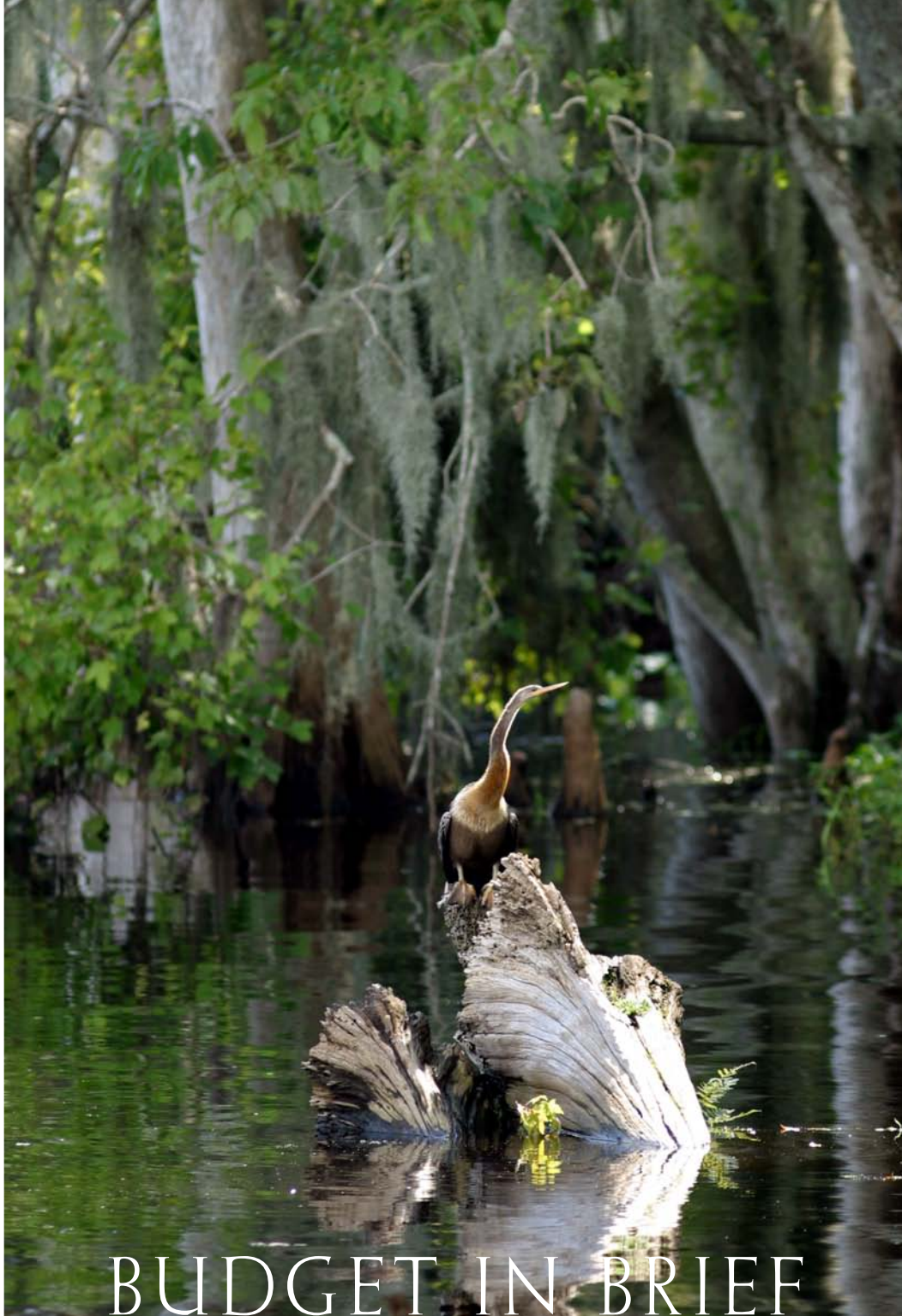


CITY OF JACKSONVILLE, FLORIDA



BUDGET IN BRIEF
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006



John Peyton
Mayor

Dan Kleman
Chief Administrative Officer

Calvin C. Ray
Director of
Administration & Finance

Frank Castriota
Budget Officer

“My administration has worked with City Council to bring you one of the most fiscally responsible budgets in our city’s recent history.”

John Peyton, Mayor
City of Jacksonville



Dear Citizens:


It is a pleasure to provide you with this helpful guide to our city's budget for the upcoming year. As stockholders in the business of city government, it is important for you to know how we are conducting your affairs and managing your money.

My administration has worked with City Council to bring you one of the most fiscally responsible budgets in our city's recent history. We've incorporated best practices from the financial world into our ongoing commitment to improving public safety, quality of life and customer service. This budget also contains provisions for beginning the crucial work of taking Jacksonville's park system from the biggest in the nation to the best.

Begun in 1999, Preservation Project Jacksonville was designed to manage growth, protect environmentally sensitive land, improve water quality and provide public access to natural areas. Since its inception, the program and its partners have acquired more than 50,000 acres of preservation land. Today, Jacksonville boasts more than 80,000 acres of park land, and we are focusing on increasing access to these extraordinary natural resources. This year's budget includes funds for increased amenities and improvements at parks across our city, and for the construction of three parks in high-growth areas.

As mayor, I am committed to enhancing and preserving our park system's incredible natural assets. I am also dedicated to being the best possible steward of your tax dollars. I hope this guide gives you a clear understanding of how we are streamlining government and improving services to make the best use of our financial resources.

Sincerely,



John Peyton, Mayor

Dear friends

This year's budget was about the basics of government. While most City department budgets were reduced through increased departmental efficiencies and reorganization to better use limited resources, we invested our available revenues most heavily in public safety. The Sheriff's Office and Fire and Rescue Department received substantial budget increases in order to allow them to fully meet the needs of our growing population.

Tough decisions were made to ensure the long-term financial stability of our municipal government. The City's Budget and Accounting Code was amended to improve fiscal responsibility. A Budget Stabilization Reserve and an Emergency Reserve were established to ensure the availability of funds in the event of a future disaster or other unanticipated financial needs. The City also continued to fund its pension at the levels required by actuarial studies. The stability of the City's pension directly impacts the City's ability to borrow money at a lower rate for other municipal projects. We save money with a healthy, stable pension fund. Finally, and perhaps the change with the greatest long-term impact, is a significant reduction in the current year and prohibition in future years of spending non-recurring funding sources on recurring expenses.

We appreciate the great partnership we have with Mayor Peyton. On behalf of my colleagues on the City Council, and the thousands of dedicated City employees who work on your behalf everyday, thank you for allowing us to serve you.

Sincerely,



Kevin E. Hyde, Council President

Department of Administration and Finance

Budget Division

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 2006 financial plan.

In this document, we have brought together those areas of the budget which 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 ten 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, please feel free to 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 2005 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

Jacksonville Parks

Geographically the largest city in the continental United States, Jacksonville is blessed with a beautiful location and an abundance of natural resources. Jacksonville's residents have access to an extensive network of active and passive city parks, in addition to enjoying the wealth of preservation lands acquired through Preservation Project Jacksonville.

Comprised of more than 300 parks on nearly 9,000 acres of land, Jacksonville has the largest urban park system in the United States. In fact, Jacksonville's green space alone is bigger than many entire cities, including Minneapolis, Boston and San Francisco!

While the sheer size of the park system is impressive, its diverse offerings are notable as well. Thirty-five public pools, two oceanfront parks, 130 tennis courts, 21 boat ramps and a number of athletic fields

and nature parks are included in the city's public parks. Jacksonville is also home to a variety of specialty parks offering disc golf, skateboarding, bicycle trails, a BMX course and areas for radio-controlled model airplanes. From swim lessons or kayaking through Jacksonville's waterways to soccer or nature trails, the city's park system has much to offer.

While the park system's size makes it exceptional, Mayor John Peyton is also committed to enhancing its quality. In order to take Jacksonville's parks from the nation's biggest to its best, the mayor is seeking to improve access to parks, upgrade facilities, and secure nationally-recognized leadership for the system. A Parks Task Force, established in April 2004, has aided the mayor in this mission, intensively studying Jacksonville's park system for one year, comparing it with park systems nationwide, hearing from recognized park experts, and seeking input from local residents.

A set of recommendations from the task force is guiding efforts to advance the city's parks, and the mayor took several initial steps in his FY 2005-06 budget, including funds for a number of recommended improvements. These include enhancing amenities and making upgrades at parks across Jacksonville and adding three parks in the city's high-growth areas.

Jacksonville's parks and preservation lands possess unique natural, cultural and historical resources. From ball fields to marshlands and boat ramps to nature walks, these valuable green spaces offer countless opportunities for recreation and entertainment. It is our responsibility to preserve, protect, enhance and interpret those resources for the enjoyment of citizens and visitors for years to come.



City of Jacksonville

Vision

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

Mission

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

Goals

- Implement measurement
- Ensure that systems support the city vision
- Instill a customer-satisfaction culture
- Invest in our workforce through training
- Make internal communications effective
- Improve continuously - never be satisfied
- Initiate broad-based projects to make Jacksonville clean, secure and safe

Guiding Principles

- Value all the contributions of our culturally-diverse workforce
- Practice long-term planning
- Inform and educate customers openly and effectively
- Treat each other with courtesy and respect
- Demonstrate honesty and integrity in all actions
- Encourage and support innovation
- Provide training to support the mission through innovative means
- Achieve the vision through teamwork
- Treat customers as you want to be treated
- Fix the problem, not the blame
- Exercise sound judgement in meeting community and customer needs

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.



City Council Members

Kevin Hyde
President
Group 4 At-Large

Art Shad
District 5

Daniel Davis***
District 12

Michael Corrigan*
Vice President
District 14

Sharon Copeland
District 6

Arthur Graham
District 13

Pat Lockett-Felder
District 7

Ronnie Fussell
Group 1 At-Large

Lake Ray
District 1

Gwen Yates*
District 8

Elaine Brown*
Group 2 At-Large

Lynette Self
District 2

Reggie Fullwood*
District 9

Lad Daniels**
Group 3 At-Large

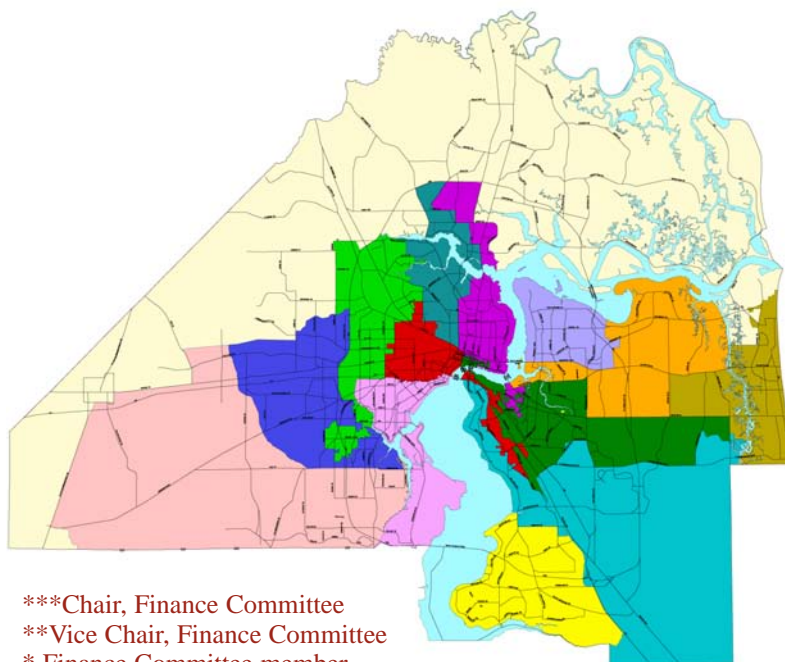
Richrd Clark
District 3

Mia Jones
District 10

Glorious J. Johnson
Group 5 At-Large

Suzanne Jenkins
District 4

Warren Alvarez*
District 11



**JACKSONVILLE
CITY COUNCIL
DISTRICTS
2002**

Council Districts

- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8
- District 9
- District 10
- District 11
- District 12
- District 13
- District 14



Scale 1:80000



Prepared by:
Planning and Development Department
GIS Section
June 2002

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

2005-2006 Budget Highlights

The Ad Valorem millage rate was reduced for the eleventh consecutive year of millage cuts, resulting in a 1.67 mill decrease over the past 11 years. This represents savings to the taxpayers of approximately \$6.34 million in the current year and cumulative savings of \$28.94 million over the 11-year period.

The Assessed Tax Roll increased by \$4.94 billion on a July-to-July basis, a 12.3 percent increase.

General Fund revenues are up \$55,935,351 excluding transfers, which represents an 8.19 percent increase.

All one-time reserves and General Fund revenues in excess of expenditures in subsequent fiscal years shall be set aside in a reserve account until the reserve is equal to 5 percent of the total General Fund/General Services District budgeted expenditures.

Established a separate fund (Emergency Reserve). The initial goal for the Emergency Reserve shall be up to \$40 million. The goal of this Reserve is equal approximately (7 percent) or approximately 2.55-day average cash flow of the total General Fund/General Services District budgeted expenditures.

Fully funded the New Main Public Library that opened to the public Nov. 12, 2005.

Funding to the Jacksonville Children's Commission for \$2.15 million includes \$5.13 million for the Mayor's Early Literacy Initiative. The Commission provides all local governmental services to children.

The contribution to Shands Hospital/Jacksonville in support of indigent care has been maintained at \$23.8 million.

Converted 371 employees to full-time/permanent employees.

Fire and Rescue received 22 additional positions to staff a new fire station.

Established a pension plan for the Corrections Officers.

Converted 45 contract employees in the Department of Administration and Finance/Information Technologies Division to classified positions for a savings of over \$1 million dollars.

Funded \$250,000 in Environmental Resource Management for Litter Campaign

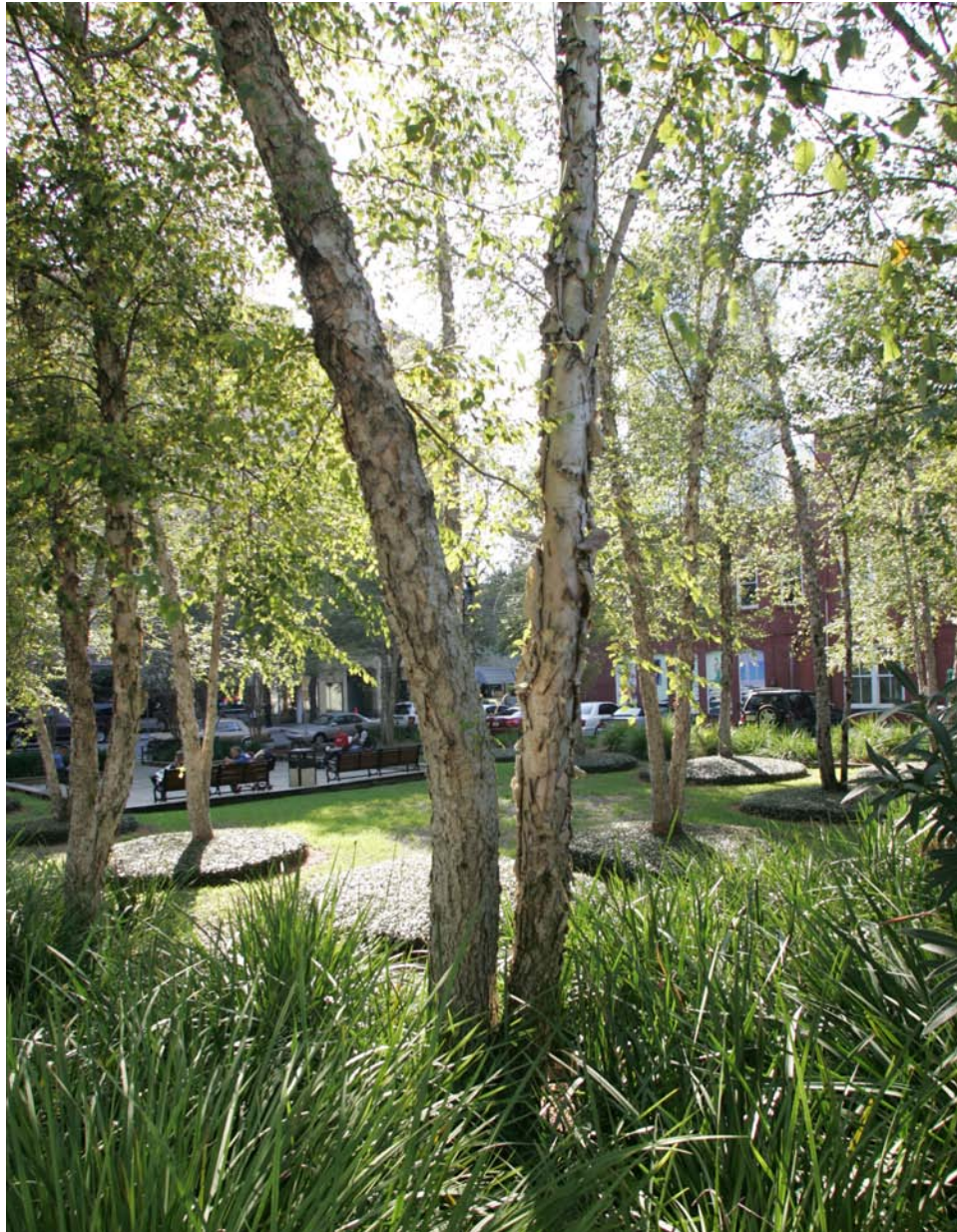
The Office of the Sheriff received additional funding for overtime of approximately \$3.2M as well as \$2.7M for inmate health care and food service contract increases.

Cultural Council was provided with \$3750,000 in funding

Thirty positions were transferred from COPS Ahead grant funding into the General Fund - GSD at a cost of approximately \$1.2M.

The Supervisor of Elections received \$480,000 for staffing at early voting sites

used prior to the election. Additional monies totaling \$300,000 was provided for warehouse improvements needed for storage of equipment as well as \$271,000 to bring all polling locations into HAVA compliance.

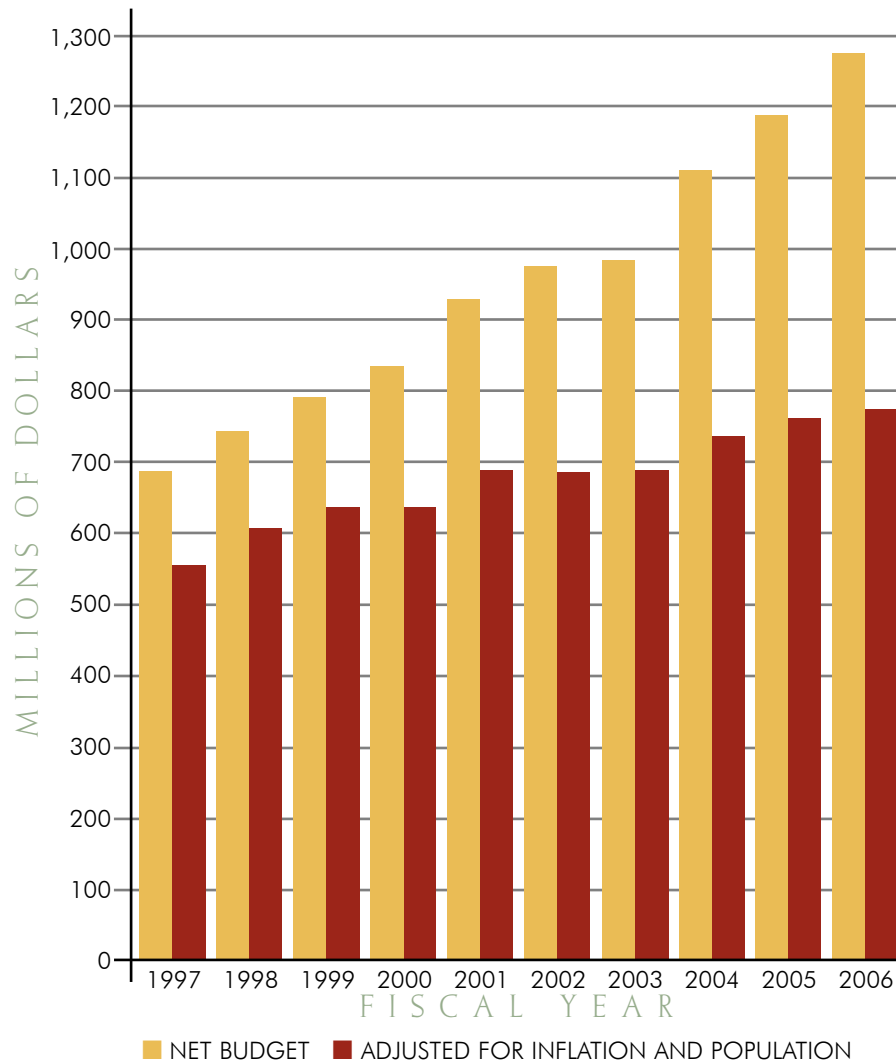


Net Budget

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 pages are 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, including the miscellaneous federal programs, has increased from \$681.4 million in Fiscal Year 1997 to \$1.28 billion for Fiscal Year 2006. Taking into account inflation and population growth during the same period, the adjusted budget total is \$772.5 million.

Net City Budget



Net Budget Summary for the 2005-2006 Fiscal Year

(excluding fund-to-fund transfers)

	2005-2006 Budget	% of Total Budget
General Fund - GSD (Excluding Beaches and Baldwin)	768,529,473	59.98
General Fund - Mosquito Control State I	137,847	0.01
General Fund - Clerk of Court	5,172,900	0.40
Capital Project Fund	0	0.00
Special Revenue Funds	292,071,095	22.80
Enterprise Funds	87,029,029	6.79
Internal Service Funds	21,644,061	1.69
General Trust and Agency Funds	94,217,330	7.36
Component Unit	12,459,390	0.97
Total City of Jacksonville	1,281,261,125	100



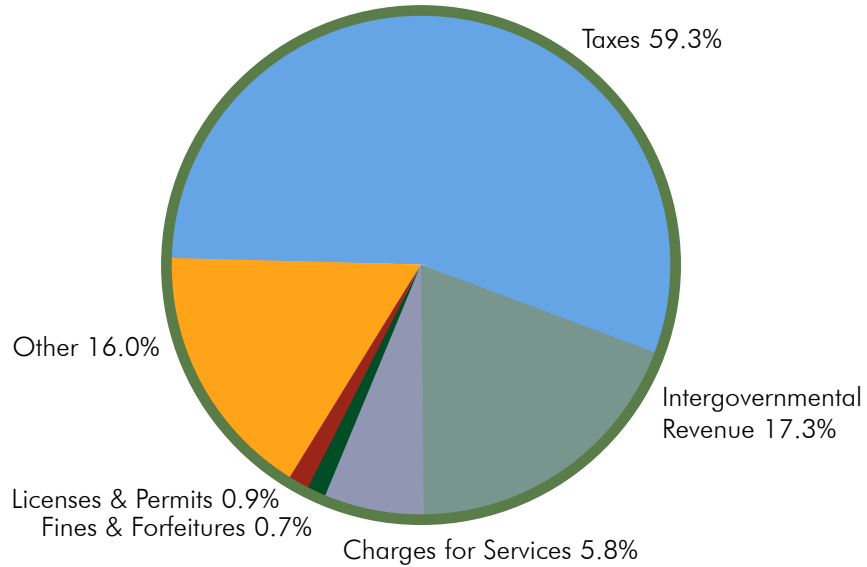
General Fund General Services District

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 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.

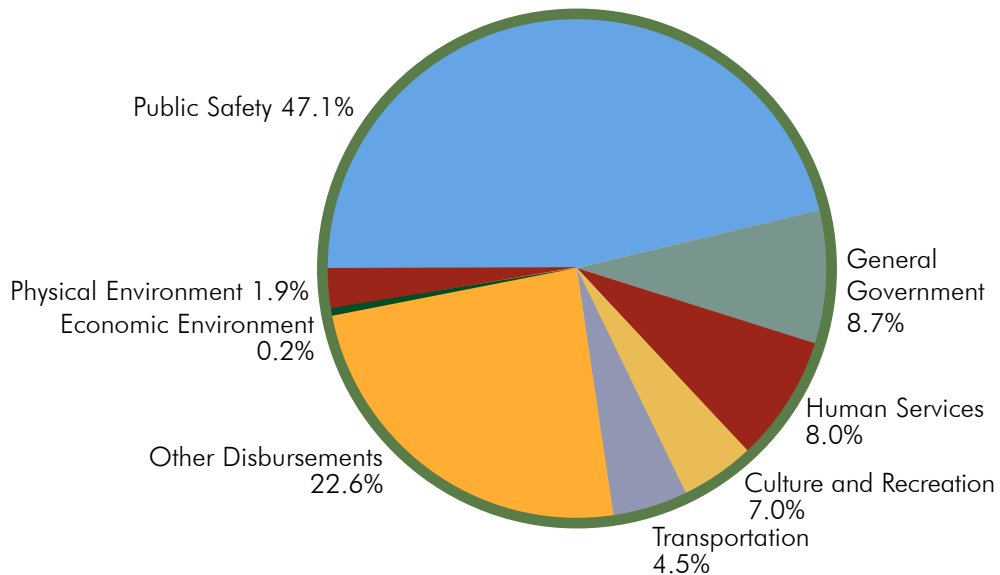
General Fund Budget - GSD Budget



General Fund Revenue by Category

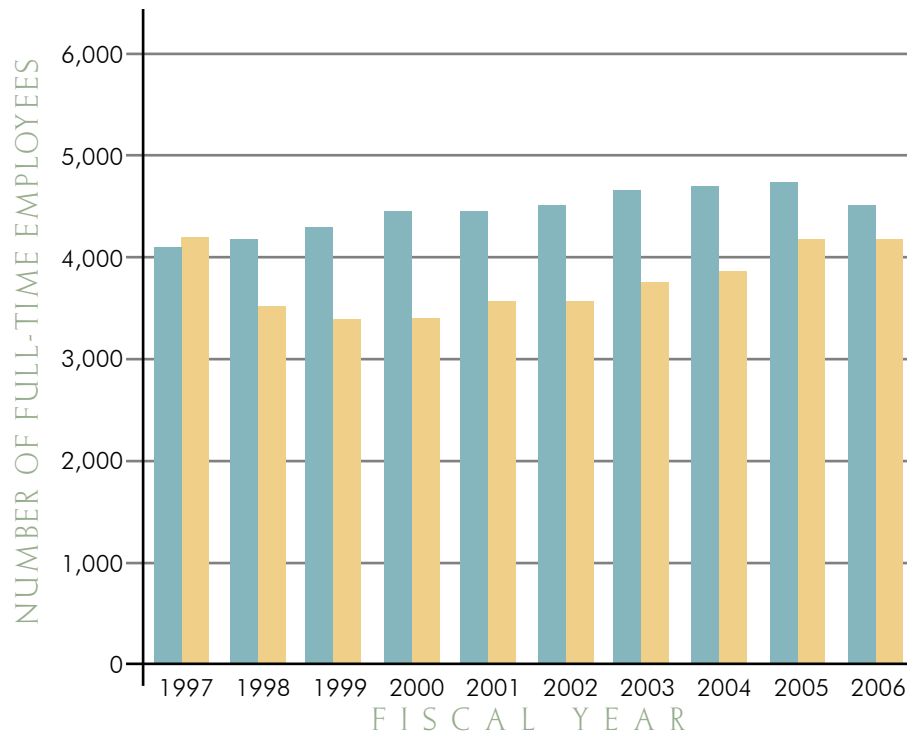


General Fund Expenditures by Category



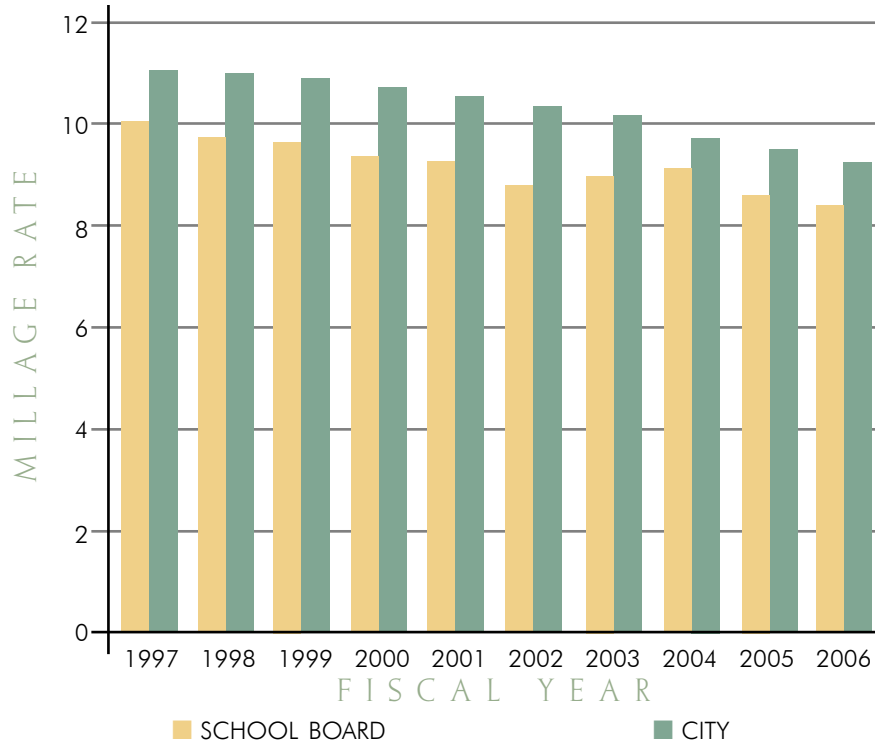
Public Safety vs. Non-Public Safety Staffing (full-time equivalents)

Fiscal Year	Public Safety	Non-Public Safety	Total
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
2005	4,696	4,166	8,862
2006	4,650	4,164	8,814



■ PUBLIC SAFETY ■ NON-PUBLIC SAFETY
CITY OF JACKSONVILLE

City and School Board Millage Rate Trends (last ten fiscal years)



Millage Rate (last ten fiscal years)

Fiscal Year	Other	School Board	City	Total
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
2005	0.5005	8.5650	9.6879	18.7534
2006	0.5005	8.4250	9.6500	18.5755

Ad Valorem Taxes

notice of ad valorem taxes and
non-ad valorem assessments

2005 Real Estate Tax - Duval County, City of Jacksonville

The following page represents a typical Ad Valorem tax notice. Ad Valorem taxes account for 4.6 percent of the FY 2006 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 2005 Ad Valorem Tax bill are as follows:

MILLAGE RATE	TAXING AUTHORITY
9.6500	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;
5.2440	Represents the local effort required of the Duval County School Board by the state;
2.7600	Is made up of discretionary millages of 0.7600 and 2.0000 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;
0.4210	Voter approved debt service of the Duval County School Board.
TOTAL MILLAGE	
18.5755	

Ad Valorem Taxes

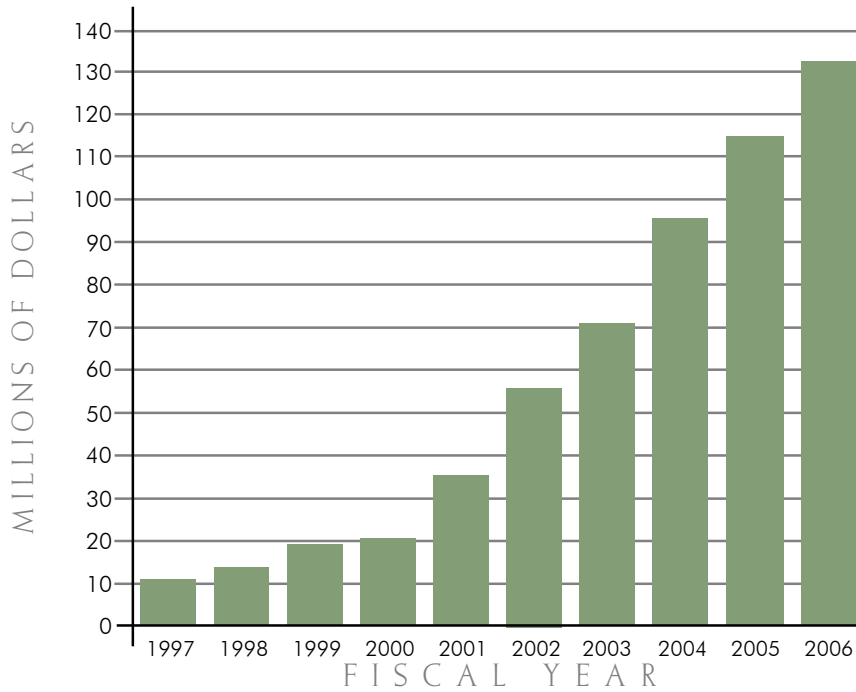
AD VALOREM TAXES						
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	JUST (MARKET) VALUE	\$82,900		
COUNTY	9.6500	482.50	TAXABLE VALUE CALCULATION			
SCHOOL SL	5.2440	262.20	ASSESSED VALUE:	\$75,000		
SCHOOL LB	2.7600	138.00	EXEMPT VALUE:	<u>\$25,000</u>		
FL INLAND	0.0385	1.93	TYPE: HX			
WATER MGT	0.4620	23.10	TAXABLE VALUE:	<u><u>\$50,000</u></u>		
VOTER APPR	0.4210	21.05				
TOTALS	18.5755	928.78				
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	891.63	900.92	910.20	919.49	928.78	965.93

sample of an ad valorem tax notice

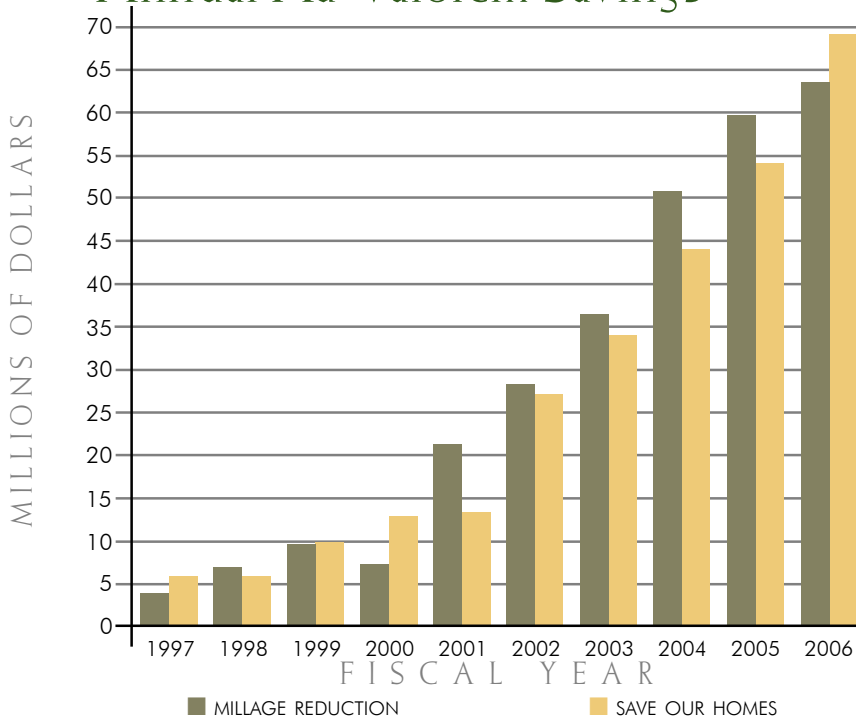
Comparative Tax Rates and Fees

	Orlando Orange Co.	Tampa Hillsborough Co.	St. Petersburg Pinellas Co.	Miami Dade Co.	Jacksonville Duval Co.
Millage					
Operations	10.8555	13.4647	13.0910	14.3345	9.6500
School	7.7610	7.9370	8.3900	7.9470	8.0040
Water Mgt.	0.4620	0.7070	3.8220	0.5970	0.4620
Library	0.4144	0.6923	0	0.4860	0
Debt Service	0.0181	0	0	1.5410	0.4210
F.I.N.D.	0	0	0	0.0385	0.0385
Transit	0	0.5000	0.6377	0	0
Children's	0	0.5000	0.8117	0.4288	0
Planning	1.000	0.0840	0.0218	0.1000	0
Port	0	0.2600	0	0	0
Rescue	0	0	0.6600	0	0
TOTAL	20.5110	24.1450	27.4342	25.4728	18.5755
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)	\$14	\$25	\$20	\$33	N/A
Electric (1,000 Kwh Monthly)	\$90	\$98	\$98	\$93	\$80
Water/Sewer (7,000 gals Monthly)	\$34	\$44	\$42	\$27	\$43
Impact Fees	\$10,617	\$2,141	\$9,211	\$3,337	\$0

Total Annual Ad Valorem Savings



Annual Ad Valorem Savings



The City of Jacksonville has reduced the Ad Valorem rate by more than 14.7 percent over the past eleven 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

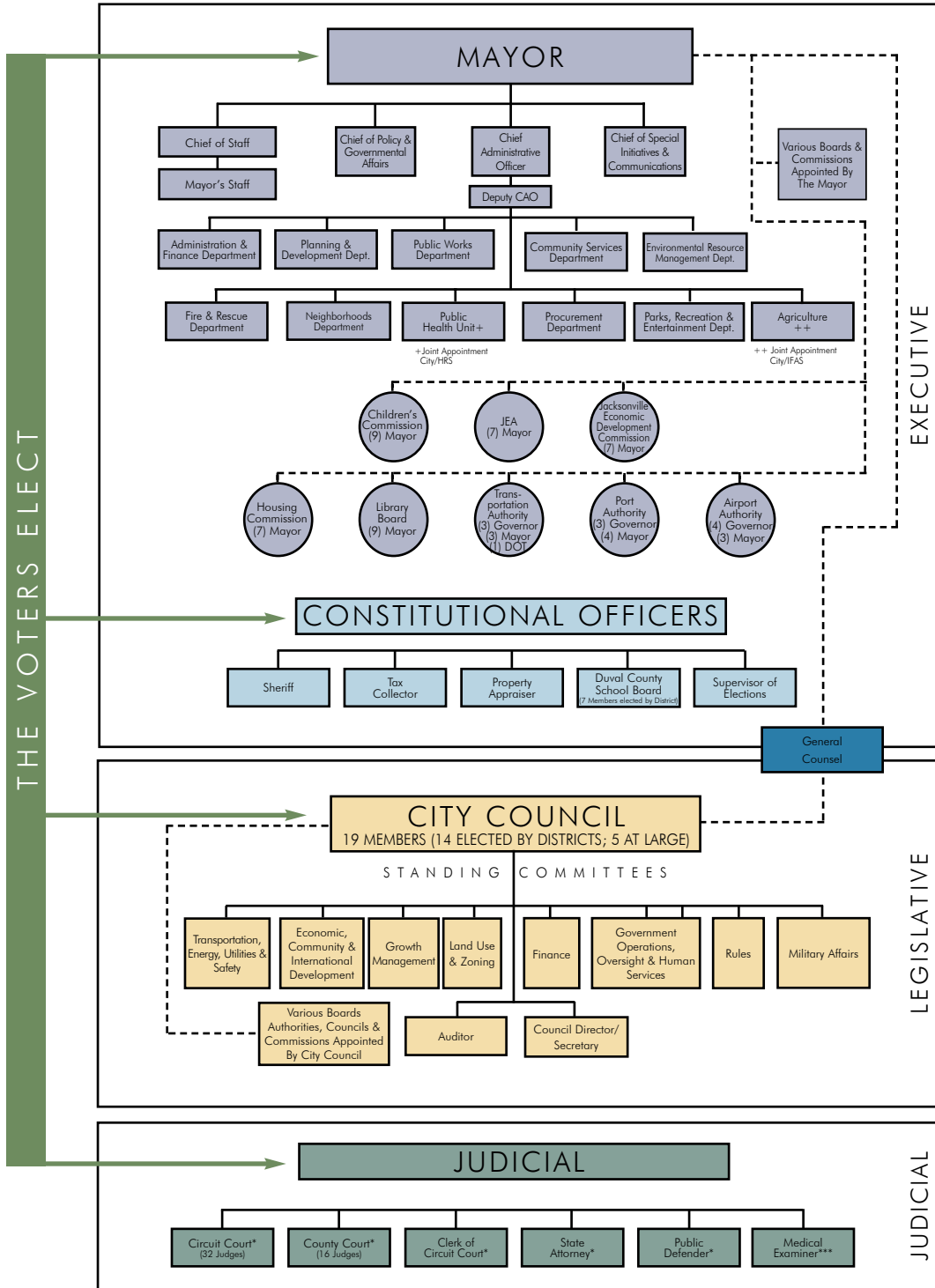


Chart Rev. 11/05

*** Appointed by the Governor

City of Jacksonville 2006 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 the 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

- 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.



DEPARTMENT OF ADMINISTRATION AND FINANCE

117 WEST DUVAL STREET, SUITE 325 · JACKSONVILLE, FL 32202

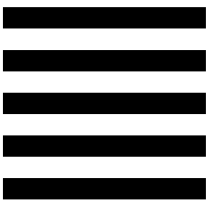
www.coj.net



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UNITED STATES

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DEPT OF ADMIN & FINANCE
117 WEST DUVAL STREET, SUITE 325
JACKSONVILLE FL 32202

