6.40%
GENERAL ADMINISTRATION	16,124,004	20,116,600	24.76%
HOUSING	261,106	258,854	(0.86%)
MGMT., BUDGET & ACCTG.	2,364,585	2,376,745	0.51%
POLICE	87,994,709	86,268,003	(1.96%)
PUBLIC WORKS	21,541,729	22,964,342	6.60%
NONDEPARTMENTAL	35,282,959	31,190,165	(11.60%)
	<u>\$ 261,457,924</u>	<u>\$ 256,547,816</u>	<u>(1.88%)</u>

Budget Guide



Mission Statement:

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Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

Exhibit I-F compares the revised General Fund expenditure by category budget for fiscal year 2002/2003 with the proposed expenditure budget for fiscal year 2003/2004.

*Salaries and Benefits reflects cost increases including contractual increases, an increase in health insurance costs, and the absorption by the General Fund of employees formerly in other funds.

*Operating costs have decreased due to expenditure reductions across the City related to a reduction-in-force, re-evaluation of programs, and efficiencies gained during a recent reorganization.

*The decrease in Internal Services is the result of the Facilities Management Division no longer being classified as an Internal Service Fund.

*Capital and Non-operating costs have decreased due to postponed capital expenditures and a reduction in transfers to other funds.

*Debt service costs have increased due to repayment of the \$30 million Parks Initiative borrowing.

Exhibit I-F

**APPROPRIATION COMPARISON BY CATEGORY
GENERAL FUND**

By Major Category	REVISED	APPROVED	PERCENT
	Fy 2002/2003	Fy 2003/2004	CHANGE
SALARIES & BENEFITS	\$ 170,178,105	\$ 175,930,679	3.38%
OPERATING COSTS	32,620,203	30,443,992	(6.67%)
INTERNAL SERVICES	27,975,189	24,561,153	(12.20%)
CAPITAL & NONOPERATING	24,909,053	18,962,767	(23.87%)
DEBT SERVICE	5,775,374	6,649,225	15.13%
	<u>\$ 261,457,924</u>	<u>\$ 256,547,816</u>	<u>(1.88%)</u>

Nonoperating expenditures consist of transfers to other funds, retiree health insurance, contributions to human service and other community organizations, and contingency funding. The main reason this category declined is that there is no General Fund transfer to the Capital Improvement Fund budgeted for FY 2003/2004. Capital improvements for FY 2003/2004 are being funded by a transfer from the Utilities Services Tax Fund and an anticipated bond issue.

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

- Executive Offices
- Economic Development
- Families, Parks & Recreation
- Finance
- Fire
- General Administration
- Housing
- Mgmt., Budget & Accounting
- Police
- Public Works
- Special Funds

DEBT OBLIGATIONS

DEBT LIMITS/MEASURES OF FUTURE FLEXIBILITY

As the City addresses its needs at any one period in time, the Mayor and City Council must be prepared to ensure the flexibility of this and future generations of elected officials to meet the then present needs and challenges which face the community. Since neither State law nor the City Charter provide any fixed or arbitrary limits on the amount of debt which may be incurred (other than the requirement to have General Obligation debt approved in advance by referendum), the City Council has established the following interim targets or limits to ensure future flexibility. The following goals/targets are set to ensure the current and future flexibility, and financial vitality of the City.

		<u>Actual as of</u> <u>9/30/02</u>
General government debt service as a percentage of non-ad valorem General Fund expenditures:		
Debt Limit (within the covenant program limitation)	20% max.	
Goal/Target	10% max.	7.4%
Weighted Average Maturity of Debt Program(s):		
Self-supporting	15 year max.	8.5
Non-self supporting	12 year max.	5.6(a)
General Government Direct Debt per capita	\$850 max.	\$536
Net Direct Debt as a percentage of ad valorem property values:		
General Government	2.5% max.	0.9%
Total Tax Supported	3.5% max.	2.1%
Debt service requirement as a percentage of a new governmental revenue stream	50% max.	N/A
General Fund reserve (as a percentage of the current year's operating budget)	10% min.	26.9%

(a) The weighted average maturity reflects the amortization of the loans made to the various City funds, not the amortization of the Banking Fund Bonds which is 13.6 years. If new loans are not initiated then the bond life will approximate the life of the loans.

While the City currently operates well within these targets/goals, it is appropriate to use these various common measures of debt burden as a means of setting parameters for the overall City's Debt Management Program.

For further information on the City of Orlando debt policy please refer to the Bond Disclosure Supplement available from the Management, Budget and Accounting Department or to the City's Internet site www.cityoforlando.net/admin/accounting/reports.htm.

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

DEBT OBLIGATIONS

The following lists the City's debt obligations and commitments as of September 30, 2003.

PRIMARY GOVERNMENT:

Proprietary Funds:

Wastewater System Revenue Bonds Program

The Senior Bonds provided for an independent determination of the Expansion and Improvement portion of the construction, which was financed from impact fees (including the debt service component of the new customer capacity charges and present customer capacity charges, respectively). The revenue stream order of pledge and backup support is (1) system revenues backup the impact fees (related to the expansion portion of any series of bonds) and (2) the utilities services tax revenues backup the system revenues. The flow of funds provide for a repayment of any backup draws required if and when the related revenues become available.

Parking Revenue Bonds:

Parking System Revenue Bonds (Series 1994) Program

The City operates 8,380 parking spaces as either system spaces, non-system spaces or City spaces. The non-system spaces are when a third party (a business, another government, a church, etc.) has provided for the initial capital related to their spaces and pays a proportionate share of the annual operating cost. The City spaces were partially funded with federal grants and any profit derived from their operation must be used for downtown transportation purposes. The Parking System also has a junior lien obligation to provide partial subsidy for the Lymmo project.

The City pledges the net parking system revenue (after eliminating the non-system space and City space activity) and the net parking fine revenue to the parking system bonds. Additionally, the City has a limited, secondary commitment of \$1,500,000 from occupational license revenue. This secondary commitment can be eliminated at any time by meeting an extraordinary 150% debt service coverage test for two consecutive fiscal years.

General Long-Term Debt Bonds:

Downtown CRA District

CRA Revenue Bonds Program

The property tax increment received by the CRA on property within the downtown Community Redevelopment area is pledged to secure the outstanding bonds of these issues. The operating cost of the CRA and other capital projects may be financed out of the excess, after the debt service is provided. Additional bonds may be issued only after a parity test of 125% has been met, given retrospective consideration to the assessed value and related millage rates (and thus the revised increment) for the new year. The CRA has incurred an additional junior lien obligation for the Arena projects and any additional debt incurred would have to be addressed in addition to this obligation.

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

DEBT OBLIGATIONS

Republic Drive CRA District**Republic Drive Tax Increment Financing Revenue Bonds (Series 2002)**

The \$45,620,000 Republic Drive (Universal Studios Boulevard) Tax Increment Revenue Bonds financed an I-4 interchange. During 2001/2002 the CRA refinanced the Republic Drive Special Assessment Bonds as contemplated in the Cooperative Agreement with the Developer. The fixed rate bonds mature in 2025 and no additional bonds are contemplated.

Conroy Road CRA District**Conroy Road Special Assessment Bonds (Series 1998)**

The \$28,010,000 and \$4,830,000 series A & B Conroy Road Special Assessment Bonds were issued December 9, 1998. The Series B bonds provide three years of capitalized interest and are expected (assuming the developer's forecasted development time line) to be repaid from either paid/or pre-paid transportation impact fees. If and/or when the tax increment revenue available within the district meets historic coverage levels of 160% for three years the City may elect to either release the special assessment obligation portion of the pledge or refund the bonds. In either circumstance, the special assessment lien on the property would be released.

While the Developer has an inherent risk of having to pay debt service (by special assessment) on both the Series A and B bonds (after the 3 year capitalized interest period), the amount, and term of that risk are inversely related to the desire to encourage and accelerate development on the site.

COMPONENT UNIT:**Civic Facilities Authority (CFA):****CFA Revenue Bonds (Series 1973)**

This issue, dated April 1, 1973, totaled \$4,200,000 and was used to finance the expansion and renovation of the Tangerine Bowl (now called the Florida Citrus Bowl). The gross revenues resulting from the operation of the CFA's facilities are pledged to secure these outstanding bonds. The County has agreed to fund a portion (\$200,000 annually) of the CFA's debt service requirements. In addition, the City has agreed to fund the difference between the CFA's revenues and total debt service and operating requirements. While these bonds are outstanding, the CFA must maintain rates, fees and rentals so as to provide sufficient revenues (along with the pledged revenues from the City and the County) to fund all costs of operations, 115% of each year's debt service requirement and 100% of all reserve or other payments provided for in the bond resolution. In addition, the CFA cannot grant any franchise or permit any entity to establish similar services within the County.

Guaranteed Entitlement Revenue Bonds (Series 1976)

The CFA is liable to the City for all amounts paid for principal and interest as required by this issue as a result of the operation and management agreement. The guaranteed entitlement portion of State Revenue Sharing Funds and other legally available non-ad valorem tax funds of the City are pledged to secure these outstanding bonds.

Budget Guide

Mission Statement:

Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
 Public Works
 Special Funds

DEBT OBLIGATIONS

Internal Loan Fund Loans - During 1986/1987, the City created the Internal Loan Fund to provide interim or longer-term financing to other funds. The financing for the Fund's loan activities was provided through non-revenue specific and non-project specific loans from the Sunshine State Governmental Financing Commission, the Capital Improvement Revenue Bonds, and the Covenant Commercial Paper Program. The loan documents, between the Internal Loan Fund and the various recipient funds, set forth expectations for project use, principal amortization, if appropriate, and revenue source(s) for repayment.

Each of the amortizing loans is structured assuming a seven percent level debt service principal repayment. The following descriptions summarize the major individual loans (in excess of \$3,000,000 outstanding) and briefly explains the projects constructed:

Arena Loans

The original \$25,200,000 loan is being amortized over a 20-year period and will be repaid from operations and annual contributions, if required, from the General Fund.

City Hall Loans

The \$36,000,000 City Hall officially opened in April, 1992. The loan is being amortized over 20 years.

City Hall Garage Loans

The loan provides for the City's share of the construction of the joint City/CNL garage (the City owns 40%). This loan will be amortized over 15 years.

CRA Market-Rate Housing

Of the anticipated \$13,000,000 Downtown market-rate housing incentives, \$10,400,000 has been loaned to date.

CRA Parramore Housing/Office Complex

Of the anticipated \$12,500,000 Parramore area housing/office complex incentives, \$6,794,000 has been loaned to date.

Hotel incentive related Special Assessment Loans

The Special Assessment debt service may be partially offset by the CRA Downtown district use of a share of related incremental revenue.

John Young Parkway

Of the original \$10,027,400 loan, \$6,050,000 has been repaid and the remaining \$3,977,400 is being amortized over 15 years.

Budget Guide

DEBT OBLIGATIONS

Lee Vista Road Extension

To finance the City's participation in a road project which will be amortized over 20 years.

Narcoossee Road

The 4.5-mile, 4-lane urban section was part of the Southeast Area annexation agreement (10,204 acres). The repayment plan uses related transportation impact fees (derived from the annexed property), if available, and gas tax as a backup pledge.

Orlando NTC Intergovernmental Loan

To finance the CDD's participation in the demolition projects, which was repaid on October 24, 2001.

Parking System Loan

The loans provide for the Parking System's share in the Courthouse (\$4,536,500) and Administration (\$5,400,000) garages, respectively. During 2001/2002 a new \$6,000,000 loan was made to finance the System's share of the Courthouse garage expansion.

Parks/Open Space Initiative Loan

In 2002 the City issued \$33,690,000 covenant bond to finance the \$35,500,000 1999 parks initiative which also refinanced \$9,100,000 in related internal loans. The loan will be amortized over 15 years on a level principal basis.

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Serving Orlando with innovation, responsiveness, knowledge, courtesy and professionalism.

Department Identifier:

Executive Offices
 Economic Development
 Families, Parks & Recreation
 Finance
 Fire
 General Administration
 Housing
 Mgmt., Budget & Accounting
 Police
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Budget Guide

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DEBT OBLIGATIONS

CITY OF ORLANDO
Debt Service Budget Summary
(\$ in millions)

	ACTUAL	REVISED	PROPOSED
	Fy 2001/2002	Fy 2002/2003	Fy 2003/2004
DEBT SERVICE BUDGET			
Principal Payments	\$ 16.4	\$ 17.2	\$ 18.8
Interest Payments	15.0	18.1	17.5
TOTAL DEBT SERVICE	\$ 31.4	\$ 35.3	\$ 36.3
TOTAL DEBT OUTSTANDING	\$ 447.2	\$ 430.0	\$ 436.2
DEBT OUTSTANDING BY TYPE			
<u>Self Supporting</u>			
Proprietary	\$ 191.2	\$ 180.2	\$ 168.7
Governmental	124.2	121.0	116.9
<u>Non-Self Supporting</u>			
Proprietary	16.1	14.2	12.3
Governmental	115.7	114.6	138.3
TOTAL	\$ 447.2	\$ 430.0	\$ 436.2

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