

CITY OF JACKSONVILLE, FLORIDA
BUDGET IN BRIEF
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2005





John Peyton
Mayor

Dan Kleman
Chief Operating Officer

Calvin C. Ray
Director of
Administration & Finance

Frank Castriota
Budget Officer

"My administration has worked with our City Council to bring you a fiscally responsible budget that exemplifies our community's values."

John Peyton, Mayor
City of Jacksonville

On the cover: .Mayor John Peyton reads to members of his book club for 4-year-olds.

Left: Author Fran Peacock Coker reads one of her books to children attending a RALLY Jacksonville! event.

Dear citizens

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

My administration has worked with our City Council to bring you a fiscally responsible budget that exemplifies our community's values. The budget supports items that will improve public safety, enhance quality of life and customer service, and reduce operating costs over time. It also funds our community-wide early literacy initiative, RALLY Jacksonville!

In keeping with my number one goal of growing jobs and raising per capita income in every sector of our community, RALLY will help to prepare Jacksonville's 4-year-olds to read and succeed when they enter kindergarten. There's a direct correlation between early literacy and school success, and we owe all of our children the opportunity to succeed in school, just as we owe it to ourselves to make sure that our city has the educated workforce required by today's knowledge-based economy.

I hope this guide makes it clear to you that we are working to be the best possible stewards of your tax dollars.

Sincerely,
John Peyton
Mayor, City of Jacksonville



Dear friends

One of the unique aspects of our consolidated government is the system of checks and balances that exist between the legislative branch – the City Council – and the executive branch - the Mayor. Before each fiscal year begins on October 1, the City agencies present their budget in detail to the City Council Finance Committee in a series of public meetings. The Committee, then the Council spend countless hours reviewing budget items and asking questions to ensure that tax dollars are spent wisely.

This year's budget addresses the issues you have told us are important: public safety, early childhood literacy, parks and recreation, and infrastructure improvements among others. We have also sought out new and innovative methods to connect the information super highway with every neighborhood and every family in our community.

Another goal of the Council this year is to protect our natural resources. Our city is blessed with the most scenic and beautiful land in Florida, and we have one of the best park systems in the world. We need to make sure that these lands are maintained and supported in such a way that generations to come will enjoy them just as we do today.

On behalf of my colleagues on the City Council, and the thousands of people who work on your behalf every day, thank you for allowing us to serve you.

Sincerely,
Elaine Brown
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 2005 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 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



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JACKSONVILLE, FL 32202 (904) 630-1301

Reading Initiative

As Jacksonville prepares to take the world stage for Super Bowl XXXIX, there's a lot of talk about the economic impact the game will have on the city. Business and community leaders look forward to showing off the First Coast's many assets to the VIPs who attend the Super Bowl.

Jacksonville has a great climate, beautiful location, reasonable cost of living, low tax burden and high quality of life: all qualities that appeal to businesses looking to relocate. The most important thing the First Coast has to offer business in today's knowledge-based economy, however, is an educated workforce. And that's why Mayor John Peyton has made early literacy a cornerstone of his administration.

From kindergarten through third grade, children learn to read. After that, they must read to learn. Because early literacy is directly tied to school success, graduation, job potential and higher income, the mayor contends that improving early literacy is the crucial factor in ensuring both individual success and long-term regional economic growth.

Over the course of the past year, Mayor Peyton and his team have worked with individuals and groups throughout Duval County to create and implement a plan to enhance the early literacy skills and school readiness of Jacksonville's preschool children. "RALLY Jacksonville!" as the mayor's initiative is called, is aimed mainly at 4-year-olds, the children who will enter kindergarten next year.

RALLY aims to make early literacy a core value in Jacksonville, improve the quality of child care and increase the number of children who are ready for school when they begin kindergarten. The initiative features awareness efforts such as the Mayor's Book Club, a million-book giveaway and a literacy summit. It includes pilot projects to create literacy-rich environments in some of the city's most under-served neighborhoods. It will also undertake an intensive effort to move child-care in Jacksonville from custodial care to early education.

As RALLY Jacksonville! is implemented over the next year, it will help our community prepare its children to read and succeed.



Young readers listen to a story at a RALLY Jacksonville! event.

City of Jacksonville



Reading aloud gives babies a head start on learning.

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.



RALLY Jacksonville! Volunteers

CITY COUNCIL MEMBERS

Elaine Brown
President
Group 2 At-Large

Kevin Hyde*
Vice President
Group 4 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

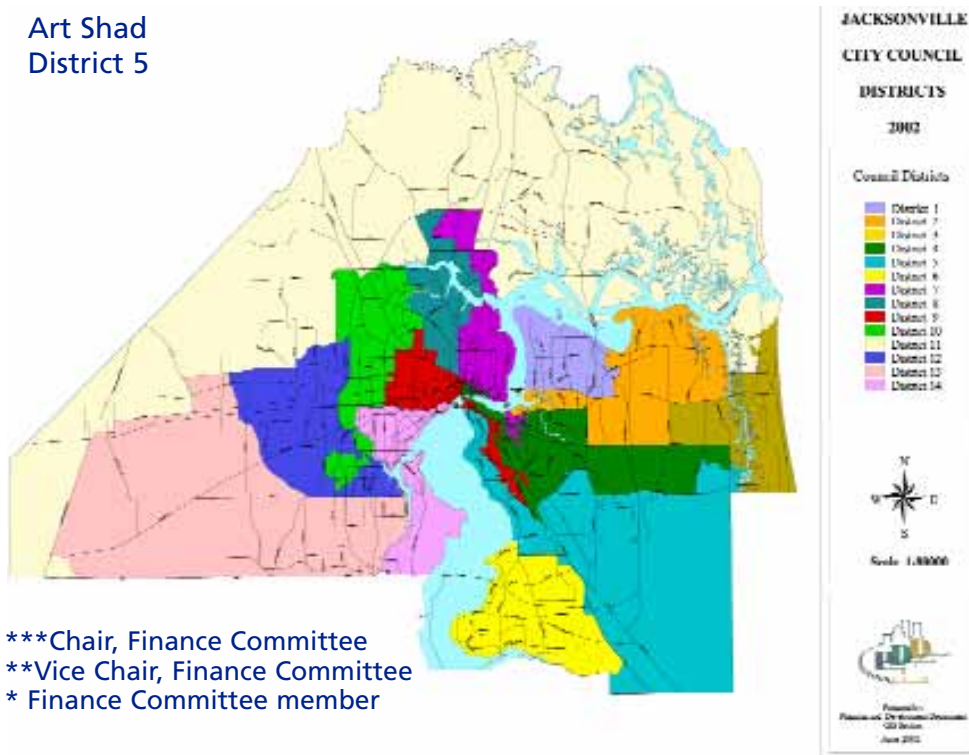
Arthur Graham
District 13

Michael Corrigan**
District 14

Faye Rustin
Group 1 At-Large

Lad Daniels*
Group 3 At-Large

Glorious J. Johnson
Group 5 At-Large



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

2004-2005 BUDGET HIGHLIGHTS

- The Ad Valorem millage rate was reduced for the tenth consecutive year of millage cuts, resulting in a 1.53 mill decrease over the past ten years. This represents savings to the taxpayers of approximately \$59.9 million in the current year and cumulative savings of \$226.1 million over the ten-year period.
- The Assessed Tax Roll increased by \$2.62 billion on a July-to-July basis, a 7.0 percent increase.
- General Fund revenues are up \$42,129,960 excluding transfers, which represents a 5.86 percent increase.
- For the tenth consecutive year, the city continues its effort to build up reserves. General Fund cash carryover has been increased to \$40 million from \$37.2 million.
- The Public Library received 135 new positions last year, 120 of those positions were not fully funded due to the timeline for completing new and expanded facilities. The current year budget provides full funding for all these positions, as well as for nine new positions added this year. Funding is also included for security and custodian services.
- The Public Library was provided \$5.3 million for the purchase of books system-wide.
- The Super Bowl was funded for \$5.6 million to be used primarily for security, sanitation and clean-up efforts.
- Funding to the Jacksonville Children's Commission again has been increased by \$1 million. In addition, \$5 million has been budgeted for the Mayor's Early Literacy Initiative. The Commission provides local governmental services to children. Fully 90 percent of the new money will translate into direct services to children.
- The contribution to Shands Hospital/Jacksonville in support of indigent care has been maintained at \$23.8 million.
- Juvenile Justice is funded for \$3.9 million for services previously provided by the State.
- Fire and Rescue received 45 additional positions to provide additional on-scene firefighting capability and support staff, as well as to staff the newly opened station 58.
- The Medical Examiner received three additional positions as well as funding for instruments and supplies in the Toxicology Lab.
- The Tax Collector received 16 additional positions and approximately 16,000 new part-time hours. Funding for a new Tax System is also included in this budget.
- The Property Appraiser received nine positions along with funding for the new Computer Assisted Mass Appraisal (CAMA) system.

- Within the Office of the Sheriff, the Corrections Division received 13 additional positions. The Investigation and Homeland Security Division received 12 positions along with funding for the first installment for a replacement helicopter. Police Operations received 19 positions, which include one each for the Park Safety Program and security at Oceanway Middle School. Personnel and Professional Standards Division received 11 positions. Police Services Division converted a number of part-time positions to permanent full-time positions. In addition to positions added, this conversion amounted to 38 positions. Administration Division received seven positions as well as funding for an automated fingerprint machine and other equipment and technological needs. An additional 130 positions have been established for that organization's use; however funding has not been budgeted.

- The re-organization within the Executive Branch established Procurement and Supply as a Department. Fully funded is a newly created program, to include a staff of 11, to assist Jacksonville's small and emerging businesses.

- The Treasury Division was funded for two additional positions for a newly created internal financing mechanism managed by that Division. This mechanism provides for internal financing of installment and lease purchases, vehicle replacements, public safety pro-

grams and some capital expenditures. The current year's budget anticipates approximately \$66.6 million in financing through this mechanism.

- The Information Technologies Division was funded \$1.6 million for development of new technology.

- Funding in the amount of approximately \$140 million was provided through long-term capital investment for fire stations, sidewalk repairs and replacements, Bay Street Towncenter, senior centers expansion, Parks/Recreation capital improvements and other capital projects.

- The Cultural Council was provided \$4 million in funding.

- Parks, Recreation and Entertainment received four additional positions.

- The Neighborhoods Department is funded for the Faith Based Initiative for approximately \$1.1 million. In addition, Animal Care and Control received five additional positions and Special Events received two. Also funded in Code Enforcement is the update to the Code Enforcement Management System.

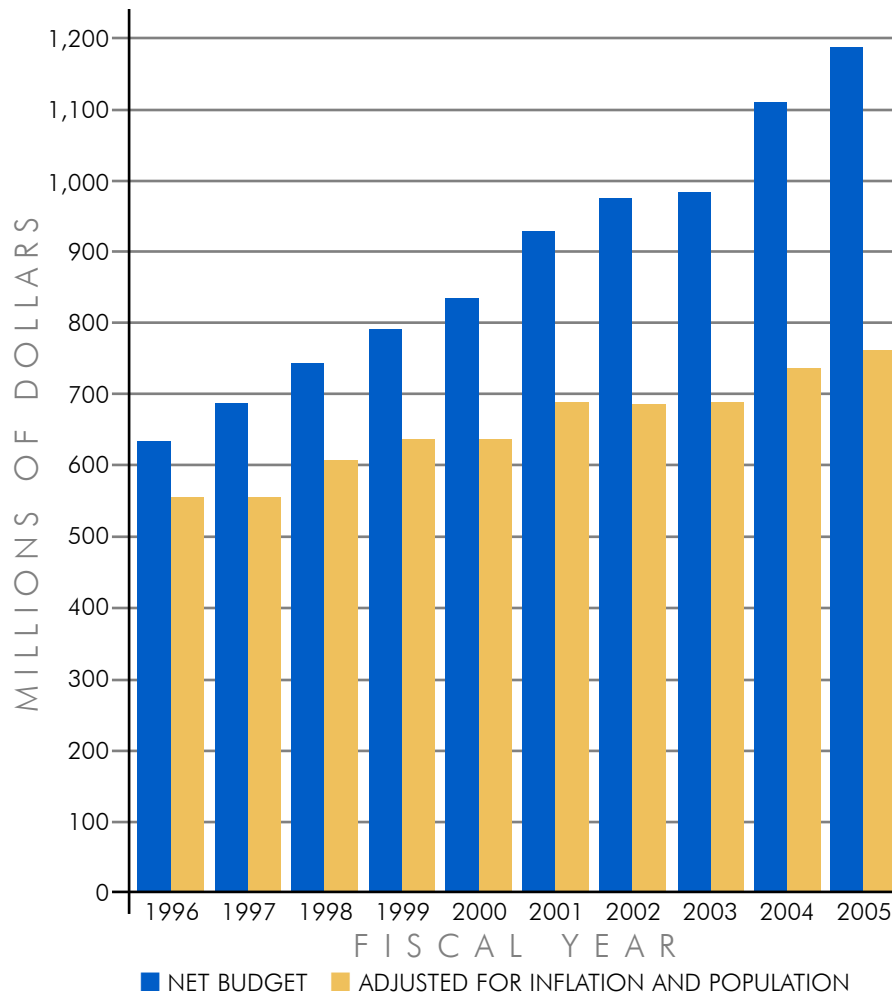
- This year's budget includes funding for the Jacksonville Housing Commission, which combined the operations of the Housing Services Division and the Duval County Housing Authority.

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 from \$630.8 million in Fiscal Year 1996 to \$1.2 billion for Fiscal Year 2005. Taking into account inflation and population growth during the same period, the budget is reduced to \$762.1 million.

NET CITY BUDGET



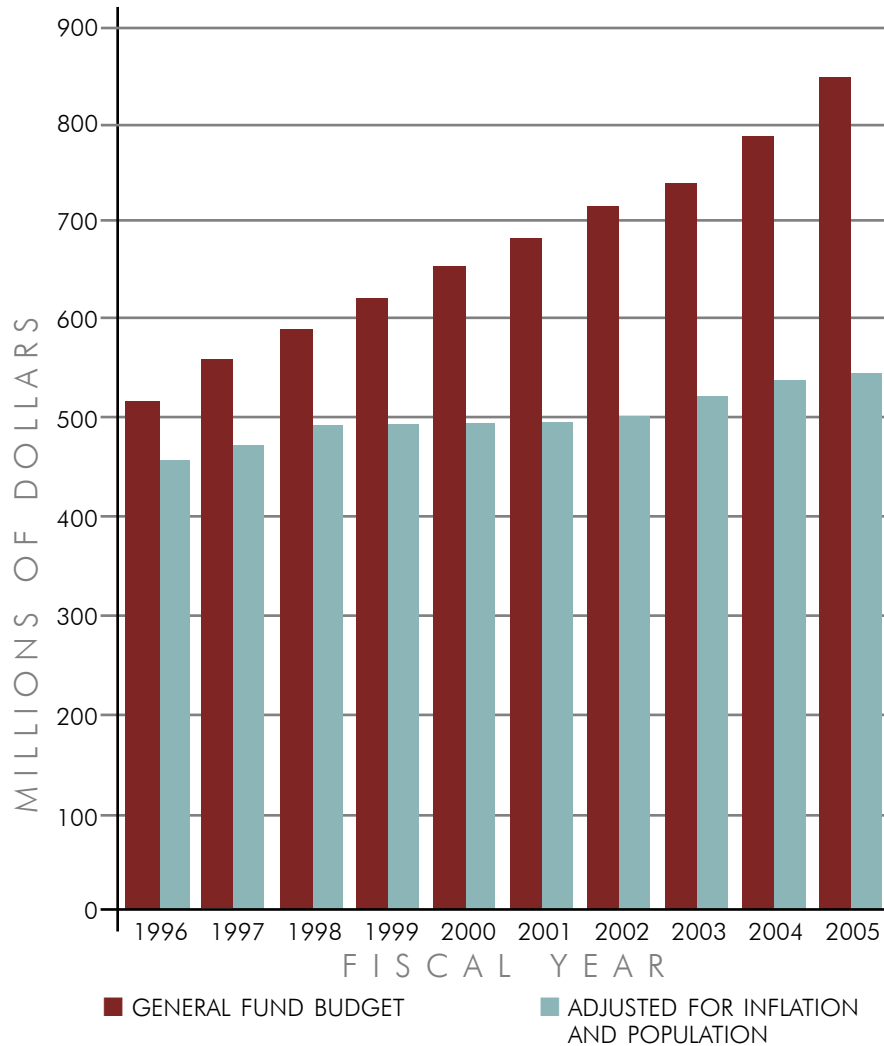
NET BUDGET SUMMARY
for the
2004-2005
Fiscal Year
(excluding fund-to-fund transfers)

	2004-2005 Budget	% of Total Budget
General Fund - GSD (Excluding Beaches and Baldwin)	752,404,426	62.84
General Fund - Mosquito Control State I	145,960	0.01
General Fund - Clerk of Court	3,481,529	0.29
Capital Project Fund	503,069	0.04
Special Revenue Funds	250,024,233	20.88
Enterprise Funds	81,028,556	6.77
Internal Service Funds	68,943,912	5.76
General Trust and Agency Funds	30,942,152	2.59
Component Unit	9,849,540	0.82
TOTAL CITY OF JACKSONVILLE	1,197,323,377	100

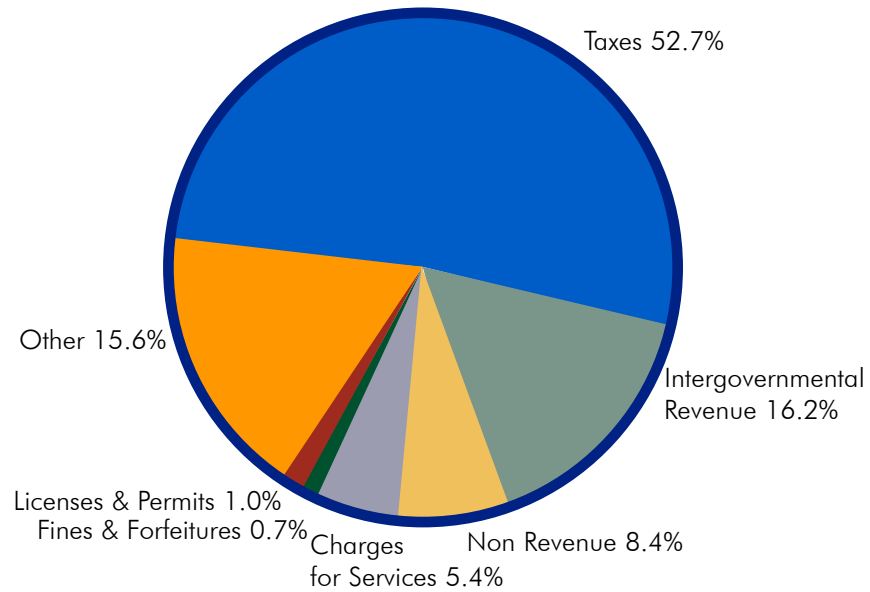
General Fund General Services District

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.

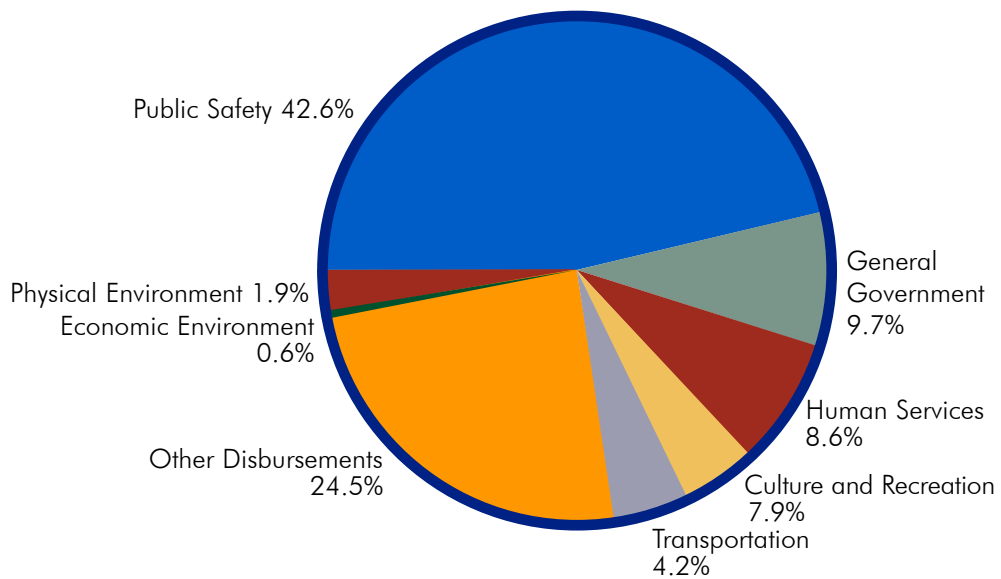
GENERAL FUND BUDGET



General Fund Revenue by Category

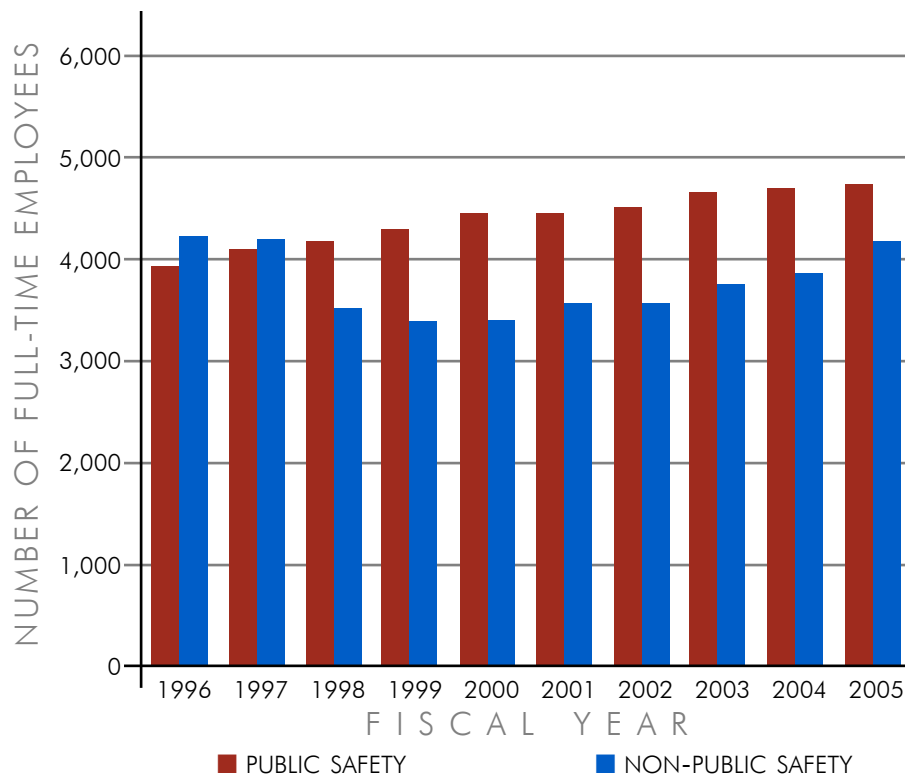


General Fund Expenditures by Category

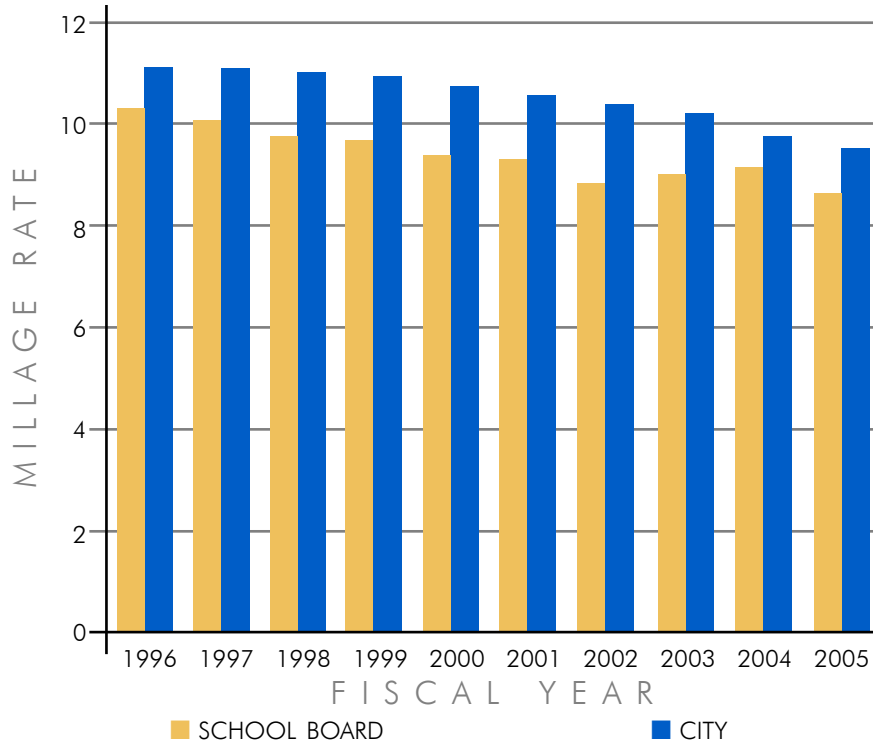


Public Safety vs. Non-Public Safety Staffing (full-time equivalents)

Fiscal Year	Public Safety	Non-Public Safety	Total
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
2005	4,696	4,166	8,862



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



Millage Rate (last ten fiscal years)

Fiscal Year	Other	School Board	City	Total
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
2005	0.5005	8.5650	9.6879	18.7534

Ad Valorem Taxes

notice of ad valorem taxes and
non-ad valorem assessments

2004 REAL ESTATE TAX - DUVAL COUNTY, CITY OF JACKSONVILLE

The following page represents a typical Ad Valorem tax notice. Ad Valorem taxes account for 41 percent of the FY 2005 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 2004 AD VALOREM TAX BILL ARE AS FOLLOWS:

MILLAGE RATE	TAXING AUTHORITY
9.6879	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;
5.4130	Represents the local effort required of the Duval County School Board by the state;
2.6790	Is made up of discretionary millages of 0.6790 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;
0.4730	Voter approved debt service of the Duval County School Board.
TOTAL MILLAGE	
18.7534	

Ad Valorem Taxes

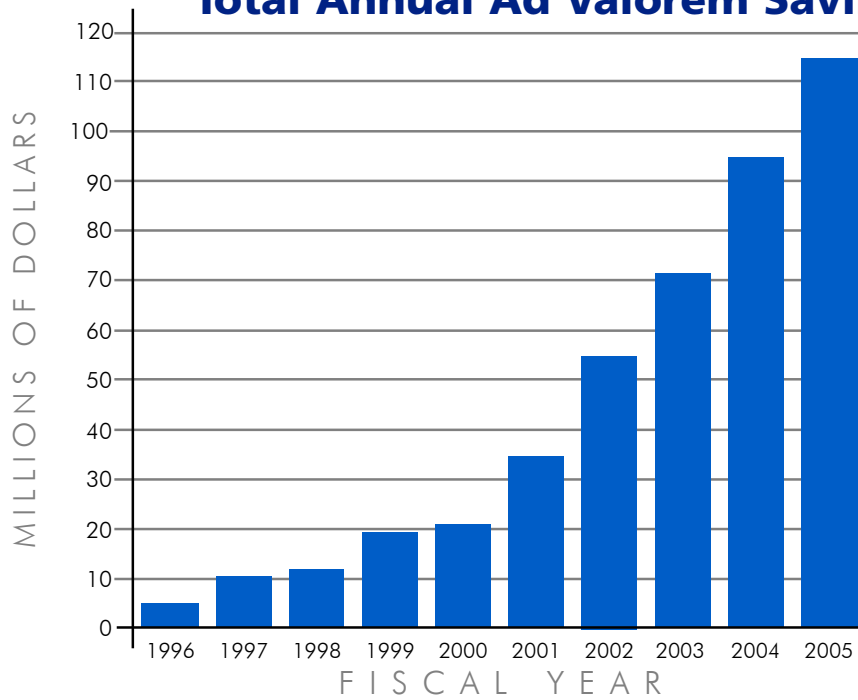
AD VALOREM TAXES						
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	JUST (MARKET) VALUE	\$82,900		
COUNTY	9.6879	484.40	TAXABLE VALUE CALCULATION			
SCHOOL SL	5.4130	270.65	ASSESSED VALUE:	\$75,000		
SCHOOL LB	2.6790	133.95	EXEMPT VALUE:	<u>\$25,000</u>		
FL INLAND	0.0385	1.93	TYPE: HX			
WATER MGT	0.4620	23.10	TAXABLE VALUE:	<u>\$50,000</u>		
VOTER APPR	0.4730	23.65				
TOTALS	18.7534	937.68				
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 AMT 4%
AMOUNT DUE	900.17	909.55	918.93	928.30	937.68	975.19

sample of an ad valorem tax notice

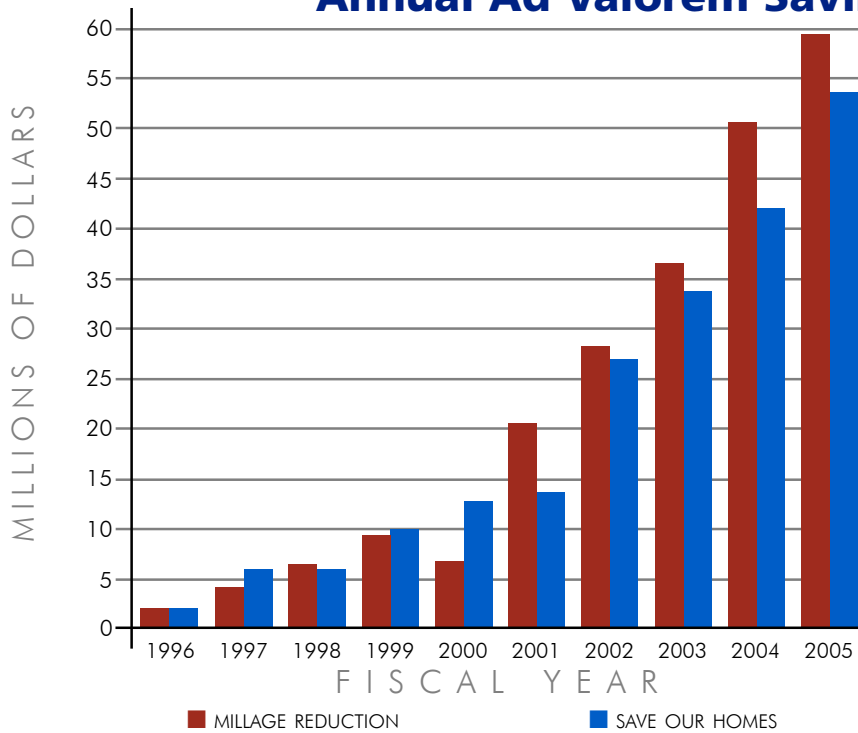
Comparative Tax Rates and Fees

	Orlando Orange Co.	Tampa Hillsborough Co.	St. Petersburg Pinellas Co.	Miami Dade Co.	Jacksonville Duval Co.
Millage					
Operations	10.8555	13.7267	13.231	14.7315	9.6879
School	7.54	8.48	8.243	8.518	8.092
Water Mgt.	0.462	0.707	3.822	0.597	0.462
Library	0.4144	0.6423	0	0.486	0
Debt Service	0.0208	0	0	2.047	0.473
F.I.N.D.	0	0	0	0.0385	0.0385
Transit	0	0.5	0.6319	0	0
Children's	0	0.5	0.8117	0.5	0
Planning	1	0.1045	0.0225	0	0
Port	0	0.29	0	0	0
Rescue	0	0	0.66	0	0
TOTAL	20.2927	24.9505	27.4221	26.9180	18.7534
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)	\$14	\$25	\$16	\$33	N/A
Electric (1,000 Kwh Monthly)	\$85	\$92	\$82	\$98	\$76
Water/Sewer (10,000 gals Monthly)	\$44	\$57	\$79	\$47	\$59
Impact Fee	\$5,734	\$2,141	\$1,923	\$3,337	\$0

Total Annual Ad Valorem Savings



Annual Ad Valorem Savings

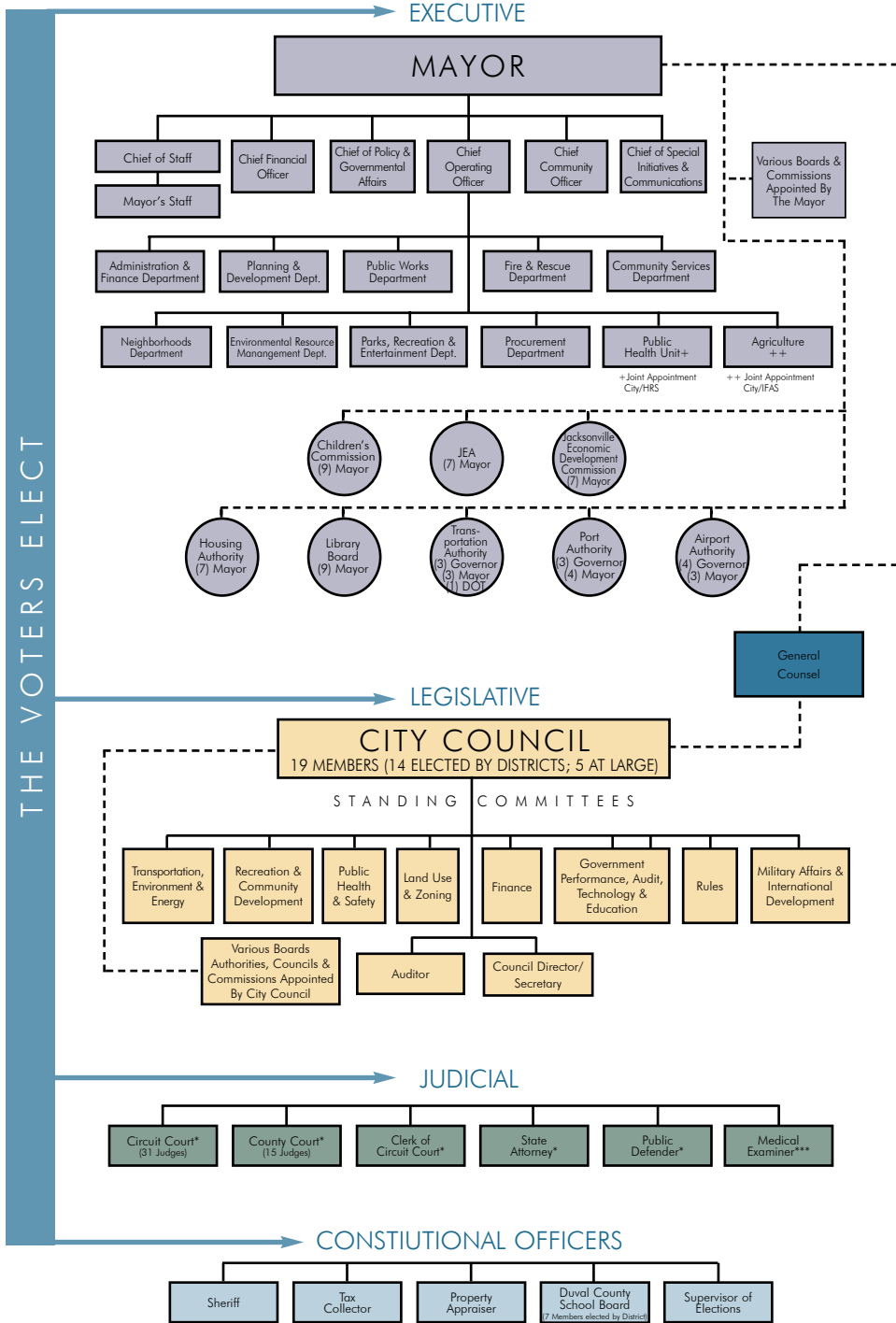


■ MILLAGE REDUCTION ■ SAVE OUR HOMES

The City of Jacksonville has reduced the Ad Valorem rate by more than 13.6 percent over the past ten 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



*** Appointed by the Governor

City of Jacksonville 2005 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 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

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.
