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Budget Highlights

Fiscal Year 2019-2020

Budget Summary

Orange County's fiscal year 2019-2020 budget of $4.77 billion was developed utilizing the following guidelines set forth by Jerry L. Demings:

- No property tax increases
- Status-quo operating budgets except for areas of significant need
- 4.0% salary adjustments
- New position requests considered based on justified growth in service demand
- New capital projects considered based on need and funding availability

This budget plan was crafted in a manner that ensures that all major county services that include public safety, physical environment, transportation, human services, culture and recreation, and other general government categories remain at or above current levels of service. As presented, the budget is about $75 million less than the current year budget, before factoring in grant rollovers and other adjustments. The budget is balanced and leverages natural growth in revenue sources to avoid raising the countywide tax rate.

To keep pace with the growing population of Orange County and the resulting increase in the demand for services, this budget includes 199 new positions under the authority of the Board of County Commissioners and 86 positions that are under the authority of Constitutional Officers. The majority of the new positions under the Board of County Commissioners will go to staff public safety-69 positions in order to provide staffing for new fire stations, emergency rescue units, and corrections health services; business and development-73 positions in order to meet service demands for Building, Public Works, and Utilities; children services-16 positions to provide expanded services for our youth; and for our Convention Center-28 positions to handle the show activity that is anticipated.

Major Revenue Sources

A strengthened Orange County economy, with an unemployment rate that is now below 3%, has led to increased tourism, more business activity, and higher property values. These things translate to greater consumer spending at area businesses and increased revenues for state and local governments, which helps Orange County to meet the demands of growth without raising tax rates.

Most of Orange County's general use revenue is derived from property taxes. It is anticipated that the total taxable value of property in Orange County will increase 10.23% for the fiscal year 2019-2020 budget year. This budget anticipates countywide property tax revenue of about $638 million – an approximate increase of $59 million from the current year. During periods of growth, new construction drives a large portion of property tax revenue increases, as owners of existing properties generally receive the benefit of property tax caps that limit the amount their taxable values may rise from year-to-year. Revenue generated by the countywide property tax will be used for a wide variety of government services including public safety, health and social programs, including children services, public transportation, parks and recreation, and numerous infrastructure improvements.

The primary engine of Orange County's economy is tourism. In 2018, Orlando welcomed more than 75 million visitors. This number marked another all-time high and firmly held the area's title as the most visited destination in the United States. Along with the visitors came increased business at the Orange County Convention Center, with more than 1.4 million event attendees. For fiscal year 2019-20, it is anticipated that the number of tourists and convention goers will remain strong. In accordance with that assumption, tourist development tax collections – levied at 6% on hotel rooms and other short-term rentals – are budgeted at $282 million, which is up from the $270 million budgeted in the current fiscal year. These funds are used to cover the cost of operating and renovating the Orange County Convention Center, constructing and renovating community venues such as the Dr. Phillips Center for the Performing Arts and Camping World Stadium, and continued promotion of Orange County/Orlando as a premiere tourist destination.



Sales tax plays an integral part in Orange County's revenue mix because it is used to fund a variety of services and projects. Sales tax has been on a steady upswing since fiscal year 2009-2010, as it generally moves in conjunction with the overall economy. For fiscal year 2019-2020, sales tax is budgeted at $188 million, up from $177 million in the current year.

Fuel tax collections are an important revenue source in the budget when it comes to funding roadway maintenance and improvements. The fiscal year 2019-2020 budget for fuel taxes is $43 million, which is relatively flat. Though Orange County's population has continued to grow, fuel taxes have not kept pace. This is largely because fuel taxes are levied at fixed, per-gallon amounts. Though we have more vehicles on our roads today, those vehicles are increasingly fuel efficient and require fewer gallons of gasoline and diesel fuel to operate. This creates a dilemma in that roads need to be built and maintained to handle additional traffic, but funding does not grow along with that need. Currently, Orange County fills this funding gap with transportation impact fees, existing sales tax revenue, property taxes, and other restricted funding sources.

Operating Budget Highlights

The operating budget is where most of the allocations for Orange County's day-to-day services and programs appear. During the budget process each year, existing services are reviewed, unfunded needs are analyzed, and decisions are made on how to best utilize available funds throughout the county.

Public safety is often one of the most important funding categories for citizens. The fiscal year 2019-2020 budget increases funding for public safety and includes $266.8 million in operating funds for the Orange County Sheriff's Office – a $16.4 million increase over the current year. This level of funding includes the hiring of an additional 52 patrol deputies and 24 support staff, such as 911 call takers and other positions that are necessary to keep the citizens of Orange County safe.





Also included in the operating budget for public safety is $202 million for Fire Rescue services, a 1.8% increase over the current year. The department receives nearly all of its funding from a fire specific property tax levied against all non-exempt properties in the unincorporated area of Orange County. Keeping up with growth, maintaining acceptable response times, and simultaneously ensuring the safety of citizens and firefighters are constant considerations in the annual budget process for Fire Rescue.

This budget also continues Orange County's commitment to reduce homelessness in the community. Through the Mayor's *Housing for All* Task Force, the goal is to prioritize short and long-term solutions to address affordable housing. The recommendations generated by the *Housing for All* Task Force will help Orange County create public-private partnerships to increase the supply of affordable housing throughout all areas of the community. Building on the increased allocations in previous years, the budget for fiscal year 2019-20 includes an additional $6 million over the next 4 years to provide support the *Housing for All* initiative. The ultimate goal is to provide practical and lasting solutions to the affordable housing in Orange County.

Another service area that is important to many of our citizens is parks and recreation. The fiscal year 2019-20 budget includes more than $40 million for the continued operations of Orange County's extensive and growing parks system. This budget provides for the ongoing operations and maintenance of existing parks along with added amenities at parks such as restrooms and additional parking. Funding has also been included for community parkland to continue to identify areas for new parks.

Important to the area's economy is the Orange County Convention Center and the visitors and business it attracts. Nearly $88 million in operating funding is budgeted to support the center's more than 2.1 million square feet of exhibition space and its estimated annual economic impact of more than $2 billion. The funding for the Convention Center operations comes primarily from fees that the center collects for its services.

There is $330 million included in the budget for transportation to construct and maintain Orange County's road, drainage, and stormwater networks. This funding ensures that roadways are in safe

and working order, traffic signals function properly, and drainage systems are clear. Due to the stunted nature of gas taxes that was discussed earlier, a little more than $80 million of the Public Works operating budget comes from existing sales tax revenue. With the growing population in Orange County more roads in Orange County will need to be built and maintained, which will require additional funding.

Also related to transportation is Orange County's annual contribution to the LYNX transit service. The amount budgeted for this purpose in fiscal year 2019-20 is approximately $55.5 million – a 19% increase over the current year. LYNX has experienced an increase in the usage of door-to-door services by passengers with disabilities and those who are considered "transportation disadvantaged." These additional costs, combined with the static fare revenue and prior year utilization of reserves, are the primary reasons for the increased budget requested by LYNX. Public transportation is necessary to serve the growing community and LYNX is a key partner in making sure adequate public transportation is provided.



The above are only a small sampling of the funding and services included in Orange County's fiscal year 2019-20 operating budget. For more complete and detailed descriptions, please review the proceeding sections in this document.

Capital Projects

The capital projects budget for fiscal year 2019-20 is $580 million and includes funding for a variety of infrastructure improvements related to transportation, public safety, parks, utilities, general facilities, the convention center, and others.

A few of the capital projects listed in the five year plan are listed below:

- Convention Center Way Grand Concourse and Multipurpose Venue
- Housing for All Initiative – Affordable Housing
- Courthouse Floor Buildout – New Judge
- New Parks and Amenities – Horizon West Trail, Barber Park Recreation Center, Pine Castle Fields, Bithlo Fitness Center and many other ongoing park enhancements
- Several new fire stations are included in the budget that includes replacement of temporary station Fire Station #44, and new fire stations resulting from growth to include Fire Station #32, #48, and 59 (West Orange County) and #68, #69, and #87 (East Orange County)
- Environmental and Water Quality projects throughout Orange County
- Facility renovations and improvements at various county facilities
- Transportation projects for roads, intersection improvements, sidewalks, and pedestrian safety
- Utility projects for water lines, water and wastewater facilities, and landfill maintenance

See the Capital Improvements Program section of this budget document for a detailed listing of all projects in the budget.

Conclusion

The information contained in this summary is intended to be a broad overview of the fiscal year 2019-2020 budget. Please refer to the information contained in the rest of this budget document for a more detailed presentation of the budget.

ORANGE COUNTY
BUDGET SUMMARY
FISCAL YEAR 2019-20

CLASSIFICATION	General Revenue Fund	Transportation Trust Fund	Grant Funds	Fire & EMS District Funds
REVENUES :				
Ad Valorem Taxes	$ 581,825,124	$ 0	$ 0	$ 171,058,802
Other General Taxes	2,509,000	1,050,000	0	0
Permits and Fees	1,161,900	1,983,500	0	3,002,880
Grants	2,763,927	0	71,315,960	0
Shared Revenues	1,316,600	7,200,000	0	320,000
Service Charges	43,939,954	1,074,000	0	30,154,779
Fines and Forfeitures	1,141,300	4,659,000	0	0
Interest and Other	13,501,940	145,050	5,855,266	959,500
Total Revenues	648,159,745	16,111,550	77,171,226	205,495,961
Less: Statutory Deduction	-33,420,487	-805,578	0	-10,342,298
Net Revenues	$ 614,739,258	$ 15,305,972	$ 77,171,226	$ 195,153,663
NON-REVENUES:				
Bond/Loan Proceeds	0	0	0	0
Interfund Transfers	279,755,520	81,700,000	2,675,000	0
Fund Balance	127,967,442	21,000,000	0	42,976,942
Other Sources	20,250,000	0	0	1,350,000
TOTALS	$ 1,042,712,220	$ 118,005,972	$ 79,846,226	$ 239,480,605
EXPENDITURES/EXPENSES:				
General Government	$ 265,682,304	$ 0	$ 0	$ 0
Public Safety	461,337,855	0	1,078,252	209,685,847
Physical Environment	11,282,090	9,392,314	48,318	0
Transportation	58,540,834	100,355,212	16,000,000	0
Economic Environment	11,016,244	0	22,023,997	0
Human Services	122,474,435	0	38,144,069	0
Internal Services	0	0	0	0
Culture and Recreation	5,452,983	0	144,626	0
Total Expenditures/Expenses	$ 935,786,745	$ 109,747,526	$ 77,439,262	$ 209,685,847
NON-EXPENSE DISBURSEMENTS:				
Debt Service	0	0	0	0
Reserves	76,695,027	8,138,446	0	28,652,891
Interfund Transfers	30,230,448	120,000	2,406,964	1,141,867
TOTALS	$ 1,042,712,220	$ 118,005,972	$ 79,846,226	$ 239,480,605

ORANGE COUNTY
BUDGET SUMMARY
FISCAL YEAR 2019-20

CLASSIFICATION	Special Tax Equalization Fund	Debt Service Funds	Capital Construction Funds	Other Revenue Funds
REVENUES :				
Ad Valorem Taxes	$ 137,732,318	$ 0	$ 32,370,775	$ 35,902,920
Other General Taxes	18,000,000	74,014,936	0	25,155,250
Permits and Fees	0	0	27,887,853	157,433,561
Grants	0	0	0	9,798,035
Shared Revenues	0	231,235,321	0	15,510,721
Service Charges	0	0	0	71,047,245
Fines and Forfeitures	0	1,350,000	0	607,579
Interest and Other	20,000	240,440	1,540,167	4,656,389
Total Revenues	155,752,318	306,840,697	61,798,795	320,111,700
Less: Statutory Deduction	-7,820,116	-15,342,035	-3,089,941	-15,517,879
Net Revenues	$ 147,932,202	$ 291,498,662	$ 58,708,854	$ 304,593,821
NON-REVENUES:				
Bond/Loan Proceeds	0	0	0	0
Interfund Transfers	59,759,419	1,141,867	14,300,000	64,031,839
Fund Balance	4,388,315	337,865,523	254,256,219	223,804,947
Other Sources	650,000	0	0	43,930
TOTALS	$ 212,729,936	$ 630,506,052	$ 327,265,073	$ 592,474,537
EXPENDITURES/EXPENSES:				
General Government	$ 0	$ 294,161	$ 26,053,750	$ 17,363,122
Public Safety	0	66,000	18,701,611	59,560,380
Physical Environment	0	0	6,189,828	80,917,502
Transportation	0	0	72,901,614	82,263,134
Economic Environment	0	0	1,500,000	23,368,691
Human Services	0	0	5,542,731	110,278,650
Internal Services	0	0	0	0
Culture and Recreation	0	0	15,118,000	51,271,206
Total Expenditures/Expenses	$ 0	$ 360,161	$ 146,007,534	$ 425,022,685
NON-EXPENSE DISBURSEMENTS:				
Debt Service	0	35,394,380	0	0
Reserves	0	353,316,357	181,257,539	166,251,798
Interfund Transfers	212,729,936	241,435,154	0	1,200,054
TOTALS	$ 212,729,936	$ 630,506,052	$ 327,265,073	$ 592,474,537

ORANGE COUNTY
BUDGET SUMMARY
FISCAL YEAR 2019-20

CLASSIFICATION	Enterprise Funds	Internal Service Funds	Total
REVENUES :			
Ad Valorem Taxes	$ 0	$ 0	$ 958,889,939
Other General Taxes	282,300,000	0	403,029,186
Permits and Fees	35,424,337	0	226,894,031
Grants	0	0	83,877,922
Shared Revenues	0	0	255,582,642
Service Charges	316,038,838	160,173,872	622,428,688
Fines and Forfeitures	31,023	0	7,788,902
Interest and Other	9,928,861	5,412,100	42,259,713
Total Revenues	643,723,059	165,585,972	2,600,751,023
Less: Statutory Deduction	-32,186,153	-270,605	-118,795,092
Net Revenues	$ 611,536,906	$ 165,315,367	$ 2,481,955,931
NON-REVENUES:			
Bond/Loan Proceeds	80,000,000	0	80,000,000
Interfund Transfers	446,603	0	503,810,248
Fund Balance	565,113,114	106,850,000	1,684,222,502
Other Sources	0	0	22,293,930
TOTALS	$ 1,257,096,623	$ 272,165,367	$ 4,772,282,611
EXPENDITURES/EXPENSES:			
General Government	$ 1,000,000	$ 0	$ 310,393,337
Public Safety	0	0	750,429,945
Physical Environment	394,961,657	0	502,791,709
Transportation	0	0	330,060,794
Economic Environment	329,109,337	0	387,018,269
Human Services	0	0	276,439,885
Internal Services	0	219,663,793	219,663,793
Culture and Recreation	5,982,947	0	77,969,762
Total Expenditures/Expenses	$ 731,053,941	$ 219,663,793	$ 2,854,767,494
NON-EXPENSE DISBURSEMENTS:			
Debt Service	92,862,165	0	128,256,545
Reserves	418,634,692	52,501,574	1,285,448,324
Interfund Transfers	14,545,825	0	503,810,248
TOTALS	$ 1,257,096,623	$ 272,165,367	$ 4,772,282,611



GENERAL INFORMATION

Orange County was founded in 1824, and at that time it was named Mosquito County. It was renamed Orange County in 1845 for the fruit that constituted the county's main product. At its peak in the early 1970's, there were some 80,000 acres of citrus.

Orange County is approximately 1,003.3 square miles of which 903.4 square miles are land and 99.9 square miles are water. The county is at the approximate geographic center of the state. Four (4) counties border it: Lake County to the west, Brevard County to the east, Seminole County to the north, and Osceola County to the south. In addition, Orange County is comprised of 13 municipalities in the incorporated area and 17 distinct neighborhoods in the unincorporated area. Orange County has a population of 1,349,597 based on 2018 estimates from the University of Florida Bureau of Economic and Business Research.

Orange County is a leading center for tourism and a premier business center. The Orange County Convention Center is now the second largest convention facility in the country. Orange County is also the first destination in the country that can say it has welcomed 75 million visitors in a single year. It is home to seven (7) of the ten (10) most visited theme parks in the United States, including Walt Disney World's Magic Kingdom, which is the most visited theme park in the world. Some of the leading tourist attractions located in Orange County includes Walt Disney World, Sea World, and the Universal Orlando Resort. In addition to tourism, some other major businesses include: Florida Hospital, Publix, Orlando Regional Healthcare, Darden Restaurants, and Lockheed Martin.

GOVERNMENT STRUCTURE

In 1986, Orange County became a charter government. A charter form of government has its own constitution and is self-governing. Having a charter gives the county the ability to respond to a changing environment and meet local needs. It enables the county to adopt laws without the need for prior authorization of the Florida state legislature. Orange County established a Charter Review Commission that is appointed every four (4) years to study the charter, propose amendments and revisions, which are then placed on ballots and voted on. The charter was revised first in November 1988, when voters approved major revisions to the county's home rule charter. Subsequent revisions occurred in November 1992, when the charter was amended to create the offices of the Property Appraiser, the Tax Collector, and the Sheriff as charter offices. In 1996, voters amended the charter again to abolish the offices of the Property Appraiser, the Tax Collector, and the Sheriff thereby creating Constitutional Officers governed by the Constitution and the laws of the state of Florida rather than the charter.

In November 2004, the charter was revised as follows:

1. To allow terms of office for the Board of County Commissioners to begin as late as the first Tuesday after the first Monday in January. Require temporary substitutes for board members absent for military service or temporary incapacity. Provide for board-member succession during war, terrorism, and other emergencies. Change the title of "County Chairman" to "County Mayor" (with no change in powers).

2. Created an Orange County/City of Orlando Consolidation of Services Study Commission consisting of citizen volunteer members, who have been charged with conducting a comprehensive study of the consolidation of services between the City of Orlando and Orange County. The commission provided a report to both governments on June 27, 2006.

3. To allow enactment of an ordinance requiring that rezonings or comprehensive-plan amendments (or both) that increase residential density in an overcrowded school zone and for which the school district cannot accommodate the expected additional students, but will only take effect upon approval by each local government located within the boundaries of that school zone.

In November 2008, the following amendments were approved:

1. All future Charter Review Commissions must include, in their reports to the Board of County Commissioners, an analysis and financial impact statement of the estimated increase or decrease in any revenues or costs to county or local governments and the citizens, resulting from the proposed amendments or revisions to the Orange County Charter and that a summary of such analysis be included on the ballot.

2. The Orange County Charter was amended to require that a Local Code of Ethics be adopted that among other things, shall contain provisions requiring the disclosure of financial and business relationships by elected officials and certain county employees, restricting gifts to the Mayor and Board of County Commissioners, restricting post-county employment for certain employees, providing for enforcement provisions and providing that the board and certain employees receive annual educational sessions on ethics.

3. The Orange County Charter was also amended to provide citizens the right to appear before the Board of County Commissioners for presentations on issues within the county's authority, to require the Board to set aside at least 15 minutes before each meeting for citizens to speak on any matter regardless of whether the item is on the board's agenda and to allow the board to adopt rules for the orderly conduct of meetings.

In November 2012, the following amendments were approved:

1. The Orange County Charter must place proposed amendments and revisions of the charter on the ballot at general elections only, providing a report of the proposed changes has been delivered to the clerk of the Board of County Commissioners no later than the last day for qualifying for election to county office under general law.

2. The Orange County Charter was amended to prescribe, when authorized under Florida law, a method for locally filling offices of Commissioner and Mayor during vacancy or suspension, providing generally for appointment by the Board of County Commissioners to fill vacant and suspended offices until the next general election, and for special election to fill the vacant office of Mayor where the Mayor's remaining term exceeds one (1) year.

3. The Orange County Charter was also amended to provide that Orange County ordinances shall be effective within municipalities and prevail over municipal ordinances when Orange County sets stricter minimum standards for prohibiting or regulating simulated gambling or gambling.

In November 2014, the following amendments were approved:

1. The Orange County Charter was amended to require petition initiatives to have signatures verified at least 150 days prior to the primary, general, or special election.

2. The Orange County Charter was also amended to limit initiative, and the enactment, amendment or repeal of ordinances where the initiative concerns the regulation of employer wages, benefits, or hours of work; or the encumbrance or allocation of tax revenues not authorized by law or conditioned upon a prospective change in law; and, to impose prohibitions on the Board of County Commissioners.

3. The Orange County Charter was also amended for the purpose of establishing term limits and nonpartisan elections for the Orange County Clerk of the Circuit Court, Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. This amendment provides for County Constitutional Officers to be elected on a nonpartisan basis and subject to term limits of four (4) consecutive full 4-year terms.

In November 2016, the following amendments were approved:

1. The Orange County Charter was amended to reform the charter's initiative process to provide clarity, accountability and transparency; and, ensure equal treatment of voters.

2. The Orange County Charter was also amended to change County Constitutional Officers to Charter Officers and provide for nonpartisan elections and term limits.

3. The Orange County Charter was also amended to preserve the term limits and nonpartisan elections for County Constitutional Officers and Charter Officers.

The charter establishes the separation between the legislative and executive branches of county government. The legislative branch (the Board of County Commissioners) is responsible for the establishment and adoption of policy and the executive branch (County Mayor) is responsible for the execution of established policy. Additional information on the Orange County Charter is available at the following website: http://www.orangecountyfl.net/ by clicking on "Open Government" icon, selecting "Boards and Special Districts" and then "Charter Review Commission."

COUNTY MAYOR & BOARD OF COUNTY COMMISSIONERS

The office of the County Mayor (formerly County Chairman) was first created in 1988. The County Mayor is elected on a countywide basis and serves for a term of four (4) years. The County Mayor serves as the chair of the Board of County Commissioners and manages the operations of all elements of county government under the jurisdiction of the board, consistent with the policies, ordinances, and resolutions enacted by the board. The duties of the County Mayor include appointment of the County Administrator, supervision of the daily activities of employees, convene all regular and special meetings of the board, and prepare and submit the county budget as prescribed by state statute.

The Board of County Commissioners (BCC) consists of the Mayor and six (6) members. Each member is elected by district. The term of office for Board members is four (4) years. The powers, duties, and responsibilities of the BCC are defined by the County Charter and by state statute. The board has the power to originate, terminate and regulate legislative and policy matters including but not limited to adoption or enactment of ordinances and resolutions it deems necessary and proper for the good governance of the county. The board also adopts and amends as necessary the county administrative code to govern the operation of the county and adopts such ordinances of county wide force and effect as are necessary for the health, safety, and welfare of the residents. For more information regarding the Orange County Charter, powers and responsibilities of the County Mayor and the Board of County Commissioners, go to the Orange County website at www.orangecountyfl.net/.

LONG-TERM GOALS

Orange County Government's long-term goals focus on the six (6) primary areas listed below. The Budget Message and Department Objectives provide numerous examples of what Orange County is doing to achieve these goals.

1. Attract higher-paying jobs and promote long-term economic stability.
2. Continually raise the bar on ethics, accountability, and transparency to eliminate even the appearance of corruption and favoritism.
3. Maintain a culture in Orange County Government that makes citizens the priority – not politicians, and not special interests.
4. Ensure greater efficiency in government by measuring performance and productivity and by conducting audits and efficiency reviews.
5. Protect and improve quality of life by keeping our streets safe, supporting strong schools, and protecting natural resources.
6. Run a fiscally sound government and ensure that taxpayers' dollars are spent wisely and efficiently.

FISCAL POLICY STATEMENT

Orange County has an important responsibility to its citizens to correctly account for public funds, to manage municipal finances wisely, and to plan for adequate funding of services desired by the public. Orange County shall collect public funds through taxes, fees, borrowing, and other legal means to provide for the needs and desires of its citizens. Orange County shall establish and maintain sound financial and budgeting systems to accurately account for all public funds collected and expended for the public good. Orange County shall establish sound fiscal policies and procedures that comply with all applicable state and federal laws.

Annual Budget: The annual operating budget prepared by the County Mayor and approved by the Board of County Commissioners is the basis for all expenditures necessary for conducting daily county business. The budget is a fund budget structured to provide departmental appropriations in conformance with Florida Statutes Chapter 129 and the Uniform Accounting System prescribed by the Florida Department of Financial Services and Generally Accepted Accounting Principles (GAAP) for governments. Orange County shall operate under a unified and uniform budget system. The County Administrator shall be responsible for developing appropriate budgetary procedures consistent with Florida Statutes, which shall be followed by all departments or divisions submitting budgets to the Board of County Commissioners for approval.

Capital Improvement Program and Budget: The Orange County capital improvements program shall include any expenditure for the acquisition, construction, installation and/or renovation of facilities that are expected to be in service for at least 10 years, and have a value in excess of $25,000. Capital projects are relatively large in scale, nonrecurring projects that may require multi-year financing. The capital improvement budget may have large fluctuations from year-to-year due to project schedules. Revenues for capital projects come from diverse sources, including long-term bonds, impact fees, taxes, and grants.

The Capital Improvements Program and Budget provide the means through which Orange County Government takes a planned and programmed approach to utilize its financial resources in the most responsible and efficient manner in order to meet the service and facility needs of Orange County. All Orange County capital improvements will be made

substantially in accordance with the adopted Capital Improvements Program, and as outlined in the Growth Management Policy. A five-year plan for capital improvements will be developed and updated annually. Orange County will enact an annual capital budget based on the five-year capital improvements plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in capital budget projections. The Office of Management and Budget will coordinate development of the capital improvement budget and development of the operating budget. Future operating costs associated with new capital improvement will be projected and included in operating budget forecasts. Orange County will finance only those capital improvements that are consistent with the Capital Improvements Program and county priorities, and that have operating and maintenance costs included in operating budget forecasts. Orange County will attempt to maintain all assets at a level adequate to protect Orange County's capital investment, and to minimize future maintenance and replacement costs. The maintenance of existing assets is Orange County's primary capital expenditure consideration. Orange County will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection a maintenance and replacement schedule will be developed and followed. Orange County will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval. Orange County will determine the least costly financing method for all new projects.

General Operating Budget: The County Mayor shall plan and prepare a balanced budget that conforms to the uniform classification of accounts as prescribed by the Florida Department of Financial Services. The budget shall include operating revenues that equal 95% of all receipts anticipated from all sources including taxes. The budget shall include provisions for balances brought forward, which shall equal total appropriations (expenditures) and reserves. The Office of Management and Budget, under the direction of the County Mayor, shall be responsible for the preparation and monitoring of the Annual County Budget and also for ensuring department compliance with this policy. It is unlawful for the county to expend or contract for the expenditures of more than the amount budgeted in any fund's annual appropriation for any fiscal year. An exception may be made for multi-year construction contracts where funding has been approved in the five-year Capital Improvements Program plan and sufficient monies are available in the current year's budget to meet the progress payments within the current fiscal year. The fiscal year of Orange County shall commence October 1 and end September 30 in accordance with Florida Statutes.

Reserves: Sound fiscal policy dictates some level of reserves for a governmental entity. Reserves serve the following purposes: ensures that funds are available to provide citizens with services and assistance following a natural disaster, such as a hurricane; debt service reserves are a mechanism that ensures there will be no interruption in bond payments should the county experience an unexpected dip in revenues. (These reserves are also required by bond covenants.); and, reserves are used for fiscal management, some because of legal requirements, and some simply to provide a safety net for unexpected expenses.

Budget Amendments and Transfers: Orange County's budgeting process must be dynamic and flexible enough to meet the changing needs of the departments and divisions throughout the fiscal year. A means must be provided through which these changing needs can be accommodated within the framework of applicable Florida Statutes and local ordinances and resolutions. Changes may be made to the budget at any time throughout the fiscal year and up to 60 days after fiscal year end or as permitted by Florida Statute in accordance with the procedures outlined in this regulation.

For Orange County policies in Issuance of Revenue Bonds, Continuing Disclosure for Debt Issues, and Bond Waiver Procedures, please refer to the Debt Management section.

For a more in-depth explanation of all Orange County Government's Financial Policies, please see Orange County's Administrative Regulations or contact the Office of Management and Budget at 407-836-7390.

FINANCIAL STRUCTURE

To provide proper accountability for different kinds of resources, "funds" are established. Each fund is a separate entity with its own resources, liabilities, and residual balance. Some homogeneous funds have been consolidated for budget presentation.

Funds with similar objectives, activities and legal restrictions are, for reporting purposes, placed in one (1) of three (3) groups:

I. Governmental Funds: Governmental Funds account for general governmental activities, such as law enforcement, which are largely supported by taxes and fees. They are accounted for on a "spending" or current financial resources basis. Governmental Funds include the following five (5) fund types:

   1. The General Fund reflects all county revenues and expenditures that are not required to be accounted for in another fund. Most countywide activities are accounted for in this fund.

2. Special Revenue Funds account for resources received from special sources, dedicated or restricted to specific uses.

3. Debt Service Funds account for the accumulation of resources for, and the payment of, interest, principal, and other costs of debt.

4. Capital Projects Funds account for the accumulation and use of resources for the acquisition of major buildings and other capital facilities where a specific project is designated or required.

5. Permanent Funds account for legally restricted resources where only the earnings and not principal, may be used for the benefit of the county or its citizenry.

II. Proprietary Funds: Proprietary Funds account for those external and internal business-type activities that are provided on a basis consistent with private enterprise. They are accounted for on a cost of service or "capital maintenance" basis. Proprietary Funds include the following two (2) fund types:

1. Enterprise Funds account for activities such as water and water reclamation services that are similar to those provided by private enterprise, and whose costs are paid from user charges or from revenue sources other than general governmental revenue. Orange County's Enterprise Funds consist of the Convention Center, Solid Waste System, and the Water Utilities System.

2. Internal Service Funds account for operations in which the county provides itself with essential services, which would otherwise be purchased from commercial suppliers. The governmental departments using the services on a cost reimbursement basis pay costs of operating these funds. Orange County's Internal Service Funds consist of Risk Management, Fleet Management, and the Employee Benefits Fund for Medical Benefits.

III. Fiduciary Funds: Fiduciary Funds account for assets that do not belong to the county, but are under county control for administration. These funds are not available to support county programs. Fiduciary Funds include the following four (4) fund types:

1. Pension Trust Funds account for resources required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post employment benefit plans, or other employee benefit plans.

2. Investment Trust Funds account for external investment pools where legally separate governments commingle or pool their resources in an investment portfolio for the benefit of all participants.

3. Private-purpose Trust Funds account for assets held by the county in trust for administration, and for disbursement for specific purposes that are not properly reported in a Pension Trust or Investment Trust Fund

4. Agency Funds account for assets belonging to others that are held in a custodial capacity pending disposition.

BUDGETARY BASIS

Orange County uses the same basis for budgeting and accounting. Orange County adopts budgets for all Government Funds on a modified accrual basis. Under this method, revenues are recognized in the period they become measurable and available to finance expenditures of the period and expenditures are recorded when incurred, with the exception of principal and interest on long term debt, which are recorded when due. The budgets for Proprietary Funds are adopted on a full accrual basis. Under the full accrual basis, revenues and expenditures are recognized in the period in which the transaction takes place. This method is similar to the accounting used for private businesses. Depreciation expense is not budgeted; however, expenditures for capital outlays are budgeted. These outlays are capitalized into fixed assets and eliminated from the results of operations on a Generally Accepted Accounting Principles (GAAP) basis.

Fund balance allocations (residual unappropriated liquid assets resulting from prior years' operations) are budgeted and included as revenue on a budgetary basis, but are eliminated on a GAAP basis for financial reporting.

CAPITAL BUDGETING

Orange County maintains a Capital Improvement Program (CIP), which covers a five-year period. The Office of Management and Budget (OMB) determines the amount of funding available for capital projects. Proposed projects are prioritized and the available funds are allocated accordingly. The CIP projects detail is included in Section 16 of this document; the funding for these projects is also included in the budget within each appropriate department. Projects in the CIP for FY 2019-20 are funded through FY 2023-24 based on estimated revenues and projected annual project costs. Both estimated revenues and expenditures are subject to change, which may require adjustments to the five-year CIP plan.

Three-Year Comparison of Budgeted Fund Structure

	FY 2017 - 18 Actual	FY 2018 - 19 Budget as of 03/31/2019	FY 2019 - 20 Adopted Budget	Percent Change
General Fund and Sub Funds				
General Fund and Subfunds	$ 996,691,892	$ 1,041,726,003	$ 1,042,712,220	4.6%
Total:	**$ 996,691,892**	**$ 1,041,726,003**	**$ 1,042,712,220**	**4.6%**
Special Revenue Funds				
7000 Level (Federal) Grant - Funds	$ 118,596,856	$ 68,170,247	$ 68,519,270	(42.2)%
8000 Level (State) Grants - Funds	10,686,563	4,294,359	21,124,991	97.7%
911 Fee	24,829,807	23,852,244	23,852,244	(3.9)%
Air Pollution Control	1,536,475	1,347,401	1,347,401	(12.3)%
Air Quality Improvement	310,057	273,392	273,392	(11.8)%
Animal Services Trust Funds	208,725	214,432	214,432	2.7%
Aquatic Weed (Non-Tax) Districts	446,931	395,005	395,005	(11.6)%
Aquatic Weed (Tax) Districts	5,456,242	5,901,675	5,904,105	8.2%
Boating Improvement Program	1,580,843	1,451,447	1,451,447	(8.2)%
Building Safety	54,191,833	55,914,960	55,914,960	3.2%
Conservation Trust and Subfunds	5,398,766	4,874,121	4,874,121	(9.7)%
Constitutional Gas Tax	35,162,284	27,896,237	27,896,237	(20.7)%
Court Facilities	7,488,079	6,887,497	6,887,497	(8.0)%
Court Technology	6,500,780	5,382,729	5,382,729	(17.2)%
Crime Prevention ORD 98-01	240,663	108,000	108,000	(55.1)%
Cyber Safety	304	200	200	(34.2)%
Driver Education Safety Trust Fund	557,716	522,975	522,975	(6.2)%
Drug Abuse Trust Fund	339,116	325,825	325,825	(3.9)%
Energy Efficiency and Conservation	27,058	14,025	14,025	(48.2)%
I-Drive MSTU Funds	6,930,207	7,482,664	7,532,094	8.7%
Inmate Commissary Fund	4,174,189	4,336,757	4,336,757	3.9%
International Drive CRA	60,893,035	74,359,341	74,957,928	23.1%
Juvenile Court Programs	356,688	299,254	299,254	(16.1)%
Law Enforcement / Confiscated Property	1,253,542	1,051,750	1,051,750	(16.1)%
Law Enforcement / Education Corrections	627,328	631,100	631,100	0.6%
Law Enforcement / Education Sheriff	474,798	363,150	463,150	(2.5)%
Law Library	285,475	285,475	285,475	0.0%
Legal Aid Programs	1,267,017	1,292,357	1,292,357	2.0%
Local Court Programs	1,253,676	1,300,468	1,300,468	3.7%
Local Housing Asst (SHIP)	13,654,873	23,165,406	13,807,033	1.1%
Local Option Gas Tax	57,625,719	51,569,750	51,569,750	(10.5)%
Mandatory Refuse Collection	60,202,343	63,511,857	65,137,139	8.2%
MSBU Agency Funds	30	30	30	0.0%
Municipal Service Districts	45,231,720	46,109,057	46,114,379	2.0%
OBT Comm Redevelopment Area Trust Fund	996,074	1,104,588	1,108,673	11.3%
OC Fire Prot & EMS/MSTU	226,011,731	221,087,202	239,480,605	6.0%
Orange Blossom Trail NID 90-24	162,947	162,947	162,947	0.0%
Parks and Recreation Scholarship	46,710	46,710	46,710	0.0%
Parks Fund	51,768,296	51,341,833	51,449,473	(0.6)%
Pine Hills Local Govt NID	397,877	342,770	342,770	(13.9)%
Pollutant Storage Tank	11,933	11,958	11,958	0.2%
School Impact Fees	109,297,500	109,345,000	109,345,000	0.0%
Special Tax MSTU	197,980,297	212,729,936	212,729,936	7.5%
Teen Court	1,057,973	926,400	926,400	(12.4)%
Transportation Trust	127,256,519	116,205,972	118,005,972	(7.3)%
Tree Replacement Trust	2,153,311	2,162,811	2,162,811	0.4%
Water and Navigation Funds	12,527,514	12,978,787	12,976,501	3.6%
Total:	**$ 1,257,458,420**	**$ 1,212,032,101**	**$ 1,242,537,276**	**(1.2)%**

Three-Year Comparison of Budgeted Fund Structure

	FY 2017 - 18 Actual	FY 2018 - 19 Budget as of 03/31/2019	FY 2019 - 20 Proposed Budget	Percent Change
Enterprise Funds				
Convention Center Funds	$ 655,280,925	$ 694,513,862	$ 694,513,862	6.0%
Other Enterprise Funds	4,536,216	0	0	(100.0)%
Solid Waste System	131,923,200	127,571,003	129,613,765	(1.8)%
Water Utilities System	465,570,888	483,599,380	432,520,343	(7.1)%
Water Utilities System MSTUs	417,782	448,653	448,653	7.4%
Total:	**$ 1,257,729,011**	**$ 1,306,132,898**	**$ 1,257,096,623**	**(0.1)%**
Internal Service Funds				
Employees Benefits	$ 168,098,155	$ 177,537,450	$ 177,537,450	5.6%
Fleet Management Dept	20,284,361	19,388,806	19,388,806	(4.4)%
Risk Management Program	70,427,897	75,239,111	75,239,111	6.8%
Total:	**$ 258,810,413**	**$ 272,165,367**	**$ 272,165,367**	**5.2%**
Capital Construction Funds				
Fire Impact Fees	$ 11,100,893	$ 3,423,614	$ 13,204,288	18.9%
Horizons West Adequate Public Facility	345,844	554,062	554,062	60.2%
Lakeside Village Adequate Public Facility	992,953	56,720	516,720	(48.0)%
Law Enforce Impact Fees	12,740,792	5,120,000	9,620,000	(24.5)%
Miscellaneous Construction Projects	222,410,601	91,568,148	148,714,398	(33.1)%
Parks & Recreation Impact Fees	29,721,292	23,761,296	26,061,296	(12.3)%
Transportation - Deficient Segment Funds	11,781,346	11,738,359	11,738,359	(0.4)%
Transportation Impact Fees	135,616,707	116,855,950	116,855,950	(13.8)%
Total:	**$ 424,710,428**	**$ 253,078,149**	**$ 327,265,073**	**(22.9)%**
Debt Service Funds				
Capital Improvement Bonds	$ 57,517,267	$ 69,275,392	$ 69,275,392	20.4%
Orange County Promissory Note Series 2010	2,799,708	2,654,799	2,654,799	(5.2)%
Public Facilities Bonds	8,800,786	4,494,178	4,494,178	(48.9)%
Public Service Tax Bonds	153,547,067	151,347,231	157,347,231	2.5%
Sales Tax Trust Fund	370,353,256	384,734,452	396,734,452	7.1%
Total:	**$ 593,018,084**	**$ 612,506,052**	**$ 630,506,052**	**6.3%**
County Total:	**$ 4,788,418,248**	**$ 4,697,640,570**	**$ 4,772,282,611**	**(0.3)%**

Note: General Fund Subfunds include the Mosquito Control Fund, as well as donations funds. MSBU agency funds and other fiduciary activities may be presented separately.

MILLAGE SUMMARY
FISCAL YEAR 2019-2020

	Prior Millage	Current Year Rolled-Back	Current Year Adopted	Percent Change Over Rolled-Back	Percent Change FY 2019 to FY 2020
COUNTY-WIDE					
General Fund	4.0441	3.7709	4.0441	6.38%	0.00%
Capital Projects Fund	0.2250	0.2292	0.2250	6.38%	0.00%
Parks Fund	0.1656	0.1687	0.1656	6.38%	0.00%
Total County-Wide	4.4347	4.1688	4.4347	6.38%	0.00%
Special Tax - MSTU					
Service Districts					
Cnty - Unincorporated	1.8043	1.6886	1.8043	6.85%	0.00%
County Fire And EMS	2.2437	2.1020	2.2437	6.74%	0.00%
OBT Corridor Improvements	0.5932	0.5285	0.5932	12.24%	0.00%
OBT Neighborhood Improv.	0.2554	0.2323	0.2554	9.94%	0.00%
Orlando Central Park MSTU	1.1549	1.0774	1.1549	7.19%	0.00%
I-Drive Master Transit	0.2334	0.2181	0.2334	7.02%	0.00%
I-Drive Bus Service	0.7523	0.6980	0.7523	7.78%	0.00%
N. I-Drive Improvement	0.1601	0.1466	0.1601	9.21%	0.00%
Apopka-Vineland Improv.	0.6000	0.5784	0.6000	3.73%	0.00%
Lake Districts					
Bass Lake	1.3872	1.2791	1.3872	8.45%	0.00%
Big Sand Lake	0.1378	0.1354	0.1378	1.77%	0.00%
Lake Holden	2.5337	2.4325	2.5337	4.16%	0.00%
Lake Horseshoe	-	-	-	N/A	N/A
Lake Irma	0.6200	0.5695	0.6200	8.87%	0.00%
Lake Jean	0.3200	0.3050	0.2560	-16.07%	-20.00%
Lake Jessamine	0.6545	0.5678	0.6545	15.27%	0.00%
Lake Killarney	0.8613	0.7645	0.8613	12.66%	0.00%
Lake Lawne	-	-	-	N/A	N/A
Lake Mary	3.0000	2.6612	3.0000	12.73%	0.00%
Lake Ola	2.0000	1.9637	2.0000	1.85%	0.00%
Lake Pickett	1.7597	1.3575	1.7597	29.63%	0.00%
Lake Price	1.1910	1.1534	1.1910	3.26%	0.00%
Lake Rose	2.0125	1.9211	2.0125	4.76%	0.00%
Lake Sue	-	-	-	N/A	N/A
Lake Waumpi	-	-	-	N/A	N/A
Lake Whippoorwill	-	-	-	N/A	N/A
Little Lake Fairview	0.5000	0.4736	0.5000	5.57%	0.00%
South Lake Fairview	0.2134	0.2031	0.2134	5.07%	0.00%
Water And Navigation					
Asbury Park Canal	-	-	-	N/A	N/A
Lake Conway Water & Nav.	0.4107	0.3905	0.4107	5.17%	0.00%
Windermere Navigation	0.2528	0.2453	0.2528	3.06%	0.00%
COUNTY:					
Aggregate Comparison	6.6619	6.4412	6.6650	3.47%	0.05%
Indep. Spec. Dist.-Voted Millage					
Library Operating	0.3748	0.3500	0.3748	7.09%	0.00%

Note:
With the exception of Lake Jean, the adopted millage for each entity is the same as the prior year adopted millage.

TAX AND MILLAGE INFORMATION

The five (5) pages that follow provide information on the millages levied by Orange County. Orange County has, in addition to its countywide tax millage, several additional millages, which may be levied in special taxing districts encompassing territory smaller than the overall county. These special taxing districts provide services ranging from cleaning of lakes to provision of law enforcement services by the Sheriff in the unincorporated area.

Under Florida law, counties are required to sum all ad valorem revenues derived from the countywide levy and all special taxing districts (excluding voted levies and taxing districts independent of the county), and divide this revenue by the countywide tax roll. This is called the "aggregate millage" and is the rate that determines whether or not the county is required to advertise its intent to increase taxes.

The adopted millage schedule presents the rolled back millages compared with the prior year's millage and the approved millage levy.

QUESTIONS AND ANSWERS

1. **What is included in the countywide millage?**

   The countywide millage of 4.4347 consists of three (3) components: 1) General Fund (4.0441), 2) Capital Projects Fund (0.2250), and 3) Parks Fund (0.1656). The General Fund is the backbone of the county's financial structure. The bulk of Orange County's services are paid for out of this fund.

   Given the major infrastructure needs in our ever-growing community, the Board of County Commissioners decided in 1985 to levy a separate millage to pay for major capital projects. FY 1997-98 was the first year a portion of the countywide millage was dedicated for Parks & Recreation's operation and capital improvements.

2. **Are millage rates changing for FY 2019-20?**

   The only millage change is for the Lake Jean MSTU (municipal services taxing unit), going down from 0.3200 to 0.2560 mills. All other millages are remaining unchanged.

   For FY 2019-20 the Library Operating millage is also remaining unchanged at 0.3748 mills.

3. **How are property taxes calculated?**

   All taxes are computed based upon taxable value.

   (Taxable value / 1000) * millage rate = property tax

   Example:

Assessed value:	$250,000
Less homestead exemption:	(50,000)
Taxable value:	$200,000

   First, ($200,000 / 1000) = $200.00

   Then, $200.00 * 5.0000 mills = $1,000.00 property tax
   (sample millage)

Common Terms used in budgeting:

Millage: The rate charged per $1,000 of taxable value. (For example: On a house with a taxable value of $100,000 each mill would equal $100 in taxes.)

Tax Base: The total value of land and personal property on which a taxing entity, such as the county, can levy property taxes. Because some land is partially or completely exempt from taxes, the tax base is usually smaller than the actual value of the property in the county.

Rolled-Back Rate: The millage which, exclusive of new construction, additions to structures, deletions, increases in the value of improvements that have undergone a substantial rehabilitation which increased the assessed value of such improvements by at least 100%, property added due to geographic boundary changes, total taxable value of tangible personal property within the jurisdiction in excess of 115% of the previous year's total taxable value, and any dedicated increment value, will provide the same ad valorem tax revenue for each taxing authority as was levied during the prior year less the amount, if any, paid or applied as a consequence of an obligation measured by the dedicated increment value.

Aggregate Millage Rate: That millage rate obtained from the quotient of the sum of all ad valorem taxes levied by the county for countywide purposes plus the ad valorem taxes levied for all districts dependent to the county, divided by the total taxable value of the county.

Exemptions: Exemptions are granted by the state and either lower the taxable value of property or can result in removing it from the tax rolls completely. Available exemptions include the following: Homestead Exemption, Widow/Widower, Disability, Limited Income Senior, Military/Veterans, Fallen Hero, and Total and Permanent Disability.