

ACKNOWLEDGMENTS

COMPILED BY THE STAFF OF THE MANAGEMENT, BUDGET & ACCOUNTING DEPARTMENT

Deborah D. Girard, CPA, CGFO
Raymond Elwell
Michael Stieber
Barbara E. Muzeni
Joseph Hinely
James Callahan
Richard Grzelewski
Karen Smith

Mgmt., Budget & Accounting Director
Mgmt., Budget & Accounting Deputy Director
Budget Manager
Budget Analyst Senior
Budget Analyst III
Budget Analyst II
Budget Analyst II
Executive Assistant



INTRODUCTION

The City of Orlando Revenue Manual was developed to provide a comprehensive review of all revenues collected by the City. This document includes a description of the revenue source, fees and charges associated with revenue generation, method and frequency of collection and other comments or special requirements that may be of interest to the reader. Also listed is the legal authority supporting the collection of each revenue, and a five-year revenue collection history.

This document was published to provide a resource for anyone wishing to understand the revenues received by the City of Orlando.

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 would 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.

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 FY 2001/2002 and remains at that rate.

The summary on the next page compares the General Fund revenue budgets for the current and past fiscal year.

- The increase in Ad Valorem Taxes reflects the City's continued growth through both new construction and annexations.
- License and permits fees, along with Franchise and Other Fees continue to increase with the City's growth.
- The decrease in Federal/State revenues reflects smaller Police Staffing, Homeland Security and Health and Human Services Grant contributions.
- Local revenue is primarily the profit sharing revenue ("dividend") from the Orlando Utilities Commission. Revenue is based on a formula computed and forecast by OUC. The City currently receives 60 percent of OUC's 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 is primarily due to rebates from the Risk Management and Long Term Disability Funds.
- The increase in miscellaneous revenue reflects dividends paid to the General Fund from the Parking, Solid Waste, Stormwater and Wastewater Enterprise Funds.
- The increase in non-operating revenue is due to the seven million dollar Fund Balance Allocation included in the FY 2004/2005 budget. The current year Fund Balance Allocation is offset by encumbrance carry forwards of \$1,661,697 and a fund surplus carryover of \$3.5 million included in the prior year revised FY 2003/2004 budget.

	<u>REVISED</u> <u>FY 2003/2004</u>	<u>APPROVED</u> <u>FY 2004/2005</u>	<u>PERCENT</u> <u>CHANGE</u>
AD VALOREM TAXES	\$ 77,242,549	\$ 82,718,713	7.09%
UTILITY TAXES	37,500,000	36,954,707	(1.45%)
FRANCHISE AND OTHER	23,112,985	24,830,234	7.43%
LICENSES AND PERMITS	5,417,000	6,026,000	11.24%
FEDERAL/STATE	39,917,878	39,443,829	(1.19%)
LOCAL	31,660,000	32,944,000	4.06%
CHARGES FOR SERVICES	27,044,572	29,993,739	10.90%
FINES AND FORFEITURES	1,815,300	1,825,000	0.53%
MISCELLANEOUS REVENUE	12,677,707	19,005,012	49.91%
NONOPERATING REVENUE	<u>8,296,286</u>	<u>9,267,385</u>	<u>11.71%</u>
	\$ 264,612,887	\$ 283,008,619	6.95%