



ANNUAL REPORT TO CITIZENS

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2019

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INTRODUCTION

OUR CITY

The City of Orlando is a Florida municipal corporation that was founded in 1875, and has an estimated population of 291,800 living within an area of approximately 111 square miles. The city is in the approximate center of the State of Florida and the four-county (Orange, Osceola, Seminole, Lake) Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA), which has an estimated population of 2.59 million. The city operates under a Charter adopted February 4, 1885, as amended. The city has a seven-member City Council comprised of the Mayor (elected at large) and six District Commissioners.

The city provides the full range of governmental services, including police and fire protection, street construction and maintenance, solid waste management, sewer services, parks, recreation and cultural services, planning and development services, a variety of transportation and public infrastructure programs, and other traditional support activities. Included in the city's basic financial statements is the legally separate Downtown Development Board (DDB), which is reported separately (i.e., discretely presented). Although legally separate, because of the closeness of their relationship to the city, the Community Redevelopment Agency (CRA) and Downtown South Neighborhood Improvement District are reported as though they are part of the city (i.e., blended presentation).

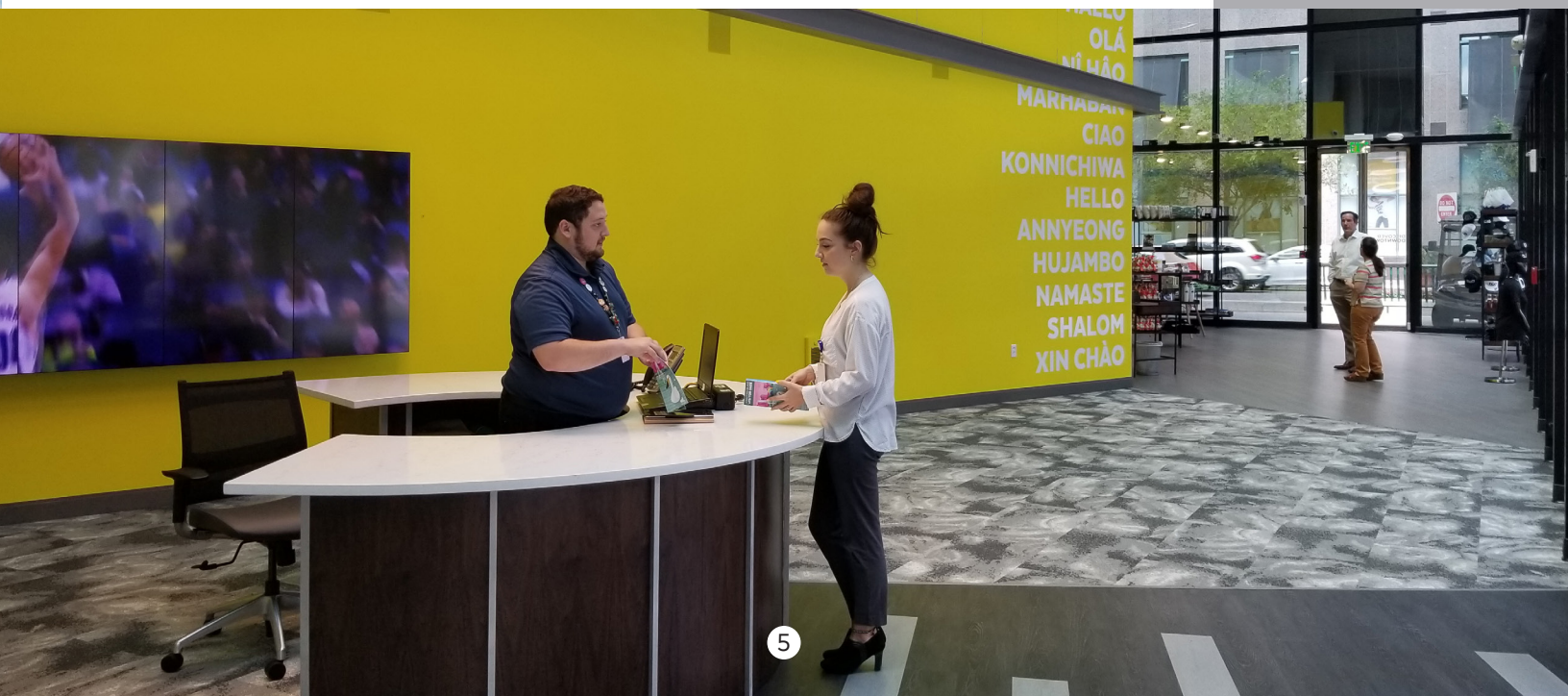
WHAT IS AN ANNUAL REPORT TO CITIZENS?

This Annual Report to Citizens is Orlando's version of a Popular Annual Financial Report (PAFR). The Government Finance Officers Association (GFOA) recommends governments produce a PAFR to provide a summarized overview of the City's financial position in a simplified format for the benefit of citizens and other interested parties. The information presented is extracted from the City's award-winning Comprehensive Annual Financial Report (CAFR), which is a complete set of audited financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP). The Annual Report to Citizens is unaudited and not presented in GAAP format. This is not intended to replace the CAFR. For those interested in more detail, the City of Orlando's CAFR is available to be viewed and downloaded at cityoforlando.net/obfs/cafr. The PAFR, as well as other financial documents, is available at orlando.gov/Our-Government/Records-and-Documents/Financial.

ACHIEVEMENTS

The City of Orlando continues to be recognized for its financial reporting efforts. The City was awarded the Certificate for Excellence in Financial Reporting for its Fiscal Year 2018 CAFR. This is the 41st consecutive year it has received the distinguished award. The City of Orlando was also awarded the Award for Outstanding Achievement in Popular Annual Financial Reporting for its PAFR for the fiscal year ended September 30, 2018.

DOWNTOWN INFORMATION CENTER



LETTER FROM THE MAYOR



On behalf of the Orlando City Council and staff, it is my pleasure to present to you the City of Orlando's Annual Report to Citizens (Report) for the fiscal year ended September 30, 2019.

Accountability and responsible stewardship are key components of the financial reporting process. This Report will provide you with a snap shot of the city's financial activities and achievements from the past year and is an illustration of our continued commitment to financial transparency.

We know that a strong partnership with you, our residents, is the best way to work through challenges and realize opportunity. With that in mind, as you review this report, please share any recommendations, concerns or questions you may have with our Office of Business and Financial Services at orlando.gov/Our-Government/Departments-Offices/OBFS.

Sincerely,

A handwritten signature in blue ink that reads "Buddy Dyer".

Buddy Dyer
Mayor, City of Orlando



ELECTED OFFICIALS

Members of the Orlando City Council are the Mayor, elected at-large, and six City Commissioners who are elected from respective districts. All are elected for four-year terms.

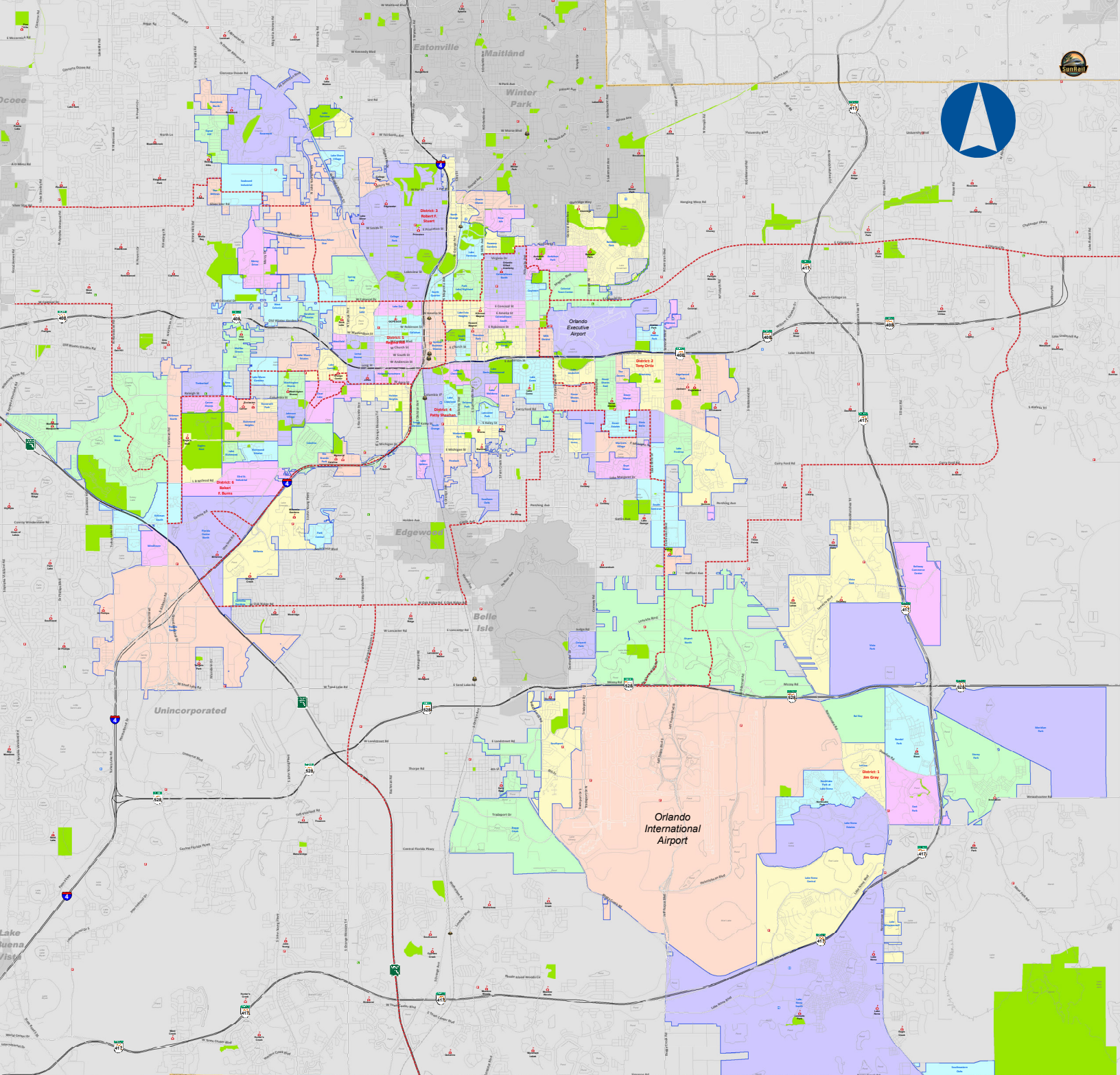
TOP ROW:

- District 1 Commissioner, Jim Gray
- District 2 Commissioner, Tony Ortiz
- District 3 Commissioner, Robert F. Stuart
- District 6 Commissioner, Bakari F. Burns

BOTTOM ROW:

- District 5 Commissioner, Regina I. Hill
- Mayor, Buddy Dyer
- District 4 Commissioner, Patty Sheehan

[DISTRICT MAP ►](#)



- Commissioner District Boundary
- Orlando Neighborhood Boundary
- Other Municipality
- County Jurisdiction

- L Library
- F Fire Station
- H Hospital
- Sunrail

ORLANDO FACTS - DID YOU KNOW?



291,800
POPULATION OF
ORLANDO



2.7%
UNEMPLOYMENT RATE



\$265,000
MEDIAN HOME PRICE,
ORLANDO MSA



10
MAIN STREET DISTRICTS



1,968,530
ATTENDEES ACROSS A
TOTAL OF 289 EVENTS
IN 2019 AT ORLANDO'S
AMWAY CENTER, CAMPING
WORLD STADIUM AND
TINKER FIELD COMBINED



75 MILLION
NUMBER OF VISITORS TO THE
ORLANDO AREA, MAKING
IT THE #1 MOST VISITED
DESTINATION IN THE UNITED
STATES



10TH
BUSIEST AIRPORT IN
THE NATION (ORLANDO
INTERNATIONAL AIRPORT)



1,981
PEOPLE IN CENTRAL
FLORIDA WHO MOVED INTO
PERMANENT HOUSING FROM
BEING HOMELESS
(IN THE 12-MONTH PERIOD
ENDED 9/30/2019)



\$500,000
ANNUAL CITY COST
SAVINGS FROM INSTALLING
LED STREETLIGHTS



69,525
FALL 2019 ENROLLMENT
AT UNIVERSITY OF
CENTRAL FLORIDA



5TH
BEST CITY IN THE U.S. FOR
AN ACTIVE LIFESTYLE.
ORLANDO HAS 40 MILES OF
BIKE PATHS, 100 PARKS AND
21 COMMUNITY CENTERS



6
NUMBER OF MAYOR'S KEY
PRIORITIES FOR 2020: CREATE
A CITY FOR EVERYONE,
CREATE HIGH QUALITY
JOBS, END HOMELESSNESS,
BECOME ONE OF THE
MOST SUSTAINABLE
CITIES IN AMERICA, KEEP
OUR COMMUNITIES SAFE,
PROVIDE MOBILITY AND
TRANSPORTATION OPTIONS



\$45,436
MEDIAN HOUSEHOLD INCOME

PROPERTY TAX REVENUE

Ad valorem property taxes are the city’s largest source of revenue. The table below shows the total amount of tax collected in the last 5 years. Although the city’s millage rate has remained the same, assessed property values have increased, resulting in more property tax revenue being collected.

CITY OF ORLANDO MILLAGE RATES LAST FIVE YEARS:

Fiscal Year ended Sept. 30	Total Property Tax Revenue Collected	City of Orlando Millage Rate
2015	\$128,133,651	6.6500
2016	145,100,382	6.6500
2017	159,237,271	6.6500
2018	178,209,997	6.6500
2019	197,771,073	6.6500



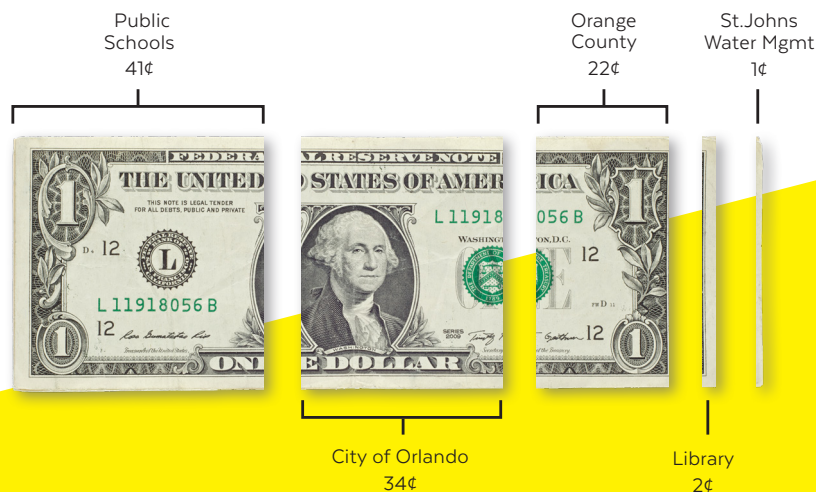
Ad Valorem Property Taxes
A tax based on the assessed value of an item, such as real estate or personal property.

Non-ad Valorem Revenues
Revenues not including property tax, such as the utilities service tax.

WHERE DO PROPERTY TAXES GO?

The example below shows the total amount of property tax a resident would pay on a home with an assessed value of \$265,000, and where those tax dollars go.

House Assessed Value	Exemption	Taxable Value	Taxing Entity	Millage Rate	Taxes	Tax Percentage
\$265,000.00	\$25,000.00	\$240,000.00	Public Schools	7.1090	\$1,706.16	41.00%
265,000.00	50,000.00	215,000.00	City of Orlando	6.6500	1,429.75	34.00%
265,000.00	50,000.00	215,000.00	Orange County	4.4347	953.46	22.00%
265,000.00	50,000.00	215,000.00	Library	0.3748	80.58	2.00%
265,000.00	50,000.00	215,000.00	St.Johns Water Mgmt	0.2414	51.90	1.00%
			Total:		\$4,221.85	100%



CAPITAL IMPROVEMENT PROGRAM

WHAT IS IT AND WHY DO WE HAVE ONE?

City government provides needed and desired urban services to the public. In order to provide these services, the city must furnish and maintain capital facilities and equipment such as sewers, roads, and parks. The capital improvement program is a proposed schedule for the expenditure of funds to acquire or construct these needed improvements over the next five-year period. It represents a comprehensive and direct statement of the physical development policies of the city. The program has major significance in that it touches the lives of each city resident and visitor through the provision of health, safety, transportation, recreation and other services.

The following chart illustrates the FY2018/2019 Capital Budget by type of service. It includes 100 projects totaling \$79,567,632

Type of Service	Capital Improvement Budget 2019	% of Total
Water Reclamation	\$27,350,000	34%
Transportation	19,070,555	24%
Economic Development	7,850,000	10%
Recreation & Culture	6,734,911	8%
Facilities Management	5,638,125	7%
Public Safety	4,617,500	6%
General Government	2,838,386	4%
Stormwater	2,700,000	3%
Solid Waste	1,328,155	2%
Community Infrastructure	1,440,000	2%
Total	\$79,567,632	100%

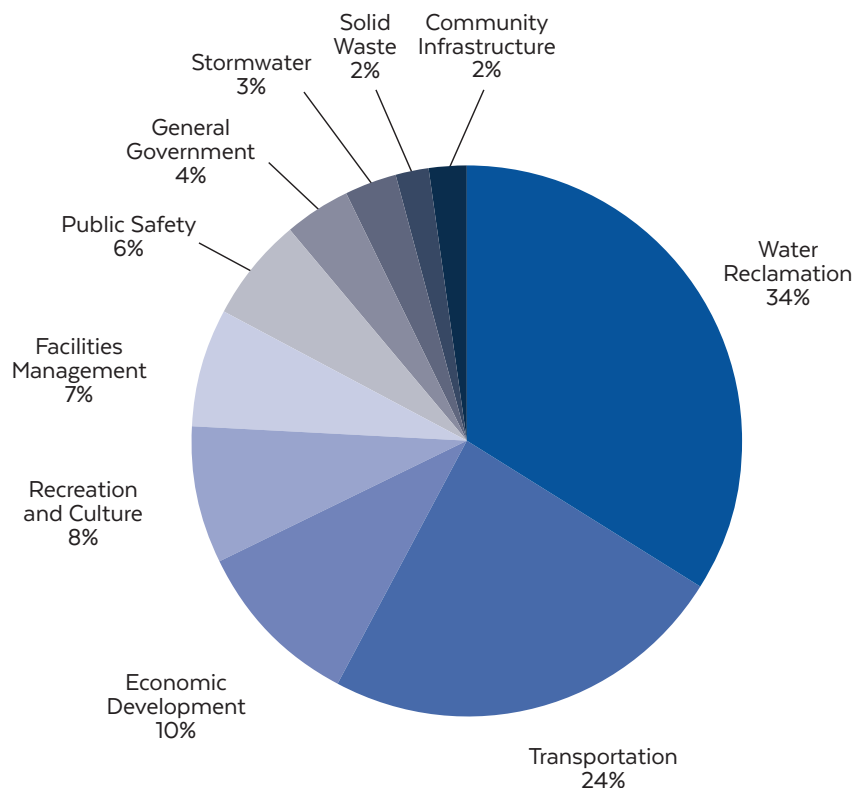


Capital Assets

Long-term investments in land, buildings, equipment, infrastructure or improvements.

Capital Budget

Funds budgeted to purchase or construct buildings, equipment, infrastructure or improvements.



CONDENSED FINANCIAL STATEMENTS

The city's statement of net position is a snapshot of its financial position as of September 30, 2019. It indicates that what the city owns (Total Assets and Deferred Outflows) exceeded what it owes (Total Liabilities and Deferred Inflows) by \$1,912,714,605 (Net Position). This is an increase of \$125,223,132 over 2018. The net position increase can be attributed to revenues which exceeded expenses during the year. Most of the revenue increase came from investment earnings, Ad valorem taxes (property tax and business personal property tax), and charges for services. Revenues and Expenses are shown on the city's statement of activities. See glossary for definitions of key terms.

CONDENSED STATEMENT OF NET POSITION

	2015	2016	2017	2018	2019	Change 2019 vs 2018
Current and Other Assets	\$1,107,467,839	\$1,184,007,948	\$1,290,462,653	\$1,245,721,481	\$1,440,976,523	\$195,255,042
Capital Assets	2,126,723,825	2,153,803,022	2,220,006,507	2,284,524,121	2,325,897,589	41,373,468
Deferred Outflows of Resources	50,703,038	138,871,893	135,659,541	200,965,761	167,152,939	(33,812,822)
Total Assets and Deferred Outflows	3,284,894,702	3,476,682,863	3,646,128,701	3,731,211,363	3,934,027,051	202,815,688
Current Liabilities	229,210,738	221,897,361	277,940,857	298,869,637	248,385,992	(50,483,645)
Long-Term Liabilities	1,526,558,542	1,611,306,442	1,342,926,903	1,611,898,548	1,758,475,033	146,576,485
Deferred Inflows of Resources	16,355,663	9,901,777	8,721,010	32,951,705	14,451,421	(18,500,284)
Total Liabilities and Deferred Inflows	1,772,124,943	1,843,105,580	1,629,588,770	1,943,719,890	2,021,312,446	77,592,556
Net Position	\$1,512,769,759	\$1,633,577,283	\$2,016,539,931	\$1,787,491,473	\$1,912,714,605	\$125,223,132

CONDENSED STATEMENT OF ACTIVITIES

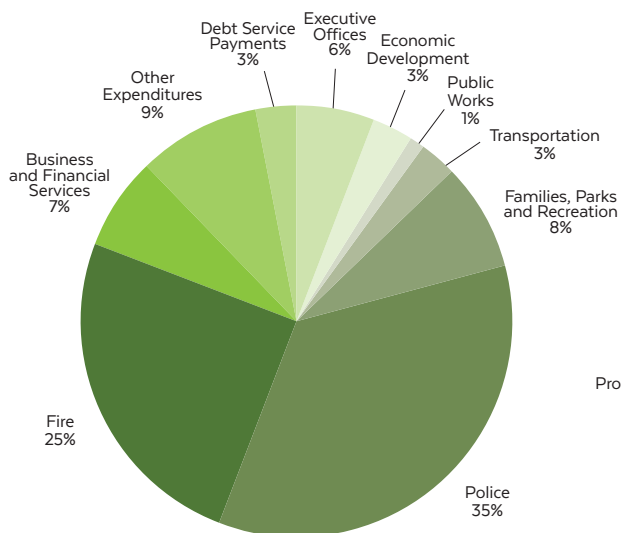
	2015	2016	2017	2018	2019	Change 2019 vs 2018
Revenues	\$688,808,006	\$840,152,837	\$1,131,628,201	\$897,352,585	\$1,017,874,702	\$120,522,117
Expenses/ Expenditures	663,566,697	719,345,313	748,665,553	842,177,013	892,651,570	50,474,557
Change in Net Position	25,241,309	120,807,524	382,962,648	55,175,572	125,223,132	70,047,560
Net Position - Beginning	1,609,953,798	1,512,769,759	1,633,577,283	2,016,539,931	1,787,491,473	(229,048,458)
Prior Period Adjustment	(122,425,348)	-	-	(284,224,030)	-	284,224,030
Net Position - Ending	\$1,512,769,759	\$1,633,577,283	\$2,016,539,931	\$1,787,491,473	\$1,912,714,605	\$125,223,132

GENERAL FUND REVENUES AND EXPENDITURES

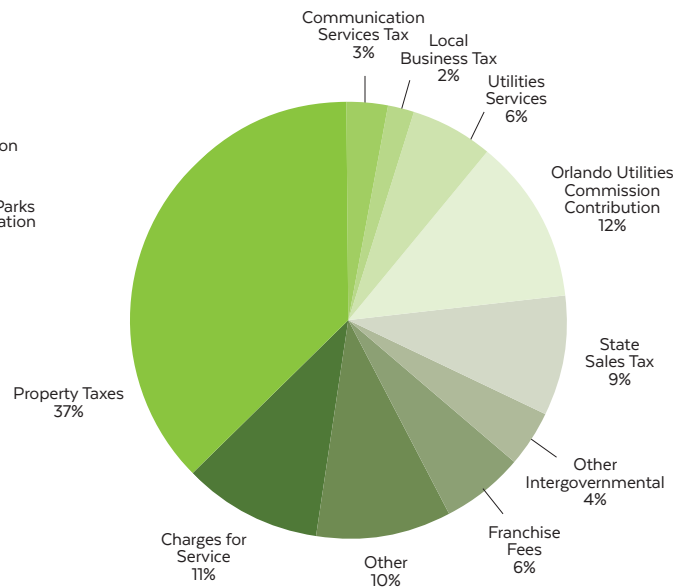
The city is required to keep track of its finances using fund accounting. Fund accounting divides money into buckets according to source and intended use. The largest bucket is the General Fund; most of the city's revenues and expenses are accounted for here. General Fund revenues include property tax, licenses and permit fees, utility taxes, and state taxes and contributions such as revenue sharing and service charges. General Fund expenditures include police and fire departments, parks and recreation, business and financial services, transportation, economic development, and public works. The table below shows General Fund revenues and expenses for the most recent three year period. Also shown is a break down of General Fund revenues by source, and expenses by department for the fiscal year ended September 30, 2019. Revenues were \$48,194,870 greater in 2019 as compared to 2018. A large part of the increase was due to an increase in the value of taxable property, which increased the amount of property tax collected. Public Safety (Police and Fire Departments) was the largest cost for the General Fund, accounting for 60% of total expenses in 2019.

	2017	2018	2019	Change 2019 vs 2018
Revenues	\$447,204,761	\$482,920,210	\$531,115,080	\$48,194,870
Expenditures	422,295,405	443,934,727	462,786,162	18,851,435
Transfers In (Out) to other Funds	(17,370,631)	(35,606,059)	(51,906,882)	(16,300,823)
Net Change in Fund Balance	\$7,538,725	\$3,379,424	\$16,422,036	\$13,042,612

2019 GENERAL FUND EXPENSES BY DEPARTMENT



2019 GENERAL FUND REVENUES BY SOURCE



CONDENSED STATEMENT OF OUTSTANDING DEBT

The City of Orlando primarily issues bonds to pay for large and long-lived capital assets such as parks, roads, water treatment plants, and buildings. Sometimes existing bonds are refunded with new bonds to achieve savings on interest costs.

There are multiple benefits to paying for large and long-lived capital assets with debt. One benefit is that future users of the assets will bear some of the cost through taxes or other charges that help pay the debt over time.

The city consistently achieves some of the highest bond ratings possible from the major ratings agencies Moody's, Standard & Poor's and Fitch. High bond ratings indicate that the city is financially strong and able to repay its debt.

GOVERNMENTAL ACTIVITIES

	Purpose	Payment Source	Issued	Outstanding
CRA	Capital Projects and Dr. Phillips Center for the Performing Arts	Tax Increment Revenues	\$186,421,000	\$158,868,516
General	Sunrail	Non-ad Valorem Revenues	14,874,867	3,335,707
Capital Improvement	Public Safety and Capital Projects	Non-ad Valorem Revenues	399,933,000	326,838,000
Total Govt Debt			\$601,228,867	\$489,042,223

BUSINESS TYPE ACTIVITIES

	Purpose	Payment Source	Issued	Outstanding
Parking	Parking Garage Construction	Parking Revenues	\$56,135,000	\$45,550,000
Orlando Venues	Community Venues	State Sales Tax and TDT	449,710,000	356,755,000
Water Reclamation	Water Reclamation Projects	Water Reclamation Revenues	136,140,358	81,539,442
Total Business Type Debt			\$641,985,358	\$483,844,442

Total City Debt			\$1,243,214,225	\$972,886,665
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Governmental Activities

The city's basic services such as Police, Fire, Public Works and Families, Parks, and Recreation which are mostly funded by property tax, sales tax and franchise fees.

Business Type Activities

City services that charge users based on the cost of providing the service.

Bond Rating

A measure of financial strength that provides the ability to obtain low interest rates.

Tourist Development Tax (TDT)

A tax on the amount paid by guests for short-term accommodation (less than 6 months). This 6% tax is collected by Orange County and

Florida Statutes require the funds be used for designated tourism-related expenditures. The county contributes TDT revenue to the City of Orlando to support debt service payments on the outstanding TDT revenue bonds.

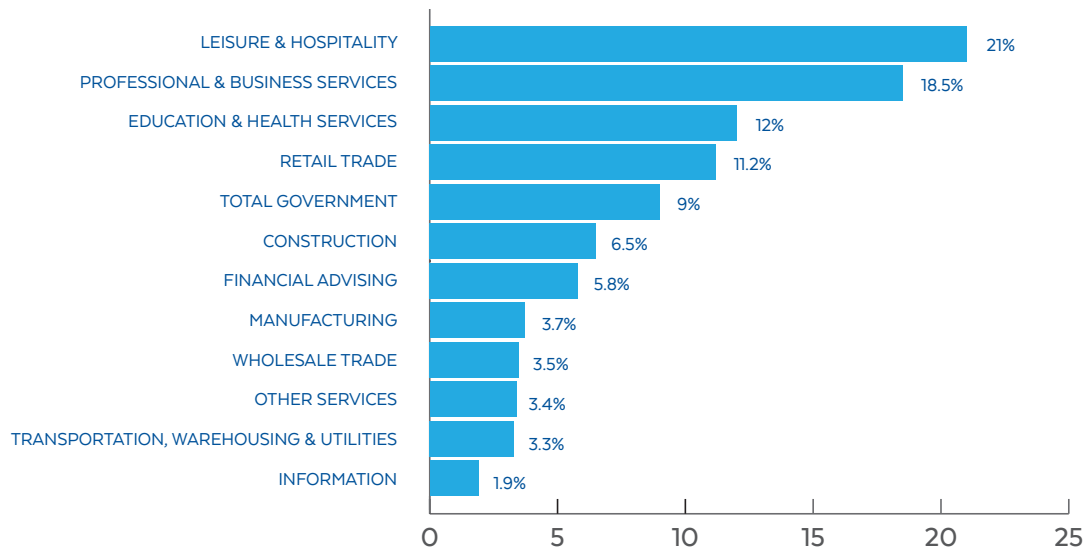
Government-wide

The city as a whole.

SELECTED STATISTICS

EMPLOYMENT BY INDUSTRY IN ORLANDO MSA

INCLUDING LAKE, ORANGE, OSCEOLA, AND SEMINOLE COUNTIES (PERCENT OF LOCAL ECONOMY)



PRINCIPAL EMPLOYERS

Employer	Type of Business	Number of Employees	2019 Rank	Percentage of Total MSA Employment
Walt Disney World Resort	Leisure & Hospitality	74,200	1	5.64
Advent Health	Healthcare	28,959	2	2.20
Orange County Public Schools	Government	25,145	3	1.91
Universal Orlando Resort	Leisure & Hospitality	25,000	4	1.90
Publix Supermarkets Inc.	Service (Grocery)	19,783	5	1.50
Orlando Health	Healthcare	19,032	6	1.45
Orlando International Airport (MCO)	Transportation	18,000	7	1.37
Seminole County Public Schools	Government	10,000	8	0.76
University of Central Florida	Education	9,476	9	0.72
Lockheed Martin	Aerospace/Defense	9,000	10	0.68
Other Employers	Various	1,077,211		81.87
Total		1,315,806		100.00

Source: Orlando Economic Partnership

Note: Includes the four counties in the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA), (Orange, Seminole, Osceola, and Lake)



GLOSSARY

Current and Other Assets

Assets such as cash, investments, receivables and inventory that can be converted to cash within one year.

Current Liabilities

Debts that can be paid off in one year or less, such as accounts payable and accrued payroll.

Deferred Inflows of Resources

An acquisition of net position by the government that is applicable to a future reporting period.

Deferred Outflows of Resources

A consumption of net position by the government that is applicable to a future reporting period.

Expenses/Expenditures

Money spent or costs incurred through the city's operations.

Fund

A self-balancing set of accounts which are segregated for specific activities or objectives. Funds are often referred to as "buckets."

Fund Balance

The difference between assets and deferred outflow of resources and liabilities and deferred inflow of resources of a fund.

General Fund

The chief operating fund of the city.

Government Finance Officers Association (GFOA)

Organization which represents public finance officials and promotes excellence in public finance by providing best practice guidance, recognition programs, research and training

Long-Term Liabilities

Represents mainly debt obligations of the city.

Net Position

The difference between assets and deferred outflow of resources and liabilities and deferred inflow of resources for the city as a whole.

Prior Period Adjustment

The correction of an error or retroactive application of a new accounting rule

Revenues

Income from charges to individuals who purchase, use, or benefit from goods or services.

