

CITY OF JACKSONVILLE, FLORIDA

BUDGET IN BRIEF

FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 2004



On the cover: Hemming Plaza and the new U.S. Courthouse.

Above: The new Berkman Plaza development on the St. Johns River downtown.

John Peyton
Mayor



Walt Bussells
Chief Financial Officer

Calvin C. Ray
Director of Administration & Finance

Frank Castriota
Budget Officer



"My administration has worked hand in hand with our City Council to bring you a budget that exemplifies the highest standards of fiscal responsibility, accountability, efficiency and cost-effectiveness in city government."

John Peyton
Mayor, City of Jacksonville



dear friends



This is an exciting time to live in Jacksonville. Our downtown is growing daily, the Better Jacksonville Plan is bringing us improved transportation, infrastructure and public buildings, and we have a number of wonderful opportunities for economic growth and national recognition.

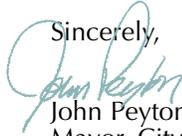
As your mayor, I'm pleased to provide you with information about our city's budget for the upcoming year – a budget that is in keeping with the times and with the priorities of our community.

My administration has worked hand in hand with our City Council to bring you a budget that exemplifies the highest standards of fiscal responsibility, accountability, efficiency and cost-effectiveness in city government. It is my belief that we should never rest in our effort to be the best possible stewards of your tax dollars, and this budget reflects that belief.

I hope the information included in this guide provides you with an understanding of our unprecedented commitment to you, the citizens of the great city of Jacksonville.



Sincerely,



John Peyton
Mayor, City of Jacksonville

dear friends

Each fiscal year the Jacksonville City Council reviews, amends and adopts our city's budget. This process is intended to ensure that the projects, services and issues that are important to our city's future are funded while maintaining the financial integrity of our city. The budget must make provisions for the funding of fundamental public services as well as those services, projects and initiatives that improve the quality of life for all Jacksonville residents. We must continually address the issues of policy and fire protection, libraries and education, parks and recreation, infrastructure, planned growth and resource allocation.

Annually during August and September the City Council Finance Committee devotes countless hours to present a balanced budget. The Council Auditor's Office along with the mayor's budget staff and departmental representatives work closely with the Finance Committee through this process.

One of the most significant budgetary accomplishments this year has been a major change in the city's investment policy. This change in policy will allow our city to realize greater revenues without an appreciable change in risk. Moreover, this new policy will continue to reflect the concern that our City Council has to be a conservative steward of the taxpayers' money.

As you read through this "Budget in Brief," I hope that you will get a sense of the importance the Jacksonville City Council places on this process. Please also realize the scope of work, long hours and tireless effort made not only by each Council member but by your city's staff to make sure that the hundreds of millions of dollars collected each year are spent in the best interest of the entire city.

Sincerely,



Lad Daniels, President
Jacksonville City Council

department of administration and finance

dear fellow citizen

We have designed the City of Jacksonville's Budget In Brief to better communicate basic budget information to you. We want you to be aware of the variety of services provided by the city and the annual financial plan to pay for them. The pages that follow provide an overview of our FY 2004 financial plan.

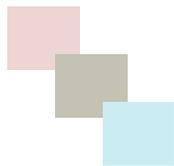
In this document, we have brought together those areas of the budget that we feel are of the greatest interest to you. Included are tables, charts and graphs that outline the major sources of government revenue and categories of expenditures. We've explained a typical Ad Valorem tax bill, depicted budget and personnel trends over the past 10 years and detailed debt service requirements. Lastly, we compare our city with similar cities throughout our state.

We hope you find the information in this booklet interesting and informative. If you would like more detail, contact us at 630-1301 and request a copy of the Annual Budget. We would be happy to provide you with this publication. Further information on the FY 2004 budget is also available on our Web page at www.coj.net by referencing the Administration and Finance Department.

If you have any suggestions on how we can improve the Budget In Brief, you may contact us by either using the mailer attached to the back cover or e-mailing us at JaxBudget@coj.net.



Frank Castriota
Budget Officer



SUITE 325, CITY HALL AT ST. JAMES, 117 WEST DUVAL STREET
JACKSONVILLE, FL 32202 (904) 630-1301



downtown development

Something exciting is happening in downtown Jacksonville, and there's a sense of expectation as downtown once again becomes the vibrant heart of our community.

With new opportunities for living, working and entertainment becoming available every day, downtown means many things to many people. For families, it means having fun at Metropolitan Park's Kids Kampus. For art lovers, it means enjoying exhibits at the new Jacksonville Museum of Modern Art fronting Hemming Plaza. For others, downtown means center stage, as audiences applaud our Jacksonville Symphony Orchestra and other great artists at The Florida Times-Union Center for the Performing Arts on the river.

Downtown also means "the big game," from our hometown Jaguars to the Florida-Georgia Classic. It means recreation, from jogging on the riverwalks to sailing on the St. Johns. It means new tastes, experienced at many of the city's premier restaurants; and anticipation, as state-of-the-art facilities like the new baseball park, arena and main library assume their place in the city's skyline. Finally, downtown means home to an increasing number of individuals and families who are taking advantage of gorgeous new condominiums and apartments that are convenient to all the activity. It's an exciting time for our city and an exciting time to be downtown!



Construction is under way on the new Main Library downtown.



mission

Serving you, meeting today's challenges, focusing on the future.

vision

To make Jacksonville's local government the most responsive and effective city government in America, and Jacksonville the best place in the nation to live, work and raise a family.

budgetary process

After completion of the annual City Business Plan, 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 budget is referred to the Council's Finance Committee, where budget hearings are conducted. Department heads, division chiefs and independent authority representatives present their plans to the Finance Committee. Citizens are invited to share their input with the Council during both committee and full Council meetings. The Finance Committee, working with the Council Auditor and staff, may amend the budget.

In accordance with 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 the last Council meeting in September.



The Baseball Grounds of Jacksonville opened in time for the 2003 season.

city council members

Lad Daniels
President
Group 3 At-Large

Elaine Brown*
Vice President
Group 2 At-Large

Lake Ray*
District 1

Lynette Self
District 2

Jerry Holland**
District 3

Suzanne Jenkins
District 4

Art Shad
District 5

Sharon Copeland
District 6

Pat Lockett-Felder
District 7

Gwen Yates*
District 8

Reggie Fullwood
District 9

Mia Jones
District 10

Warren Alvarez***
District 11

Daniel Davis
District 12

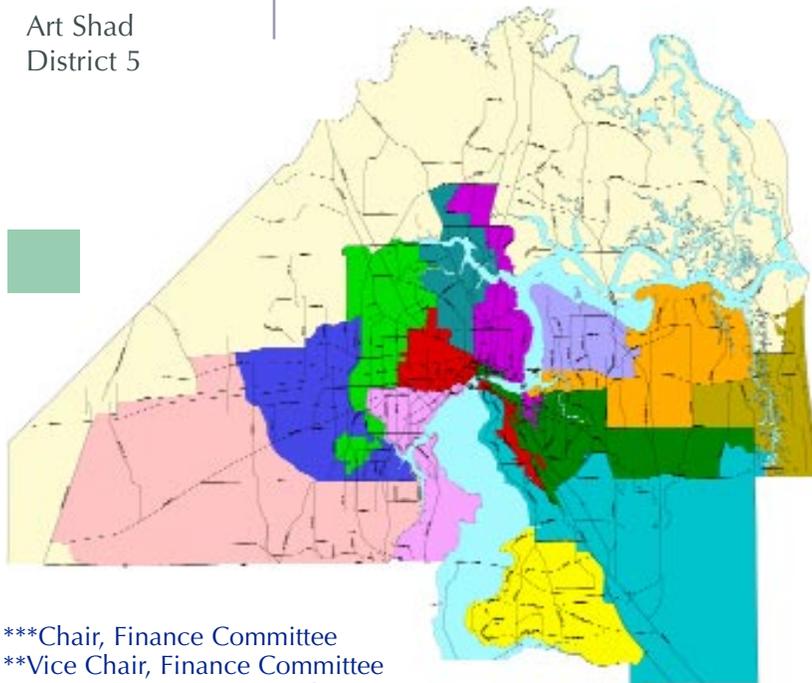
Arthur Graham
District 13

Michael Corrigan*
District 14

Faye Rustin
Group 1 At-Large

Kevin Hyde
Group 4 At-Large

Glorious J. Johnson*
Group 5 At-Large



JACKSONVILLE

CITY COUNCIL

DISTRICTS

2002

Council Districts



Scale 1:80,000



Planning and Development Department
City of Jacksonville
June 2002

***Chair, Finance Committee
**Vice Chair, Finance Committee
* Finance Committee member

2003 budget highlights

2004

- ▶ Ad Valorem millage rate reduced for the ninth consecutive year, resulting in a 1.48 mills decrease over the nine years. This represents a tax savings to citizens of approximately \$50.9 million in the current year and cumulative savings of \$166.2 million.
- ▶ Assessed tax roll increased by \$3.19 billion on a July to July basis, a 9.4 percent increase.
- ▶ General Fund revenues are up \$47,967,028, excluding a transfer from fund balance, which represents a 6.73 percent increase over FY 2003.
- ▶ For the ninth consecutive year, the city continues its effort to build reserves. General Fund cash carryover has been increased by \$11.7 million to a total of \$37.2 million.
- ▶ The Public Library received 135 new positions; staff has been added in anticipation of new and expanded facilities, including a new Main Library, under The Better Jacksonville Plan, as well as new customer service personnel.
- ▶ An additional \$1 million was provided to the Public Library to purchase books system-wide.
- ▶ A contribution of \$325,000 represents the final installment of a \$850,000 contribution from the city to the Super Bowl Committee in anticipation of hosting the 2005 Super Bowl.
- ▶ Funding for the Jacksonville Children's Commission has again been increased by \$1 million. This contribution is designated for The Mayor's Early Literacy Initiative. The Commission provides local governmental services to children.
- ▶ The contribution to Shands Hospital/Jacksonville in support of indigent care has been maintained at \$23.8 million. However, an additional transfer of \$5 million has been provided for debt relief.
- ▶ Fire and Rescue received a reserve set aside for \$2.876 million. These funds are for two peak-time rescue units (14 positions), 30 positions for the DROP plan and other operational needs. Also, funding for upgrades to servers, command van systems and other computer equipment leases were provided for \$374,499. In addition, the Emergency Preparedness Division received an additional \$100,000 for a new computer system to facilitate bio-terrorism/epidemiological response.
- ▶ The Health Department was funded \$27,790 to bring the agency on-line with the 800 mhz phone system.
- ▶ The Medical Examiner received \$20,789 for the lease of an IBM server as well as a gas chromatograph-mass spectrometer.
- ▶ The Tax Collector received funding for a training coordinator and an internal auditor. In addition, funding for additional temporary hours for peak-time periods at all branch locations was provided.

▶ Public Buildings received six additional custodian positions. These individuals will service the library system during daytime hours.

▶ Traffic Engineering received one new traffic signal repairer position. Funding for this position will be reimbursed by the Florida Department of Transportation for the maintenance and operation of traffic signals and streetlights on the state highway system.

▶ Building Inspection converted five temporary National Pollution Control Discharge Elimination inspectors to permanent Civil Service construction inspectors. These inspectors will ensure that best practices are in use to stop erosion runoff from getting into the storm water system.

▶ The Corrections Division received three additional correctional services counselors and one clerical support aide, as well as \$196,950 for an Oracle upgrade and \$867,687 for the increase in the inmate health care contract.

▶ General Fund provided the Office of the Sheriff with funding for four corrections officers, one corrections lieutenant and one corrections sergeant to replace the Pre-Trial Services Grant.

▶ Police Operations added a resource officer for Fletcher High School.

▶ Procurement and Supply was provided with \$300,000 for the Small Disadvantaged Business Enterprise (SDBE) Implementation/Training/Program Design.

▶ Treasury was funded for two senior investment analyst positions.

▶ Information Technologies was funded \$2.2 million for development of new technology.

▶ Funding is provided to complete replacement of all outdated fire trucks four years earlier than planned.

▶ Community Services received funding for five positions and part-time hours to maintain the Truancy Interdiction and the Transitional Housing Programs. These programs were previously funded through grants.

▶ The Cultural Council was provided with \$1 million in additional funding.

▶ The Supervisor of Elections was funded for the final payment on the Optical Scan Voting Equipment in the amount of \$871,961.

▶ Parks, Recreation, and Entertainment received \$2 million in funding specifically designated for enhanced maintenance of parks.

▶ Solid Waste's Class I landfill tonnage is expected to increase from 850,000 to 863,250 tons, resulting in a 2 percent increase in revenue.

▶ Funding requirements for contract garbage pick-up, adjusted for the CPI and an increase in number of premises, are projected to increase \$677,080, while landfill charges are estimated to increase \$742,850.

▶ Four capital projects were budgeted through the General Capital Projects Fund. These include \$3 million for downtown enhancements, \$3 million for water/sewer expansion, \$1 million for the Zoo and \$300,000 for sidewalk maintenance.

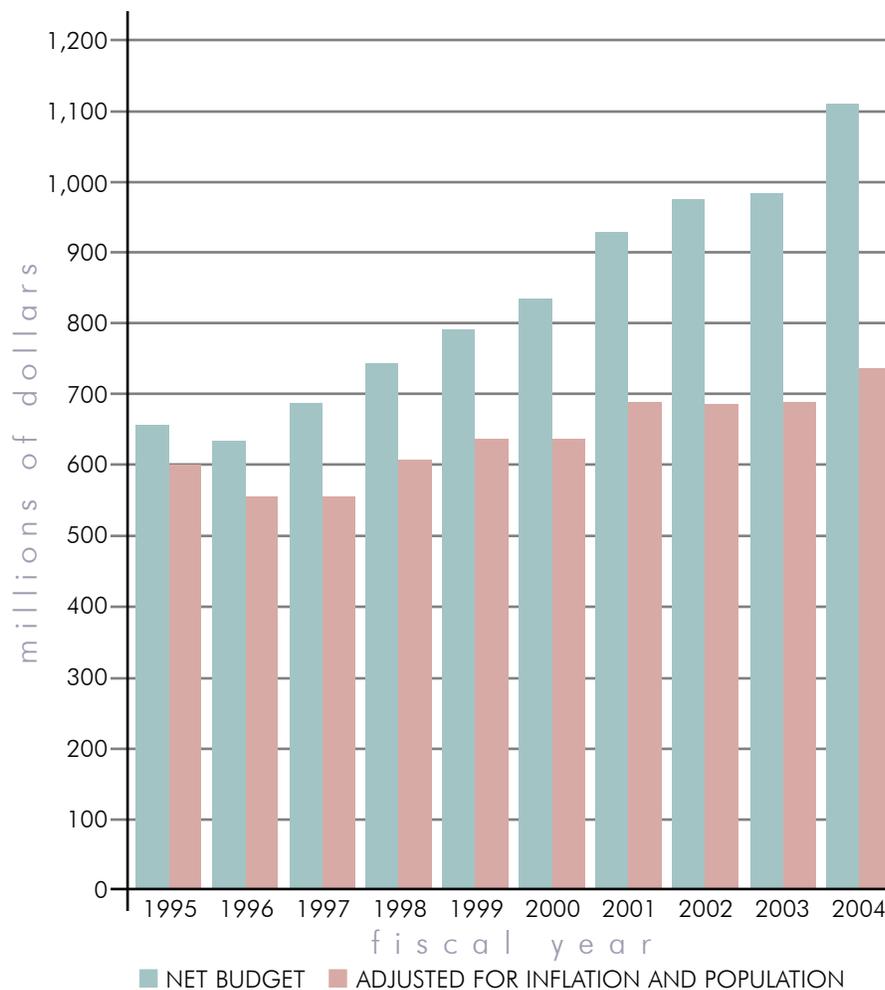
▶ The "Matched Book" debt and investment policy will produce \$15 million in FY 2004.

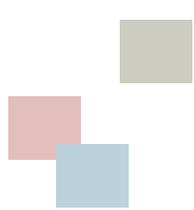
net budget

Total budget figures overstate the actual size of the budget by double counting items such as the cost of services provided by one activity to another and interfund transfers. The graph on this page and the Comparative Budget Summary on the following page are on a net basis and present a truer picture of the actual size of Jacksonville's budget by adjusting for those items that are double counted.

As may be seen, the net budget of the city, including miscellaneous federal programs, has increased by 69 percent, from \$651.6 million in Fiscal Year 1995 to \$1.1 billion for Fiscal Year 2004. Taking into account inflation and population growth during the same period, the budget is reduced to \$734.9 million.

net city budget





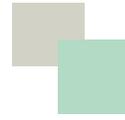
net budget summary
for the
2003-2004
fiscal year
(excluding fund to fund transfers)



	2003-2004 Budget	% of Total Budget
General Fund - GSD (Excluding Beaches and Baldwin)	702,017,717	63.71
General Fund - Mosquito Control State I	181,000	0.02
Capital Project Fund	7,300,000	0.66
Special Revenue Funds	241,273,801	21.90
Enterprise Funds	82,908,953	7.52
Internal Service Funds	23,111,214	2.10
General Trust and Agency Funds	34,475,820	3.13
Component Unit	10,588,930	0.96
total city of jacksonville	1,101,857,435	100



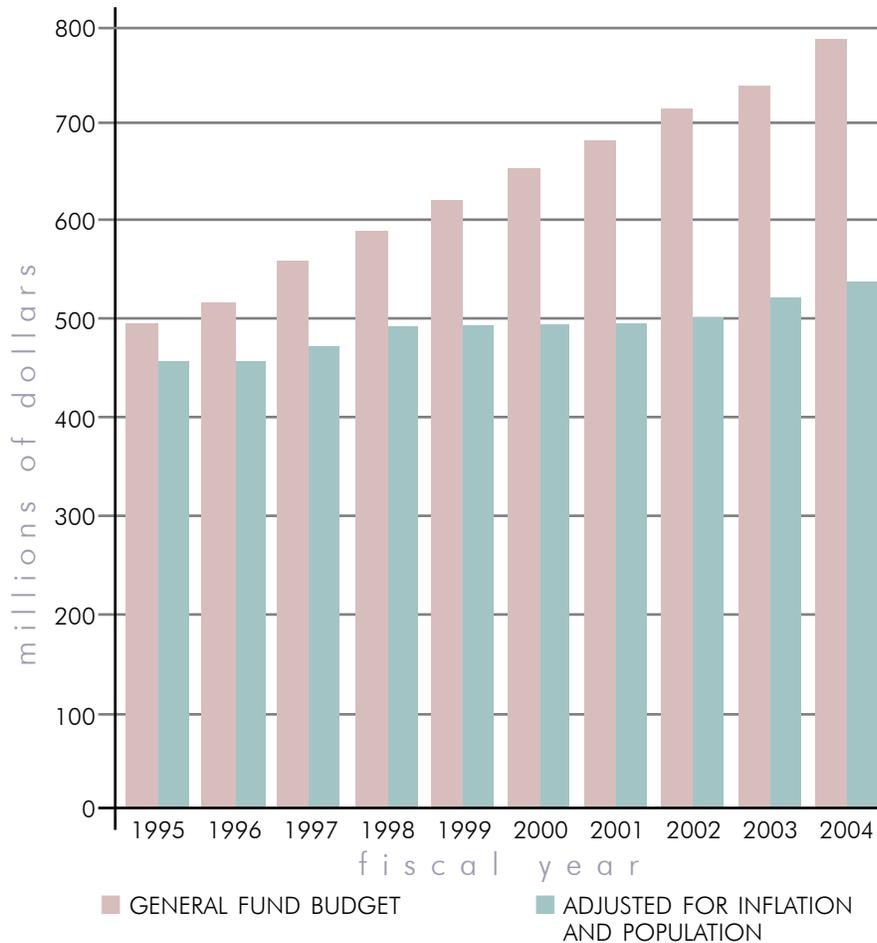
general fund general services district



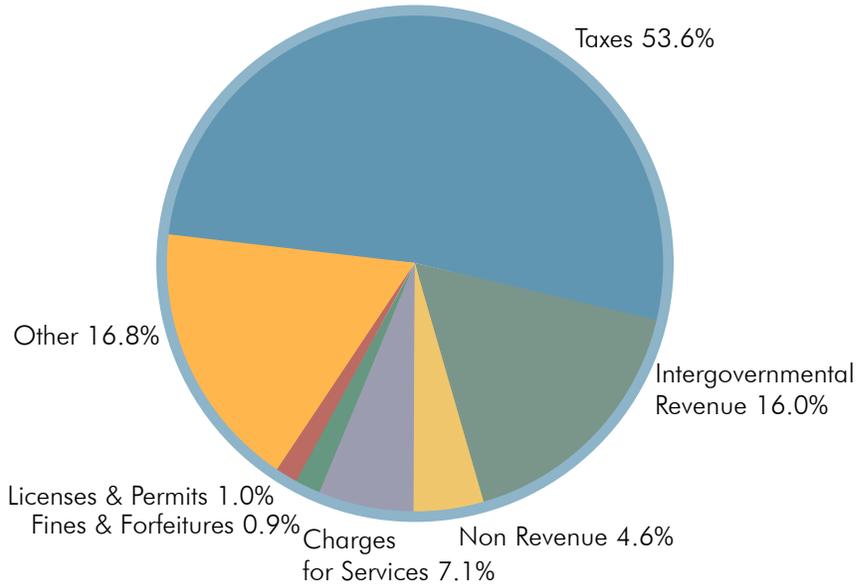
The General Fund - General Services District represents the major component of the city's budget and includes most basic municipal services and those which are not accounted for in another fund. Aside from special revenue funds and trust funds, which have been established to account for revenue that is restricted to special uses, virtually all city revenues from taxes, licenses and permits, 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.



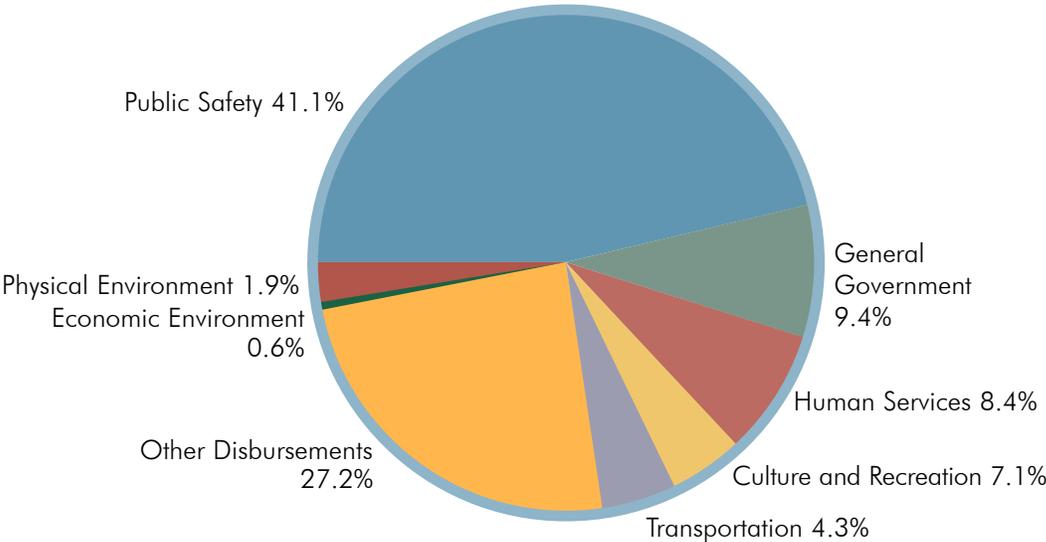
general fund budget



general fund revenue by category

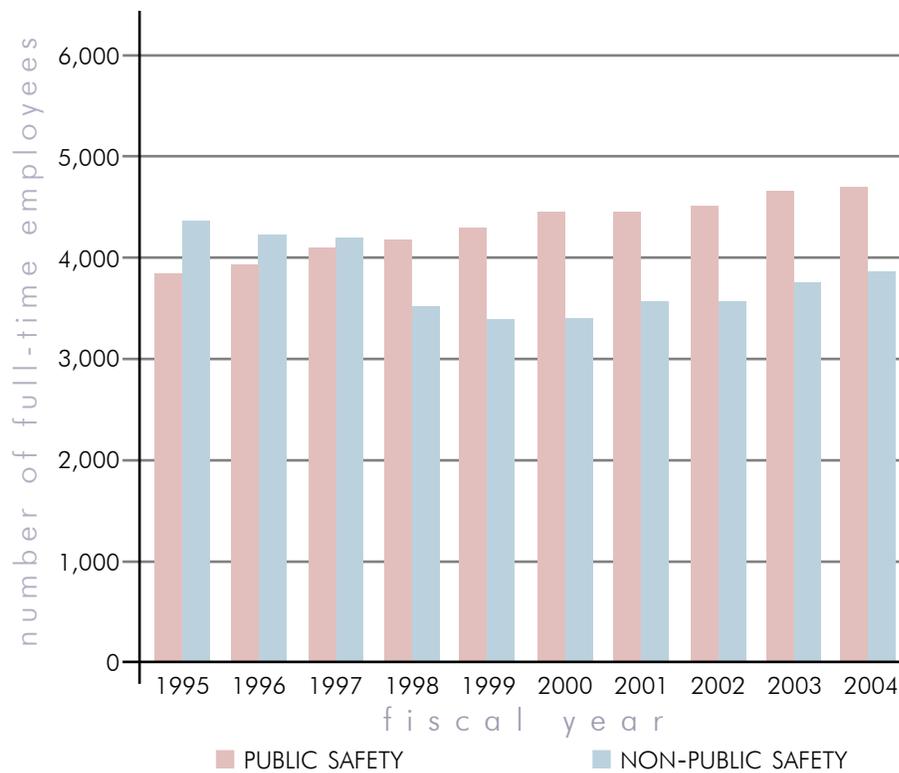


general fund expenditures by category



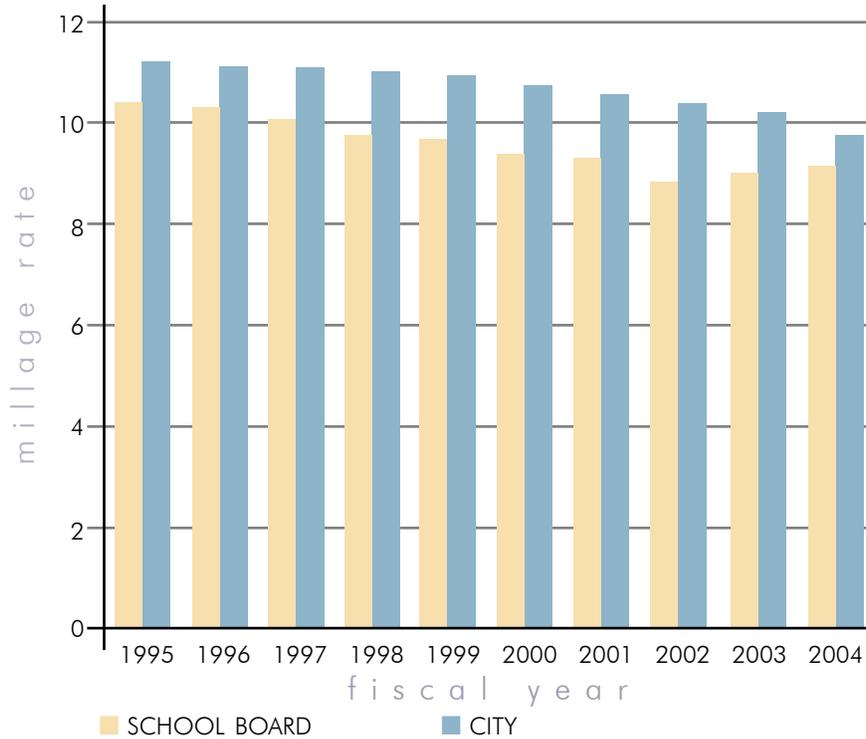
public safety vs. non-public safety staffing (full-time equivalents)

Fiscal Year	Public Safety	Non-Public Safety	Total
1995	3,878	4,353	8,231
1996	3,990	4,230	8,220
1997	4,137	4,254	8,391
1998	4,179	3,498	7,677
1999	4,201	3,476	7,677
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



city and school board millage rate trends

(last ten years)



millage rate

(last ten fiscal years)

Fiscal Year	Other	School Board	City	Total
1995	0.5310	10.3210	11.3158	22.1678
1996	0.5220	10.3070	11.2158	22.0448
1997	0.5200	10.0670	11.1158	21.7028
1998	0.5320	9.8750	11.0158	21.4228
1999	0.5290	9.8560	10.9158	21.3008
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

ad valorem taxes

notice of ad valorem taxes and non-ad valorem assessments

2003 REAL ESTATE TAX - DUVAL COUNTY, CITY OF JACKSONVILLE

The following page represents a typical Ad Valorem tax notice. Ad Valorem taxes account for nearly 42 percent of the FY 2004 General Fund revenues. Ad Valorem taxes are levied against real estate and certain personal, non-real estate property held for commercial or investment purposes. 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 number of mills per dollar of assessed valuation levied.

The Homestead Exemption is available to permanent residents of the county and excludes the first \$25,000 of appraised value.

THE COMPONENTS OF THE 2003 AD VALOREM TAX BILL ARE AS FOLLOWS:

MILLAGE RATE	TAXING AUTHORITY
9.8398	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;
5.8520	Represents the local effort required of the Duval County School Board by the state;
2.6880	Is made up of discretionary millages of 0.6880 and 2.000 mills for district local capital improvement of the Duval County School Board;
0.0385	Levy by the Florida Inland Navigation District;
0.4620	Millage levied by the St. Johns River Water Management District;
0.5110	Voter approved debt service of the Duval County School Board.
total millage	
19.3913	

ad valorem taxes

AD VALOREM TAXES						
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	JUST (MARKET) VALUE	\$82,900		
COUNTY	9.8398	491.99	TAXABLE VALUE CALCULATION			
SCHOOL SL	5.8520	292.60	ASSESSED VALUE:	\$75,000		
SCHOOL LB	2.6880	134.40	EXEMPT VALUE:	<u>\$25,000</u>		
FL INLAND	0.0385	1.93	TYPE: HX			
WATER MGT	0.4620	23.10	TAXABLE VALUE:	<u><u>\$50,000</u></u>		
VOTER APPR	0.5110	25.55				
TOTALS	19.3913	969.57				
NON-AD VALOREM ASSESSMENTS						
AUTHORITY	PURPOSE			RATE	AMOUNT	
IF PAID IN:	NOV - 4% DISC	DEC - 3% DISC	JAN - 2% DISC	FEB - 1% DISC	MAR-GROSS AMT	APR-DELQ AMT4%
AMOUNT DUE	930.79	940.48	950.18	959.87	969.57	1,008.35

sample of an ad valorem tax notice

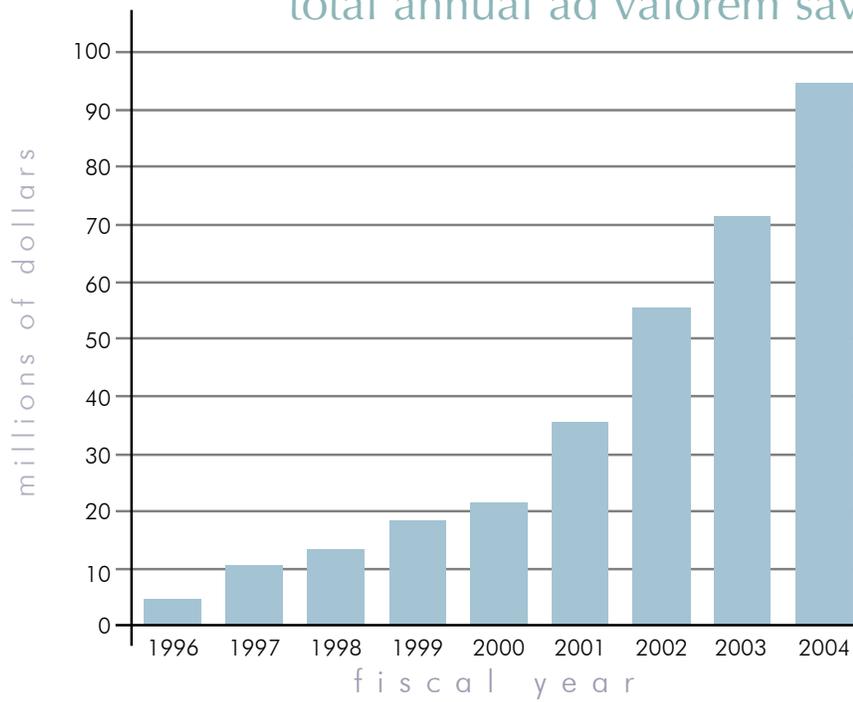
comparative tax rates and fees

	Orlando Orange Co.	Tampa Hillsborough Co.	St. Petersburg Pinellas Co.	Miami Dade Co.	Jacksonville Duval Co.
Millage					
Operations	10.8555	13.7372	13.281	14.739	9.8398
School	7.888	8.595	8.449	9.252	8.54
Water Mgt.	0.697	0.707	3.822	0.697	0.462
Library	0.4365	0.6423	0	0.486	0
Debt Service	0	0	0	1.608	0.511
F.I.N.D.	0	0.114	0	0.0385	0.0385
Transit	0	0.5	0.6319	0	0
Children's	0	0.5	0.8117	0	0
Planning	0	0	0.0225	0	0
Port	0	0.29	0	0	0
Rescue	0	0	0.66	0	0
TOTAL	19.8770	25.0855	27.6781	26.8205	19.3913
Sales Tax	6.5%	7.0%	7.0%	6.5%	7.0%
Gas Tax	\$0.06	\$0.06	\$0.06	\$0.09	\$0.06
Garbage Fee Monthly	\$13	\$21	\$16	\$33	\$0
Electric 1,000 Kwh Monthly	\$81	\$92	\$82	\$92	\$76
Water/Sewer 10,000 gals Monthly	\$41	\$51	\$75	\$30	\$56
Impact Fee	\$5,122	\$3,076	\$1,632	\$3,337	\$0

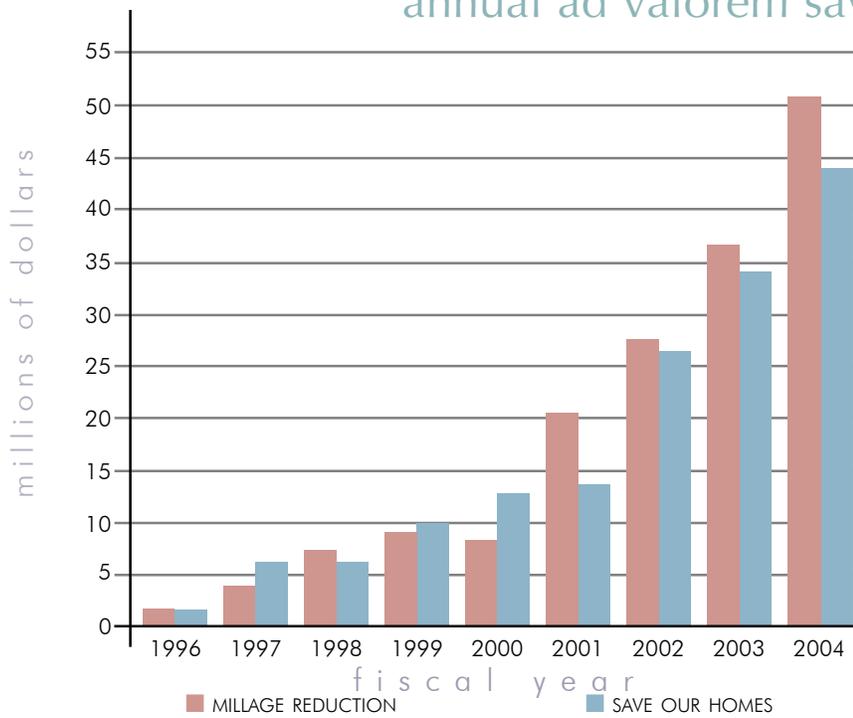
Note: Tampa, St.Petersburg and Miami millage FY 2002-2003 tax year



total annual ad valorem savings

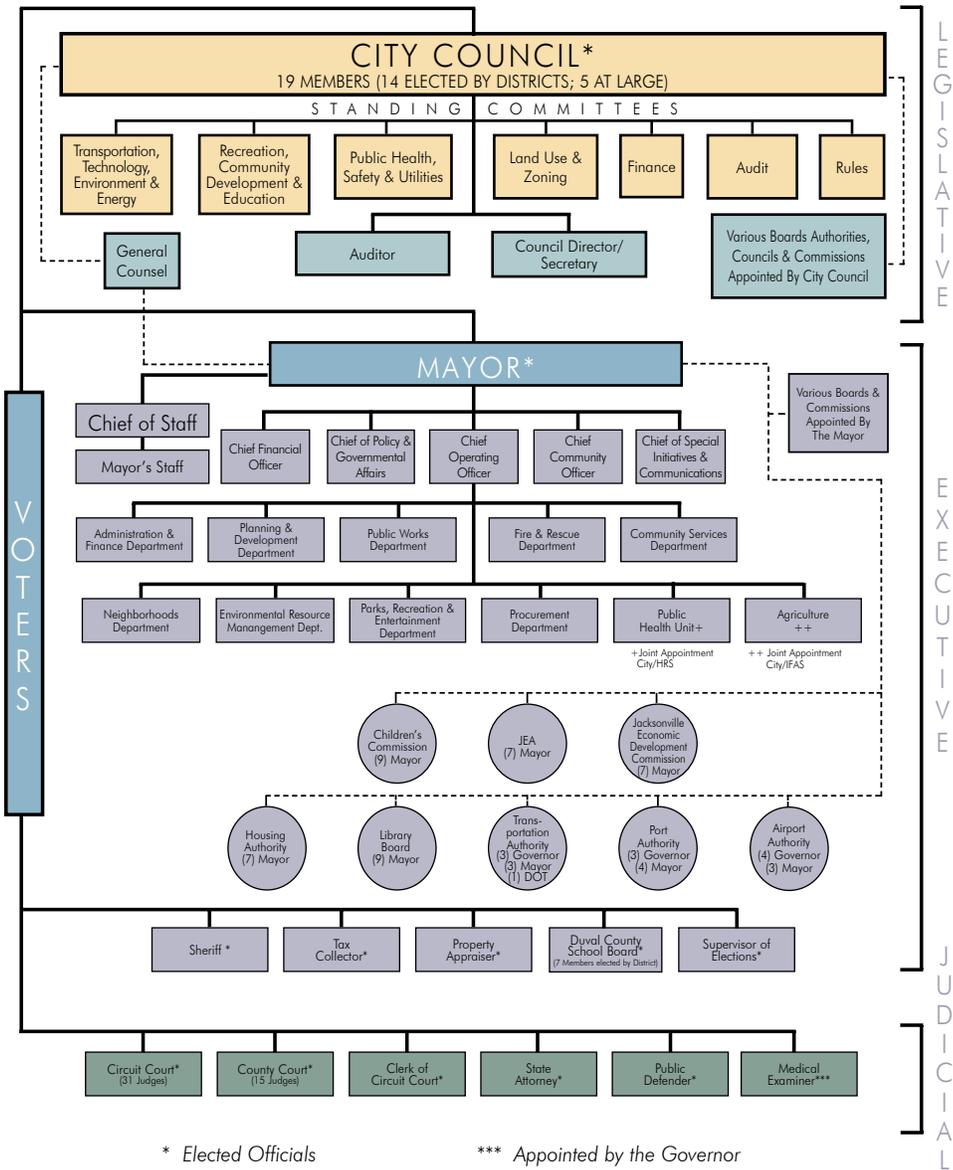


annual ad valorem savings



The City of Jacksonville has reduced the Ad Valorem rate by more than 13 percent over the past nine years. Further, the State Save Our Homes cap, which limits assessment increases to 3 percent per year, provides additional savings to taxpayers.

organizational chart city of jacksonville, florida



city of jacksonville 2004 business plan

Increase Economic Opportunity and Jobs, including Full Support for our Military and Minority Business Ownership

- ▶ Increase prosperity to all Jacksonville
- ▶ Promote planned and controlled development in targeted areas of the city
- ▶ Remove barriers that prevent all citizens from enjoying economic opportunity

Increase Public Safety, including Homeland Security and Emergency Preparedness

- ▶ Improve public safety and security
- ▶ Increase health and safety in Jacksonville's neighborhoods

Increase Early Literacy

- ▶ Implement actions that will address early literacy intervention and remediation

Enhance the Quality of Life, including Transportation, Planning and Parks

- ▶ Improve the quality of life for all citizens of Jacksonville
- ▶ Improve services to Jacksonville's neighborhoods
- ▶ Improve Jacksonville's overall transportation system
- ▶ Grow smart
- ▶ Increase public space and public recreational opportunities for Jacksonville citizens
- ▶ Preserve and improve the water quality of the St. Johns River
- ▶ Clean up, beautify and green up Jacksonville
- ▶ Improve external communications

Increase Infill Housing

- ▶ Implement established Jacksonville Housing and Community Development Commission
- ▶ Enhance and improve the stock of affordable housing in targeted areas of the city

Streamline Government to Facilitate Business Growth

- ▶ Improve customer service
- ▶ Increase effective/efficient total quality government with no new taxes
- ▶ Employ the right number of the right people in the right jobs at the right time in an environment that supports them

We hope you have found the information in this booklet useful. Your feedback and suggestions in regard to future budgets in brief are welcome. Please fill out and return this mailer with your comments.
