



CITY OF JACKSONVILLE, FLORIDA
BUDGET IN BRIEF
FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 2010

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FLORIDA

BUDGET IN BRIEF

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JOHN PEYTON
MAYOR

ALAN R. MOSLEY, P.E.
CHIEF ADMINISTRATIVE OFFICER

G. MICHAEL “MICKEY” MILLER
CHIEF FINANCIAL OFFICER

KENT R. OLSON
BUDGET OFFICER

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Dear Friends,

The fiscal year 2009-2010 budget, as outlined in this booklet, presented a unique opportunity for Jacksonville policy makers to thoroughly examine and distill city operations in an attempt to make necessary expense cuts, preserve our quality of life and retains vital city services that Jacksonville residents have come to expect from their government. While this was one of the most challenging budget processes on record, I think we have accomplished those objectives and set the pace for sustainable fiscal management in the future.

To solve a \$170 million revenue shortfall due to property tax changes at the state level, as well as an unsustainable pension plan and the effects of the global recession, I proposed a three-part plan that was incorporated into this year's budget. That plan includes pension reform at the collective bargaining table, a modest millage rate increase and cuts to city expenses.

I am also proud of the level of public engagement that we accomplished during this year's budget process. Together, the Jacksonville City Council and my office held dozens of public meetings in every part of town to listen and to learn. These forums ensured better transparency and increased confidence in our government.

The impact of this year's budget could have forced us to take a costly step backward. Instead, I think it will elevate our community to greatness. And, I am proud of our citizens, and all the city employees and administrators who have made it possible.

Sincerely,

A handwritten signature in black ink, appearing to read "John Peyton".

John Peyton, Mayor

OFFICE OF THE MAYOR
CITY HALL AT ST. JAMES, 117 WEST DUVAL STREET
JACKSONVILLE, FL 32202



Dear Friends,

In September, Jacksonville City Council voted to approve the budget outlined in this booklet. This budget represents a concerted effort by our government to maintain vital city services while adjusting to the effects of the global recession, an unsustainable pension program and a substantial loss in revenue due to state-imposed property tax cuts. I think this budget reflects some of our government's best work.

With this budget, the Mayor's Office and City Council have ensured that citizens of our great city will still have vital services and programs available to them, and that our residents' quality of life will not suffer because of budget adjustments. The Finance Committee is to be commended for doing an excellent job of further identifying potential savings in an especially challenging budget session.

In the upcoming year, I will continue steps to revisit and examine certain city departments where opportunities for improved efficiency may exist. And, I also look forward to robust community discussion on the following fiscal year's budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Clark", with a long, sweeping underline that extends to the right.

Richard Clark
City Council President

JACKSONVILLE CITY COUNCIL
CITY HALL AT ST. JAMES, 117 WEST DUVAL STREET
JACKSONVILLE, FL 32202

CITY SERVICES

Every day, city personnel provide vital services for the residents of this city, as well as additional services that make Jacksonville the kind of place that people want to live in. From public safety to roadway construction to park maintenance, city government strives not only to help residents meet their basic needs, but to enhance the overall quality of life for members of our community.

For instance, the Jacksonville Fire & Rescue Department employees who staff the city's 55 fire stations and 34 rescue units answer more than 128,000 calls for assistance each year. And, 72 percent of those calls are from citizens requiring emergency medical attention. Emergency services are just one kind of many that the city's 8,000-plus workforce provides Jacksonville residents.

City personnel at the Jacksonville Children's Commission served nearly 18,000 children last year by providing medical care, developmental services and early literacy programs. And, 80 percent of those children served were from families living in poverty.

Employees at the Main Library downtown and the 20 neighborhood branches of the Jacksonville Public Library circulated more than 9 million pieces of material to residents last year. These books and other educational and entertainment resources are provided at no charge to citizens.

Our Public Works department oversees the maintenance of more than 3,600 miles of roadway, 72,054 acres of parkland and 7.4 million square feet of public building space. Public Works staff also manages garbage pickup from more than 263,000 collection sites, and work hard to maintain an attractive and clean city for our citizens.

The staff at the city's Special Events Division provided cultural, sports and entertainment events last year that drew approximately 2 million visitors to the downtown area alone, benefiting area hoteliers, restaurant owners and vendors. Each year, the 40 or so events that Special Events employees put together create a local economic impact of around \$200 million. And more than that, they give Jacksonville residents a sense of community unlike anywhere else.

Jacksonville continues to make progress in its attempt to become the best city in the country to own a business and raise a family. And city employees and city services are a big part of that success. The work they do every day provides assistance to citizens who are most in need, and they add immeasurable benefits to the overall quality of life in Jacksonville.

FORM OF GOVERNMENT

The City of Jacksonville operates under a strong mayor-council form of government. This governmental structure is based upon distinct executive and legislative branches that are elected independently of each other, and provides for prescribed checks and balances, much like the federal government. In Jacksonville, the mayor is elected county-wide and serves as the chief executive of the government. The legislative branch is represented by the members of the Jacksonville City Council. There are 19 City Council members; 14 of them elected to represent distinct, geographical districts within the county and five who are elected at-large. Each councilmember must live within the district they represent, and the five at-large members must live within the at-large district they represent, even though all voters within the consolidated city/county may participate in their election. The mayor and City Council members are elected to four-year terms and are limited, by law, to two consecutive terms.

The mayor is responsible for the administration of the executive government, which includes eight business units. The mayor appoints the department directors and other senior officials, some of whom must be confirmed by the City Council.

The Jacksonville City Council enacts legislation to provide for the needs of the city. While the mayor is required to propose a city budget each year, the council is responsible for adopting the budget. The City Council elects from amongst its members a president and vice-president to conduct meetings and otherwise lead the legislative branch in the performance of its duties, and also hires its own staff to evaluate bills, conduct research and maintain records for the legislative branch. The City Council meets at 5 p.m. on the second and fourth Tuesday of each month in the council chambers on the first floor of City Hall at St. James. Citizens are encouraged to attend and participate in council meetings, and meeting agendas may be obtained online at www.coj.net or from the council secretary's office at City Hall (Suite 430) on the Friday before a meeting.

CITY COUNCIL MEMBERS

Richard Clark
President
District 3

Jack Webb*
Vice President
District 6

Clay Yarborough*
District 1

William Bishop**
District 2

Don Redman*
District 4

Art Shad
District 5

Dr. Johnny Gaffney*
District 7

E. Denise Lee*
District 8

Warren A. Jones
District 9

Reginald L. Brown
District 10

Ray Holt*
District 11

Daniel Davis
District 12

John Meserve
District 13

Michael Corrigan
District 14

Ronnie Fussell
Group 1 At-Large

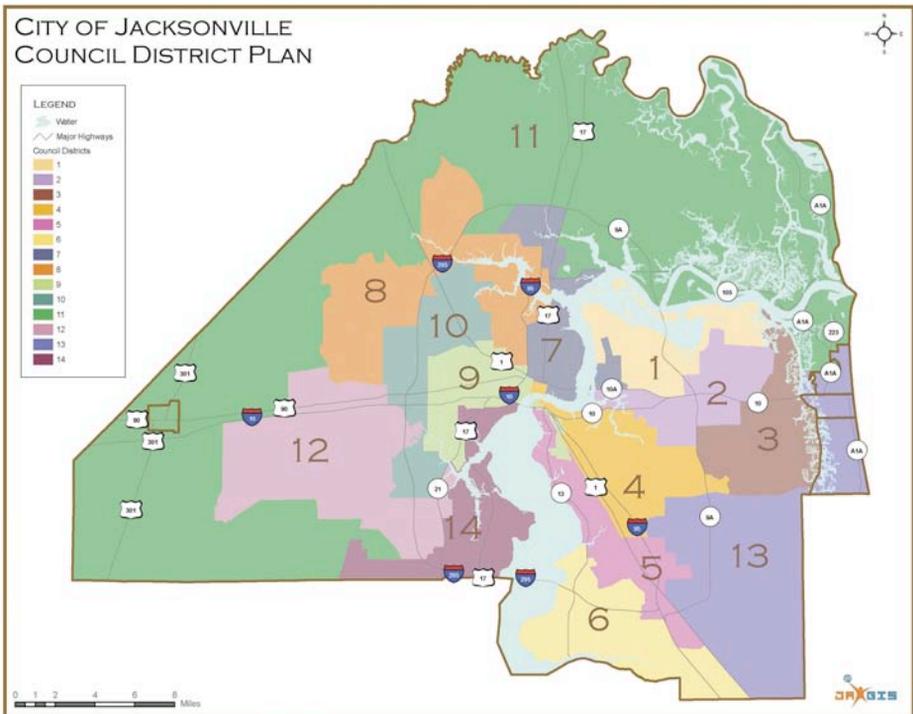
John R. Crescimbeni*
Group 2 At-Large

Stephen C. Joost***
Group 3 At-Large

Kevin Hyde
Group 4 At-Large

Glorious J. Johnson
Group 5 At-Large

***Chair, Finance Committee
**Co-Chair, Finance Committee
* Finance Committee member



BUDGETARY PROCESS

City departments and independent authorities submit budget requests to the City's Budget Division. After the departments and authorities work with the Budget staff on each plan, the proposals are formally presented to the Mayor's Budget Review Committee or MBRC.

The mayor, working with the MBRC, drafts the final budget and presents it to the City Council. The mayor shall submit the annual budget proposal for the general government to the Council by filing a copy with Legislative Services no later than July 15, unless the Council by resolution establishes another date. The budget is referred to the Council's finance committee, which conducts hearings on the proposed budget. Department heads, division chiefs and independent authority representatives discuss their plans with the finance committee. The finance committee, working with the Council Auditor and staff, may amend the proposed budget prior to its review before the full City Council. The City Council holds two public hearings on the proposed Budget, as amended, before its adoption. Citizens are invited to share their input with the Council during both Finance Committee and full Council meetings.

In accordance with the law, the final budget must be approved by the full Council prior to October 1, the first day of the city's fiscal year. Typically, the City Council votes on the budget during its last Council meeting in September, which falls on the fourth Tuesday each September.



FISCAL YEAR 2009-2010 BUDGET CALENDAR

January	Departments submit Capital Improvement Plan (CIP) forms with priority rankings
February	CIP submissions are reviewed and prioritized.
March	Information Technology Plan (ITP) Committee prepares priority list of IT projects.
March/April	Departments prepare and submit departmental budget requests to the Budget Office.
April	CIP and ITP are reviewed and recommended by MBRC.
April - May	Departmental Budget review meetings are held with the Budget Office.
May/June	The Mayor's Budget Review Committee reviews departmental budgets.
June	The Mayor reviews MBRC approved budget and makes final budget decisions.
July	Certifications of Taxable Value are received from the Property Appraiser.
July	The Mayor's Proposed Budget is presented to the City Council.
July/August	The mayor and City Council members held community budget meetings throughout the city to garner citizen input. City Council adopts proposed millage for Truth in Millage (T.R.I.M.) notice.
August	The Council Finance Committee and other standing committees review the Proposed Budget.
September	Two public hearings are held on both the proposed millage and the proposed budget at regular City Council meetings. After the final public hearing, the Millage Levy Ordinance and the Budget Ordinance, as amended, are adopted by the City Council. Both ordinances are then signed by the Mayor.
October	The new fiscal year begins.

In fiscal year 2010, the city will begin a robust, community-wide discussion regarding the fiscal year 2011 budget.

2009-2010 BUDGET HIGHLIGHTS

- The city's total assessed property value dropped by 6 percent in fiscal year 2010 from last year's level. In addition, state sales tax distributions are projected to be down 13 percent from fiscal year 2009.

- The city raised the millage rate for the first time in 17 years, from 8.4841 to the rolled-back rate of 9.2727. The rolled-back rate is the millage rate that will generate the same amount of property tax revenue in the current year as in the previous year from properties that were on the tax roll in the previous year. For the owner of a home with an assessed value of \$95,000, assuming no change in the assessed value from the previous year, the increase in property taxes would be about \$75.

- A total of \$61.9 million in expenses was cut from the general fund during the budget process. These savings include an overall reduction in operating costs and the elimination of 168 non-public safety positions, resulting in a savings of \$6.8 million for fiscal

year '10. Some of the other reductions include deferring the replacement of various city vehicles and building maintenance costs, a 20 percent reduction in training costs and an 18 percent reduction in travel costs.

- *The Jacksonville Journey* – a citizen-driven, anti-crime initiative, began its second year of operations but its first full year of funding in fiscal year 2009-10. A separate fund for *The Journey* will receive \$8.1 million from the general fund for various prevention and intervention programs. These include expanded early literacy programs, supervised after-school guidance and recreational programs and expanded activities during the summer. Also included are funds for juvenile crime prevention and programs that will help ex-offenders become productive citizens.

The Jacksonville Journey also provides funding in the general fund for enforcement activities. In addition to continued funding for the 80 police officers, 80 correctional officers and 23 emergency communication operators hired in fiscal year '09, funds have been allocated in the fiscal year '10 budget to hire an additional 44 correctional officers and 19 civilian support positions, including 7 technicians and 5 crime scene investigators. In addition, the Jacksonville Sheriff's Office also was awarded a \$9 million grant over three years to fund the salaries and benefits for 50 additional police officers, 40 of whom will be hired in fiscal year '10.

In total for fiscal year '10, the city will receive \$6.4 million in grants from various sources to help fund *Journey* activities.

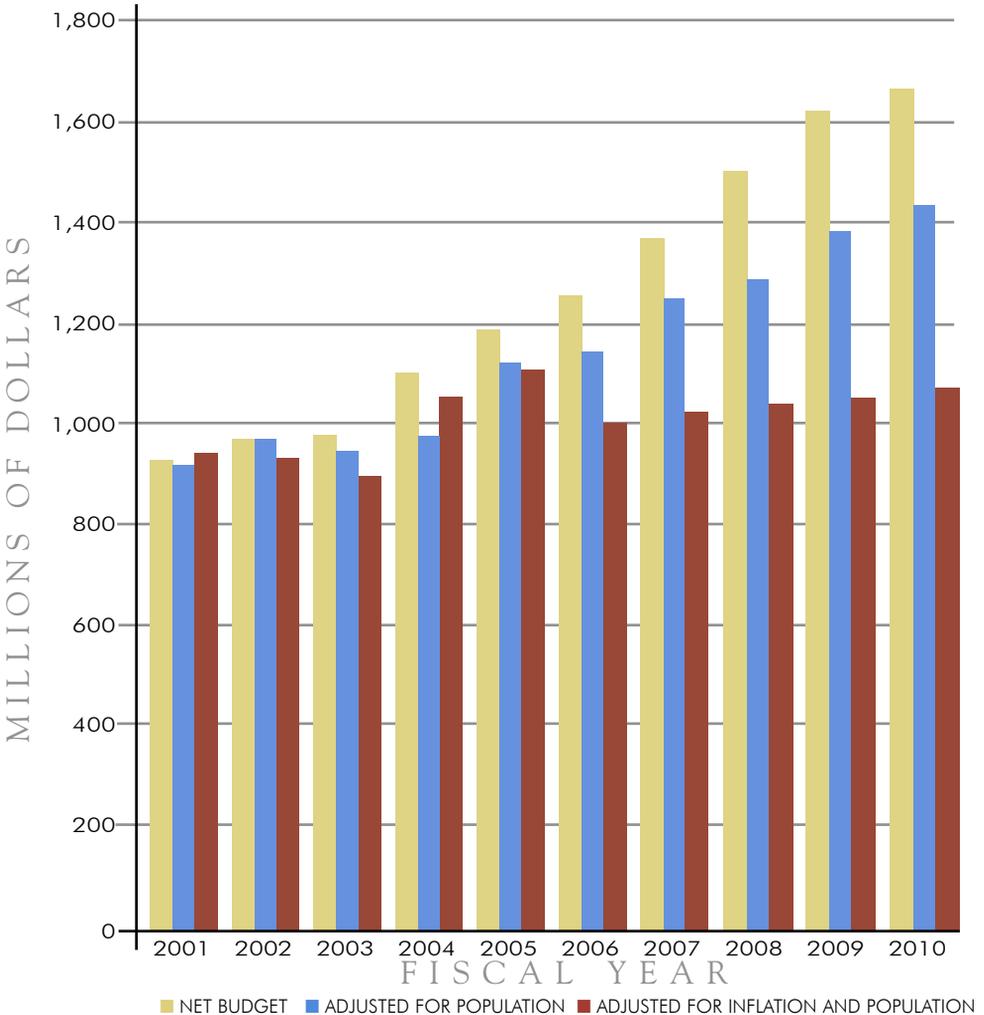


NET CITY BUDGET

Inter-fund transfers and the cost of services provided by one division to another division of government (internal service costs) can overstate the true overall cost of providing services in the budget. Transfers are dollars in the budget that are moved from one fund to another fund. This movement of dollars between funds does not reflect any additional spending on programs or projects, but the total budget figures would count these as expenditures within both of these funds, resulting in a degree of double counting. The graph on this page and the Comparative Budget Summary on the following pages are presented on a net basis and present a truer picture of the actual size of Jacksonville's budget, by adjusting for those items which are double counted.

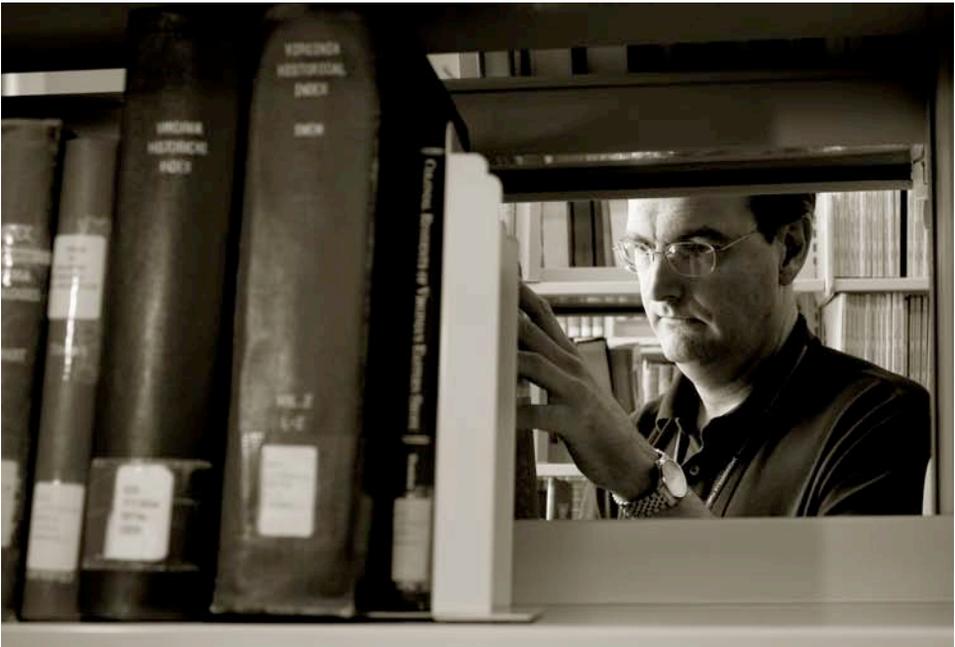
As shown below, the net budget of the city has increased from \$933.5 million in fiscal year '01 to \$1.679 billion for fiscal year '10. However, adjusting for inflation during the period, the fiscal year '10 budget would be equivalent to a budget in fiscal year '01 of \$1.349 billion. When also taking into account the population growth during the same period, the fiscal year '10 budget is equivalent to a budget of \$1.137 billion in fiscal year '01..

NET CITY BUDGET



**NET CITY BUDGET SUMMARY FOR THE
2009-2010 FISCAL YEAR (excluding fund-to-fund transfers)**

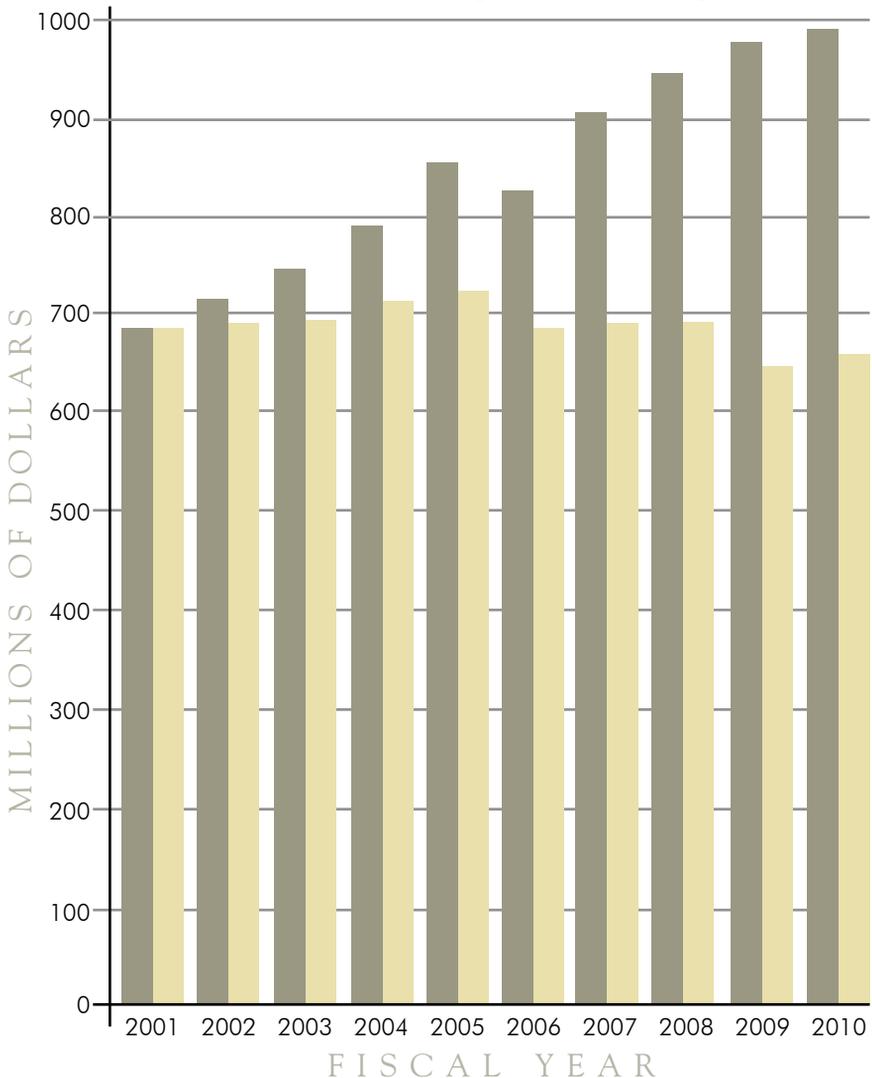
	2009-2010 Budget	% of Total Budget
General Fund	891,099,587	53.06
Capital Project Fund	127,229,151	7.58
Special Revenue Funds	368,343,804	21.93
Enterprise Funds	152,728,576	9.09
Internal Service Funds	127,086,881	7.57
General Trust and Agency Funds	809,840	0.05
Component Unit	12,077,342	0.72
Total City of Jacksonville	\$1,679,375,181	100



GENERAL FUND GENERAL SERVICES DISTRICT

The General Fund - General Services District represents the major component of the City's budget and includes most basic municipal services and those which are not required to be accounted for in another fund. Aside from special revenue funds and trust funds, which have been established to account for revenue which is restricted to special uses, virtually all of the City's revenue from taxes, licenses, state-shared revenue distributions and charges for municipal services are accounted for in the General Fund. Revenue streams in the General Fund may have some limitations imposed on them, however most may be appropriated for any lawful purpose.

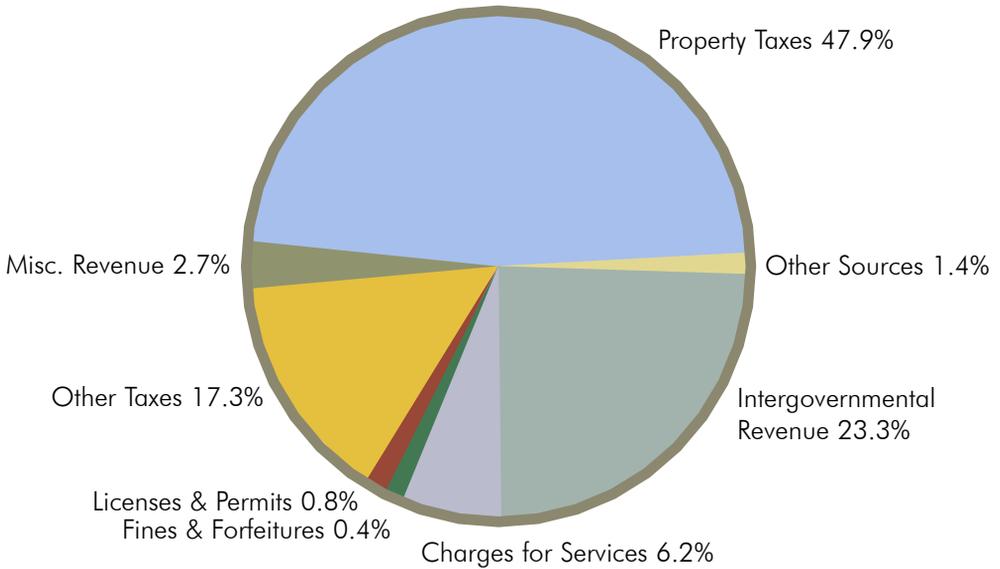
General Fund Budget - GSD Budget



- GENERAL FUND BUDGET
- ADJUSTED FOR INFLATION AND POPULATION

GENERAL FUND REVENUES

by Category

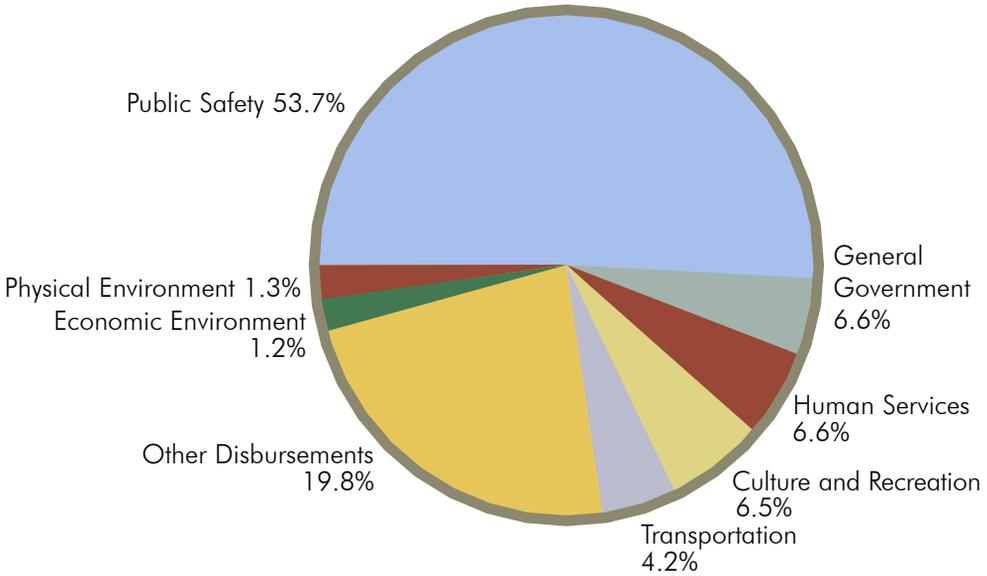


General Fund - GSD Revenues	FY 2010 Adopted	Percent of Total
Property Taxes	470,085,407	47.9%
Other Taxes	170,032,602	17.3%
Licenses & Permits	8,067,732	0.8%
Intergovernmental Revenue	228,809,516	23.3%
Other Sources	13,392,273	1.4%
Charges for Services	60,796,657	6.2%
Fines & Forfeitures	4,150,663	0.4%
Miscellaneous Revenue	26,165,563	2.7%
	981,500,413	100.0%

For more detailed information about general fund revenues please see the Annual Budget Book for fiscal year '10.

GENERAL FUND EXPENDITURES

by Category



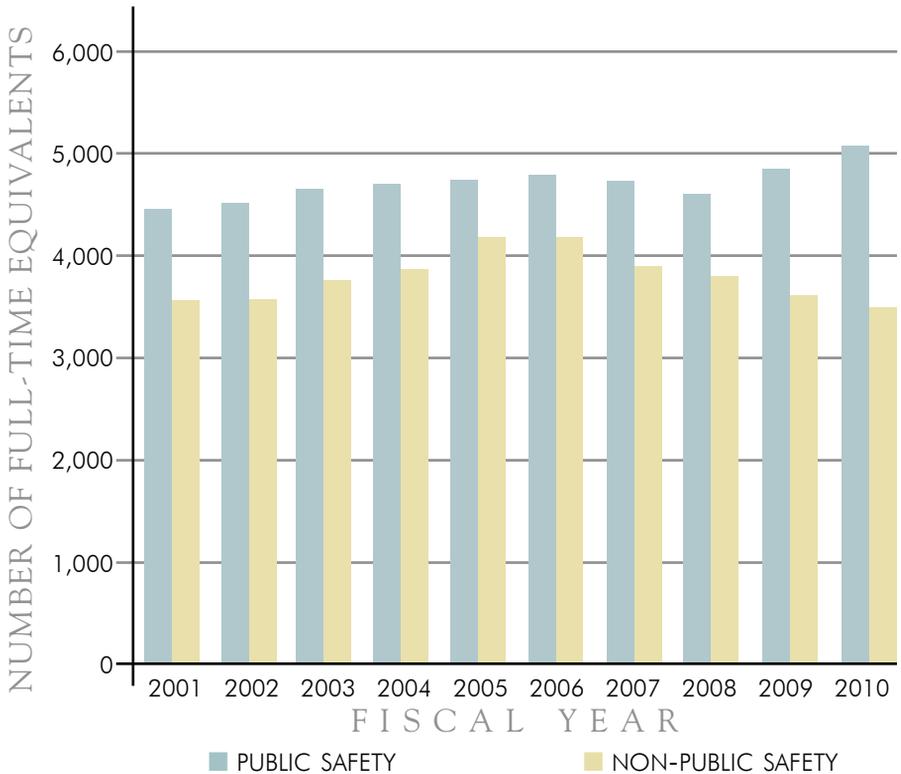
General Fund - GSD Expenditures	FY 2010 Adopted	Percent of Total
General Government	64,832,828	6.6%
Public Safety	527,244,928	53.7%
Physical Environment	12,732,117	1.3%
Transportation	41,712,732	4.2%
Human Services	64,994,938	6.6%
Culture and Recreation	63,753,948	6.5%
Economic Environment	11,645,000	1.2%
Other Disbursements	199,583,922	19.8%
	981,500,413	100.0%

For more detailed information about general fund expenditures please see the Annual Budget Book for fiscal year '10.

PUBLIC SAFETY VS. NON-PUBLIC SAFETY STAFFING

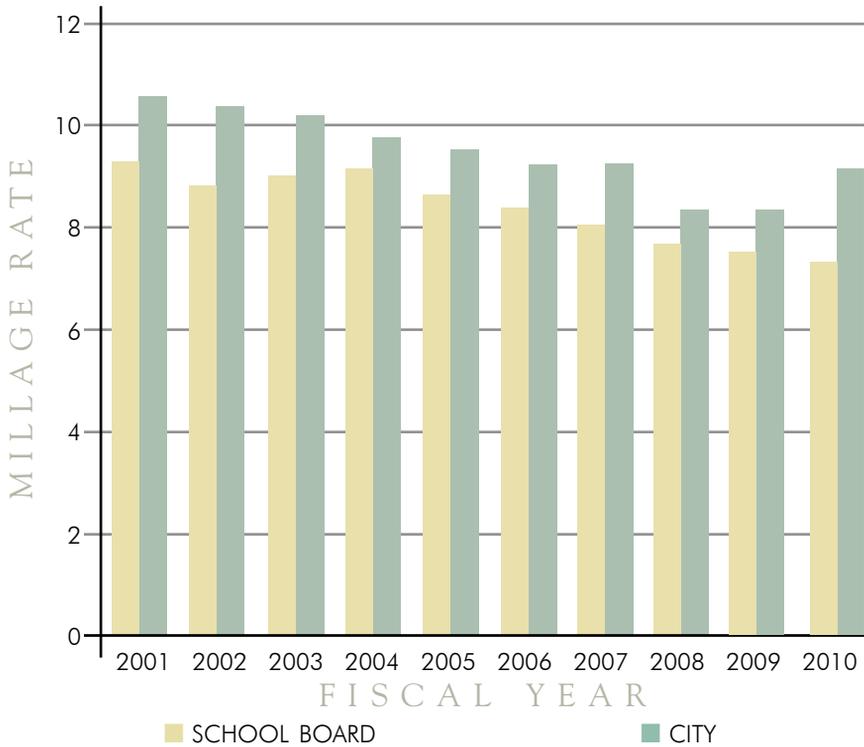
(full-time equivalents)

Fiscal Year	Public Safety	Non-Public Safety	Total
2001	4,412	3,607	8,019
2002	4,480	3,604	8,084
2003	4,646	3,705	8,351
2004	4,690	3,878	8,568
2005	4,696	4,166	8,862
2006	4,650	4,164	8,814
2007	4,630	3,969	8,599
2008	4,625	3,960	8,585
2009	4,886	3,760	8,646
2010	5,064	3,630	8,694



CITY AND SCHOOL BOARD MILLAGE RATE TRENDS

(last 10 fiscal years)



MILLAGE RATES

(last 10 fiscal years)

Fiscal Year	Other	School Board	City	Total
2001	0.5130	9.2580	10.5723	20.3433
2002	0.5006	8.8720	10.3675	19.7401
2003	0.5005	8.9200	10.1842	19.6047
2004	0.5005	9.0510	9.8398	19.3913
2005	0.5005	8.5650	9.6879	18.7534
2006	0.5005	8.4250	9.6500	18.5755
2007	0.5005	8.0420	9.6400	18.1825
2008	0.4503	7.7550	8.4841	16.6894
2009	0.4503	7.5610	8.4841	16.4954
2010	0.4503	7.5820	9.2727	17.3050

AD VALOREM TAXES

Notice of ad valorem taxes and non-ad valorem assessments

2009 Real Estate Tax - Duval County, City of Jacksonville

Ad Valorem (Property) taxes are levied against real estate and certain personal, non-real estate property held for commercial or investment purposes. Properties are appraised at just (market) value, which for 2009 will be the same as the assessed value for non-homesteaded properties. For homesteaded properties, the assessed value is often different from the just (market) value since assessed value is limited to a maximum 3% growth each year. In addition, tax exemptions can lower a property's value for tax purposes. These exemptions are subtracted from the assessed value to determine the taxable value of the property.

Florida Statute 196.031(1)(a) provides a Homestead Exemption to permanent residents of the county and excludes the first \$25,000 of appraised value. Florida Statute 196.031(1)(b) provides an additional \$25,000 homestead exemption for properties with an assessed value of greater than \$50,000 and up to \$75,000 for non-school levies. The notice of Ad Valorem taxes that is mailed to property owners of record in Duval County incorporates a millage rate made up of six components. Millage is an expression of the tax rate in dollars per thousand dollars of taxable value levied (1 mill equals \$1 per \$1,000 of taxable value).

The components of the 2009 ad valorem tax bill are as follows:

MILLAGE RATE	TAXING AUTHORITY
9.2727	Represents the operating millage levied by the consolidated County/City of Jacksonville and goes toward providing basic services such as public safety, streets and drainage and recreation;
5.0840	Represents the local effort required of the Duval County School Board by the state;
2.4980	Is made up of discretionary millage of 0.748 and 1.750 mills for district local capital improvement of the Duval County School board
0.0345	Levy by the Florida Inland Navigation District;
0.4158	Millage levied by the St. Johns River Water Management District;
TOTAL MILLAGE	
17.3050	

AD VALOREM TAXES

AD VALOREM TAXES			
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	JUST (MARKET) VALUE \$185,800
COUNTY	9.2727	421.84	TAXABLE VALUE CALCULATION
SCHOOL SL	5.0840	358.39	ASSESSED VALUE: \$95,495
SCHOOL LB	2.4980	176.09	EXEMPT VALUE: <u>\$50,000</u>
FL INLAND	0.0345	1.57	TYPE: HX
WATER MGT	0.4158	18.92	TAXABLE VALUE: <u>\$45,493</u>
			SCHOOL TAXABLE VALUE: \$70,493
TOTALS	17.3050	976.81	

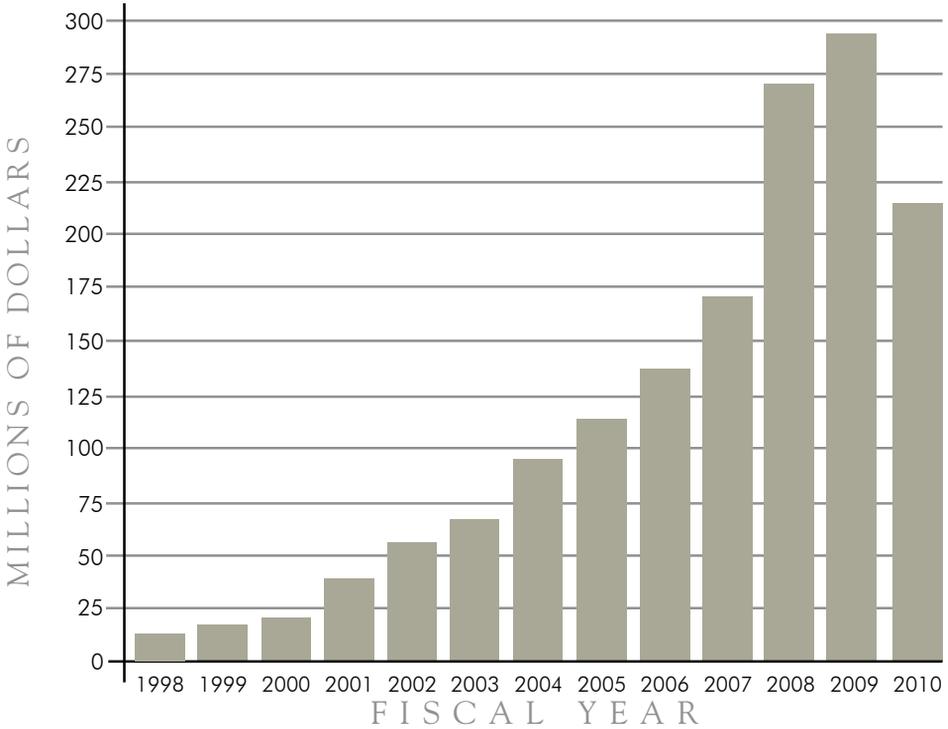
NON-AD VALOREM ASSESSMENTS						
<u>AUTHORITY</u>	<u>PURPOSE</u>	<u>RATE</u>	<u>AMOUNT</u>			
IF PAID IN:	NOV - 4% DISC	DEC - 3% DISC	JAN - 2% DISC	FEB - 1% DISC	MAR-GROSS AMT	APR-DELQ AMT4%
AMOUNT DUE	937.73	947.50	957.27	967.04	976.81	1,015.88

sample of an ad valorem tax notice

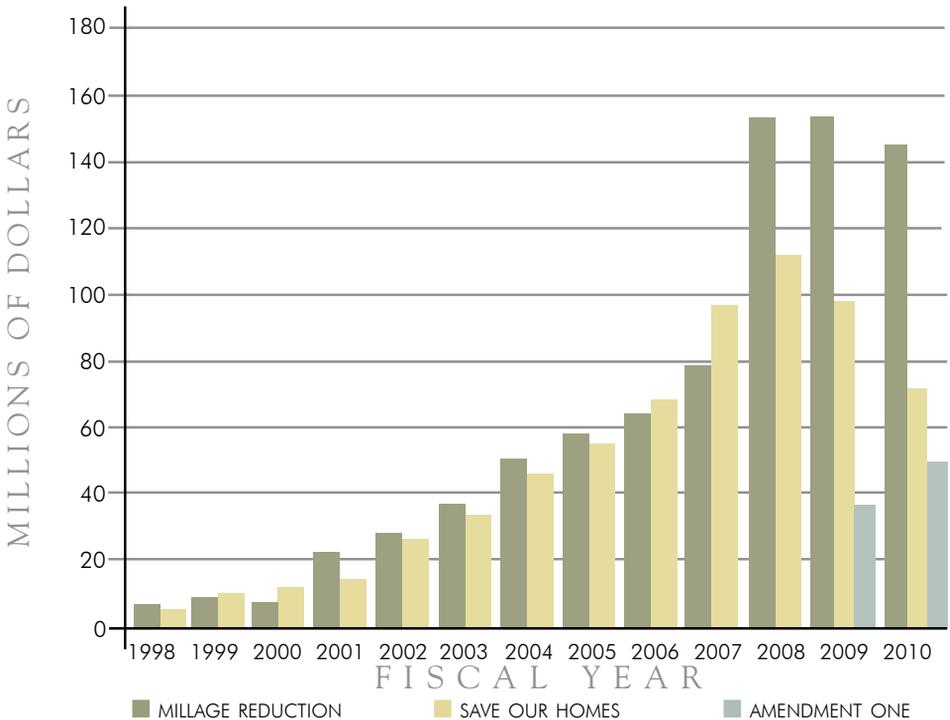
COMPARATIVE TAX RATES AND FEES

	Orlando Orange Co.	Tampa Hillsborough Co.	St. Petersburg Pinellas Co.	Miami Dade Co.	Jacksonville Duval Co.
Millage					
Operations	10.1247	11.4749	10.7233	12.5119	9.2727
School	7.6730	7.6920	8.3460	7.5330	7.5820
Water Mgt.	0.4158	0.6287	2.7333	0.5346	0.4158
Library	0.3748	0.5583	0.4437	0.3822	-
Debt Service	-	-	-	1.1293	-
F.I.N.D.	-	-	-	0.0345	0.0345
Transit	-	0.4682	0.5601	-	-
Children's	-	0.5000	0.7915	0.4212	-
Planning	-	-	0.0125	0.0894	-
Port	-	0.1925	-	-	-
Rescue	-	-	0.5832	-	-
TOTAL	18.5883	21.5146	24.1936	22.6361	17.3050
Sales Tax	6.5%	7.0%	7.0%	7.0%	7.0%
Gas Tax	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
Garbage Fee (Monthly)	\$15	\$25	\$22	\$30	\$4
Electric (1,000 Kwh Monthly)	\$120	\$111	\$120	\$111	\$120
Water/Sewer (7,000 gals Monthly)	\$95	\$49	\$108	\$70	\$62
Impact Fees	\$18,511	\$5,316	\$1,517	\$5,440	\$0

TOTAL ANNUAL AD VALOREM SAVINGS



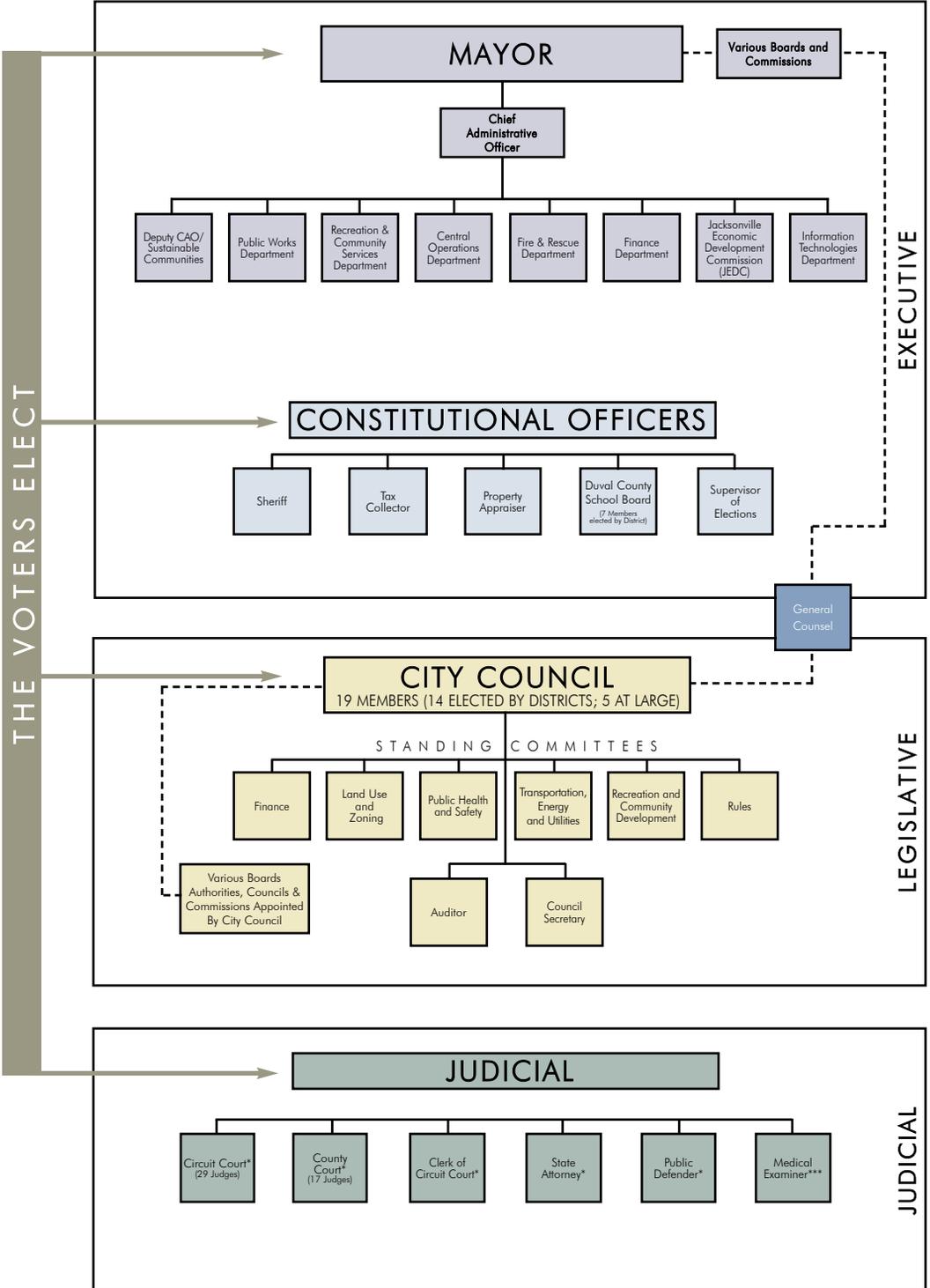
ANNUAL AD VALOREM SAVINGS



The City of Jacksonville has reduced the Ad Valorem rate by 25.0 percent over the past thirteen years. Further, the State Save Our Homes cap, which limits assessment increases to 3 percent per year, provides additional savings to taxpayers. Beginning in 2009, Amendment One increased the homestead exemption on non-school property taxes, for assessed values over \$50,000.

ORGANIZATIONAL CHART

CITY OF JACKSONVILLE, FLORIDA



SUPPLEMENTAL INFORMATION

Census History

Year	Jacksonville	Duval County	Jacksonville SMSA*
1900	28,429	39,733	64,187
1910	57,699	75,163	105,012
1920	92,588	113,540	143,562
1930	129,549	155,503	190,413
1940	173,065	210,143	247,449
1950	204,517	304,029	356,161
1960	201,030	455,411	522,169
1970	504,265**	528,865	612,585
1980	540,920	571,003	722,252
1990	635,230	672,971	906,725
2000	735,617	778,879	1,100,491

* The Jacksonville SMSA (Standard Metropolitan Statistical Area), includes Clay, Duval, Nassau, and St. Johns Counties; for comparative purposes, prior years' history has been correspondingly restated.

**Reflects consolidation in 1968.

Area:840.1 square miles

Prime Osborn Convention Center:

Convention Center	.....265,000 sq. ft.
Exhibit Hall	.....78,500 sq. ft.
Ballroom	.....10,000 sq. ft.
Grand Lobby	.....10,000 sq. ft.
Courtyard	.....11,000 sq. ft.

Times Union Center for the Performing Arts

Moran Theater	.....3,000 seats
Jacoby Concert Hall	.....1,800 seats
Terry Theater	.....600 seats

Jacksonville Veterans Memorial Arena

Seating Capacity14,300 seats
------------------	-------------------

Baseball Grounds at Jacksonville

Seating Capacity10,000 seats
------------------	-------------------

Jacksonville Municipal Stadium

Football Seating Capacity	.....76,767 seats
Football Seating Capacity (with temporary seating)	.....82,209 seats
Concert Seating Capacity	.....60,300 seats



DEPARTMENT OF FINANCE
117 WEST DUVAL STREET, SUITE 325
JACKSONVILLE, FL 32202

WWW.COJ.NET