

Celebrating 40 Years of Consolidation

CITY OF JACKSONVILLE, FLORIDA
BUDGET IN BRIEF
FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 2009

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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,

More than 40 years after Consolidation, Jacksonville's taxpayers are still reaping the benefits of a streamlined and efficient government. As we enter our fifth decade of consolidated government, it is my pleasure to provide you with the 2009 Budget in Brief. This guide outlines our city's short-term future and provides an overview of the services we provide and our plan to pay for them.

This budget, approved in September 2008, provides for the core functions of government, supports economic growth and jobs for our citizens, and funds efforts to improve the health of the St. Johns River. Most importantly, it invests significantly in Jacksonville's war on crime.

The more than \$30 million allocated to new public safety funding will put additional police officers on the street. It will also aid in creating positive after-school and summer programs for youth and job opportunities to help ex-offenders become contributing members of our community.

While public safety remains our top priority, we are also redoubling our efforts to preserve our natural resources and grow jobs and economic opportunity. We are committed to restoring the health of the St. Johns River. Along with our partners in The River Accord, we will invest \$700 million over the next ten years to restore the health of the lower St. Johns. In addition, we are actively pursuing a number of economic development opportunities that are bringing jobs to our people and increasing Jacksonville's stature in the global marketplace.

I hope this document and the city services you receive this year demonstrate my strong commitment to being the best possible steward of your tax dollars. Thank you for your interest in the government of our great city.

Sincerely,

A handwritten signature in blue ink, which appears 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,

The Jacksonville City Council voted in September 2008 to approve a budget that makes historic investments to improve the quality of life in our city while maintaining a conservative approach and living within our means. The details of that budget are highlighted throughout this booklet. Achieving a balanced budget involves countless hours of dedicated work by the City Council Finance Committee, the Council Auditor's Office, the Mayor's Office and staff members throughout city government. All are dedicated to providing you with the highest level of service at the lowest possible cost.

This budget reflects an unprecedented \$31 million investment in crime prevention, intervention and rehabilitation. It is the most aggressive crime fighting effort Jacksonville has seen since Consolidation, and it will help make our neighborhoods and our citizens safer.

We have also committed to bolstering our local economy and creating jobs for the hard-working people in our community. Over the past year, national and international companies have made Jacksonville their home, and we expect even more growth as we expand our global reach through our ports, including Cecil Commerce Center.

This year's budget process was a success thanks to the collaboration of the council, the administration and the citizens of Jacksonville. I am pleased to see us come together and take steps toward a brighter future for our city.

Sincerely,

A handwritten signature in blue ink, which appears to read "Ronnie Fussell". The signature is written in a cursive style.

Ronnie Fussell
City Council President

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

CONSOLIDATION

The consolidation of the Jacksonville city government and the Duval County government was initiated to achieve lower taxes, increased economic development, unification of the community, better public spending and effective administration by a more central authority.

A referendum to consolidate the county and city governments within Duval County was held on Aug. 8, 1967, and voters hoping to cut duplication, increase efficiency and restore confidence in municipal government approved the plan by a two-to-one margin. Only the small municipalities of Atlantic Beach, Baldwin, Jacksonville Beach and Neptune Beach voted not to join the consolidated government. The four separate communities, which comprise only six percent of the total county population based on the 2000 Census, provide most of their own municipal services.

On Oct. 1, 1968, the governments merged to create the Consolidated City of Jacksonville. The day was highlighted by a parade and fireworks that attracted 200,000 people. The new city limits covered an area of 841 square miles, 20 times its former size. Overnight, Jacksonville became the largest city in land area in the entire world – a record it held for many years until sparsely populated Juneau, Alaska, annexed itself into the record book.



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, all of whom must be confirmed by the city council. The mayor also has veto authority over legislation passed 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 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 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

Ronnie Fussell
President
Group 1 At-Large

Richard Clark
Vice President
District 3

Clay Yarborough*
District 1

William Bishop
District 2

Don Redman
District 4

Art Shad
District 5

Jack Webb*
District 6

Dr. Johnny Gaffney
District 7

E. Denise Lee
District 8

Warren A. Jones*
District 9

Mia Jones
District 10

Ray Holt
District 11

Daniel Davis**
District 12

Art Graham*
District 13

Michael Corrigan***
District 14

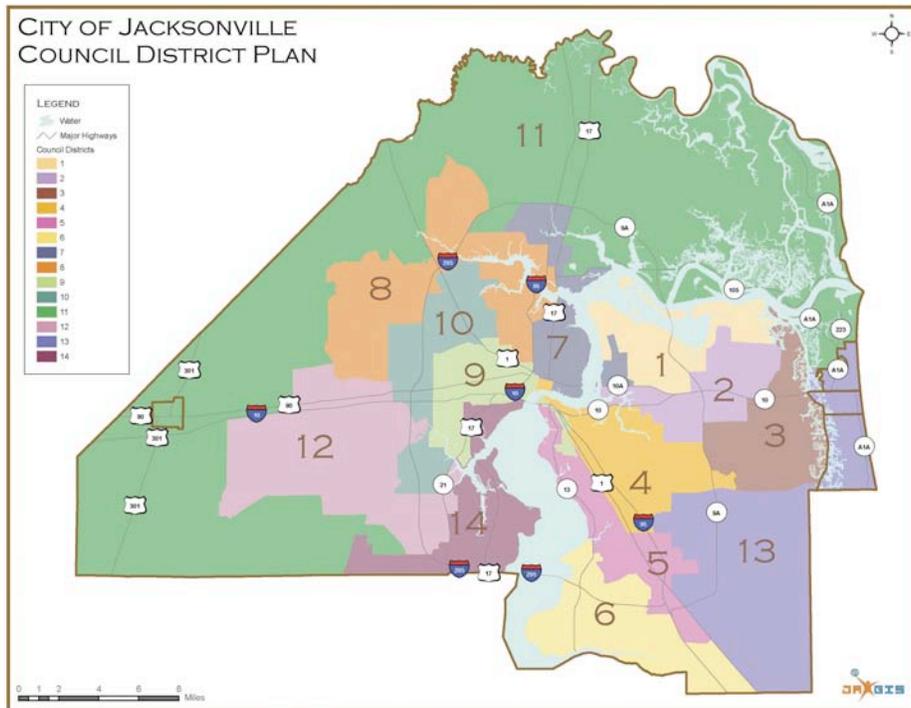
Vacant
Group 2 At-Large

Stephen C. Joost*
Group 3 At-Large

Kevin Hyde
Group 4 At-Large

Glorious Johnson
Group 5 At-Large

***Chair, Finance Committee
**Vice 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 at the first council meeting in July. 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 sets 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 Oct. 1, the first day of the city's fiscal year. Typically, the city council votes on the budget during its last council meeting, which falls on the fourth Tuesday of September.



BUDGET CALENDAR

January	Departments submit Capital Improvement Plan (CIP) forms with priority rankings
February	CIP Scoring Committee prepares priority list of projects
March	Information Technology Plan (ITP) Committee prepares priority list of IT projects
April	Submission of departmental budget requests to the budget office
April	CIP and ITP reviewed and recommended by MBRC
April/May	Departmental budget review with the budget office
May	The MBRC meets to review departmental budgets
June	Review of MBRC approved budget with the mayor culminating with final budget decisions by the mayor
July	Certifications of taxable value received from the Property Appraiser's Office
July	The mayor's proposed budget is presented to the city council
July/August	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

2008-2009 BUDGET HIGHLIGHTS

- For fiscal year 2009, the city held the millage rate of 8.4841 constant from fiscal year 2008. Combined with the additional homestead exemption of \$25,000 provided by the passage of Amendment One, this reduced property taxes for the owner of a homesteaded property with an assessed value of \$125,000 by \$180 in the current fiscal year.

- *The Jacksonville Journey* is a major anti-crime initiative that has been launched to focus on crime prevention as well as boosting law enforcement efforts. *The Jacksonville Journey* provides another \$16 million toward keeping children safe and involved in positive activities, including expanded early literacy programs, supervised after-school guidance and recreational programs and expanded activities during the summer. Capital dollars are provided to reopen closed community centers within the city as well. Another portion of this \$16 million is dedicated to expand existing juvenile crime prevention programs. In addition, the FY09 budget allocates more than \$1.5 million for programs that will help ex-offenders make the transition to being productive citizens again.

As noted above, *The Jacksonville Journey* provides funding for increasing the police presence within the community. Almost \$11 million has

been allocated in the FY09 budget to hire 80 police officers, 80 correctional officers and 23 emergency communications operators. In addition, almost \$1 million has been set aside to eliminate crime havens with non-police resources. Finally, approximately \$1.7 million will be used to make safety improvements near commercial areas.

- Two new rescue units will be added in the Fire and Rescue Department as well as staffing needed for deploying an additional ladder truck. In addition, a much-needed new radio system for the Sheriff's Office and the Fire Department will be funded in the FY09 budget.

- Operational expenses in the Fleet Management Division's budget will be reduced by \$1.6 million. Part of this savings will be realized by utilization of electric vehicles and other measures to reduce the consumption of petroleum-based fuels. Other savings include \$2.8 million in Information Technology operating expenses and reductions in insurance premiums of \$2 million as the result of positive claim experience.

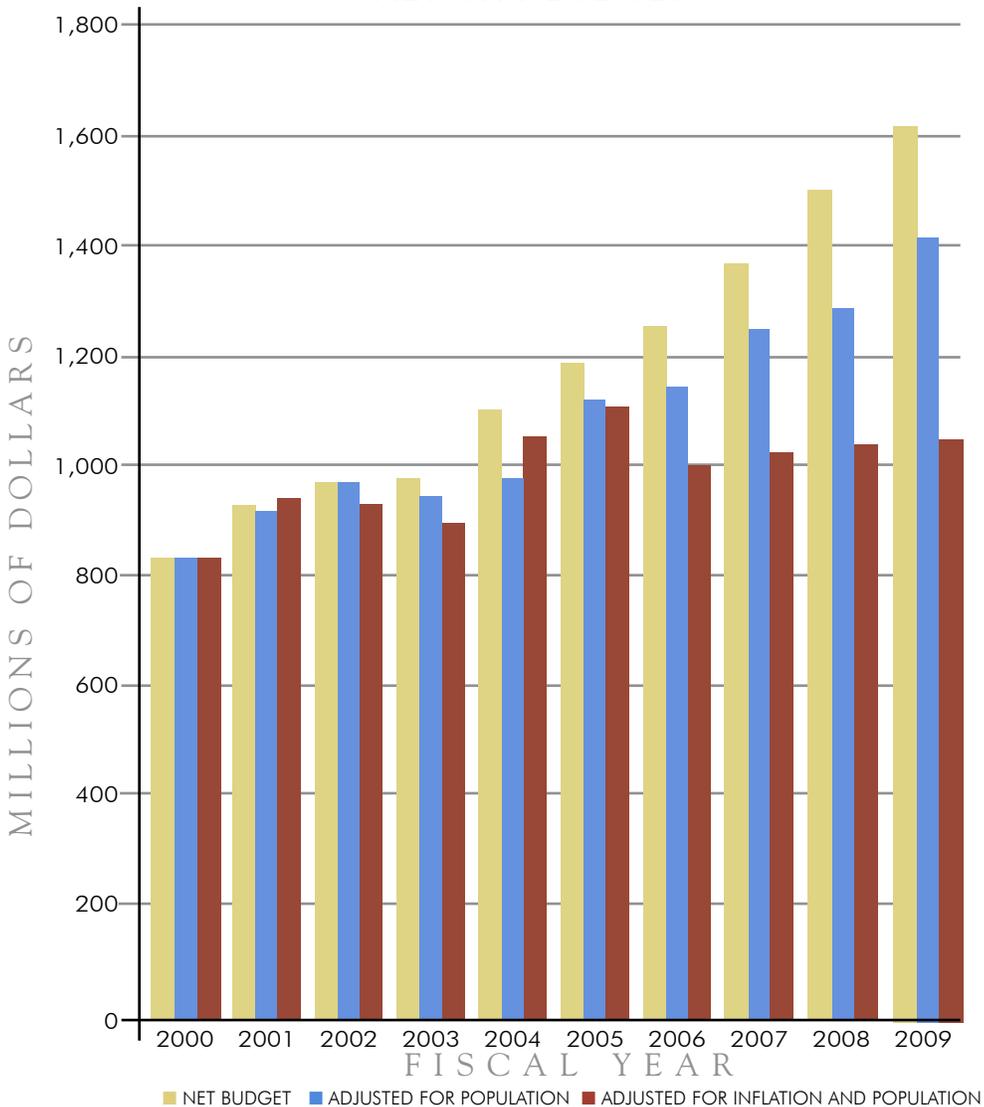
- Eliminated 101 non-public safety positions in a continuing effort to reduce costs and right-size the government.

NET CITY BUDGET

Total budget figures overstate the actual size of the budget by double-counting items such as the cost of services provided by one division to another and interfund transfers. Transfers are dollars moved within the budget and the accounting system between funds. This movement of dollars between funds does not reflect any additional spending on programs or projects. 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 may be seen, the net budget of the city has increased from \$834.5 million in fiscal year 2000 to \$1.62 billion for the fiscal year 2009. However, adjusting for inflation during the period, the current budget in constant dollars is \$1.24 billion. When also taking into account the population growth during the same period, the budget is equivalent to a budget of \$1.077 billion in 2000.

NET CITY BUDGET



**NET CITY BUDGET SUMMARY FOR THE
2008-2009 FISCAL YEAR** (excluding fund-to-fund transfers)

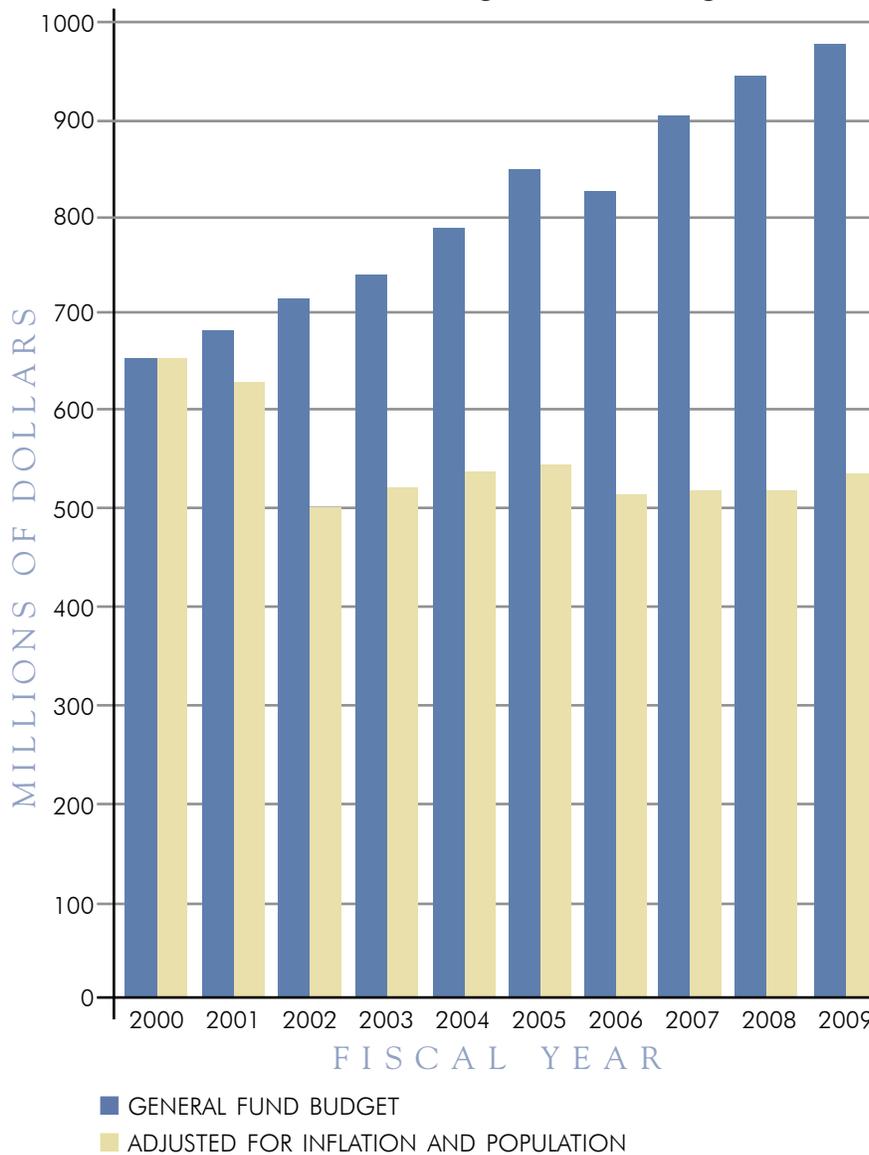
	2008-2009 Budget	% of Total Budget
General Fund - GSD	912,445,684	56.33
General Fund - Mosquito Control State I	380,460	0.02
General Fund - Clerk of Court	4,291,444	0.26
Capital Project Fund	115,631,336	7.14
Special Revenue Funds	279,920,233	17.28
Enterprise Funds	162,710,701	10.04
Internal Service Funds	130,474,781	8.05
General Trust and Agency Funds	965,000	0.06
Component Unit	13,333,538	0.82
Total City of Jacksonville	\$1,620,153,177	100



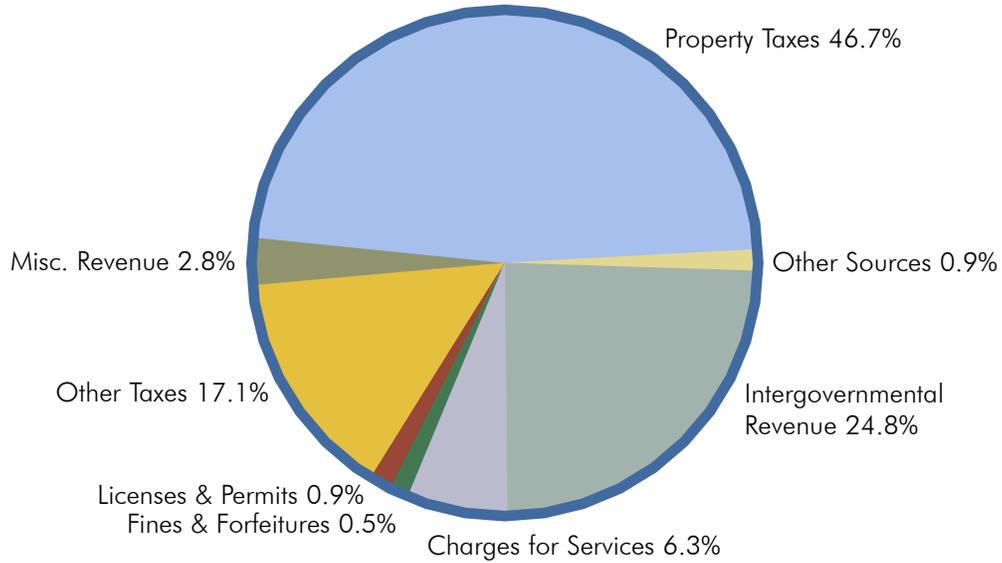
GENERAL FUND GENERAL SERVICES DISTRICT

The General Fund - General Services District represents the major component of the city's budget and includes the 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 that 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



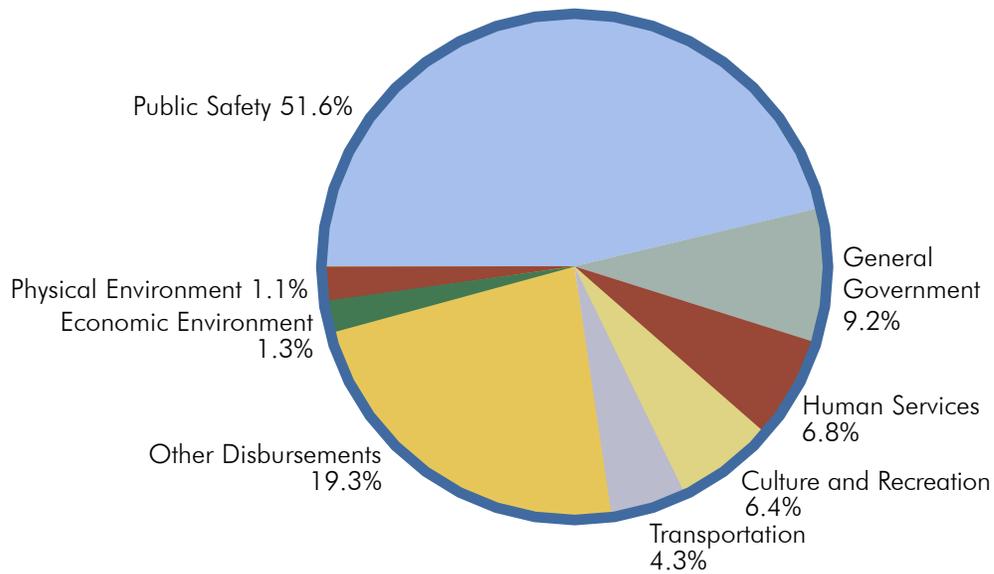
GENERAL FUND REVENUES by Category



General Fund Revenues	FY 2009 Adopted	Percent of Total
Property Taxes	454,048,661	46.7%
Other Taxes	165,871,575	17.1%
Licenses & Permits	8,583,947	0.9%
Intergovernmental Revenue	241,262,312	24.8%
Other Sources	8,826,493	0.9%
Charges for Services	60,726,152	6.3%
Fines & Forfeitures	4,696,846	0.5%
Miscellaneous Revenue	27,425,503	2.8%
	971,441,489	100.0%

GENERAL FUND EXPENDITURES

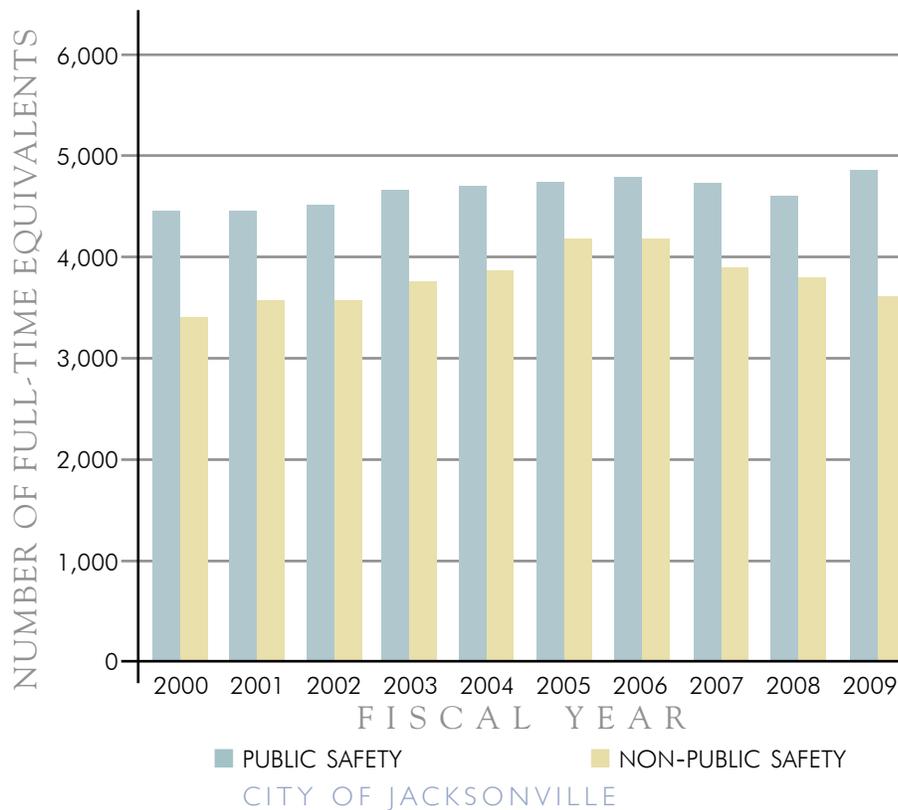
by Category



General Fund Expenditures	FY 2009 Adopted	Percent of Total
General Government	89,375,859	9.2%
Public Safety	500,967,128	51.6%
Physical Environment	10,790,482	1.1%
Transportation	41,445,564	4.3%
Human Services	65,645,162	6.8%
Culture and Recreation	61,831,179	6.4%
Economic Environment	12,492,698	1.3%
Other Disbursements	188,893,417	19.3%
	971,441,489	100.0%

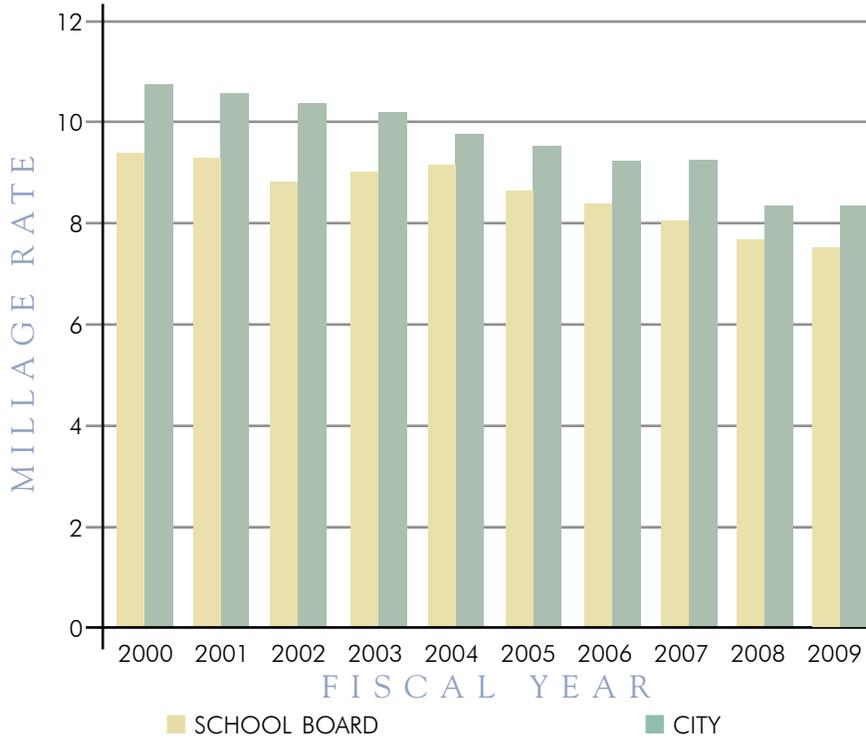
PUBLIC SAFETY VS. NON-PUBLIC SAFETY STAFFING (full-time equivalents)

Fiscal Year	Public Safety	Non-Public Safety	Total
2000	4,355	3,473	7,828
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



CITY AND SCHOOL BOARD MILLAGE RATE TRENDS

(last 10 fiscal years)



MILLAGE RATES

(last 10 fiscal years)

Fiscal Year	Other	School Board	City	Total
2000	0.5260	9.3660	10.7861	20.6781
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

AD VALOREM TAXES

Notice of ad valorem taxes and non-ad valorem assessments

2008 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 2008 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 percent 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 2008 ad valorem tax bill are as follows:

MILLAGE RATE	TAXING AUTHORITY
8.4841	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;
5.1120	Represents the local effort required of the Duval County School Board by the state;
2.4490	Is made up of discretionary millage of 0.6990 and 1.7500 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	
16.4954	

AD VALOREM TAXES

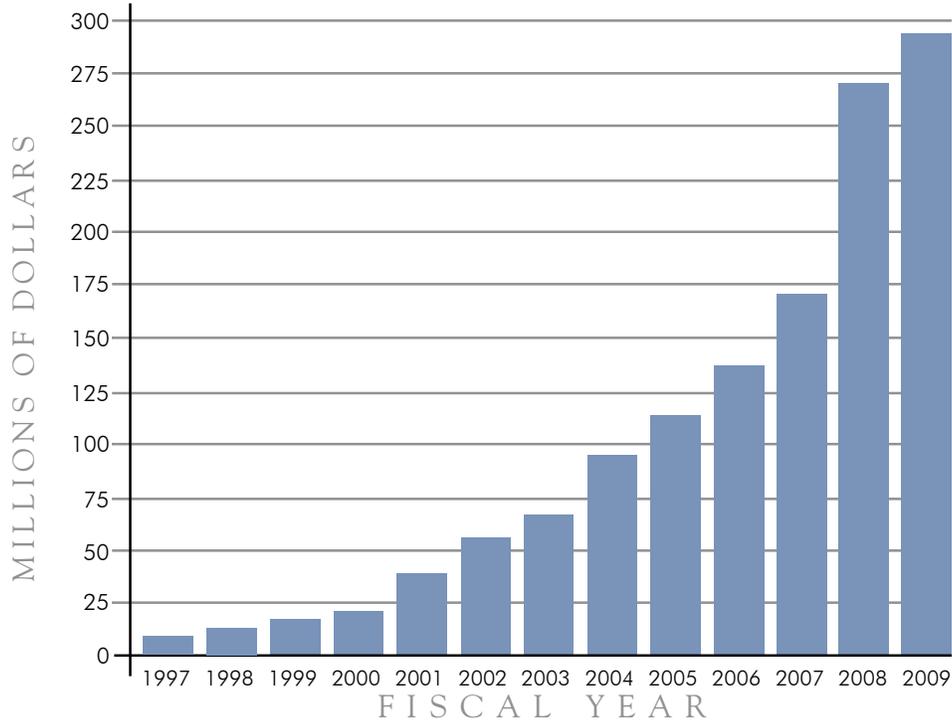
AD VALOREM TAXES						
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	JUST (MARKET) VALUE \$193,038			
			TAXABLE VALUE CALCULATION			
COUNTY	8.4841	765.72	ASSESSSED VALUE: \$140,254			
SCHOOL SL	5.1120	461.38	EXEMPT VALUE: <u>\$50,000</u>			
SCHOOL LB	2.4490	221.03	TYPE: HX			
FL INLAND	0.0345	3.11	TAXABLE VALUE: <u><u>\$90,254</u></u>			
WATER MGT	0.4158	37.53				
TOTALS	16.4954	1,488.77				
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 AMT 4%	
AMOUNT DUE 1,429.22	1,444.11	1,459.00	1,473.89	1,488.77	1,548.33	

sample of an ad valorem tax notice

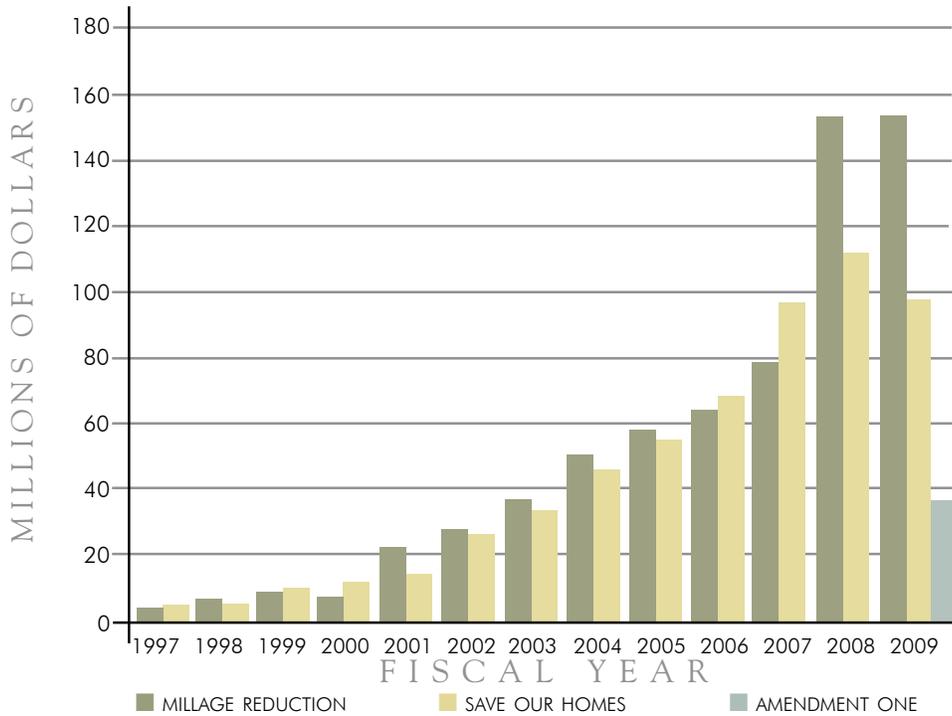
COMPARATIVE TAX RATES AND FEES

	Orlando Orange Co.	Tampa Hillsborough Co.	St. Petersburg Pinellas Co.	Miami Dade Co.	Jacksonville Duval Co.
Millage					
Operations	10.0847	11.5849	10.7855	12.5473	8.4841
School	7.1500	7.7770	8.0610	7.5330	7.5610
Water Mgt.	0.4158	0.6413	3.3148	0.5346	0.4158
Library	0.3748	0.5583	-	0.3842	-
Debt Service	-	-	-	1.1293	-
F.I.N.D.	-	-	-	0.0345	0.0345
Transit	-	0.5000	0.5601	-	-
Children's	-	0.5000	0.7915	0.4212	-
Planning	-	-	0.0170	0.0894	-
Port	-	0.1950	-	-	-
Rescue	-	-	0.5832	-	-
TOTAL	18.0253	21.7565	24.1131	22.6735	16.4954
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	\$37	\$4
Electric (1,000 Kwh Monthly)	\$98	\$146	\$108	\$144	\$114
Water/Sewer (7,000 gals Monthly)	\$73	\$46	\$89	\$67	\$51
Impact Fees	\$16,061	\$5,193	\$1,529	\$4,806	\$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

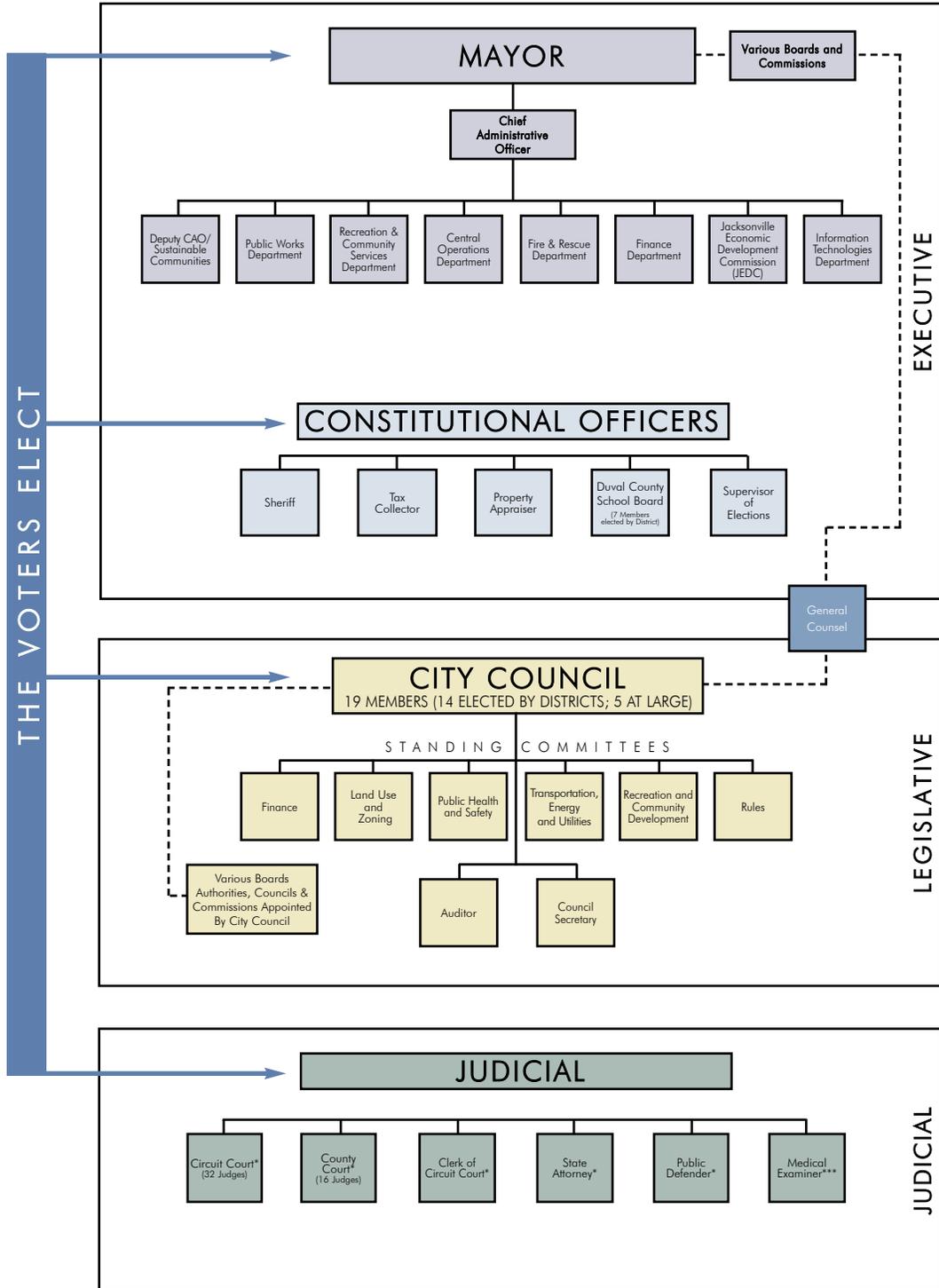


Chart Rev. 10/08

*** Appointed by the Governor

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

Convention Center:

Prime Osborn Convention Center265,000 sq. ft.

Times Union Center for the Performing Arts

Moran Theater3,000 seats

Jacoby Concert Hall1,800 seats

Terry Theater600 seats

Jacksonville Veterans Memorial Arena

Seating Capacity14,300 seats

Baseball Grounds at Jacksonville

Seating Capacity10,000 seats

Jacksonville Municipal Stadium

Football Seating Capacity76,767 seats

Football Seating Capacity (with temporary seating)82,209 seats

Concert Seating Capacity60,300 seats