

An aerial photograph of Jacksonville, Florida, showing a mix of modern skyscrapers and a waterfront park. The skyline includes the SunTrust Building, the Wachovia Building, and the Modis Building. In the foreground, there is a waterfront park with a gazebo, palm trees, and a walkway along the water. The sky is blue with some light clouds.

CITY OF JACKSONVILLE, FLORIDA  
COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2010

# CITY SERVICES

**The City of Jacksonville delivers a diverse and expansive number of services, including critical functions that keep our residents safe and our city running. The current economic climate has forced city operations at every level to make adjustments. But even in light of these tough decisions, city government is looking for ways to serve the public most effectively.**

A city the size of Jacksonville must meet daily demands that are almost immeasurable. Last year, Jacksonville Fire & Rescue answered more than 113,000 calls for assistance. Almost 75 percent of those calls were for emergency medical attention. With one of the largest park systems of any city in America, Jacksonville's Public Works Department maintains 72,054 acres of parks. This is in addition to overseeing the repair of 3,600 miles of roads and 7.4 million square feet of public building space. Managing operations of this scope effectively requires reliable information.

To that end, the city is reaching out to the public in a variety of ways. During the budget planning process, we hosted a series of workshops throughout Jacksonville that gave attendees the opportunity to meet with city department leaders and learn about how city finances work. Most importantly, the workshops allowed citizens to communicate their concerns to city decision makers and share their priorities for the services the city provides.

Additionally, City Council held community meetings throughout Jacksonville where they, too, gathered citizen input on city services and budget priorities. This focused and more interactive approach resulted not only in more open communication between citizens and city leaders, but also a better budget that reflects the needs and wants of this community.

By inviting everyone to play an informed and active role in the shaping of the budget, we were able to garner an unprecedented amount of input from citizens. This key part of the process allowed us to develop a well-rounded budget that safeguards our city's future prosperity and delivers the service priorities that Jacksonville residents trust and deserve.

# CITY OF JACKSONVILLE, FLORIDA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010



PREPARED BY THE DEPARTMENT OF FINANCE  
ACCOUNTING DIVISION



**City of Jacksonville, Florida**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2010**

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# INTRODUCTORY SECTION





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**LETTER OF TRANSMITTAL**





OFFICE OF THE MAYOR

John Peyton, Mayor

March 30, 2011

Dear Citizens of Jacksonville:

It is a pleasure to present you with the City of Jacksonville's Comprehensive Annual Financial Report for Fiscal Year 2009/2010.

This document details the City's financial status and clearly reflects our commitment to the highest standards of financial management, accountability and efficiency. You may be assured that we will continue to seek ways to improve customer service and to be the best possible stewards of taxpayer dollars.

I hope this guide is helpful to you, and I look forward to our continued work together to help make Jacksonville the best place in America to live, work and raise a family.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Peyton".

John Peyton  
Mayor





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March 30, 2011

The Honorable Mayor John Peyton  
Members of the City Council  
Citizens of the City of Jacksonville

## **INTRODUCTION**

The Comprehensive Annual Financial Report (CAFR) of the City of Jacksonville, Florida (the City) for the fiscal year ended September 30, 2010 is hereby submitted.

Responsibility for both the accuracy of the data and the completeness and fairness of its presentation, including all disclosures, rests with the City. Management believes the data, as presented, is accurate in all material respects and is presented in a manner designed to set forth the financial position and the results of operations of the City on a government-wide and fund basis. Disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City, founded in 1832 and consolidated with Duval County in 1968, has an estimated City/County population of 901,300 living within a 840.1 square mile area. Within Duval County there are four separate municipalities (the Cities of Jacksonville Beach, Neptune Beach and Atlantic Beach and the Town of Baldwin) which represent a population of 45,611 within 15.9 square miles. Jacksonville is the doorway to Florida (along the Atlantic coast) and the center of the five-county Jacksonville Metropolitan Statistical Area (MSA) which has an estimated population of 1,371,500. The City operates under a charter adopted October 1, 1968 and a Mayor/Council form of government.

## **ECONOMIC CONDITIONS**

Each fiscal year provides the City an opportunity to identify, address and resolve issues facing our community and our citizens, both exclusively and as part of the MSA.

The City's major challenges are to provide the infrastructure and both the City and county services needed to maintain the quality of life that has attracted considerable growth to our community. History has proven that significant emphasis on support systems such as transportation, stormwater management, potable water, wastewater and electric capacity must be balanced carefully with quality of life amenities. These amenities include parks, recreation, sports, entertainment and cultural opportunities to maintain the natural beauty and attractiveness of a community. For the City, these natural attributes take shape as they relate to water (the St. Johns River and its tributaries, the Intracoastal Waterway and the Atlantic Ocean), a significant tree canopy and lush vegetation, which provide a unique environment for Jacksonville MSA residents.

## Growth

The Jacksonville MSA, which includes Duval, Baker, St. Johns, Clay and Nassau Counties, has experienced significant growth during the last decade. Measures of growth come in many forms. The following schedule is intended to demonstrate not only individual year growth, but also three, five and ten year annual average trends.

The City and the MSA continue to demonstrate the benefits of being one of the identified Sun Belt growth centers. Jacksonville is seen as having an attractive tax environment as well as being a great place to live, work and raise a family.

<b>ECONOMIC GROWTH</b>										
<b>ACTUAL/ESTIMATES AND AVERAGE % GROWTH</b>										
<b>ANNUAL AND THREE, FIVE AND TEN YEAR PERSPECTIVES</b>										
	2010	2009	2008	2007	2006	2005	2000	<u>Average % Growth</u>		
								Last 3	Last 5	Last 10
Population (in thousands)										
City/County	901.3	905.0	905.0	898.0	891.2	859.3	791.5	0.1%	0.3%	1.4%
MSA	1,371.5	1,367.7	1,369.1	1,295.9	1,272.7	1,224.7	1,118.5	1.9%	1.9%	2.3%
Assessed Value (in billions)										
City (only)	53.2	55.5	55.2	47.6	41.6	37.1	30.0	3.9%	7.0%	7.7%
City/County	58.4	65.4	61.4	52.7	45.6	40.7	28.1	3.6%	7.0%	10.8%
MSA	92.4	104.0	104.0	97.1	84.8	72.2	44.0	-1.6%	2.2%	11.0%
Dollar Value of Building Permits (in millions)										
City/County	1,037	828	2,141	1,948	2,380	3,564	3,625	N/A	N/A	N/A
MSA	2,906	2,754	3,894	3,359	4,483	6,203	4,692	N/A	N/A	N/A
Building Permits (in thousands of Units)										
City/County	9.8	9.0	13.2	14.4	22.7	27.1	20.2	N/A	N/A	N/A
MSA	32.8	28.9	35.0	40.0	58.0	69.3	42.7	N/A	N/A	N/A
Employment MSA (in thousands)										
Selected Segments:										
Manufacturing & Construction	56.0	57.9	75.3	86.0	86.5	102.6	70.4	-11.6%	-8.8%	-2.0%
Wholesale & Retail	99.0	99.9	138.3	142.8	139.1	127.6	139.7	-10.2%	-7.2%	-2.9%
Service	328.6	327.1	304.7	315.0	303.2	260.0	236.5	1.4%	2.1%	3.9%
Government	76.3	77.0	78.7	78.6	79.0	73.9	66.7	-1.0%	-0.9%	1.4%
Other	24.3	23.8	28.8	28.0	28.0	27.5	58.2	-4.4%	-3.3%	-5.8%
Total	<u>584.2</u>	<u>585.7</u>	<u>625.8</u>	<u>650.4</u>	<u>635.8</u>	<u>591.6</u>	<u>571.5</u>	-3.4%	-2.0%	0.2%
Chamber/Job Recruitment										
New Jobs(1)	3,268	2,145	3,393	7,235	10,166	10,572	16,928	N/A	N/A	N/A
Corporate (2)	2,600	1,487	2,127	2,026	4,449	3,761	4,728	N/A	N/A	N/A
Port (JPA) Activity										
Cruise Passengers (in thousands) (3)	173.6	185.4	75.9	130.0	128.6	86.0	0.0	11.2%	8.7%	N/A
Tons of Freight (in millions)	8.0	7.3	8.4	8.3	8.7	8.4	7.5	-1.2%	-2.0%	0.7%
Airport (JAA) Activity										
Passengers (in thousands)	5.6	5.6	6.0	6.3	5.9	5.7	5.2	-3.7%	-1.3%	0.8%
Tons of Airfreight (in millions)	73.5	72.1	81.6	83.2	86.8	85.1	68.9	-3.9%	-3.8%	0.7%

(1) Total new jobs, both low and high wage

(2) New jobs - high wage

(3) In 2008, Cruise operations were out of service from April 2008 to September 2008.

## **Limitation on Flexibility-State View**

Florida is the fourth most populated state, with more than 18.8 million residents and, in recent history, is one of the fastest growing yet least taxed major states in the country. Local government revenue sources are restricted to property taxes and a limited array of permissive additional revenue opportunities. Because a personal income tax is constitutionally prohibited in Florida, state and local governments are continually seeking new and broader revenue opportunities to meet the service delivery and infrastructure requirements of our current and future population.

In 1985, the State legislature passed significant growth management legislation, which requires state and local governments to develop five-year financeable capital infrastructure and minimum standard service level programs. The State, in an attempt to enhance the planning for the future, was attempting through the 1985 legislation to ensure that quality of life is maintained and that infrastructure and service delivery issues are reasonably addressed. The 1985 legislature failed to address new revenue flexibility that would have allowed the state and local governments to develop greater financial flexibility to implement these five-year planning programs. Subsequently, the State legislature has been preoccupied with other issues, principally the need for state involvement to improve the quality of education in Florida. Currently, budget balancing issues and citizen-initiated referendum (e.g., court system funding, K-12 class size reduction, etc.) are requiring the legislature's primary attention and focus. As a result, enhanced revenue flexibility for local governments has not been adequately addressed.

Local government's need for transportation, green space, recreation and other infrastructure improvements normally not associated with a paid-for-services fee continues to place ever-tightening constraints on its ability to effectively plan for growth. Considerable attention needs to be placed on the broadening of the Home Rule Powers Act, in connection with the broadening of local government revenue flexibility, which would enable both individual City initiatives and, where appropriate, collective efforts on the part of local governments to address major regional infrastructure programs.

## **Limitation on Flexibility- City/County View**

Facing the needs of a rapidly growing metropolitan community typically places a burden on the financial flexibility of any government. Broader revenue flexibility will be essential to maintaining Jacksonville's traditionally strong financial condition and to address the challenges of growth. The City, the Florida League of Cities and the Florida Association of Counties are seeking new optional local flexibility in an effort to match new revenues with both operational and capital objectives. Given the diversity of size and local government agendas, cities and counties, if granted the latitude, might elect to reduce or eliminate property taxes in favor of sales or other optional choices and/or revamp or revisit various revenue/expenditure relationships to more equitably balance benefits and recipients.

In 2000, the City initiated and the voters approved by referendum the \$2.25 billion Better Jacksonville Plan (BJP). The BJP program proposed to address \$1.5 billion in roadway system improvements and \$750 million in vertical construction and other improvements. The program proposed to (a) use excess capacity in a ½ cent sales tax previously approved to eliminate tolls in Jacksonville and to provide a recurring funding source for mass transit (bus and other) to fund \$750 million in road projects; (b) authorize a second ½ cent (\$1.5 billion in projects) for road/transportation projects and vertical initiatives; (c) separate the funding into a unique and self contained accountability process and; (d) provide for citizen advisor committee oversight.

Although the State has not addressed significant broadening of local government latitude, during the last 20 years (up through 2007) the growth of the State and the City/County and related impact on revenue, has allowed for an inadequate effort to meet the demands of growth.

## **Framework**

To understand the City, one must first understand the framework under which this government operates.

Under the 1968 consolidation, the City of Jacksonville and Duval County have eliminated the typical city/county conflict and is able to re-channel the related energy often misrouted on these dialogue(s) to a more productive use. The county/city conflict with the remaining four municipalities has largely been addressed in a series of relationship framing Interlocal Agreements.

The City operates under a strong Mayor/City Council form of government. The 19-member City Council is made up of 14 districts and five (5) at-large Council members. These 20 elected officials stand for election every four years (having no mid-term elections) and are subject to a two-term limitation, with approximately half of the group changing every four years

By its charter, the county continues to utilize the typical Florida County structured elected Constitutional Officers (Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections and Clerk of the Court). The Sheriff operates the combined police/sheriff operation as well as the corrections/court bailiff activities. The Clerk of the Court operates the court/record filing activities, but unlike the majority of the other 67 counties, the Clerk does not have financial accounting/reporting responsibilities, which have been transferred to the Mayor.

A number of traditional City activities are operated by independent authorities and/or Commissions.

Jacksonville Aviation Authority (JAA)

JEA (electric, water and wastewater utilities)

Jacksonville Port Authority (JPA)

Jacksonville Transportation Authority, (JTA) (which also operates the mass transit system)

Water Sewer Expansion Authority (WSEA)

Jacksonville Children's Commission

Jacksonville Economic Development Commission (which also operates the City/county CRA districts)

Jacksonville Public Library

Each of the Authority/Commission is subject to annual budget submission to/approval by the City Council

## CHALLENGES/CONCERNS

As the City addresses the various demands of growth/changes, it is equally important that it identify the challenges the community will face over the next three to five years.

### **Turbulent Financial Times**

The last several years have placed significant challenges both on local government(s) in Florida and across the country.

**First**, as an outgrowth of the 2006 Florida gubernatorial election, the new governor and the speaker of the Florida House set out to roll back property tax, the principal revenue of local government – City, County and (County) School Boards. During the 2007 legislative session, a) the State required a 3%,5%,7% or 9% millage rollback based on the level of property tax revenue growth for the period 2001 through 2006 and b) provided for a constitutional amendment (on the January 29, 2008 Presidential primary ballot) which would create:

- A second \$25,000 homestead exemption/targeted at the 3<sup>rd</sup> \$25,000 of value (between \$50,001 and \$75,000)
- A Tangible personal property exemption of \$25,000
- Portability of the 1993 “Save Our Homes” advantages when selling and buying a home
- A 10% taxable value growth limitation on non-homestead properties, beginning in 2009-10

The City argued that based on a 1993 local “advisory” referendum, the millage had dropped from 11.31 mils in 1995 to 9.64 mils in 2007 and that the City of Jacksonville/County of Duval (the City) had not been guilty of abusing its taxpayers during this period of dramatic property value increases.

Nevertheless, it became clear that the City would be caught up in the sweeping net of change likely arising out of both the statutory required rollback (in which the City fell into the 3% - least required rollback) and the constitutional amendment (which was passed by the required 60% approval rate state-wide, failed in Duval County at 47%). With his 2007-2008 budget, the mayor’s understanding of the statewide situation led the City to reassess its possible underutilized local revenue options. The Mayor proposed a phased implementation of three (3) new fees.

### Effective

April 2008	A franchise fee at 3% (although available up to 6%) on electric, water and sewer utilities
April 2008	A residential solid waste fee at \$3.00 per month (increasing by \$1.00 each October until it reaches \$12.00)
June 2008	A stormwater utility fee (based on impervious surface and an Equivalent Residential Unit (ERU) measurement – initially at \$5.00 per ERU

While these new fees provided only partial relief in 2007-2008, a full year’s benefit for 2008-2009 was \$37.5, \$11.3 and \$29 million respectively.

**Second**, the 2007-2009 global economic downturn has resulted in significant revenue contraction on several of the City’s principal revenue sources. The largest impacts have been to the property tax, which represents 50% of the City’s General Fund revenue, and sales tax collections with its impact on the ½ cent sales tax, City revenue sharing and county revenue sharing (from the State) which represent an additional 15% of the General Fund. Separately, the two Better Jacksonville (Capital Bond related) Programs were further impacted by the 11.44% and 10.38% reduction in the ½ cent sales tax streams over the four year period.

Florida’s “Truth in Millage” statute requires a rollback rate calculation of the property tax millage annually. The rolled back rate is defined as the rate that will raise the same revenue received last year from the existing properties on the tax roll from a year ago. For the majority of the state, since implemented in the late 1970’s through 2008-2009, the rollback rate has always been lower than the millage rate adopted in the previous year. For 2009-2010, 2010-2011 and probably 2011-2012, the rollback rate has been, and will likely be higher than the millage rate of the previous year (or a “rollup”). For 2009-2010, the 8.4841 millage rate (which was held flat for 2008-2009 after the 3.0% adjustment in 2007-2008) rolled up to 9.2727 mils. While this adjustment produced no new revenue, it was initially seen and politically reacted to as a tax increase. The mayor proposed a millage rate of 9.5 but the City Council ultimately approved on the rollback rate of 9.2727 mils.

Budget and actual revenue derived from sales tax for 2007-2008, 2008-2009, 2009-2010 and clearly 2010-2011 have had to be adjusted in light of economic market challenges.

Sales Tax Related General Fund Revenues  
(In millions)

<u>Fiscal Year</u>	<u>Original Budget</u>	<u>Actual Received</u>
2005-2006	\$123.9	\$126.3
2006-2007	131.0	123.0
2007-2008	133.1	113.3
2008-2009	122.7	102.2
2009-2010	109.8	99.4
2010-2011	105.2	N/A

During the same troubled period, the City has been able to address and manage its General Fund budgetary process in a manner to add to the City’s available reserves (both Operating and Emergency) by \$ 47.8 million.

<u>Fiscal Year</u>	<u>Increase in Reserves</u> (In millions)
2005-2006	\$17.8
2006-2007	4.8
2007-2008	14.1
2008-2009	6.8
2009-2010	4.3

## Budgetary Challenges

Since September 11, 2001 Jacksonville, like most local governments, has seen an increased emphasis on assuring that the City's Public Safety (Sheriff/Police and Fire/Rescue) operational requirements are met. The following schedule illustrates these changes:

	<u>FY 2001</u>	<u>FY 2010</u>	<u>% Change</u>
Sheriff:			
Staffing	2,674	3,354	25.4%
Budget (in millions)	\$193.4	\$359.7	86.0%
Fire Rescue			
Staffing	1,076	1,323	23.0%
Budget (in millions)	\$ 86.5	\$166.9	92.9%

During the same period, the non-public safety operations (e.g. public works, parks and recreation, etc.) other than the Library system, have been reduced significantly. The Library system, which opened 2 new regional libraries, 16 new or remodeled branch libraries and the new 297,000 square foot Main Library (in 2005), represents the only nonpublic safety department to experience material growth. The following schedules reflect these changes.

	<u>FY 2001</u>	<u>FY 2010</u>	<u>% Change</u>
Library System			
Staffing	204	347	70.1%
Budget (in millions)	\$14.8	\$ 42.3	185.8%
Other non-public safety			
Staffing	2,396	1,490	(37.8%)
Budget (in millions)	\$195.1	\$223.9	14.8%

## 2008-2009 Budget Development

In December 2007, the mayor initiated a 150 member citizen commission *The Jacksonville Journey* to address the city's violent crime problem. The commission produced a multi-faceted, multi-year phased strategy involving the City, the School Board (an independent elected body), the criminal justice system (a state-run operation) and the social service community. Upon receipt of the proposal, the Mayor's Office needed to address the City's appropriate role. The mayor's 2008-2009 budget proposal included funding in five categories: 1) Law Enforcement and Deterrence, 2) Targeted Intervention and Rehabilitation, 3) Education, Truancy, Dropout and Literacy, 4) Neighborhood Safety and Stability, and 5) Positive Youth Development.

- Law Enforcement and Deterrence included \$10 million in funds to hire additional police officers, corrections officers, emergency communications officers and civilians necessary to support police work. In addition, the proposal included \$4 million in funds to provide funds for overtime to deploy existing officers until the new police officers could be deployed.
- Targeted Intervention and Rehabilitation included \$1.5 million in funds for the establishment of an ex-offender re-entry portal, training, employment and re-entry programs for ex-offenders. In addition, \$800,000 was set aside for establish a Juvenile Assessment Center, expand funding for juvenile crime prevention and intervention programs and expanding the City's summer jobs program for youth.
- Education, Truancy, Dropout and Literacy efforts received \$4 million for out of school suspension centers, an expansion of early literacy programs and the establishment of college scholarships.
- Neighborhood Safety and Stability programs received \$9.8 million to eliminate crime havens, provide neighborhood job opportunities and to repair City assets in order to provide additional after-school and summer programs for youth.
- Positive Youth Development initiatives included \$4.6 million in funds for an expansion of the City's Team Up Program for after school programs for middle and elementary school students, supervised after school recreation leagues for youths and provide for an additional two weeks of summer camp to cover more of the students' summer break period.

## 2009-2010 Budget Development

The budgetary process faced several significant challenges:

- The City's first drop in property value in twenty-seven (27) years, and the issues related to a rollback/rollup
- Significant reductions in sales tax related revenues (both General Fund and BJP).
- Material increases in pension contribution, related to the October 1, 2008 actuarial report and the material investment losses during the 2007-2008 fiscal year
- Phase II implementation cost for the Journey initiative
- Need to negotiate with all of the City's thirteen (13) bargaining units, effective October 1, 2009

The mayor proposed a zero salary increase across the board and the City Council adjusted the final budget to anticipate a 3.0% cut in salary plus other cuts in salary related costs.

In order to negotiate in good faith with the bargaining units, the City created a non-departmental negative contingency of \$20.7 million with a counter-balancing \$9.5 million contingency, leaving a potential for a negative \$11.2 million outcome, all other things being equal.

Recognizing the uncertainty over when, and if, the salary cuts anticipated in the 2009-2010 final budget might be implemented, the mayor imposed a hiring freeze and department heads and division chiefs were encouraged to minimize spending to impact the 2009-2010 operating results and to assist in the 2010-2011 budget development.

## **2010-2011 Budget Development**

In anticipation of another difficult budget process, the mayor:

- In the second quarter, introduced a fee proposed to eliminate the General Fund subsidy of residential solid waste, moving the monthly fee from \$5.00 to \$12.65, effective October 1, 2010
- proposed a second year of levying the rolled-back rate (or a revenue neutral millage rate adjustment) which effectively moved the millage rate from 9.2727 to 10.1193 (rollup)
- continued pursuit of a salary cut across the board to be implemented 10-01-10, if not before, and
- identified the need to cut an additional \$20 million to balance the 2010-2011 budget.

In September and October, 2010, five bargaining units representing 4,427 employees (approximately 59%) entering into three-year agreements at 0%, - 2.0% and 0% for fiscal years 2009-2010, 2010-2011 and 2011-2012 respectively. Additionally, these agreements provided for a) 5% employee participation in their own healthcare cost and b) pension benefit reductions for new employees, proposed by the administration for General Employee bargaining units. The Firefighters bargaining units additionally agreed to possible new employee benefit reduction which might be negotiated between the City and the Police and Firefighters Pension Plan (a separate component unit).

While these changes did not help with the 2009-2010 budget, they were integral to balancing the 2010-2011 budget.

## **Better Jacksonville Program**

As of October 1, 2008, the City had active capital projects anticipating future borrowing of \$300 million, a serious negative trend on each of the two pledged revenues (both the Transportation and Infrastructure Programs) and a change of status on the bond ratings from stable to negative outlook. The rating (Aa3, AA-, AA), the long term need to maintain the Aa/AA category status and the related market access concerns in all market circumstances, caused the City to consider alternatives to meeting its capital program needs. Based on an assumption of three \$100 million borrowing(s) over three years, a strategy was developed and implemented to substitute a General Fund covenant pledge while anticipating use of a junior lien infrastructure ½ cent sales tax revenue to pay the debt service on the covenant bonds.

## **Pension Benefit Reform/Labor Relations**

Related to the October 1, 2008 actuarial reports, analysis of projected future required contributions and a review of the ten year history of required employer contribution, the mayor initiated a review of the sustainability of the current pension benefit package. The concern over benefit levels correlated inversely to the funded status of the 3 pension plans:

	<u>Employer Contribution</u> (as a percentage of pay)	
	<u>FY 2009</u>	<u>FY 2010</u>
Police & Fire	32.11%	49.60%
Corrections	17.16%	31.78%
General Employee	10.43%	13.50%

Historically, while the Florida Constitution grants both management and labor a right to negotiate pension benefits, the City has addressed benefit changes off-cycle or separate from the bargaining process. For the contract term starting October 1, 2009, the mayor had proposed reduced benefits for new employees hired after a date (to be determined). If successful, the resulting benefit package is still expected to be reasonable, fair and competitive in the northeast Florida marketplace and result in future contribution savings (over a 35 year period).

A significant portion of these future savings were to come from the Police and Firefighters Pension Plan (originally estimated at \$1.27 billion). An interlocal agreement had been entered into in 2000 which suggest that these benefits were untouchable through 2030. The radical increase in employer contribution (from \$19.1 million in 2000-2001 to \$87.5 million in 2009-2010 as well as those projects into the future led the mayor to call for the City to revisit/readdress the benefit package, at a minimum, for new employees.

Over the ensuing 18-month period, discussions have been ongoing with the original proposal and addition/alternative option being discussed.

## **State and Federal Imposed Mandates**

During the 1980's the State, like the federal government, elected to solve problems by imposing mandates on local government. The use of mandates effectively allows legislators to report that they have addressed and solved an issue, but relieves them of the often-unpopular obligation to finance or provide new revenue sources for the mandate. Local governments, who often support the resolution of the problem, have found it increasingly difficult to implement mandates without broadened revenue flexibility or without negatively affecting operating and capital agendas.

On November 6, 1990, the voters of Florida passed an amendment to the state constitution to limit the legislature's ability to pass unfunded mandate that impose burdens upon local governments. A 2/3 majority of both chambers is now necessary to approve an unfunded mandate.

## **Capital Improvement Program (CIP) and Debt Affordability Model**

The City annually approves a 5-year Capital Improvement Program (CIP) that anticipates a specific level of borrowing and is financially feasible. Concurrent with the submission of the five-year CIP, the City reviews its Debt Affordability Model which a) looks backward 5 years to compare history b) measures the City's performance against self-imposed ratio targets and maximum/minimum limits c) compares the City to national Aa/AA category norms and d) projects the City's performance within targets/limits for the next 5 years.

## **Pollution Remediation and Ash Site Settlement**

During 2004-2005, the City was able to settle a long standing class action suit regarding land value diminution and personal injury that arose out of a Solid Waste practice prior to the early 1970's of using Solid Waste produced incinerator ash and used it as a fill when mixed with soil in low lying areas. The City agreed to pay \$25 million and to allow the plaintiffs to pursue the City's then-insurance providers related thereto. In FY2009, the City issued variable debt from the Banking Fund and is amortizing the remaining \$23.2 million over a twelve (12) year period.

Related thereto, the City also negotiated (and finalized a settlement agreement in Fall 2007) with the U.S. Environmental Protection Agency (EPA) regarding clean-up which will involve removing 2 feet of soil around the homes and related park land, putting down a mesh and replacing the removed top cover with new soil in an area of 1,300 or more homes. The current estimate for remediation of the ash sites and other remediation of approximately \$150.7 million is accrued as a liability at the end of 2010. \$135.1 million funding has been identified in the 2011-2015 Capital Improvement Program (CIP), with another \$15.6 million to be budgeted beyond that.

## **Growth Management**

As previously discussed, the State adopted the Growth Management Planning Act which requires local governments to develop a five-year plan, to install infrastructure support systems needed for growth and to maintain the types and quality of services presently being provided. The alternatives are to (a) adjust the service delivery standard; or (b) implement a mandatory moratorium on the issuance of new building permits. Each community is allowed to establish and periodically revisit its infrastructure and service delivery standards. However, the concept of a financeable five-year plan for both capital and service delivery projects, which will not involve periodically diminished standards, may require additional (statutorily authorized) flexibility in local revenue options and a constructive atmosphere of state and local government cooperation/collective effort.

New flexible revenue options will be essential in meeting the service and service delivery support systems needs of state and local government. Delays in providing for new revenue flexibility, in light of the strictly defined Growth Management Planning Act, could become a major inhibitor to growth projected for the state, MSA and City. More importantly, our ability to maintain the quality of life that we have traditionally enjoyed may be critically impaired. While cities and counties require the tools necessary to plan for and meet the challenges of growth, local officials are not asking the State to impose a new tax. Rather, they are asking state legislators to simply broaden local governments' horizon by authorizing new permissive revenue options for discretionary use.

## **Transportation**

The Metroplan Jacksonville 2035 Long Range Transportation Plan Update (Needs Plan) has indicated that the 2011-2035 needs of Northeast Florida for an improved transportation network are projected to cost \$12 billion (170 projects) to meet a 68% increase in vehicle miles traveled in the region. Regional projected revenues over this 25 year period are expected to fund approximately \$5 billion (60 projects), leaving a gap of \$7 billion (110 projects). Even with such expenditures, there are no guarantees that the quality of transportation and, thus, the quality of life, would not deteriorate further.

### **MAJOR INITIATIVES/PROGRAMS:**

#### **Mayor John Peyton's Initiatives: Three Priorities**

Mayor John Peyton designated three focus areas as priorities for his administration. These are the areas that will most affect Jacksonville's continued success as a city, as well as the taxpayers' quality of life.

##### **1) Increased Public Safety**

Amid growing concern for the safety of families and business owners in Jacksonville and an increasing crime rate, Mayor Peyton identified public safety as his number one priority. In 2010, he continued leadership of *The Jacksonville Journey: Take a Step*, a comprehensive, communitywide, anti-crime initiative that he initiated in December 2007. As a result of the mayor's budget recommendations to the Jacksonville City Council, \$43 million in funding was secured specifically for *Journey* programs in the last two years, representing a continuation of one of the largest public-safety investments in Jacksonville's history.

During its first year, the members of *The Jacksonville Journey* were charged with the task of developing a plan to end the trend of violent crime in Jacksonville. The roadmap they developed was the first step in a long-term process that will lead to a safer, more secure future for Jacksonville. The second and third years have focused on investing significant resources to prevention and intervention programs.

To date, *The Jacksonville Journey* is the largest contribution to crime fighting in the history of this government. And although this initiative is still in the early stages, preliminary data indicates that it is working. Through *Journey* funding, the public school system has revised its approach to out-of-school suspensions and lowered the rate by 71 percent. That is a significant, systemic change that keeps kids in school and off the street. According to the Sheriff's Office, Jacksonville experienced a 14 percent reduction in the murder rate in 2010, and remains on track to see similar reductions this calendar year as well.

*The Jacksonville Journey* citizen oversight committee continues to ask the tough questions, hold programs accountable and recommend changes when needed. *The Jacksonville Journey* is a work in progress, and it is employing methods that are proven to dismantle the cradle-to-prison pipeline: education, law enforcement, intervention, neighborhood safety and youth development.

## **2) Protection of the St. Johns River**

The St. Johns River is a vital resource directly impacting the economy, culture, history and environment of Jacksonville and its surrounding areas, and as such, it is a natural resource that Mayor Peyton is fully committed to safeguarding. In 2010, the city continued its commitment to the goals as set forth in *The River Accord*, an agreement outlining \$700 million in investments to be made by the city and its partners over a ten-year period.

This year, *The River Accord* made great progress in addressing important river issues. New stormwater projects were initiated in three critical areas in Duval County, with three new projects in the McCoy's Creek area. The projects are paid, in part, by the dedicated funding that comes from the stormwater fee and from legislative funds. These projects will ultimately improve stormwater management and contribute to improved water quality.

The implementation of the City of Jacksonville's Fertilizer Ordinance, begun in 2009, continued to make an impact in 2010. Homeowners and businesses are adapting their landscaping plans to comply with the Landscape Irrigation Ordinance that specifies irrigation on certain days and during designated time periods while making accommodations for new landscaping and irrigation system installation.

In December 2009, the Secretary of the Department of Environmental Protection (DEP) adopted the Lower St. Johns River Tributaries Basin Management Action Plan (BMAP), which was developed in partnership with local stakeholders. BMAP implementation will reduce fecal coliform bacteria levels in 10 tributaries. In addition, another 15 tributaries will be improved by the implementation of a second BMAP that was adopted by DEP in fall 2010. In January 2010, DEP prepared the first annual report for the Lower St. Johns River Nutrient BMAP, which indicated that the Nutrient BMAP projects that have been completed by stakeholders through October 2009 have resulted in an estimated reduction of 134,288 kilograms/year (kg/yr) of total nitrogen (TN) and 37,403 kg/yr of total phosphorus (TP) in the freshwater section of the river, and 545,798 kg/yr of TN in the marine section.

## **3) Economic Growth**

Economic development has long been one of Mayor Peyton's top goals, and he has placed an emphasis on creating jobs and working with the Jacksonville Regional Chamber of Commerce, the Jacksonville Economic Development Commission, the Jacksonville Port Authority and other organizations to recruit new members into Jacksonville's business community. As a result, 2010 marked the culmination of several milestone developments in the area of economic growth.

Since 2003, more than 81 companies have either relocated or expanded their operations in Jacksonville. With those expansions and others, more than 14,000 new jobs were created. The average wage for those employees is about \$50,000, which is 17 percent above the national average.

Jacksonville has built a reputation as one of the most business-friendly cities in America. According to Portfolio.com, Jacksonville was the 13th best place in the nation to launch a new business in 2010.

Through continued legislation and cooperation with military leaders, the mayor actively supports Jacksonville's sizeable military presence, one that contributes in excess of \$8 billion to the local economy each year. He has worked continually with government and military administrators to promote the full utilization of Naval Station Mayport and to gain the funding necessary to support it as a nuclear-capable port. The Navy has committed to make Naval Station Mayport the permanent homeport for a nuclear-powered aircraft carrier. This partnership equates to an additional 3,200 personnel and \$460 million in infrastructure improvements for the base.

In the wake of national economic instability, Mayor Peyton continues to work diligently toward economic development, including job creation for the citizens of Jacksonville. In a period when many municipalities are preparing themselves for economic survival, Jacksonville has positioned itself for growth.

## CAPITAL PROJECTS

### Better Jacksonville Plan - Update

As previously indicated, the City's \$2.25 billion Better Jacksonville Plan (BJP) was approved by the voters and budgeted in 2000. The following schedule reflects some of the major projects:

Vertical Projects ( <i>in millions</i> )	Adjusted Budget	All Prior Years Expense	Current Year Expense	All Years Expense	Remaining Budget Balance
Arena	129.3	128.0	0.0	128.0	1.3
Baseball Stadium	33.8	33.8	0.0	33.8	0.0
Equestrian Center	14.9	14.9	0.0	14.9	0.0
New Main Library	93.0	92.3	0.0	92.3	0.7
Other Library Projects	56.2	55.3	0.0	55.3	0.9
Court house	210.1	100.4	31.8	132.2	77.9
Septic Tank Removal	75.0	72.8	0.0	72.8	2.2
Parks & Recreation Projects	101.3	89.2	3.7	92.9	8.4
Economic Development	30.1	23.2	0.3	23.5	6.6
	<u>743.7</u>	<u>609.9</u>	<u>35.8</u>	<u>645.7</u>	<u>98.0</u>

Transportation Projects ( <i>in millions</i> )	Expenditures				Remaining Budget Balance
	Adjusted Budget	All Prior Years Expense	Current Year Expense	All Years Expense	
Beach Blvd Intracoastal Bridge	78.0	66.3	7.4	73.7	4.3
Kernan Blvd Improvements	92.0	70.1	(6.6)	63.5	28.5
Brannan Field-Chaffee Rd	77.7	39.5	3.2	42.7	35.0
Heckscher @ 9A Improvements	48.0	11.5	1.8	13.3	34.8
Argyle Forest Blvd Improvements	39.0	30.3	0.0	30.3	8.7
East-West Industrial Corridor	26.2	25.6	0.1	25.7	0.5
Cecil Field Roads and Drainage	25.0	23.9	0.0	23.9	1.1
St. Augustine Road	26.1	25.3	0.5	25.8	0.3
Shindler Road Improvements	22.4	4.4	0.1	4.5	17.9
Broward Rd Improvements	20.3	7.2	4.5	11.7	8.6
County-wide Road Resurfacing	132.2	123.4	7.3	130.7	1.5
Drainage System Improvements	98.7	91.4	0.8	92.2	6.5
Intersection & Bridge Improvements	23.9	23.7	0.1	23.8	0.1
Sidewalks and Bike Lanes-Countywide	20.0	20.0	(0.1)	19.9	0.1
Other Road Improvement Projects	427.2	287.7	51.7	339.4	87.8
Other JTA Transportation Projects	349.8	344.6	2.1	346.7	3.0
	<u>1,506.5</u>	<u>1,194.9</u>	<u>72.9</u>	<u>1,267.8</u>	<u>238.7</u>

## BUSINESS ACTIVITIES

In addition to the Major Business Unit (Solid Waste) the following schedule reflects the level of activities, operations and debt service picture for the City's cultural and entertainment facilities.

	MAJOR		NON-MAJOR			
	EverBank Field	Veterans Memorial Arena	Baseball Stadium	Performing Arts	Convention Center	Equestrian Center
Seating capacity	75,000	15,000	10,000	4,000	4,000	4,000
Number of events	177	100	94	291	199	70
Attendees	807,131	477,797	600,085	275,836	158,709	22,422
<b>Revenues</b>						
Rent	4,129,775	1,460,377	124,962	552,084	637,344	82,750
Concessions	859,975	1,502,173	28,410	177,047	296,450	11,907
Event related reimbursement	3,719,338	4,797,487	425,878	1,759,608	794,644	203,077
Other	839,656	800,706	78,005	(84,719)	35,033	6,091
<b>Operating Total Revenue</b>	<b>9,548,744</b>	<b>8,560,743</b>	<b>657,255</b>	<b>2,404,020</b>	<b>1,763,471</b>	<b>303,825</b>
<b>Expenses</b>						
Event related	3,271,388	2,765,370	175,851	1,130,198	427,070	35,718
Operating (excluding depreciations)	8,433,940	5,236,391	1,158,974	2,261,372	2,738,715	940,060
<b>Operating Total Expenses</b>	<b>11,705,328</b>	<b>8,001,761</b>	<b>1,334,825</b>	<b>3,391,570</b>	<b>3,165,785</b>	<b>975,778</b>
<b>Operating Subsidy/Uses of Net Assets</b>						
Arena	79,362	(159,362)	80,000		0	
Convention Center	783,596	0	486,882	936,613	(2,849,018)	641,927
Net Assets	262,922	0	110,688	50,937	28,734	0
	1,125,880	(159,362)	677,570	987,550	(2,820,284)	641,927
<b>Net Operating Surplus/Deficits</b>	<b>(1,030,704)</b>	<b>399,620</b>	<b>0</b>	<b>0</b>	<b>(4,222,598)</b>	<b>(30,026)</b>
<b>Net General Fund</b>						
<b>Operating Subsidy</b>	<b>1,030,704</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,026</b>
<b>Debt Service (D/S)</b>						
Expense (P&I)	13,498,229	8,125,105	2,146,768	51,879	15,581	131,531
<b>Revenues</b>						
Tourist Development Tax	4,560,688	0	0	0	0	0
Tourist Development Tax - Convention *	0	0	0	0	4,238,179	0
Better Jacksonville Plan		8,125,105	2,146,768	0	0	0
State Sales Tax Recapture	2,166,671	0	0	0	0	0
<b>Total Revenue</b>	<b>6,727,359</b>	<b>8,125,105</b>	<b>2,146,768</b>	<b>0</b>	<b>4,238,179</b>	<b>0</b>
<b>D/S Subsidy</b>						
General Fund	6,770,870	0	0	51,879	0	131,531
<b>Operating and Debt Service subsidy</b>	<b>7,801,574</b>	<b>0</b>	<b>0</b>	<b>51,879</b>	<b>0</b>	<b>161,557</b>
<b>Total subsidy</b>						<b>8,015,010</b>

\*Excess Tourist Development, attributed to the Convention Center, can be used for debt service and operation support

The Non-Major funds are combined with other enterprise funds in the Fund Statement and shown in detail in the Combining Statement - Enterprise Fund activities.

**OTHER FINANCIAL INFORMATION:**

**Debt Administration**

The City’s sound financial condition is evidenced by the continuation of its long-held high-grade bond ratings on indebtedness from the major credit rating services.

	<u>Moody’s (1)</u>	<u>S&amp;P</u>	<u>Fitch (2)</u>
<u>General Government</u>			
Issuer Credit Rating (IRC)	Aa1	AA	AA+
Excise Tax Revenue Bonds	Aa2	A+	AA+
Local Government Half-cent Sales Tax Bonds	Aa2	AA-	AA+
Guaranteed Entitlement Revenue Bonds	A1	A	AA
Capital Improvement Revenue Bonds	Aa3	n/a	AA
Capital Projects Revenue Bonds	Aa3	n/a	AA-
Special Revenue Bonds	Aa2	AA-	AA

Special Program

Better Jacksonville Plan			
Sales Tax Bonds	Aa2	AA-	AA-
Transportation Bonds	Aa2	AA-	AA

(1) On April 23, 2010, Moody’s universally recalibrated their U.S. Municipal Ratings Scale

(2) On May 3, 2010, Fitch universally recalibrated their U.S. Municipal Ratings Scale

Component Units

JEA			
Electric	Aa2	AA-	AA-
Water & Sewer	Aa2	AA-	AA
St. John’s River Power Park (SJRPP)	Aa2	AA-	AA-
Bulk Power	Aa2	AA-	AA-
JAA			
	A2	A-	A
JPA			
	A2	n/a	A

## Investment Performance (Both Active and Major Pension Programs)

The following schedule is designed to provide investment performance information for the City's Active Portfolio (bond only) and the City Retirement Systems (covering both General employees and Corrections Officers) and the Police and Firefighter Pension Plan.

**INVESTMENT PORTFOLIO PERFORMANCE**  
October 1, 2009 to September 30, 2010  
(Reported in Percentage and Gross of Investment Management Fees)

	FY 2010	FY 2009	FY 2008	FY 2007	FY 2006	3 - Year Average	5 - Year Average
<b>Operating Fund ( All Fixed Income) *</b>	<b>8.14</b>	<b>11.72</b>	<b>1.33</b>	<b>5.04</b>	<b>4.05</b>	<b>6.97</b>	<b>6.00</b>
Policy Benchmark (Weighted Avg Benchmark)**	4.81	6.74	4.40	NA	NA	5.29	NA
Core Plus	12.50	16.57	-2.66	NA	NA	8.48	NA
Limited Duration	4.23	9.14	3.69	NA	NA	5.66	NA
Extended Cash	1.55	3.91	2.37	NA	NA	2.61	NA
<b>General Employee Pension Fund ( Diversified )</b>	<b>11.54</b>	<b>0.33</b>	<b>-15.35</b>	<b>14.38</b>	<b>8.38</b>	<b>-1.79</b>	<b>3.27</b>
Policy Benchmark (Weighted Avg Benchmark)**	8.32	-1.31	-13.10	14.25	10.15	-2.42	3.17
Domestic Equity Composite	12.53	-7.41	-21.30	14.98	7.63	-6.40	0.29
Total Int'l Equity	11.16	-3.75	-27.85	23.69	19.40	-8.27	2.66
Total Fixed Income	12.21	17.00	-4.24	5.33	4.08	7.93	6.63
Total Real Estate	11.64	-26.78	-3.84	17.75	NA	-7.71	NA
<b>Police and Fire Pension Fund ( Diversified )</b>	<b>9.33</b>	<b>-1.08</b>	<b>-12.55</b>	<b>15.30</b>	<b>8.50</b>	<b>-1.81</b>	<b>3.45</b>
Policy Benchmark (Weighted Avg Benchmark)**	7.94	-2.98	-13.09	13.60	9.20	-3.12	2.45
Domestic Equity Composite	10.75	-5.33	-19.73	19.10	8.50	-5.59	1.69
Total Int'l Equity	7.42	4.14	-29.14	24.70	19.30	-7.45	3.31
Total Fixed Income	7.54	11.75	2.20	5.20	3.40	7.09	5.99
Total Real Estate	8.50	-29.39	6.85	18.30	NA	-6.26	NA
<b>Indicies</b>							
Russell 3000 Composite	10.96	-6.42	-21.54	16.55	10.21	-6.60	0.92
MSCI EAFE Index	3.71	3.80	-30.13	25.38	19.65	-9.06	2.45
NCREIF Property Index	5.84	-22.09	5.27	17.31	17.62	-4.61	3.67
Barclays Capital U.S. Aggregate Bond Index	8.16	10.56	3.65	5.14	3.67	7.42	6.20
BofA ML U.S. Corp & Gov 1-3 Yrs	3.26	5.89	4.48	5.68	3.89	4.54	4.64
BofA ML U.S. Treasury Notes 0-1 Year	0.39	1.35	3.71	5.38	4.36	1.81	3.02
Citigroup Treasury Bill-3 Month	0.12	0.39	2.55	5.01	4.41	1.01	2.48

NA = Specific consolidation / strategy did not exist at that time

\*excludes depository accounts

\*\*Benchmark Composition:

	<u>Operating Fund</u>	<u>General Employee</u>	<u>Police and Fire</u>
Barclays Capital Aggregate Bond	40%	25%	25%
BofA ML 1-3 yr Corp/Govt Bond	40%	0%	0%
BofA ML 0-1 yr Treasury Bond	15%	0%	0%
Citigroup 3-month Treasury Bill	5%	0%	0%
Russell 3000 Stock	0%	35%	40%
MSCI EAFE Stock	0%	20%	20%
NCREIF Property	0%	20%	15%

Benchmarks for the General Employee and Police and Fire Pension funds are calculated by Summit Strategies while the Operating Portfolio Policy Benchmark is prepared by staff using BNY Mellon custody reporting data.

## **Reference to Management, Discussion, and Analysis (MD&A)**

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Jacksonville's MD&A can be found immediately following the report of the independent certified public accountants.

## **GENERAL INFORMATION**

### **Accounting**

The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are determined by generally accepted governmental accounting principles, and the number of individual funds established is determined by sound financial administration and statutory and ordinance requirements of the Council.

### **Budgeting**

Detailed provisions regulating the City's budget, tax levies and appropriations are set in Florida Law in the City Charter and in the City's Ordinance Code. The mayor is required to submit a proposed budget to Council by the second Tuesday in July of each year. The mayor's Proposed Budget must comply with state and local legal requirements for a balanced financial plan of operation for the government's upcoming fiscal year. The Mayor's Proposed Budget identifies revenues and other financial resources which are anticipated to be available for appropriations, makes recommendations for appropriations, expenditures and uses of financial resources, and otherwise presents concise policy direction and guidance for the continuing financial operation of the City. Prior to the beginning of each new fiscal year, the Council adopts, by ordinance, a balanced budget which contains estimated revenues and other financing sources, appropriations, authorizations of full time positions and temporary employee hours, and any amendments to the Ordinance Code which relate to the annual budget.

### **Reporting Entity**

The financial reporting entity includes all funds of the primary government (Consolidated Government City of Jacksonville/Duval County), as well as all of its component units. Component units are legally separate organizations for which the City is financially accountable and, for financial statement purposes, are either blended with the activities of the City or discretely presented. The criteria used to determine whether an organization should be a part of the City of Jacksonville's reporting entity are outlined in note one (1).

### **Report Format**

The Comprehensive Annual Financial Report is presented in three sections: (1) the Introductory Section includes general information about the City and summarizes financial activity for the fiscal year; (2) the Financial Section includes the Independent Certified Public Accountants Report on the City's Basic Financial Statements, Management's Discussion and Analysis, the Basic Financial Statements, Notes to Financial Statements, Required Supplementary Information, and the Combining and Individual Fund Financial Statements and Schedules; and (3) the Statistical Section, containing un-audited financial and other data of an economic, financial and demographic nature for prior and current years. The Notes to Financial Statements, in the financial section, are necessary for an understanding of the information included in the statements. They include the summary of significant accounting policies and other necessary disclosures of matters relating to the financial position of the City.

## **Independent Audit**

The Report fulfills the requirements set forth in the City Charter, Section 5.11; Chapter 166.241, Florida Statutes and Chapter 10.550 Rules of the Florida Auditor General, requiring publication of basic financial statements which have been audited by independent auditors. The independent auditor's report is presented as the first component of the financial section of this report. The financial statements of certain component units were audited by other auditors as described in the McGladrey & Pullen, LLP audit opinion.

## **Reporting Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Jacksonville for its comprehensive annual financial report for the fiscal year ended September 30, 2009. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid one year only. The City of Jacksonville has received this Certificate for thirty consecutive years (fiscal years 1980 through 2009). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for their review.

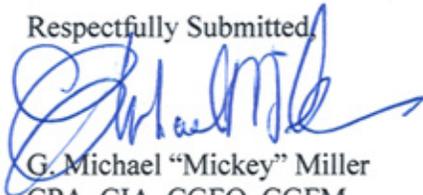
## Use of the Report and Acknowledgments

The extensive effort of preparation and distribution of this report fulfills the Department of Finance's goal of full disclosure of the City's finances. We are committed to issuing reports that are informative and meet the highest standards of governmental accounting and financial reporting. Reports that meet these standards provide the reader with an opportunity to make more informed judgments about the government's financial position and changes in financial position.

The 2010 Comprehensive Annual Financial Report represents our commitment to this goal and could not have been prepared without the efficient and dedicated efforts of the entire staff of the Department of Finance (Accounting, Budget, Risk Management and Treasury Divisions), who devoted many hours to compiling and assembling the report. We also wish to express our appreciation to all other City personnel who have contributed to its preparation. In addition, we thank the City's independent certified public accountants, McGladrey & Pullen, LLP and the Office of the Council Auditor, for their efforts and professional conduct throughout the audit engagement.

Special acknowledgment is due Mayor John Peyton, Council President John "Jack" Webb, and Council Member Warren A. Jones, Finance Committee Chair, and the remaining members of the City Council, for their strong and effective leadership and continued support in the coordination and planning of the financial affairs of the City of Jacksonville in a responsible and progressive manner.

Respectfully Submitted,



G. Michael "Mickey" Miller  
CPA, CIA, CGFO, CGFM  
Chief Financial Officer  
Department of Finance



Kevin G. Stork, CGFM  
City Comptroller  
Chief, Accounting Division  
Department of Finance



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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Jacksonville  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

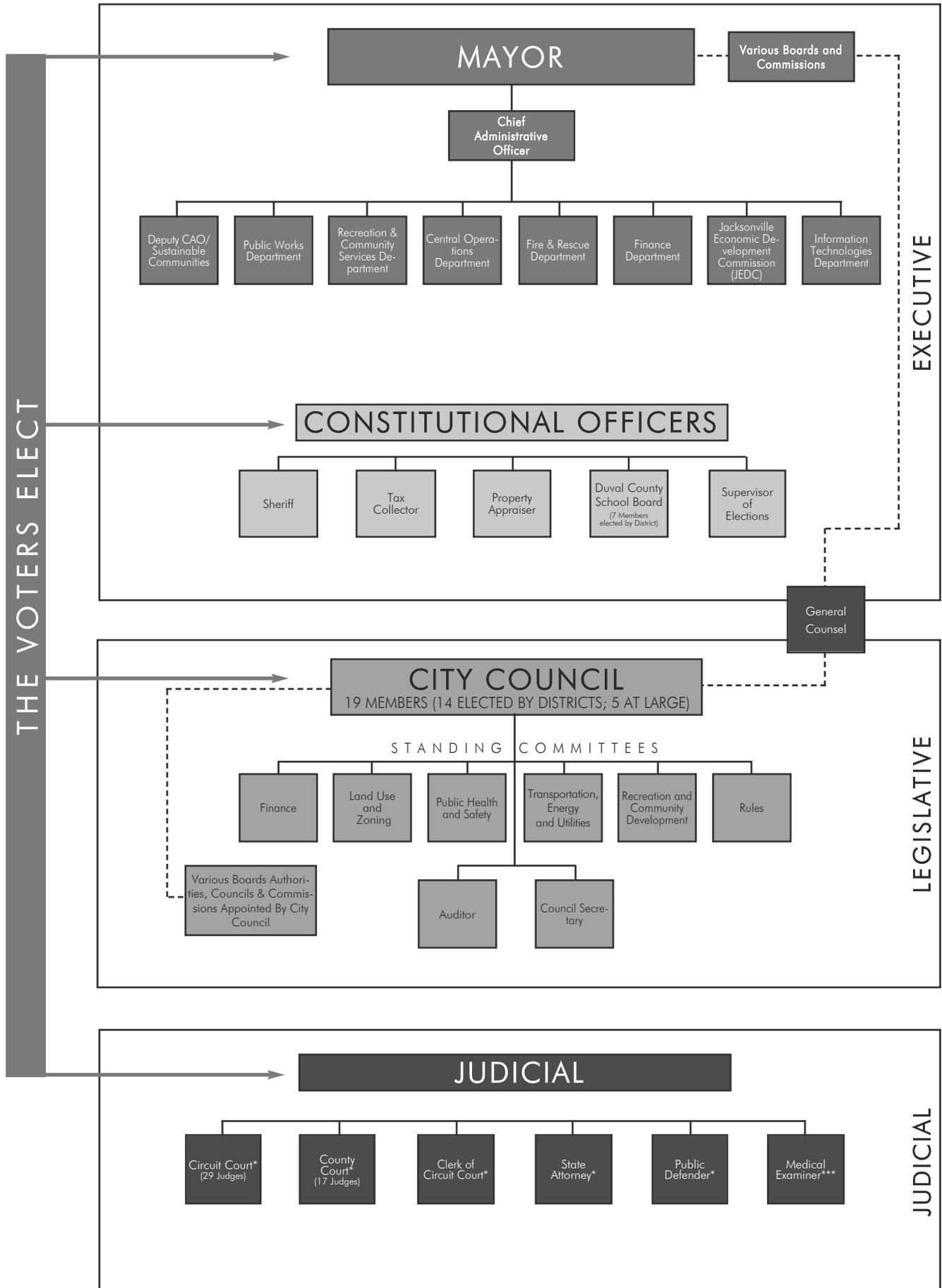


President

Executive Director

# ORGANIZATIONAL CHART

## CITY OF JACKSONVILLE, FLORIDA



# City of Jacksonville, Florida

## City Officers and Constitutional Officeholders

---

**John Peyton, Mayor**

### City Officers

Adam Hollingsworth .....	Chief of Staff
Kerri Stewart.....	Chief Administrative Officer
Roslyn Mixon-Phillips.....	Chief Community Officer
Misty Skipper.....	Director of Communications
Pamela Markham .....	Inspector General
Derek Igou .....	Deputy Chief Administrative Officer
Cindy Laquidara, Esq. ....	General Counsel
G. Michael Miller, CPA, CGFO, CGFM, CIA.....	Chief Financial Officer & Dir. Finance
Devin Reed, Esq. ....	Director, Central Operations
Roslyn Mixon-Phillips.....	Director, Recreation and Community Services
Daniel A. Kleman .....	Director, Fire and Rescue
Dr. Robert Harmon.....	Public Health Administrator
Kevin Holzendorf .....	Director & Chief, Information Technology Department
Joey Duncan .....	Director, Public Works
Ebenezer Gujjarlapudi .....	Director, Environmental Resource Management
William Killingsworth .....	Director, Planning and Development
Wight Greger .....	Director, Housing and Neighborhoods
Kevin G. Stork, CGFM.....	Comptroller
Michael R. Givens, CPA .....	Treasurer
Kent R. Olson, CGFO.....	Budget Officer

### Constitutional Officeholders

Jim Fuller.....	Clerk of Circuit Court
Jim Overton .....	Property Appraiser
John Rutherford . ....	Sheriff
Jerry Holland .....	Supervisor of Elections
Mike Hogan.....	Tax Collector

# City of Jacksonville, Florida

## City Council Officials and Staff

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### City Council

President of Council .....John D. “Jack” Webb  
Vice President of Council ..... Stephen C. Joost

District 1 — Clay Yarborough	District 8 — E. Denise Lee
District 2 — William Bishop	District 9 — Warren A. Jones
District 3 — Richard Clark	District 10 — Reginald L. Brown
District 4 — Don Redman	District 11 — Ray Holt
District 5 — Art Shad	District 12 — Daniel J. Davis
District 6 — John D. “Jack” Webb	District 13 — Dick Brown
District 7 — Dr. Johnny Gaffney	District 14 — Michael Corrigan

Group 1 At-Large — Ronnie Fussell  
Group 2 At-Large — John R. Crescimbeni  
Group 3 At-Large — Stephen C. Joost  
Group 4 At-Large — Kevin Hyde  
Group 5 At-Large — Glorious J. Johnson

### Council Staff

Kirk Sherman, CPA ..... Council Auditor  
Cheryl Brown ..... Director/Council Secretary  
Kristi Sikes ..... Chief of Administrative Services  
Dana Farris ..... Chief of Legislative Services  
Jeff Clements ..... Chief of Research



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# FINANCIAL SECTION





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## Independent Auditor's Report

The Honorable Mayor and Members of the City Council  
City of Jacksonville, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the City of Jacksonville, Florida (the "City"), as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Downtown Vision, Inc., Jacksonville Airport Authority, Jacksonville Electric Authority, Water & Sewer Expansion Authority, and the Police and Fire Rescue Pension Plan Trust Fund, which collectively represent 74% and 68%, respectively, of the assets and revenues of the aggregate discretely presented component units and remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Downtown Vision, Inc., Jacksonville Airport Authority, Jacksonville Electric Authority, Water & Sewer Expansion Authority, and the Police and Fire Rescue Pension Plan Trust Fund, is based on the reports of the other auditors. The prior year summarized comparative information has been derived from the City's 2009 financial statements which were audited by other auditors whose report thereon dated March 24, 2010 expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the City as of September 30, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued, under separate cover, our report dated March 30, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.



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The Management's Discussion and Analysis, the schedule of revenue, expenditures and changes in fund balance – budget and actual – general fund, and the schedules of employer contributions and funding progress as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied by us and the other auditors, in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*McGladrey & Pullen, LLP*

Jacksonville, Florida  
March 30, 2011



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**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Jacksonville's discussion and analysis is designed to provide an objective and easy to read overview of the City's financial activities, with a focus on significant financial issues, as well as identify material deviations from the financial plan (the approved budget), identify changes in the City's financial position (its ability to address the next and subsequent year challenges), and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts. The information contained within this MD&A should be considered only a part of the City's Comprehensive Annual Financial Report (CAFR).

### Financial Highlights

- Capital assets were \$3.2 billion on September 30, 2010, resulting in a \$261 million, 8.2% increase over last fiscal year.
- The City's General Fund operations had total revenues of \$976 million a 1.7% increase over fiscal year 2009.
- Although required employer a) pension contribution and b) healthcare cost went up by \$40 million and \$5.5 million respectively, governmental activity expense only went up by \$4.7 million or ½ of 1%.
- Property Tax revenues experienced an \$18.8 million, 3.8% increase as compared to a \$3 million, 1% decrease in FY 2009. The \$118 million increase in Capital Grants and Contributions was primarily a result of a group of City/County road projects constructed by the Jacksonville Transportation Authority (JTA), a component unit, being returned/contributed back to the City.

Additional information that explains these financial highlights may be found on pages 13, 16, and 17 of this MD&A.

### City Highlights

- Based on the economic downturn (2007-2009) and related property tax valuation reductions, the City was faced with the statutorily required Rollback (designed to produce the same revenue in the prior year) resulting in an equivalent millage Rollup for both 2009-2010 and 2010-2011:

<u>Fiscal Year</u>	<u>Property Valuation (in billions)</u>	<u>Rollback Rate</u>	<u>Approved Millage Rate*</u>
2008-2009	\$65,401,745		8.4841
2009-2010	\$58,382,480	9.2727	9.2727
2010-2011	\$54,287,101	10.1100	10.0353

\* 1 mill is equal to 1/10<sup>th</sup> of 1.0% and the City/County combined constitutional cap is 20.0 mills

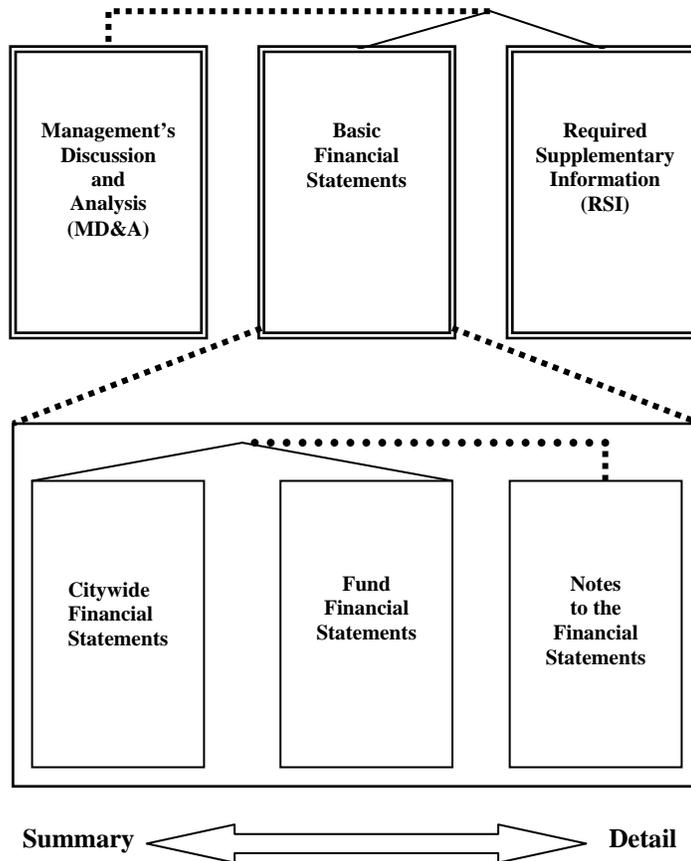
- The increase for 2009-2010 in property tax revenues was a function of a) new construction being excluded from the rollback calculation and b) a change in valuation between July 1 (used for budget purposes) and the final October 1 numbers.
- Mid-year, as part of an annual fee rate review and anticipating revenue concerns for FY 2010-2011, the Mayor proposed (and the City Council agreed) to eliminate the General Fund residential Solid Waste subsidy which resulted in a monthly residential Solid Waste increase from \$5.00 to \$12.45 and thereby erase the \$21 million General Fund subsidy of the City's Solid Waste enterprise operations.
- By October 31, 2010, the City had resolved extended union negotiations with 59.7 of its union employees, include the Firefighter's units for a three year period (2009-2010, 2010-2011, and 2011-2012) covering a zero, minus 2.0% and zero salary increase, with the minus 2.0% to be effective as of October 1, 2010 as provided for in the respective 2010-2011 budget proposal.

## OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Jacksonville's basic financial statements. As indicated in the following graphic (Figure A-1), the City's basic financial statements are comprised of three components: 1) citywide basic financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary and statistical information in addition to the basic financial statements themselves.

**Figure A-1**

### COMPONENTS OF THE ANNUAL FINANCIAL REPORT



## **Citywide Basic Financial Statements**

The citywide basic financial statements are designed to provide readers with a broad overview of the City of Jacksonville's finances, in a manner similar to a private-sector business.

The focus of the Statement of Net Assets is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long term obligations. The Statement of Activities distinguishes functions of the City of Jacksonville that are principally supported by taxes and intergovernmental revenues (governmental activities such as; police, fire, public works, recreation, and general administration) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities such as: solid waste, sports complex, motor vehicle, public parking and ferry operations).

Component Units, which are other governmental units over which the City can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the citywide statements. The City of Jacksonville's component units are as follows: JEA, Jacksonville Transportation Authority, Jacksonville Aviation Authority, Jacksonville Port Authority, Water Sewer Expansion Authority, Jacksonville Housing Finance Authority, Downtown Vision, Inc. and Jacksonville Economic Development Commission. JEA, Jacksonville Transportation Authority, Jacksonville Aviation Authority, Jacksonville Port Authority and Downtown Vision, Inc. publish separately issued financial statements. For more information, see footnote 1.B. The focus of the statements is on the primary government and the presentation allows the user to address the relationship with the Component Units.

The two statements (Statement of Net Assets and Statement of Activities) demonstrate how the City's net assets have changed. Increases or decreases in net assets are good indicators of whether the City's financial health is improving or deteriorating over time. Other non-financial factors such as changes in the City's property tax base are important considerations to assess the City's overall financial condition.

## **Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types, which provides detailed information about the most significant funds. The City of Jacksonville, like other state and local governments, uses funds to ensure and demonstrate compliance with financial requirements imposed by law, bond covenants and local administrative and legislative actions. All of the City's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the citywide basic financial statements. However, unlike the citywide basic financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the citywide basic financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the citywide basic financial statements. This allows readers to better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Governmental fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Bonded Debt-Better Jacksonville Plan Obligations Fund, Bond Projects Fund, and Better Jacksonville Project Fund, all of which are considered to be major funds. Information from other non-major funds is combined into a single, aggregated presentation.

### **Proprietary Funds**

Proprietary funds provide the same type of information as the business-type activities in the citywide basic financial statements, only in more detail. The proprietary fund financial statements can be found in the Fund Financial Statements section of this report.

The City of Jacksonville maintains two major types of proprietary funds.

*Enterprise funds* are used to report the same functions presented as business-type activities in the citywide basic financial statements. The City uses enterprise funds to report separate information on operations such as solid waste, which is a major fund and sports complex activities, motor vehicle, ferry operations, and public parking, which are non-major funds.

*The internal service funds* are used to account for activities that provide goods and services to the City's other programs and activities. Since the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the citywide basic financial statements.

### **Fiduciary Funds**

The City of Jacksonville is the trustee, or fiduciary, for trusts such as the City employee's retirement plan. Because of a trust arrangement, these assets can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City of Jacksonville's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These activities are excluded from the citywide basic financial statements because the assets cannot be used to support or finance the City's programs or operations. The Fiduciary Funds Statement of Changes in Net Assets can be found in the Fund Financial Statement section of this report.

### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the citywide and fund financial statements. The notes can be found as a part of the Basic Financial Statements section of this report.

## Other Information

This report additionally includes required supplementary information (RSI) containing budgetary comparisons with related notes and the progress of the City's employee pension obligations.

The combined statements in connection with non-major governmental and enterprise funds, internal service funds, fiduciary funds and nonmajor component units are presented following the required supplementary information.

Additional statistical information is presented to give report users a better historical perspective and assist in assessing current financial status and trends of the governmental unit.

Economic data is presented to allow a broader understanding of the economic and social environment in which the city government operates.

## CITYWIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of government's financial position.

As of September 30, 2010, the City of Jacksonville is able to report positive balances in overall net assets (See Table A-1).

**Table A-1**  
**Summary Statement of Net Assets**  
(In Thousands)  
as of September 30, 2010 and September 30, 2009

	Governmental Activities		Business Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Cash and Investments	\$ 832,174	\$ 684,962	\$ 79,393	\$ 113,252	911,567	\$ 798,214
Current and Other Assets	329,989	318,688	70,589	36,980	400,578	355,668
Capital Assets	2,745,099	2,480,672	433,798	436,791	3,178,897	2,917,463
Total assets	<u>3,907,262</u>	<u>3,484,322</u>	<u>583,780</u>	<u>587,023</u>	<u>4,491,042</u>	<u>\$ 4,071,345</u>
Current Liabilities	252,485	247,168	37,221	32,675	289,706	279,843
Non-current Liabilities	2,795,609	2,523,338	396,061	409,092	3,191,670	2,932,430
Total liabilities	<u>3,048,094</u>	<u>2,770,506</u>	<u>433,282</u>	<u>441,767</u>	<u>3,481,376</u>	<u>3,212,273</u>
Net assets						
Invested in capital assets, net of related debt	974,561	953,289	135,912	126,221	1,110,473	1,079,510
Restricted for:						
State and Federal Grants	90,561	82,282	-	-	90,561	82,282
Permanent Fund						
non-expendable	123	123	-	-	123	123
Other participant's equity	1,652	4,271	-	-	1,652	4,271
Unrestricted	(207,729)	(326,149)	14,586	19,035	(193,143)	(307,114)
Total net assets (deficit)	<u>\$ 859,168</u>	<u>\$ 713,816</u>	<u>\$ 150,498</u>	<u>\$ 145,256</u>	<u>1,009,666</u>	<u>\$ 859,072</u>

The negative unrestricted net assets in the governmental activities is primarily due to non-asset related debt issued for various capital projects that belong to other entities, but the debt is a liability of the City. Some of the debt was issued under the Better Jacksonville Plan (BJP), which has dedicated revenue sources for payment of the debt. See Table A-1.

The City issued non-asset related debt:

- for the Jacksonville Transportation Authority for state highway projects within the City;
- for the Jacksonville Port Authority for their port terminal facilities;
- to finance improvements at Shands-Jacksonville – a large regional hospital serving the City’s citizens, including its indigent population;
- to provide economic development incentives to entice developers to invest in the downtown and other targeted areas of the City, while using Tax Increment District funds to provide a dedicated revenue source for payment of the debt.
- For several other projects within the City, such as septic tank removals and sewer expansion and pollution remediation, etc. (See Note 18 for further discussion.)

Within the Better Jacksonville Plan (BJP) program, financed with referendum approved sales tax revenue, both the City’s Public Works Department and the Jacksonville Transportation Authority (JTA) construct road projects. The JTA’s projects involve improvements of both State roads (in the Jacksonville area) and City roads. The City/BJP bond financed State road projects result in non-asset bonds which negatively effect unrestricted net asset (see Note 8-H). A group of JTA constructed City road projects were contributed back to the City which impacted both Invested in Capital Assets, net of related debt and Unrestricted Net Assets.

On the following page, Table A-2 provides a summary comparison of the City’s operations for the 2009 and 2010 fiscal year ends. .

**Table A-2**  
**Statement of Activities**  
(In Thousands)  
as of September 30, 2010 and September 30, 2009

	Governmental Activities		Business Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
<b>Revenues:</b>						
Program Revenues:						
Fines & charges for services	\$ 127,960	\$ 125,048	\$ 90,661	\$ 87,490	\$ 218,621	\$ 212,538
Operating grants/contributions	83,456	83,067	-	-	83,456	83,067
Capital grants/contributions	170,558	52,464	-	-	170,558	52,464
General revenues:						
Property taxes	493,171	474,381	-	-	493,171	474,381
Utility service taxes	126,653	118,453	-	-	126,653	118,453
Sales and tourist taxes	158,062	162,295	10,965	10,875	169,027	173,170
Intergovernmental	170,687	166,923	-	-	170,687	166,923
Franchise Fees	39,842	38,891	-	-	39,842	38,891
JEA Contribution	99,188	96,962	-	-	99,188	96,962
Earnings on Investments	57,454	73,326	5,770	8,237	63,224	81,563
Miscellaneous	26,626	29,028	10,954	20,400	37,580	49,428
<b>Total Revenues</b>	<b>1,553,657</b>	<b>1,420,838</b>	<b>118,350</b>	<b>127,002</b>	<b>1,672,007</b>	<b>1,547,840</b>
<b>Expenses</b>						
General government	186,072	180,054	-	-	186,072	180,054
Human services	112,785	107,991	-	-	112,785	107,991
Public safety	549,369	527,227	-	-	549,369	527,227
Cultural and recreational	75,451	71,091	-	-	75,451	71,091
Transportation	192,231	217,296	-	-	192,231	217,296
Economic & physical environment	169,140	169,685	-	-	169,140	169,685
Interest on long term debt	87,723	94,289	-	-	87,723	94,289
Parking system	-	-	3,585	3,417	3,585	3,417
Motor vehicle inspections	-	-	476	433	476	433
Solid Waste	-	-	73,934	86,674	73,934	86,674
Stormwater services	-	-	17,340	14,612	17,340	14,612
EverBank Field	-	-	24,485	20,361	24,485	20,361
Veterans Memorial Arena	-	-	15,602	12,355	15,602	12,355
Baseball Stadium	-	-	3,335	1,993	3,335	1,993
Performing Arts Center	-	-	4,265	4,006	4,265	4,006
Convention Center	-	-	3,804	4,342	3,804	4,342
Equestrian Center	-	-	1,816	1,890	1,816	1,890
<b>Total Expenses</b>	<b>1,372,771</b>	<b>1,367,633</b>	<b>148,642</b>	<b>150,083</b>	<b>1,521,413</b>	<b>1,517,716</b>
Increases (decreases) in net assets before transfers	180,886	53,205	(30,292)	(23,081)	150,594	30,124
Transfers	(35,534)	(30,199)	35,534	30,199	-	-
<b>Change in net assets</b>	<b>145,352</b>	<b>23,006</b>	<b>5,242</b>	<b>7,118</b>	<b>150,594</b>	<b>30,124</b>
<b>Net assets (deficit), beginning of year</b>	<b>713,816</b>	<b>690,810</b>	<b>145,256</b>	<b>138,138</b>	<b>859,072</b>	<b>828,948</b>
<b>Net assets (deficit), end of year</b>	<b>\$ 859,168</b>	<b>\$ 713,816</b>	<b>\$ 150,498</b>	<b>\$ 145,256</b>	<b>\$ 1,009,666</b>	<b>\$ 859,072</b>

**Governmental activities:**

The City's governmental activities revenues increased \$132.8 million from 2009 to 2010 (see Table A-2) and consists of:

- Capital grants/contributions increased \$118.1 million due to the return of completed projects from JTA and a \$20 million return of land due to a default by a property developer.
- Property tax revenues reflected an \$18.8 million increase due to the increase in new construction within the City.
- Utility service taxes increased \$8.2 million due to JEA rate increases in fiscal year 2010.
- Interest revenues decreased \$15.9 million due to the decreased earnings on investments from 11.72% in fiscal year 2009 to 8.14% in fiscal year 2010.

Increases in governmental activities expenses were \$5.1 million.

- Transportation expenses decreased \$25 million in 2010 due to a) a decrease in the ½ cent sales tax and b) a reduction of Better Jacksonville Plan (BJP) funding to the Jacksonville Transportation Authority for use on road projects which is expensed at the time of the transfer.
- Public safety expenses increased \$22.1 million primarily due to a \$33.7 million increase in the pension contributions cost.
- A \$6.6 million decrease occurred in FY 2010 in interest on long term debt due to lower rates on variable rate debt.

**Business Type activities:**

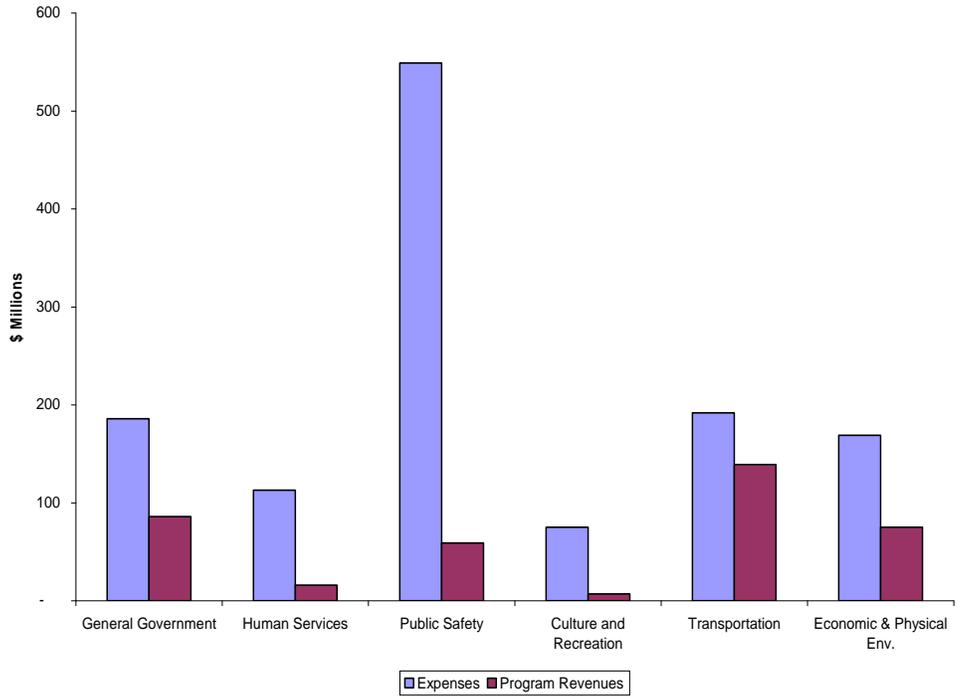
The City's business type revenues decreased \$8.7 million in fiscal year 2010:

- Increases in fines and charges for services of \$3.2 million were due to the increase in Solid Waste user fees in fiscal year 2010.
- Miscellaneous revenues decreased \$9.4 million as fiscal year 2009 included \$7.7 million in transfers to realign the appropriate venues' debt service cash escrow account within the various business units.

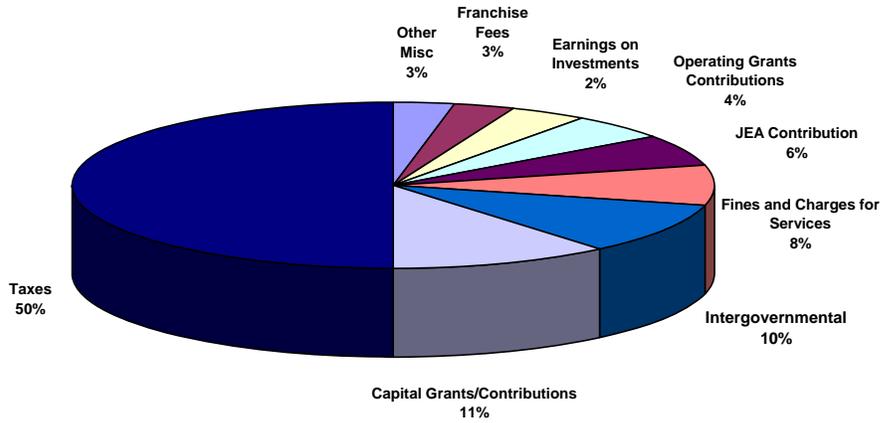
Business type activities expenses decreased \$1.4 million in fiscal year 2010:

- Solid Waste's decrease of \$12.7 was due to the increased landfill closure/post-closure liability that occurred in fiscal year 2009 and did not reoccur in fiscal year 2010.
- The EverBank Field's \$4.1 million, the Veterans Memorial Arena's \$3.2 million, and the Baseball Stadium's \$1.3 million expenditure increases are due to their debt service expense paid directly from the venues in fiscal year 2010. In fiscal year 2009 the debt service in these venues was paid from governmental funds.

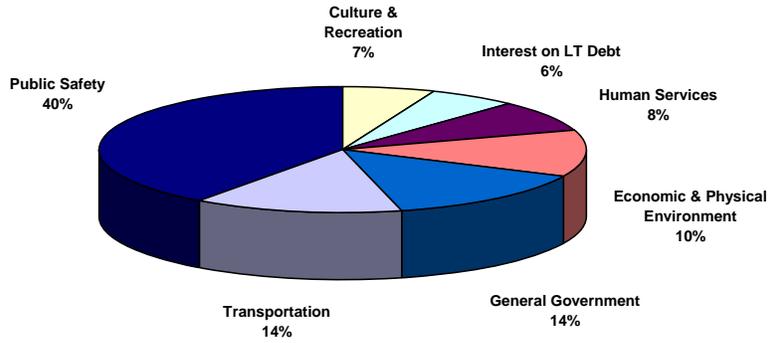
### Expenses and Program Revenues - Governmental Activities



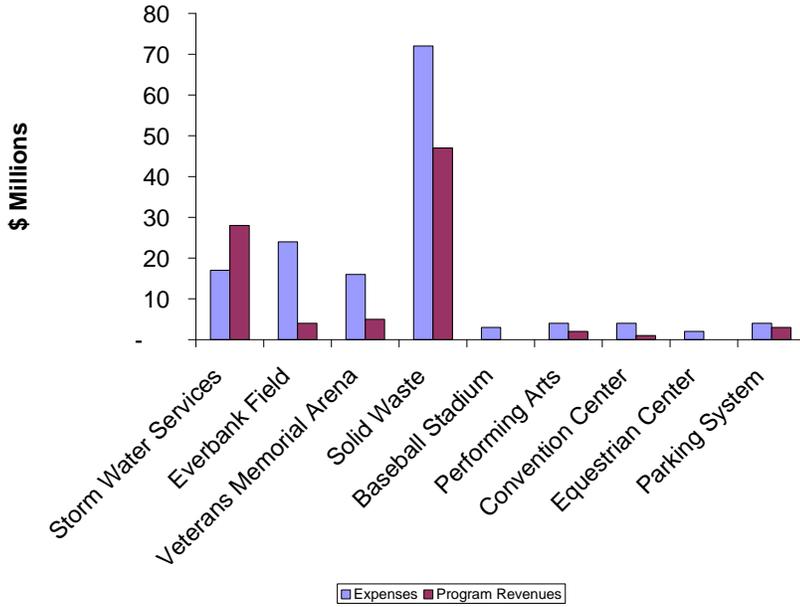
### Revenues - Governmental Activities



### Expenses - Governmental Activities



### Expenses and Program Revenues - Business-Type Activities



### FINANCIAL ANALYSIS OF THE CITY GOVERNMENT'S FUNDS

As noted earlier, the City of Jacksonville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of fiscal year 2010. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All non-major funds of each governmental fund type with legally adopted annual budgets are included in the Combining Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual, which can be found in the Combining Individual Fund Statements and Schedules. The General Fund and Major Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual is included as Required Supplementary Information following the Notes to the Financial Statements.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$41.8 million. The General Fund's total fund balance was \$110 million, with \$44.9 million committed by City Council as an emergency reserve. The City's Reserve Policy for the General Fund is covered by Section 106.107 of the City's municipal code. The policy requires that the emergency reserve shall not be used except as initiated by the Mayor through written communication to City Council, explaining the emergency, with subsequent approval by two-thirds votes of all City Council members. The Emergency Reserve can be used to address unanticipated non-reimbursed expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or other disasters, whether man made or caused by nature. Under normal circumstances, the City would first elect to utilize the Operating Reserve before considering use of its Emergency Reserve.

Key factors affecting changes in major funds and fund balance in fiscal year 2010 operations are as follows:

**General Fund:**

- Property taxes account for approximately 50% of the general fund revenue and increased \$18 million or 3.8% above the previous year primarily due to new construction within the City and the valuation change between July 1 and October 1 measurement.

**Special Bonded Debt – Better Jacksonville Plan Obligations (BJP):**

- Under the Interlocal Agreement, the City and JTA agreed to pledge the ½ cent sales tax and Constitutional Gas Tax to the payment of the BJP bonds. The ½ cent sales tax revenues decreased by \$5.2 million in fiscal year 2010 as compared to the prior fiscal year.
- Principal and Interest payments increased \$5.3 million in FY 2010 in accordance with the related amortization schedules.

**Special Bonded Debt – Obligations:**

- There was a \$2 million increase from fiscal year 2009 \$55.8 million to 2010 \$57.8 million in bond principle and interest. The Special Bonded Debt-Obligations has separate funding sources from the Special Bonded Debt-Better Jacksonville Plan Obligations discussed above.

**General Capital Projects:**

- General Capital Project's miscellaneous revenues increased in fiscal year 2010 due to a \$9.5 million contribution from the Jacksonville Economic Development Commission for the Northbank Riverwalk Extension and the Met Park Redevelopment.
- Major projects in fiscal year 2010 resulted in an increase in capital outlay expense of \$79.4 million. These major projects include the New Courthouse, the Ash Site/Pollution Remediation, and the Radio System Replacement.

**Proprietary Funds:** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Solid Waste, EverBank Field and the Veteran's Memorial Arena are reported as major proprietary funds in fiscal year 2010. The expenditure increases in EverBank Field and the Veterans Memorial Arena are due to their debt service expense paid directly from the venues in fiscal year 2010. Previously the debt service was paid with a transfer from the venues to the debt service funds. The \$3.2 million increase in fines and charges for service revenues is representative of increases in Solid Waste fees and the \$12.7 million decrease in Solid Waste expense is primarily the result of a decrease in fiscal year 2010 of the accrual for additional landfill closure/postclosure liability in Solid Waste as compared to the accrual for fiscal year 2009.

**General Fund Budgetary Highlights:**

- Actual revenues for fiscal year 2010 were \$6.4 million below the final budgeted amount, with Intergovernmental \$10.4 million, Charges for Services \$2 million and Utility Service Taxes \$4.6 million and Fines and Forfeitures \$1 million below final budget. Positive variances in final budget to actual occurred with \$6.4 million actual over budget, with Property Tax Revenue \$6.4 million and Interest/Other \$2.9 million actual over budget. The primary reason for the decrease was due to a decrease of the ½ cent sales tax and the State's City/County shared revenues which are sales tax based.
- Overall actual expenditures for fiscal year 2010 were \$48.6 million under final budget with the primary portion of \$41.6 related to the budget but unused emergency reserve.
- Recreation and Community Services expenditure budget was decreased \$3.1 million due to a transfer of local match grants to support the Jacksonville Senior Services Program.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The City of Jacksonville's investment in capital assets for its governmental and business-type activities as of September 30, 2010, amounts to \$3.2 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, infrastructure, and construction in progress (see Table A-3). With the partial completion of several major road, drainage, and building projects in fiscal year 2009, a focus was placed in fiscal year 2010 on areas such as capital improvements and the courthouse. Both fiscal years experienced considerable costs in road projects due to the continuation of the Better Jacksonville Plan. Additional information on the City of Jacksonville's capital assets can be found in Notes to the Financial Statements, Footnote 6 of this report.

**Table A-3**  
**Capital Assets**  
**Net of Accumulated Depreciation**  
**(In Thousands)**  
**as of September 30, 2010 and September 30, 2009**

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	2010	2009	2010	2009	2010	2009
Land and easements	\$ 304,144	\$ 280,404	\$ 45,567	\$ 45,089	\$ 349,711	\$ 325,493
Buildings and improvements	782,767	754,792	548,742	547,997	1,331,509	1,302,789
Furniture & Equipment	321,610	311,709	6,719	6,927	328,329	318,636
Construction and work in progress	187,996	97,090	-	-	187,996	97,090
Infrastructure	2,009,805	1,796,854	11,608	2,841	2,021,413	1,799,695
Other Assets	33,828	21,078	-	-	33,828	21,078
Less accumulated depreciation	(895,051)	(781,255)	(178,838)	(166,063)	(1,073,889)	(947,318)
Total	<u>\$ 2,745,099</u>	<u>\$ 2,480,672</u>	<u>\$ 433,798</u>	<u>\$ 436,791</u>	<u>\$ 3,178,897</u>	<u>\$ 2,917,464</u>

Major project costs in fiscal year 2010 included the following:

	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>	<u>Change</u>
Courthouse Project	\$ 87.0 million	\$ 36.2 million	\$ 50.8
Road Projects	52.9 million	86.2 million	( 33.3)
Countywide Resurfacing	13.3 million	11.6 million	1.7
Citywide Radio System	13.1 million	0 million	13.1
Miscellaneous Projects	10.8 million	5.8 million	5.0
Park Projects	9.6 million	5.9 million	3.7
Drainage Projects	9.0 million	20.6 million	(11.6)
Building Projects	4.5 million	14.8 million	(10.3)
Easements	2.9 million	0 million	2.9
Fire Department Projects	<u>1.1 million</u>	<u>2.5 million</u>	<u>( 1.4)</u>
Total	\$ 204.2 million	\$183.6 million	\$ 20.6

## Debt Administration

**Debt Service Funds** account for the accumulation of resources for, and the payment of, interest and principal on most general governmental obligations. Individual debt service funds are described below.

**The Special Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the City's special and limited bonded obligations payable solely from and secured by a lien upon and pledge of the revenues under the respective bond ordinances.

**The Special Bonded Debt - Better Jacksonville Plan Obligations Fund** accounts for the accumulation of resources for and the payment of, principal and interest on the City's special bonded obligations payable, which are related to the Better Jacksonville Plan.

**The Other Non-Bonded Debt Obligations Fund** accounts for the accumulation of resources for and the payment of, principal and interest on other non-bonded debt obligations including the U. S. Government Guaranteed Notes Payable (HUD 108 loans).

At year-end, the City had \$2.8 billion in bonds and notes outstanding as shown in Table A-4. Additional information on the City of Jacksonville's long term-debt can be found in Notes to the Financial Statements, Footnote 8 of this report.

**Table A-4**  
**Bonds and Notes Payable**  
**Outstanding Debt at Year End September 30, 2010**  
**(In Thousands)**

	Governmental Activities		Business Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Special Obligation Bonds	\$ 826,574	\$ 771,550	\$ -	\$ -	\$ 826,574	\$ 771,550
Special Obligation-BJP	1,256,964	1,178,193			1,256,964	1,178,193
Revenue Bonds Payable	195,713	82,828	326,143	341,887	521,856	424,715
Notes Payable	59,845	79,605	-	-	59,845	79,605
Notes Payable-BJP	65,872	60,719	-	-	65,872	60,719
Deferred Amounts						
Loss on Adv Ref	(3,386)	(4,065)	(882)	(1,158)	(4,268)	(5,223)
Issuance premiums	59,055	26,285	-	-	59,055	26,285
Issuance discounts	(3,005)	(3,160)	-	-	(3,005)	(3,160)
<b>Total</b>	<b>\$ 2,457,632</b>	<b>\$ 2,191,955</b>	<b>\$ 325,261</b>	<b>\$ 340,729</b>	<b>\$ 2,782,893</b>	<b>\$ 2,532,684</b>

The City of Jacksonville's debt increased a net of \$250.2 million as compared to fiscal year 2009. New indebtedness of the City of Jacksonville consists of:

<b>Closing Date</b>	<b>Par Amount</b>	<b>Source</b>	<b>Primary Use</b>
December 2009	\$107,640,000	Revenue Bonds	Capital Projects
September 2010	\$ 100,205,000	Revenue Bonds	BJP Capital Projects
September 2010	\$ 94,945,000	Revenue Bonds	Capital Projects

During the fiscal year, the City enhanced an Investor Relations page, designed to provide an introduction and overview of the City's borrowing programs as well as supplement the City's financial reporting efforts facilitating marketplace access to the City's;

- Debt management Policy
- Debt Affordability Study
- Bond Series Overview by Program
  - Ratings
  - Pledge descriptions
  - Outstanding debt by program and series
  - Required annual financial information (last five years)
  - Summary of key Bond Indenture requirements and definitions

During the fiscal year the City also continued to deal with underperforming sales tax revenues pledged to the Better Jacksonville Plan. Moody's downgraded the Better Jacksonville Infrastructure Sales Tax Series 2001, 2003, and 2008 from Aa2 to A1, while Fitch downgraded the same Series from AA to AA-, both agencies citing declining revenue streams. The City's underlying ratings published by either agency were not affected.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property and a limited array of permitted other taxes (sales, gasoline, utilities services, etc.) and fees (franchise, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments.

### **Other Economic Factors:**

- The unemployment rate for the City of Jacksonville is 11.5%. This compares to the state's average unemployment rate (11.8%) and the national average unemployment rate (9.7%). The Bureau of Labor Statistics reported thirty-eight states had statistically significant unemployment rate increases from 2009;
- Jacksonville has the largest Empowerment Zone in the nation;
- Jacksonville has a major port, home to the National Football League's (NFL) Jacksonville Jaguars, is the insurance and financial center of Florida, and is the site of key U.S. Navy bases.

### **Budget Highlights for fiscal 2010-2011:**

- The recession has had a significantly negative impact upon the City's revenues. This includes a drop in the City's property-tax base of 7% or \$3.7 billion on a year-over-year basis. In addition, state sales tax distributions are projected to be down 3% from the fiscal year 2010 budget amount.
- To partially offset the decline in revenues and allow the City to continue to fund government services, the City increased the millage rate from 9.2727 to 10.0353, which is below the rolled-back rate of 10.1193 mills. A rolled-back rate is defined as the millage rate that would generate the same amount of property tax revenue from one year to the next from properties that were on the tax roll in the previous year.
- The recession has also negatively impacted the City's revenue sharing funding. The State's revenue sharing program for local governments is heavily dependent upon sales tax monies to fund the distributions to county and municipal government. Sales taxes provide an estimated 83% of the funds that are distributed in the form of state revenue sharing. This has led to a reduction of \$3.2 million, or 7%, in state revenue sharing compared to fiscal year 2010.
- The Jacksonville Journey will commence its third year of operations in fiscal year 2010-2011. This program, conceived by a panel of nearly 150 community leaders, provides more than \$10 million toward keeping children safe and involved in positive activities, including expanded activities during the summer. It also funds programs for juvenile crime prevention as well as programs that will help ex-offenders transition to being productive citizens.
- A total of \$46 million in expenses were cut from the general fund during the budget process. The savings include \$20 million from reductions in salary and benefit costs (including \$5.6 million from eliminated positions) and \$26 million in departmental and non-departmental operating cost savings from a variety of sources. Also included in these savings are reductions of 66% in training costs, 56% in travel costs and \$3.8 million in information technology operating costs reductions. In total, all but two departments within the City's general fund experienced a reduction in the total budget from fiscal year 2010 to fiscal year 2011. Public Works' budget had an increase of 0.2%, mainly due to an increase in utility costs. The Supervisor of Elections had an increase in its budget due to the three scheduled elections in fiscal year 2011 compared to the one election in fiscal year 2010.
- The budget also includes the elimination of 102 non-public safety positions in fiscal year 2011. Since fiscal year 2006 a total of 732 non-public safety positions have been eliminated, a reduction of 18.4% of all non-public safety positions.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Department of Finance, Accounting Division, 117 West Duval Street, Suite 375, Jacksonville, Florida 32202, or call (904) 630-1250.



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**CITYWIDE FINANCIAL  
STATEMENTS**

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF NET ASSETS -**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS		COMPONENT UNITS
			2010	2009	
<b>ASSETS:</b>					
Cash and investments.....	\$ 729,361	\$ 58,596	\$ 787,957	\$ 698,372	\$ 1,538,752
Cash in escrow and with fiscal agents.....	102,813	20,797	123,610	99,842	153
Securities lending.....	58,668	-	58,668	56,609	-
Receivables, net.....	102,705	56,861	159,566	107,379	361,049
Internal balances.....	3,837	(3,837)	-	-	-
Due from independent agencies and other governments.....	116,543	191	116,734	130,613	64,351
Inventories.....	8,169	8	8,177	8,020	120,525
Prepaid expenses and other assets.....	4,990	200	5,190	3,258	499,381
Deferred outflows .....	17,517	-	17,517	12,660	165,723
Deferred charge - landfill related costs.....	-	16,935	16,935	19,722	-
Unamortized debt issuance costs.....	17,560	231	17,791	17,407	-
<b>CAPITAL ASSETS:</b>					
Land, easements, art in public places and work in progress.....	491,962	45,567	537,529	423,276	715,388
Other capital assets, net of depreciation.....	2,253,137	388,231	2,641,368	2,494,187	7,312,226
<b>TOTAL ASSETS.....</b>	<b>3,907,262</b>	<b>583,780</b>	<b>4,491,042</b>	<b>4,071,345</b>	<b>\$ 10,777,548</b>
<b>LIABILITIES:</b>					
Accounts payable and accrued liabilities.....	81,205	11,171	92,376	103,505	260,448
Contracts payable.....	7,862	30	7,892	6,960	-
Due to component units.....	2,340	-	2,340	33	-
Due to independent agencies and other governments.....	21,552	-	21,552	16,067	10,615
Deposits.....	4,064	1,861	5,925	7,988	50,637
Accrued interest payable.....	47,169	7,705	54,874	44,701	139,371
Unearned revenue.....	25,824	16,454	42,278	38,960	48,761
Securities lending.....	60,344	-	60,344	58,646	-
Liabilities payable from restricted assets.....	-	-	-	-	9,785
Other current liabilities.....	2,125	-	2,125	2,983	90,028
<b>NONCURRENT LIABILITIES:</b>					
Fair market value of debt management instruments.....	17,517	-	17,517	12,660	148,400
Due within one year.....	99,023	13,555	112,578	151,595	219,617
Due in more than one year.....	2,679,069	382,506	3,061,575	2,768,175	7,088,792
<b>TOTAL LIABILITIES.....</b>	<b>3,048,094</b>	<b>433,282</b>	<b>3,481,376</b>	<b>3,212,273</b>	<b>8,066,454</b>
<b>NET ASSETS:</b>					
Invested in capital assets, net of related debt.....	974,561	135,912	1,110,473	1,079,510	1,490,481
Restricted for:					
Debt service.....	-	-	-	-	35,281
State and Federal grants.....	90,561	-	90,561	82,282	-
Capital projects.....	-	-	-	-	21,534
Other participant's equity.....	1,652	-	1,652	4,271	-
Permanent fund, non-expendable.....	123	-	123	123	-
Other purposes.....	-	-	-	-	334,013
Unrestricted (deficit).....	(207,729)	14,586	(193,143)	(307,114)	829,785
<b>TOTAL NET ASSETS .....</b>	<b>\$ 859,168</b>	<b>\$ 150,498</b>	<b>\$ 1,009,666</b>	<b>\$ 859,072</b>	<b>\$ 2,711,094</b>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF ACTIVITIES -**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY GOVERNMENT			COMPONENT UNITS	
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS		
		2010	2009						
<b>PRIMARY GOVERNMENT:</b>									
Governmental activities:									
General government.....	\$ 186,072	\$ 75,506	\$ 1,247	\$ 9,552	\$ (99,767)		\$ (99,767)	\$ (114,146)	
Human services.....	112,785	1,098	14,943	36	(96,708)		(96,708)	(70,994)	
Public safety.....	549,369	46,457	11,140	672	(491,100)		(491,100)	(459,943)	
Culture and recreation.....	75,451	3,806	2,396	930	(68,319)		(68,319)	(59,899)	
Transportation.....	192,231	198	3,811	135,003	(53,219)		(53,219)	(174,377)	
Economic environment.....	71,082	-	46,042	20,000	(5,040)		(5,040)	(44,204)	
Physical environment.....	98,058	895	3,877	4,365	(88,921)		(88,921)	(88,928)	
Interest on long term debt.....	87,723	-	-	-	(87,723)		(87,723)	(94,289)	
<b>Total governmental activities.....</b>	<b>1,372,771</b>	<b>127,960</b>	<b>83,456</b>	<b>170,558</b>	<b>(990,797)</b>		<b>(990,797)</b>	<b>(1,106,780)</b>	
Business-type activities:									
Parking system.....	3,585	3,383	-	-	-	(202)	(202)	366	
Motor vehicle inspections.....	476	431	-	-	-	(45)	(45)	(11)	
Solid Waste.....	73,934	47,112	-	-	-	(26,822)	(26,822)	(43,922)	
Storm Water Services.....	17,340	28,035	-	-	-	10,695	10,695	14,522	
EverBank Field.....	24,485	3,719	-	-	-	(20,766)	(20,766)	(16,825)	
Veterans Memorial Arena.....	15,602	4,797	-	-	-	(10,805)	(10,805)	(7,651)	
Baseball Stadium.....	3,335	426	-	-	-	(2,909)	(2,909)	(1,653)	
Performing Arts.....	4,265	1,760	-	-	-	(2,505)	(2,505)	(2,256)	
Convention Center.....	3,804	795	-	-	-	(3,009)	(3,009)	(3,575)	
Equestrian Center.....	1,816	203	-	-	-	(1,613)	(1,613)	(1,588)	
<b>Total business-type activities.....</b>	<b>148,642</b>	<b>90,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(57,981)</b>	<b>(57,981)</b>	<b>(62,593)</b>	
<b>Total primary government.....</b>	<b>\$ 1,521,413</b>	<b>\$ 218,621</b>	<b>\$ 83,456</b>	<b>\$ 170,558</b>	<b>(990,797)</b>	<b>(57,981)</b>	<b>(1,048,778)</b>	<b>(1,169,373)</b>	
<b>COMPONENT UNITS:</b>									
Governmental activities.....	\$ 85,541	\$ 1,710	\$ 12,689	\$ 3,062				\$ (68,080)	
Business-type activities.....	2,149,200	2,040,033	19,802	53,164				(36,201)	
<b>Total component units.....</b>	<b>\$ 2,234,741</b>	<b>\$ 2,041,743</b>	<b>\$ 32,491</b>	<b>\$ 56,226</b>				<b>\$ (104,281)</b>	
General revenues:									
Property taxes.....					493,171	-	493,171	474,381	-
Utility service taxes.....					126,653	-	126,653	118,453	-
Sales and tourist taxes.....					158,062	10,965	169,027	173,170	63,573
Intergovernmental - unrestricted.....					170,687	-	170,687	166,923	46,594
JEA Contribution.....					99,188	-	99,188	96,688	-
Unrestricted earnings on investments.....					57,454	5,770	63,224	81,563	10,777
Franchise Fees.....					39,842	-	39,842	38,891	-
Miscellaneous.....					26,626	10,954	37,580	49,428	35,462
Transfers.....					(35,534)	35,534	-	-	-
<b>Total general revenues and transfers.....</b>					<b>1,136,149</b>	<b>63,223</b>	<b>1,199,372</b>	<b>1,199,497</b>	<b>156,406</b>
Change in net assets.....					145,352	5,242	150,594	30,124	52,125
Net assets, beginning of year.....					713,816	145,256	859,072	828,948	2,658,969
<b>Net assets, end of year.....</b>					<b>\$ 859,168</b>	<b>\$ 150,498</b>	<b>\$ 1,009,666</b>	<b>\$ 859,072</b>	<b>\$ 2,711,094</b>

See accompanying notes.



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**FUND FINANCIAL  
STATEMENTS**



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## **MAJOR GOVERNMENTAL FUNDS:**

### **GENERAL FUND**

The **General Fund** is the principal fund of the City and is used to account for all activities not included in other funds. The General Fund accounts for the normal recurring activities of the City (i.e, police, fire, public works, courts, general government, etc.). These activities are funded principally by property taxes, intergovernmental revenues, and licenses and fees.

### **DEBT SERVICE FUNDS**

**The Special Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the City's special and limited bonded obligations, which are payable solely from and secured by a lien upon and pledge of the revenues under the respective bond ordinances.

**The Special Bonded Debt - Better Jacksonville Plan Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the City's special bonded obligations payable, which are related to the Better Jacksonville Plan.

### **CAPITAL PROJECTS FUNDS**

**The General Projects Fund** receives monies appropriated from the General Fund and other sources including proceeds from non-bonded debt for general capital improvements.

**CITY OF JACKSONVILLE, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<u>GENERAL FUND</u>	<u>SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS</u>	<u>SPECIAL BONDED DEBT- OBLIGATIONS</u>
<b>ASSETS:</b>			
Equity in cash and investments.....	\$ 83,268	\$ 106,281	\$ 28,638
Cash in escrow and with fiscal agents.....	369	40,765	48,658
Securities lending collateral.....	58,668	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts and interest.....	15,544	-	-
Mortgages.....	33	-	-
Other.....	14,316	-	-
Due from other funds.....	10,269	-	-
Due from independent agencies and other governments.....	47,785	-	-
Inventories.....	6,163	-	-
Prepaid items.....	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 236,415</b>	<b>\$ 147,046</b>	<b>\$ 77,296</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities.....	\$ 44,194	\$ -	\$ -
Contracts payable.....	15	-	-
Due to other funds.....	-	-	-
Due to component units.....	33	-	-
Due to independent agencies and other governments.....	440	-	-
Due to individuals.....	-	-	-
Bonds payable.....	-	22,291	38,963
Interest payable.....	123	25,186	18,851
Matured interest payable.....	-	-	-
Deposits.....	1,384	-	-
Unearned revenue.....	19,817	-	-
Securities lending obligations.....	60,344	-	-
Advances from other funds.....	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>126,350</b>	<b>47,477</b>	<b>57,814</b>
<b>FUND BALANCES:</b>			
<b>Non Spendable:</b>			
Non Spendable.....	6,604	-	-
<b>Spendable:</b>			
Restricted.....	-	99,569	16,505
Committed.....	58,921	-	-
Assigned.....	2,766	-	2,977
Unassigned.....	41,774	-	-
<b>TOTAL FUND BALANCES.....</b>	<b>110,065</b>	<b>99,569</b>	<b>19,482</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 236,415</b>	<b>\$ 147,046</b>	<b>\$ 77,296</b>

See accompanying notes.

GENERAL PROJECTS	NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
		2010	2009
\$ 132,556	\$ 246,513	\$ 597,256	\$ 463,358
-	3,907	93,699	99,842
-	-	58,668	56,609
-	2,534	18,078	17,872
-	52,043	52,076	38,652
373	15	14,704	14,905
-	-	10,269	28,716
2,623	64,510	114,918	129,191
-	-	6,163	6,259
-	4	4	-
<u>\$ 135,552</u>	<u>\$ 369,526</u>	<u>\$ 965,835</u>	<u>\$ 855,404</u>
\$ 13,053	\$ 32,606	\$ 89,853	\$ 96,313
508	7,339	7,862	6,959
-	6,419	6,419	27,033
-	2,307	2,340	33
-	-	440	-
-	272	272	203
-	-	61,254	60,429
-	-	44,160	38,335
-	39	39	39
-	2,678	4,062	4,024
373	3,276	23,466	24,013
-	-	60,344	58,646
7,807	-	7,807	8,500
<u>21,741</u>	<u>54,936</u>	<u>308,318</u>	<u>324,527</u>
-	127	6,731	6,382
60,814	152,258	329,146	221,416
52,997	161,967	273,885	287,503
-	238	5,981	11,878
-	-	41,774	3,698
<u>113,811</u>	<u>314,590</u>	<u>657,517</u>	<u>530,877</u>
<u>\$ 135,552</u>	<u>\$ 369,526</u>	<u>\$ 965,835</u>	<u>\$ 855,404</u>



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**City of Jacksonville, Florida**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
**September 30, 2010**  
**(in thousands)**

Total fund balances- governmental funds		\$ 657,517
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		2,745,099
Long term liabilities - liabilities are not due and payable in the current period and are not reported in the funds:		
Bonds and notes payable	(2,404,968)	
Unamortized bond discounts	3,005	
Unamortized bond premium	(59,055)	
Unamortized loss on advance refunding of debt	3,386	
Total bonds and notes payable	(2,457,632)	(2,457,632)
Certain assets and liabilities reported in governmental activities are not financial resources and therefore are not reported in the funds:		
Notes and Bonds payable accrual at the fund level		61,254
Compensated absences		(63,933)
Reduction of accounts payable for debt accruals		16,447
Unamortized bond issuance costs		17,560
Estimated liability for self insured losses		(84,775)
Other post employment benefits (OPEB) liability		(21,074)
Accrued liability for pollution remediation		(150,678)
Accrued liability to other governments - Home program		(1,853)
Amounts due to independent agencies or other governments		(21,112)
Internal service funds are used by management to charge the costs of certain activities, such as fleet maintenance and insurance, to individual funds. The Capital Assets and Long term liabilities are consolidated with the governmental funds on an entity-wide basis. This figure represents the net of Current Assets and Current Liabilities of the Internal Service Funds.		162,348
Net assets of governmental activities		\$ 859,168

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>GENERAL FUND</b>	<b>SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS</b>	<b>SPECIAL BONDED DEBT- OBLIGATIONS</b>
<b>REVENUE:</b>			
Property taxes.....	\$ 476,532	\$ -	\$ -
Utility Service taxes.....	126,878	-	-
Sales and tourist taxes.....	1,058	-	-
Licenses and permits.....	47,894	-	-
Intergovernmental.....	119,296	24,686	-
Charges for services.....	71,531	-	-
Fines and forfeitures.....	2,997	-	-
JEA contribution.....	99,188	-	-
Interest.....	13,952	8,543	4,534
Other.....	17,152	-	-
<b>Total Revenue.....</b>	<b>976,478</b>	<b>33,229</b>	<b>4,534</b>
<b>EXPENDITURES:</b>			
Current:			
General government.....	150,339	-	-
Human services.....	69,301	-	-
Public safety.....	521,183	-	-
Culture and recreation.....	60,129	-	-
Transportation.....	41,410	-	-
Economic environment.....	12,631	-	-
Physical environment.....	15,059	-	-
Capital outlay.....	-	-	-
Debt service:			
Principal.....	-	22,291	38,541
Interest and fiscal charges.....	-	49,646	34,323
Other.....	-	-	406
<b>Total Expenditures.....</b>	<b>870,052</b>	<b>71,937</b>	<b>73,270</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....</b>	<b>106,426</b>	<b>(38,708)</b>	<b>(68,736)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Long term debt issued.....	3,556	-	-
Refunding bond issued.....	-	-	-
Premium on special obligation bonds payable.....	-	9,059	-
Payment to escrow agent - refunded bonds.....	-	-	-
Transfers in.....	16,747	42,108	67,998
Transfers out.....	(126,335)	-	-
<b>Total Other Financing Sources (Uses).....</b>	<b>(106,032)</b>	<b>51,167</b>	<b>67,998</b>
<b>NET CHANGES IN FUND BALANCES.....</b>	<b>394</b>	<b>12,459</b>	<b>(738)</b>
<b>FUND BALANCE, BEGINNING OF YEAR .....</b>	<b>110,181</b>	<b>87,110</b>	<b>20,220</b>
Change in reserve for inventory of supplies.....	(510)	-	-
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 110,065</b>	<b>\$ 99,569</b>	<b>\$ 19,482</b>

See accompanying notes.

GENERAL PROJECT	NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
		2010	2009
\$ -	\$ 16,639	\$ 493,171	\$ 474,381
-	-	126,878	118,453
-	157,004	158,062	162,295
-	-	47,894	46,774
13,865	110,161	268,008	263,316
-	41,032	112,563	112,013
-	2,098	5,095	5,152
-	-	99,188	96,688
4,907	16,559	48,495	62,593
1,280	9,564	27,996	29,031
20,052	353,057	1,387,350	1,370,696
-	29,920	180,259	167,245
-	43,491	112,792	107,309
-	32,573	553,756	527,027
-	7,223	67,352	64,076
-	122,358	163,768	144,298
-	57,995	70,626	66,713
-	6,667	21,726	24,945
124,459	119,142	243,601	273,518
-	945	61,777	79,554
-	356	84,325	89,339
-	8,130	8,536	2,846
124,459	428,800	1,568,518	1,546,870
(104,407)	(75,743)	(181,168)	(176,174)
164,566	151,558	319,680	166,858
-	-	-	18,200
-	10,484	19,543	7,904
-	-	-	(18,622)
19,263	35,522	181,638	196,914
(890)	(85,318)	(212,543)	(232,049)
182,939	112,246	308,318	139,205
78,532	36,503	127,150	(36,969)
35,279	278,087	530,877	567,846
-	-	(510)	-
\$ 113,811	\$ 314,590	\$ 657,517	\$ 530,877

**City of Jacksonville, Florida**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For The Year Ended September 30, 2010**  
**(in thousands)**

Net change in fund balances- total governmental funds: \$ 127,150

Amounts reported for governmental activities in the statement of activities are different because:  
Certain assets and liabilities reported in governmental activities are not current financial resources or do not require the use of current financial resources.

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Also, certain capital assets are contributed to the City upon completion, requiring recognition of revenue not reported in the funds.

Capital assets acquired by use of financial resources	220,475	
Capital assets contributed by developers and JTA	156,693	
Capital assets transferred from proprietary funds of the city	184	
Current year depreciation	(105,928)	
Loss on disposition of assets	(416)	
		271,008

Governmental funds report certain bond transactions as resources or uses. However, in the statement of activities these transactions are reported over the life of the debt as expenses.

Bond Issuance Costs	1,707	
Amortization of issuance costs	(1,284)	
Amortization of bond discounts	(155)	
Amortization of bond premium	3,805	
Additional bond premium with new debt issue	(19,543)	
Amortization - loss on refunding	(679)	
		(16,149)

Repayment of bond principal is an expenditure in governmental funds, but the repayment results in a reduction of long-term liabilities in the statement of net assets. Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.

Long-term debt issued	(319,680)	
Principal repayment	61,777	
		(257,903)

Some revenues and expenses reported in the statement of activities did not require the use of or provide current financial resources and therefore are not reported in governmental funds:

Decrease in accrual for self insured liabilities	415	
Increase in compensated absences payable	(2,399)	
Increase amounts due to independent agencies and other governments	(7,545)	
Miscellaneous payable	(225)	
Decrease in payable to other governments	927	
Other post employment benefits liability	(5,929)	
Decrease in accrual for pollution remediation	2,889	
Decrease in Shipyards accrual	2,500	
Refund of amount in escrow for debt payment	426	
Inventory adjustment	(510)	
Principal reduction of Internal Banking fund debt	12,419	
		(271,084)

Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) and transfers are reported with governmental activities.

Interest revenue	8,959	
Other non-operating expenses	(1,554)	
Operating income	15,518	
Transfers in, net	(4,645)	
		18,278

Change in Net Assets - Governmental Activities \$ 145,352

See accompanying notes.

### **MAJOR ENTERPRISE FUNDS:**

**Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises and where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual major enterprise funds are described below.

**The Solid Waste Disposal Fund** accounts for collection, recycling and disposal of commercial and residential garbage services throughout the city, including the operation of three municipally owned landfill sites, two of which are closed.

**The EverBank Field Fund** accounts for events held at the stadium including National Football League and college football games, concerts and other activities.

**The Veterans Memorial Arena Fund** accounts for events held at the arena including concerts, college basketball games, and other entertainment events such as the circus, ice skating, gymnastics, professional wrestling and motor sports.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

<b>ENTERPRISE FUNDS</b>							
	<b>SOLID WASTE DISPOSAL</b>	<b>EVERBANK FIELD</b>	<b>VETERANS MEMORIAL ARENA</b>	<b>NON MAJOR ENTERPRISE</b>	<b>TOTALS</b>		<b>INTERNAL SERVICE FUNDS</b>
					<b>2010</b>	<b>2009</b>	
<b>ASSETS:</b>							
Equity in cash and investments.....	\$ 37,011	\$ 1,050	\$ 885	\$ 1,625	\$ 40,571	\$ 72,476	\$ 132,105
Cash with fiscal agents.....	4,526	7,798	5,623	2,850	20,797	23,978	9,114
Receivables (net, where applicable, of allowances for uncollectibles):							
Accounts.....	23,501	298	120	32,940	56,859	17,703	204
Loans receivable.....	-	-	-	-	-	-	47,352
Other.....	-	-	-	-	-	-	1,499
Due from other funds.....	-	-	540	134	674	33	-
Due from independent agencies and other governments.....	24	167	-	-	191	103	1,625
Interest and dividend receivables.....	2	-	-	-	2	2	-
Inventories.....	-	-	-	8	8	11	2,006
Prepaid expenses and other assets.....	-	30	147	23	200	132	6,502
<b>Total Current Assets.....</b>	<b>65,064</b>	<b>9,343</b>	<b>7,315</b>	<b>37,580</b>	<b>119,302</b>	<b>114,438</b>	<b>200,407</b>
<b>NONCURRENT ASSETS:</b>							
Advances to other funds.....	-	-	-	-	-	-	7,807
Sinking fund cash and investments.....	18,025	-	-	-	18,025	16,798	-
Construction fund cash and investments.....	-	-	-	-	-	-	-
Loans receivable.....	-	-	-	-	-	-	186,390
Other receivables.....	-	-	-	-	-	-	13,894
<b>CAPITAL ASSETS:</b>							
Land, easements and work in progress.....	12,025	23,339	1,602	8,601	45,567	45,089	203
Other capital assets, net of depreciation.....	16,773	167,111	106,821	97,526	388,231	391,702	67,845
Deferred charge - Landfill related costs.....	16,935	-	-	-	16,935	19,722	-
Other deferred charges.....	231	-	-	-	231	270	-
<b>Total Noncurrent Assets.....</b>	<b>63,989</b>	<b>190,450</b>	<b>108,423</b>	<b>106,127</b>	<b>468,989</b>	<b>473,581</b>	<b>276,139</b>
<b>TOTAL ASSETS.....</b>	<b>129,053</b>	<b>199,793</b>	<b>115,738</b>	<b>143,707</b>	<b>588,291</b>	<b>588,019</b>	<b>476,546</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	ENTERPRISE FUNDS						INTERNAL SERVICE FUNDS
	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA	NON MAJOR ENTERPRISE	TOTALS		
					2010	2009	
<b>LIABILITIES:</b>							
Accounts payable and accrued liabilities.....	\$ 4,925	\$ 1,472	\$ 664	\$ 4,110	\$ 11,171	\$ 8,041	\$ 7,799
Contracts payable.....	30	-	-	-	30	1	-
Due to other funds.....	-	378	2	4,131	4,511	996	13
Deposits.....	212	428	560	661	1,861	3,962	2
Accrued interest payable.....	651	3,658	2,575	821	7,705	8,233	2,970
Current portion of bonds payable.....	3,875	4,140	3,049	2,065	13,129	15,743	6,144
Unearned revenue.....	9,410	-	35	7,009	16,454	12,438	2,358
Accrued compensated absences, current portion...	196	-	-	230	426	402	1,039
Current portion of loans payable.....	-	-	-	-	-	-	9,800
<b>Total Current Liabilities.....</b>	<b>19,299</b>	<b>10,076</b>	<b>6,885</b>	<b>19,027</b>	<b>55,287</b>	<b>49,816</b>	<b>30,125</b>
<b>NONCURRENT LIABILITIES:</b>							
Estimated liability for self-insured losses.....	-	-	-	-	-	-	83,675
Liability for landfill closure and postclosure care.	65,825	-	-	-	65,825	63,668	-
Accrued compensated absences.....	457	-	-	537	994	939	2,424
Notes payable.....	-	-	-	-	-	-	55,000
Loans payable.....	2,250	-	-	-	2,250	2,250	17,845
Bonds payable.....	27,329	144,835	107,068	32,902	312,134	324,986	206,928
Other liabilities.....	859	-	-	444	1,303	1,104	1,159
<b>Total Noncurrent Liabilities.....</b>	<b>96,720</b>	<b>144,835</b>	<b>107,068</b>	<b>33,883</b>	<b>382,506</b>	<b>392,947</b>	<b>367,031</b>
<b>TOTAL LIABILITIES.....</b>	<b>116,019</b>	<b>154,911</b>	<b>113,953</b>	<b>52,910</b>	<b>437,793</b>	<b>442,763</b>	<b>397,156</b>
<b>NET ASSETS:</b>							
Invested in capital assets, net of related debt.....	23,970	41,475	(1,694)	72,161	135,912	126,221	40,403
Restricted for:							
Restricted - other participant's equity.....	-	-	-	-	-	-	1,652
Unrestricted (deficit).....	(10,936)	3,407	3,479	18,636	14,586	19,035	37,335
<b>TOTAL NET ASSETS .....</b>	<b>\$ 13,034</b>	<b>\$ 44,882</b>	<b>\$ 1,785</b>	<b>\$ 90,797</b>	<b>\$ 150,498</b>	<b>\$ 145,256</b>	<b>\$ 79,390</b>

See accompanying notes.



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CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)

	ENTERPRISE FUNDS						
	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
					2010	2009	
<b>OPERATING REVENUE:</b>							
Sales and tourist taxes.....	\$ -	\$ 6,727	\$ -	\$ 4,238	\$ 10,965	\$ 10,875	\$ -
Charges for services.....	47,112	3,719	4,797	35,033	90,661	87,490	226,068
Charges for services for independent authorities	-	-	-	-	-	-	11,704
Other.....	-	5,398	3,576	1,924	10,898	8,130	1,077
Total Operating Revenue.....	<u>47,112</u>	<u>15,844</u>	<u>8,373</u>	<u>41,195</u>	<u>112,524</u>	<u>106,495</u>	<u>238,849</u>
<b>OPERATING EXPENSES:</b>							
Personal services.....	6,288	1,991	1,642	13,653	23,574	23,334	32,927
Supplies and materials.....	57	86	70	388	601	757	27,172
Central services.....	4,178	195	135	3,735	8,243	7,318	8,450
Interdepartmental charges.....	162	963	427	1,263	2,815	2,622	-
Other services and charges.....	58,014	8,471	5,728	10,459	82,672	91,841	30,095
Depreciation and amortization.....	2,061	5,462	2,451	3,393	13,367	13,279	20,913
Court reporter services.....	-	-	-	-	-	-	66
Claims and losses.....	-	-	-	-	-	-	16,846
Insurance premiums and participant dividends..	-	-	-	-	-	-	93,248
Total Operating Expenses.....	<u>70,760</u>	<u>17,168</u>	<u>10,453</u>	<u>32,891</u>	<u>131,272</u>	<u>139,151</u>	<u>229,717</u>
<b>OPERATING (LOSS) INCOME.....</b>	<u>(23,648)</u>	<u>(1,324)</u>	<u>(2,080)</u>	<u>8,304</u>	<u>(18,748)</u>	<u>(32,656)</u>	<u>9,132</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>							
Interest revenue.....	4,515	430	164	661	5,770	8,237	8,959
Interest expense.....	(1,304)	(7,317)	(5,149)	(1,730)	(15,500)	(8,262)	-
Other.....	(1,870)	3	21	32	(1,814)	9,600	4,832
Total Non-Operating Revenue (Expenses).....	<u>1,341</u>	<u>(6,884)</u>	<u>(4,964)</u>	<u>(1,037)</u>	<u>(11,544)</u>	<u>9,575</u>	<u>13,791</u>
<b>(LOSS) INCOME BEFORE TRANSFERS.....</b>	<u>(22,307)</u>	<u>(8,208)</u>	<u>(7,044)</u>	<u>7,267</u>	<u>(30,292)</u>	<u>(23,081)</u>	<u>22,923</u>
<b>TRANSFERS:</b>							
Transfers in.....	21,417	8,665	8,057	5,798	43,937	53,738	3,769
Transfers out.....	(750)	(1,951)	(159)	(5,543)	(8,403)	(23,539)	(8,414)
Net Transfers	<u>20,667</u>	<u>6,714</u>	<u>7,898</u>	<u>255</u>	<u>35,534</u>	<u>30,199</u>	<u>(4,645)</u>
<b>CHANGES IN NET ASSETS.....</b>	<u>(1,640)</u>	<u>(1,494)</u>	<u>854</u>	<u>7,522</u>	<u>5,242</u>	<u>7,118</u>	<u>18,278</u>
<b>NET ASSETS, BEGINNING OF YEAR.....</b>	<u>14,674</u>	<u>46,376</u>	<u>931</u>	<u>83,275</u>	<u>145,256</u>	<u>138,138</u>	<u>61,112</u>
<b>NET ASSETS, END OF YEAR.....</b>	<u>\$ 13,034</u>	<u>\$ 44,882</u>	<u>\$ 1,785</u>	<u>\$ 90,797</u>	<u>\$ 150,498</u>	<u>\$ 145,256</u>	<u>\$ 79,390</u>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>ENTERPRISE FUNDS</b>		
	<b>SOLID WASTE DISPOSAL</b>	<b>EVERBANK FIELD</b>	<b>VETERANS MEMORIAL ARENA</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers.....	\$ 34,531	\$ 15,533	\$ 9,998
Payments to suppliers.....	(61,668)	(8,274)	(5,758)
Payments to employees .....	(6,141)	(1,991)	(1,642)
Internal activity-cash receipts from other funds.....	-	375	-
Internal activity-cash payments to other funds.....	-	-	(506)
Other cash receipts .....	4,356	-	-
Other operating cash payments.....	(2,434)	(736)	(2,832)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>(31,356)</b>	<b>4,907</b>	<b>(740)</b>
<b>NONCAPITAL FINANCING ACTIVITIES:</b>			
Cash received through transfers from other funds.....	21,417	8,665	8,057
Cash payments through transfers to other funds.....	(750)	(1,951)	(159)
<b>NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>20,667</b>	<b>6,714</b>	<b>7,898</b>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets.....	(1,210)	-	(13)
Proceeds from the sale of capital assets.....	3	1	21
Decrease in landfill costs and other charges.....	-	-	-
Payments on capitalized lease obligations.....	-	-	-
Increase (decrease) in construction fund cash and investments.....	(29)	(65)	(73)
Principal paid on long-term obligations.....	(3,695)	(4,005)	(2,927)
Proceeds from loans payable.....	-	-	-
Payments on loans payable.....	-	-	-
Payments on notes payable.....	-	-	-
Proceeds from bonds payable.....	-	-	-
Interest and Payments to refunded bond escrow agent.....	(1,304)	(7,317)	(5,149)
<b>NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(6,235)</b>	<b>(11,386)</b>	<b>(8,141)</b>
<b>INVESTING ACTIVITIES:</b>			
Interest and dividends on investments.....	4,515	430	164
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES.....</b>	<b>4,515</b>	<b>430</b>	<b>164</b>
<b>NET INCREASE (DECREASE) IN EQUITY IN CASH AND INVESTMENTS...</b>	<b>(12,409)</b>	<b>665</b>	<b>(819)</b>
Equity in cash and investments at October 1, 2009.....	49,420	385	1,704
Equity in cash and investments at September 30, 2010.....	<b>\$ 37,011</b>	<b>\$ 1,050</b>	<b>\$ 885</b>

**ENTERPRISE FUNDS**

<b>NON MAJOR ENTERPRISE</b>	<b>TOTALS</b>		<b>INTERNAL SERVICE FUNDS</b>
	<b>2010</b>	<b>2009</b>	
\$ 17,163	\$ 77,225	\$ 90,798	\$ 245,415
(13,910)	(89,610)	(93,921)	(168,145)
(13,456)	(23,230)	(22,370)	(32,824)
3,440	3,815	5,143	-
(435)	(941)	(74)	(98,059)
827	5,183	36,052	2,464
(1,276)	(7,278)	(3,104)	(24,640)
<u>(7,647)</u>	<u>(34,836)</u>	<u>12,524</u>	<u>(75,789)</u>
5,798	43,937	53,738	3,769
(5,543)	(8,403)	(23,538)	(8,414)
<u>255</u>	<u>35,534</u>	<u>30,200</u>	<u>(4,645)</u>
(9,129)	(10,352)	(13,222)	(13,371)
5	30	-	965
-	-	-	-
-	-	-	-
3,203	3,036	(16,501)	-
(4,962)	(15,589)	(14,954)	-
-	-	-	2,596
-	-	-	(12,946)
-	-	-	(18,815)
-	-	-	132,504
(1,730)	(15,500)	(8,255)	(9,114)
<u>(12,613)</u>	<u>(38,375)</u>	<u>(52,932)</u>	<u>81,819</u>
<u>663</u>	<u>5,772</u>	<u>8,230</u>	<u>8,958</u>
<u>663</u>	<u>5,772</u>	<u>8,230</u>	<u>8,958</u>
(19,342)	(31,905)	(1,978)	10,343
<u>20,967</u>	<u>72,476</u>	<u>74,454</u>	<u>121,762</u>
<u>\$ 1,625</u>	<u>\$ 40,571</u>	<u>\$ 72,476</u>	<u>\$ 132,105</u>

(continued)

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands; continued)**

	<b>SOLID WASTE DISPOSAL</b>	<b>EVERBANK FIELD STADIUM</b>	<b>VETERANS MEMORIAL ARENA</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>			
<b>OPERATING ACTIVITIES:</b>			
OPERATING INCOME (LOSS).....	(\$ 23,648)	(\$ 1,324)	(\$ 2,080)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation.....	2,061	5,462	2,451
(Increase) decrease in assets:			
Receivables and other current assets, net.....	(18,195)	(114)	1,680
Due from other funds.....	-	-	(507)
Advances to other funds.....	-	-	-
Due from independent agencies and other governments.....	79	(167)	-
Inventories.....	-	-	-
Other receivables.....	-	-	-
Loan receivables.....	-	-	-
Prepaid expenses and other assets.....	-	(30)	(15)
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses.....	849	278	158
Contracts payable.....	29	-	-
Due to other funds.....	-	375	1
Deposits.....	(8)	227	(2,405)
Accrued interest payable.....	(948)	(3,458)	(2,558)
Unearned revenue.....	5,535	-	(40)
Loans payable.....	-	-	-
Other liabilities.....	652	-	-
Interest payables.....	651	3,658	2,575
Liability for landfill closure and postclosure care.....	1,525	-	-
Liability for self-insured losses.....	-	-	-
Accrued compensated absences.....	62	-	-
<b>TOTAL ADJUSTMENTS.....</b>	<b>(7,708)</b>	<b>6,231</b>	<b>1,340</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>(\$ 31,356)</b>	<b>\$ 4,907</b>	<b>(\$ 740)</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Change in the fair value of investments.....	\$ 2,008	\$ 32	(\$ 18)
Capital assets transferred from governmental activities to proprietary funds of the city.....	184	-	-

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**ENTERPRISE FUNDS**

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<b>NON MAJOR ENTERPRISE</b>	<b>TOTALS</b>		<b>INTERNAL SERVICE FUNDS</b>
	<b>2010</b>	<b>2009</b>	
<u>\$ 8,304</u>	<u>(\$ 18,748)</u>	<u>(\$ 32,656)</u>	<u>\$ 9,132</u>
3,393	13,367	13,279	20,913
(22,529)	(39,158)	(586)	(144)
(134)	(641)	42	-
-	-	-	693
-	(88)	64	(306)
3	3	3	(256)
-	-	-	544
-	-	-	(93,966)
(23)	(68)	140	(1,859)
2,150	3,435	(1,288)	(3,324)
29	58	25	-
3,138	3,514	725	(707)
84	(2,102)	2,156	-
-	(6,964)	6,336	-
(1,479)	4,016	2,795	(151)
-	-	2,250	(3,386)
179	831	948	306
(779)	6,105	918	-
-	1,525	16,725	-
-	-	-	(3,075)
17	79	648	(203)
<u>(15,951)</u>	<u>(16,088)</u>	<u>45,180</u>	<u>(84,921)</u>
<u>(\$ 7,647)</u>	<u>(\$ 34,836)</u>	<u>\$ 12,524</u>	<u>(\$ 75,789)</u>
\$ 160	\$ 2,182	\$ 3,479	(\$ 1,355)
-	184	590	-



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## **FIDUCIARY FUND LEVEL STATEMENTS**

**PENSION TRUST FUNDS** are funds administered by independent boards for which the City performs a fiduciary role under a defined benefit, defined contribution and disability programs. The participant's retirement annuity is based on a statutory formula using such factors as age, average salary, length of service and others.

**PRIVATE PURPOSE TRUST FUND** is used to report all trust arrangements, other than those properly reported in pension trust funds, under which principal and income benefit individuals. The City reports its James Brady Disabled Scholarship, Michael Jackson Music Scholarship, J.B. Smith Memorial Scholarship, and Lex Hester Memorial Scholarship funds as private purpose trusts.

**AGENCY FUNDS** are funds which hold monies in an agency capacity for various government units, individuals or funds.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>PENSION TRUST FUNDS</b>		<b>PRIVATE PURPOSE TRUST FUND</b>		<b>AGENCY FUNDS</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b><u>ASSETS</u></b>						
<b>CURRENT ASSETS:</b>						
Equity in cash and investments.....	\$ 47,511	\$ 49,197	\$ 247	\$ 229	\$ 37,977	\$ 64,238
Receivables (net, where applicable, of allowances for uncollectibles):						
Interest and dividends.....	6,709	6,682	-	-	-	-
Accounts.....	258	189	-	-	2,309	3,137
Other.....	1,926	-	-	-	-	-
Due from independent agencies and other governments	4,187	-	-	-	-	-
Due from component units.....	1,184	-	-	-	-	-
Investments, at fair value:						
U.S. Government obligations.....	138,824	81,855	-	-	-	-
Federal Agencies.....	120,064	117,271	-	-	-	-
Domestic corporate bonds.....	434,403	442,147	-	-	-	-
Short-term Investments.....	10,541	37,319	-	-	-	-
Domestic stocks.....	1,014,762	972,251	-	-	-	-
International stocks.....	470,381	374,912	-	-	-	-
Real Estate.....	175,787	171,227	-	-	-	-
Other Fixed Income.....	56,804	60,509	-	-	-	-
Alternative investments.....	39,845	43,556	-	-	-	-
Equity in pooled investments.....	12,411	-	-	-	-	-
Total investments.....	<u>2,473,822</u>	<u>2,301,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Assets.....	<u>2,535,597</u>	<u>2,357,115</u>	<u>247</u>	<u>229</u>	<u>40,286</u>	<u>67,375</u>
<b>CAPITAL ASSETS</b>						
Other capital assets, net of depreciation.....	23	49	-	-	-	-
Total Capital Assets, Net.....	<u>23</u>	<u>49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Securities Lending Collateral.....	107,046	103,599	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b><u>2,642,666</u></b>	<b><u>2,460,763</u></b>	<b><u>247</u></b>	<b><u>229</u></b>	<b><u>40,286</u></b>	<b><u>67,375</u></b>
<b><u>LIABILITIES</u></b>						
<b>CURRENT LIABILITIES:</b>						
Obligations Under Securities Lending Agreement.....	108,319	105,108	-	-	-	-
Accounts payable and accrued liabilities.....	9,140	7,677	-	-	190	227
Due to independent agencies and other governments....	-	-	-	-	16,125	28,235
Due to individuals.....	-	-	-	-	5,312	4,627
Current portion Accrued compensated absences.....	-	26	-	-	-	-
Deposits held in escrow.....	-	-	-	-	17,849	34,286
Miscellaneous liabilities.....	-	-	-	-	810	-
Total Current Liabilities.....	<u>117,459</u>	<u>112,811</u>	<u>-</u>	<u>-</u>	<u>40,286</u>	<u>67,375</u>
<b>NONCURRENT LIABILITIES:</b>						
Accrued compensated absences.....	101	62	-	-	-	-
Terminal Leave - Group Care.....	326	-	-	-	-	-
Due to participants.....	193,768	175,854	-	-	-	-
Total Noncurrent Liabilities.....	<u>194,195</u>	<u>175,916</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>311,654</u></b>	<b><u>288,727</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>\$ 40,286</u></b>	<b><u>\$ 67,375</u></b>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES.....</b>	<b><u>\$ 2,331,012</u></b>	<b><u>\$ 2,172,036</u></b>	<b><u>\$ 247</u></b>	<b><u>\$ 229</u></b>		

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>PENSION TRUST FUNDS</b>		<b>PRIVATE PURPOSE TRUST</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b><u>ADDITIONS</u></b>				
Contributions:				
Employer.....	\$ 135,254	\$ 84,927	\$ -	\$ -
Plan members.....	41,303	37,188	-	-
Total contributions.....	<u>176,557</u>	<u>122,115</u>	<u>-</u>	<u>-</u>
Other additions:				
State insurance contributions.....	8,829	8,901	-	-
Court fines & penalties.....	1,511	1,456	-	-
Contributions from other governmental units.....	-	4,286	-	-
Miscellaneous.....	81	186	-	-
Transfers in.....	37	-	15	-
Loss on sale of capital assets.....	-	-	-	-
Total other additions.....	<u>10,458</u>	<u>14,829</u>	<u>15</u>	<u>-</u>
Investment income:				
Net (depreciation) appreciation in fair value of investments.....	183,280	(77,655)	-	-
Interest.....	34,920	42,257	13	17
Dividends.....	18,140	19,690	-	-
Rebate of commissions.....	84	169	-	-
Rental income.....	2,027	1,874	-	-
Other miscellaneous.....	(2)	8	-	-
Total investment income (loss) .....	<u>238,449</u>	<u>(13,657)</u>	<u>13</u>	<u>17</u>
Less investment expense.....	(10,256)	(10,442)	-	-
Less rental expense.....	(351)	(205)	-	-
Net investment income (loss).....	<u>227,842</u>	<u>(24,304)</u>	<u>13</u>	<u>17</u>
From Securities Lending Activities:				
Securities Lending.....	550	2,601	-	-
Securities Lending Expenses				
Interest Expense (returned to borrower).....	(66)	(316)	-	-
Agent Fees.....	(61)	(24)	-	-
Total securities lending activities .....	<u>423</u>	<u>2,261</u>	<u>-</u>	<u>-</u>
<b>TOTAL ADDITIONS, NET.....</b>	<b><u>415,280</u></b>	<b><u>114,901</u></b>	<b><u>28</u></b>	<b><u>17</u></b>
<b><u>DEDUCTIONS</u></b>				
Benefits payments.....	206,716	195,807	-	-
DROP Benefits.....	36,806	31,908	-	-
Refunds of contributions.....	9,272	8,074	-	-
Transfers out.....	37	-	-	-
Administrative expenses.....	3,473	2,900	-	-
Operating expenses.....	-	-	10	5
<b>TOTAL DEDUCTIONS.....</b>	<b><u>256,304</u></b>	<b><u>238,689</u></b>	<b><u>10</u></b>	<b><u>5</u></b>
<b>CHANGE IN NET ASSETS.....</b>	<b>158,976</b>	<b>(123,788)</b>	<b>18</b>	<b>12</b>
<b>NET ASSETS, BEGINNING OF YEAR.....</b>	<b><u>2,172,036</u></b>	<b><u>2,295,824</u></b>	<b><u>229</u></b>	<b><u>217</u></b>
<b>NET ASSETS, END OF YEAR.....</b>	<b><u>\$ 2,331,012</u></b>	<b><u>\$ 2,172,036</u></b>	<b><u>\$ 247</u></b>	<b><u>\$ 229</u></b>

See accompanying notes.



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## COMPONENT UNITS

**Component Units** are legally separate organizations for which the primary government is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's governing body with certain exceptions, and either (a) the ability to impose will by the primary government; or (b) the potential for the organization to provide financial benefits to, or impose financial burdens on the primary government. The City's major component units follow:

### MAJOR COMPONENT UNITS:

**The JEA** manages and operates an electric utility system and a water and sewer utility system in the Consolidated City of Jacksonville/Duval County area.

**The Jacksonville Transportation Authority** is responsible for construction, improvement, and maintenance of the Jacksonville Expressway System and operation of the City's mass transit systems, including bus and automated skyway express throughout Duval County.

**The Jacksonville Aviation Authority** manages and operates the City's aviation/airport facilities.

**The Jacksonville Port Authority** manages and operates the City's marine port facilities.

### COMPONENT UNITS THAT DO NOT ISSUE A SEPARATE REPORT:

**The Jacksonville Housing Finance Authority** provides money for loans and technical assistance for construction and rehabilitation of housing to alleviate a shortage of housing and capital for investment in housing in Jacksonville.

**The Jacksonville Economic Development Commission** provides a focal point for economic development in Jacksonville that results in a centralization of economic development programs.

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF NET ASSETS -**  
**COMPONENT UNITS (in thousands)**  
**SEPTEMBER 30, 2010**

**MAJOR COMPONENT UNITS**

	<b>JEA</b>	<b>JACKSONVILLE TRANSPORTATION AUTHORITY</b>	<b>JACKSONVILLE AVIATION AUTHORITY</b>	<b>JACKSONVILLE PORT AUTHORITY</b>
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 957,463	\$ 58,044	\$ 33,918	\$ 45,466
Cash in escrow with fiscal agent.....	-	-	-	-
Investments.....	327,054	26,632	58,036	-
Due from other governmental agencies.....	-	64,287	-	-
Accounts and interest receivable.....	253,562	918	4,856	4,728
Mortgages receivable.....	-	-	-	-
Other receivables.....	-	-	11,432	27,295
Inventories.....	114,940	3,408	745	1,432
Deferred outflows.....	159,266	-	3,579	2,878
Other assets.....	153,379	6,725	2,032	19,999
Custodial Assets - Construction projects.....	-	315,649	-	-
Capital assets:				
Land and construction in progress.....	345,746	43,371	88,989	237,282
Buildings and improvements.....	-	145,909	755,864	508,638
Vehicles.....	-	91,804	-	-
Equipment.....	-	4,064	-	95,574
Utility plant in service.....	9,845,790	-	-	-
Other capital assets.....	-	75,912	1,823	-
Less: accumulated depreciation.....	(3,487,729)	(187,107)	(298,445)	(251,582)
Total capital assets, net of depreciation.....	<u>6,703,807</u>	<u>173,953</u>	<u>548,231</u>	<u>589,912</u>
Total assets.....	<u>8,669,471</u>	<u>649,616</u>	<u>662,829</u>	<u>691,710</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses.....	234,665	5,246	7,727	10,511
Deposits.....	47,448	-	-	2,802
Unearned revenue.....	-	-	-	6,194
Due to other governmental agencies.....	-	62	-	10,553
Interest payable.....	135,185	-	4,186	-
Other current liabilities.....	90,000	-	-	28
Liabilities payable with restricted assets.....	-	9,785	-	-
Long-term liabilities:				
Due within one year:				
Estimated liability for injury and damage claims.....	-	2,176	-	-
Bonds, notes payable, capital leases and contracts.....	192,433	-	12,603	12,061
Compensated absences.....	-	266	-	-
Due in more than one year:				
Estimated liability for injury and damage claims.....	-	1,675	-	-
Bonds, capital leases and commercial paper.....	6,096,339	-	197,050	191,786
Fair market value of debt management instruments.....	141,943	-	3,579	2,878
Compensated absences.....	-	819	-	-
Custodial projects - due to other governments.....	-	335,403	-	-
OPEB liability.....	-	-	991	-
Other noncurrent liabilities.....	118,023	-	-	146,477
Total liabilities.....	<u>7,056,036</u>	<u>355,432</u>	<u>226,136</u>	<u>383,290</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt.....	705,722	173,953	350,232	248,863
Restricted for:				
Capital projects.....	-	-	6,913	14,621
Debt service.....	-	-	21,978	13,303
Other purposes.....	320,827	-	10,604	2,582
Unrestricted.....	586,886	120,231	46,966	29,051
Total Net Assets.....	<u>\$ 1,613,435</u>	<u>\$ 294,184</u>	<u>\$ 436,693</u>	<u>\$ 308,420</u>

See accompanying notes.

<b>JACKSONVILLE HOUSING FINANCE AUTHORITY</b>	<b>JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION</b>	<b>NON MAJOR COMPONENT UNITS</b>	<b>TOTAL</b>
\$ 7,882	\$ 22,518	\$ 1,633	\$ 1,126,924
133	20	-	153
-	-	106	411,828
-	64	-	64,351
5	1,392	683	266,144
11,883	-	-	11,883
-	42,567	1,728	83,022
-	-	-	120,525
-	-	-	165,723
1,590	-	7	183,732
-	-	-	315,649
-	-	-	715,388
-	-	-	1,410,411
-	-	-	91,804
17	100	12,287	112,042
-	-	-	9,845,790
-	-	-	77,735
(17)	(99)	(577)	(4,225,556)
<u>-</u>	<u>1</u>	<u>11,710</u>	<u>8,027,614</u>
<u>21,493</u>	<u>66,562</u>	<u>15,867</u>	<u>10,777,548</u>
1,232	980	87	260,448
-	387	-	50,637
-	42,567	-	48,761
-	-	-	10,615
-	-	-	139,371
-	-	-	90,028
-	-	-	9,785
-	-	-	2,176
-	-	-	217,097
1	77	-	344
-	-	-	1,675
-	-	-	6,485,175
-	-	-	148,400
4	179	-	1,002
-	-	-	335,403
3	43	-	1,037
-	-	-	264,500
<u>1,240</u>	<u>44,233</u>	<u>87</u>	<u>8,066,454</u>
-	1	11,710	1,490,481
-	-	-	21,534
-	-	-	35,281
-	-	-	334,013
20,253	22,328	4,070	829,785
<u>\$ 20,253</u>	<u>\$ 22,329</u>	<u>\$ 15,780</u>	<u>\$ 2,711,094</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF ACTIVITIES -  
 COMPONENT UNITS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				GOVERNMENTAL ACTIVITIES	
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE HOUSING FINANCE AUTHORITY
Governmental activities:						
Jacksonville Transportation Authority	\$ 63,289	\$ -	\$ -	\$ -	\$ (63,289)	\$ -
Jacksonville Housing Finance Authority	502	-	-	-	-	(502)
Jacksonville Economic Development Commission	19,465	2	12,689	287	-	-
Non Major Component Units	2,285	1,708	-	2,775	-	-
<b>Total governmental activities.....</b>	<b>85,541</b>	<b>1,710</b>	<b>12,689</b>	<b>3,062</b>	<b>(63,289)</b>	<b>(502)</b>
Business-type activities:						
JEA	1,902,154	1,909,776	-	19,883	-	-
Jacksonville Transportation Authority	99,521	20,342	10,608	13,664	-	-
Jacksonville Aviation Authority	78,688	59,279	1,031	10,011	-	-
Jacksonville Port Authority	68,837	50,636	8,163	9,606	-	-
<b>Total business-type activities.....</b>	<b>2,149,200</b>	<b>2,040,033</b>	<b>19,802</b>	<b>53,164</b>	<b>-</b>	<b>-</b>
<b>Total component units.....</b>	<b>\$ 2,234,741</b>	<b>\$ 2,041,743</b>	<b>\$ 32,491</b>	<b>\$ 56,226</b>	<b>(63,289)</b>	<b>(502)</b>
General revenues:						
Sales and tourist taxes.....					63,573	-
Intergovernmental - unrestricted.....					-	-
Unrestricted earnings on investments.....					112	565
Miscellaneous.....					1,320	584
<b>Total general revenues, special items and transfers.....</b>					<b>65,005</b>	<b>1,149</b>
Change in net assets.....					1,716	647
Net assets, beginning of year:						
Net assets, beginning of Year.....					110,334	19,606
Changes to beginning Net assets.....					-	-
Restated beginning Net assets .....					110,334	19,606
Net assets, end of year.....					<b>\$ 112,050</b>	<b>\$ 20,253</b>

See accompanying notes.

GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES				TOTAL
JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION	NON MAJOR COMPONENT UNITS	JEA	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE AVIATION AUTHORITY	JACKSONVILLE PORT AUTHORITY	GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (63,289)
-	-	-	-	-	-	(502)
(6,487)	-	-	-	-	-	(6,487)
-	2,198	-	-	-	-	2,198
(6,487)	2,198	-	-	-	-	(68,080)
-	-	27,505	-	-	-	27,505
-	-	-	(54,907)	-	-	(54,907)
-	-	-	-	(8,367)	-	(8,367)
-	-	-	-	-	(432)	(432)
-	-	27,505	(54,907)	(8,367)	(432)	(36,201)
(6,487)	2,198	27,505	(54,907)	(8,367)	(432)	(104,281)
-	-	-	-	-	-	63,573
-	-	-	46,594	-	-	46,594
2,084	116	6,103	53	1,549	195	10,777
1,074	81	13,545	-	11,639	7,219	35,462
3,158	197	19,648	46,647	13,188	7,414	156,406
(3,329)	2,395	47,153	(8,260)	4,821	6,982	52,125
25,658	13,385	1,566,282	190,394	431,872	301,438	2,658,969
-	-	-	-	-	-	-
25,658	13,385	1,566,282	190,394	431,872	301,438	2,658,969
\$ 22,329	\$ 15,780	\$ 1,613,435	\$ 182,134	\$ 436,693	\$ 308,420	\$ 2,711,094



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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Jacksonville, Florida (the City) conform to accounting principles generally accepted in the United States (GAAP) as applicable to governments. The following is a summary of the more significant policies. Notes 1C. through 19 are note disclosures of the primary government with significant disclosures for major component units incorporated within. Additional significant component unit disclosures are presented in Note 17.

**A. Basis of Presentation:**

The accompanying financial statements of the City have been prepared in conformity with GAAP as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB), and the American Institute of Certified Public Accountants (AICPA). Under the auspices of GASB Statement No. 20, the City does not apply FASB pronouncements issued after November 30, 1989, for proprietary activities, unless the GASB amends its pronouncements to specifically adopt FASB pronouncements issued after that date. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for units of local government.

**B. Financial Reporting Entity:**

The City is a consolidated city/county political entity created by Chapter 67-1320 of the Laws of Florida. When consolidation occurred on October 1, 1968, all existing municipalities, authorities and public agencies within Duval County, except for the Duval County School Board, were merged into a single new corporate and political entity also known as the City of Jacksonville. At the same time, however, the cities of Jacksonville Beach, Atlantic Beach, Neptune Beach and the Town of Baldwin elected to retain local autonomy for certain municipal purposes and were reconstituted as separate and distinct urban service districts. The consolidated city government, which is comprised of an elected City Council (19 members) and mayor, provides, under the administration of the appointed Chief Administrative Officer, services to approximately 901,000 residents living in an 840.1 square mile area.

To conform to the traditional county organization of government in the State of Florida, the City retained the offices of the Sheriff, Property Appraiser, Tax Collector, Supervisor of Elections, and Clerk of the Circuit Court, which are also elected by the citizenry. These officers are considered to be not only county officers, but also officers of the consolidated government as well, and therefore are considered as part of the primary government. The three beach cities and the Town of Baldwin continue to function as separate municipal governments.

This report includes all funds, departments, agencies, boards and commissions, and other organizational units that are administered by the mayor and/or controlled by or dependent upon the City Council as set forth in the City Charter. The City, a primary government, has also considered for inclusion all potential component units for which it may be financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. In GASB Statement No. 14, The Financial Reporting Entity, the GASB has set forth criteria to be considered in determining financial accountability.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization; or (2) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

As required by GAAP, these financial statements present the City of Jacksonville (the primary government) and its component units. The City has identified and included within the financial reporting entity, as its component units, legally separate organizations for which the City is financially accountable or for which a significant relationship with the City exists such that exclusion would cause the City's financial statement to be misleading or incomplete.

The Jacksonville Public Library Board has been classified as a dependent special district by the State of Florida Department of Community Affairs. Per GASB Statement No. 14, the Library Board is not considered a component unit as it is not a legally separate organization. Therefore, its activity is included as part of the primary government.

**Blended Component Unit.** There is one component unit, which is legally separate from the City, but is so intertwined with the City that it is, in substance, the same as the City. It is reported as part of the City and blended into the appropriate funds.

The **Jacksonville Police and Fire Pension Board of Trustees**, created under Article 22 of the City Charter, provides retirement services and benefits to eligible employees of the Office of the Sheriff and the Department of Fire and Rescue. The City appoints two of the five-member board; one member is a police officer; one member is a firefighter; and the remaining member is appointed by the other four members. As sponsor, the City has the ability to modify the plan and to approve the defined benefit contribution to the Police and Fire Pension Board of Trustees in the City's annual budget. The Police and Fire Pension Board of Trustees issues separate financial statements on the fund, which may be obtained from its administrative office at One West Adams Street, Suite 100, Jacksonville, Florida 32202-3616. These transactions are blended in the Fiduciary Funds.

**Discrete Component Units.** These component units are entities which are legally separate from the City, but are financially accountable to the City, or whose relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The component units are reported separately to emphasize that they are legally separate from the primary government and are governed by separate boards. The footnotes include financial data of these entities. Each component unit listed below has a September 30 fiscal year end.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

**Major Component Units**

**JEA** (formerly known as the Jacksonville Electric Authority) was created by Chapter 67-1569 of the Laws of Florida to own, manage, and operate an electric utility system and a water and sewer utility system in the City and any or all counties adjacent thereto. The governing body of the JEA consists of seven members appointed by the mayor and confirmed by the City Council. The City has the ability to impose its will on the JEA manifested principally through formal budgetary approval. The JEA engages only in business-type activities and issues separate financial statements, which may be obtained from its administrative office in the JEA Plaza at 21 West Church Street, Jacksonville, Florida 32202.

The **Jacksonville Port Authority (JPA)** was created by Resolution 2000-1104-A, and was initially called the Jacksonville Seaport Authority. This resolution abolished what was the former Jacksonville Port Authority and created new Seaport and Airport Authorities. However, during fiscal year 2003, the Seaport Authority changed its name back to Jacksonville Port Authority. The governing body of the JPA consists of seven members, four of whom are appointed by the mayor and confirmed by the City Council, and three of whom are appointed by the Governor. The City can impose its will on the JPA through modification and approval of its budgets, which ensures strong accountability to the local constituent citizenry. The JPA engages only in business-type activities and issues separate financial statements. Requests for information may be addressed to the Chief Financial Officer, Jacksonville Port Authority, P.O. Box 3005, Jacksonville, FL 32206-0005.

The **Jacksonville Aviation Authority (JAA)** was created by Resolution 2000-1104-A, which abolished what was the former Jacksonville Port Authority (JPA). The former JPA was created in 1963 by Chapter 63-1447 of the Laws of Florida, to own and operate marine and aviation facilities in the Consolidated City/County Government of Jacksonville/Duval County. These state laws were repealed and separate seaport and airport authorities were established. The governing body of the JAA consists of seven members, four of whom are appointed by the Governor, and three of whom are appointed by the mayor and confirmed by the City Council. The JAA is fiscally dependent upon the City because the City Council approves and modifies the JAA budget. The JAA engages only in business-type activities and issues separate financial statements. Requests for information may be addressed to the JAA Administrative Office at P.O. Box 18018, Jacksonville, Florida 32229-0018.

The **Jacksonville Transportation Authority (JTA)** is a public body politic and corporate agency of the State of Florida under Chapter 349 of the Florida Statutes. The governing body of the JTA consists of seven members, three of whom are appointed by the governor of Florida, three of whom are appointed by the mayor and confirmed by the City Council, and the seventh member is the district engineer of the Florida Department of Transportation.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

The JTA is empowered to construct, improve, operate and lease the Jacksonville Expressway System. The JTA is, however, fiscally dependent upon the City under Section 14 of the City Charter through approval of its budgets which ensures strong accountability to the local constituent citizenry. The JTA engages in both governmental and business-type activities and issues separate financial statements, which may be obtained from its administrative office at 100 North Myrtle Avenue, Jacksonville, Florida 32203.

**Component Units that do not issue a separate report**

The **Jacksonville Housing Finance Authority (JHOFA)**, formerly known as the Duval County Housing Finance Authority (DCHFA), was created by City Ordinance 2003-1058, to alleviate a shortage of housing and capital investment for the people of Duval County, pursuant to Florida Statutes, Section 159.604. The mayor appoints three of the five board members. The City has the ability to impose its will on the JHOFA. The JHOFA operates in conjunction with the Jacksonville Housing Commission, also created by Ordinance 2003-1058, and has the rights and duties necessary under Florida Statutes, Chapter 159, Part IV, to preserve outstanding debt, issue new debt and to shield the City from financial liability. The bonds issued and outstanding are included in Note 8K. Conduit Debt. The JHOFA engages only in governmental activities. There are no separately issued financial statements for the JHOFA, whose financial activity is accounted for by the City. The JHOFA financial statements are presented in the financial section of the City report.

The **Jacksonville Economic Development Commission (JEDC)**, created July 1, 1997, under Chapter 92-341, Laws of Florida, provides a focal point for economic development in the City that results in a centralization of economic development programs under the auspices of one agency, thus ensuring a more efficient and practical means of addressing the goals, objectives and strategies for future economic development in the City. The JEDC operates with all the powers and authority of a community redevelopment agency under Part III, Chapter 163, Florida Statutes and as an industrial development authority under Part III, Chapter 159, Florida Statutes. The mayor appoints the board members and the chairman, who are confirmed by the City Council, and the City has the ability to impose its will. The JEDC engages only in governmental activities. There are no separately issued financial statements for the JEDC, whose financial activity is accounted for by the City. The JEDC financial statements are presented in the financial section of the City report.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

**Non-major Component Units**

**Downtown Vision, Inc.** (DVI) was established as a not-for-profit corporation under the Laws of Florida in 1997. DVI was created to provide community enhancements in the downtown area, with associated costs assessed to the properties benefited. The assessment is levied and collected by the City in accordance with the Enhanced Municipal Services Agreement, and was approved by City Ordinance 1999-1175-E. Therefore, DVI is fiscally dependent on the City. The DVI is governed by a 15-member Board of Directors, of which two are City representatives. The enhanced services are provided to property owners within several of the City's Downtown Community Redevelopment areas, including some properties owned by the City. DVI engages only in governmental activities and issues separate financial statements, which may be obtained from its main office at 214 North Hogan Street, Suite 120, Jacksonville, Florida 32202.

The **Jacksonville Health Facilities Authority** (JHFA), created under Chapter 490 of the City Ordinance Code pursuant to Chapter 154 Part III, Laws of Florida, provides appropriate additional means to assist in the development, improvement and maintenance of the public health. The JHFA provides a method for the financing and refinancing, on a tax-exempt basis, of projects on behalf of private corporations and organized not-for-profits that are authorized by law to provide hospital or nursing home services, thus providing facilities at favorable interest costs with a resultant decrease in health care costs for the users of health facilities within the City. All five members are appointed by the City Council, and the City is able to impose its will on the JHFA.

The bonds issued by the JHFA are special limited obligations of the JHFA and the principal and interest are payable from rental payments. The principal and interest on the bonds shall never constitute an indebtedness of the City of Jacksonville, Duval County, the State of Florida or any municipality or political subdivision thereof. Accordingly, the bonds issued and outstanding are included in Note 8K Conduit Debt. During the fiscal year presented, JHFA had no financial transactions or assets and liabilities to report. Therefore, there are no separately issued financial statements for JHFA.

The **Water and Sewer Expansion Authority** (WSEA) was created by City Ordinance 2003-586-E to allow property owners an opportunity to finance water and/or sewer infrastructure in their existing developed neighborhoods on a voluntary basis. The governing body of the WSEA consists of seven members appointed by the mayor and confirmed by the City Council. The City has the ability to impose its will on the WSEA principally through the mayor's ability to remove board members with two-thirds approval vote from the City Council, and the City Councils authority to review and approve the WSEA annual budget. WSEA issues separate financial statements, which may be obtained from its administrative office 21 West Church Street, T - 16 Jacksonville, Florida 32202.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

**Related Organizations**

The **Jacksonville Housing Authority (JHA)** is governed by a seven member board, whose members are appointed by the mayor and confirmed by City Council. However, the City does not have the ability to impose its will on JHA. The City cannot remove appointed members of the JHA Board at will. JHA managers are appointed by the JHA Board of Directors. The Board approves the operating budget and amendments to the budget. The City does not exercise influence in JHA management or operations. It does not approve JHA budgets, and does not provide or collect major revenues of the JHA. Accordingly, the financial activities of the JHA are not included in the City's financial statements.

The **Duval County Research and Development Authority (Authority)** is governed by a five member board whose members are appointed by the City Council. However, the City does not have the ability to impose its will on the Authority. The City does not exercise influence in the management or operations of the Authority and is not financially accountable for the actions of the Authority. Accordingly, the financial activities of the Authority are not included in the City's financial statements.

**Jointly Governed Organization**

An Interlocal Agreement was entered into on February 27, 2004, by and between the Florida Department of Transportation, the Counties of Clay, Duval, and St. Johns, the cities of Jacksonville, Atlantic Beach, Jacksonville Beach, Neptune Beach and St. Augustine, the Jacksonville Aviation Authority, the Jacksonville Port Authority, the Jacksonville Transportation Authority and the St. Augustine/St. Johns County Airport Authority to redesignate as the **First Coast Metropolitan Planning Organization (FCMPO)**. Pursuant to Section 339.175(3), Florida Statutes, by letter to Mayor John Peyton, the governor agreed to the apportionment plan of newly proposed members. The City Council no longer serves as the MPO Board. The mayor, three Jacksonville City Council Members and various other leaders of the involved agencies, make up the 16 member board, with three members being non-voting.

The City does not have an ongoing financial interest or responsibility to the FCMPO. However, since the board includes members from each of the governments that created it, the FCMPO is considered a jointly governed organization of the City.

**C. Basic Financial Statements:**

The basic financial statements include both citywide and fund level statements. The City, as the primary government, is reported separately from its component units. The citywide statements report on all of the activities of the City and its component units except those that are fiduciary in nature.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basic Financial Statements: (continued)**

Statements for fiduciary activities, such as employee pension plans, are presented in a separate section of this report. Both the citywide and fund level statements classify primary activities of the City as either governmental activities, which are primarily supported by taxes and intergovernmental revenues, or business type activities, which are primarily supported by user fees and charges.

The citywide statement of net assets reports all assets and liabilities of the City, including both long-term assets and long-term debt and other obligations. The statement of activities reports the degree to which direct expenses of City functions are offset by program revenues, which include program specific grants and charges for services provided by a specific function. Direct expenses are those that are clearly identifiable with a specific function or program. The net cost of these programs is funded from general revenues such as taxes, intergovernmental revenue and interest earnings.

The fund level statements report on governmental, proprietary and fiduciary fund activities. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund level financial statements.

Since the fund level statements for governmental activities are presented using a different measurement focus and basis of accounting than the citywide statements governmental column (as discussed under Basis of Accounting in this summary of significant accounting policies), a reconciliation is presented on the page following each governmental fund financial statement which briefly explains the adjustments necessary to convert the fund level statements into the citywide governmental column presentations.

As a general rule, the effect of interfund activity has been eliminated from the citywide financial statements.

**D. Fund Structure:**

The City's accounts are maintained in accordance with the principles of fund accounting to ensure compliance with limitations and restrictions placed on the use of resources available to it. Under fund accounting, individual funds are established for the purpose of carrying on activities or attaining objectives in accordance with specific regulations, restrictions or limitations. Each individual fund is a self-balancing set of accounts recording assets, liabilities and residual equities or balances and revenues, expenditures / expenses and changes therein. For financial statement presentation, funds with similar characteristics, including those component units referenced above, are grouped into generic classifications as required by GAAP. A brief description of these classifications follows:

**Governmental Funds.** These funds report transactions related to resources received and used for those services traditionally provided by city/county government. The following are major governmental funds used by the City:

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Fund Structure: (continued)**

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Funds:

The Special Bonded Debt – Better Jacksonville Plan Obligations Fund accounts for the accumulation of resources for, and the payment of, principal and interest on the City’s special bonded obligations payable, which are related to the Better Jacksonville Plan.

The Special Bonded Debt Obligations Fund accounts for the accumulation of resources for, and the payment of, principal and interest on the City’s special and limited bonded obligations, which are payable solely from and secured by a lien upon and pledge of the revenues under the respective bond ordinances.

Capital Project Funds:

The General Projects Fund receives monies appropriated from the General Fund and other sources including proceeds from non-bonded debt for general capital improvements.

Other Non-major Governmental Funds:

This is the aggregate of all of the non-major governmental funds.

**Proprietary Funds.** These funds report transactions related to activities similar to those found in the private sector. Major proprietary funds include:

Solid Waste Disposal Fund - This fund accounts for the collection, recycling, and disposal of commercial and residential garbage services throughout the City, including operation of three municipally owned landfill sites, two of which are closed.

The EverBank Field Fund accounts for events held at the stadium including National Football League and college football games, concerts and other activities.

The Veterans Memorial Arena Fund accounts for events held at the arena including concerts, college basketball games, and other entertainment events such as the circus, ice skating, gymnastics, professional wrestling and motor sports.

Other Non-major Enterprise - This is the aggregate of all of the non-major enterprise funds.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Fund Structure: (continued)**

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the funds' principal ongoing operation. The principal operating revenues for the City's enterprise funds are charges to customers for sales and services. Operating expenses include direct expenses of providing the goods or services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In addition, the City reports the following fund types:

**Internal Service Funds** - These funds account for services provided primarily to various departments of the City and to other governmental agencies. Since these funds principally service City departments, internal service fund statements are consolidated into the governmental activities column in the citywide presentations. These activities are fleet management, copy center, data processing, legal, various risk management activities and internal banking fund. Services provided to other governmental agencies are not considered to be material.

**Private-purpose Trust Funds** - These funds account for resources legally held in trust for the benefit of individuals pursuing higher education in music and urban studies. Earnings on invested resources may be used to support these activities but no expenditure may be made from the principal of these funds.

**Pension Trust Funds** - These funds account for the activities of the Jacksonville Retirement System and the Police and Fire Pension funds, which accumulate resources for pension benefit payments for qualified employees.

**Permanent Fund** - This fund is used to account for activities of the City relative to cemetery maintenance at specified locations. Fund resources are restricted. Only earnings on invested resources may be used to support these activities.

**Agency Funds** - These custodial funds account for monies held as an agent for other governmental units or individuals. The City utilizes several agency funds including the Treasurer Fund to clear cash received and disbursed, Tax Collector Fund accounts for the collection of all taxes, revenues and other cash, Clerk of the Circuit Court Fund accounts for revenues collected by the court system, Plat Deposits Fund accounts for collateral to insure the completion of public improvements, Duval County School Readiness Coalition Fund accounts for similar collections, Florida Retirement System Fund accounts for a multiple-employer, cost-sharing defined benefit plan for certain City employees who elected to remain with the State of Florida Retirement System.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Basis of Accounting:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The citywide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary pension trust fund financial statements. Agency funds are accounted for using the full accrual basis of accounting. Agency funds are custodial in nature (i.e. assets equal liabilities) and do not measure the results of operations. Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year in which they are levied for. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include property taxes, taxpayer-assessed tax revenues including sales and utilities services taxes, state shared revenue, intergovernmental revenue, charges for services and investment income. Generally, the City considers a 60-day availability period for revenue recognition. Federal grants collected on a reimbursement basis are recognized as revenue when reimbursable expenditures are made, and the City considers amounts received within one year as available.

Expenditures are recorded when the related fund liability is incurred, except for items that are not planned to be liquidated with expendable available resources. Exceptions to the general modified accrual expenditure recognition criteria include capital lease obligations, which are recognized when paid, and payments for compensated absences, pension, OPEB (other post employment benefits), and claims and judgments which are recognized when due.

The City's policy is to use restricted resources first, then unrestricted resources, when both are available for use to fund an activity.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Cash, Cash Equivalents, and Investments:**

Cash, cash equivalents and investments and related accrued investment earnings are reported in the financial statements as "Equity in cash and investments" under the City's "pooling" concept. (See Note 3.) All monies, which are not legally restricted to separate administration, are pooled together for investment purposes while each individual fund and/or account is maintained on a daily transaction basis by the City Treasurer. Cash in escrow with fiscal agents is not included in cash flow statements ending balances as the funds have been sent to trustee entities to be held for payment of bond principal and interest. Investment earnings are distributed in accordance with the participating funds' relative percentage of investments. All fund types deposit monies into the equity in cash and investments pool of the City. The Proprietary Fund types use this pool as a demand deposit account, and accordingly all amounts in the pool are considered cash and cash equivalents for purposes of the Statement of Cash Flows. Investments are stated at fair value generally based on quoted market prices except as disclosed herein. Securities, traded on national or international exchanges, are valued at the last reported sales price at current exchange rates. The fair value of real estate investments are based on independent appraisals or estimates of fair value as provided by third party fund managers. Investments that do not have an established market are reported at estimated fair value as provided by third party fund managers. Increases and decreases in the fair value of investments are reported as investment income. The City of Jacksonville's swap policy allows for the use of interest rate swaps and other financial instruments to manage the City's financial exposure. This policy went into effect on October 1, 2003 and was revised on November 9, 2007. While the City is authorized to utilize interest rate swaps to manage the interest rate risk associated with various assets, no investment interest rate swaps were used during the reporting period.

**G. Receivables:**

Receivables are stated net of estimated allowances for uncollectible amounts, which are determined, based on past collection experience and current economic conditions. Types of receivables include amounts that are principally due from the State of Florida for state-shared revenues. Receivables in other funds have arisen in the ordinary course of business.

**H. Inventories:**

Inventories of materials and supplies are determined by both physical counts and through perpetual inventory systems stated at cost, which approximates market, using the average weighted costing method. Reported inventories in governmental funds are included within nonspendable fund balance because it is not in spendable form. In proprietary fund types, inventories are expended when consumed.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. Capital Assets:**

All purchased capital assets are recorded at cost where historical records are available and at estimated cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Generally, assets costing \$1,000 or more and having a useful life of more than one year are capitalized. Infrastructure is capitalized based on the accumulated amounts charged to specific capital projects on an annual basis. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are reported in the applicable governmental or business-type column in the city-wide financial statements, and in the proprietary fund level statements.

The City capitalizes collections, such as artwork and library books. The City has a collection of artwork in various sites throughout the interior and exterior of public facilities. The value of the art is expected to either remain the same or increase over time, so it is not depreciated.

Starting in fiscal year 2010, the City implemented GASB Statement 51, and began capitalizing right of way easements as intangible assets. The City was previously capitalizing software as an accounting best practice. Software development is capitalized if over a threshold of \$30,000.

Depreciation on all capital assets is calculated using the straight line method over the following useful lives:

Infrastructure - other	12 - 50 years
Infrastructure - bridges	100 years
Buildings and improvements	12 - 45 years
Furniture, equipment and library books	3 - 10 years
Software development	10 years

**J. Contributions:** Contributions in the form of cash and capital assets to the governmental activities of the City are recognized on the Statement of Activities as revenues in the period they are received. Contributions of capital assets, primarily completed infrastructure from developers, are recognized at the fair value at the date of donation. All contributions are reported on the Statement of Activities as program revenues, with operating contributions reported separately from capital contributions.

**K. Interfund Activity:**

Interfund activity within and among the City’s three fund categories (governmental, proprietary, and fiduciary) are classified as reciprocal interfund activity and nonreciprocal interfund activity. Reciprocal interfund resource flows between funds with an expectation of repayment are reported as interfund receivables and payables.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**K. Interfund Activity: (continued)**

Reciprocal interfund resource flows, without an expectation of repayment within a reasonable time, are reported as transfers between funds. Interfund services provided and used are sales and purchases of goods and services between funds for a price approximating their external value and are reported as revenues and expenditures (or expenses) in the funds.

Nonreciprocal interfund activities are flows of assets between funds without an equivalent flow of assets in return or without a requirement for repayment are reported as transfers in governmental funds and nonoperating revenues and expenses in proprietary funds.

**L. Restricted Assets:**

Assets are reported as restricted in the citywide Statement of Net Assets and the enterprise fund level statements when constraints are placed on net asset use. The constraints are either: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law or through constitutional provisions or enabling legislation.

**M. Compensated Absences:**

City employees may accumulate earned personal leave benefits (compensated absences) at various rates within limits specified in collective bargaining agreements. This liability reflects amounts attributable to employee services already rendered, cumulative, probable for payment, and reasonably estimated in conformity with GASB Statement No. 16, Accounting for Compensated Absences.

Compensated absences liabilities are accrued when incurred in the city-wide financial statements, and the proprietary and fiduciary fund level financial statements. No expenditure is reported in the governmental funds for these amounts until the payment is made. No liability is recorded for nonvesting, accumulated sick pay benefits. Compensated absences liability is determined based on current rates of pay.

**N. Risk Financing:**

Pursuant to Florida Statute 768.28 "Sovereign Immunity" the City is self-insured for general and automobile liability for state tort claims in excess of \$100,000 per person, and \$200,000 per occurrence. The City's self-insured retention is up to \$1.2 million per occurrence for workers compensation. The liability for self-insured losses is based on individual case estimates for reported claims, historical loss data and valuations performed by independent actuaries at September 30, 2010, for incurred but not yet reported claims, claims development, and unallocated loss adjustment expenses. The liability for self-insured losses is accounted for in the Self-Insurance Fund (internal service fund) that pays for claims made against the City. The City has an excess liability policy which provides coverage for general liability at limits of \$1 million per occurrence and \$3 million in the aggregate, subject to a \$5 million self-insured retention; and employer's liability with \$3 million in the aggregate with a self-insured retention per occurrence of \$1.2 million.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**O. Pension Costs:**

Substantially all permanent, full-time employees of the City are covered under two City-sponsored defined benefit pension plans and a City-sponsored defined contribution plan. Employer contributions are recorded as pension expenditure/expenses when the related payroll is accrued based on an actuarially determined rate in accordance with GASB Statement No. 27, Accounting for Pensions by State and Local Governments.

**P. Landfill Closure and Postclosure Care Costs:**

The City recognizes municipal solid waste landfill closure and postclosure care costs under the State of Florida's Solid Waste Management Act of 1988 regulations of the Federal Environmental Protection Agency (EPA), and GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs. For those landfills that stopped accepting solid waste prior to final implementation of the 1988 Act and EPA regulations, the total cost of municipal solid waste landfill (MSWLF) closure is recognized as a deferred charge in the Solid Waste Disposal Enterprise Fund, in accordance with SFAS Statement No. 71, Accounting for the Effects of Certain Types of Regulation, (SFAS 71). The City issued bonds to pay for closure costs on closed landfills. Post-closure care costs on closed landfills are recorded as a liability based on engineer's estimates. The City Council establishes rates that are designed to recover costs and believes it is reasonable to assume that such rates, which will recover the costs, can be charged to and collected from customers. Accordingly, the provisions of SFAS 71 are applied. The City intends to recover these MSWLF costs through future operating revenues of the Solid Waste Disposal Enterprise Fund. Accordingly, MSWLF costs are recognized as expense each year to match the flow of revenue and bonds principal payments, thereby reducing the deferred charge. Expenses for closure and postclosure care costs are recorded each year and the liability is adjusted to the engineer's estimate. MSWLF closure and postclosure care costs incurred for landfills accepting solid waste after final implementation of the 1988 Act and EPA regulations are recognized as an expense. A liability is recorded based upon the landfill capacity used during that year applied to the engineer's estimate of closure and postclosure care costs. (See Note 13.C.)

**Q. Long-Term Obligations:**

In the city-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net assets.

Special obligation bonds, which are supported by certain general revenues (other than ad valorem taxes), do not constitute a debt of the City within the meaning of any constitutional or statutory limitation or provision, and the City is not obligated to pay the bonds except from revenues pledged for such purposes.

Each governmental fund that has long-term liabilities, such as, compensated absences and pension liabilities is responsible for liquidating the same.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Q. Long-Term Obligations: (continued)**

Non Asset Bonds are created when the City issues debt and either (a) constructs an asset which will become the asset of another entity (e.g. State of Florida), (b) contributes proceeds to another entity (e.g. Shands Jacksonville Hospital) to participate in a construction project, or (c) provides an economic incentive to a development or redevelopment project. Part of the Better Jacksonville Plan (BJP) referendum was to make improvements to state roads and/or interchanges with/between state roads. While these projects enhance traffic movements in and around Jacksonville, the constructed assets and the future maintenance responsibility are transferred to the Florida Department of Transportation. Additionally, under the BJP program, the City provided for non-capital expenditures, such as septic tank remediation and ash clean up, from debt proceeds, which will not result in a capital asset of the City. The City has also provided grants to Shands Jacksonville Hospital, a provider of health care for indigents, from debt proceeds. The City and/or its Community Redevelopment Authority (CRA) districts, to encourage target development, will enter into incentive agreements (including grants and loans) which are in some instances designed to be repaid by either the CRA's tax increment revenues and/or the developer.

**R. Categories and Classification of Fund Balance:**

The City of Jacksonville has elected early implementation of GASB 54. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are Nonspendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note 19.

**S. Bond Discounts, Premiums and Issuance Costs:**

In the fund financial statements, governmental funds recognize bond discounts, premiums and issuance costs in the current period. The face amount of debt issued and bond premiums are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the debt proceeds received, are reported as debt service expenditures.

In the city-wide financial statements and for proprietary funds, material bond discount, premium and issuance costs are deferred and amortized as a component of interest expense over the term of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are recorded as deferred charges and bond discount/premium are included in Long-Term Liabilities - Revenue Bonds.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**T. Deferred Loss on Debt Refundings:**

Losses resulting from advance refundings of debt in the city-wide and proprietary fund statements are deferred and amortized over the shorter of the life of the new debt or the remaining life of the old debt. The amount deferred is reported as a component of Long-Term Liabilities in the accompanying financial statements and is amortized and reported as a component of interest expense.

**U. Use of Estimates:**

The preparation of financial statements, in accordance with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**V. Reclassifications:**

Certain 2009 amounts have been reclassified to conform with the 2010 presentation. Additionally, amounts in the separately issued financial statements of component units have been reclassified to conform to the presentation of the primary government.

**W. Summarized Comparative Information:**

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended September 30, 2009, from which the summarized information was derived. Limited 2009 comparative information was adjusted for comparability on some of the financial statements.

**X. Prepaids:**

Prepaid items consist of certain costs which have been paid prior to the end of the fiscal year, but represent items which are applicable to future accounting periods. These amounts do not constitute available spendable resources even though they are a component of current assets. Prepaids are processed using the consumption method.

**2. BUDGETARY DATA**

The City presents a Budgetary Comparison Schedule for the General Fund as Required Supplementary Information. For this reporting period, no special revenue funds met the major fund criteria. The City's budgetary comparison reporting and Notes to Required Supplementary Information containing descriptions of the City's budgetary policies and processes are included in the Required Supplementary Information section of this report.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**A. Cash on Deposit**

The City maintains a cash and investment pool that is available for use by all funds except for monies legally restricted to separate administration (i.e. pension plan custodians and deferred compensation plan administrators). The “Equity in cash and investments” on the City Wide Financial Statements, consists of cash and investments owned by each fund and defined as resources that can be liquidated without delay or penalty. Cash and investments held separately where contractual arrangements and bond covenants require such arrangements, are classified as “restricted assets.” Investment earnings are allocated to the individual funds monthly based on the funds’ weighted average daily cash balance.

**CASH and INVESTMENTS**

September 30, 2010

*(in thousands)*

Primary Government:	
Cash and Cash Equivalents	\$234,992
Cash in escrow and with fiscal agents	123,610
Investments - Primary Government	<u>552,965</u>
Primary Government Total:	<u>911,567</u>
Pension and Agency Funds:	
Cash and Cash Equivalents	
Pension Trust Funds	47,511
Private Purpose Trust Funds	247
Agency Funds	37,977
Investments - Pensions	<u>2,480,531</u>
Pension and Agency Total:	<u>2,566,266</u>
Component Units:	
Cash and Cash Equivalents	1,126,924
Cash in escrow and with fiscal agents	153
Investments - Component Units	<u>411,828</u>
Component Unit Total:	<u>1,538,905</u>
Total Cash and Investments:	<u><u>\$5,016,738</u></u>
Investments Schedules:	
Operating Portfolio	\$964,793
Pension Portfolio	<u>2,480,531</u>
Sub-total:	<u>3,445,324</u>
Other Cash/Investments:	
Cash	964,559
Cash with Fiscal Agent	123,691
Restricted Funds	<u>483,164</u>
Total Cash and Investments:	<u><u>\$5,016,738</u></u>

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**A. Cash on Deposit (continued)**

**1. Custodial Credit Risk**

At September 30, 2010, primary government deposits in financial institutions totaled \$268.9 million. Monies on deposit with financial institutions in the form of demand deposit accounts, time deposit accounts and certificates of deposit are defined as public deposits. All of the City's public deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", and covered by federal depository insurance. For amounts in excess of such federal depository insurance the Act provides that all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor is liable for any loss thereof. Any losses to public depositors are covered by applicable deposit insurance, sales of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

**B. Investments and Investment Practices**

**1. General Operating Investments**

The City's operating fund investment guidelines are defined by City Ordinance Code Section 110, Part 2 and a written Investment Policy (the "Policy") as approved by City Council. The Policy establishes a diversified investment strategy, both by type of investment and by manager, a minimum credit quality, and duration limitations. An internal Investment Committee has oversight, within Policy limits, of the implementation and direction of investment strategies. The Policy is reviewed annually for any adjustments due to changes or developments within the investment markets that may provide enhanced investment and/or risk management opportunities for the City.

Other than operating cash invested overnight through the City's zero balance sweep accounts, all invested cash is managed by third-party money managers. Within the aggregate portfolio, the Policy establishes a Liquidity Portfolio which is required to contain not less than 15% of the aggregate portfolio, and an Active Portfolio containing funds not earmarked to the Liquidity Portfolio. Performance benchmarks for the Liquidity and Active Portfolios are established in the Investment Policy and performance benchmarks for each of the specific third party managers are established by the Investment Committee. The Policy defines the Average Duration and Compliance Categories for investments. Compliance Category limits are stated as a percentage of the 2009-10 Normal Portfolio Balance of \$686 million, which is defined by Ordinance as the average total portfolio balance for the proceeding twelve months.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**B. Investments and Investment Practices (continued)**

**1. General Operating Investments (continued)**

Performance and compliance reports are submitted to the Investment Committee monthly, and to the Finance Committee quarterly. The City employs an independent investment custodian who takes direction from the money managers and independently settles all trades. The custodian provides performance and compliance reporting at both the portfolio level and by individual manager.

The following schedule reports portfolio compliance at year end, as well as the maximum exposure for each compliance category during the year. Certain compliance categories include assets also measured in another compliance category, i.e. "US Government" issued treasury bonds are also appropriately included in the "US Government plus agencies" category. As a result, the amounts reported as year end compliance exposures exceed the portfolio balance at year end in aggregate.

Compliance Guideline	Sector Guideline Exposures			
	Exposure to Specific Guideline	Year end Exposure %	% of Normal Portfolio Balance	
			During Year	Maximum By Policy
<b>Duration<sup>1</sup></b>	3.19	N/A	3.19	5.00
<b>Liquidity</b>	\$ 239,464,593	34.9%	34.9%	100.0%
<b>Requirements</b>				
USG + Agencies	\$ 166,505,850	24.3%	28.3%	100.0%
US Govt (USG)	86,082,420	12.5%	24.3%	100.0%
<b>Constraints</b>				
Agencies	\$ 80,423,430	11.7%	14.6%	45.0%
MBS	74,795,775	10.9%	12.7%	35.0%
Agency MBS	40,638,112	5.9%	6.8%	35.0%
Non-Agency MBS	34,157,663	5.0%	6.9%	15.0%
Corporates	238,776,462	34.8%	37.2%	60.0%
Corporates > 1 Year	135,775,272	19.8%	37.2%	40.0%
Municipal Bonds	1,483,286	0.2%	0.2%	10.0%
Bond Funds	126,698,063	18.5%	26.1%	85.0%
Money Market Funds	26,982,354	3.9%	25.2%	40.0%
Certificates of Deposit	-	0.0%	0.2%	20.0%
Repurchase agreements	-	0.0%	0.0%	20.0%
<b>Specialty Risk</b>				
High Yield	\$ 29,248,176	4.3%	6.3%	7.5%
International	36,273,777	5.3%	5.3%	7.5%
Emerging Market	10,614,747	1.5%	1.5%	7.5%
Duration > 8.5	38,169,982	5.6%	6.1%	7.5%

<sup>1</sup>Commingled Funds and Cash are excluded

<sup>2</sup>Normal Portfolio Balance \$ 686,000,000

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**B. Investments and Investment Practices (continued)**

**2. Pension Plan Investments**

The City's two separate defined benefit pension plans are the Jacksonville Retirement System and the Police and Fire Pension Plan. Investments in the City's two plans are governed by state statute and locally adopted investment policies. These policies establish investment objectives and guidelines for the portfolio as a whole, for each individual manager, as well as by instrument and issuer. The following schedules are presented for only the Jacksonville Retirement System investments:

**Jacksonville Retirement System  
Distribution by Asset Type  
9/30/2010**

	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	\$ 597,397,195	\$ -	\$ 599,827	\$ 17,397,838	\$ 615,394,860	41%
Large Cap Value	137,527,074	-	174,300	7,104,063	144,805,437	10%
Large Cap Growth	155,138,144	-	110,220	3,396,415	158,644,779	10%
Large Cap Core	169,087,639	-	238,982	1,110,494	170,437,115	11%
Small Cap Value	35,148,694	-	18,562	689,369	35,856,625	3%
Small Cap Growth	70,696,042	-	26,722	4,472,959	75,195,723	5%
Small Cap Core	29,799,602	-	31,041	624,538	30,455,181	2%
Equity (International)	\$ 255,372,474	\$ -	\$ 640,749	\$ (123,808)	\$ 255,889,415	17%
Value	137,796,877	-	253,344	-	138,050,221	9%
Growth	98,873,266	-	387,405	(123,808)	99,136,863	7%
Core	18,702,331	-	-	-	18,702,331	1%
Bonds*	\$ -	\$ 505,955,344	\$ 2,665,738	\$ (11,882,044)	\$ 496,739,038	33%
Intermediate	-	349,779,871	2,665,738	(11,882,589)	340,563,020	23%
Aggregate	-	156,175,473	-	545	156,176,018	10%
Cash Account	\$ -	\$ -	\$ (1,306,574)	\$ 5,497,685	\$ 4,191,111	0%
Other	\$ 12,137,556	\$ -	\$ 129,802,672	\$ 980,197	\$ 142,920,425	9%
Real Estate	12,137,556	-	129,802,672	980,197	142,920,425	9%
<b>Total investments</b>	<b>\$ 864,907,225</b>	<b>\$ 505,955,344</b>	<b>\$ 132,402,412</b>	<b>\$ 11,869,868</b>	<b>\$ 1,515,134,849</b>	<b>100%</b>
Less: Amount reported as receivables					(4,029,420)	
Total Investments less receivables					\$ 1,511,105,429	

\*Duration of bond portfolio is 4.24 years

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**B. Investments and Investment Practices (continued)**

**2. Pension Plan Investments (continued)**

**Police and Fire Pension Fund**  
**Distribution by Asset Type**  
**9/30/2010**

	Equities	Bonds	Other	Cash	Total	Percentage
<u>Equity (Domestic)</u>	\$ 414,967,279	\$ -	\$ -	\$ 7,934,756	\$ 422,902,035	44%
Large Cap Value	83,249,852	-	-	1,538,869	84,788,721	9%
Large Cap Growth	82,870,300	-	-	2,469,344	85,339,644	9%
Large Cap Core	134,946,720	-	-	350,970	135,297,690	14%
Small Cap Value	61,794,350	-	-	2,651,349	64,445,699	7%
SMID Cap Growth	52,106,057	-	-	924,224	53,030,281	5%
<u>Equity (International)</u>	\$ 206,333,368	\$ -	\$ -	\$ 3,491,702	\$ 209,825,070	22%
Value	65,115,022	-	-	3,491,702	68,606,724	7%
Growth	70,034,728	-	-	-	70,034,728	7%
Emerging Markets	71,183,618	-	-	-	71,183,618	7%
<u>Bonds</u>	\$ -	\$ 253,702,686	\$ -	\$ (9,561,474)	\$ 244,141,212	25%
Intermediate	-	94,366,525	-	(16,285,208)	78,081,317	8%
Aggregate	-	159,336,161	-	6,723,734	166,059,895	17%
Cash Account	\$ -	\$ -	\$ -	\$ 4,414,055	\$ 4,414,055	0%
<u>Other</u>	\$ -	\$ -	\$ 85,987,179	\$ -	\$ 85,987,179	9%
Real Estate	-	-	85,987,179	-	85,987,179	9%
<b>Total investments</b>	<b>\$ 621,300,647</b>	<b>\$ 253,702,686</b>	<b>\$ 85,987,179</b>	<b>\$ 6,279,039</b>	<b>\$ 967,269,551</b>	<b>100%</b>
Less: Amount reported as receivables					(2,680,484)	
Total Investments less receivables					\$ 964,589,067	

**3. Portfolio Performance**

Investment performance is measured against comparable indices that are consistent with the City's Investment Policy Statements, market opportunities, and liquidity/cash flow requirements. The following schedule includes the actual fund returns, as well as market indices to gauge relative performance.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**B. Investments and Investment Practices (continued)**

**3.Portfolio Performance (continued)**

**INVESTMENT PORTFOLIO PERFORMANCE**

October 1, 2009 to September 30, 2010

(Reported in Percentage and Gross of Investment Management Fees)

	<b>FY 2010</b>	<b>FY 2009</b>	<b>FY 2008</b>	<b>FY 2007</b>	<b>FY 2006</b>	<b>3 - Year Average</b>	<b>5 - Year Average</b>
<b>Operating Fund ( All Fixed Income) *</b>	<b>8.14</b>	<b>11.72</b>	<b>1.33</b>	<b>5.04</b>	<b>4.05</b>	<b>6.97</b>	<b>6.00</b>
Policy Benchmark (Weighted Avg Benchmark)**	4.81	6.74	4.40	NA	NA	5.29	NA
Core Plus	12.50	16.57	-2.66	NA	NA	8.48	NA
Limited Duration	4.23	9.14	3.69	NA	NA	5.66	NA
Extended Cash	1.55	3.91	2.37	NA	NA	2.61	NA
<b>General Employee Pension Fund ( Diversified )</b>	<b>11.54</b>	<b>0.33</b>	<b>-15.35</b>	<b>14.38</b>	<b>8.38</b>	<b>-1.79</b>	<b>3.27</b>
Policy Benchmark (Weighted Avg Benchmark)**	8.32	-1.31	-13.10	14.25	10.15	-2.42	3.17
Domestic Equity Composite	12.53	-7.41	-21.30	14.98	7.63	-6.40	0.29
Total Int'l Equity	11.16	-3.75	-27.85	23.69	19.40	-8.27	2.66
Total Fixed Income	12.21	17.00	-4.24	5.33	4.08	7.93	6.63
Total Real Estate	11.64	-26.78	-3.84	17.75	NA	-7.71	NA
<b>Police and Fire Pension Fund ( Diversified )</b>	<b>9.33</b>	<b>-1.08</b>	<b>-12.55</b>	<b>15.30</b>	<b>8.50</b>	<b>-1.81</b>	<b>3.45</b>
Policy Benchmark (Weighted Avg Benchmark)**	7.94	-2.98	-13.09	13.60	9.20	-3.12	2.45
Domestic Equity Composite	10.75	-5.33	-19.73	19.10	8.50	-5.59	1.69
Total Int'l Equity	7.42	4.14	-29.14	24.70	19.30	-7.45	3.31
Total Fixed Income	7.54	11.75	2.20	5.20	3.40	7.09	5.99
Total Real Estate	8.50	-29.39	6.85	18.30	NA	-6.26	NA
<b>Indicies</b>							
Russell 3000 Composite	10.96	-6.42	-21.54	16.55	10.21	-6.60	0.92
MSCI EAFE Index	3.71	3.80	-30.13	25.38	19.65	-9.06	2.45
NCREIF Property Index	5.84	-22.09	5.27	17.31	17.62	-4.61	3.67
Barclays Capital U.S. Aggregate Bond Index	8.16	10.56	3.65	5.14	3.67	7.42	6.20
BofA ML U.S. Corp & Gov 1-3 Yrs	3.26	5.89	4.48	5.68	3.89	4.54	4.64
BofA ML U.S. Treasury Notes 0-1 Year	0.39	1.35	3.71	5.38	4.36	1.81	3.02
Citigroup Treasury Bill-3 Month	0.12	0.39	2.55	5.01	4.41	1.01	2.48

NA = Specific consolidation / strategy did not exist at that time

\*excludes depository accounts

\*\*Benchmark Composition:

	<u>Operating Fund</u>	<u>General Employee</u>	<u>Police and Fire</u>
Barclays Capital Aggregate Bond	40%	25%	25%
BofA ML 1-3 yr Corp/Govt Bond	40%	0%	0%
BofA ML 0-1 yr Treasury Bond	15%	0%	0%
Citigroup 3-month Treasury Bill	5%	0%	0%
Russell 3000 Stock	0%	35%	40%
MSCI EAFE Stock	0%	20%	20%
NCREIF Property	0%	20%	15%

Benchmarks for the General Employee and Police and Fire Pension funds are calculated by Summit Strategies while the Operating Portfolio Policy Benchmark is prepared by staff using BNY Mellon custody reporting data.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**B. Investments and Investment Practices (continued)**

**4. Interest Rate Risk**

Interest rate risk is controlled primarily through duration, which is a measure that approximates the change in value of a bond, or bond portfolio, for a given change in interest rates. In general, shorter duration measures are less sensitive to interest rate shifts, while longer durations are more sensitive. To limit the portfolio volatility associated with changes in interest rates, the City’s Investment Policy Statement restricts the average duration of the overall portfolio to a range of 0.75 – 5.00 years, of which, no more than 7.5% of the individual securities in the portfolio can have a duration greater than 8.5 years. This guideline applies to all investment types underlying the portfolio including, but not limited to, government, agency, corporate, international, and mortgage backed securities, as referenced in Section 3. B. 1.

**5. Credit Quality**

The Operating and Pension portfolios measure credit quality of the fixed income holdings contained therein using Moody’s rating schedule. Within the Operating Portfolio, the City’s Investment Policy Statement is designed to control credit risk by requiring both, minimum amounts that must be invested in the highest quality U.S. Government securities, as well as a maximum limit of 7.5% of the normal portfolio balance in non-investment grade securities. This is reported and monitored monthly by the Investment Committee and staff. Credit Quality for the Pension Plan is reported on a quarterly basis and is monitored by the Pension Board of Trustees, staff to the board, and by the plan’s consultant. Credit Quality reports are provided on the overall portfolios to illustrate the credit risk at fiscal-year end.

Operating Portfolio		Credit Quality September 30, 2010	
		General Employee Pension Plan	Police and Fire Pension Fund
Quality Breakdown	Portfolio (%)	Portfolio (%)	Portfolio (%)
Treasury	12%	6%	22%
Agency	11%	25%	35%
Aaa	13%	6%	19%
Aa1-Aa3	4%	3%	5%
A1-A3	13%	13%	19%
Baa1-Baa3	13%	13%	0%
Other	4%	1%	0%
Commingled	30%	33%	0%
	100%	100%	100%

Ratings definitions:

Treasury – United States Treasury Securities

Agency – Government Agency Securities

Aaa (AAA) – Highest Investment Grade Quality Rating

Aa1–Aa3 (AA+ to AA-) – Medium Investment Grade Quality Rating

A1-A3 (A+ to A-) – Medium Low Investment Grade Quality Rating

Baa1-Baa3 (BBB+ to BBB-) – Lowest Investment Grade Quality Rating

Commingled – Securities that are not applicable to Quality Ratings - they represent predominantly mutual funds that are listed and valued as a whole, not individual holdings, as well as minor exposure to non-investment grade securities.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**B. Investments and Investment Practices (continued)**

**6. Foreign Currency**

The City has nominal exposure to foreign currencies due to investments in non-U.S. markets implemented through our money managers' portfolios. Foreign currencies will fluctuate relative to the U.S. dollar, but it is believed that the diversification benefits outweigh potential risks. Given the limited exposure, foreign currency risk is considered minor.

	Foreign Currency Exposure September 30, 2010					
	Operating Portfolio		General Employees Pension Fund		Police and Fire Pension Fund	
	Exposure	Percentage	Exposure	Percentage	Exposure	Percentage
U.S. DOLLAR	\$ 551,810,127	96.70%	\$ 1,514,476,772	99.96%	\$ 907,895,710	93.89%
CANADIAN DOLLAR	2,653,835	0.47%	-	0.00%	-	0.00%
NEW ZEALAND DOLLAR	3,094,507	0.54%	-	0.00%	-	0.00%
AUSTRALIAN DOLLAR	1,085,194	0.19%	-	0.00%	3,048,847	0.31%
SOUTH KOREAN WON	2,434,304	0.43%	-	0.00%	472,181	0.05%
MEXICAN NEW PESO	2,275,822	0.40%	-	0.00%	-	0.00%
BRAZIL REAL	2,134,119	0.37%	-	0.00%	-	0.00%
INDONESIAN RUPIAN	1,688,174	0.30%	-	0.00%	-	0.00%
INDIAN RUPEE	1,501,626	0.26%	-	0.00%	-	0.00%
MALAYSIAN RINGGIT	514,539	0.09%	-	0.00%	-	0.00%
SINGAPORE DOLLAR	-	0.00%	17,327	0.00%	1,659,485	0.17%
SWISS FRANC	-	0.00%	598,899	0.04%	3,610,952	0.37%
EURO CURRENCY UNIT	-	0.00%	16,034	0.00%	17,456,471	1.80%
JAPANESE YEN	360,096	0.00%	14,777	0.00%	16,319,107	1.68%
SWEDISH KRONA	-	0.00%	5,172	0.00%	1,060,312	0.11%
BRITISH POUND STERLING	-	0.00%	5,867	0.00%	12,002,658	1.24%
HONG KONG DOLLAR	-	0.00%	-	0.00%	2,502,389	0.26%
SOUTH AFRICAN RAND	-	0.00%	-	0.00%	607,571	0.06%
NORWEGIAN KRONE	-	0.00%	-	0.00%	633,868	0.07%
Total	\$ 570,637,537	100.00%	\$ 1,515,134,849	100.00%	\$ 967,269,551	100.00%

**C. Securities Lending**

The City participates in securities lending with both its Operating and Pension portfolios. The City has a contract with its custodian, The Bank of New York Mellon (the City's Operating Portfolio and the Jacksonville Retirement System) that allows the custodian, acting as agent, to lend securities held in the portfolios with the intent of generating additional interest income. The transactions are designed to be invisible to our third party money managers and are reviewed by staff on an ongoing basis. The market for securities lending was developed to provide temporary access to a large portfolio of securities for broker/dealers who might have a need to borrow specific instruments. Securities are loaned against collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. Securities are loaned against collateral valued at a minimum of 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned versus collateral valued at a minimum of 105% of the market value of the securities plus any accrued interest. If the broker/dealer fails to return the security upon request, the custodian, acting as agent, will utilize the collateral to replace the security borrowed.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**C. Securities Lending (continued)**

The securities loaned are on a rolling daily basis and the cash collateral can be deposited and/or withdrawn from the investment on a daily basis. The weighted average duration of the collateralized loans at September 30, 2010 was 66 days for the City's Operating Portfolio and 109 days for the Jacksonville Retirement System.

As a result of market disruptions, caused by the financial crisis of 2008-2009, those managing the collateral pool of assets have shifted their strategy to maintain a target allocation that closely represents a portfolio managed to money market guidelines as contained in 2a-7 of the SEC Investment Company Act of 1940. Rule 2a-7 of the act restricts the quality, maturity, and diversity of investments by money market funds. While the Securities Lending portfolio is not subject to this rule, the managers see these guidelines as a conservative approach that will serve to reduce the overall risk profile of invested collateral funds.

The transaction establishes a rebate interest rate (assuming cash collateral), which is due back to the broker/dealer upon return of the security. The cash is then invested short-term and the City and the custodian share in the incremental return available above the rebated interest rate. The short-term fixed income instruments can be invested in high quality, dollar denominated fixed income instruments, with a policy dollar-weighted, average maturity limit of less than thirty days. The City, as a program participant, assumes the risk that (a) the overnight investment will not equal or exceed the rebate interest rate, (b) the overnight investment will experience a loss in fair value (i.e., principal) and (c) the collateral will not be sufficient if the borrower fails to return the security back to the lending bank. As noted above, cash collateral is invested in short-term income instruments. When non-cash collateral is provided the collateral must be obligations issued or guaranteed by the U.S. Government or its agencies and instrumentalities. The City cannot pledge or sell these obligations in the absence of a default by the borrower. While the net asset value of the collateral will fluctuate and potentially subject the City to credit risk if the above-mentioned 102% daily adjusted collateral were to fall below 100%, as of September 30, 2010, the City of Jacksonville maintained a sufficient 102.4%. During the fiscal year ended September 30, 2010; Securities Lending net income was \$.52 million (\$0.1 million Operating, \$.42 million Jacksonville Retirement System).

The City periodically reviews the custodian's practices to insure fair distribution of lending opportunities as well as risk evaluation of prospective broker/dealer borrowers. For accounting purposes, the Statements of Net Assets and Changes in Net Assets reflect the increase in assets, liabilities, interest income and expense associated with securities lending activity.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**4. ACCOUNTS AND MORTGAGES RECEIVABLE**

The accounts and mortgages receivable balances in the funds listed below, in thousands, are shown net of an allowance for doubtful accounts. No other funds had an allowance for doubtful accounts at September 30, 2010.

<b>Fund</b>	<b>Accounts Receivable</b>	<b>Allowance for Doubtful Accounts</b>	<b>Net Amount Shown on Balance Sheet</b>
General Fund	\$ 61,425	\$ (31,565)	\$ 29,860
General Capital Project Fund	373	-	373
Non-Major Special Revenue Funds:			
Budgeted General Government	48	(44)	4
Non-Budgeted General Government	2,545	-	2,545
Major Enterprise Funds:			
Solid Waste Disposal	28,008	(4,507)	23,501
EverBank Field	298	-	298
Veterans Memorial Arena	144	(24)	120
Non-Major Enterprise Funds:			
Performing Arts	43	-	43
Convention Center	29	(4)	25
Equestrian Center	9	(2)	7
Storm Water Services	41,294	(8,504)	32,790
Motor Vehicle Inspection	62	(1)	61
Baseball Stadium	14	-	14
Fiduciary Funds:			
Pension Trust Fund	258	-	258
Agency Fund	2,309	-	2,309

<b>Fund</b>	<b>Mortgages Receivable</b>	<b>Allowance for Doubtful Accounts</b>	<b>Net Amount Shown on Balance Sheet</b>
General Fund	\$ 33	\$ -	\$ 33
Non-Major Special Revenue Funds:			
Community Development Block Grant	14,164	(1,920)	12,244
Housing and Neighborhoods	29,606	(6,332)	23,274
State Housing Initiative Partnership	16,660	(135)	16,525

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**5. PROPERTY TAXES**

**A. Ad Valorem Property Taxes:**

Property tax collections are governed by Chapter 197, Florida Statutes. The Duval County Tax Collector bills and collects all property taxes levied within the consolidated city/county. Discounts of 4, 3, 2, and 1% are allowed for early payment in November, December, January, and February, respectively. The total millage rate levied by the City was 10.0353 for the fiscal year ended September 30, 2010.

The Florida Constitution, as amended under Article VII, Section 4, limits the increase in homestead property valuations for ad valorem tax purposes to a maximum of the lesser of (i) three percent (3%) of the assessment for the prior year, or (ii) the percent change in the Consumer Price Index for the preceding calendar year. The first tax year in which the limitations of these constitutional provisions apply is January 1, 1995. Calendar year 1995 is the base year upon which assessed just value of the homestead property is determined.

**B. Property Tax Calendar:**

The Tax Collector remits collected taxes at least monthly to the City. The City recognizes property tax revenue as it is received from the Tax Collector since virtually all taxes levied will be collected through the tax collection process within the fiscal year levied for. The calendar of events is as follows:

January 1	Property taxes are based on assessed value at this date as determined by the Duval County Property Appraiser.
July 1	Assessment roll approved by the state.
September 30	Millage resolution approved by the City Council.
October 1	Beginning of fiscal year for which taxes have been levied.
November 30	Last day for 4% maximum discount.
April 1	Unpaid property taxes become delinquent.
May 31	Tax certificates are sold by the Duval County Tax Collector. This is the first lien date on the properties.

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**6. CAPITAL ASSET ACTIVITY**

Capital asset activity for the year ended September 30, 2010, was as follows (in thousands):

**Primary Government**

	Beginning Balance October 1, 2009	Additions	Dispositions/ Reclassifications	Ending Balance September 30, 2010
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 280,404	\$ 20,788	\$ -	\$ 301,192
Easements	-	2,952	-	2,952
Art In Public Places	693	-	-	693
Construction in progress	87,007	106,268	(6,149)	187,126
Furniture and equipment in work in process	473	75	(75)	473
Software Development Work In Process	9,610	397	(9,610)	397
Total capital assets not being depreciated	<u>378,187</u>	<u>130,480</u>	<u>(15,834)</u>	<u>492,833</u>
Capital assets being depreciated:				
Buildings	543,844	3,898	-	547,742
Furniture, equipment and library books	311,709	23,628	(13,727)	321,610
Improvements	210,948	24,077	-	235,025
Infrastructure	1,796,854	212,951	-	2,009,805
Purchased Software	7,000	154	-	7,154
Internal Software	13,385	12,596	-	25,981
Total assets being depreciated	<u>2,883,740</u>	<u>277,304</u>	<u>(13,727)</u>	<u>3,147,317</u>
Less accumulated depreciation for:				
Buildings	156,469	9,686	-	166,155
Furniture, equipment and library books	225,339	32,684	(13,045)	244,978
Improvements	33,217	8,566	-	41,783
Infrastructure	356,975	72,783	-	429,758
Purchased Software	5,416	2,831	-	8,247
Internal Software	3,839	291	-	4,130
Total accumulated depreciation	<u>781,255</u>	<u>126,841</u>	<u>(13,045)</u>	<u>895,051</u>
Total capital assets being depreciated, net	<u>2,102,485</u>	<u>150,463</u>	<u>(682)</u>	<u>2,252,266</u>
Governmental activities capital assets, net	<u>\$ 2,480,672</u>	<u>\$ 280,943</u>	<u>\$ (16,516)</u>	<u>\$ 2,745,099</u>

	Beginning Balance October 1, 2009	Additions	Dispositions/ Reclassifications	Ending Balance September 30, 2010
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 45,089	\$ 143	\$ -	\$ 45,232
Easements	-	335	-	335
Total capital assets not being depreciated	<u>45,089</u>	<u>478</u>	<u>-</u>	<u>45,567</u>
Capital assets being depreciated:				
Buildings and improvements	547,997	745	-	548,742
Furniture and equipment	6,927	389	(597)	6,719
Infrastructure	2,841	8,767	-	11,608
Total assets being depreciated	<u>557,765</u>	<u>9,901</u>	<u>(597)</u>	<u>567,069</u>
Less accumulated depreciation for:				
Buildings and improvements	159,397	12,996	-	172,393
Furniture and equipment	6,666	133	(592)	6,207
Infrastructure	-	238	-	238
Total accumulated depreciation	<u>166,063</u>	<u>13,367</u>	<u>(592)</u>	<u>178,838</u>
Total capital assets being depreciated, net	<u>391,702</u>	<u>(3,466)</u>	<u>(5)</u>	<u>388,231</u>
Business-type activities capital assets, net	<u>\$ 436,791</u>	<u>\$ (2,988)</u>	<u>\$ (5)</u>	<u>\$ 433,798</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**6. CAPITAL ASSET ACTIVITY**

Depreciation expense was charged to the functions of the primary government as follows (in thousands):

<b>Governmental activities:</b>	
General government	\$ 24,404
Human services	860
Public Safety	12,361
Culture and recreation	12,959
Transportation	10,664
Economic environment	56
Physical environment	65,537
Total depreciation expense - governmental activities	<u>\$ 126,841</u>

Depreciation expense was charged to the business-type activities as follows (in thousands):

<b>Business-type activities:</b>	
Parking system	\$ 390
Motor vehicle inspections	1
Solid Waste	2,061
Stormwater Services	237
Ever Bank Field	5,462
Veterans Memorial Arena	2,451
Baseball Stadium	638
Performing Arts	761
Convention Center	648
Equestrian Center	718
Total depreciation expense - business-type activities	<u>\$ 13,367</u>

**CITY OF JACKSONVILLE , FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)**

A summary of interfund balances follows (in thousands):

<u>DUE FROM OTHER FUNDS</u>	<u>AMOUNT</u>	<u>DUE TO OTHER FUNDS</u>	<u>PURPOSE</u>
<b>MAJOR FUNDS:</b>			
<b>General Funds</b>			
General Services District	2,100	Public Safety	Emergency Incident Funding
General Services District	2,300	BJP Project Bonds	BJP Bond Project Funding
General Services District	1,000	Public Parking System	Temporary Interfund Loan
General Services District	2,300	Storm water	Temporary Interfund Loan
General Services District	3	EverBank Field	Receivable Adjustment-Venues
General Services District	2	Veterans Memorial Arena	Receivable Adjustment-Venues
General Services District	1	Convention Center	Receivable Adjustment-Venues
General Services District	200	Performing Arts	Temporary Interfund Loan
General Services District	400	Equestrian Center	Temporary Interfund Loan
General Services District	13	Copy Center	Temporary Interfund Loan
General Services District	1,950	Am Recovery & Reinvestment	Temporary Interfund Loan
	<u>10,269</u>		
<b>Enterprise Funds</b>			
Veterans Memorial Arena	375	EverBank Field	Temporary Interfund Loan
Veterans Memorial Arena	164	Baseball Stadium	Temporary Interfund Loan
Veterans Memorial Arena	1	Equestrian Center	Receivable Adjustment-Venues
	<u>540</u>		
<b>NON-MAJOR FUNDS:</b>			
<b>Enterprise Funds</b>			
Performing Arts	60	Equestrian Center	Temporary Interfund Loan
Performing Arts	28	Cecil Commerce Center	Temporary Interfund Loan
	<u>88</u>		
Convention Center	5	Public Parking	Temporary Interfund Loan
Convention Center	41	Cecil Commerce Center	Temporary Interfund Loan
	46		
<b>TOTAL</b>	<b><u>\$ 10,943</u></b>		
<u>ADVANCES TO OTHER FUNDS</u>	<u>AMOUNT</u>	<u>ADVANCES FROM OTHER FUNDS</u>	<u>PURPOSE</u>
<b>NON-MAJOR FUNDS:</b>			
<b>Internal Service Funds</b>			
Self Insurance	7,807	General Projects	Loan for Redevelopment Agreement
	<u>\$ 7,807</u>		

**CITY OF JACKSONVILLE , FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)**

A summary of interfund balances follows (in thousands):

<u>TRANSFERS IN</u>	<u>AMOUNT</u>	<u>TRANSFERS OUT</u>	<u>PURPOSE</u>
<b>MAJOR FUNDS:</b>			
<b>General Fund</b>			
General Fund	\$ 343	Concurrency Management	Operation Funding
General Fund	286	Air Pollution	Recapture Excess Revenue
General Fund	125	General Government Budgeted	Low Impact Dev Design Manual
General Fund	5,976	Tax Increment	Recapture Excess Revenue
General Fund	140	Community Development Block Grant	Economic Development
General Fund	1	Maintenance, Parks and Recreation	Operation Funding
General Fund	33	Other Federal, State & Local Grants	Recapture Excess Revenue
General Fund	1,556	General Government Non-Budgeted	Nuisance Abatement
General Fund	333	Grant Projects	Recapture Excess Revenue
General Fund	922	Office of General Council	Recapture Excess Revenue
General Fund	7,032	Self Insurance	Return of Excess Premiums
	<u>16,747</u>		
<b>Debt Service</b>			
Special Bonded Debt Obligations	58,422	General Fund	Debt Service Funding
Special Bonded Debt Obligations	1,313	Tax Increment Districts	Debt Service Funding
Special Bonded Debt Obligations	5,569	Better Jacksonville Plan Trust	Debt Service Funding
Special Bonded Debt Obligations	2,694	Storm water Services	Debt Service Funding
Special Bonded Debt Obligations BJP	42,108	Better Jacksonville Plan Trust	Debt Service Funding
Total	<u>110,106</u>		
<b>General Capital Projects</b>			
General Capital Projects	2,533	General Fund	Capital Improvement Funding
General Capital Projects	1,951	EverBank Field	Loan Repayment
General Capital Projects	10,000	General Government Budgeted	Capital Improvement Funding
General Capital Projects	47	General Government Non-Budgeted	Wheelchair Access McGirts Park
General Capital Projects	4,732	Tax Increment	Capital Improvement Funding
Total	<u>19,263</u>		
<b>Enterprise Funds</b>			
Solid Waste Disposal	21,417	General Fund	Operations Funding
EverBank Field	7,802	General Fund	Operations Funding
EverBank Field	79	Veterans Memorial Arena	Operations Funding
EverBank Field	784	Convention Center	Operations Funding
Veterans Memorial Arena	8,057	Better Jacksonville Plan Trust	Enterprise Debt Service
	<u>38,139</u>		

**CITY OF JACKSONVILLE , FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)**

A summary of interfund balances follows (in thousands):

<u>TRANSFERS IN</u>	<u>AMOUNT</u>	<u>TRANSFERS OUT</u>	<u>PURPOSE</u>
<b>NON-MAJOR FUNDS:</b>			
<b>Special Revenue</b>			
General Government - Budgeted	334	General Fund	Program Funding
General Government - Budgeted	400	Insured Programs	Operation Funding
Other Federal, State & Local Grant	4,586	General Fund	Senior Services Program
Other Federal, State & Local Grant	60	Fleet Management	Return of Unused Funding
Other Federal, State & Local Grant	1,034	General Government Non-Budgeted	Law Enforcement Boat Dock Facility
Public Safety	2,275	General Fund	Operations Funding
Jacksonville Children's Commission	21,058	General Fund	Program Funding
Community Development Block Gran	270	General Fund	Grant Funding
Community Development Block Gran	75	Tax Increment Districts	Museum of Modern Art Repayment
Maintenance, Parks and Recreation	1,957	General Fund	Hanna Park & Cecil Comm Funding
Air Pollution Control	424	General Fund	Grant Funding
Total	<u>32,473</u>		
<b>Debt Service</b>			
Other Non-Bonded Debt Obligations	80	General Fund	Debt Service Funding
Other Non-Bonded Debt Obligations	1,243	Tax Increment District	Debt Service Funding
Total	<u>1,323</u>		
<b>Capital Projects</b>			
Grant Capital Improvement Projects	890	General Capital Projects	Grant Project Funding
Grant Capital Improvement Projects	836	General Fund	Grant Project Funding
Total	<u>1,726</u>		
<b>Enterprise Funds</b>			
Baseball Stadium	2,129	Better Jacksonville Plan Trust	Enterprise Debt Service
Baseball Stadium	80	Veterans Memorial Arena	Operations Funding
Baseball Stadium	487	Convention Center	Operations Funding
Performing Arts	43	General Fund	Operations Funding
Performing Arts	9	General Fund	Enterprise Debt Service
Performing Arts	936	Convention Center	Operations Funding
Equestrian Center	179	General Fund	Operations Funding
Equestrian Center	641	Convention Center	Receivable Adjustment
Stormwater Services	1,294	General Fund	Waived Fee Funding
Total	<u>5,798</u>		
<b>Internal Service Funds</b>			
Fleet Management	1,244	General Fund	Vehicle Replacement Funding
Fleet Management	3	Other Federal, State and Local Grants	Vehicle Replacement Funding
Fleet Management	200	American Recovery & Reinvestment Act	Vehicle Replacement Funding
Information Technology	500	General Fund	Technology Equipment Refresh
Office of General Council	750	Solid Waste	Legal Retainer
Self Insurance	1,072	General Fund	Group Health Funding
Total	<u>3,769</u>		
<b>Fiduciary Funds</b>			
Private Purpose Trust	15	General Government Non Budgeted	Annual Funding
Total	<u>15</u>		
<b>TOTAL</b>	<b><u>\$ 229,359</u></b>		

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES AND TRANSFERS (continued)**

During fiscal year 1999, the self-insurance fund advanced \$14,000,000 to the capital projects fund for the purpose of fulfilling City obligations under a redevelopment agreement for a new 900-room hotel with substantial convention and business spaces. The total capital investment for the project was \$126.0 million. The City Council passed an ordinance to treat the funding from the self-insurance fund as a loan which will be repaid from general fund revenues commencing on May 1, 2000 in equal annual installments over 20 years, plus simple interest of 4.4%. The balance of this advance was \$7,806,868 at September 30, 2010.

In fiscal year 2003, the City passed an ordinance to enter into a redevelopment agreement with Vestcor Companies and its subsidiaries for the redevelopment of the Lynch Building and the Roosevelt Hotel into apartment buildings as City historic landmarks. In fiscal year 2003, the City used internal self-insurance funds, in an amount of \$17,816,000, to provide permanent financing for the Lynch Building project. The self-insurance fund will be repaid on an annual basis with funds from the Northbank Downtown Tax Increment District. The terms of the repayment are a 30-year amortization, with a 20-year term at a fixed interest rate of 6% per year. Annual payments are \$1,294,313 which includes both principal and interest with a balloon payment of \$8,290,400 at the end of the 20-year period. The balance of the loan at September 30, 2010 was \$14,328,163 which is recorded in the Self Insurance Fund.

Vestcor will repay the City an amount of \$17,816,000 to the Downtown Economic Development fund as created by ordinance 2000-1079-E. The terms of the repayment is a 40-year amortization, with a 20-year term at a fixed interest rate of 1.525% per year. Annual principal and interest payments were initially scheduled for \$595,248, but were reduced to interest-only payments for the three year period beginning March 1, 2010. The deferred principal payments were added to the balloon payment, which is now \$11,389,033 due on July 1, 2023. The balance of the loan at September 30, 2010 was \$15,576,840 which is recorded in the Jacksonville Economic Development Commission Fund.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS**

**A. Bonds and loans outstanding:**

The bonds and loans outstanding as of September 30, 2010 are as follows (in thousands):

GOVERNMENTAL ACTIVITIES:	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost <sup>(1)</sup>
<b>Revenue Bonds Supported by General Fund:</b>				
Excise Taxes Revenue Bonds:				
Series 1993	\$ 43,605	\$ 7,355	6.200-6.300%	6.292%
Series 2001B	46,735	42,140	4.300-5.125%	5.271%
Series 2002A	56,685	19,165	5.250-5.500%	4.270%
Series 2002B	68,475	55,535	3.300-5.375%	4.576%
Series 2003A	18,745	16,660	3.000-4.500%	4.051%
Series 2003C (AMT)	34,540	32,520	3.500-5.250%	4.915%
* Series 2005A	42,820	42,306	3.500-5.000%	4.685%
Series 2006A	36,540	36,540	3.375-5.000%	4.559%
Series 2006B (AMT)	9,255	9,255	3.625-4.000%	4.169%
Series 2006C	23,555	23,555	4.880-5.220%	5.228%
Series 2007	42,245	40,280	4.000-5.000%	4.534%
Series 2009A	39,585	39,585	2.500-5.000%	4.399%
* Series 2009B	18,535	18,535	2.500-5.000%	3.035%
* Series 2009C	2,275	2,275	2.500-5.000%	3.281%
Local Government Sales Tax Revenue Bonds:				
* Series 1996	47,682	2,687	5.125%	5.352%
Series 2001	103,725	73,290	4.200-5.500%	4.571%
Series 2002	63,060	45,020	3.625-5.375%	4.407%
Guaranteed Entitlement Revenue Bonds:				
Series 2002	115,265	99,930	3.750-5.375%	5.019%
Capital Project Revenue Bonds:				
* Series 2008A	67,035	65,388	Variable, assumed 3.80%	N/A
* Series 2008B	67,035	65,388	Variable, assumed 3.80%	N/A
Special Revenue Bonds				
* Series 2009C-1	30,170	30,170	3.000-5.000%	2.509%
* Series 2009C-2 (Taxable BABS)	10,995	10,995	4.240-4.990% (taxable)	3.111%
* Series 2010A	48,000	48,000	3.250-5.125%	2.737%
Total Revenue Bonds Supported by General Fund	<u>\$ 1,036,562</u>	<u>\$ 826,574</u>		
<b>Notes Payable Supported by General Fund:</b>				
U.S. Government Guaranteed:				
Series 1995 (Coach)	\$ 3,845	\$ 1,860	4.790-5.190% (taxable)	N/A
Series 2010 (Sally Beauty)	1,065	160	0.560-0.860% (taxable)	N/A
Series 2010 (Hilton Hotel)	2,850	1,420	0.560-2.200% (taxable)	N/A
Series 2010 (La Villa)	1,700	685	0.560-2.660% (taxable)	N/A
Series 2010 (Armor Holdings)	775	440	0.560-2.660% (taxable)	N/A
Series 2010 (Hampton Inns)	550	280	0.560-2.200% (taxable)	N/A
Total Notes Payable Supported by General Fund	<u>\$ 10,785</u>	<u>\$ 4,845</u>		
Total Bonds and Notes Supported by General Fund	<u>\$ 1,047,347</u>	<u>\$ 831,419</u>		

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS (continued)**

**A. Bonds and loans outstanding (continued)**

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost <sup>(1)</sup>
<b>Special Revenue (Covenant) Bonds Payable from Internal Service Operations:</b>				
Special Revenue Bonds (\$183,591 authorized but unissued):				
Series 2008	\$ 54,215	\$ 53,680	3.500-5.625%	4.966%
Series 2009A	28,613	28,613	Variable, assumed 5.00%	N/A
* Series 2009C-1	40,160	40,160	3.000-5.000%	2.509%
* Series 2009C-2 (taxable BABs)	26,315	26,315	4.240-4.990% (taxable)	3.111%
* Series 2010A	46,945	46,945	3.250-5.000%	2.737%
	<u>\$ 196,248</u>	<u>\$ 195,713</u>		
<b>Notes Payable from Internal Service Operations:</b>				
Commercial Paper Notes (\$75,220 authorized but unissued):				
	\$ 137,125	\$ 55,000	Variable, assumed 3.25%	N/A
	<u>\$ 137,125</u>	<u>\$ 55,000</u>		
Total bonds and notes payable from Internal Service Funds				
	<u>\$ 333,373</u>	<u>\$ 250,713</u>		
<b>Revenue Bonds Supported by BJP Revenues:</b>				
Transportation Sales Tax Revenue Bonds (\$152,568 authorized but unissued):				
Series 2001	\$ 179,280	\$ 164,300	4.400-5.500%	4.042%
Series 2007	100,675	95,015	4.000-5.000%	4.745%
Series 2008A	154,535	154,535	Variable, assumed 4.34%	N/A
Series 2008B	121,740	113,095	Variable, assumed 3.43%	N/A
Infrastructure Sales Tax Revenue Bonds				
* Series 2001	163,956	139,103	4.300-5.500%	5.263%
* Series 2003	158,416	136,010	3.250-5.250%	4.715%
* Series 2004	164,200	143,881	2.500-5.000%	4.345%
Series 2008	105,470	102,805	4.000-5.000%	4.626%
	<u>\$ 1,148,272</u>	<u>\$ 1,048,744</u>		
<b>Special Revenue (Covenant) Bonds Supported by BJP Revenues:</b>				
Special Obligation Bonds (\$91,780 authorized but unissued)				
Series 2009B-1A	\$ 52,090	\$ 52,090	2.000-5.000%	4.006%
Series 2009B-1B (taxable BABs)	55,925	55,925	6.259% (taxable)	6.341%
Series 2010B	100,205	100,205	5.000%	2.282%
	<u>\$ 208,220</u>	<u>\$ 208,220</u>		

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS (continued)**

**A. Bonds and loans outstanding (continued)**

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost <sup>(1)</sup>
<b>Notes Payable Supported by BJP Revenues:</b>				
State of Florida Infrastructure Bank (\$3,091 authorized but unissued):				
Series 2005	\$ 40,000	\$ 29,299	2.000%	1.901%
Series 2007	46,909	36,573	2.500%	2.456%
	<u>\$ 86,909</u>	<u>\$ 65,872</u>		
Total Notes Payable Supported by BJP Revenues	<u>\$ 86,909</u>	<u>\$ 65,872</u>		
Total Bonds and Notes Supported by BJP Revenues	<u>\$ 1,443,401</u>	<u>\$ 1,322,836</u>		
Total Governmental Activities	<u><u>\$ 2,824,121</u></u>	<u><u>\$ 2,404,968</u></u>		

**BUSINESS-TYPE ACTIVITIES:**

**Revenue Bonds Supported by Business-Type Activities:**

Excise Taxes Revenue Bonds:				
Series 2003B	\$ 9,530	\$ 2,550	5.000%	2.915%
* Series 2005A	2,000	2,000	3.500-5.000%	4.685%
* Series 2009B	10,475	10,475	2.500-5.000%	3.035%
* Series 2009C (AMT)	21,455	21,455	2.500-5.000%	3.281%
Local Government Sales Tax Revenue Bonds:				
* Series 1996	17,958	1,012	5.125%	5.352%
Capital Project Revenue Bonds				
* Series 2008A	250	232	Variable, assumed 3.80%	N/A
* Series 2008B	250	232	Variable, assumed 3.80%	N/A
Infrastructure Sales Tax Revenue Bonds				
* Series 2001	54,474	46,217	4.300-5.500%	5.263%
* Series 2003	52,634	45,190	3.250-5.250%	4.715%
* Series 2004	54,555	47,805	2.500-5.000%	4.345%
Capital Improvement Revenue Bonds:				
Series 1997	8,285	6,010	5.000-5.250%	5.452%
Series 1998	37,310	34,780	4.500-5.000%	5.250%
Series 2002A	54,135	52,020	3.500-5.000%	4.820%
Series 2002B	42,170	32,630	5.000-5.250%	4.820%
Series 2002C	26,920	23,535	3.500-5.250%	4.820%
	<u>\$ 392,401</u>	<u>\$ 326,143</u>		
Total Business-Like Activities	<u><u>\$ 392,401</u></u>	<u><u>\$ 326,143</u></u>		

**COMPONENT UNITS (Note 8N):**

Bond and notes payable:	
JEA	\$ 6,369,554
JAA	209,880
JPA	<u>234,701</u>
Total Component Unit bonds and notes payable	<u><u>\$ 6,814,135</u></u>

\* Indicates individual bond series that were issued in support of both Governmental Activities and Business-Type Activities.

(1) True Interest Cost (TIC) is the actual cost of financing debt and refers to the overall rate of interest to be paid over the life of the bonds, factoring in coupon interest, any premium or discounts, and the time value of money.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS (continued)**

**B. Debt Service Requirements to Maturity:**

The Debt service requirements to maturity on long-term obligations at September 30, 2010 are as follows (in thousands):

Fiscal Year Ending September 30	Bonds and Notes Payable from Governmental Activities				Bonds Payable from Business-type Activities		Principal and Interest- Primary Government	Component Units	
	Supported by General Revenues and Internal Service Funds		Supported by BJP Revenues		Enterprise Funds			Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest			
								Principal	Interest
2011	\$ 40,904	\$ 48,405	\$ 27,442	\$ 56,533	\$ 13,125	\$ 15,161	\$ 201,570	\$ 210,135	\$ 135,497
2012	75,840	48,617	41,316	57,807	13,704	14,631	251,915	296,062	248,770
2013	65,549	46,700	30,399	56,468	12,962	14,087	226,165	280,084	221,485
2014	64,962	44,211	33,859	55,286	13,575	13,511	225,404	294,545	210,368
2015	58,893	41,732	44,885	53,539	14,229	12,881	226,159	331,963	196,599
2016- 2020	282,759	153,509	226,047	239,387	66,913	54,313	1,022,928	1,238,043	839,240
2021- 2025	194,212	92,863	267,292	186,944	71,385	38,401	851,097	1,048,730	634,019
2026- 2030	161,457	51,383	424,247	104,392	89,130	18,979	849,588	990,071	485,365
2031- 2035	122,541	15,379	205,989	19,960	31,120	792	395,781	1,004,802	329,189
2036- 2040	12,205	2,339	21,360	1,637	-	-	37,541	902,480	142,875
2041- 2045	2,810	72	-	-	-	-	2,882	217,220	19,690
Totals	<u>\$ 1,082,132</u>	<u>\$ 545,210</u>	<u>\$ 1,322,836</u>	<u>\$ 831,953</u>	<u>\$ 326,143</u>	<u>\$ 182,756</u>	<u>\$ 4,291,030</u>	<u>\$ 6,814,135</u>	<u>\$ 3,463,097</u>

The City’s Covenant Bond program allows for the issuance of debt which has both a stated maturity date, which is the initial maturity for a bond, and a designated maturity, which reflects the City’s intended amortization to maturity. The table of debt service requirements to maturity above is prepared using designated maturities reflecting the City’s intended re-amortization to maturity. At each stated maturity the City can retire the maturing amount in whole or in part, or refund the maturing bonds as a part of its annual capital borrowing into another stated maturity, variable rate debt, or fixed rate debt amortized to maturity as determined by then market conditions. The table does not reflect any accelerated amortizations that may result under the term out provisions as discussed in Note 8.G., Demand Bonds. Stated maturities for designated maturity debt outstanding at year end are shown in the table below (in thousands).

Fiscal Year Ending September 30	Supported by General Revenue and Internal Service Funds			Supported by BJP Revenues Series 2010B	Total All Programs
	Series 2009C	Series 2010A	Total		
2012	\$ 6,295		\$ 6,295		\$ 6,295
2013	6,530	\$ 5,765	12,295	\$ 7,705	20,000
2014	6,755	5,540	12,295	7,705	20,000
2015	6,995	5,300	12,295	7,705	20,000
2016	7,345	4,950	12,295	7,705	20,000
2017	-	6,200	6,200	7,705	13,905
2018	-	6,200	6,200	7,715	13,915
2019	-	6,160	6,160	7,715	13,875
2020	-	-	-	7,715	7,715
2021	-	-	-	7,715	7,715
Total by Series	<u>\$ 33,920</u>	<u>\$ 40,115</u>	<u>\$ 74,035</u>	<u>\$ 69,385</u>	<u>\$ 143,420</u>

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS (continued)**

**C. Changes in Long-Term Liabilities:**

Changes in long-term liabilities for the fiscal year ended September 30, 2010 are as follows (in thousands):

	Balance October 1, 2009	Additions	Reductions	Balance September 30, 2010	Due within one year
<b>Governmental Activities:</b>					
Debt activity supported by general revenues:					
Revenue bonds	\$ 771,550	\$ 89,165	\$ 34,141	\$ 826,574	\$ 33,815
Notes payable	5,790		945	4,845	945
Debt activity- general revenues	<u>777,340</u>	<u>89,165</u>	<u>35,086</u>	<u>831,419</u>	<u>34,760</u>
Bonds/notes payable - Banking Fund					
Special revenue (covenant) bonds	82,828	113,420	535	195,713	6,144
Notes payable	73,815	14,420	33,235	55,000	-
Debt activity - internal service funds	<u>156,643</u>	<u>127,840</u>	<u>33,770</u>	<u>250,713</u>	<u>6,144</u>
Debt activity - general revenues and internal service	<u>933,983</u>	<u>217,005</u>	<u>68,856</u>	<u>1,082,132</u>	<u>40,904</u>
Debt activity supported by BJP revenue:					
Revenue bonds - BJP	1,070,178	-	21,434	1,048,744	22,291
Special revenue (covenant) bonds - BJP	108,015	100,205	-	208,220	-
Notes payable - BJP	60,719	10,188	5,035	65,872	5,151
Debt activity - BJP	<u>1,238,912</u>	<u>110,393</u>	<u>26,469</u>	<u>1,322,836</u>	<u>27,442</u>
Total governmental activities	<u>2,172,895</u>	<u>327,398</u>	<u>95,325</u>	<u>2,404,968</u>	<u>68,346</u>
Deferred amounts:					
Loss on Advance Refunding	(4,065)	-	(679)	(3,386)	-
Issuance premiums	26,285	37,997	5,227	59,055	-
Issuance discounts	(3,160)	-	(155)	(3,005)	-
Total deferred amounts	<u>19,060</u>	<u>37,997</u>	<u>4,393</u>	<u>52,664</u>	<u>-</u>
Accrued Compensated Absences	61,739	39,000	36,806	63,933	19,180
Capitalized Lease Obligations	313		313	-	-
Estimated Liability for Self-Insured Losses	86,732	18,612	21,688	83,656	-
Pollution Remediation	153,567	8,175	11,064	150,678	11,497
Other Post - Employment Benefits	14,839	6,235	-	21,074	-
Miscellaneous long-term obligations	1,533		414	1,119	-
Governmental activity long-term obligations	<u>\$ 2,510,678</u>	<u>\$ 437,417</u>	<u>\$ 170,003</u>	<u>\$ 2,778,092</u>	<u>\$ 99,023</u>

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS (continued)**

**C. Changes in Long-Term Liabilities: (continued)**

	Balance October 1, 2009	Additions	Reductions	Balance September 30, 2010	Due within one year
<b>Business-Type Activities:</b>					
Revenue Bonds	\$ 341,887	-	\$ 15,744	\$ 326,143	\$ 13,125
Less: Unamortized Discount/Premium and, Deferred Loss on Advance Refunding	(1,158)	-	(276)	(882)	-
Total Revenue Bonds, less Unamortized Discount/Premium and, Deferred Loss on Advance Refunding	\$ 340,729	-	\$ 15,468	\$ 325,261	\$ 13,125
Accrued Compensated Absences	1,341	1,091	1,011	1,421	430
Liability for Landfill Closure and Post Closure Care Picketville Waste Site	63,668	2,778	621	65,825	-
Other Post - Employment Benefits	632	-	65	567	-
Loans payable - Banking Fund	472	265	-	737	-
Business-type activity long-term obligations	<u>\$ 409,092</u>	<u>\$ 4,134</u>	<u>\$ 17,165</u>	<u>\$ 396,061</u>	<u>\$ 13,555</u>
<b>Component Unit Activities:</b>					
Bonds and notes payable:					
JEA	\$ 6,299,388	\$ 772,372	\$ 702,206	\$ 6,369,554	\$ 192,378
JAA	218,885	-	9,005	209,880	9,400
JPA	235,265	61,910	62,474	234,701	8,357
Other long-term obligations	3,570	(1,968)	1,164	438	1,425
Component unit activity long-term obligations	<u>\$ 6,757,108</u>	<u>\$ 832,314</u>	<u>\$ 774,849</u>	<u>\$ 6,814,573</u>	<u>\$ 211,560</u>

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**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**D. Reconciliation of debt issued to financial reporting classifications:**

Certain of the City’s bonds issued in a single transaction are for assets acquired or constructed for both governmental and business-type activities. As a result, the financial statements report debt outstanding and the related debt service for that combined transaction in both governmental and business-type activities in the relative proportion of the cost of the underlying assets acquired or constructed. When individual business-type revenues are not sufficient to pay for operations inclusive of allocated debt service, interfund transfers are made in amounts to address the shortfall. The following table shows the original combined issue amount and where the debt is reported.

<u>Bond Series</u>	<u>Original Amount Issued</u>	<u>Outstanding debt reported in</u>		<u>Total Amount Outstanding</u>
		<u>Governmental Activities</u>	<u>Business-type Activities</u>	
Excise Tax Revenue Bonds:				
Series 2005A	\$ 44,820	\$ 42,306	\$ 2,000	\$ 44,306
Series 2009B	29,010	18,535	10,475	29,010
Series 2009C	23,730	2,275	21,455	23,730
Local Government Sales Tax Revenue Bonds:				
Series 1996	65,640	2,688	1,012	3,700
Capital Projects Revenue Bonds:				
Series 2008A	67,285	65,387	232	65,619
Series 2008B	67,285	65,387	232	65,619
BJP Infrastructure Sales Tax Revenue Bonds:				
Series 2001	218,430	139,103	46,217	185,320
Series 2003	211,050	136,010	45,190	181,200
Series 2004	218,755	143,881	47,804	191,685

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**E. Pledged Revenues:**

The City has formally committed to secure certain debt issued by the City with specific future revenues. A summary of those debt issues and the related pledged revenues follows. The detailed listing of individual series by pledge source is included in Note 8A.

	<u>Range of remaining term</u>	<u>Approximate future principal and interest</u>	<u>Current year revenue received</u>	<u>Current year principal and interest</u>	<u>Principal and interest as % of revenue</u>
<b>Excise Taxes:</b>	2011 - 2034	\$645,415,315	\$128,223,785	\$42,675,484	33.28%
<b>Local Government</b>					
<b>1/2 Cent Sales Tax:</b>	2018	\$153,418,712	\$67,641,900	\$17,171,749	25.39%
<b>Guaranteed Entitlement Revenues:</b>	2032	\$168,870,669	\$7,825,119	\$7,403,206	94.61%
<b>JEA Charter Revenues (Capital Project Bonds):</b>	2034	\$217,239,046	\$99,187,528	\$8,634,352	8.71%
<b>(Better Jacksonville)</b>					
<b>Transportation Sales Tax:</b>	2027 - 2037	\$883,957,061	\$71,417,379	\$31,208,265	43.70%
<b>Better Jacksonville (Infrastructure) Sales Tax:</b>	2014 - 2030	\$1,069,358,296	\$61,321,788	\$49,209,130	80.25%
<b>Sports Facilities Capital Improvement Revenues:</b>	2019 - 2030	\$239,139,633	\$18,671,779	\$11,364,231	60.86%

**Excise Taxes** - Bonds have been issued to fund citywide capital projects, and are supported by a pledge against the proceeds of the Utilities Services Taxes and the Occupational License Taxes.

**Local Government 1/2 Cent Sales Tax** - Bonds have been issued to fund the River City Renaissance program and various citywide capital improvements, and are supported by a pledge against the proceeds of the local government half-cent sales tax.

**Guaranteed Entitlement Revenues** - Bonds have been issued to fund the construction and renovation of various criminal justice facilities, and are supported by a pledge against the City's "guaranteed entitlement" portion of the State's shared revenues under the Revenue Sharing Act for counties and municipalities, which is derived from the State's i) sales and use tax and ii) Cigarette Tax.

**JEA Charter Revenues (Capital Project Bonds)** - Bonds have been issued to fund drainage and general capital programs, and are supported by a pledge against the JEA Contribution, which is annually appropriated to the City from available Electric and Water & Sewer revenues.

**(Better Jacksonville) Transportation Sales Tax** - Bonds have been issued to fund acquisition and construction of road, bridge, drainage and other transportation projects, and are supported by a pledge against the discretionary half-cent Transportation Sales Tax and Gas Tax.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**E. Pledged Revenues (continued)**

**Better Jacksonville (Infrastructure) Sales Tax** - Bonds have been issued to fund the acquisition and construction of capital projects constituting part of the Better Jacksonville Plan, and are supported by a pledge against the discretionary half-cent Infrastructure Sales Tax.

**Sports Facilities Capital Improvement Revenues** - Bonds have been issued to fund renovations to EverBank Field, and are supported by a pledge against the proceeds of Franchise Fees, 15% of the Communications Services Taxes, Sports Facility Sales Tax Rebates, Convention Development Taxes and the Sports Facilities Tourist Development Taxes.

**F. New Indebtedness Issued:**

On December 15, 2009, the City closed on the sale of \$107,640,000 Special Revenue Bonds issued as Series 2009C-1 (\$70,330,000 tax exempt) and Taxable Direct Payment Build America Special Revenue Bonds Series 2009C-2 (\$37,310,000). The 2009C-1 bonds have a true interest cost of 2.509% and an average coupon rate of 4.29% with a mandatory sinking schedule beginning October 1, 2010 and a maturity date of October 1, 2016. The 2009C-2 Taxable Direct Pay Build America Bonds have a true interest cost of 3.11% after interest rebate and a targeted average coupon rate of 4.66% with a mandatory sinking schedule beginning October 1, 2010 and a maturity date of October 1, 2021. The proceeds of the 2009C-1 and 2009C-2 bonds were used to fund the acquisition and construction of certain drainage and Capital Improvement Plan capital projects (\$104,746,654) and a portion of the composite Special Revenue Cash Debt Service Reserve Fund (\$7,211,560). The issuance provided net proceeds of \$112,976,129, which is inclusive of underwriter's discounts and costs of issuance totaling \$1,017,915 and a bond premium of \$5,336,129.

On September 16, 2010, the City closed on the sale of \$100,205,000 Special Revenue Bonds, Series 2010B with a true interest cost of 2.282% and an average coupon rate of 5.00% with a mandatory sinking schedule beginning October 1, 2010 and a stated maturity date of October 1, 2021 and a Designated Maturity Date of October 1, 2030. The proceeds of the 2010B bonds were used to fund the acquisition and construction of various capital projects constituting a part of the Better Jacksonville Plan (\$110,000,000) and to fund a Debt Service Reserve (\$9,058,957). The issuance provided net proceeds of \$119,747,964, which was inclusive of underwriter's discounts and costs of issuance totaling \$689,007 and a bond premium of \$19,542,964.

On September 29, 2010, the City closed on the sale of \$94,945,000 Special Revenue Bonds, Series 2010A with a true interest cost of 2.737% and an average coupon rate of 4.71% with a mandatory sinking schedule beginning October 1, 2012 and a maturity date of October 1, 2025. The proceeds of the 2010A bonds were used to fund the acquisition and construction of various Capital Improvement Plan projects (\$99,819,708) and to fund a Debt Service Reserve (\$7,228,437). The issuance provided net proceeds of \$108,062,135 which was inclusive of underwriter's discounts and costs of issuance totaling \$1,013,990 and a bond premium of \$13,117,135.

Market conditions during the fiscal year dictated the issuance of bonds with significant premiums, which reduced the face amount of the borrowing and the effective True Interest Cost (TIC) of the transaction.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**G. Demand Bonds Issued by the City:**

Each series of demand bonds listed below meets the criteria for inclusion as long term debt of the City.

**\$154,535,000 Transportation Revenue Bonds, Series 2008A:**

***Bond Terms*** - The Series 2008A Transportation Bonds (the Bonds) are uninsured variable rate demand bonds which mature and are remarketed every seven days at a reset interest rate.

***Liquidity Agreement Terms*** - Liquidity for the Bonds is provided by a Standby Bond Purchase Agreement (the Agreement) with JPMorgan Chase Bank (the Bank) dated April 1, 2008 and expiring April 20, 2012.

***Terms of Take Out*** - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If the Bonds were to be purchased by the Bank, then the City would be required to amortize the balance of the Bonds (\$151,835,000 as of the current termination date) over 12 equal quarterly installments beginning 180 days after the date of purchase.

As of September 30, 2010, there were no advances outstanding or bank bonds held under this Agreement.

**\$121,740,000 Transportation Revenue Bonds, Series 2008B:**

***Bond Terms*** - The Series 2008B Transportation Bonds (the Bonds) are uninsured variable rate demand bonds which mature and are remarketed every seven days at a reset interest rate.

***Liquidity Agreement Terms*** - Liquidity for the Bonds is provided by a Letter of Credit and Reimbursement Agreement (the Agreement) with Wachovia Bank (the Bank) dated May 1, 2009 and expiring August 1, 2012.

***Terms of Take Out*** - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If either i) the Bonds were to be purchased by the Bank or ii) the Bank extends an advance to the City under the Letter of Credit, then the City would be required to amortize the balance of the Bonds (\$103,400,000 as of the current termination date) over 6 equal semi-annual installments beginning 6 months after the date of purchase or advance.

As of September 30, 2010, there were no advances outstanding or bank bonds held under this Agreement.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS** (continued)

**G. Demand Bonds Issued by the City** (continued)

**\$67,285,000 Capital Projects Bonds, Series 2008A:**

*Bond Terms* - The Series 2008A Capital Projects Bonds (the Bonds) are uninsured variable rate demand bonds which mature and are remarketed every seven days at a reset interest rate.

*Liquidity Agreement Terms* - Liquidity for the Bonds is provided by a Letter of Credit and Reimbursement Agreement (the Agreement) with the Bank of America (the Bank) dated July 1, 2008 and expiring July 15, 2011.

The City intends to replace or renew this Agreement prior to the current expiration date.

*Terms of Take Out* - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If either i) the Bonds were to be purchased by the Bank or ii) the Bank extends an advance to the City under the Letter of Credit, then the City would be required to amortize the balance of the Bonds (\$64,215,000 as of the current termination date) over 10 equal semi-annual installments beginning 6 months after the date of purchase or advance.

As of September 30, 2010, there were no advances outstanding or bank bonds held under this Agreement.

**\$67,285,000 Capital Projects Bonds, Series 2008B:**

*Bond Terms* - The Series 2008B Capital Projects Bonds (the Bonds) are uninsured variable rate demand bonds which mature and are remarketed every seven days at a reset interest rate.

*Liquidity Agreement Terms* - Liquidity for the Bonds is provided by a Letter of Credit and Reimbursement Agreement (the Agreement) with SunTrust Bank (the Bank) dated July 1, 2008 and expiring July 15, 2011.

The City intends to replace or renew this Agreement prior to the current expiration date.

*Terms of Take Out* - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If either i) the Bonds were to be purchased by the Bank or ii) the Bank extends an advance to the City under the Letter of Credit, then the City would be required to amortize the balance of the Bonds (\$64,215,000 as of the current termination date) over 10 equal semi-annual installments beginning 6 months after the date of purchase or advance.

As of September 30, 2010, there were no advances outstanding or bank bonds held under this Agreement.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**H. Non-Asset Debt:**

The City has issued debt for the benefit of its component units or other public use entities where the asset acquired or constructed will not be owned by the primary government. An expense is recorded by the City instead of a capital asset on the citywide statements, while the debt remains as a liability of the City. The following is a listing of the outstanding debt in the Governmental Activities that was issued for non-asset backed debt:

	<u>Entity or Purpose</u>	<u>Amount Outstanding</u>
<u>Excise Taxes Bonds</u>		
Series 1993	Jacksonville Port Authority	\$ 7,354,675
Series 2002B	Shands Jacksonville Medical Center	55,535,000
Series 2003C (AMT)	Jacksonville Port Authority	32,520,000
<u>Better Jacksonville Plan (BJP) Bonds for use by the Jacksonville Transportation Authority (JTA)</u>		
Series 2007	JTA road projects	56,760,000
Series 2009B-1	JTA road projects	7,611,851
Series 2010B	JTA road projects	15,186,158
<u>BJP State Infrastructure Bank (SIB) Loan</u>		
SIB Loan #1	JTA road projects	29,299,456
SIB Loan #2	JTA road projects	36,572,492
<u>Other Bond Issues</u>		
Various	Misc. projects - BJP	110,314,000
Various	Misc. projects - other	51,011,130
<u>Banking Fund Financed Projects</u>		
Various	Misc. projects - other	12,069,018
TOTAL		<u><u>\$ 414,233,780</u></u>

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**I. Defeased Debt:**

The City has defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the city's financial statements.

As of September 30, 2010, the City had legally defeased the following bond maturities (in thousands):

<u>Issue</u>	<u>Refunded by</u>	<u>Principal Balance at September 30, 2010</u>	<u>Investment Balance with Escrow Agent at September 30, 2010 (a)</u>
Sales Tax Revenue Bonds, Series 1996 (RCR)	Cash Refunded on October 10, 2002	\$14,535	\$15,634

(a) Source: Escrow Agent's Records

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS** (continued)

**J. Derivative Instrument Payments and Hedged Debt:**

The City of Jacksonville has implemented GASB 53 Accounting and Financial Reporting for Derivative Instruments for the fiscal year ended September 30, 2010.

The City has entered into two interest rate swaps structured as integrated hedges with the same amortization as the bonds resulting in synthetic fixed rate debt in the Better Jacksonville Plan financing. For purposes of credit, the swaps are secured by a pledge on the City's transportation sales tax and constitutional gas tax with a lien on parity to the bonds. The counterparty does not have the right to terminate these transactions unless a termination event occurs. The City retains the right to terminate the swap agreements at any time.

The City computed the actual synthetic rate for both swaps for the year ended September 30, 2010 by adding the net swap payments to the variable rate interest paid and dividing by the notional amount and determined that the actual synthetic rate fell within 90 to 111 percent of the swap fixed rate. Using the synthetic instrument method, the swap is deemed an effective hedging instrument and hedge accounting is applied.

The swap agreements require the City to post cash collateral when the negative market value of the swap exceeds \$25 million equal to the residual exposure. A lower credit rating will also increase the amount of collateral required. The table below summarizes the key elements of the swaps as of September 30, 2010. The fair values were obtained by the counter-parties' mark-to-market reports submitted to the City.

	SIFMA Index	67% LIBOR
Bond Series	Transportation Revenue Bonds, 2003 <sup>(1)</sup>	Transportation Revenue Bonds, 2004A <sup>(1)</sup>
Counterparty (Rating)	Wachovia/Wells Fargo (Aa2/A+)	Wachovia/Wells Fargo (Aa2/A+)
Effective Date	July 1, 2003	September 30, 2004
Maturity Date	October 1, 2020	October 1, 2027
Notional Amount Outstanding	\$38,695,000	\$73,475,000
Variable Rate Received (weighted average)	0.259%	0.179%
Fixed Rate Paid (weighted average)	4.010%	3.455%
Change in Fair Value - Current Year	(\$1,522,406)	(\$3,334,725)
Underlying Fair Value at Fiscal Year End	(\$5,799,070)	(\$11,717,957)
Net Swap Interest	(\$1,451,437)	(\$2,406,872)

(1) On May 14, 2008, the Series 2003 and Series 2004A Transportation Revenue Bonds were refunded by the Series 2008B Transportation Revenue Refunding Bonds. The Series 2008B bonds were issued as uninsured variable rate demand bonds, which are remarketed every 7 days.

**Credit Risk** - As of September 30, 2010, the City was not exposed to credit risk (the risk of economic loss due to a counterparty default on the swap agreements) because each had a negative fair value. However, should interest rates change and the fair values of the swaps become positive, the City would then be exposed to credit risk in the amount of the swap's fair value.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**8. LONG-TERM OBLIGATIONS (continued)**

**J. Derivative Instrument Payments and Hedged Debt (continued)**

**Derivative Instrument Payments and Hedged Debt (continued)**

**Basis Risk** - As of September 30, 2010, the swaps expose the City to basis risk (the risk of loss due to the mismatch in interest-earning assets and interest-incurring liabilities). The agreement dated July 1, 2003 calls for the City to pay a fixed rate and receive a variable payment based on the BMA index. If the fixed rate is greater than the rates on the BMA index the City will be liable for the difference. The agreement dated September 30, 2004 calls for the City to pay a fixed rate and receive a variable payment of 67% of the one month LIBOR rate. If the fixed rate is greater than the rates on the LIBOR index, the City will be liable for the difference.

**Market Risk** - As of September 30, 2010, the swaps expose the City to market risk (the risk of loss due to the pricing of the swap under the current economic environment) because each swap currently has a negative fair value. If the swaps were to be terminated under the current economic conditions, the City would be liable to the counterparty for a make-whole payment in the amount equal to the negative fair value.

Using rates as of September 30, 2010 and assuming the rates are unchanged for the remaining term of the bonds, the following table shows the debt service requirements and net swap payments for the City's hedged variable rate bonds.

Fiscal Year Ending 9/30	Variable-Rate Bonds			Swap Interest Payments			Total Bonds and Swaps
	Principal	Interest	Total	Fixed	Variable	Net	
2011	\$ 4,535	\$ 305	\$ 4,840	\$ 3,918	\$ 227	\$ 4,145	\$ 8,985
2012	5,160	293	5,453	3,740	217	3,957	9,410
2013	4,680	279	4,959	3,555	206	3,761	8,720
2014	5,615	267	5,882	3,349	194	3,543	9,425
2015	5,695	251	5,946	3,136	181	3,317	9,263
2016-2020	42,455	970	43,425	11,194	629	11,823	55,248
2021-2025	28,600	855	29,455	4,372	522	4,894	34,349
2026-2030	16,355	730	17,085	563	427	990	18,075
	<u>\$113,095</u>	<u>\$3,950</u>	<u>\$117,045</u>	<u>\$33,827</u>	<u>\$2,603</u>	<u>\$36,430</u>	<u>\$153,475</u>

The above chart is based upon actual rates as of September 30, 2010. The bond and swap rates as of fical year end were as follows:

City of Jacksonville \$47,775,000 Transportation Revenue Bonds, Series 2003 (refunded by the Series 2008B bonds):

- The 7-day variable rate reset was 0.270%
- The BMA rate for swap receipts was 0.278%

City of Jacksonville \$80,275,000 Transportation Revenue Refunding Bonds, Series 2004A (refunded by the Series 2008B bonds):

- The 7-day variable rate reset was 0.270%
- The 67% of LIBOR rate for swap receipts was 0.174%

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**K. Conduit Debt:**

The City issued certain conduit debt in the form of industrial development revenue bonds (IDB's) and private activity bonds (PAB's) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. Conduit debt refers to certain limited-obligation revenue bonds or similar debt instruments issued by the City for the express purpose of providing capital financing for a specific nongovernmental third party. Although conduit debt bears the name of the City as issuer, it is collateralized by the resources provided by the loan with the third party on whose behalf they are issued. The City acts solely as a conduit issuer with respect to the debt.

Conduit debt is collateralized by the property financed and is payable solely from payments received on the underlying mortgage loans. Upon repayment of the IDB's and PAB's, ownership of the acquired facilities transfers to the private-sector entity served the bond issue. None of the assets or revenues of the City are pledged to the payment of IDB's or PAB's and under the constitution and laws of Florida, the City may not legally pledge any of its revenues or assets to the payment thereof. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Effective January 1, 1983, the City pursuant to Chapter 159, Florida Statutes, assumed responsibility for approving applications for IDB's and PAB's. As of September 30, 2010, the City had \$707,100,109 IDB's and PAB's total principal outstanding. From time to time, certain issues of such conduit debt may be in default or under investigation as to tax-exempt status of interest on such debt, however, this has no effect on the City's financial position.

As of September 30, 2010, the City had a total of \$126,826,373 Jacksonville Housing Finance Authority (JHOFA), formerly Duval County Housing Finance Authority (DCHFHA), Single Family and Multi-Family Bonds outstanding. The amount of Single Family Housing Revenue Bonds outstanding was \$42,581,373. The amount of Multi-Family Housing Bonds outstanding was \$84,245,000. Refundings of previous issues make up \$33,686,373 of the total amount outstanding.

As of September 30, 2010, the City had \$603,702,989 of Jacksonville Health Facilities Authority (JHFA) Bonds total outstanding.

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**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**8. LONG-TERM OBLIGATIONS (continued)**

**L. Lease Obligations:**

At September 30, 2010, the City finished a final capital lease agreement that had been in place. Any future leases would meet the criteria of a capital lease as defined by FASB Statement No. 13, Accounting for Leases, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Lease agreements contain options that allow the City to cancel the lease if sufficient funds are not appropriated.

The City had copy equipment which was acquired through a capital lease (recorded in the Copy Center Internal Service Fund). Depreciation of the items acquired through this capital lease was \$1,154 thousand in fiscal year 2010 and was included in depreciation expense of capital assets.

The assets acquired through capital leases are as follows (in thousands):

	Internal Service Fund Copy Center
Asset:	
Furniture and Equipment	\$ 1,154
Less: Accumulated Depreciation	(1,154)
Total	\$ -

The City does not have any material operating leases.

**M. Interest Expense:**

Total interest expense for the fiscal year ended September 30, 2010 was \$87.7 million for governmental activities and \$15.5 million for business-type activities.

**N. Component Unit Long-Term Debt:**

The long-term debt presentations for the major component units in Note 8A through Note 8C contains highly summarized data. Detailed debt presentations are available in each major component unit's separately issued financial report, which may be obtained from the finance offices below.

JEA  
 21 West Church Street  
 Jacksonville, Florida 32202

JAA  
 P.O. Box 18018  
 Jacksonville, Florida 32229-0018

JPA  
 P.O. Box 3005  
 Jacksonville, Florida 32206-0005

JTA  
 100 North Myrtle Avenue  
 Jacksonville, Florida 32203

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**9. PENSION PLANS**

The City sponsors two public employee retirement systems (PERS) administered by separate pension boards of trustees that provide retirement, death and disability benefits: the City of Jacksonville Retirement System (JRS) and the Police and Fire Pension Plan. Substantially all employees of the City participate in one of these two plans with less than 1% of City employees participating in the State of Florida Retirement System. The JRS is administered by a nine-member board of Trustees that makes recommendations to the City Council. The City Council is responsible for establishing or amending the pension plan provisions. The Police and Fire Plan is administered independently by a five-member board.

The JRS is a cost-sharing, multiple-employer, contributory defined benefit pension plan with a defined contribution alternative. JRS includes both the General Employees Pension Plan (GEPP) and the Corrections Officers Pension Plan (COPP). Effective October 1, 2009, the City added an employee choice defined contribution alternative to the defined benefit plan for all members of the GEPP. The City hired a third party administrator to assist employees with the management of their individual accounts within a number of investment options including model portfolios. All full-time City employees, the employees of JEA and the employees of JHA are eligible to participate in the GEPP upon employment. All certified Corrections Officers employed by the City are eligible to participate in the COPP upon employment. There are no separately issued financial statements for the City of Jacksonville Retirement System.

The Police and Fire Pension Plan is a single-employer contributory defined benefit pension plan covering all full-time certified police officers and firefighters employed by the City of Jacksonville Sheriff's Office and Fire and Rescue Department, respectively. The separately issued financial statements for the Police and Fire Pension Plan are available from Police and Fire Pension Fund, One West Adams Street, Suite 100, Jacksonville, FL 32202.

The Florida Constitution requires plan contributions be made annually in amounts determined by an actuarial valuation and any contribution shortfalls are the responsibility of the City to fund. The Florida Division of Retirement reviews and approves the City's actuarial report to ensure compliance with actuarial standards and appropriateness for funding purposes.

The City of Jacksonville Retirement System and Police and Fire Pension Plan are considered to be a part of the City's financial reporting entity, as discussed in Note 1.B.. Effective for the fiscal year ending September 30, 1997, these PERS adopted GASB Statement No. 25, Financial Reporting for Defined Benefit Pension Plans, intended to provide information needed to assess (1) funding status of a PERS on a long-term, going-concern basis; (2) progress made in accumulating sufficient assets to pay benefits when due; and (3) whether employers are making actuarially determined contributions. These PERS also follow GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, which require measurement and disclosure of an amount for annual pension cost on the accrual basis of accounting, regardless of the amount recognized as pension expenditures.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**9. PENSION PLANS** (continued)

**A. Summary of Significant Accounting Policies:**

- (1) **Basis of Accounting** -The City's pension trust financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions, benefit payments, and refunds are recognized when due and payable in accordance with the terms of each plan. The Florida Constitution requires local governments to make the actuarially determined contributions to their defined benefit plan.
- (2) **Method Used to Value Investments** - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals or estimates of fair value as provided by third party fund managers. Investments that do not have an established market are reported at estimated fair value as provided by third party fund managers.

Investments are managed by third party money managers while cash and securities are held by the City's independent custodian. The City receives a monthly reconciliation of any material differences in pricing by the custodian and manager.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**9. PENSION PLANS (continued)**

**B. Trend Information and Plan Overviews:**

(1) Trend information gives an indication of whether the actuarial value of plan assets is increasing or decreasing over time in relation to the actuarial accrued liability for benefits. Historical trend information for all three plans, on a year- by-year basis, is included in the accompanying Required Supplemental Information. The annual pension costs for the fiscal year ended September 30, 2010 were \$47.7 and \$99.0 million for JRS and PFPF respectively, which was equal to the required contributions. Trend information for each of the City’s three plans is as follows:

**EMPLOYER CONTRIBUTIONS  
(in thousands)**

<u>Valuation Date</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
<b>General Employees Pension Plan</b>			
9/30/2008	29,371	100%	(117)
9/30/2009	29,491	100%	(156)
9/30/2010	38,612	105%	(1,939)
<b>Corrections Officers Pension Plan</b>			
9/30/2008	4,329	100%	(21)
9/30/2009	5,268	100%	146
9/30/2010	9,097	104%	(394)
<b>Police and Fire Pension Plan</b>			
9/30/2008	65,389	100%	-
9/30/2009	67,993	100%	-
9/30/2010	99,018	100%	-

**FUNDING PROGRESS  
(in thousands)**

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Unfunded Actuarial Liability as % of Covered Payroll</u>
<b>General Employees Pension Plan</b>						
9/30/2008	\$ 1,673,435	\$2,004,279	\$ 330,844	83.49%	\$ 262,345	126.1%
9/30/2009	1,591,345	2,064,464	474,119	77.05%	276,257	171.6%
9/30/2010	1,640,892	2,163,080	522,188	75.86%	322,531	161.9%
<b>Corrections Officers Pension Plan</b>						
9/30/2008	83,056	137,830	54,774	60.26%	26,334	208.0%
9/30/2009	86,358	181,031	94,673	47.70%	27,661	342.3%
9/30/2010	97,464	204,384	106,920	47.69%	32,329	330.7%
<b>Police and Fire Pension Plan</b>						
9/30/2008	894,903	1,692,975	798,071	52.86%	148,277	538.2%
9/30/2009	855,997	1,753,946	897,949	48.80%	155,558	577.2%
9/30/2010	861,243	1,840,753	979,510	46.79%	158,046	619.8%

(2) The following page is an overview of selected plan elements for the City’s three defined benefit plans.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**9. PENSION PLANS (continued)  
B. Trend Information and Plan Overviews: (continued)  
AS OF SEPTEMBER 30, 2010**

	Jacksonville Retirement System		
	General Employee Pension Plan	Corrections Officers Pension Plan	Police and Fire Pension Plan
<b>Actuarial reports:</b>			
Date of last actuarial valuation	October 1, 2010	October 1, 2010	October 1, 2008
Actuarial method	Entry age	Entry age	Entry age
<b>Membership:</b>			
Retirees and beneficiaries currently receiving benefits	4,504	55	1,953
Deferred Retirement Option (DROP) participants	-	109	361
Terminated employees vested, not yet receiving benefits	97	1	39
Active employment plan members:			
Vested	3,694	374	1,959
Non-vested	2,586	314	661
Total plan membership	10,881	853	4,973
<b>Benefit structure:</b>			
Accrual rate:			
Years one through twenty	2.5%	3.0%	3.0%
Years twenty-one and after	2.5%	2.0%	2.0%
Years of service required to vest	5	5	5
Years of service required- normal retirement	30	20	20
Final average pay parameters	3 years	3 years	2 years
Maximum benefit as % applied to final average pay	80%	80%	80%
Cost of living (COLA) adjustments:			
Years delay after retirement	5	1	1
Annual percentage increase	3%	3%	3%
DROP structure:			
Options	Back	Forward	Forward
Maximum duration- years	5	5	5
Earnings rate on benefit payments held in trust	actual with +4% ceiling, -4% floor	actual with 0% floor	8.4% guaranteed
<b>Plan assumptions:</b>			
Earnings rate	8.4%	8.4%	8.5%
Mortality Table in use	RP-2000	RP-2000	1994
Salary growth	3.5%	3.5%	5.5%
Market smoothing practices:			
Term - years	5	5	5
Recognition timing	5/15 year 1 to 1/15 year 5	5/15 year 1 to 1/15 year 5	5/15 year 1 to 1/15 year 5
<b>Financial information (in millions):</b>			
Annual contributions 2009-10:			
City	\$ 24	\$ 10	\$ 85
Other participating employers	\$ 17		N/A
Other sources	-	-	\$ 10
Employer contribution stated as percentage of pay:			
FYE 9-30-09	10.43%	17.16%	32.11%
FYE 9-30-10	13.50%	31.78%	49.60%
FYE 9-30-11	13.50%	31.78%	49.60%
Employee contribution stated as percentage of pay	8%	8%	7%
Covered Payroll	\$ 323	\$ 32	\$ 158
Benefit payments (including DROP payments)	\$ 116	\$ 7	\$ 120
Assets (net of securities lending) as of September 30, 2010:			
Market value	\$ 1,456	\$ 90	\$ 971
Actuarial value	\$ 1,641	\$ 97	\$ 861
Unfunded Actuarial Accrued Liability- September 30, 2010	\$ 522	\$ 107	\$ 980
Funded Ratio	75.86%	47.69%	46.79%

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**9. PENSION PLANS (continued)**

**C. City of Jacksonville Retirement System: Financial Information**

(1) The Statement of Fiduciary Net Assets – Jacksonville Retirement System - General Employees and Corrections Officers Plan for the year ended September 30, 2010 is as follows (in thousands):

**ASSETS**

Equity in cash and investments.....	\$ 45,214
Receivables	7,139
Investments, at fair value	1,511,529
Capital assets, net of depreciation.....	1
Securities Lending Collateral.....	107,046
<b>TOTAL ASSETS.....</b>	<b>1,670,929</b>

**LIABILITIES**

Obligations Under Securities Lending Agreement.....	108,319
Accounts payable and accrued liabilities.....	4,817
Accrued Compensated Absences.....	69
Due to Drop Participants.....	10,068
<b>TOTAL LIABILITIES.....</b>	<b>123,273</b>

**NET ASSETS HELD IN TRUST FOR**

<b>PENSION BENEFITS.....</b>	<b>\$ 1,547,656</b>
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(2) The Statement of Changes in Fiduciary Net Assets – Jacksonville Retirement System for the year ended September 30, 2010 is as follows (in thousands):

**ADDITIONS**

Contributions:	
Employer.....	\$ 50,712
Plan Member.....	29,081
Total contributions.....	79,793
Other additions.....	522
Investment income.....	157,094
Securities Lending.....	423
<b>TOTAL ADDITIONS.....</b>	<b>237,832</b>

**DEDUCTIONS**

Benefits payments.....	118,223
DROP Benefits.....	5,045
Refunds of contributions.....	9,118
Administrative expenses.....	1,335
<b>TOTAL DEDUCTIONS.....</b>	<b>133,721</b>

Net change in net assets.....	104,111
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<b>NET ASSETS, BEGINNING OF YEAR.....</b>	<b>1,443,545</b>
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<b>NET ASSETS, END OF YEAR.....</b>	<b>\$ 1,547,656</b>
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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**9. PENSION PLANS** (continued)

**D. Police and Fire Pension Plan**

- (3) Net assets available for benefits are designated pursuant to an agreement between the Police and Fire Pension Plan Board of Trustees and the City effective April 1, 2000, and includes two actuarially computed components, the City Stabilization Account and the Enhanced Benefit Account. The City Stabilization Account, which has a balance of \$339 thousand as of September 30, 2010, was established for the purpose of cushioning actuarial losses in the base benefits fund and giving the City greater flexibility in its funding of the Plan. The Enhanced Benefits Account which has a balance of \$15,306 thousands of September 30, 2010, was established to hold any remaining State premium tax refunds not assigned to offset City contribution requirements. The base benefits fund consists of the remaining assets pledged to provide fund benefits.
- (4) During the fiscal year, the Plan received a remittance from the State of Florida in the amount of \$8.8 million pursuant to Chapters 175 and 185, Florida Statutes. Such remittances, which are reported as State insurance contributions in the Statement of Changes in Fiduciary Net Assets are generally earmarked under state policy and legal guidance for the purpose of granting enhanced benefits to public safety pension plans throughout the State of Florida. The remittances received by the Plan are governed by the Restated Agreement executed between the Plan and the City.

The Agreement stipulated that \$6.3 million of the \$8.8 million remittance received during the fiscal year is to be allocated for expenditures authorized within the current benefit structure, with the remaining \$2.5 million being uncommitted and earmarked for use in funding future benefits and/or ad-hoc, non-recurring expenditures as authorized by the Trustees of the Plan. During the fiscal year, \$1.7 million of the \$2.5 million uncommitted element was expended for ad-hoc non-recurring expenditures.

**E. Defined Contribution Plan**

As of October 1, 2009, the City created by ordinance a Defined Contribution (DC) plan within the Jacksonville Retirement System for GEPP participants as an employee choice alternative to the DB plans. Both employer and employee contributions to the DC plan stated as a percentage of pay were 7.7% and totaled \$99 and \$91 thousand for the 2009-10 fiscal year. Employees vest in the employer contributions to the plan at 25% after two years, and 25% per year thereafter until fully vested after five years of service. Employees can electively change from the DC plan to the DB plan, or vice versa, up to three times within their first five years of participation.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**9. PENSION PLANS (continued)**

**F. Florida Retirement System**

- (1) Plan Description - The City also participates in the Florida Retirement System (FRS), a multiple-employer cost-sharing retirement system which covers less than 1% of the City's full-time employees. FRS is a defined-benefit contributory retirement plan, administered by the State of Florida, Division of Retirement. The City payroll for employees covered by FRS was \$3.2 million during the fiscal year; the City's total payroll for all employees was \$460 million.

The System provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after they have met one of the following; (1) after 30 years of service regardless of age; (2) six years of service and age 62; or (3) 25 years special risk service (age 55 if not continuous). Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. Benefits are computed on the basis of age, average final compensation and service credit. Average final compensation is the average of the five highest years of earnings. The System also provides death and disability benefits. Benefits are established by state statutes.

- (2) Contributions – For the fiscal years ended September 30, 2010, 2009, and 2008, the City contributed \$584,000, \$562,000, and \$569,000 respectively, to the System for covered employees. For the fiscal year ended September 30, 2010, the contributions represented less than 1% of the System's total contributions required by all participating employers of \$3.2 billion. Contributions in fiscal years 2009 and 2008 were also less than 1% of the total contributions required by all participating employers, which amounted to approximately \$3.0 and \$2.3 billion per year.

The funding methods and the determination of benefits payable are provided in various Acts of the State Legislature. These Acts require that employers make contributions actuarially determined at the rates in effect at September 30, 2010, of 10.77% of the compensation for regular members, 23.25% for special risk members, 18.63% for elected county officials, 14.57% for senior management and 12.25% for DROP Plan members.

- (3) Trend Information - Ten-year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 2010 annual financial report. The report may be obtained from the State of Florida, Department of Management Services, Division of Retirement P.O. Box 9000, Tallahassee, Florida 32315-9000.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**10. POST EMPLOYEMENT BENEFITS OTHER THAN PENSION (OPEB)**

Plan Description: The City provides retirees with the option to purchase health insurance from the City's single employer, experience rated health insurance contract plan (Plan) that provides medical benefits to active and eligible retirees at the City's group rate as mandated by Florida Statute 112.0801 and therefore has an implicit rate subsidy benefit for the retirees' participation. As of the valuation date, the Plan had approximately 8,140 active participants and 1,907 retirees receiving benefits. The Plan does not issue a separate publicly available financial report.

Funding Policy: To date, the City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses plus any addition to the reserve for accrued costs incurred but not yet reported, as determined as part of the insurance contract. The contribution requirements of Plan members are established by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, retired members pay the full premium associated with the coverage elected; no direct City subsidy is currently applicable; however, there is an implicit cost discussed below. Spouses and other dependents are also eligible for coverage, and the member is responsible for payment of the applicable premiums. Plan members contributed \$4.7 million in premiums for fiscal year 2010, representing 41.9% of the total fiscal year 2010 OPEB cost.

State of Florida law prohibits the City from separately rating retirees and active employees. The City therefore assigns to both groups equal, blended-rate premiums. Although both groups are assigned the same blended rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for retirees separate from active members. The use of age-adjusted premiums results in the full expected retiree obligation recognized in this disclosure.

Annual OPEB Cost and Net OPEB obligation: The City's annual other postemployment benefit cost (expense) is calculated based on the annual required contribution of the employer (ARC).

The City has elected to calculate the ARC and related information using the Entry Age Normal Salary Based Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liability (or funding excess) over a period not to exceed 30 years. Annual requirements include a 4.5% discount rate, compounded annually, based on assumptions that the plan will be unfunded. The annual health care cost trend rate was assumed at 9% at September 30, 2010 grading down by 0.5% each year until an ultimate health care cost trend rate is reached in 2018 of 5.0%. The salary increase assumption is 4% per year.

The actuarial accrued liability (AAL) was determined as of September 30, 2010, based on the above assumptions and cost method, and applied to member date current at September 30, 2010. Liabilities were developed based on age adjusted costs for retirees currently receiving Plan benefits as of September 30, 2010, with an AAL calculated to be \$140 million, which is unfunded (or 0% funded).

The annual covered payroll is \$394 million, resulting in an unfunded AAL of 35.5%. The actuarial calculations reflect a long-term perspective using methods and assumptions that are designed to reduce short-term volatility in AAL and actuarial value of assets. The Plan provisions affecting the valuation were those in effect on September 30, 2010.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)**

Government Accounting Standards Board (GASB) Statement 45 results are not based on the assumption that all members terminate service as of the valuation date, but rather on the assumption that the various forces of decrement-future disablement, future mortality, future termination of employment, and future retirement-continue to be operative.

Plan Obligation: (in thousands)	<u>2010</u>
Annual Required City Contribution (ARC)	\$ 11,077
Interest on Plan Obligation	690
Adjustment to ARC	<u>(548)</u>
Annual Plan Retiree Cost	\$ 11,219
Contributions Made	<u>(4,704)</u>
Change in Plan Obligation	6,515
Plan Obligation Beg of Year	<u>15,342</u>
Plan Obligation End of Year	<u>\$ 21,857</u>

At fiscal year end 2010, the City accrued \$21 million in the Governmental Statement of Net Assets, \$737,000 in the Business-Type Statement of Net Assets, \$43,000 in the Jacksonville Economic Development Commission (JEDC), and \$3,000 in the Jacksonville Housing Finance Authority (JHOFA) two discreetly presented component units.

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and the preceding years are as follows: (in thousands)

<b>Fiscal Year Ended</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
9/30/2007	13,280	37.9%	8,243
9/30/2009	11,010	35.5%	15,342
9/30/2010	11,219	41.9%	21,857

As of September 30, 2010, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$139.6 million, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$139.6 million. The covered payroll (annual payroll of active employees covered by the plan) was \$393.8 million and the ratio of the UAAL to the covered payroll was 35.5 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**11. DEFERRED COMPENSATION PROGRAM AND 401A PLAN**

The City offers its employees a deferred compensation program created in accordance with Internal Revenue Code (IRC) Section 457 and Chapter 112.215, Florida Statutes. During the year ended September 30, 1999, the City complied with the requirements of subsection (g) of IRC Section 457 and, accordingly, all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Pursuant to the provisions of GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the financial statements do not display deferred compensation balances in an Agency Fund.

The City also provides a defined contribution plan under the Internal Revenue Code, Section 401(a). The plan provides an employer-paid, pre-tax allowance for employees under certain union contracts, managerial and confidential, and some appointed personnel. It also allows employees to participate on a post-tax basis. This benefit does not replace a pension plan, or serve in lieu of a qualified pension plan. The City contributes from .25% to 1.00% of the base salary of the employee depending on the bargaining unit and specific leave plan. For the year ended September 30, 2010, the City contributed \$138,549 for 401A plan benefits.

**12. RISK FINANCING**

The City is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, and natural disasters. The Risk Management Division (“Division”) administers the public liability (general liability and automobile liability) and workers’ compensation self-insurance program (“Program”) covering the activities of the City general government, JEA, Jacksonville Housing Authority, Jacksonville Port Authority, and the Jacksonville Aviation Authority.

The Program’s self-insurance fund provides coverage for the workers’ compensation and tort liability of the City, its officers, employees, or agents. It is established pursuant to Jacksonville City Ordinance, Chapter 128. The Program is a combination of self-insurance, coupled with a layer of excess coverage to mitigate aberrant and substantial unexpected losses.

While the City self-insures for automobile liability and automobile first party property damage, general liability and workers’ compensation; it transfers its risk through the purchase of insurance for its other exposures.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**12. RISK FINANCING (continued)**

**Major Categories of Policies purchased to transfer risk**

<b><u>Type of Policy</u></b>	<b><u>Principal Named Insured</u></b> <sup>(1)</sup>
Excess Workers' Compensation And General Liability Policy	City, JEA, JPA, JHA, JAA
Property (Real & Personal)	City, JPA
Boiler & Machinery	City, JPA
Crime/Employee Dishonesty Policy	City, JAA, JPA, JHA
Aircraft Hull and Liability Policy	City, JEA, JPA, JHA, JAA
Watercraft Hull and Liability Policy	City, JEA, JPA, JHA
Wharfinger Policy	City
Fine Arts Policy	City
Out of State Automobile Liability	City (JSO only)

<sup>(1)</sup>City – City of Jacksonville, JEA – JEA, JPA - Jacksonville Port Authority, JHA - Jacksonville Housing Authority, JAA - Jacksonville Aviation Authority, JSO – Jacksonville Sheriff Office

The following schedule indicates the types of insurance and reinsurance acquired; the deductible or retention level (per occurrence), and where appropriate the limit of the reinsurance coverage acquired (per occurrence):

<b><u>Retention Level</u></b>	<b><u>Coverage</u></b>	<b><u>Policy Limit</u></b>
\$5,000,000	General Liability	\$1,000,000 <sup>(1)</sup>
\$1,200,000	Employer's Liability	\$3,000,000 <sup>(1)</sup>
\$1,200,000	Workers' Compensation	Statutory
\$100,000	Property (Real & Personal)	\$500,000,000 <sup>(2) (3) (4)</sup>
\$50,000	Boiler & Machinery	\$100,000,000
\$50,000	Employee Dishonesty Bond (Includes computer fraud)	\$3,000,000
\$-	Aircraft Liability	\$20,000,000
\$2,000	Watercraft (P & I)	\$1,000,000
\$1,000	Wharfinger Liability	\$5,000,000
\$1,000	Fine Arts-Scheduled	\$145,625
\$-	Out of State Automobile Liability	\$1,000,000 <sup>(5)</sup>

<sup>(1)</sup>Under the General Liability, and Employer's Liability policies there is an annual \$3,000,000 aggregate limit. In addition to the deductible amounts, the City is responsible for the excess payments above the policy per occurrence and aggregate limits.

<sup>(2)</sup>The property retention and limits are on a per occurrence basis.

<sup>(3)</sup>The policy deductible for named windstorm losses is equal to 5% of total values of the locations involved in the occurrence, subject to a minimum retention of \$500,000 and maximum of \$25M.

<sup>(4)</sup>The property retention and limits are shared between the entities.

<sup>(5)</sup>The policy has a combined single limit of \$1M for property damage and bodily injury.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**12. RISK FINANCING (continued)**

The Division performs the following functions internally: loss prevention, workers’ compensation claims, general liability and automobile liability claims, purchase of insurance for its other exposures, and related management activities.

Annually, as of September 30, the Program has a third party actuary review of the claim history for all open claim years. The actuary projects the ultimate claim payment obligation (including the incurred but not reported claims and claim development) for each year’s claim experience and the probable loss fund cost for the New Year. These projections are provided as a range of estimates (low, middle and high), with a discounted alternative for each of the three estimates. The liability is established at the middle undiscounted range. The following table reflects the discounted and undiscounted estimates:

**Estimated Risk Management Liability <sup>(1)(3)</sup>  
 (In thousands)**

	<u>Discounted <sup>(2)</sup></u>	<u>Undiscounted</u>
Low	\$59,555,548	\$68,839,815
Middle	\$66,172,831	\$76,488,683
High	\$72,790,114	\$84,137,551

<sup>(1)</sup> Actuarial projection excludes property liability.

<sup>(2)</sup> 3% yield on investments assumption

<sup>(3)</sup> Actuarial ULAE projections are \$6,283,034 discounted and \$7,168,079 undiscounted.  
 Actuarial ULAE projections are not included and not based on a range of estimates.

The probable loss fund estimate is used to budget the self-insurance fund for general liability, automobile liability, and workers’ compensation. As an internal service fund, charges are billed to the various funds and component units of the City. If an adjustment is necessary to increase the reported fund liability to reflect the actuary’s estimated ultimate claim payment, then the self-insurance fund will either draw upon its accumulated net assets and/or initiate a year-end billing to the City itself and component units of the City. The City’s practice of cash funding the projected ultimate claims payment is intended to temporarily accumulate net assets, which can be used to meet changes in estimates over time. Projected ultimate claims payment experience is as of the end of each fiscal year, even though some payments may not be made until a later date.

The City maintains separate fiscal year accounting, which allows any excess revenues available to be returned to the City itself, and component units and the accumulation of an operating reserve authorized by the City of Jacksonville Ordinance Code Section 106.106. As of September 30, 2010, the City has available excess revenues in the Self-Insurance fund of \$4,729 (in thousands) and an operating reserve in the amount of \$5,346, (in thousands) for a combined net asset of \$10,075 (in thousands). In the Supplemental Section of the City’s Comprehensive Annual Financial Report, is a trend information schedule for general/auto liability and workers’ compensation, entitled “Schedule of Self-Insurance Ten Year Claims Development Information,” which reflects the claims paid and liability projection development of each of the most recent ten years as of September 30, 2010.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**12. RISK FINANCING (continued)**

The following schedule presents the changes in aggregate claims liabilities for the past two years of the self-insurance fund's general liability, automobile liability, and workers' compensation.

**SELF-INSURANCE FUND  
CHANGES IN AGGREGATE CLAIMS LIABILITIES (including ULAE)  
FOR THE YEARS ENDING SEPTEMBER 30  
(in thousands)**

	<u>General/Auto Liability</u>		<u>Workers Compensation</u>		<u>Totals</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$ 11,195	\$ 11,953	\$ 75,537	\$ 70,972	\$ 86,732	\$ 82,925
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	3,313	3,586	8,504	8,973	11,817	12,559
Increases (decreases) in provision for insured events of prior fiscal years	<u>878</u>	<u>257</u>	<u>5,918</u>	<u>9,077</u>	<u>6,796</u>	<u>9,334</u>
Total incurred claims and claim adjustment Expenses	<u>4,191</u>	<u>3,843</u>	<u>14,422</u>	<u>18,050</u>	<u>18,613</u>	<u>21,893</u>
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	1,215	1,428	3,406	3,147	4,621	4,575
Claims and claim adjustment expenses attributable to insured events of prior fiscal year	<u>3,681</u>	<u>3,173</u>	<u>13,386</u>	<u>10,338</u>	<u>17,067</u>	<u>13,511</u>
Total Payments	<u>4,896</u>	<u>4,601</u>	<u>16,792</u>	<u>13,485</u>	<u>21,688</u>	<u>18,086</u>
Total unpaid claims and claim adjustment expenses at end of fiscal year	<u>\$ 10,490</u>	<u>\$ 11,195</u>	<u>\$ 73,167</u>	<u>\$ 75,537</u>	<u>\$ 83,657</u>	<u>\$ 86,732</u>

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**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES**

**A. Compliance with Finance Related Legal and Contractual Provisions:**

In the opinion of management, the City has no violations of finance related legal and contractual provisions.

**B. Fund Deficits:**

The following individual funds had a fund deficit at September 30, 2010, (in thousands):

	<b><u>Fund Balance/ Net Asset</u></b>
Non-Major Enterprise Fund:	
Baseball Stadium	(161)
Internal Service Funds:	
Copy Center	(182)

The Baseball Stadium net asset deficit is due to transferring \$29.3 million net book value for assets and \$30.6 million of related debt to the enterprise fund from governmental activities city wide. The transfer was made to align all activity for the arena into one fund. The deficit will be eliminated over time as the bond principal payments will be greater under the debt schedule as compared to the reduction in net book value for the assets due to the straight line depreciation recorded over the life of the assets in the fund. The 2010 net asset figure represents an \$18 thousand improvement from the 2009 deficit of (\$179) thousand.

The Copy Center’s rates are being reviewed and will be adjusted to eliminate the fund deficit in FY2010. The 2010 net asset figure represents a \$250 thousand improvement from the 2009 deficit of (\$432) thousand.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES  
C. Landfill Closure and Postclosure Care Costs:**

The State of Florida's Solid Waste Management Act of 1988 and regulations of the U.S. Environmental Protection Agency (EPA) and the State of Florida Department of Environmental Protection (FDEP) require the City to be responsible for constructing and maintaining the final landfill cover, monitoring ground water and methane gas, and continuing leachate management 30 years after its municipally owned landfills stop accepting solid waste and are closed. The estimated total costs of municipal solid waste landfill (MSWLF) closure and post closure (long-term) care costs reported by the City are based upon professional consulting engineers' studies prepared annually pursuant to rules promulgated by EPA and FDEP. However, existing EPA and FDEP closure and long-term regulations may change which might require the City to revise its MSWLF cost estimates used in the future.

MSWLF costs, for open landfills, are recognized in accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs. A liability of the Solid Waste Disposal Enterprise Fund is recorded based upon landfill capacity used at fiscal year-end and a current operating expense of the Fund in the fiscal year in which the MSWLF costs are recovered through earned, operating revenue.

The estimated liability for MSWLF closure and long-term care costs at September 30, 2010, is (in thousands):

	Balance, September 30, 2009	Accrual of Costs	Payment of Costs	Balance, September 30, 2010
Inactive Landfills -				
Long-term care costs	\$ 10,290	\$ (469)	(\$ 621)	\$ 9,200
Active Landfill -				
Closure and Long-term care costs	<u>53,378</u>	<u>3,247</u>	<u>-</u>	<u>56,625</u>
Total Landfill Liability	<u>\$ 63,668</u>	<u>\$ 2,778</u>	<u>(\$621)</u>	<u>\$ 65,825</u>

At September 30, 2010, the City's total liability for landfill closure and long-term care was \$65.8 million. Of this amount \$56.6 million relates to the active landfill, Trail Ridge, and \$9.2 million relates to the inactive landfills, North and East.

Expenses for closure and long-term care costs are funded from future operating revenues of the Solid Waste Disposal fund and bond proceeds. As noted in Note 1. P, the application of SFAS No. 71 resulted in certain cost being capitalized and amortized to later periods. The City obtained bond proceeds to support closure and long-term care cost for North and East landfills and Picketville Waste Site. At September 30, 2010 the deferred balance of the capitalized cost is \$16.9 million, which during the year the City amortized \$2.8 million.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES  
 C. Landfill Closure and Long-term Care Costs: (continued)**

**Active Landfill – Trail Ridge**

The closure and long-term liability for Trail Ridge as of September 30, 2010 is \$56.6 million which represents an increase of \$3.3 million compared to preceding year. This increase resulted from adjustments for inflation and current annual closure and long-term care cost estimates. The percentage of landfill capacity used is estimated to be 73%.

The City expected to close the landfill in approximately two years (2012); however, it is presently extending the life of the landfill by increasing the capacity (Phase III) and the life to 24 more years.

**Inactive Landfills – North and East**

North and East landfills closed October 1999 and April 1992, respectively. The long-term liability for North and East as of September 30, 2010 is \$7.3 million for 8 years and \$1.9 million for 5 years, respectively. When compared to the preceding year, the liability balances decreased \$.7 million and \$.5 million, respectively, due to adjustments for current annual closure cost estimates and cost paid for performing and monitoring closure work.

Annually, the City is required by Chapter 62-701.630 of the Florida Administrative Code, to accumulate resources for payment of closure and long-term care cost. The City is in compliance with these requirements. As of September 30, 2010, \$30,658,529, which includes \$6,251,943 for accelerated payments, have been accumulated for payment of closure and long-term care cost (see summary below). Accelerated payments are payments in excess of the required financial assurance balances which are held in reserves for contingencies and are used to offset future operational cost.

	<u>Trail Ridge</u>	<u>North</u>	<u>East</u>	<u>Total</u>
Current cost of closure	\$ 23,111,115	\$ -	\$ -	\$ 23,111,115
Annual cost of long-term care	-	907,566	387,905	1,295,471
Accelerate funds above State Minimum	6,251,943	-	-	6,251,943
Total Balance in escrow account	\$ 29,363,058	\$907,566	\$387,905	\$ 30,658,529

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**14. LESSOR OPERATING LEASE**

**A. Jacksonville Jaguars, Inc.** - The City has entered into a lease dated September 7, 1993, pursuant to which the City leases EverBank Field, a City owned stadium, and adjacent practice facilities to the Jacksonville Jaguars, Inc. (Jaguars) for a period of 30 years from the first National Football League (NFL) regular season play in 1995; Amendment 5, executed September 6, 2002, extends the lease an additional five years.

The lease entitles the Jaguars to use the stadium on game days, for practices and summer training camp, and for the period necessary before game days. During other periods of time, the City has the right to use the stadium, except for certain administrative spaces, training facilities, suites, and other areas that are for the exclusive use of the Jaguars.

For the first five years, rent is deferred in the amount of \$250,000 per year; in years 6-10 rent is \$500,000 per year; in years 11-20 \$1,000,000; and in the final 15 years \$1.25 million, including the lease extension. Amendment 8, executed January 2006, reduced the total Jaguars rent obligations by \$8,600,000, which was provided through rental reductions in the amount of \$1,433,333 for six payments beginning with the November 2005 payment through the June 2008 payment.

Amendment 8 also reduces supplemental lease obligations, with the City's acceptance of payment from the Jaguars in the amount of \$10,197,891 for the full satisfaction of amounts due for Super Bowl net revenues. Rents from years 11 through the end of the lease are subject to escalation based on one-half of any increase in the Consumer Price Index, but not to exceed 2.5% per year.

In addition, the Jaguars are obligated to pay supplemental rent in an amount equal to the annual debt service incurred by the City for certain costs of renovation of \$53.1 million requested by the Jaguars over a 30 year period with interest computed on a tax-exempt basis; inclusive of Amendment 7 executed May 27, 2004.

The lease generally permits the City to retain revenues from City events at the stadium, with some exceptions. Amendment 8 outlines provisions for advertising revenue generated from electronic signage for different stadium functions. The City is required to provide electricity, water and sewer services for the stadium at its expense. The City must maintain the stadium and all leasehold improvements. Per Amendment 8, the City agreed to provide \$1,000,000 for additional electronic signs. The City is required to pay for game day personnel, excluding concessions, on the days of Jaguar games. Amendment 8 gives the Jaguars the responsibility to provide concessions to all events within the concessions area. The Jaguars retain all net revenues from concessions and similar sales on NFL game days. The lease obligates the Jaguars to maintain its franchise at the stadium in Jacksonville and to not relocate unless it pays the City certain guaranteed amounts. Amendment 9 outlines a revenue sharing agreement for the stadium naming rights and provides the parameters for the marketing of the stadium name.

Also, Amendment 9 details additional advertising rights and allows for certain fixed signage at the stadium. However, the subsequent naming rights agreement with EverBank eliminated the City participation in revenue from the stadium naming rights.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**14. LESSOR OPERATING LEASE (continued)**

**A. Jacksonville Jaguars, Inc. (continued)**

Amendment 10 outlines the accepted procedures for the use of the City established Sports Complex Capital Maintenance Fund. The agreement allows the Jaguars to advance fund certain capital, repair and maintenance projects at the stadium and receive reimbursement from the City. Amendment 10 also establishes the procedures for the creation of the related capital improvement plan.

A summary of scheduled lease payments is as follows:

<u>Year</u>	<u>Payment</u>
2011	4,127,519
2012	4,091,334
2013	4,047,200
2014	4,006,519
2015	3,960,040
2016 - 2020	23,673,541
2021 - 2025	19,902,830
2026 - 2030	29,812,663

The Jaguars Operating Lease is subject to the rental provisions of GASB #13 – Accounting for Operating Leases with Scheduled Rent Increases.

The Base Rental associated with the startup of operations and the initial capital costs for transforming the stadium to an NFL stadium has deferred rents for the first five years and then scheduled rent increases throughout the term of the lease, Amendment #8 in FY2005 providing rental credits of \$2,866,666 in FY2006, FY2007, and FY2008, which reduced the rental payment in each of those years. Paragraph 6 of GASB #13 states that “Sometimes an operating lease with scheduled rent increases contains payment requirements in a particular year or years that are artificially low when viewed in the context of earlier or later payment requirements.” This occurred with the base rental of the Jaguars contract. Paragraph 6 guidance states that the operating lease transactions should be measured utilizing one of two measures, with Paragraph 6a being “The operating lease transactions may be measured on a straight-line basis over the lease term.” The City has recorded a deferred rent receivable of \$12,758,445 due to the application of GASB #13 based on the difference in the actual rent paid and the calculated straight line rent.

In analyzing the lease, there are two conditions that could affect the collection of the deferred rent receivables. The lease has been modified ten times during the fourteen years of the lease, providing for rent reduction as noted in amendment #8. Based on this history of amending the lease, there is uncertainty and a potential for other rental reductions or deferrals which could put the collection of the deferred rent receivables at risk. Additionally, the lease has several paragraphs concerning early termination of the contract and provides the City of Jacksonville reasonable liquidated damages in the circumstance of the Jaguars leaving the City. This termination provision, in effect, makes the rental collection subject to a year by year basis. The City has an offsetting allowance for the entire \$12,758,445 deferred rent receivables. As payments are made, the deferred receivables and allowance are adjusted accordingly.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**14. LESSOR OPERATING LEASE (continued)**

**B. Shands Jacksonville**

Under an agreement with a not-for-profit corporation, Shands Jacksonville, formerly known as University Medical Center, the City leases to Shands certain capital assets, principally land and buildings, over a term to September 30, 2027 with an option to renew for an additional forty years to 2067 at \$1 per year. In addition, Shands is to be a full service hospital in support of the indigent care programs of the City of Jacksonville and Duval County under the agreement. Shands is to maintain, in good condition, and make improvements and betterments to the hospital as necessary over the life of the lease. At termination of the lease, all leased property shall revert to the City.

**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS**

**A. Litigation:**

The City is named as party in legal proceedings which occur in the normal course of government operations. Such litigation includes, but is not limited to, claims asserted against the City arising from alleged torts, alleged breaches of contract, condemnation proceedings and other alleged violations of state or federal laws.

It is not possible at the present time to estimate the ultimate outcome or liability, if any, to the City for these proceedings. However, it is the City's opinion that ultimate liability in these matters, if any, is not expected to have a material adverse effect on the City's financial position.

**B. Grants and Contracts:**

The City participates in various federal and state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal or state audit may become a liability of the City. All City agencies and departments are required to comply with various federal regulations issued by the U.S. Office of Management and Budget if such agency or department is a recipient of a federal grant, contract or their sponsored agreement. Certain agencies and departments may not be in total compliance with these regulations. Failure to comply may result in questions concerning the allocability of related direct and indirect charges pursuant to such agreements. It is believed that the ultimate disallowance pertaining to these regulations, if any, will be immaterial to the overall financial condition of the City.

**C. Self-Insurance:**

Through the City's Risk Management Division, the City maintains an insurance and self-insurance program (See Note 12). The Division administers the public liability (general liability and automobile liability) and workers' compensation self-insurance program covering the activities of the City general government, JEA, Jacksonville Housing Authority, Jacksonville Port Authority, and Jacksonville Aviation Authority under the City's Ordinance Code Chapter 128. The City purchases commercial insurance for workers' compensation claims in excess of \$1.2 million. Under the laws of the State of Florida, the City has sovereign immunity for state tort claims in excess of \$100,000 per person, and \$200,000 per occurrence.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**C. Self-Insurance: (continued)**

The City retains coverage on all other types of insurance including real and tangible property. The self-insured programs of the City, which are included in the Self-Insurance Internal Service Fund, are funded on a dollar-for-dollar basis determined actuarially for the estimated losses for claim development and incurred but not reported claims, and unallocated loss adjustment expenses. Claims are reserved on an ultimate probable cost basis.

**D. Pollution Remediation:**

Governmental Accounting Standards Board Statement No. 49 Accounting and Financial Reporting for Pollution Remediation Obligations (GASB 49) provides accounting and financial reporting for pollution remediation obligations. While GASB 49 does not require the City to search for pollution, it does require the City to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- The City is compelled to take remediation action because pollution creates an imminent endangerment to public health,
- The City is in violation of pollution prevention,
- The City is named, or has evidence that it will be named as responsible party by a regulator,
- The City is named, or has evidence that it will be named in a lawsuit to enforce cleanup, or
- The City commences or legally obligates itself to conduct pollution remediation activities.

The City recorded a pollution remediation liability as of September 30, 2010 of approximately \$150.7 million (See Note 8. C for schedule) using the expected cash flow technique. Under this technique, the City estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. However, this liability could change over time due to changes in cost of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts.

*Whitehouse Waste Oil Pits Superfund Site*

The US Environmental Protection Agency (USEPA) identified the City as a potential responsible party (PRP) at the *Whitehouse Waste Oil Pits Superfund Site* in western Duval County. The City and other (PRPs) participated in the USEPA's Pilot Allocation Project which resulted in the USEPA assuming as much as 65% of the liability at the site, with the City being allocated less than 10% of the liability.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**D. Pollution Remediation: (continued)**

The USEPA estimates \$20 million site costs, with the City paying approximately \$2 million over the life of the project (which includes a 30 year operations and maintenance period). Site work was substantially complete in October 2006 when operations and maintenance work began. The PRPs have more than \$1.9 million on deposit to fund operations and maintenance; however until USEPA officially declares the remedial action complete, the prospect for additional work remains. In January 2008, the City met with adjacent property owners to negotiate the purchase of additional private property to account for the location of the remedial berm. Negotiations are ongoing, with the estimated additional purchase within the limits of the remaining funds contributed by PRPs. The City and other PRPs settled with the USEPA which had sought reimbursement of its cost of a removal action in 1995, regarding the Bill Johns Waste Oil Site. The City's liability is based on contracting with the waste oil service to empty used oil collection points operated under a recycling grant from the State. Florida Department of Environmental Protection (FDEP) has submitted a demand to the PRPs to assess the site further to determine the extent of contamination that may remain after the removal action. The liability to FDEP is being assessed, but the site may be eligible for the state-funded clean up program, relieving the City of any financial exposure. Because of the uncertainty of this event, no accrual has been recorded.

*Ash Sites*

The City has identified four sites that were used for incinerator ash waste. The common practice during the 1950s and 1960s was to incinerate garbage and then mix the residual ash waste with other soil and use it as fill dirt. The City and the USEPA signed an agreement in 1999 to develop a plan to remediate the four sites. In order to make the sites and surrounding areas safe from a variety of residual pollutants, the City has proposed to the EPA a plan to clean up the areas by removing the top two feet of soil, placing a barrier, and then replacing the topsoil with untainted dirt. The project is estimated to take several years to complete once started and a cost estimate of \$100.2 million has been accrued based on the City's estimate used in its five year capital project plan. Approximately \$20 million has been appropriated for FY2011.

*Other Sites*

FDEP had identified four sites of potential liability the City is responsible for. These sites are: *Burke St. Lime Pitts, Doe Boy Dump Site, Gold Merit/Pope Plan, and Southside Incinerator Site.*

These project, which is estimated to take several years to complete once started, has an estimated cost of \$36.8 million, which has been accrued by the City and included in the City's five year capital projects plan. Various other remediation sites exist within the City and \$13.7 million has been accrued for their estimated liability based on their inclusion in the City's five year capital projects plan.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**D. Pollution Remediation:** (continued)

The liability for *Picketville Waste Dump* Site at September 30, 2010, of \$0.6 million is based on the most recent estimate by the Federal Government of the City's allocated share of the clean-up and long term care cost of the site under a Participation Agreement and Consent Decree with the USEPA. The City was identified as a responsible party, sharing 65% of the total clean-up costs

**E. Shipyards Project:**

In previous fiscal years, the City provided an economic development grant to a developer related to a project titled "Shipyards", totaling approximately \$36.5 million, funded by tax exempt bond proceeds (City of Jacksonville, Florida Excise Tax Revenue Bonds, Series 2001B). The developer did not complete the improvements anticipated in the public offering. The City reached agreement with a replacement developer to provide the anticipated public improvements with some modifications, and soon thereafter the replacement developer commenced work. In April 2009, the City deemed the replacement developer in default under the terms of replacement development agreement and in June 2009 the developer filed for bankruptcy protection. The City pursued a foreclosure action and subsequent to the fiscal year end successfully obtained title to the entire property.

In a previous fiscal year the City elected to notify the Internal Revenue Service of this matter and entered into voluntary negotiations intended to preserve the tax exempt status of interest on the bonds. At that time the City estimated an eventual settlement could be as much as \$2.5 million and accrued that amount in the entity-wide financial statements as due to independent agencies and other governments.

A final settlement was reached with the Internal Revenue Service in December, 2010 which preserved the tax exempt status of interest on the bonds while requiring no payment from the City. As of September 30, 2010 the City recognized a reduction to current period expenditures of \$2.5 million as a result of the elimination of the liability previously recorded on the city-wide statements.

**F. Garage Development Agreement:**

The City entered into agreements for a private developer to construct and operate three parking garages. Two of the garages are to support the sports complex and the other is to support a new courthouse site. The current agreement provides an operating subsidy to support both debt service and operating deficits of approximately \$3 million per year associated therewith and has options to buyout the current business arrangement, refinance the related non-city debt and assume operational control thereof.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**G. Other Litigation: (continued)**

The City is involved in a state law claim for negligence involving a police accidental shooting. Maximum potential liability exposure is \$200,000.

The City is involved in state law claims for negligence involving motor vehicle accidents. Maximum potential liability exposure is \$500,000.

The City is involved in a federal court litigation claim alleging violation of the American with Disabilities Act relating to City pension administration. Neither the financial liability nor the method of its calculation is determinable at the time.

The City is involved in a state law battery claim alleging excessive force by arresting officers. Maximum potential liability exposure is \$100,000.

The City and JEA have been named as parties in a federal court litigation claim regarding breach of contract and statutory Prompt Payment claims relative to a road reconstruction project. The parties are considering and preparing for mediation. The plaintiff is seeking damages of \$7 million, but a potential loss cannot be estimated at this time.

The City is involved in a matter where the plaintiff is seeking reimbursement of \$3.2 million for attorney fees from previous litigation. Currently the parties have agreed on a stay of further litigation until the Court of Appeals issues a decision on a related issue. A potential loss estimate cannot be made at this time.

The City is involved in federal civil rights and wrongful death claims. The plaintiffs are seeking a large sum of damages. A potential loss estimate cannot be made at this time.

The City is involved in a case filed in state court by property owners for violation of civil rights, negligence, and inverse condemnation for the City's emergency demolition of property. Maximum potential liability is the value of the plaintiff's property plus attorney fees. A potential loss estimate cannot be made at this time.

The City is involved in state law claims for negligence in connection with accidents involving alleged defective sidewalks. Maximum potential liability exposure is \$300,000

Since September 30, 2010, the City settled several legal matters including: state law claims for negligence and other threatened state law claims. The City does not consider the settlement amounts to be material.

In accordance with FAS 5, no accrual has been made in the accompanying financial statements for these cases because relevant criteria have not been met. Payments, if any, will be funded by general revenue sources and earnings.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**H. Construction Commitments:** At September 30, 2010, the City had major construction contracts for the following projects:

<b>Economic Development Projects</b>	
Commercial Development	\$ 500,000
Edward Waters College	550,000
NW Jacksonville Economic Development	879,298
Pinnacle Project	800,000
Shipyards Project	3,122,399
UF Land Acquisition and Renovation	3,282,330
<b>Fire and Rescue Projects</b>	
Fire Station # 40	1,887,266
<b>Improvement Projects</b>	
Southbank-Friendship Fountain	2,405,368
Bob Hayes/Northwest Community Center	1,641,551
Downtown Traffic Improvement	717,144
<b>Public Works Projects</b>	
Ed Ball Building	813,569
Courthouse Projects	162,458,315
<b>Public Works/Banking Fund Improvement Projects</b>	1,368,860
<b>Public Works Road Projects</b>	32,671,017
<b>Countywide Resurfacing</b>	1,936,635
<b>Drainage Rehab Projects</b>	5,674,476
<b>Septic Tank Remediation</b>	19,707,773
<b>Jacksonville Ash Site</b>	5,779,505
<b>Lime Site</b>	535,143
<b>Radio System Replacement</b>	7,784,224
	\$ 254,514,873

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**I. Encumbrance Commitments:**

At September 30, 2010, the City had encumbrance commitments in the Governmental Funds as follows:

<b>ENCUMBRANCES: (in thousands)</b>	
<b><u>MAJOR FUNDS</u></b>	
General Fund	\$ 11,189
General Projects	54,403
<b>Total Major Funds</b>	<b><u>65,592</u></b>
 <b><u>NON-MAJOR FUNDS</u></b>	
Concurrency Management	3,417
Air Pollution Control and Monitoring	1
Tourism Development	837
Clerk of the Court	37
Transportation Fund	625
Budgeted General Government	5,010
Public Safety	5
Emergency 9-1-1	270
Tax Increment Districts	760
Jacksonville Children's Commission	3,363
American Recovery & Reinvestment Act	2,101
Community Development Block Grant	14,280
Maintenance, Parks and Recreation	102
Other Federal, State and Local Grants	9,151
Housing and Neighborhoods	281
State Housing Initiative Partnership	1,073
Non Budgeted General Government	213
*Better Jacksonville Plan Construction Project	62,220
Bond Projects	17,836
Grant Projects	2,267
River City Renaissance Project	957
<b>Total Non-Major Funds</b>	<b><u>124,806</u></b>
 <b>TOTAL ENCUMBRANCES</b>	 <b><u>\$ 190,398</u></b>

\*The Better Jacksonville Plan Construction Project Fund accounts for funds associated with the \$2.25 billion improvement plan. Council appropriated funds for the plan in its entirety at the inception, while funding sources including dedicated sales tax and debt issues are secured as needed. Multi-year contracts are encumbered and funding sources are obtained as construction occurs.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**16. SUBSEQUENT EVENTS**

**A. JEA**

JEA issued bonds for infusion of new money and to refund existing debt purposes. Long-term debt issuances include: Electric System Revenue Bonds Series Three 2010D for \$184,385,000 (refunding and swap termination fee funding) and Series Three 2010E for \$34,255,000 (new money source), Electric System Subordinated Revenue Bonds 2010 Series C for \$15,925,000 (refunding), Series D \$45,575,000 and Series E \$13,765,000 (new money purposes), Water and Sewer System Bonds 2010 Series F and G for \$49,000,000 (new money purpose), Water and Sewer Systems Bonds 2010 Series E for \$60,990,000 (refunding), Water and Sewer System Subordinated Revenue Bonds 2010 Series B for \$12,770,000 (refunding). JEA also redeemed \$7,925,000 of its Variable Rate Water and Sewer System Subordinated Revenue Bonds with available cash. JEA also had short-term borrowing including a \$34,196,000 draw on a line of credit in connection with the refunding of debt (associated with long-term debt refunding discussed above). This borrowing is intended to be replaced with permanent financing in 2011. An additional refunding draw of \$3,785,000 was made, which is scheduled to mature in 2011.

**B. JPA**

JPA executed an \$18.9 million loan agreement and tax-exempt fixed rate note for purposes of refunding Series 2000 bonds and funding a required note reserve.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**17. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE**

During fiscal year 2010, the City had financial transactions with its discretely presented component units classified as follows for financial reporting purposes:

**A. JEA**

**Contribution** - On October 1, 1968, the City turned its electrical department over to the newly created JEA. Additionally, on June 1, 1997, the JEA assumed the operation and all related assets and liabilities of the water and sewer system from the City. The JEA is required by the City Charter to contribute annually to the General Fund of the City an amount not to exceed 5.513 mills per kilowatt per hour sold and at a rate of 2.149 mills per cubic feet of water sold. For the fiscal year ended September 30, 2010 these contributions total \$99,187,528. Such contributions to the City's General Fund are for the use of the public right-of-way in connection with its electric distribution system and its water sewer distribution and collection system and are based on calculations contained within section 21.07 of the City Charter.

**Additional Agreements** - JEA utilizes various services provided by departments of the City, including insurance, legal and motor pool. JEA is billed on a proportionate cost basis with other user departments and agencies. Related-party transactions with the City for fiscal year 2010 total (in thousands) \$36,060 in revenues for services rendered and \$4,778 in expenses for services received.

**Franchise Fees** - Effective April 1, 2008, the City enacted a 3% franchise fee from designated revenues of the Electric and Water and Sewer Utility systems. The ordinance authorizes JEA to pass through these fees to its electric and water and sewer funds. For the year ended September 30, 2010, JEA recorded \$30,766,000 and \$7,789,000 in its electric and water and sewer funds, which are included in JEA operating revenues and expenses.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**17. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE (continued)**

**B. Jacksonville Transportation Authority (JTA) :**

**Local Option One-Half Cent Sales Tax -** On August 11, 1989, Jacksonville citizens voted for the removal of all tolls from county/city bridges and certain roads and replaced the revenue with a local option one-half cent sales tax that provides a permanent funding source for the construction and maintenance of the City's roads and bridges; the operation and maintenance of the bus system and the refinancing of existing bonds issued for the construction of such bridges and roads. All collections from the one-half cent sales tax are statutorily required to be remitted to the JTA. Accordingly, the City remitted all collections from the one-half cent sales tax to the JTA in the amount of \$62.9 million in fiscal year 2010. Such collection and payment by the City of this local option one-half cent sales tax is recorded in the Transportation Special Revenue fund as revenue and a transportation expenditure in the equal amount. The JTA reports the \$63.6 million transfer from the City as sales tax revenue.

In fiscal year 2000, the City and the JTA entered into an inter-local agreement for the purpose of jointly exercising the separate powers of each to the maximum extent allowable by the law in the development, scheduling, financing, planning, permitting, design, construction, and implementation of a \$750 million Road, Bridge and Drainage Capital Improvement Work Program. The term of the agreement commenced on October 1, 2000 and continues in effect until all of the bonds have been duly paid in full or defeased in accordance with their terms. The City and JTA agreed to pledge the sales tax and the constitutional gas tax for the payment of bonds issued to implement the program. Monies available above debt service would be collected in a Pay-As-You-Go fund to assist with the payment of program expenditures. The City is making available the Local Option Gas Tax for the operation of the JTA's Mass Transit Division.

**C. Jacksonville Port Authority (JPA):**

**Interlocal Agreement -** In connection with a major port and marine facilities capital improvement project (the "Project"), the City and the JPA entered into an Interlocal Agreement upon the issuance of \$43,605,140 Excise Taxes Revenue Bonds, Series 1993 (the "1993 Bonds"). Subsequent to this transaction, the parties entered into an Amended and Restated Interlocal Agreement in conjunction with the issuance of \$57,150,000 Excise Taxes Revenue Bonds, Series 1996B (the "1996B Bonds"). The 1996B Bonds were refunded by the Excise Taxes Revenue Refunding Bonds, Series 2001A (the "2001A Bonds"). The 1993 Bonds were partially refunded by the Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003C (the "2003C Bonds, and together with the 1993 Bonds and 2001A Bonds, the "Bonds").

Under the Amended and Restated Interlocal Agreement, the City agreed to issue the Bonds to finance the Project, and the JPA, in consideration therefore, agreed to reimburse the City for debt service payments on the Bonds from certain revenues allocated to the JPA. Any insufficiency in the extent of such revenues allocated to the JPA under the Amended and Restated Interlocal Agreement or any amendments to the Amended and Restated Interlocal Agreement does not affect in any manner any obligation of the City pursuant to the terms of the Bonds.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**17. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE (continued)**

**C. Jacksonville Port Authority (JPA): (continued)**

The amended and restated Interlocal Agreement is not for the benefit of the holders of the Bonds and the JPA has no obligation under that Amended and Restated Interlocal Agreement to any third party bondholder. The revenues allocated to the JPA are not pledged as security for the Bonds.

The Amended and Restated Interlocal Agreement provides for the allocation of three sources of revenue (collectively referred to as the “Pledged Revenues”) by the City to the JPA. The first source of revenue relates to the allocation of half of the increased revenues in the Telecommunications Tax, which is 85% of the Communication Services Tax (the “Authority Allocation No. 1”). The second source of revenue relates to the amount calculated by multiplying one quarter (.25) mills by the gross kilowatt hours (as defined in Article 21 of the City Charter) sold by JEA during the twelve month period ending May 31 of the prior fiscal year (the “Authority Allocation No. 2”). The third source of revenues relates to the \$800,000 annual contribution remitted by the City to the JPA as described in Section 5(a) of the JPA act. Such Pledged Revenues are to be applied by the City to the payment of debt service on the Bonds for such fiscal year prior to being paid to the JPA. For the fiscal year ended September 30, 2010, the amount of Pledged Revenues in excess of the debt service requirements of the Bonds was \$8.09 million with a total of \$8.16 million being distributed to JPA.

In previous years, the City expended \$43.1 million on the Project from proceeds of the 1993 Bonds for the benefit of the JPA under the Amended and Restated Interlocal Agreement, which completed the 1993 Bond Program. In previous years, the City expended \$64 million on the Project from proceeds of the 1996B Bonds for the benefit of the JPA under the Interlocal Agreement. The City accounted for these expenditures in the Capital Projects Funds. The City does not capitalize these capital outlay expenditures.

**18. NET ASSETS:**

The government –wide and business-type Fund Financial Statements utilizes a net assets presentation. Net assets are categorized as invested in capital assets, net of related debt, restricted, and unrestricted.

**Invested in Capital Assets, Net of Related Debt** - is intended to reflect the portion of net assets which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

**Restricted Net Assets** – are liquid assets which have third-party (statutory, bond covenant or granting agency) limitations on their use. The City would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use there of to a future project or replacement equipment acquisition.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**18. NET ASSETS: (continued)**

**Unrestricted Net Assets** – typically represents unrestricted liquid assets. While City management may have categorized and segmented portions for various purposes, the City Council has authority to revisit or alter these managerial decisions.

While the Unrestricted Net Assets balance is a single number in accordance with GASB Statement 34, the impact of non-asset debt will appear to reduce the year-end discretionary balance available to the government.

However, in the City’s case, given that a portion of these non-asset bonds/loans reported in the Governmental Activities column have a dedicated revenue source (to amortize the debt over time) the year-end available portion of the Net Assets to the city is greater than is apparent. The following schedule illustrates these differences (000s):

Governmental Unrestricted Net Assets (per statement – page 24)	\$ (207,729)
Impact of Better Jacksonville Plan’s (BJP) bond financed capital expenditures incurred by component units and other entities.	251,163
Economic Incentives to be repaid by TIF revenue and/or Developer	<u>37,640</u>
Governmental - Unrestricted Net Assets (adjusted for dedicated revenue funded portions)	<u><u>\$ 81,074</u></u>

Because the BJP program has dedicated sales tax revenue sources which will be used to repay the related debt service and either the CRA’s tax increment financing (TIF) revenue or the Developer repayments are anticipated to address the related debt service principal and all or a portion of the interest, the Government Unrestricted Net Assets (adjusted for dedicate revenue funded portions of non-assets debt) more truly reflect the General Government’s available (although partially tentatively targeted) portion of net assets.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**19. FUND BALANCE DISCLOSURE:**

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

**Spendable Fund Balance**

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. The City’s original budget legislation begins with the Budget Office combining historical data, assessment of needs for the upcoming year and the Mayor’s platform to review, and/or make changes to each department’s budget. In June, a Budgetary Committee will meet again with each department for final review and approval of preliminary a budget. The budget is then formally presented to City Council the first Council Meeting in July for their review, revisions and final approval by September 30th, at which time it becomes law. All subsequent budget requests made during the year, after Council’s approval, must be presented on a Budget Transfers (BT) and again approval by Council. City Council may also amend the budget outside of the BT process.
- Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned through the following: 1) The Director of Finance is authorized by City Council to assign amounts for a specific purpose. (2) The City Council has authorized the Director of Finance, in coordination with the Council Auditor, to recapture excess fund balance that isn’t restricted or committed and transfer the excess to the General Fund – General Service District. Excess fund balance that is not recaptured is classified as assigned by the Director of Finance to be used for the purpose of the subfund.
- Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**19. FUND BALANCE DISCLOSURE: (continued)**

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made, with the exception of the emergency reserve established by the City Council. Under normal circumstances, the City would first elect to utilize the Operating Reserve (Unassigned fund balance in the General Fund) before considering use of its Emergency Reserve.

The City Council established an emergency reserve policy and fund beginning with the fiscal year 2006 budget and amended with Ordinance 2010-852-E, which added “The Emergency Reserve can be used to address unanticipated non-reimbursed expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or other disasters, whether man made or caused by nature.” The emergency reserve is contained as a separate subfund within the General Fund and is included in each annual budget. The emergency reserve shall not be used except as initiated by the Mayor through written communication to the City Council, explaining the emergency, and requires approval by two-thirds vote of all City Council members. The emergency reserve will be classified as committed fund balance.

The City does not have a formal minimum fund balance policy. However, the City’s Ordinance code addresses various targeted reserve positions and the Administration calculates targets and actuals to report the results annually to City Council.

A schedule of City fund balances is provided in the following pages.

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CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2010

19. FUND BALANCE DISCLOSURE

A. FUND BALANCE CLASSIFICATION

	MAJOR FUNDS			
	GENERAL FUND	SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS	SPECIAL BONDED DEBT- OBLIGATIONS	GENERAL PROJECTS
<b>FUND BALANCES:</b>				
<b>Non Spendable:</b>				
Inventories	\$ 6,604	\$ -	\$ -	\$ -
Other	-	-	-	-
<b>Spendable:</b>				
<b>Restricted for:</b>				
Debt Service Reserved by Debt Covenants	-	99,569	16,505	-
Waterway Projects	-	-	-	-
Water-Sewer Combination	-	-	-	5,759
Shipyards Project	-	-	-	-
Park Projects	-	-	-	4,217
Physical Environment	-	-	-	20,298
Conservation and Resource Management	-	-	-	-
Transportation Projects	-	-	-	6,660
Emergency and Disaster Relief	-	-	-	-
Other Grants	-	-	-	-
Human Services	-	-	-	-
Regional Stormwater Facilities	-	-	-	-
Drainage System Projects	-	-	-	5,778
Housing and Urban Development	-	-	-	-
Building	-	-	-	-
Public Safety	-	-	-	11,778
Other Infrastructure and Development	-	-	-	-
Other Facilities Improvement	-	-	-	-
Other	-	-	-	6,324
<b>Committed to:</b>				
City Council Emergency Use	44,920	-	-	-
Drainage Projects	-	-	-	5,035
Water-Sewer Combination	-	-	-	5,018
Park Projects	2,004	-	-	3,675
Planning Projects	3,311	-	-	-
Physical Environment	-	-	-	17,689
Conservation and Resource Management	-	-	-	-
Transportation Projects	578	-	-	5,804
Emergency and Disaster Relief	-	-	-	-
Court Projects	-	-	-	-
Public Safety	6,673	-	-	10,264
Industry Development	-	-	-	-
Other	1,435	-	-	5,512
<b>Assigned to:</b>				
Debt Service	-	-	2,977	-
Transportation Projects	114	-	-	-
Parks Projects	396	-	-	-
Planning Projects	654	-	-	-
Public Safety	1,318	-	-	-
Other	284	-	-	-
<b>Unassigned:</b>				
Unassigned	41,774	-	-	-
Total Fund Balances	<u>\$ 110,065</u>	<u>\$ 99,569</u>	<u>\$ 19,482</u>	<u>\$ 113,811</u>

NONMAJOR  
SPECIAL REVENUE FUNDS

CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	TOURISM DEVELOPMENT	CLERK OF THE COURT	TRANSPORTATION FUND	BUDGETED GENERAL GOVERNMENT	PUBLIC SAFETY	EMERGENCY 9-1-1
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	3	-	-
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-	-	-	-	-	-	-	-
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-	1,120	-	-	-	-	-	-
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CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2010

19. FUND BALANCE DISCLOSURE (continued)

A. FUND BALANCE CLASSIFICATION (continued)

	TAX INCREMENT DISTRICTS	JACKSONVILLE CHILDREN'S COMMISSION	AMERICAN RECOVERY & REINVESTMENT ACT	COMMUNITY DEVELOPMENT BLOCK GRANT	JOB TRAINING PARTNERSHIP ACT GRANT
<b>FUND BALANCES:</b>					
<b>Non Spendable:</b>					
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
<b>Spendable:</b>					
<b>Restricted for:</b>					
Debt Service Reserved by Debt Covenants	-	-	-	-	-
Waterway Projects	-	-	-	-	-
Water-Sewer Combination	-	-	-	-	-
Shipyards Project	-	-	-	-	-
Park Projects	-	-	-	-	-
Physical Environment	-	-	-	-	-
Conservation and Resource Management	-	-	-	-	-
Transportation Projects	-	-	-	-	-
Emergency and Disaster Relief	-	-	-	-	-
Other Grants	-	-	-	-	-
Human Services	-	6,574	-	-	676
Regional Stormwater Facilities	-	-	-	-	-
Drainage System Projects	-	-	-	-	-
Housing and Urban Development	-	-	-	12,112	-
Building	-	-	-	-	-
Public Safety	-	-	4	-	-
Other Infrastructure and Development	-	-	-	-	-
Other Facilities Improvement	-	-	-	-	-
Other	-	-	-	-	-
<b>Committed to:</b>					
City Council Emergency Use	-	-	-	-	-
Drainage Projects	-	-	-	-	-
Water-Sewer Combination	-	-	-	-	-
Park Projects	-	-	-	-	-
Planning Projects	-	-	-	-	-
Physical Environment	-	-	-	-	-
Conservation and Resource Management	-	-	-	-	-
Transportation Projects	-	-	-	-	-
Emergency and Disaster Relief	-	-	-	-	-
Court Projects	-	-	-	-	-
Public Safety	-	-	-	-	-
Industry Development	965	-	-	-	-
Other	-	-	-	-	-
<b>Assigned to:</b>					
Debt Service	-	-	-	-	-
Transportation Projects	-	-	-	-	-
Parks Projects	-	-	-	-	-
Planning Projects	-	-	-	-	-
Public Safety	-	-	-	-	-
Other	-	-	-	-	-
<b>Unassigned:</b>					
Unassigned	-	-	-	-	-
Total Fund Balances	<u>\$ 965</u>	<u>\$ 6,574</u>	<u>\$ 4</u>	<u>\$ 12,112</u>	<u>\$ 676</u>

NONMAJOR  
SPECIAL REVENUE FUNDS

<u>MAINTENANCE PARKS AND RECREATION</u>	<u>METROPOLITAN PLANNING ORGANIZATION</u>	<u>OTHER FEDERAL, STATE AND LOCAL GRANTS</u>	<u>BETTER JACKSONVILLE PLAN TRUST</u>	<u>HOUSING AND NEIGHBORHOODS</u>	<u>STATE HOUSING INITIATIVE PARTNERSHIP</u>	<u>NON-BUDGETED GENERAL GOVERNMENT</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	125	7,074	-	-	-	-
-	-	-	-	-	-	-
-	-	5,906	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	27,974	16,535	-
-	-	-	-	-	-	-
-	-	2,707	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	994
2,772	-	-	-	-	-	5,613
-	-	-	-	-	-	-
-	-	-	25,491	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	5,053
-	-	-	-	-	-	-
-	-	-	-	-	-	3,196
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,773</u>	<u>\$ 125</u>	<u>\$ 15,687</u>	<u>\$ 25,491</u>	<u>\$ 27,974</u>	<u>\$ 16,535</u>	<u>\$ 14,856</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2010

19. FUND BALANCE DISCLOSURE (continued)

A. FUND BALANCE CLASSIFICATION (continued)

	NONMAJOR DEBT SERVICE FUNDS			NONMAJOR CAPITAL PROJECTS FUNDS		
	GENERAL BONDED DEBT OBLIGATIONS	OTHER NON-BONDED DEBT OBLIGATIONS	BETTER JACKSONVILLE PLAN CONSTRUCTION	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT
<b>FUND BALANCES:</b>						
<b>Non Spendable:</b>						
Inventories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-	-
<b>Spendable:</b>						
<b>Restricted for:</b>						
Debt Service Reserved by Debt Covenants	-	-	-	-	-	-
Waterway Projects	-	-	-	-	-	-
Water-Sewer Combination	-	-	-	-	-	-
Shipyards Project	-	-	-	3,122	-	-
Park Projects	-	-	-	17,108	8,264	294
Physical Environment	-	-	-	-	-	-
Conservation and Resource Management	-	-	-	-	-	-
Transportation Projects	-	-	-	5,113	-	992
Emergency and Disaster Relief	-	-	-	-	-	-
Other Grants	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Regional Stormwater Facilities	-	-	-	8,828	-	-
Drainage System Projects	-	-	-	8,299	-	-
Housing and Urban Development	-	-	-	-	-	-
Building	-	-	-	4,704	-	-
Public Safety	-	-	-	-	-	-
Other Infrastructure and Development	-	-	-	11,969	-	-
Other Facilities Improvement	-	-	-	-	-	-
Other	-	-	11	-	1,490	1,257
<b>Committed to:</b>						
City Council Emergency Use	-	-	-	-	-	-
Drainage Projects	-	-	-	-	-	-
Water-Sewer Combination	-	-	-	-	-	-
Park Projects	-	-	-	-	-	-
Planning Projects	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Conservation and Resource Management	-	-	-	-	-	-
Transportation Projects	-	-	-	-	-	-
Emergency and Disaster Relief	-	-	-	-	-	-
Court Projects	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Industry Development	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Assigned to:</b>						
Debt Service	-	238	-	-	-	-
Transportation Projects	-	-	-	-	-	-
Parks Projects	-	-	-	-	-	-
Planning Projects	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Unassigned:</b>						
Unassigned	-	-	-	-	-	-
Total Fund Balances	\$ -	\$ 238	\$ 11	\$ 59,143	\$ 9,754	\$ 2,543

**NONMAJOR  
PERMANENT FUND**

**ALL FUNDS**

**CEMETERY  
MAINTENANCE  
FUNDS**

**TOTAL**

	<b>2010</b>	<b>2009</b>
\$ -	\$ 6,604	\$ 6,259
123	127	123
-	116,074	102,731
-	-	1,266
-	5,759	-
-	3,122	3,122
-	29,883	7,180
-	20,298	-
-	1,120	1,282
-	19,964	13,860
-	-	4,583
-	-	8,019
-	13,156	10,524
-	8,828	9,022
-	14,077	2,213
-	56,621	51,173
-	4,704	1,832
-	14,489	461
-	11,969	1,826
-	-	954
-	9,082	1,368
-	44,920	44,112
-	6,029	2,841
-	5,018	9,522
-	14,064	11,106
-	5,023	9,971
-	17,689	8,924
-	19,882	20,913
-	114,342	132,045
-	6,879	6,349
-	1,233	10,448
-	23,611	16,989
-	2,795	4,269
110	12,400	10,014
-	3,215	5,057
-	114	142
-	396	273
-	654	1,124
-	1,318	1,442
-	284	3,840
-	41,774	3,698
<u>\$ 233</u>	<u>\$ 657,517</u>	<u>\$ 530,877</u>

(continued)



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**REQUIRED SUPPLEMENTAL INFORMATION**

**CITY OF JACKSONVILLE, FLORIDA**  
**GENERAL FUND AND MAJOR SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	GENERAL FUND					VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	
<b>REVENUE:</b>						
Property taxes.....	\$ 470,085	\$ 470,085	\$ 476,532	\$ -	\$ 476,532	\$ 6,447
Utility service taxes.....	129,457	129,457	126,878	-	126,878	(2,579)
Sales and use taxes.....	1,131	1,131	1,058	-	1,058	(73)
Franchise Fees.....	39,444	39,444	39,842	-	39,842	398
Licenses and permits.....	8,068	8,068	8,052	-	8,052	(16)
Intergovernmental.....	129,656	129,656	119,296	-	119,296	(10,360)
Charges for services.....	73,483	73,483	71,531	-	71,531	(1,952)
Fines and forfeitures.....	4,151	4,151	2,997	-	2,997	(1,154)
JEA Charter.....	99,188	99,188	99,188	-	99,188	-
Interest.....	12,972	12,972	13,952	-	13,952	980
Other.....	15,222	15,228	17,152	-	17,152	1,924
<b>Total Revenue.....</b>	<b>982,857</b>	<b>982,863</b>	<b>976,478</b>	<b>-</b>	<b>976,478</b>	<b>(6,385)</b>
<b>EXPENDITURES AND ENCUMBRANCES:</b>						
Central Operations.....	22,307	22,160	19,827	816	20,643	1,517
City Council.....	9,385	9,685	8,683	249	8,932	753
Clerk of the Courts.....	3,590	3,640	3,919	-	3,919	(279)
Courts.....	1,573	1,579	1,290	4	1,294	285
Environmental and Compliance.....	19,349	20,672	19,121	417	19,538	1,134
Finance.....	8,721	8,718	8,369	31	8,400	318
Fire/Rescue.....	166,839	166,893	163,997	1,203	165,200	1,693
General Counsel.....	327	722	720	-	720	2
Health Administrator.....	733	733	281	-	281	452
Housing and Neighborhoods.....	689	689	689	-	689	-
Jacksonville Children's Commission.....	7,144	7,144	5,974	307	6,281	863
Jacksonville Human Rights Commission.....	1,311	1,311	1,231	12	1,243	68
Mayor.....	2,079	2,090	2,085	-	2,085	5
Mayor's Boards and Commissions.....	426	461	455	1	456	5
Medical Examiner.....	3,178	3,162	2,850	32	2,882	280
Property Appraiser.....	9,457	9,707	9,274	12	9,286	421
Public Defender.....	944	945	944	-	944	1
Planning and Development.....	8,617	8,742	7,902	527	8,429	313
Pension Funds.....	-	-	-	-	-	-
Public Libraries.....	42,316	42,316	41,336	274	41,610	706
Public Works.....	83,243	83,208	79,019	1,458	80,477	2,731
Recreation and Community Services	54,090	51,479	48,474	1,771	50,245	1,234
State Attorney.....	441	441	359	1	360	81
Supervisor of Elections.....	9,088	9,069	5,995	217	6,212	2,857
Office of the Sheriff.....	360,384	359,674	349,409	3,592	353,001	6,673
Tax Collector.....	17,996	17,996	14,761	220	14,981	3,015
Federal Program Reserve.....	2,081	1,039	-	-	-	1,039
Contribution to Shands-Jacksonville.....	23,776	23,776	23,776	-	23,776	-
Cash Carryover Reserves.....	41,602	41,602	-	-	-	41,602
Collective Bargaining Contingency.....	(20,655)	(20,655)	-	-	-	(20,655)
Jacksonville Misc. Citywide Activities.....	48,433	50,832	49,312	45	49,357	1,475
<b>Total Expenditures.....</b>	<b>929,464</b>	<b>929,830</b>	<b>870,052</b>	<b>11,189</b>	<b>881,241</b>	<b>48,589</b>
<b>EXCESS OF REVENUE OVER (UNDER)</b>						
<b>EXPENDITURES.....</b>	<b>53,393</b>	<b>53,033</b>	<b>106,426</b>	<b>(11,189)</b>	<b>95,237</b>	<b>42,204</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Long Term Debt Issued.....	3,829	6,944	3,556	-	3,556	(3,388)
Operating transfers in.....	7,750	16,747	16,747	-	16,747	-
Operating transfers out.....	(129,397)	(134,393)	(126,335)	-	(126,335)	8,058
<b>Total Other Financing Sources (Uses).....</b>	<b>(117,818)</b>	<b>(110,702)</b>	<b>(106,032)</b>	<b>-</b>	<b>(106,032)</b>	<b>4,670</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>						
<b>OVER (UNDER) EXPENDITURES</b>	<b>(64,425)</b>	<b>(57,669)</b>	<b>394</b>	<b>(11,189)</b>	<b>(10,795)</b>	<b>46,874</b>
FUND BALANCES - BEGINNING.....	110,181	110,181	110,181	-	110,181	-
Change in reserve for inventory of supplies			(510)		(510)	(510)
<b>FUND BALANCES - ENDING.....</b>	<b>45,756</b>	<b>52,512</b>	<b>110,065</b>	<b>(11,189)</b>	<b>98,876</b>	<b>46,364</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. BUDGETARY DATA**

The City uses the following procedures in establishing the budgetary data reflected in the financial statements.

**A.** The City adopts its budget in accordance with Chapters 129 and 200, Florida Statutes, the City Charter and Municipal Ordinance Code.

(1) The Mayor's Proposed Budget is presented to the City Council on the second Tuesday in July; the budget ordinance, millage levy ordinance and related resolutions are introduced.

(2) During the first Council meeting in September, public hearings are held on both the budget and the millage rate. Following the public hearings, the Council adopts a tentative budget and tentative millage rate. A final budget and millage is adopted by full Council, and is effective on October 1.

The City presents a Budgetary Comparison Schedule as Required Supplementary Information for the General Fund and each major special revenue fund with a legally adopted budget. For the Fiscal Year 2010, no special revenue funds met the criteria to be reported as a major fund. The City has opted to make this presentation in the format and classifications of the budget document. These schedules report actual expenditures using generally accepted accounting principles as well as expenditures on the budgetary basis, which include amounts encumbered for future spending.

**B.** The City adopts annual budgets for the General Fund, certain Special Revenue Funds, and Proprietary Funds. The City reports Budgetary Comparisons for its General Fund and Major Special Revenue Funds in the Required Supplementary Information section of the report. None of these funds had an excess of expenditures over appropriations for the year ended September 30, 2010. Proprietary Fund budgets are adopted for management control purposes. The City is not required to include Budgetary Comparisons for Proprietary Funds in this report. Project or program budgets, which may not coincide with the City's fiscal year, or which may exceed a single annual period, are adopted by separate ordinance for most Special Revenue Funds and Capital Project Funds. Budgets are not formally adopted for Debt Service Funds as internal spending controls are set by compliance with bond covenants. The Special Revenue Funds which are not annually budgeted include the following: Community Development Block Grant, Job Training Partnership Act Grant, Maintenance, Parks and Recreation, Metropolitan Planning Organization, Other Federal, State and Local Grants, Better Jacksonville Trust Fund, Housing and Neighborhoods, State Housing Initiative Partnership, Non-Budgeted General Government, Clerk of Court, and American Recovery & Reinvestment Act.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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**1. BUDGETARY DATA** (continued)

**C.** Level of Budgetary Control - Expenditures may not exceed appropriations and are controlled in the following manner:

(1) The budget is adopted by ordinance which sets the legal level of control at the fund level by department.

(2) The City adopted more stringent administrative policies that control expenditures at the major category (Personal Services, Operating Expense, Capital Outlay, Debt Service) level within divisions within individual funds.

(3) The City, additionally, adopted a Municipal Ordinance Code Policy that provides transfer authority to the mayor, without City Council approval, within an individual fund if the total transferred funds for a specific purpose, project or issue is under \$750,000 during the fiscal year. These transfers are reported to the Finance Committee on a quarterly basis.

**D.** Supplemental Appropriations - The City Council may, through passage of an ordinance, amend the budget in any manner permissible under state and local law, with one exception. Bond covenants, trust and agency agreements, and certain clauses of ordinances in effect may restrict certain budgetary items in terms of amount or use.

In certain instances the City may supplement the appropriations in a fund due to unexpected high levels of receipts or under estimates of carry forward balances. Supplemental appropriations to the Fiscal Year 2010 Annual Budget Ordinance were made throughout the year, the effects of which were not material.

**E.** All appropriations in annually budgeted funds, except for amounts corresponding to outstanding encumbrances, lapse at year-end or at the close of the authorizing project/program, unless specifically carried forward by ordinance.

**F.** Formal budgetary integration is used as a management control device for all funds of the City, except certain Debt Service Funds as explained in Note to RSI 1.C.

**G.** The Clerk of the Circuit Court's general fund budget for county activities is approved annually by the City Council. As displayed in the preceding RSI schedule, the Clerk exceeded the approved budget by \$279,000 and was not in compliance with the City's adopted budget ordinance.

**H.** The Clerk of the Circuit Court special revenue fund budget is not approved by the City. The Court subfund is submitted and approved by the State and is based on the State's July 1st to June 30th fiscal year. The Court's Public Records Modernization Trust subfund and Child Support Enforcement Trust subfund are not budgeted. This special revenue fund does not meet the annually budgeted criteria.

**I.** The City's Annual Financial Plan, or published budget document, may be obtained from the City's Budget Office located at 117 West Duval Street, Suite 325, Jacksonville, Florida 32202.

**City of Jacksonville, Florida**  
**Required Supplemental Information**  
**Schedule of Employer Contributions**  
**City of Jacksonville Retirement System**  
**September 30, 2010**  
 (in thousands)

<u>Plan Year Ending September 30</u>	<u>Annual Required Contributions</u>	<u>City Cash Contributions</u>	<u>Alloted from Past Excess Contributions</u>	<u>Total Employer Contributions</u>	<u>Percentage Contributed</u>
<b>Combined Plans</b>					
2001	\$ 12,235	\$ 125	\$ 12,110	\$ 12,235	100%
2002	12,724	-	12,724	12,724	100%
2003	19,003	8	18,995	19,003	100%
2004	25,775	23,773	2,002	25,775	100%
<b>General Employees Pension Plan</b>					
2005	\$ 27,724	\$ 14,607	13,117	\$ 27,724	100%
2006	28,670	7,934	20,736	28,670	100%
2007	29,297	29,581	-	29,581	101%
2008	29,371	29,488	-	29,488	100%
2009	29,491	29,530	-	29,530	100%
2010	38,612	40,551	-	40,551	105%
<b>Corrections Officers Plan</b>					
2005	\$ 3,233	\$ 1,787	1,446	\$ 3,233	100%
2006	1,917	1,917	-	1,917	100%
2007	1,830	2,482	-	2,482	136%
2008	4,329	4,350	-	4,350	100%
2009	5,268	5,101	146	5,247	100%
2010	9,097	9,491	-	9,491	104%

Certain adjustments are made to the annual required contribution if the plan carries a net pension obligation (NPO). The net pension obligation (asset if a credit) is defined in GASB No. 27 as the cumulative difference at the date of adoption (or transition) between annual requirements and actual contributions plus the cumulative difference between the requirements and contributions after that date. For 2010, additional interest credits attributable to the timing of contribution payments resulted in a net pension credit (negative NPO) of \$2,343 thousand for the plan as a whole represented by a net pension credit (negative NPO) of \$2,095 thousand for General Employees and \$248 thousand for Corrections.

Note that the net pension asset is not the same as "past excess contributions," which stands for the difference, including interest, between the City's contributions for a plan year and that year's funding requirement determined as though the fund's assets did not include any contributions made in a prior year in excess of that year's requirement.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE AND FIRE RETIREMENT SYSTEM  
SEPTEMBER 30, 2010**

---

(in thousands)

<b>Plan Year Ending Sept., 30</b>	<b>Annual Required Contributions</b>	<b>City Cash Contributions</b>	<b>Allocated from CBSA</b>	<b>Court Fines</b>	<b>Premium Tax Refunds</b>	<b>Total Employer Contributions</b>	<b>Total Member Contributions</b>	<b>Percentage Contributed</b>
2005	50,727	25,851	8,753	1,325	5,216	41,145	9,582	100%
2006	53,263	34,712	2,106	1,412	5,388	43,618	9,646	100%
2007	55,927	42,866	(4,358)	1,342	5,720	45,570	10,357	100%
2008	65,389	47,145	443	1,219	5,931	54,738	10,651	100%
2009	67,993	49,246	329	989	6,222	56,787	11,207	100%
2010	99,018	81,171	(1,021)	1,026	6,322	87,497	11,521	100%

**NOTES:**

In all years shown, 100% of the ARC has been contributed thus producing a Net Pension Obligation of \$0 for all years.

City Cash Contributions shown above do not include employer buyback contributions.

Total Member Contributions shown above include DROP contributions, but do not include employee buyback contributions.

See accompanying notes.

City of Jacksonville, Florida  
Required Supplemental Information  
Schedule of Funding Progress  
City of Jacksonville Retirement System  
September 30, 2010  
(in thousands)

Valuation Date	Actuarial Value of Assets (2) (a)	Actuarial Accrued Liability (AAL) (1) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
<b>Combined Plans</b>						
9/30/2001	\$ 1,459,649	\$ 1,511,829	\$ 52,180	96.55%	\$ 234,684	22.2%
9/30/2002	1,425,708	1,528,742	103,034	93.26%	243,446	42.3%
9/30/2003	1,426,783	1,611,958	185,175	88.51%	237,373	78.0%
9/30/2004	1,496,315	1,810,451	314,136	82.65%	236,540	132.8%
<b>General Employees Pension Plan</b>						
9/30/2005	\$ 1,509,710	\$ 1,734,997	\$ 225,287	87.02%	226,819	99.3%
9/30/2006	1,593,296	1,812,972	219,676	87.88%	237,108	92.6%
9/30/2007	1,712,461	1,904,929	192,468	89.90%	248,887	77.3%
9/30/2008	1,673,435	2,004,279	330,844	83.49%	262,345	126.1%
9/30/2009	1,591,345	2,065,464	474,119	77.05%	276,257	171.6%
9/30/2010	1,640,892	2,163,080	522,188	75.86%	322,531	161.9%
<b>Corrections Officers Plan</b>						
9/30/2005	\$ 60,106	\$ 75,151	\$ 15,044	79.98%	26,256	57.3%
9/30/2006	68,791	104,126	35,335	66.07%	27,702	127.6%
9/30/2007	78,458	116,945	38,487	67.09%	27,083	142.1%
9/30/2008	83,056	137,830	54,774	60.26%	26,334	208.0%
9/30/2009	86,358	181,031	94,673	47.70%	27,661	342.3%
9/30/2010	97,464	204,384	106,920	47.69%	32,329	330.7%

(1) Actuarial Assumptions provided in the notes to financial statements

(2) Net of the unassigned past-excess contributions separate account

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
POLICE AND FIRE RETIREMENT SYSTEM  
SEPTEMBER 30, 2010**

(in thousands)

<b>Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (1) (b)</b>	<b>Unfunded AAL (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
09/30/05	765,180	1,314,424	549,244	58.21%	130,392	421.23%
09/30/06	827,338	1,376,659	549,321	60.10%	134,694	407.83%
09/30/07	930,454	1,464,508	534,054	63.53%	143,006	373.45%
09/30/08	894,903	1,692,975	798,071	52.86%	148,277	538.23%
09/30/09	855,997	1,753,946	897,949	48.80%	155,558	577.24%
09/30/10	861,243	(2) 1,840,753	979,510	46.79%	158,047	619.76%

(1) Actuarial Assumptions provided in the notes to the financial statements.

( 2) This account was redefined by the Restated Agreement effective April 1, 2000. As of September 30, 2010, the value of the City Budget Stabilization Account was \$339,295 and the Enhanced Benefit Account was \$15,306,054. These amounts are not included in the Actuarial Value of Assets.

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
CITY OF JACKSONVILLE POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)  
SEPTEMBER 30, 2010**

---

(in thousands)

<u>Valuation Date</u>	<u>Actuarial Accrued Liability (AIL)</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded AAL (UAAL)</u>	<u>Percentage Funded</u>	<u>Annual Covered Payroll</u>	<u>UAAL as Percentage of Payroll</u>
9/30/2007	\$ 175,117	\$0	\$ 175,117	0.0%	\$ 370,069	47.3%
9/30/2009	\$ 136,879	\$0	\$ 136,879	0.0%	\$ 386,761	35.4%
9/30/2010	\$ 139,600	\$0	\$ 139,600	0.0%	\$ 393,800	35.5%

Actuarial Assumptions provided in the notes to financial statements. The City is not funding the AAL.

The decrease in Actuarial Accrued Liability (AAL) from fiscal years 2007 to 2009 and 2010 were due to the following:

- (a) A 4.5% discount rate was used in fiscal year 2009 and 2010 as compared to a 4.0% discount rate in fiscal year 2007.
- (b) Used marginally lower participation assumptions based on actual data provided by the City.
- (c) The other key assumption that changed was the treatment of retirees who are not eligible for Medicare.

Based on the information provided by the City's health insurance carrier (Aetna), fiscal years 2009 and 2010 assumed that 10% of the current retirees would not be eligible for Medicare.



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## NON-MAJOR GOVERNMENTAL FUNDS:

### SPECIAL REVENUE FUNDS

**Special Revenue Funds** account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditure for specific purposes as described below.

**The Concurrency Management Fund** provides funding for maintenance and update of the Concurrency Management System which is the basis for ensuring compliance with the 2010 Comprehensive Plan.

**The Air Pollution Control and Monitoring Fund** receives revenue from licenses and fees, and contributions from the federal government to monitor and control environmental problems related to the air quality in Jacksonville.

**Tourism Development Fund** collects revenues from tourist and convention development taxes to fund tourism programs sponsored by the Tourist Development Council through the City.

**The Clerk of the Circuit Court Fund** receives revenue collected on behalf of the state and City by the courts system for various judgments, fines, bonds, fees and licenses, and other miscellaneous amounts. The Fund includes Public Records Modernization activity which receives revenues from a service charge authorized by Florida Statute 28.24(15)(d) to be held in trust and used exclusively for equipment, personnel training, and technical assistance in modernizing the official public records system of the Clerk's office.

**The Transportation Fund** accounts for revenue from the City's six cent local option gas tax, the state-shared 5th and 6th cent gas tax, and the one-half cent local option sales tax used to fund major road and related capital infrastructure construction and maintenance and the City's mass transit and automated skyway express system operations.

**The Budgeted General Government Fund** accounts for numerous smaller accounts whose revenues are dedicated to a variety of specific purposes.

**The Public Safety Fund** funds specific public safety programs through user fees and intergovernmental revenue for emergency management planning and disaster medical services provided by the Office of the Sheriff and the City Department of Fire and Rescue.

**The Emergency 9-1-1 Fund** receives revenues from a fee added to the telephone bill of telephone customers that may be used for system operations and improvements.

**The Tax Increment Districts Fund** receives a distribution of ad valorem tax revenue levied and collected in the City's four tax increment districts used to promote future commercial business development that expands property tax base values in the City's core downtown areas and the northwest region.

**The Jacksonville Children's Commission Fund** receives City funds, and various grants, to serve as the community coalition for children. The autonomous board has the ongoing responsibility of improving the lives of Jacksonville's children by serving as the central focus for the evaluation, planning and distribution of funds for children's services that are consistent with City programs and goals.

**The American Recovery & Reinvestment Act Fund** accounts for resources received from the American Recovery Act (ARRA) of 2009. The funding supports the City's efforts to address crime and public safety, energy efficiency and environmental quality, infrastructure and transportation improvements, and job creation and workforce development.

**The Community Development Block Grant Fund** receives monies from the federal government in the form of community development block grants made available to specific targeted areas of Jacksonville to assist in rehabilitation and revitalization in support of the area's future economic growth and stability.

**The Job Training Partnership Act Grant Fund** accounts for direct federal assistance to the Private Industry Council of Jacksonville in providing employment and training services to the economically disadvantaged and displaced citizens of Jacksonville through cooperative efforts with local private sector businesses.

**The Maintenance, Parks and Recreation Fund** receives revenues from user fees and charges from parks and recreation facilities that are dedicated to parks maintenance and improvements, and acquisition of new recreational facilities.

**The Metropolitan Planning Organization Fund** receives funds from the Federal Highway Department and the Federal Urban Mass Transportation Administration, and the Florida Department of Transportation for planning the future of Jacksonville's metropolitan area, principally in the area of transportation.

**The Other Federal, State and Local Grants Fund** records all other miscellaneous grants administered by the City from federal, state and local sources not specifically accounted for by other funds covering diverse programs such as: day care, adult homemaker, beach erosion, base conversion and redevelopment, economic capital development, aids treatment care, senior services and nutrition, crime prevention and drug abuse, teenage pregnancy and childhood development, foster grandparents, and waste tire disposal.

**The Better Jacksonville Plan Trust Fund** receives revenue from the half-cent infrastructure sales tax. All monies placed into this trust are appropriated for Debt Service requirements and contributions to the Better Jacksonville Capital Projects Fund.

**Housing and Neighborhoods** was designated as the housing agency for Affordable Housing, State Housing Initiative Partnership funds, and all other matters related to housing, with the exception of those matters which fall within the responsibility of the Jacksonville Housing Authority.

**The State Housing Initiative Partnership Fund** accounts for revenue collected by the Clerk of the Circuit Court on certain property transactions in Duval county passed from the State earmarked for housing assistance and financial incentive programs to increase the availability of affordable housing in Jacksonville including down payment assistance, home owner repair and rehabilitation and acquisition of existing single family dwellings for home ownership.

**The Non-Budgeted General Government Fund** accounts for numerous smaller funds whose revenues are dedicated to a variety of specific purposes.

#### **DEBT SERVICE FUNDS**

**Debt Service Funds** account for the accumulation of resources for, and the payment of, interest and principal on most general governmental obligations. Individual debt service funds are described below.

**The General Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the Duval County Certificates of Indebtedness of 1972 General Obligation Bonds of the construction of the Police Administration Complex.

**The Other Non-Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on other non-bonded debt obligations.

#### **CAPITAL PROJECTS FUNDS**

**Capital Projects Funds** account for financial resources segregated for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and fiduciary funds). Descriptions of individual funds in this fund type follow.

**The Better Jacksonville Plan Construction Projects Fund** receives revenues from the two local option sales tax programs and proceeds from the sale of bonded debt issued by the City to fund projects under the Better Jacksonville Plan.

**The Bond Projects Fund** receives proceeds from the sale of bonded debt issued by the City to fund major capital improvement projects.

**The Grant Projects Fund** accounts for monies received by the City under various federal, state and local grants restricted to expenditure of specific capital improvements funded under the grant program.

**The River City Renaissance Project Fund** accounts for proceeds of a comprehensive capital improvement initiative (the "River City Renaissance") for projects concerning the environment, children, health and social services, economic development, neighborhoods and downtown, parks and recreation, and the arts.

#### **PERMANENT FUND**

**The Permanent Fund** is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry. The City accounts for its Cemetery Maintenance Funds as a Permanent Fund.

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2010  
 WITH COMPARATIVE TOTALS FOR 2009 (in thousands)

	<b>SPECIAL REVENUE FUNDS</b>			
<b>ASSETS</b>	<b>CONCURRENCY MANAGEMENT</b>	<b>AIR POLLUTION CONTROL AND MONITORING</b>	<b>TOURISM DEVELOPMENT</b>	<b>CLERK OF THE COURT</b>
Equity in cash and investments.....	\$ 53,911	\$ 1,045	\$ 2,912	\$ 1,674
Cash in escrow and with fiscal agents.....	-	-	100	1,421
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts .....	-	-	-	-
Mortgages.....	-	-	-	-
Others.....	-	-	-	-
Due from other funds.....	-	-	-	-
Due from independent agencies and other governments.....	-	231	-	-
Prepaid Items.....	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 53,911</b>	<b>\$ 1,276</b>	<b>\$ 3,012</b>	<b>\$ 3,095</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ 515	\$ 156	\$ 24	\$ 789
Contracts payable.....	256	-	-	-
Due to other funds.....	-	-	-	-
Due to component units.....	-	-	-	-
Due to individuals.....	-	-	-	-
Matured interest payable.....	-	-	-	-
Deposits.....	362	-	-	2,000
Advances from other funds.....	-	-	-	-
Unearned revenue.....	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>1,133</b>	<b>156</b>	<b>24</b>	<b>2,789</b>
<b>FUND BALANCES:</b>				
<b>Non Spendable:</b>				
Non Spendable.....	-	-	-	-
<b>Spendable:</b>				
Restricted.....	-	1,120	-	-
Committed.....	52,778	-	2,988	306
Assigned.....	-	-	-	-
Unassigned.....	-	-	-	-
Total Fund Balances.....	52,778	1,120	2,988	306
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 53,911</b>	<b>\$ 1,276</b>	<b>\$ 3,012</b>	<b>\$ 3,095</b>

See accompanying notes.

**SPECIAL REVENUE FUNDS**

TRANSPORTATION FUND	BUDGETED GENERAL GOVERNMENT	PUBLIC SAFETY	EMERGENCY 9-1-1	TAX INCREMENT DISTRICTS	JACKSONVILLE CHILDREN'S COMMISSION	AMERICAN RECOVERY & REINVESTMENT ACT
\$ 24,916	\$ 23,687	\$ 2,286	\$ 7,181	\$ 1,126	\$ 4,337	\$ 102
-	-	-	-	-	-	-
-	4	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14,484	327	277	-	-	5,558	2,720
-	3	-	-	-	-	-
<u>\$ 39,400</u>	<u>\$ 24,021</u>	<u>\$ 2,563</u>	<u>\$ 7,181</u>	<u>\$ 1,126</u>	<u>\$ 9,895</u>	<u>\$ 2,822</u>
\$ 7,936	\$ 860	\$ 33	\$ 327	\$ 161	\$ 3,321	\$ 868
-	-	-	-	-	-	-
-	-	2,100	-	-	-	1,950
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	205	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>7,936</u>	<u>1,065</u>	<u>2,133</u>	<u>327</u>	<u>161</u>	<u>3,321</u>	<u>2,818</u>
-	3	-	-	-	-	-
-	-	-	-	-	6,574	4
31,464	22,953	430	6,854	965	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>31,464</u>	<u>22,956</u>	<u>430</u>	<u>6,854</u>	<u>965</u>	<u>6,574</u>	<u>4</u>
<u>\$ 39,400</u>	<u>\$ 24,021</u>	<u>\$ 2,563</u>	<u>\$ 7,181</u>	<u>\$ 1,126</u>	<u>\$ 9,895</u>	<u>\$ 2,822</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2010  
 WITH COMPARATIVE TOTALS FOR 2009 (in thousands; continued)

	<b>SPECIAL REVENUE FUNDS</b>			
	<b>COMMUNITY DEVELOPMENT BLOCK GRANT</b>	<b>JOB TRAINING PARTNERSHIP ACT GRANT</b>	<b>MAINTENANCE, PARKS AND RECREATION</b>	<b>METROPOLITAN PLANNING ORGANIZATION</b>
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 1,108	\$ 676	\$ 3,043	\$ 125
Cash in escrow and with fiscal agents.....	391	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts .....	-	-	-	-
Mortgages.....	12,244	-	-	-
Others.....	-	-	-	-
Due from other funds.....	-	-	-	-
Due from independent agencies and other governments.....	482	-	1	-
Prepaid Items.....	-	-	1	-
<b>TOTAL ASSETS.....</b>	<b>\$ 14,225</b>	<b>\$ 676</b>	<b>\$ 3,045</b>	<b>\$ 125</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ 1,357	\$ -	\$ 203	\$ -
Contracts payable.....	-	-	-	-
Due to other funds.....	-	-	69	-
Due to component units.....	-	-	-	-
Due to individuals.....	-	-	-	-
Matured interest payable.....	-	-	-	-
Deposits.....	6	-	-	-
Advances from other funds.....	-	-	-	-
Unearned revenue.....	750	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>2,113</b>	<b>-</b>	<b>272</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>Non Spendable:</b>				
Non Spendable.....	-	-	1	-
<b>Spendable:</b>				
Restricted.....	12,112	676	-	125
Committed.....	-	-	2,772	-
Assigned.....	-	-	-	-
Unassigned.....	-	-	-	-
<b>Total Fund Balances.....</b>	<b>12,112</b>	<b>676</b>	<b>2,773</b>	<b>125</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 14,225</b>	<b>\$ 676</b>	<b>\$ 3,045</b>	<b>\$ 125</b>

See accompanying notes.

**SPECIAL REVENUE FUNDS**

OTHER FEDERAL, STATE AND LOCAL GRANTS	BETTER JACKSONVILLE PLAN TRUST	HOUSING AND NEIGHBORHOODS	STATE HOUSING INITIATIVE PARTNERSHIP	NON-BUDGETED GENERAL GOVERNMENT	TOTALS	
					2010	2009
\$ 11,712	\$ 14,789	\$ 3,334	\$ 152	\$ 15,224	\$ 173,340	\$ 195,884
46	-	1,834	-	76	3,868	3,278
-	-	-	-	2,530	2,534	2,608
-	-	23,274	16,525	-	52,043	38,617
-	-	-	-	15	15	15
-	-	-	-	-	-	-
6,238	10,702	3	-	297	41,320	42,119
-	-	-	-	-	4	-
<u>\$ 17,996</u>	<u>\$ 25,491</u>	<u>\$ 28,445</u>	<u>\$ 16,677</u>	<u>\$ 18,142</u>	<u>\$ 273,124</u>	<u>\$ 282,521</u>
\$ 2,297	\$ -	\$ 394	\$ 142	\$ 472	\$ 19,855	\$ 9,508
-	-	-	-	-	256	107
-	-	-	-	-	4,119	3,000
-	-	-	-	-	-	-
-	-	-	-	272	272	203
-	-	-	-	-	-	-
12	-	77	-	16	2,678	2,735
-	-	-	-	-	-	-
-	-	-	-	2,526	3,276	3,419
<u>2,309</u>	<u>-</u>	<u>471</u>	<u>142</u>	<u>3,286</u>	<u>30,456</u>	<u>18,972</u>
-	-	-	-	-	4	-
15,687	-	27,974	16,535	-	80,807	72,873
-	25,491	-	-	14,856	161,857	189,284
-	-	-	-	-	-	3,707
-	-	-	-	-	-	(2,315)
<u>15,687</u>	<u>25,491</u>	<u>27,974</u>	<u>16,535</u>	<u>14,856</u>	<u>242,668</u>	<u>263,549</u>
<u>\$ 17,996</u>	<u>\$ 25,491</u>	<u>\$ 28,445</u>	<u>\$ 16,677</u>	<u>\$ 18,142</u>	<u>\$ 273,124</u>	<u>\$ 282,521</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2010  
 WITH COMPARATIVE TOTALS FOR 2009 (in thousands; continued)

DEBT SERVICE FUNDS

	GENERAL BONDED DEBT OBLIGATIONS	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
			2010	2009
<b>ASSETS</b>				
Equity in cash and investments.....	\$ -	\$ 238	\$ 238	\$ 197
Cash in escrow and with fiscal agents.....	39	-	39	39
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts .....	-	-	-	-
Mortgages.....	-	-	-	-
Others.....	-	-	-	-
Due from other funds.....	-	-	-	-
Due from independent agencies and other governments.....	-	-	-	-
Prepaid Items.....	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 39</b>	<b>\$ 238</b>	<b>\$ 277</b>	<b>\$ 236</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ -	\$ -	\$ -	\$ -
Contracts payable.....	-	-	-	-
Due to other funds.....	-	-	-	-
Due to component units.....	-	-	-	-
Due to individuals.....	-	-	-	-
Matured interest payable.....	39	-	39	39
Deposits.....	-	-	-	-
Advances from other funds.....	-	-	-	-
Unearned revenue.....	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>39</b>	<b>-</b>	<b>39</b>	<b>39</b>
<b>FUND BALANCES:</b>				
<b>Non Spendable:</b>				
Non Spendable.....	-	-	-	-
<b>Spendable:</b>				
Restricted.....	-	-	-	-
Committed.....	-	-	-	-
Assigned.....	-	238	238	197
Unassigned.....	-	-	-	-
Total Fund Balances.....	-	238	238	197
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 39</b>	<b>\$ 238</b>	<b>\$ 277</b>	<b>\$ 236</b>

See accompanying notes.

**CAPITAL PROJECTS FUNDS**

BETTER JACKSONVILLE PLAN CONSTRUCTION PROJECT	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT	TOTALS	
				2010	2009
\$ 56	\$ 61,789	\$ 7,434	\$ 3,423	\$ 72,702	\$ 25,906
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	24,000
19,693	-	3,497	-	23,190	30,213
-	-	-	-	-	-
<u>\$ 19,749</u>	<u>\$ 61,789</u>	<u>\$ 10,931</u>	<u>\$ 3,423</u>	<u>\$ 95,892</u>	<u>\$ 80,119</u>
\$ 8,465	\$ 2,382	\$ 1,024	\$ 880	\$ 12,751	\$ 35,595
6,666	264	153	-	7,083	6,400
2,300	-	-	-	2,300	24,000
2,307	-	-	-	2,307	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,738</u>	<u>2,646</u>	<u>1,177</u>	<u>880</u>	<u>24,441</u>	<u>65,995</u>
-	-	-	-	-	-
11	59,143	9,754	2,543	71,451	45,812
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(31,688)
<u>11</u>	<u>59,143</u>	<u>9,754</u>	<u>2,543</u>	<u>71,451</u>	<u>14,124</u>
<u>\$ 19,749</u>	<u>\$ 61,789</u>	<u>\$ 10,931</u>	<u>\$ 3,423</u>	<u>\$ 95,892</u>	<u>\$ 80,119</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands; continued)**

	PERMANENT FUND		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CEMETERY MAINTENANCE FUNDS		TOTALS	
	2010	2009	2010	2009
<b>ASSETS</b>				
Equity in cash and investments.....	\$ 233	\$ 217	\$ 246,513	\$ 222,204
Cash in escrow and with fiscal agents.....	-	-	3,907	3,317
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts .....	-	-	2,534	2,608
Mortgages.....	-	-	52,043	38,617
Others.....	-	-	15	15
Due from other funds.....	-	-	-	24,000
Due from independent agencies and other governments.....	-	-	64,510	72,332
Prepaid Items.....	-	-	4	-
<b>TOTAL ASSETS.....</b>	<b>\$ 233</b>	<b>\$ 217</b>	<b>\$ 369,526</b>	<b>\$ 363,093</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ -	\$ -	\$ 32,606	\$ 45,103
Contracts payable.....	-	-	7,339	6,507
Due to other funds.....	-	-	6,419	27,000
Due to component units.....	-	-	2,307	-
Due to individuals.....	-	-	272	203
Matured interest payable.....	-	-	39	39
Deposits.....	-	-	2,678	2,735
Advances from other funds.....	-	-	-	-
Unearned revenue.....	-	-	3,276	3,419
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>54,936</b>	<b>85,006</b>
<b>FUND BALANCES:</b>				
<b>Non Spendable:</b>				
Non Spendable.....	123	123	127	123
<b>Spendable:</b>				
Restricted.....	-	-	152,258	118,685
Committed.....	110	94	161,967	189,378
Assigned.....	-	-	238	3,904
Unassigned.....	-	-	-	(34,003)
Total Fund Balances.....	233	217	314,590	278,087
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 233</b>	<b>\$ 217</b>	<b>\$ 369,526</b>	<b>\$ 363,093</b>

See accompanying notes.



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**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUE, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

**SPECIAL REVENUE FUNDS**

	<b>CONCURRENCY MANAGEMENT</b>	<b>AIR POLLUTION CONTROL AND MONITORING</b>	<b>TOURISM DEVELOPMENT</b>	<b>CLERK OF THE COURT</b>
<b>REVENUE:</b>				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	4,561	-
Intergovernmental.....	-	1,898	-	873
Charges for services.....	1,429	-	-	19,325
Fines and forfeitures.....	-	-	-	-
Interest.....	3,986	119	215	4
Other.....	-	-	1,020	424
<b>Total Revenue.....</b>	<b>5,415</b>	<b>2,017</b>	<b>5,796</b>	<b>20,626</b>
<b>EXPENDITURES:</b>				
General government.....	1,367	-	-	20,520
Human services.....	-	-	-	-
Public safety.....	-	-	-	-
Culture and recreation.....	-	-	724	-
Transportation.....	14,988	-	-	-
Economic environment.....	-	-	6,192	-
Physical environment.....	-	2,317	-	-
Capital outlay.....	-	-	-	-
Debt service:				
Principal.....	-	-	-	-
Interest on fiscal charges.....	-	-	-	-
Other.....	-	-	-	-
<b>Total Expenditures.....</b>	<b>16,355</b>	<b>2,317</b>	<b>6,916</b>	<b>20,520</b>
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES.....</b>	<b>(10,940)</b>	<b>(300)</b>	<b>(1,120)</b>	<b>106</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term debt issued.....	-	-	-	-
Premium on special obligation bonds payable.....	-	-	-	-
Payment to escrow agent - refunded bonds.....	-	-	-	-
Transfers in.....	-	424	-	-
Transfers out.....	(343)	(286)	-	-
<b>Total Other Financing Sources (Uses).....</b>	<b>(343)</b>	<b>138</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(11,283)</b>	<b>(162)</b>	<b>(1,120)</b>	<b>106</b>
<b>FUND BALANCES, BEGINNING OF YEAR.....</b>	<b>64,061</b>	<b>1,282</b>	<b>4,108</b>	<b>200</b>
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 52,778</b>	<b>\$ 1,120</b>	<b>\$ 2,988</b>	<b>\$ 306</b>

See accompanying notes.

**SPECIAL REVENUE FUNDS**

TRANSPORTATION FUND	BUDGETED GENERAL GOVERNMENT	PUBLIC SAFETY	EMERGENCY 9-1-1	TAX INCREMENT DISTRICTS	JACKSONVILLE CHILDREN'S COMMISSION	AMERICAN RECOVERY & REINVESTMENT ACT
\$ -	\$ -	\$ -	\$ -	\$ 16,639	\$ -	\$ -
91,121	-	-	-	-	-	-
6,838	1,234	286	-	-	34,762	7,813
-	11,139	-	4,918	-	-	-
-	970	-	-	-	-	-
1,407	2,256	41	482	-	201	1
-	684	232	-	74	296	-
<u>99,366</u>	<u>16,283</u>	<u>559</u>	<u>5,400</u>	<u>\$ 16,713</u>	<u>35,259</u>	<u>7,814</u>
-	4,576	-	-	-	-	-
-	939	-	-	-	24,277	4,149
-	9,866	614	4,895	-	-	3,332
-	147	-	-	-	-	-
106,975	-	-	-	-	-	-
-	-	-	-	7,066	30,291	-
-	4,127	-	-	-	-	129
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>106,975</u>	<u>19,655</u>	<u>614</u>	<u>4,895</u>	<u>7,066</u>	<u>54,568</u>	<u>7,610</u>
<u>(7,609)</u>	<u>(3,372)</u>	<u>(55)</u>	<u>505</u>	<u>9,647</u>	<u>(19,309)</u>	<u>204</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	734	2,275	-	-	21,058	-
-	(10,125)	-	-	(13,339)	-	(200)
<u>-</u>	<u>(9,391)</u>	<u>2,275</u>	<u>-</u>	<u>(13,339)</u>	<u>21,058</u>	<u>(200)</u>
<u>(7,609)</u>	<u>(12,763)</u>	<u>2,220</u>	<u>505</u>	<u>(3,692)</u>	<u>1,749</u>	<u>4</u>
<u>39,073</u>	<u>35,719</u>	<u>(1,790)</u>	<u>6,349</u>	<u>4,657</u>	<u>4,825</u>	<u>-</u>
<u>\$ 31,464</u>	<u>\$ 22,956</u>	<u>\$ 430</u>	<u>\$ 6,854</u>	<u>\$ 965</u>	<u>\$ 6,574</u>	<u>\$ 4</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF REVENUE, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
 WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

**SPECIAL REVENUE FUNDS**

	<b>COMMUNITY DEVELOPMENT BLOCK GRANT</b>	<b>JOB TRAINING PARTNERSHIP ACT GRANT</b>	<b>MAINTENANCE, PARKS AND RECREATION</b>	<b>METROPOLITAN PLANNING ORGANIZATION</b>
<b>REVENUE:</b>				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	-	-
Intergovernmental.....	13,116	-	-	-
Charges for services.....	-	-	1,785	-
Fines and forfeitures.....	-	-	-	-
Interest.....	-	47	211	-
Other.....	986	-	348	-
<b>Total Revenue.....</b>	<b>14,102</b>	<b>47</b>	<b>2,344</b>	<b>-</b>
<b>EXPENDITURES:</b>				
General government.....	-	-	-	-
Human services.....	-	-	-	-
Public safety.....	-	-	-	-
Culture and recreation.....	-	-	3,894	-
Transportation.....	-	-	395	-
Economic environment.....	6,093	-	-	-
Physical environment.....	-	-	-	-
Capital outlay.....	-	-	-	-
Debt service:				
Principal.....	-	-	-	-
Interest on fiscal charges.....	-	-	-	-
Other.....	-	-	-	-
<b>Total Expenditures.....</b>	<b>6,093</b>	<b>-</b>	<b>4,289</b>	<b>-</b>
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES.....</b>	<b>8,009</b>	<b>47</b>	<b>(1,945)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term debt issued.....	-	-	-	-
Premium on special obligation bonds payable.....	-	-	-	-
Payment to escrow agent - refunded bonds.....	-	-	-	-
Transfers in.....	345	-	1,957	-
Transfers out.....	(140)	-	(1)	-
<b>Total Other Financing Sources (Uses).....</b>	<b>205</b>	<b>-</b>	<b>1,956</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>8,214</b>	<b>47</b>	<b>11</b>	<b>-</b>
<b>FUND BALANCES, BEGINNING OF YEAR.....</b>	<b>3,898</b>	<b>629</b>	<b>2,762</b>	<b>125</b>
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 12,112</b>	<b>\$ 676</b>	<b>\$ 2,773</b>	<b>\$ 125</b>

See accompanying notes.

**SPECIAL REVENUE FUNDS**

OTHER FEDERAL, STATE AND LOCAL GRANTS	BETTER JACKSONVILLE PLAN TRUST	HOUSING AND NEIGHBORHOODS	STATE HOUSING INITIATIVE PARTNERSHIP	NON-BUDGETED GENERAL GOVERNMENT	TOTALS	
					2010	2009
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,639	\$ 15,842
-	61,322	-	-	-	157,004	161,194
23,088	-	3,422	274	197	93,801	94,556
-	-	-	-	2,436	41,032	42,152
-	-	-	-	1,128	2,098	1,788
737	865	430	97	621	11,720	16,012
82	-	87	496	4,835	9,564	7,115
<u>23,907</u>	<u>62,187</u>	<u>3,939</u>	<u>867</u>	<u>9,217</u>	<u>331,858</u>	<u>338,659</u>
867	-	-	-	2,590	29,920	31,981
13,603	-	-	-	523	43,491	37,423
11,687	-	-	-	2,179	32,573	34,066
1,718	-	-	-	740	7,223	7,181
-	-	-	-	-	122,358	101,598
755	-	4,564	3,008	26	57,995	52,942
73	-	-	-	21	6,667	8,955
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>28,703</u>	<u>-</u>	<u>4,564</u>	<u>3,008</u>	<u>6,079</u>	<u>300,227</u>	<u>274,146</u>
<u>(4,796)</u>	<u>62,187</u>	<u>(625)</u>	<u>(2,141)</u>	<u>3,138</u>	<u>31,631</u>	<u>64,513</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,680	-	-	-	-	32,473	31,125
(36)	(57,863)	-	-	(2,652)	(84,985)	(75,132)
<u>5,644</u>	<u>(57,863)</u>	<u>-</u>	<u>-</u>	<u>(2,652)</u>	<u>(52,512)</u>	<u>(44,007)</u>
848	4,324	(625)	(2,141)	486	(20,881)	20,506
<u>14,839</u>	<u>21,167</u>	<u>28,599</u>	<u>18,676</u>	<u>14,370</u>	<u>263,549</u>	<u>243,043</u>
<u>\$ 15,687</u>	<u>\$ 25,491</u>	<u>\$ 27,974</u>	<u>\$ 16,535</u>	<u>\$ 14,856</u>	<u>\$ 242,668</u>	<u>\$ 263,549</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

**DEBT SERVICE FUNDS**

	GENERAL BONDED DEBT OBLIGATIONS	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
			2010	2009
<b>REVENUE:</b>				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	-	-
Intergovernmental.....	-	-	-	-
Charges for services.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Interest.....	-	19	19	43
Other.....	-	-	-	-
<b>Total Revenue.....</b>	<b>-</b>	<b>19</b>	<b>19</b>	<b>43</b>
<b>EXPENDITURES:</b>				
General government.....	-	-	-	-
Human services.....	-	-	-	-
Public safety.....	-	-	-	-
Culture and recreation.....	-	-	-	-
Transportation.....	-	-	-	-
Economic environment.....	-	-	-	-
Physical environment.....	-	-	-	-
Capital outlay.....	-	-	-	-
Debt service:				
Principal.....	-	945	945	840
Interest on fiscal charges.....	-	356	356	404
Other.....	-	-	-	-
<b>Total Expenditures.....</b>	<b>-</b>	<b>1,301</b>	<b>1,301</b>	<b>1,244</b>
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES.....</b>	<b>-</b>	<b>(1,282)</b>	<b>(1,282)</b>	<b>(1,201)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term debt issued.....	-	-	-	-
Premium on special obligation bonds payable.....	-	-	-	-
Payment to escrow agent - refunded bonds.....	-	-	-	-
Transfers in.....	-	1,323	1,323	1,254
Transfers out.....	-	-	-	-
<b>Total Other Financing Sources (Uses).....</b>	<b>-</b>	<b>1,323</b>	<b>1,323</b>	<b>1,254</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>-</b>	<b>41</b>	<b>41</b>	<b>53</b>
<b>FUND BALANCES, BEGINNING OF YEAR.....</b>	<b>-</b>	<b>197</b>	<b>197</b>	<b>144</b>
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ -</b>	<b>\$ 238</b>	<b>\$ 238</b>	<b>\$ 197</b>

See accompanying notes.

**CAPITAL PROJECTS FUNDS**

BETTER JACKSONVILLE PLAN CONSTRUCTION PROJECT	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT	TOTALS	
				2010	2009
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
9,556	-	6,804	-	16,360	17,348
-	-	-	-	-	148
-	-	-	-	-	-
-	4,041	466	297	4,804	2,710
-	-	-	-	-	66
<u>9,556</u>	<u>4,041</u>	<u>7,270</u>	<u>297</u>	<u>21,164</u>	<u>20,272</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
90,604	17,945	8,318	2,275	119,142	228,526
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,130</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,130</u>	<u>-</u>
<u>98,734</u>	<u>17,945</u>	<u>8,318</u>	<u>2,275</u>	<u>127,272</u>	<u>228,526</u>
<u>(89,178)</u>	<u>(13,904)</u>	<u>(1,048)</u>	<u>(1,978)</u>	<u>(106,108)</u>	<u>(208,254)</u>
110,393	41,165	-	-	151,558	135,777
10,484	-	-	-	10,484	-
-	-	-	-	-	-
-	-	1,726	-	1,726	18,678
-	-	(333)	-	(333)	-
<u>120,877</u>	<u>41,165</u>	<u>1,393</u>	<u>-</u>	<u>163,435</u>	<u>154,455</u>
31,699	27,261	345	(1,978)	57,327	(53,799)
<u>(31,688)</u>	<u>31,882</u>	<u>9,409</u>	<u>4,521</u>	<u>14,124</u>	<u>67,923</u>
<u>\$ 11</u>	<u>\$ 59,143</u>	<u>\$ 9,754</u>	<u>\$ 2,543</u>	<u>\$ 71,451</u>	<u>\$ 14,124</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	PERMANENT FUND		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CEMETERY MAINTENANCE FUNDS		TOTALS	
	2010	2009	2010	2009
<b>REVENUE:</b>				
Property taxes.....	\$ -	\$ -	\$ 16,639	\$ 15,842
Sales and tourist taxes.....	-	-	157,004	161,194
Intergovernmental.....	-	-	110,161	111,904
Charges for services.....	-	-	41,032	42,300
Fines and forfeitures.....	-	-	2,098	1,788
Interest.....	16	22	16,559	18,787
Other.....	-	-	9,564	7,181
<b>Total Revenue.....</b>	<b>16</b>	<b>22</b>	<b>353,057</b>	<b>358,996</b>
<b>EXPENDITURES:</b>				
General government.....	-	-	29,920	31,981
Human services.....	-	-	43,491	37,423
Public safety.....	-	-	32,573	34,066
Culture and recreation.....	-	-	7,223	7,181
Transportation.....	-	-	122,358	101,598
Economic environment.....	-	-	57,995	52,942
Physical environment.....	-	-	6,667	8,955
Capital outlay.....	-	-	119,142	228,526
Debt service:				
Principal.....	-	-	945	840
Interest on fiscal charges.....	-	-	356	404
Other.....	-	-	8,130	-
<b>Total Expenditures.....</b>	<b>-</b>	<b>-</b>	<b>428,800</b>	<b>503,916</b>
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES.....</b>	<b>16</b>	<b>22</b>	<b>(75,743)</b>	<b>(144,920)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term debt issued.....	-	-	151,558	135,777
Premium on special obligation bonds payable.....	-	-	10,484	-
Payment to escrow agent - refunded bonds.....	-	-	-	-
Transfers in.....	-	-	35,522	51,057
Transfers out.....	-	-	(85,318)	(75,132)
<b>Total Other Financing Sources (Uses).....</b>	<b>-</b>	<b>-</b>	<b>112,246</b>	<b>111,702</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>16</b>	<b>22</b>	<b>36,503</b>	<b>(33,218)</b>
<b>FUND BALANCES, BEGINNING OF YEAR.....</b>	<b>217</b>	<b>195</b>	<b>278,087</b>	<b>311,305</b>
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 233</b>	<b>\$ 217</b>	<b>\$ 314,590</b>	<b>\$ 278,087</b>

See accompanying notes.



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**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

<b>FUND 110 - CONCURRENCY MANAGEMENT</b>						
	<b>BUDGETED AMOUNTS</b>			<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>			
<b>REVENUE:</b>						
Charges for Services	\$ 1,194	\$ 2,021	\$ 1,429	\$ -	\$ 1,429	\$ (592)
Interest	116	1,254	3,986	-	3,986	2,732
<b>Total Revenue</b>	<b>1,310</b>	<b>3,275</b>	<b>5,415</b>	<b>-</b>	<b>5,415</b>	<b>2,140</b>
<b>EXPENDITURES:</b>						
Planning and Development	15,380	7,166	1,367	101	1,468	5,698
Public Works	37,311	47,490	14,988	3,316	18,304	29,186
<b>Total Expenditures</b>	<b>52,691</b>	<b>54,656</b>	<b>16,355</b>	<b>3,417</b>	<b>19,772</b>	<b>34,884</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(51,381)</b>	<b>(51,381)</b>	<b>(10,940)</b>	<b>(3,417)</b>	<b>(14,357)</b>	<b>37,024</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers out	(343)	(343)	(343)	-	(343)	-
<b>Total Other Financing (Uses)</b>	<b>(343)</b>	<b>(343)</b>	<b>(343)</b>	<b>-</b>	<b>(343)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(51,724)</b>	<b>(51,724)</b>	<b>(11,283)</b>	<b>(3,417)</b>	<b>(14,700)</b>	<b>37,024</b>
<b>FUND BALANCE, BEGINNING</b>	<b>64,061</b>	<b>64,061</b>	<b>64,061</b>	<b>-</b>	<b>64,061</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 12,337</b>	<b>\$ 12,337</b>	<b>\$ 52,778</b>	<b>\$ (3,417)</b>	<b>\$ 49,361</b>	<b>\$ 37,024</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**FUND 120 - AIR POLLUTION CONTROL AND MONITORING**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Intergovernmental	\$ 2,356	\$ 3,031	\$ 1,898	\$ -	\$ 1,898	\$ (1,133)
Interest	32	32	119	-	119	87
<b>Total Revenue</b>	<b>2,388</b>	<b>3,063</b>	<b>2,017</b>	<b>-</b>	<b>2,017</b>	<b>(1,046)</b>
<b>EXPENDITURES:</b>						
Environmental Resource Management	2,859	3,488	2,317	1	2,318	1,170
<b>Total Expenditures</b>	<b>2,859</b>	<b>3,488</b>	<b>2,317</b>	<b>1</b>	<b>2,318</b>	<b>1,170</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(471)</b>	<b>(425)</b>	<b>(300)</b>	<b>(1)</b>	<b>(301)</b>	<b>124</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	424	424	424	-	424	-
Operating transfers out	-	(286)	(286)	-	(286)	-
<b>Total Other Financing (Uses)</b>	<b>424</b>	<b>138</b>	<b>138</b>	<b>-</b>	<b>138</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(47)</b>	<b>(287)</b>	<b>(162)</b>	<b>(1)</b>	<b>(163)</b>	<b>124</b>
<b>FUND BALANCE, BEGINNING</b>	<b>1,282</b>	<b>1,282</b>	<b>1,282</b>	<b>-</b>	<b>1,282</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,235</b>	<b>\$ 995</b>	<b>\$ 1,120</b>	<b>\$ (1)</b>	<b>\$ 1,119</b>	<b>\$ 124</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**FUND 130 - SPORTS, CONVENTION AND TOURISM DEVELOPMENT**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Sales and Use Tax	\$ 4,766	\$ 4,766	\$ 4,561	\$ -	\$ 4,561	\$ (205)
Interest	60	173	215	-	215	42
Other	205	1,020	1,020	-	1,020	-
<b>Total Revenue</b>	<b>5,031</b>	<b>5,959</b>	<b>5,796</b>	<b>-</b>	<b>5,796</b>	<b>(163)</b>
<b>EXPENDITURES:</b>						
Finance	3	3	-	-	-	3
City Council	8,932	8,917	6,192	834	7,026	1,891
Housing/Neighborhoods	26	31	6	3	9	22
Recreation & Community	922	1,848	718	-	718	1,130
<b>Total Expenditures</b>	<b>9,883</b>	<b>10,799</b>	<b>6,916</b>	<b>837</b>	<b>7,753</b>	<b>3,046</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(4,852)</b>	<b>(4,840)</b>	<b>(1,120)</b>	<b>(837)</b>	<b>(1,957)</b>	<b>2,883</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,852)</b>	<b>(4,840)</b>	<b>(1,120)</b>	<b>(837)</b>	<b>(1,957)</b>	<b>2,883</b>
<b>FUND BALANCE, BEGINNING</b>	<b>4108</b>	<b>4108</b>	<b>4108</b>	<b>-</b>	<b>4,108</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ (744)</b>	<b>\$ (732)</b>	<b>\$ 2,988</b>	<b>\$ (837)</b>	<b>\$ 2,151</b>	<b>\$ 2,883</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

<b>FUND 140 - TRANSPORTATION</b>						
	<b>BUDGETED AMOUNTS</b>			<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>			
<b>REVENUE:</b>						
Sales and Tourist Taxes	\$ 113,878	\$ 113,878	\$ 91,121	\$ -	\$ 91,121	\$ (22,757)
Intergovernmental	6,707	10,411	6,838	-	6,838	(3,573)
Interest	664	3,382	1,407	-	1,407	(1,975)
Total Revenue	121,249	127,671	99,366	-	99,366	(28,305)
<b>EXPENDITURES:</b>						
Public Works	45,564	45,564	33,113	625	33,738	11,826
Jacksonville Misc Citywide Activities	75,468	73,862	73,862	-	73,862	-
Total Expenditures	121,032	119,426	106,975	625	107,600	11,826
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>						
	217	8,245	(7,609)	(625)	(8,234)	(16,479)
<b>NET CHANGE IN FUND BALANCE</b>						
	217	8,245	(7,609)	(625)	(8,234)	(16,479)
<b>FUND BALANCE, BEGINNING</b>						
	39,073	39,073	39,073	-	39,073	-
<b>FUND BALANCE, ENDING</b>						
	\$ 39,290	\$ 47,318	\$ 31,464	\$ (625)	\$ 30,839	\$ (16,479)

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**FUND 150 - BUDGETED GENERAL GOVERNMENT**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Intergovernmental	\$ 1,258	\$ 2,514	\$ 1,234	\$ -	\$ 1,234	\$ (1,280)
Charges for services	12,777	12,777	11,139	-	11,139	(1,638)
Fines and forfeitures	890	890	970	-	970	80
Interest	2,623	2,623	2,256	-	2,256	(367)
Other	349	368	684	-	684	316
<b>Total Revenue</b>	<b>17,897</b>	<b>19,172</b>	<b>16,283</b>	<b>-</b>	<b>16,283</b>	<b>(2,889)</b>
<b>EXPENDITURES:</b>						
Courts	3,342	3,331	2,502	20	2,522	809
Environmental Resource Management	2,371	3,772	1,957	99	2,056	1,716
Fire/Rescue	465	465	358	-	358	107
Housing and Neighborhoods	24	24	-	-	-	24
Jacksonville Citywide Activities	12	12	12	-	12	-
Mayor Board	14	27	15	-	15	12
Public Defender	406	433	443	18	461	(28)
Planning and Development	9,271	10,053	9,508	1	9,509	544
Public Library	357	357	147	16	163	194
Public Works	13,579	16,773	3,103	4,849	7,952	8,821
Recreation & Community	790	790	593	-	593	197
State Attorney	1,488	1,184	1,017	7	1,024	160
Tax Collector	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>32,119</b>	<b>37,221</b>	<b>19,655</b>	<b>5,010</b>	<b>24,665</b>	<b>12,556</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>						
	<b>(14,222)</b>	<b>(18,049)</b>	<b>(3,372)</b>	<b>(5,010)</b>	<b>(8,382)</b>	<b>9,667</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	334	734	734	-	734	-
Operating transfers out	(10,807)	(10,125)	(10,125)	-	(10,125)	-
<b>Total Other Financing (Uses)</b>	<b>(10,473)</b>	<b>(9,391)</b>	<b>(9,391)</b>	<b>-</b>	<b>(9,391)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(24,695)</b>	<b>(27,440)</b>	<b>(12,763)</b>	<b>(5,010)</b>	<b>(17,773)</b>	<b>9,667</b>
<b>FUND BALANCE, BEGINNING</b>	<b>35,719</b>	<b>35,719</b>	<b>35,719</b>	<b>-</b>	<b>35,719</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 11,024</b>	<b>\$ 8,279</b>	<b>\$ 22,956</b>	<b>\$ (5,010)</b>	<b>\$ 17,946</b>	<b>\$ 9,667</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

<b>FUND 160 - PUBLIC SAFETY</b>						
	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Intergovernmental	\$ -	\$ 11,623	\$ 286	\$ -	\$ 286	\$ (11,337)
Charges for Services	-	40	-	-	-	(40)
Interest	-	21	41	-	41	20
Other	-	232	232	-	232	-
<b>Total Revenue</b>	<b>-</b>	<b>11,916</b>	<b>559</b>	<b>-</b>	<b>559</b>	<b>(11,357)</b>
<b>EXPENDITURES:</b>						
Central Operations	-	45	-	-	-	45
Environmental	-	49	-	-	-	49
Finance	-	7	-	-	-	7
Fire and Rescue	256	1,438	605	1	606	832
Information Technology	-	3	3	-	3	-
Jacksonville Economic Dev Comm	2	108	2	-	2	106
Public Works	7	12,241	4	4	8	12,233
Sheriff's Office	-	564	-	-	-	564
<b>Total Expenditures</b>	<b>265</b>	<b>14,455</b>	<b>614</b>	<b>5</b>	<b>619</b>	<b>13,836</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(265)</b>	<b>(2,539)</b>	<b>(55)</b>	<b>(5)</b>	<b>(60)</b>	<b>2,479</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	-	2,275	2,275	-	2,275	-
Operating transfers out	-	-	-	-	-	-
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>2,275</b>	<b>2,275</b>	<b>-</b>	<b>2,275</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(265)</b>	<b>(264)</b>	<b>2,220</b>	<b>(5)</b>	<b>2,215</b>	<b>2,479</b>
<b>FUND BALANCE, BEGINNING</b>	<b>(1,790)</b>	<b>(1,790)</b>	<b>(1,790)</b>	<b>-</b>	<b>(1,790)</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ (2,055)</b>	<b>\$ (2,054)</b>	<b>\$ 430</b>	<b>\$ (5)</b>	<b>\$ 425</b>	<b>\$ 2,479</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

<b>FUND 170 - EMERGENCY 9 1 1</b>						
	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Charges for services	\$ 4,786	\$ 4,786	\$ 4,918	\$ -	\$ 4,918	\$ 132
Interest	59	59	482	-	482	423
<b>Total Revenue</b>	<b>4,845</b>	<b>4,845</b>	<b>5,400</b>	<b>-</b>	<b>5,400</b>	<b>555</b>
<b>EXPENDITURES:</b>						
Jacksonville Citywide Activities	303	303	-	-	-	303
Office of the Sheriff	6,344	6,344	4,895	270	5,165	1,179
<b>Total Expenditures</b>	<b>6,647</b>	<b>6,647</b>	<b>4,895</b>	<b>270</b>	<b>5,165</b>	<b>1,482</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(1,802)</b>	<b>(1,802)</b>	<b>505</b>	<b>(270)</b>	<b>235</b>	<b>2,037</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,802)</b>	<b>(1,802)</b>	<b>505</b>	<b>(270)</b>	<b>235</b>	<b>2,037</b>
<b>FUND BALANCE, BEGINNING</b>	<b>6,349</b>	<b>6,349</b>	<b>6,349</b>	<b>-</b>	<b>6,349</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 4,547</b>	<b>\$ 4,547</b>	<b>\$ 6,854</b>	<b>\$ (270)</b>	<b>\$ 6,584</b>	<b>\$ 2,037</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**FUND 180 - TAX INCREMENT DISTRICTS**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Property taxes	\$ 16,169	\$ 16,169	\$ 16,639	\$ -	\$ 16,639	\$ 470
Other	137	137	74	-	74	(63)
<b>Total Revenue</b>	<b>16,306</b>	<b>16,306</b>	<b>16,713</b>	<b>-</b>	<b>16,713</b>	<b>407</b>
<b>EXPENDITURES:</b>						
Jacksonville Citywide Activities	8,646	7,538	7,047	340	7,387	151
JEDC	439	439	19	420	439	-
Planning Department	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>9,085</b>	<b>7,977</b>	<b>7,066</b>	<b>760</b>	<b>7,826</b>	<b>151</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>7,221</b>	<b>8,329</b>	<b>9,647</b>	<b>(760)</b>	<b>8,887</b>	<b>558</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers out	(8,171)	(13,720)	(13,339)	-	(13,339)	381
<b>Total Other Financing (Uses)</b>	<b>(8,171)</b>	<b>(13,720)</b>	<b>(13,339)</b>	<b>-</b>	<b>(13,339)</b>	<b>381</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(950)</b>	<b>(5,391)</b>	<b>(3,692)</b>	<b>(760)</b>	<b>(4,452)</b>	<b>939</b>
<b>FUND BALANCE, BEGINNING</b>	<b>4,657</b>	<b>4,657</b>	<b>4,657</b>	<b>-</b>	<b>4,657</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 3,707</b>	<b>\$ (734)</b>	<b>\$ 965</b>	<b>\$ (760)</b>	<b>\$ 205</b>	<b>\$ 939</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (Budgetary Basis) (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

**FUND 190 - JACKSONVILLE CHILDREN'S COMMISSION**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Intergovernmental	\$ 23,444	\$ 33,028	\$ 34,762	\$ -	\$ 34,762	\$ 1,734
Interest	149	149	201	-	201	52
Other	286	490	296	-	296	(194)
<b>Total Revenue</b>	<b>\$ 23,879</b>	<b>\$ 33,667</b>	<b>\$ 35,259</b>	<b>-</b>	<b>\$ 35,259</b>	<b>\$ 1,592</b>
<b>EXPENDITURES:</b>						
Jacksonville Children's Commission	47,531	58,003	54,568	3,363	57,931	72
<b>Total Expenditures</b>	<b>47,531</b>	<b>58,003</b>	<b>54,568</b>	<b>3,363</b>	<b>57,931</b>	<b>72</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(23,652)</b>	<b>(24,336)</b>	<b>(19,309)</b>	<b>(3,363)</b>	<b>(22,672)</b>	<b>1,664</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	21,058	21,058	21,058	-	21,058	-
Operating transfers out	-	-	-	-	-	-
<b>Total Other Financing (Uses)</b>	<b>21,058</b>	<b>21,058</b>	<b>21,058</b>	<b>-</b>	<b>21,058</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,594)</b>	<b>(3,278)</b>	<b>1,749</b>	<b>(3,363)</b>	<b>(1,614)</b>	<b>1,664</b>
<b>FUND BALANCE, BEGINNING</b>	<b>4,825</b>	<b>4,825</b>	<b>4,825</b>	<b>-</b>	<b>4,825</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 2,231</b>	<b>\$ 1,547</b>	<b>\$ 6,574</b>	<b>\$ (3,363)</b>	<b>\$ 3,211</b>	<b>\$ 1,664</b>

## **NON-MAJOR ENTERPRISE FUNDS:**

**Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises and where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual non-major enterprise funds are described below.

**The Public Parking System Fund** accounts for the City's on-street, off-street, and parking garage facility operations, including revenue collection and enforcement.

**The Storm Water Services Fund** accounts for the storm water utility financed by service charges, to be used to pay the expenses of constructing and maintaining the storm water management system.

**The Motor Vehicle Inspection Fund** accounts for the operations of the City's motor vehicle inspection stations.

**The Baseball Stadium Fund** accounts for events held at the stadium including professional minor league and college baseball games.

**Times Union Center for the Performing Arts (Performing Arts) Fund** - accounts for events held at the center such as the symphony, FCCJ performing arts series, dance recitals and concerts.

**The Prime Osborn Convention Center (Convention Center) Fund** accounts for events held at the center such as gate and trade shows, banquets, meetings and other.

**The Equestrian Center Fund** accounts for events held at the center including horse shows and competitions, rodeos and concerts.

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

<u>ASSETS</u>	<u>PUBLIC PARKING SYSTEM</u>	<u>STORM- WATER SERVICES</u>	<u>MOTOR VEHICLE INSPECTION</u>	<u>BASEBALL STADIUM</u>
<b>CURRENT ASSETS:</b>				
Equity in cash and investments.....	\$ 62	\$ 102	\$ 57	\$ 363
Cash with fiscal agents.....	1,309	-	-	1,486
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts.....	-	32,790	61	14
Due from other funds.....	-	-	-	-
Inventories.....	-	-	8	-
Prepaid expenses and other assets.....	-	-	-	6
<b>Total Current Assets.....</b>	<b>1,371</b>	<b>32,892</b>	<b>126</b>	<b>1,869</b>
<b>NONCURRENT ASSETS:</b>				
<b>CAPITAL ASSETS:</b>				
Land, easements and work in progress.....	1,768	542	32	-
Other capital assets, net of depreciation.....	7,478	11,369	1	28,044
<b>Total Noncurrent Assets.....</b>	<b>9,246</b>	<b>11,911</b>	<b>33</b>	<b>28,044</b>
<b>TOTAL ASSETS.....</b>	<b>10,617</b>	<b>44,803</b>	<b>159</b>	<b>29,913</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	95	2,901	18	135
Due to other funds.....	1,005	2,300	-	164
Accrued compensated absences, current portion.....	39	180	11	-
Deposits .....	100	1	-	-
Accrued interest payable.....	64	-	-	680
Current portion of bonds payable.....	1,245	-	-	806
Unearned revenue.....	-	7,009	-	-
<b>Total Current Liabilities.....</b>	<b>2,548</b>	<b>12,391</b>	<b>29</b>	<b>1,785</b>
<b>NONCURRENT LIABILITIES:</b>				
Accrued compensated absences.....	92	419	26	-
Bonds payable.....	1,150	-	-	28,289
Other liabilities.....	112	311	21	-
<b>Total Noncurrent Liabilities.....</b>	<b>1,354</b>	<b>730</b>	<b>47</b>	<b>28,289</b>
<b>TOTAL LIABILITIES.....</b>	<b>3,902</b>	<b>13,121</b>	<b>76</b>	<b>30,074</b>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt.....	7,852	11,911	33	(1,051)
Unrestricted (deficit).....	(1,137)	19,771	50	890
<b>TOTAL NET ASSETS (deficit).....</b>	<b>\$ 6,715</b>	<b>\$ 31,682</b>	<b>\$ 83</b>	<b>\$ (161)</b>

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PERFORMING ARTS	CONVENTION CENTER	EQUESTRIAN CENTER	TOTALS	
			2010	2009
\$ 59	\$ 883	\$ 99	\$ 1,625	\$ 20,967
-	-	55	2,850	6,053
43	25	7	32,940	10,411
88	46	-	134	-
-	-	-	8	11
9	6	2	23	-
199	960	163	37,580	37,442
1,000	5,259	-	8,601	8,267
23,479	13,416	13,739	97,526	92,098
24,479	18,675	13,739	106,127	100,365
24,678	19,635	13,902	143,707	137,807
492	397	72	4,110	2,597
200	1	461	4,131	993
-	-	-	230	225
393	159	8	661	576
26	-	51	821	936
-	-	14	2,065	5,116
-	-	-	7,009	8,488
1,111	557	606	19,027	18,931
-	-	-	537	525
1,012	-	2,451	32,902	34,811
-	-	-	444	265
1,012	-	2,451	33,883	35,601
2,123	557	3,057	52,910	54,532
23,467	18,675	11,274	72,161	61,370
(912)	403	(429)	18,636	21,905
\$ 22,555	\$ 19,078	\$ 10,845	\$ 90,797	\$ 83,275

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF REVENUE, EXPENSES, AND  
CHANGES IN FUND NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>PUBLIC PARKING SYSTEM</b>	<b>STORM- WATER SERVICES</b>	<b>MOTOR VEHICLE INSPECTION</b>	<b>BASEBALL STADIUM</b>
<b>OPERATING REVENUE:</b>				
Sales and tourist taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	3,383	28,035	431	426
Other.....	3	-	-	152
<b>Total Operating Revenue.....</b>	<b>3,386</b>	<b>28,035</b>	<b>431</b>	<b>578</b>
<b>OPERATING EXPENSES:</b>				
Personal services.....	1,568	8,933	353	332
Supplies and materials.....	52	266	5	5
Central services.....	478	3,057	12	-
Interdepartmental charges.....	166	35	5	165
Other services and charges.....	803	4,812	100	834
Depreciation and amortization.....	390	237	1	638
<b>Total Operating Expenses.....</b>	<b>3,457</b>	<b>17,340</b>	<b>476</b>	<b>1,974</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>(71)</b>	<b>10,695</b>	<b>(45)</b>	<b>(1,396)</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
Interest revenue.....	14	530	6	79
Interest expense.....	(128)	-	-	(1,361)
Other.....	30	-	-	-
<b>Total Non-Operating Revenue (Expenses).....</b>	<b>(84)</b>	<b>530</b>	<b>6</b>	<b>(1,282)</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS.....</b>				
	<b>(155)</b>	<b>11,225</b>	<b>(39)</b>	<b>(2,678)</b>
Transfers in.....	-	1,294	-	2,696
Transfers out.....	-	(2,694)	-	-
<b>CHANGES IN NET ASSETS.....</b>	<b>(155)</b>	<b>9,825</b>	<b>(39)</b>	<b>18</b>
<b>TOTAL NET ASSETS, BEGINNING OF YEAR (DEFICIT)..</b>	<b>6,870</b>	<b>21,857</b>	<b>122</b>	<b>(179)</b>
<b>TOTAL NET ASSETS, END OF YEAR (DEFICIT).....</b>	<b>\$ 6,715</b>	<b>\$ 31,682</b>	<b>\$ 83</b>	<b>\$ (161)</b>

PERFORMING ARTS	CONVENTION CENTER	EQUESTRIAN CENTER	TOTALS	
			2010	2009
\$ -	\$ 4,238	\$ -	\$ 4,238	\$ 4,366
1,760	795	203	35,033	36,498
711	937	121	1,924	1,764
<u>2,471</u>	<u>5,970</u>	<u>324</u>	<u>41,195</u>	<u>42,628</u>
800	1,307	360	13,653	13,977
24	23	13	388	451
46	88	54	3,735	2,873
515	286	91	1,263	1,192
2,000	1,452	458	10,459	9,030
761	648	718	3,393	3,163
<u>4,146</u>	<u>3,804</u>	<u>1,694</u>	<u>32,891</u>	<u>30,686</u>
<u>(1,675)</u>	<u>2,166</u>	<u>(1,370)</u>	<u>8,304</u>	<u>11,942</u>
-	32	-	661	1,508
(119)	-	(122)	(1,730)	(7)
-	-	2	32	4,120
<u>(119)</u>	<u>32</u>	<u>(120)</u>	<u>(1,037)</u>	<u>5,621</u>
<u>(1,794)</u>	<u>2,198</u>	<u>(1,490)</u>	<u>7,267</u>	<u>17,563</u>
988	-	820	5,798	10,708
-	(2,849)	-	(5,543)	(10,129)
(806)	(651)	(670)	7,522	18,142
<u>23,361</u>	<u>19,729</u>	<u>11,515</u>	<u>83,275</u>	<u>65,133</u>
<u>\$ 22,555</u>	<u>\$ 19,078</u>	<u>\$ 10,845</u>	<u>\$ 90,797</u>	<u>\$ 83,275</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>PUBLIC PARKING SYSTEM</b>	<b>STORM - WATER SERVICES</b>	<b>MOTOR VEHICLE INSPECTION</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers.....	\$ 3,386	\$ 3,998	\$ 428
Payments to suppliers.....	(1,482)	(7,112)	(114)
Payments to employees.....	(1,525)	(8,779)	(353)
Internal activity - receipts from other funds.....	935	2,300	-
Internal activity - payments to other funds.....	-	-	-
Other receipts.....	37	-	-
Other operating cash payments.....	(196)	(34)	(5)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>1,155</b>	<b>(9,627)</b>	<b>(44)</b>
<b>NONCAPITAL FINANCING ACTIVITIES:</b>			
Cash received through transfers from other funds.....	-	1,294	-
Cash payments through transfers to other funds.....	-	(2,694)	-
<b>NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>-</b>	<b>(1,400)</b>	<b>-</b>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets.....	-	(9,100)	-
Proceeds from the sale of capital assets.....	-	-	-
Increase in construction fund cash and investments.....	3,157	-	-
Principal paid on long-term obligations.....	(4,140)	-	-
Interest and payments to refunded bond escrow agent.....	(128)	-	-
<b>NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(1,111)</b>	<b>(9,100)</b>	<b>-</b>
<b>INVESTING ACTIVITIES:</b>			
Interest and dividends on investments.....	14	530	6
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES.....</b>	<b>14</b>	<b>530</b>	<b>6</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....</b>			
Cash and cash equivalents at October 1, 2009.....	4	19,699	95
Cash and cash equivalents at September 30, 2010.....	<u>\$ 62</u>	<u>\$ 102</u>	<u>\$ 57</u>

<u>BASEBALL STADIUM</u>	<u>PERFORMING ARTS</u>	<u>CONVENTION CENTER</u>	<u>EQUESTRIAN CENTER</u>	<u>TOTALS</u>	
				<u>2010</u>	<u>2009</u>
\$ 558	\$ 2,486	\$ 5,985	\$ 322	\$ 17,163	\$ 36,064
(1,463)	(1,712)	(1,473)	(554)	(13,910)	(9,797)
(332)	(800)	(1,307)	(360)	(13,456)	(13,157)
164	-	-	41	3,440	790
-	(388)	(47)	-	(435)	-
680	57	-	53	827	1,808
<u>(173)</u>	<u>(515)</u>	<u>(261)</u>	<u>(92)</u>	<u>(1,276)</u>	<u>(1,198)</u>
<u>(566)</u>	<u>(872)</u>	<u>2,897</u>	<u>(590)</u>	<u>(7,647)</u>	<u>\$ 14,510</u>
2,696	988	-	820	5,798	10,708
<u>-</u>	<u>-</u>	<u>(2,849)</u>	<u>-</u>	<u>(5,543)</u>	<u>(10,129)</u>
<u>2,696</u>	<u>988</u>	<u>(2,849)</u>	<u>820</u>	<u>255</u>	<u>579</u>
(6)	(5)	(10)	(8)	(9,129)	(3,141)
5	-	-	-	5	-
(20)	26	16	24	3,203	(1,933)
(774)	-	(15)	(33)	(4,962)	(4,756)
<u>(1,361)</u>	<u>(119)</u>	<u>-</u>	<u>(122)</u>	<u>(1,730)</u>	<u>-</u>
<u>(2,156)</u>	<u>(98)</u>	<u>(9)</u>	<u>(139)</u>	<u>(12,613)</u>	<u>(9,830)</u>
<u>79</u>	<u>-</u>	<u>32</u>	<u>2</u>	<u>663</u>	<u>1,501</u>
<u>79</u>	<u>-</u>	<u>32</u>	<u>2</u>	<u>663</u>	<u>1,501</u>
53	18	71	93	(\$ 19,342)	\$ 6,760
<u>310</u>	<u>41</u>	<u>812</u>	<u>6</u>	<u>20,967</u>	<u>14,207</u>
<u>\$ 363</u>	<u>\$ 59</u>	<u>\$ 883</u>	<u>\$ 99</u>	<u>\$ 1,625</u>	<u>\$ 20,967</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands; continued)**

	<u>PUBLIC PARKING SYSTEM</u>	<u>STORM - WATER SERVICES</u>	<u>MOTOR VEHICLE INSPECTION</u>
<b>RECONCILIATION OF OPERATING (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:</b>			
OPERATING INCOME (LOSS).....	(\$ 71)	\$ 10,695	(\$ 45)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation .....	390	237	1
(Increase) decrease in assets:			
Receivables and other current assets, net.....	-	(22,562)	(3)
Due from other funds.....	-	-	-
Inventories.....	-	-	3
Prepaid expenses.....	-	-	-
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses.....	21	994	1
Due to other funds.....	935	2,300	-
Contracts payable.....	-	29	-
Deposit.....	8	1	-
Unearned revenue.....	-	(1,475)	-
Other liabilities.....	28	146	5
Interest payable.....	(171)	-	-
Accrued compensated absences.....	15	8	(6)
TOTAL ADJUSTMENTS.....	<u>1,226</u>	<u>(20,322)</u>	<u>1</u>
NET CASH PROVIDED(USED IN) OPERATING ACTIVITIES.....	<u>\$ 1,155</u>	<u>(\$ 9,627)</u>	<u>(\$ 44)</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Change in the fair value of investments.....	\$ 3	\$ 264	\$ 2

<u>BASEBALL STADIUM</u>	<u>PERFORMING ARTS</u>	<u>CONVENTION CENTER</u>	<u>EQUESTRIAN CENTER</u>	<u>TOTALS</u>	
				<u>2010</u>	<u>2009</u>
<u>(\$ 1,396)</u>	<u>(\$ 1,675)</u>	<u>\$ 2,166</u>	<u>(\$ 1,370)</u>	<u>\$ 8,304</u>	<u>\$ 11,942</u>
638	761	648	718	3,393	3,163
(13)	24	21	4	(22,529)	(5,814)
-	(88)	(46)	-	(134)	10
-	-	-	-	3	3
(6)	(9)	(6)	(2)	(23)	40
725	317	25	67	2,150	1,608
164	(300)	(1)	40	3,138	780
-	-	-	-	29	28
(8)	57	25	1	84	38
-	-	-	(4)	(1,479)	974
-	-	-	-	179	214
(670)	41	65	(44)	(779)	918
-	-	-	-	17	606
<u>830</u>	<u>803</u>	<u>731</u>	<u>780</u>	<u>(15,951)</u>	<u>2,568</u>
<u>(\$ 566)</u>	<u>(\$ 872)</u>	<u>\$ 2,897</u>	<u>(\$ 590)</u>	<u>(\$ 7,647)</u>	<u>\$ 14,510</u>
\$ 5	(\$ 24)	(\$ 85)	(\$ 5)	\$ 160	\$ 605

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## INTERNAL SERVICE FUNDS

**Internal Service Funds** account for the financing of goods and services provided by one City department or agency to other City departments or agencies on a cost-reimbursement basis. Descriptions of individual funds in this category are presented below.

**The Fleet Management Fund** accounts for the operation of the City's fleet of police cars, fire and rescue vehicles, public works and public utilities trucks, and many other types of on- and off-road automotive equipment.

**The Copy Center Fund** accounts for the operation of the centralized copy center, mail and messenger service functions for City agencies.

**The Information Technologies Fund** accounts for centralized information management and computer services that includes data processing, central telephone and network communications, and other voice/data electronic media services.

**The Legal Fund** accounts for centralized legal services to all City departments and agencies through the Office of General Counsel.

**The Self-Insurance Fund** accounts for centralized risk management and safety and loss prevention services to all City departments that are self-insured for workers' compensation, public, and general and vehicle liability.

**The Group Health Fund** accounts for employee health and life insurance premiums and manages third party health care contracts to all City employees.

**The Insured Programs Fund** accounts for providing all forms of property and casualty, commercial liability and other types of coverage to City departments.

**The Banking Fund** accounts for commercial paper issued for short intermediate life assets such as personal computers, vehicles, application software, equipment, etc.

**COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

<u>ASSETS</u>	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>
<b>CURRENT ASSETS:</b>			
Equity in cash and investments.....	\$ 8,811	\$ 2	\$ 8,628
Cash with fiscal agents.....	-	-	-
Accounts receivable.....	-	-	-
Loans receivables.....	-	-	-
Other receivables.....	-	-	-
Due from independent agencies and other governments.....	1,038	-	69
Inventories.....	1,490	-	516
Prepaid expenses and other assets.....	-	-	-
<b>Total Current Assets.....</b>	<b>11,339</b>	<b>2</b>	<b>9,213</b>
<b>NONCURRENT ASSETS:</b>			
Advances to other funds.....	-	-	-
Loans receivable - noncurrent.....	-	-	-
Other receivables - noncurrent.....	-	-	-
<b>Total Noncurrent Assets.....</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CAPITAL ASSETS AND INFRASTRUCTURE</b>			
Land and work in progress.....	181	-	22
Other capital assets, net of depreciation.....	42,927	4	24,811
<b>Total Capital Assets, Net.....</b>	<b>43,108</b>	<b>4</b>	<b>24,833</b>
<b>TOTAL ASSETS.....</b>	<b>54,447</b>	<b>6</b>	<b>34,046</b>
<b><u>LIABILITIES</u></b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable and accrued liabilities.....	2,635	97	4,069
Due to other funds.....	-	13	-
Capitalized lease obligations, current portion.....	-	-	-
Deposits.....	-	-	-
Unearned revenue.....	-	-	-
Accrued compensated absences, current portion.....	201	17	502
Current interest payable.....	-	-	-
Current portion of bonds payable.....	-	-	-
Current portion of notes payable.....	-	-	-
Current portion of loans payable.....	7,045	-	2,755
<b>Total Current Liabilities.....</b>	<b>9,881</b>	<b>127</b>	<b>7,326</b>
<b>NONCURRENT LIABILITIES:</b>			
Notes payable.....	-	-	-
Estimated liability for self-insured losses.....	-	-	-
Accrued compensated absences.....	470	39	1,170
Loans payable.....	14,166	-	3,679
Bonds payable.....	-	-	-
Other liabilities.....	348	22	494
<b>Total Long-Term Liabilities.....</b>	<b>14,984</b>	<b>61</b>	<b>5,343</b>
<b>TOTAL LIABILITIES.....</b>	<b>24,865</b>	<b>188</b>	<b>12,669</b>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt.....	21,897	4	18,399
Restricted - other participant's equity.....	-	-	-
Unrestricted .....	7,685	(186)	2,978
<b>TOTAL NET ASSETS (DEFICIT).....</b>	<b>\$ 29,582</b>	<b>\$ (182)</b>	<b>\$ 21,377</b>

<u>LEGAL</u>	<u>SELF-INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>BANKING FUND</u>	<u>TOTALS</u>	
					<u>2010</u>	<u>2009</u>
\$ 2,465	\$ 70,148	\$ 3,303	\$ 6,368	\$ 32,380	\$ 132,105	\$ 121,762
-	-	-	-	9,114	9,114	-
-	54	150	-	-	204	60
-	-	-	-	47,352	47,352	53,095
-	1,499	-	-	-	1,499	1,607
465	53	-	-	-	1,625	1,319
-	-	-	-	-	2,006	1,750
-	435	-	2,358	3,709	6,502	4,643
<u>2,930</u>	<u>72,189</u>	<u>3,453</u>	<u>8,726</u>	<u>92,555</u>	<u>200,407</u>	<u>184,236</u>
-	7,807	-	-	-	7,807	8,500
-	-	-	-	186,390	186,390	86,680
-	13,894	-	-	-	13,894	14,328
-	21,701	-	-	186,390	208,091	109,508
-	-	-	-	-	203	203
10	67	20	6	-	67,845	74,426
<u>10</u>	<u>67</u>	<u>20</u>	<u>6</u>	<u>-</u>	<u>68,048</u>	<u>74,629</u>
<u>2,940</u>	<u>93,957</u>	<u>3,473</u>	<u>8,732</u>	<u>278,945</u>	<u>476,546</u>	<u>368,373</u>
414	120	50	22	392	7,799	14,095
-	-	-	-	-	13	720
-	-	-	-	-	-	313
-	-	2	-	-	2	2
-	-	-	2,358	-	2,358	2,509
252	16	31	20	-	1,039	1,100
-	-	-	-	2,970	2,970	-
-	-	-	-	6,144	6,144	-
-	-	-	-	-	-	40,315
-	-	-	-	-	9,800	21,491
<u>666</u>	<u>136</u>	<u>83</u>	<u>2,400</u>	<u>9,506</u>	<u>30,125</u>	<u>80,545</u>
-	-	-	-	55,000	55,000	33,500
-	83,657	18	-	-	83,675	86,750
588	38	73	46	-	2,424	2,568
-	-	-	-	-	17,845	19,890
-	-	-	-	206,928	206,928	83,155
199	51	34	11	-	1,159	853
<u>787</u>	<u>83,746</u>	<u>125</u>	<u>57</u>	<u>261,928</u>	<u>367,031</u>	<u>226,716</u>
<u>1,453</u>	<u>83,882</u>	<u>208</u>	<u>2,457</u>	<u>271,434</u>	<u>397,156</u>	<u>307,261</u>
10	67	20	6	-	40,403	53,480
-	1,652	-	-	-	1,652	4,271
<u>1,477</u>	<u>8,356</u>	<u>3,245</u>	<u>6,269</u>	<u>7,511</u>	<u>37,335</u>	<u>3,361</u>
<u>\$ 1,487</u>	<u>\$ 10,075</u>	<u>\$ 3,265</u>	<u>\$ 6,275</u>	<u>\$ 7,511</u>	<u>\$ 79,390</u>	<u>\$ 61,112</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF REVENUE, EXPENSES, AND  
CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>FLEET MANAGEMENT</b>	<b>COPY CENTER</b>	<b>INFORMATION TECHNOLOGIES</b>
<b>OPERATING REVENUE:</b>			
Charges for services.....	\$ 45,030	\$ 2,149	\$ 43,556
Charges for services for independent authorities.....	8,337	-	883
Other.....	903	-	2
Total Operating Revenue.....	<u>54,270</u>	<u>2,149</u>	<u>44,441</u>
<b>OPERATING EXPENSES:</b>			
Personal services.....	7,174	397	15,647
Supplies and materials.....	24,284	708	2,078
Central services.....	1,731	41	4,093
Other services and charges.....	3,541	638	11,578
Depreciation.....	15,128	265	5,491
Court reporter services.....	-	-	-
Claims and losses.....	-	-	-
Insurance premiums and participant dividends.....	122	2	204
Total Operating Expenses.....	<u>51,980</u>	<u>2,051</u>	<u>39,091</u>
<b>OPERATING INCOME (LOSS).....</b>	<u>2,290</u>	<u>98</u>	<u>5,350</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>			
Interest .....	210	(41)	20
Other.....	859	193	1,196
Total Non-Operating Revenue (Expenses) .....	<u>1,069</u>	<u>152</u>	<u>1,216</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND OPERATING TRANSFERS.....</b>			
	3,359	250	6,566
<b>Transfers</b>			
Transfers in.....	1,447	-	500
Transfers out.....	(60)	-	-
Net Transfers	<u>1,387</u>	<u>-</u>	<u>500</u>
<b>CHANGE IN NET ASSETS.....</b>	<u>4,746</u>	<u>250</u>	<u>7,066</u>
<b>NET ASSETS, BEGINNING OF YEAR.....</b>	<u>24,836</u>	<u>(432)</u>	<u>14,311</u>
<b>NET ASSETS, END OF YEAR (DEFICIT).....</b>	<u>\$ 29,582</u>	<u>\$ (182)</u>	<u>\$ 21,377</u>

<b>LEGAL</b>	<b>SELF-INSURANCE</b>	<b>GROUP HEALTH</b>	<b>INSURED PROGRAMS</b>	<b>BANKING FUND</b>	<b>TOTALS</b>	
					<b>2010</b>	<b>2009</b>
\$ 7,401	\$ 26,153	\$ 87,044	\$ 8,445	\$ 6,290	\$ 226,068	\$ 210,924
2,484	-	-	-	-	11,704	9,369
9	5	158	-	-	1,077	974
<u>9,894</u>	<u>26,158</u>	<u>87,202</u>	<u>8,445</u>	<u>6,290</u>	<u>238,849</u>	<u>221,267</u>
7,277	1,233	784	415	-	32,927	33,294
39	52	5	6	-	27,172	22,638
782	1,262	326	215	-	8,450	8,571
1,539	6,017	372	46	6,364	30,095	24,563
3	23	2	1	-	20,913	22,944
66	-	-	-	-	66	35
-	16,846	-	-	-	16,846	19,916
39	401	84,999	7,481	-	93,248	87,872
<u>9,745</u>	<u>25,834</u>	<u>86,488</u>	<u>8,164</u>	<u>6,364</u>	<u>229,717</u>	<u>219,833</u>
149	324	714	281	(74)	9,132	1,434
158	4,973	618	591	2,430	8,959	10,733
-	(4)	-	-	2,588	4,832	(2,267)
<u>158</u>	<u>4,969</u>	<u>618</u>	<u>591</u>	<u>5,018</u>	<u>13,791</u>	<u>8,466</u>
307	5,293	1,332	872	4,944	22,923	9,900
750	1,072	-	-	-	3,769	4,346
(922)	(7,032)	-	(400)	-	(8,414)	-
<u>(172)</u>	<u>(5,960)</u>	<u>-</u>	<u>(400)</u>	<u>-</u>	<u>(4,645)</u>	<u>4,346</u>
135	(667)	1,332	472	4,944	18,278	14,246
<u>1,352</u>	<u>10,742</u>	<u>1,933</u>	<u>5,803</u>	<u>2,567</u>	<u>61,112</u>	<u>46,866</u>
<u>\$ 1,487</u>	<u>\$ 10,075</u>	<u>\$ 3,265</u>	<u>\$ 6,275</u>	<u>\$ 7,511</u>	<u>\$ 79,390</u>	<u>\$ 61,112</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers.....	\$ 54,671	\$ 2,345	\$ 49,113
Payments to suppliers.....	(28,479)	(1,453)	(17,540)
Payments to employees.....	(7,225)	(386)	(15,542)
Internal activity- receipts from other funds.....	-	-	-
Internal activity-payments to other funds.....	-	(347)	(360)
Other receipts.....	88	-	-
Other operating cash payments.....	(1,448)	(118)	(1,374)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.</b>	<u>17,607</u>	<u>41</u>	<u>14,297</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Cash received through transfers from other funds.....	1,447	-	500
Cash payments through transfers to other funds.....	(60)	-	-
<b>NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....</b>	<u>1,387</u>	<u>-</u>	<u>500</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets.....	(7,936)	-	(5,404)
Proceeds from the sale of capital assets.....	965	-	-
Decrease in capitalized lease obligations.....	-	-	-
Proceeds from loans receivables.....	-	-	-
Proceeds from loans payable.....	-	-	2,596
Payments on loans payable.....	(9,560)	-	(3,386)
Payments on notes payable.....	-	-	-
Proceeds from bonds payable.....	-	-	-
Interest and payments to bond escrow agent.....	-	-	-
<b>NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<u>(16,531)</u>	<u>-</u>	<u>(6,194)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest and Dividends.....	210	(41)	20
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES.....</b>	<u>210</u>	<u>(41)</u>	<u>20</u>
<b>NET INCREASE (DECREASE) IN EQUITY IN CASH AND CASH EQUIVALENTS.....</b>			
	2,673	-	8,623
Equity in cash and investments at October 1, 2009.....	<u>6,138</u>	<u>2</u>	<u>5</u>
Equity in cash and investments at September 30, 2010.....	<u>\$ 8,811</u>	<u>\$ 2</u>	<u>\$ 8,628</u>

<u>LEGAL</u>	<u>SELF-INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>BANKING FUND</u>	<u>TOTALS</u>	
					<u>2010</u>	<u>2009</u>
\$ 10,008	\$ 27,340	\$ 87,052	\$ 8,596	\$ 6,290	\$ 245,415	\$ 218,955
(2,110)	(6,688)	(91,900)	(8,240)	(11,735)	(168,145)	(140,187)
(7,242)	(1,212)	(807)	(410)	-	(32,824)	(32,714)
-	-	-	-	-	-	570
-	-	-	-	(97,352)	(98,059)	-
-	-	-	421	1,955	2,464	4,318
(421)	(21,051)	(145)	(83)	-	(24,640)	(28,171)
<u>235</u>	<u>(1,611)</u>	<u>(5,800)</u>	<u>284</u>	<u>(100,842)</u>	<u>(75,789)</u>	<u>22,771</u>
750	1,072	-	-	-	3,769	4,346
(922)	(7,032)	-	(400)	-	(8,414)	-
<u>(172)</u>	<u>(5,960)</u>	<u>-</u>	<u>(400)</u>	<u>-</u>	<u>(4,645)</u>	<u>4,346</u>
-	(7)	(24)	-	-	(13,371)	(25,312)
-	-	-	-	-	965	-
-	-	-	-	-	-	(296)
-	-	-	-	-	-	(13,474)
-	-	-	-	-	2,596	23,195
-	-	-	-	-	(12,946)	(16,611)
-	-	-	-	(18,815)	(18,815)	(25,700)
-	-	-	-	132,504	132,504	28,940
-	-	-	-	(9,114)	(9,114)	-
<u>-</u>	<u>(7)</u>	<u>(24)</u>	<u>-</u>	<u>104,575</u>	<u>81,819</u>	<u>(29,258)</u>
157	4,973	618	591	2,430	8,958	10,733
<u>157</u>	<u>4,973</u>	<u>618</u>	<u>591</u>	<u>2,430</u>	<u>8,958</u>	<u>10,733</u>
220	(2,605)	(5,206)	475	6,163	10,343	8,592
<u>2,245</u>	<u>72,753</u>	<u>8,509</u>	<u>5,893</u>	<u>26,217</u>	<u>121,762</u>	<u>113,170</u>
<u>\$ 2,465</u>	<u>\$ 70,148</u>	<u>\$ 3,303</u>	<u>\$ 6,368</u>	<u>\$ 32,380</u>	<u>\$ 132,105</u>	<u>\$ 121,762</u>

(continued)

**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands; continued)**

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss) .....	\$ 2,290	\$ 98	\$ 5,350
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization.....	15,128	265	5,491
(Increase) decrease in assets:			
Receivables and other current assets, net.....	-	-	-
Due from other funds.....	-	-	-
Advances to other funds.....			
Due from independent agencies and other governments.....	(458)	1	90
Other receivables.....	-	-	-
Loans receivables.....	-	-	3,386
Inventories.....	(250)	-	(6)
Prepaid expenses.....	-	-	-
Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities.....	948	13	241
Due to other funds.....	-	(347)	(360)
Loans payable.....			
Compensated absences.....	(145)	5	(25)
Other liabilities.....	94	6	130
Unearned revenue.....	-	-	-
Liability for self-insured losses.....	-	-	-
<b>TOTAL ADJUSTMENTS.....</b>	<b>15,317</b>	<b>(57)</b>	<b>8,947</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>\$ 17,607</b>	<b>\$ 41</b>	<b>\$ 14,297</b>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Change in the fair value of investments.....	\$ 246	\$ 22	\$ 230

<u>LEGAL</u>	<u>SELF-INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>BANKING FUND</u>	<u>TOTALS</u>	
					<u>2010</u>	<u>2009</u>
<u>\$ 149</u>	<u>\$ 324</u>	<u>\$ 714</u>	<u>\$ 281</u>	<u>(\$ 74)</u>	<u>\$ 9,132</u>	<u>\$ 7,001</u>
3	23	2	1	-	20,913	22,944
-	6	(150)	-	-	(144)	5
-	-	-	-	-	-	12
-	693	-	-	-	693	664
114	(53)	-	-	-	(306)	1,230
-	544	-	-	-	544	565
-	-	-	-	(97,352)	(93,966)	(13,749)
-	-	-	-	-	(256)	393
-	(25)	-	151	(1,985)	(1,859)	(308)
(66)	(69)	(6,343)	(3)	1,955	(3,324)	(1,021)
-	-	-	-	-	(707)	570
-	-	-	-	(3,386)	(3,386)	-
(16)	7	(31)	2	-	(203)	160
51	14	8	3	-	306	420
-	-	-	(151)	-	(151)	78
-	(3,075)	-	-	-	(3,075)	3,807
<u>86</u>	<u>(1,935)</u>	<u>(6,514)</u>	<u>3</u>	<u>(100,768)</u>	<u>(84,921)</u>	<u>15,770</u>
<u>\$ 235</u>	<u>(\$ 1,611)</u>	<u>(\$ 5,800)</u>	<u>\$ 284</u>	<u>(\$ 100,842)</u>	<u>(\$ 75,789)</u>	<u>\$ 22,771</u>
\$ 4	(\$ 957)	\$ (78)	(\$ 229)	(\$ 593)	(\$ 1,355)	\$ 5,033

(continued)



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## **FIDUCIARY FUNDS**

**Fiduciary Funds** account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Below are descriptions of the generic fund types within this category and specific funds within each fund type.

**PENSION TRUST FUNDS** are funds administered by independent boards for which the City performs a fiduciary role under a defined benefit, defined contribution and disability programs. The participant's retirement annuity is based on a statutory formula utilizing such factors as age, average salary, length of service and others. The City has two pension trust funds as described below.

**The Jacksonville Retirement System Fund** includes resources accumulated to pay present and future retirement annuities to eligible employees of the City except for sworn officers of the Office of the Sheriff and the firefighters in the Department of Fire and Rescue.

**The Police and Fire Pension Trust Fund** accounts for a single employer, contributory defined benefit plan for City police officers and firefighters.

**AGENCY FUNDS** are funds which hold monies in an agency capacity for various government units, individuals or funds. Individual fund descriptions follow.

**The Treasurer Fund** is the clearing fund used to account for all cash received and disbursed on behalf of the City's payroll.

**The Tax Collector Fund** accounts for assets and liabilities from the collection of all taxes, revenues and other cash amounts on behalf of the City and various of its agencies, authorities, organizations, individuals, and funds.

**Clerk of the Circuit Court** accounts for assets and liabilities from revenues collected on behalf of the state and the city by the court system for various judgments, fines, bonds, fees and licenses and other miscellaneous amounts.

**Plat Deposits Fund** accounts for the deposits placed with the City as collateral to insure the completion of improvements in the event of default by a developer or failure by the developer to complete improvements within the time specified by the ordinance approving the Final Plat.

**The Duval County School Readiness Coalition Fund** accounts for the assets and liabilities from revenues collected on behalf of the Duval County School Readiness Coalition from the State, pursuant to Florida Statute 411.01, to provide comprehensive programs of readiness services to children.

**The Florida Retirement System Fund** accounts for a multiple-employer, cost-sharing defined benefit plan for certain City employees who elected to remain with the State of Florida Retirement System.

**The Office of the Sheriff** accounts for deposits held in accordance with statutes for civil action, safeguarding of monetary evidence, and inmate funds.

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS -**  
**PENSION TRUST FUNDS**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	<b>PENSION TRUST FUNDS</b>							
	<b>JACKSONVILLE</b>					<b>POLICE AND FIRE PENSION PLAN</b>	<b>TOTALS</b>	
	<b>RETIREMENT SYSTEM</b>							<b>2010</b>
	<b>GENERAL EMPLOYEES PLAN</b>	<b>CORRECTIONS OFFICERS PLAN</b>	<b>DISABILITY PENSION PLAN</b>	<b>DEFINED CONTRIBUTION PLAN</b>	<b>RETIREMENT PLAN</b>			
<b>ASSETS</b>								
Equity in cash and investments.....	\$ 27,659	\$ 15,884	\$ 1,671	\$ -	\$ 2,297	\$ 47,511	\$ 49,197	
Receivables (net, where applicable, of allowances for uncollectible):								
Interest and dividends.....	4,029	-	-	-	2,680	6,709	6,682	
Accounts.....	-	-	-	-	258	258	189	
Other.....	1,263	626	29	8	-	1,926	-	
Due from independent agencies and other governments...	-	-	-	-	4,187	4,187	-	
Due from component units.....	1,155	-	29	-	-	1,184	-	
Investments, at fair value:								
U.S. Government obligations.....	45,994	-	-	-	92,830	138,824	81,855	
Federal Agencies.....	120,064	-	-	-	-	120,064	117,271	
Municipal Bonds.....	-	-	-	-	-	-	-	
Domestic corporate bonds.....	284,402	-	-	-	150,001	434,403	442,147	
Short-term Investments.....	10,541	-	-	-	-	10,541	37,319	
Commercial paper.....	-	-	-	-	-	-	-	
Domestic stocks.....	609,149	-	-	-	405,613	1,014,762	972,251	
International stocks.....	254,693	-	-	-	215,688	470,381	374,912	
Real Estate.....	89,802	-	-	-	85,985	175,787	171,227	
Other Fixed Income.....	56,804	-	-	-	-	56,804	60,509	
Alternative investments.....	39,845	-	-	-	-	39,845	43,556	
Equity in pooled investments.....	(83,548)	83,548	-	235	12,176	12,411	-	
Total investments.....	1,427,746	83,548	-	235	962,293	2,473,822	2,301,047	
Capital assets:								
Land.....	-	-	-	-	-	-	-	
Other capital assets, net of depreciation.....	1	-	-	-	22	23	49	
Net capital assets.....	1	-	-	-	22	23	-	
Securities Lending Collateral.....	101,131	5,915	-	-	-	107,046	103,599	
<b>TOTAL ASSETS.....</b>	<b>1,562,984</b>	<b>105,973</b>	<b>1,729</b>	<b>243</b>	<b>971,737</b>	<b>2,642,666</b>	<b>2,460,763</b>	
<b>LIABILITIES</b>								
Obligations Under Securities Lending Agreement.....	102,333	5,986	-	-	-	108,319	105,108	
Accounts payable and accrued liabilities.....	4,503	297	5	12	4,323	9,140	7,677	
Accrued Compensated Absences.....	69	-	-	-	32	101	88	
Terminal Leave - Group Care.....	-	-	-	-	326	326	-	
Terminal Leave - Pending.....	-	-	-	-	-	-	-	
Due to Participants.....	-	10,068	-	-	183,700	193,768	175,854	
<b>TOTAL LIABILITIES.....</b>	<b>106,905</b>	<b>16,351</b>	<b>5</b>	<b>12</b>	<b>188,381</b>	<b>311,654</b>	<b>288,727</b>	
<b>NET ASSETS HELD IN TRUST</b>								
<b>FOR PENSION BENEFITS.....</b>	<b>\$ 1,456,079</b>	<b>\$ 89,622</b>	<b>\$ 1,724</b>	<b>\$ 231</b>	<b>\$ 783,356</b>	<b>\$ 2,331,012</b>	<b>\$ 2,172,036</b>	

(See schedule of funding progress on pages 155 -156.)

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**PENSION TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

	PENSION TRUST FUNDS						TOTALS	
	JACKSONVILLE							
	GENERAL EMPLOYEES PLAN	CORRECTIONS OFFICERS PLAN	DISABILITY PENSION PLAN	DEFINED CONTRIBUTION PLAN	POLICE AND FIRE PENSION PLAN			2010
<b>RETIREMENT SYSTEM</b>								
<b>ADDITIONS</b>								
Contributions:								
Employer.....	\$ 40,551	\$ 9,491	\$ 571	\$ 99	\$ 84,542	\$ 135,254	\$ 84,927	
Plan Member.....	25,196	2,632	1,162	91	12,222	41,303	37,188	
Total contributions.....	65,747	12,123	1,733	190	96,764	176,557	122,115	
Other additions:								
State insurance contributions.....	-	-	-	-	8,829	8,829	8,901	
Court fines & penalties.....	-	485	-	-	1,026	1,511	1,456	
Contributions from other governmental uni	-	-	-	-	-	-	4,286	
Miscellaneous.....	-	-	-	-	81	81	186	
Transfers in.....	-	-	-	37	-	37	-	
Total other additions.....	-	485	-	37	9,936	10,458	14,829	
Investment income:								
Net appreciation in fair value of investmen	123,557	7,013	-	8	52,702	183,280	(77,655)	
Interest.....	21,004	1,168	-	1	12,747	34,920	42,257	
Dividends.....	8,515	1,485	65	-	8,075	18,140	19,690	
Rebate of Commissions.....	31	-	-	-	53	84	169	
Rental Income.....	-	-	-	-	2,027	2,027	1,874	
Other miscellaneous.....	(2)	-	-	-	-	(2)	8	
Total investment income (loss).....	153,105	9,666	65	9	75,604	238,449	(13,657)	
Less investment expense.....	(5,458)	(293)	-	-	(4,505)	(10,256)	(10,442)	
Less rental expense.....	-	-	-	-	(351)	(351)	(205)	
Net investment income (loss).....	147,647	9,373	65	9	70,748	227,842	(24,304)	
From Securities Lending Activities:								
Securities Lending.....	526	24	-	-	-	550	2,601	
Securities Lending Expenses.....	-	-	-	-	-	-	-	
Interest Expense (returned to borrower)..	(63)	(3)	-	-	-	(66)	(316)	
Agent Fees.....	(58)	(3)	-	-	-	(61)	(24)	
Total securities lending activities .....	405	18	-	-	-	423	2,261	
<b>TOTAL ADDITIONS.....</b>	<b>213,799</b>	<b>21,999</b>	<b>1,798</b>	<b>236</b>	<b>177,448</b>	<b>415,280</b>	<b>114,901</b>	
<b>DEDUCTIONS</b>								
Benefits payments.....	116,290	1,859	74	-	88,493	206,716	195,807	
DROP Benefits .....	-	5,045	-	-	31,761	36,806	31,908	
Refunds of contributions.....	8,329	747	-	5	191	9,272	8,074	
Transfers out.....	37	-	-	-	-	37	-	
Administrative expenses.....	775	560	-	-	2,138	3,473	2,900	
<b>TOTAL DEDUCTIONS.....</b>	<b>125,431</b>	<b>8,211</b>	<b>74</b>	<b>5</b>	<b>122,583</b>	<b>256,304</b>	<b>238,689</b>	
Net change in net assets.....	88,368	13,788	1,724	231	54,865	158,976	(123,788)	
<b>NET ASSETS, BEGINNING OF YEAR....</b>	<b>1,367,711</b>	<b>75,834</b>	<b>-</b>	<b>-</b>	<b>728,491</b>	<b>2,172,036</b>	<b>2,295,824</b>	
<b>NET ASSETS, END OF YEAR.....</b>	<b>\$ 1,456,079</b>	<b>\$ 89,622</b>	<b>\$ 1,724</b>	<b>\$ 231</b>	<b>\$ 783,356</b>	<b>\$ 2,331,012</b>	<b>\$ 2,172,036</b>	

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2010**  
**WITH COMPARATIVE TOTALS FOR 2009 (in thousands)**

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	<u>TREASURER</u>	<u>TAX COLLECTOR</u>	<u>CLERK OF THE CIRCUIT COURTS</u>
<b>ASSETS:</b>			
Equity in cash and investments.....	\$ 134	\$ 13,094	\$ 22,216
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts.....	<u>25</u>	<u>-</u>	<u>2,284</u>
<b>TOTAL ASSETS.....</b>	<b><u>\$ 159</u></b>	<b><u>\$ 13,094</u></b>	<b><u>\$ 24,500</u></b>
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities.....	\$ 159	\$ -	\$ -
Due to independent agencies and other governments.....	-	7,062	9,007
Due to individuals.....	-	2,784	2,528
Deposits held in escrow.....	-	3,248	12,965
Miscellaneous liabilities.....	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>\$ 159</u></b>	<b><u>\$ 13,094</u></b>	<b><u>\$ 24,500</u></b>

<u>PLAT DEPOSITS</u>	<u>DUVAL CO SCHOOL READINESS COALITION</u>	<u>FLORIDA RETIREMENT SYSTEM</u>	<u>SHERIFF'S AGENCY FUND</u>	<u>TOTALS</u>	
				<u>2010</u>	<u>2009</u>
\$ 241	\$ 26	\$ 51	\$ 2,215	\$ 37,977	\$ 64,238
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,309</u>	<u>3,137</u>
<u>\$ 241</u>	<u>\$ 26</u>	<u>\$ 51</u>	<u>\$ 2,215</u>	<u>\$ 40,286</u>	<u>\$ 67,375</u>
\$ -	\$ 26	\$ 5	\$ -	\$ 190	\$ 227
-	-	46	10	16,125	28,235
-	-	-	-	5,312	4,627
241	-	-	1,395	17,849	34,286
<u>-</u>	<u>-</u>	<u>-</u>	<u>810</u>	<u>810</u>	<u>-</u>
<u>\$ 241</u>	<u>\$ 26</u>	<u>\$ 51</u>	<u>\$ 2,215</u>	<u>\$ 40,286</u>	<u>\$ 67,375</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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	<u>BALANCE</u> <u>OCTOBER 1,</u> <u>2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>SEPTEMBER 30,</u> <u>2010</u>
<b><u>TREASURER</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 148	\$ 868,560	\$ 868,574	\$ 134
Accounts receivable.....	25	25	25	25
TOTAL ASSETS.....	<u>\$ 173</u>	<u>\$ 868,585</u>	<u>\$ 868,599</u>	<u>\$ 159</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 173	\$ 194,339	\$ 194,353	\$ 159
TOTAL LIABILITIES.....	<u>\$ 173</u>	<u>\$ 194,339</u>	<u>\$ 194,353</u>	<u>\$ 159</u>
<b><u>TAX COLLECTOR</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 39,663	\$ 29,695	\$ 56,264	\$ 13,094
Accounts receivable.....	-	-	-	-
TOTAL ASSETS.....	<u>\$ 39,663</u>	<u>\$ 29,695</u>	<u>\$ 56,264</u>	<u>\$ 13,094</u>
<b><u>LIABILITIES</u></b>				
Due to independent agencies and other governments.....	\$ 18,453	\$ -	\$ 11,391	\$ 7,062
Due to individuals.....	2,840	-	56	2,784
Deposits held in escrow.....	18,370	41,142	56,264	3,248
TOTAL LIABILITIES.....	<u>\$ 39,663</u>	<u>\$ 41,142</u>	<u>\$ 67,711</u>	<u>\$ 13,094</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands; continued)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	<u>BALANCE</u> <u>OCTOBER 1,</u> <u>2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>SEPTEMBER 30,</u> <u>2010</u>
<b><u>CLERK OF THE CIRCUIT COURT</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 24,096	\$ -	\$ 1,880	\$ 22,216
Accounts receivable.....	3,111	-	827	2,284
TOTAL ASSETS.....	<u>\$ 27,207</u>	<u>\$ -</u>	<u>\$ 2,707</u>	<u>\$ 24,500</u>
<b><u>LIABILITIES</u></b>				
Due to independent agencies and other governments.....	\$ 9,744	\$ -	\$ 737	\$ 9,007
Due to individuals.....	1,787	741	-	2,528
Deposits held in escrow.....	15,676	-	2,711	12,965
TOTAL LIABILITIES.....	<u>\$ 27,207</u>	<u>\$ 741</u>	<u>\$ 3,448</u>	<u>\$ 24,500</u>
<b><u>PLAT DEPOSITS</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 254	\$ 37	\$ 50	\$ 241
TOTAL ASSETS.....	<u>\$ 254</u>	<u>\$ 37</u>	<u>\$ 50</u>	<u>\$ 241</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 14	\$ 14	\$ 28	\$ -
Deposits held in escrow.....	240	52	51	241
TOTAL LIABILITIES.....	<u>\$ 254</u>	<u>\$ 66</u>	<u>\$ 79</u>	<u>\$ 241</u>
<b><u>DUVAL CO SCHOOL READINESS COALITION</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 29	\$ 2	\$ 5	\$ 26
Accounts receivable.....	1	-	1	-
TOTAL ASSETS.....	<u>\$ 30</u>	<u>\$ 2</u>	<u>\$ 6</u>	<u>\$ 26</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 30	\$ -	\$ 4	\$ 26
TOTAL LIABILITIES.....	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 26</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands; continued)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

	<u>BALANCE OCTOBER 1, 2009</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2010</u>
<b><u>FLORIDA RETIREMENT SYSTEM</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 48	\$ 600	\$ 597	\$ 51
TOTAL ASSETS.....	<u>\$ 48</u>	<u>\$ 600</u>	<u>\$ 597</u>	<u>\$ 51</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 10	\$ -	\$ 5	\$ 5
Due to independent agencies and other governments.....	38	590	582	46
TOTAL LIABILITIES.....	<u>\$ 48</u>	<u>\$ 590</u>	<u>\$ 587</u>	<u>\$ 51</u>
<b><u>SHERIFF'S AGENCY FUND</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 2,568	\$ 4,893	\$ 5,246	\$ 2,215
TOTAL ASSETS.....	<u>\$ 2,568</u>	<u>\$ 4,893</u>	<u>\$ 5,246</u>	<u>\$ 2,215</u>
<b><u>LIABILITIES</u></b>				
Due to independent agencies and other governments.....	\$ 38	\$ 266	\$ 294	\$ 10
Deposits held in escrow.....	1,958	834	1,397	1,395
Miscellaneous liabilities.....	572	3,793	3,555	810
TOTAL LIABILITIES.....	<u>\$ 2,568</u>	<u>\$ 4,893</u>	<u>\$ 5,246</u>	<u>\$ 2,215</u>
<b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
<b><u>ASSETS</u></b>				
Equity in cash and investments.....	\$ 66,806	\$ 903,787	\$ 932,616	\$ 37,977
Accounts receivable.....	3,137	25	853	2,309
TOTAL ASSETS.....	<u>\$ 69,943</u>	<u>\$ 903,812</u>	<u>\$ 933,469</u>	<u>\$ 40,286</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 227	\$ 194,353	\$ 194,390	\$ 190
Due to independent agencies and other governments.....	28,273	856	13,004	16,125
Due to individuals.....	4,627	741	56	5,312
Deposits held in escrow.....	36,244	42,028	60,423	17,849
Miscellaneous liabilities.....	572	3,793	3,555	810
TOTAL LIABILITIES.....	<u>\$ 69,943</u>	<u>\$ 241,771</u>	<u>\$ 271,428</u>	<u>\$ 40,286</u>

(continued)

## COMPONENT UNITS

**Component Units** are legally separate organizations for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's governing body with certain exceptions, and either (a) the ability to impose will by the primary government; or (b) the potential for the organization to provide financial benefits to, or impose financial burdens on the primary government. The City's non-major component units follow:

### NON-MAJOR COMPONENT UNITS:

**The Downtown Vision, Inc.** provides community enhancements, such as security, hospitality and clean teams, within the downtown area.

**The Water and Sewer Expansion Authority (WSEA)** allows property owners an opportunity to finance water and/or sewer infrastructure in their existing developed neighborhoods on a voluntary basis.

### COMPONENT UNITS THAT DO NOT ISSUE A SEPARATE REPORT:

**The Jacksonville Housing Finance Authority** provides money for loans and technical assistance for construction and rehabilitation of housing to alleviate a shortage of housing and capital for investment in housing in Jacksonville.

**The Jacksonville Economic Development Commission** provides a focal point for economic development in Jacksonville that results in a centralization of economic development programs.

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF NET ASSETS -**  
**NON MAJOR COMPONENT UNITS (in thousands)**  
**SEPTEMBER 30, 2010**

	<b>DOWNTOWN VISION, INC.</b>	<b>WATER AND SEWER EXPANSION AUTHORITY</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 731	\$ 902	\$ 1,633
Cash in escrow with fiscal agent.....	-	-	-
Investments.....	106		106
Due from other governmental agencies.....	-	-	-
Accounts and interest receivable.....	663	20	683
Mortgage receivables.....	-	-	-
Other receivables.....	-	1,728	1,728
Other assets.....	7	-	7
Capital assets:			
Equipment.....	195	12,092	12,287
Less: accumulated depreciation.....	(154)	(423)	(577)
Total capital assets, net of depreciation.....	<u>41</u>	<u>11,669</u>	<u>11,710</u>
Total assets.....	<u>1,548</u>	<u>14,319</u>	<u>15,867</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses.....	<u>33</u>	<u>54</u>	<u>87</u>
Total liabilities.....	<u>33</u>	<u>54</u>	<u>87</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt.....	41	11,669	11,710
Unrestricted.....	<u>1,474</u>	<u>2,596</u>	<u>4,070</u>
Total Net Assets.....	<u><u>\$ 1,515</u></u>	<u><u>\$ 14,265</u></u>	<u><u>\$ 15,780</u></u>

**CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF ACTIVITIES -  
 NON MAJOR COMPONENT UNITS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				GOVERNMENTAL ACTIVITIES		TOTAL
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	DOWNTOWN VISION, INC.	WATER AND SEWER EXPANSION AUTHORITY	
Governmental activities:							
Downtown Vision, Inc	\$ 1,411	\$ 989	\$ -	\$ 312	\$ (110)	\$ -	\$ (110)
Water Sewer Expansion Authority	874	719	-	2,463		2,308	2,308
<b>Total component units.....</b>	<u>\$ 2,285</u>	<u>\$ 1,708</u>	<u>\$ -</u>	<u>\$ 2,775</u>	<u>(110)</u>	<u>2,308</u>	<u>2,198</u>
General revenues:							
Unrestricted earnings on investments.....					4	112	116
Miscellaneous.....					66	15	81
Total general revenues.....					<u>70</u>	<u>127</u>	<u>197</u>
Change in net assets.....					<u>(40)</u>	<u>2,435</u>	<u>2,395</u>
Net assets, beginning of year.....					<u>1,555</u>	<u>11,830</u>	<u>13,385</u>
Net assets (deficit), end of year.....					<u>\$ 1,515</u>	<u>\$ 14,265</u>	<u>\$ 15,780</u>

**CITY OF JACKSONVILLE, FLORIDA  
 BALANCE SHEET-COMPONENT UNIT  
 JACKSONVILLE HOUSING FINANCE AUTHORITY  
 SEPTEMBER 30, 2010 (in thousands)**

	<b>JACKSONVILLE HOUSING FINANCE AUTHORITY</b>
<b>ASSETS:</b>	
Equity in cash and investments.....	\$ 7,882
Cash in escrow and with fiscal agents.....	133
Receivables (net, where applicable, of allowances for uncollectibles):	
Accounts and interest.....	5
Mortgages.....	11,883
Prepaid items.....	1,590
<b>TOTAL ASSETS.....</b>	<b>21,493</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>LIABILITIES:</b>	
Accounts payable and accrued liabilities.....	14
Loan payables.....	1,218
<b>TOTAL LIABILITIES.....</b>	<b>1,232</b>
<b>FUND BALANCES:</b>	
<b>Non Spendable:</b>	
<b>Assigned:</b>	
Mortgages (Loan) receivable.....	11,888
Prepaid items.....	1,590
<b>Spendable:</b>	
Unassigned.....	6,783
<b>TOTAL FUND BALANCES.....</b>	<b>20,261</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 21,493</b>
<b>Amounts reported for governmental activities in the statement of net assets are different because:</b>	
Certain assets and liabilities reported in governmental activities are not financial resources and therefore are not reported in the funds:	
Compensated absences.....	(5)
Other post employment benefits (OPEB) liability.....	(3)
<b>TOTAL NET ASSETS</b>	<b>\$ 20,253</b>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
COMPONENT UNITS - JACKSONVILLE HOUSING FINANCE AUTHORITY  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010 (in thousands)**

	<b>JACKSONVILLE HOUSING FINANCE AUTHORITY</b>
<b>REVENUE:</b>	
Interest.....	\$ 565
Other.....	584
Total Revenue.....	<u>1,149</u>
<b>EXPENDITURES:</b>	
Current:	
Economic environment.....	494
Total Expenditures.....	<u>494</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....</b>	<u>655</u>
<b>NET CHANGES IN FUND BALANCES.....</b>	655
<b>FUND BALANCES, BEGINNING OF YEAR.....</b>	<u>19,606</u>
<b>FUND BALANCES, END OF YEAR.....</b>	<u><u>\$ 20,261</u></u>

**Amounts reported for governmental activities in the statement of activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Also, certain capital assets are contributed to the City upon completion, requiring recognition of income not reported in the funds.

Capital assets acquired by use of financial resources.....	5
Current year depreciation.....	(6)

Some revenues and expenses reported in the statement of activities did not require the use of or provide current financial resources and therefore are not reported in governmental funds:

Increases in compensated absences payable.....	(5)
Increase in other post employment benefits liability.....	(2)

<b>Change in Net Assets.....</b>	<u><u>\$ 647</u></u>
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See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA  
BALANCE SHEET-COMPONENT UNIT  
JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION  
SEPTEMBER 30, 2010 (in thousands)**

	<b>JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION</b>
<b>ASSETS:</b>	
Equity in cash and investments.....	\$ 22,518
Cash in escrow and with fiscal agents.....	20
Receivables (net, where applicable, of allowances for uncollectible):	
Accounts and interest.....	1,392
Loans.....	42,567
Due from independent agencies and other governments.....	64
<b>TOTAL ASSETS.....</b>	<b>66,561</b>
 <b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES:</b>	
Accounts payable and accrued liabilities.....	\$ 980
Deposits.....	387
Unearned revenue.....	42,567
<b>TOTAL LIABILITIES.....</b>	<b>43,934</b>
<b>FUND BALANCES:</b>	
<b>Spendable:</b>	
Unassigned.....	22,627
<b>TOTAL FUND BALANCES.....</b>	<b>22,627</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 66,561</b>
 <b>Amounts reported for governmental activities in the statement of net assets are different because:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	1
 Certain assets and liabilities reported in governmental activities are not financial resources and therefore are not reported in the funds:	
Compensated absences.....	(256)
Other post employment benefits (OPEB) liability.....	(43)
<b>TOTAL NET ASSETS</b>	<b>\$ 22,329</b>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
COMPONENT UNITS - JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010 (in thousands)**

	<b>JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION</b>
<b>REVENUE:</b>	
Intergovernmental.....	\$ 12,689
Charges for services.....	2
Interest.....	2,084
Other.....	1,361
Total Revenue.....	<u>16,136</u>
<b>EXPENDITURES:</b>	
Current:	
Culture and recreation.....	18
Economic environment.....	9,925
Physical environment.....	9,500
Total Expenditures.....	<u>19,443</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....</b>	<u>(3,307)</u>
<b>NET CHANGES IN FUND BALANCES.....</b>	(3,307)
FUND BALANCES, BEGINNING OF YEAR.....	<u>25,934</u>
<b>FUND BALANCES, END OF YEAR.....</b>	<u><u>\$ 22,627</u></u>

**Amounts reported for governmental activities in the statement of activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Also, certain capital assets are contributed to the City upon completion, requiring recognition of income not reported in the funds.

Current year depreciation.....	(7)
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Some revenues and expenses reported in the statement of activities did not require the use of or provide current financial resources and therefore are not reported in governmental funds:

Increases in compensated absences payable.....	(2)
Increase in other post employment benefits liability.....	(13)

<b>Change in Net Assets.....</b>	<u><u>\$ (3,329)</u></u>
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See accompanying notes.



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## **SUPPLEMENTAL INFORMATION**

**The Supplemental Information** provided herein contains schedules of the Debt Service Funds bonded indebtedness and debt service requirements detail, as well as Self Insurance Fund schedules detailing ten year trend information of general liability and workers compensation claims development.

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands)**  
**SEPTEMBER 30, 2010**

	<u>INTEREST RATES</u>	<u>PAYMENT DATES</u>
<b>GOVERNMENTAL ACTIVITIES:</b>		
<b>Revenue Bonds Supported by General Funds:</b>		
Excise Taxes Revenue Bonds, Series 1993.....	6.200 - 6.300%	4/1; 10/1
* Excise Taxes Revenue Refunding Bonds, Series 1995A.....	5.000%	4/1; 10/1
* Sales Tax Revenue Bonds, Series 1996.....	5.125%	4/1; 10/1
* Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999A.....	4.000 - 5.000%	4/1; 10/1
Local Government Sales Tax Refunding Revenue Bonds, Series 2001.....	4.200 - 5.500%	4/1; 10/1
Excise Taxes Revenue Bonds, Series 2001B.....	4.300 - 5.125%	4/1; 10/1
Excise Taxes Revenue Refunding and Improvement Bonds, Series 2002A.....	5.250 - 5.500%	4/1; 10/1
Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 2002.....	3.750 - 5.375%	4/1; 10/1
Excise Taxes Revenue Bonds, Series 2002B.....	3.300 - 5.375%	4/1; 10/1
Local Government Sales Tax Refunding and Improvement Bonds, Series 2002.....	3.625 - 5.375%	4/1; 10/1
Excise Taxes Revenue Bonds, Series 2003A.....	3.000 - 4.500%	4/1; 10/1
* Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003B.....	5.000%	4/1; 10/1
Excise Taxes Revenue Refunding Bonds, Series 2003C (AMT).....	3.250 - 5.250%	4/1; 10/1
* Excise Taxes Revenue Bonds, Series 2005A.....	3.500 - 5.000%	4/1; 10/1
Excise Taxes Revenue Refunding Bonds, Series 2006A.....	3.375 - 5.000%	4/1; 10/1
Excise Taxes Revenue Refunding Bonds, Series 2006B (AMT).....	3.625 - 4.000%	4/1; 10/1
Excise Taxes Revenue Bonds, Taxable Series 2006C.....	4.880 - 5.220%	4/1; 10/1
Excise Taxes Revenue Bonds, Series 2007.....	4.000 - 5.000%	4/1; 10/1
* Capital Project Revenue Bonds, Series 2008A.....	3.800% (a)	Monthly
* Capital Project Revenue Bonds, Series 2008B.....	3.800% (a)	Monthly
Excise Taxes Revenue Bonds, Series 2009A.....	2.500 - 5.000%	4/1; 10/1
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	2.500 - 5.000%	4/1; 10/1
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	2.500 - 5.000%	4/1; 10/1
* Special Revenue Bonds, Series 2009C-1.....	3.000 - 5.000%	4/1; 10/1
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds)....	4.240 - 4.990% (b)	4/1; 10/1
* Special Revenue Bonds, Series 2010A.....	3.250 - 5.125%	4/1; 10/1
Total .....		
<b>Notes Payable Supported by General Fund:</b>		
U.S. Government Guaranteed Note Payable, Series 1995 (Coach).....	4.570 - 5.190%	2/1; 8/1
U.S. Government Guaranteed Note Payable, Series 2010 (Sally Beauty).....	0.560 - 0.860%	2/1; 8/1
U.S. Government Guaranteed Note Payable, Series 2010-B (Hilton).....	0.560 - 2.200%	2/1; 8/1
U.S. Government Guaranteed Note Payable, Series 2010 (LaVilla).....	0.560 - 2.660%	2/1; 8/1
U.S. Government Guaranteed Note Payable, Series 1997 (HTV Associates).....	6.780%	2/1; 8/1
U.S. Government Guaranteed Note Payable, Series 2010 (Armor Holdings).....	0.560 - 2.660%	2/1; 8/1
U.S. Government Guaranteed Note Payable, Series 2010 (Hampton Inns).....	0.560 - 2.200%	2/1; 8/1
Total .....		

\* Indicates individual bond series that were issued in support of both Governmental Activities and Business-Like Activities.  
The par amount of bonds allocated to the other activities was determined pro rata based on the project funding at the time of closing.

- (a) The above rates represent assumed rates on variable rate debt for coverage analysis or other purposes.  
(b) The taxable rates are subsidized under the Build America Bond program.

- |  |  |   |
|--|--|---|
| (1) Total authorization of \$19,850,000  | (6) Total authorization of \$134,070,000 | (10) Total authorization of \$1,500,000,000 |
| (2) Total authorization of \$65,640,000  | (7) Total authorization of \$29,010,000  | (11) Total authorization of \$300,000,000   |
| (3) Total authorization of \$75,890,000  | (8) Total authorization of \$23,730,000  | (12) Total authorization of \$130,000,000   |
| (4) Total authorization of \$70,000,000  | (9) Total authorization of \$750,000,000 | (13) Total authorization of \$411,107,447   |
| (5) Total authorization of \$147,000,000 |  |   |

(continued)

<u>ISSUE DATE</u>	<u>FINAL MATURITY DATE</u>	<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
02/23/93	10/01/20	\$ 43,605	\$ 43,605	\$ 36,250	\$ 7,355
01/04/96	10/01/09	19,850 (1)	7,580	7,580	0
01/07/97	10/01/18	65,640 (2)	47,682	44,995	2,687
03/09/99	10/01/19	75,890 (3)	75,834	75,834	0
04/24/01	10/01/18	127,000	103,725	30,435	73,290
04/01/02	10/01/32	49,000	46,735	4,595	42,140
07/03/02	10/01/13	65,000	56,685	37,520	19,165
07/03/02	10/01/32	125,000	115,265	15,335	99,930
11/26/02	10/01/26	90,300	68,475	12,940	55,535
12/16/02	10/01/18	70,000	63,060	18,040	45,020
12/29/03	10/01/23	18,745	18,745	2,085	16,660
07/03/03	10/01/11	70,000 (4)	17,535	17,535	0
07/03/03	10/01/20	n/a (4)	34,540	2,020	32,520
10/10/05	10/01/32	147,000 (5)	42,820	514	42,306
12/29/06	10/01/23	n/a (5)	36,540	0	36,540
12/29/06	10/01/23	n/a (5)	9,255	0	9,255
12/29/06	10/01/23	n/a (5)	23,555	0	23,555
09/19/07	10/01/32	n/a (5)	42,245	1,965	40,280
07/01/08	10/01/34	67,285 (6)	67,035	1,647	65,388
07/01/08	10/01/34	67,285 (6)	67,035	1,647	65,388
09/30/09	10/01/34	n/a (5)	39,585	0	39,585
09/30/09	10/01/19	29,010 (7)	18,535	0	18,535
09/30/09	10/01/16	23,730 (8)	2,275	0	2,275
12/15/09	10/01/27	275,786 (13)	30,170	0	30,170
12/15/09	10/01/22	n/a (13)	10,995	0	10,995
09/29/10	10/01/40	n/a (13)	48,000	0	48,000
		<u>\$ 1,430,126</u>	<u>\$ 1,137,511</u>	<u>\$ 310,938</u>	<u>\$ 826,574</u>
02/01/95	08/01/14	\$ 3,845	\$ 3,845	\$ 1,985	\$ 1,860
12/18/96	08/01/12	1,065	1,065	905	160
11/20/96	08/01/15	2,850	2,850	1,430	1,420
02/19/97	08/01/16	1,700	1,700	1,015	685
04/02/97	08/01/10	700	700	700	0
10/28/97	08/01/16	775	775	335	440
10/28/97	08/01/15	550	550	270	280
		<u>\$ 11,485</u>	<u>\$ 11,485</u>	<u>\$ 6,640</u>	<u>\$ 4,845</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands) (continued)**  
**SEPTEMBER 30, 2010**

	<b>INTEREST RATES</b>	<b>PAYMENT DATES</b>
<b>Special Revenue Bonds Payable from Internal Service Operations:</b>		
Special Revenue Bonds, Series 2008.....	3.500 - 5.625%	4/1; 10/1
Special Revenue Bonds, Series 2009A.....	5.000% (a)	4/1; 10/1
* Special Revenue Bonds, Series 2009C-1.....	3.000 - 5.000% (b)	4/1; 10/1
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds)....	4.240 - 4.990% (b)	4/1; 10/1
* Special Revenue Bonds, Series 2010A Bonds.....	3.250 - 5.000%	4/1; 10/1
Total .....		
<b>Notes Payable from Internal Service Operations:</b>		
Commercial Paper.....	3.250%	Monthly
Total .....		
<b>Revenue Bonds Supported by BJP Revenues:</b>		
Transportation Revenue Bonds, Series 2001.....	4.400 - 5.500%	4/1; 10/1
* Better Jacksonville Sales Tax Revenue Bonds, Series 2001.....	4.300 - 5.500%	4/1; 10/1
* Better Jacksonville Sales Tax Revenue Bonds, Series 2003.....	3.250 - 5.250%	4/1; 10/1
* Better Jacksonville Sales Tax Revenue Bonds, Series 2004.....	2.500 - 5.000%	4/1; 10/1
Transportation Revenue Bonds, Series 2007.....	4.000 - 5.000%	4/1; 10/1
Transportation Revenue Bonds, Series 2008A.....	4.340% (a)	Monthly
Transportation Revenue Bonds, Series 2008B.....	3.430% (a)	Monthly
Better Jacksonville Sales Tax Revenue Bonds, Series 2008.....	4.000 - 5.000%	4/1; 10/1
Total .....		
<b>Special Revenue Bonds Supported by BJP Revenues:</b>		
Special Revenue Bonds, Series 2009B-1A.....	2.000 - 5.000%	4/1; 10/1
Special Revenue Bonds, Taxable Series 2009B-1B (Direct Pay Build America Bonds).	6.259% (b)	4/1; 10/1
Special Revenue Bonds, Series 2010B Bonds.....	5.000%	4/1; 10/1
Total .....		
<b>Notes Payable Supported by BJP Revenues:</b>		
State Infrastructure Bank Loan #1.....	2.000%	10/1
State Infrastructure Bank Loan #2.....	2.500%	10/1
Total .....		
<b>TOTAL GOVERNMENTAL ACTIVITIES .....</b>		

\* Indicates individual bond series that were issued in support of both Governmental Activities and Business-Like Activities.  
The par amount of bonds allocated to the other activities was determined proprata based on the project funding at the time of closing.

- (a) The above rates represent assumed rates on variable rate debt for coverage analysis or other purposes.  
(b) The taxable rates are subsidized under the Build America Bond program.

- |  |  |   |
|--|--|---|
| (1) Total authorization of \$19,850,000  | (6) Total authorization of \$134,070,000 | (10) Total authorization of \$1,500,000,000 |
| (2) Total authorization of \$65,640,000  | (7) Total authorization of \$29,010,000  | (11) Total authorization of \$300,000,000   |
| (3) Total authorization of \$75,890,000  | (8) Total authorization of \$23,730,000  | (12) Total authorization of \$130,000,000   |
| (4) Total authorization of \$70,000,000  | (9) Total authorization of \$750,000,000 | (13) Total authorization of \$411,107,447   |
| (5) Total authorization of \$147,000,000 |  |   |

(continued)

<u>ISSUE DATE</u>	<u>FINAL MATURITY DATE</u>	<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
09/24/08	10/01/33	\$ n/a (13)	\$ 54,215	\$ 535	\$ 53,680
09/15/09	10/01/21	n/a (13)	28,613	0	28,613
12/15/09	10/01/27	n/a (13)	40,160	0	40,160
12/15/09	10/01/22	n/a (13)	26,315	0	26,315
09/29/10	10/01/25	n/a (13)	46,945	0	46,945
		<u>\$ 0</u>	<u>\$ 196,248</u>	<u>\$ 535</u>	<u>\$ 195,713</u>
11/04/04	12/31/34	<u>\$ 150,000</u>	<u>\$ 137,125</u>	<u>\$ 82,125</u>	<u>\$ 55,000</u>
		<u>\$ 150,000</u>	<u>\$ 137,125</u>	<u>\$ 82,125</u>	<u>\$ 55,000</u>
06/05/01	10/01/31	\$ 750,000 (9)	\$ 179,280	\$ 14,980	\$ 164,300
06/05/01	10/01/30	1,500,000 (10)	163,956	24,853	139,103
02/19/03	10/01/30	n/a (10)	158,416	22,406	136,010
03/02/04	10/01/30	n/a (10)	164,200	20,319	143,881
09/05/07	10/01/37	n/a (9)	100,675	5,660	95,015
04/25/08	10/01/32	n/a (9)	154,535	0	154,535
05/14/08	10/01/27	n/a (9)	121,740	8,645	113,095
09/16/08	10/01/30	n/a (10)	105,470	2,665	102,805
		<u>\$ 2,250,000</u>	<u>\$ 1,148,272</u>	<u>\$ 99,528</u>	<u>\$ 1,048,744</u>
09/30/09	10/01/25	\$ 300,000 (11)	\$ 52,090	\$ 0	\$ 52,090
09/30/09	10/01/30	n/a (11)	55,925	0	55,925
09/16/10	10/01/30	n/a (11)	100,205	0	100,205
		<u>\$ 300,000</u>	<u>\$ 208,220</u>	<u>\$ 0</u>	<u>\$ 208,220</u>
07/28/05	10/01/14	\$ 40,000	\$ 40,000	\$ 10,701	\$ 29,299
03/13/07	10/01/21	50,000	46,909	10,336	36,573
		<u>\$ 90,000</u>	<u>\$ 86,909</u>	<u>\$ 21,036</u>	<u>\$ 65,872</u>
		<u>\$ 4,231,611</u>	<u>\$ 2,925,770</u>	<u>\$ 520,802</u>	<u>\$ 2,404,968</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands) (continued)**  
**SEPTEMBER 30, 2010**

<b>BUSINESS-TYPE ACTIVITIES:</b>	<b>INTEREST RATES</b>	<b>PAYMENT DATES</b>
<b>Revenue Bonds Supported by Business-Type Activities:</b>		
* Excise Taxes Revenue Refunding Bonds, Series 1995A.....	5.125%	4/1; 10/1
Excise Taxes Revenue Refunding Bonds, Series 1996A.....	5.550%	4/1; 10/1
* Sales Tax Revenue Bonds, Series 1996.....	5.125%	4/1; 10/1
Capital Improvement Revenue Bonds, Series 1997.....	5.000 - 5.250%	4/1; 10/1
Capital Improvement and Revenue Refunding Bonds, Series 1998.....	4.500 - 5.000%	4/1; 10/1
* Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999A.....	5.000%	4/1; 10/1
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999B.....	5.750%	4/1; 10/1
* Better Jacksonville Sales Tax Revenue Bonds, Series 2001.....	4.300 - 5.500%	4/1; 10/1
Capital Improvement Revenue Bonds, Series 2002A.....	3.500 - 5.000%	4/1; 10/1
Capital Improvement and Refunding Revenue Bonds, Crossover Series 2002B.....	5.000 - 5.250%	4/1; 10/1
Capital Improvement and Refunding Revenue Bonds, Crossover Series 2002C.....	3.500 - 5.250%	4/1; 10/1
* Better Jacksonville Sales Tax Revenue Bonds, Series 2003.....	3.250 - 5.250%	4/1; 10/1
* Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003B.....	5.000%	4/1; 10/1
* Better Jacksonville Sales Tax Revenue Bonds, Series 2004.....	2.500 - 5.000%	4/1; 10/1
* Excise Taxes Revenue Bonds, Series 2005A.....	3.500 - 5.000%	4/1; 10/1
* Capital Project Revenue Bonds, Series 2008A.....	3.800% (a)	Monthly
* Capital Project Revenue Bonds, Series 2008B.....	3.800% (a)	Monthly
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	2.500 - 5.000%	4/1; 10/1
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	2.500 - 5.000%	4/1; 10/1
<b>TOTAL BUSINESS-LIKE ACTIVITIES .....</b>		
<b>TOTAL BONDED INDEBTEDNESS .....</b>		

\* Indicates individual bond series that were issued in support of both Governmental Activities and Business-Like Activities.  
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- |  |  |   |
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| (1) Total authorization of \$19,850,000  | (6) Total authorization of \$134,070,000 | (10) Total authorization of \$1,500,000,000 |
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| (3) Total authorization of \$75,890,000  | (8) Total authorization of \$23,730,000  | (12) Total authorization of \$130,000,000   |
| (4) Total authorization of \$70,000,000  | (9) Total authorization of \$750,000,000 | (13) Total authorization of \$411,107,447   |
| (5) Total authorization of \$147,000,000 |  |   |

(continued)

<u>ISSUE DATE</u>	<u>FINAL MATURITY DATE</u>	<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
01/04/96	10/01/09	n/a (1)	\$ 12,270	\$ 12,270	\$ 0
02/28/96	10/01/16	19,965	19,965	19,965	0
01/07/97	10/01/18	n/a (2)	17,958	16,946	1,012
03/11/97	10/01/25	8,285	8,285	2,275	6,010
08/26/98	10/01/25	37,310	37,310	2,530	34,780
03/09/99	10/01/19	n/a (3)	56	56	0
09/23/99	10/01/16	40,835	40,835	40,835	0
06/05/01	10/01/30	n/a (10)	54,474	8,257	46,217
09/09/02	10/01/30	130,000 (12)	54,135	2,115	52,020
09/09/02	10/01/19	n/a (12)	42,170	9,540	32,630
09/09/02	10/01/25	n/a (12)	26,920	3,385	23,535
02/19/03	10/01/30	n/a (10)	52,634	7,444	45,190
07/03/03	10/01/11	n/a (4)	9,530	6,980	2,550
03/02/04	10/01/30	n/a (10)	54,555	6,750	47,805
10/10/05	10/01/32	n/a (5)	2,000	0	2,000
07/01/08	10/01/34	n/a (6a)	250	18	232
07/01/08	10/01/34	n/a (6b)	250	18	232
09/30/09	10/01/19	n/a (7)	10,475	0	10,475
09/30/09	10/01/16	n/a (8)	21,455	0	21,455
		<u>\$ 236,395</u>	<u>\$ 465,527</u>	<u>\$ 139,383</u>	<u>\$ 326,143</u>
		<u>\$ 4,468,006</u>	<u>\$ 3,391,297</u>	<u>\$ 660,185</u>	<u>\$ 2,731,111</u>

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS  
COMPARED TO CASH IN SINKING FUND  
LONG-TERM OBLIGATIONS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

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	<b>PRINCIPAL OUTSTANDING</b>
<b>GOVERNMENTAL ACTIVITIES:</b>	
<b>Revenue Bonds Supported by General Funds:</b>	
Excise Taxes Revenue Bonds, Series 1993.....	\$ 7,354,675
* Sales Taxes Revenue Bonds, Series 1996.....	2,687,717
Local Government Sales Tax Refunding Revenue Bonds, Series 2001.....	73,290,000
Excise Taxes Revenue Bonds, Series 2001B.....	42,140,000
Excise Taxes Revenue Refunding and Improvement Bonds, Series 2002A.....	19,165,000
Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 2002.....	99,930,000
Excise Taxes Revenue Bonds, Series 2002B.....	55,535,000
Local Government Sales Tax Refunding and Improvement Bonds, Series 2002.....	45,020,000
Excise Taxes Revenue Bonds, Series 2003A.....	16,660,000
Excise Taxes Revenue Refunding Bonds, Series 2003C (AMT).....	32,520,000
* Excise Taxes Revenue Bonds, Series 2005A.....	42,302,904
Excise Taxes Revenue Refunding Bonds, Series 2006A.....	36,540,000
Excise Taxes Revenue Refunding Bonds, Series 2006B (AMT).....	9,255,000
Excise Taxes Revenue Bonds, Taxable Series 2006C.....	23,555,000
Excise Taxes Revenue Bonds, Series 2007.....	40,280,000
* Capital Project Revenue Bonds, Series 2008A.....	65,387,565
* Capital Project Revenue Bonds, Series 2008B.....	65,387,565
Excise Taxes Revenue Bonds, Series 2009A.....	39,585,000
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	18,535,000
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	2,275,000
* Special Revenue Bonds, Series 2009C-1.....	30,170,000
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds)....	10,995,000
* Special Revenue Bonds, Series 2010A.....	48,000,000
	<hr/>
Total.....	\$ 826,570,426
<b>Notes Payable Supported by General Funds:</b>	
U.S. Government Guaranteed Note Payable, Series 1995 (Coach).....	\$ 1,860,000
U.S. Government Guaranteed Note Payable, Series 1996 (Sally Beauty).....	160,000
U.S. Government Guaranteed Note Payable, Series 1996-B (Hilton).....	1,420,000
U.S. Government Guaranteed Note Payable, Series 1997 (LaVilla).....	685,000
U.S. Government Guaranteed Note Payable, Series 1997 (Armor Holdings).....	440,000
U.S. Government Guaranteed Note Payable, Series 1997 (Hampton Inns).....	280,000
	<hr/>
Total.....	\$ 4,845,000
<b>Special Revenue Bonds Payable from Internal Service Operations:</b>	
Special Revenue Bonds, Series 2008.....	\$ 53,680,000
Special Revenue Bonds, Series 2009A.....	28,613,000
* Special Revenue Bonds, Series 2009C-1.....	40,160,000
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds)....	26,315,000
* Special Revenue Bonds, Series 2010A.....	46,945,000
	<hr/>
Total.....	\$ 195,713,000
<b>Notes Payable from Internal Service Operations:</b>	
Commercial Paper.....	\$ 55,000,000
	<hr/>
Total.....	\$ 55,000,000

(continued)

<u>TOTAL INTEREST TO MATURITY</u>	<u>TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY</u>	<u>CASH IN SINKING FUND</u>	<u>CASH IN DEBT SERVICE RESERVE FUND</u>	<u>NET DEBT</u>
\$ 18,450,323	\$ 25,804,998	\$ 3,374,711	\$ 175,350	\$ 22,254,937
972,595	3,660,312	50,671	374	3,609,267
17,264,906	90,554,906	10,365,433	0	80,189,473
29,240,754	71,380,754	2,286,507	1,004,701	68,089,546
1,708,331	20,873,331	7,119,154	456,932	13,297,245
68,940,669	168,870,669	5,040,951	0	163,829,718
25,898,599	81,433,599	3,731,386	1,324,065	76,378,149
12,804,900	57,824,900	4,009,342	0	53,815,558
5,307,025	21,967,025	1,377,853	397,207	20,191,965
14,776,525	47,296,525	616,260	775,341	45,904,924
29,915,791	72,218,695	7,611,607	1,008,585	63,598,502
25,409,953	61,949,953	928,304	871,186	60,150,463
1,327,681	10,582,681	197,281	220,658	10,164,743
7,051,431	30,606,431	630,523	561,598	29,414,310
25,914,063	66,194,063	2,165,013	960,355	63,068,694
42,934,458	108,322,023	1,576,165	0	106,745,858
42,934,458	108,322,023	1,576,165	0	106,745,858
26,363,184	65,948,184	2,158,385	943,785	62,846,014
4,795,843	23,330,843	1,916,807	441,911	20,972,124
252,063	2,527,063	450,503	54,241	2,022,319
11,495,775	41,665,775	1,455,499	0	40,210,276
2,809,193	13,804,193	216,605	0	13,587,588
44,325,564	92,325,564	0	3,868,168	88,457,395
<u>\$ 460,894,082</u>	<u>\$ 1,287,464,508</u>	<u>\$ 58,855,126</u>	<u>\$ 13,064,458</u>	<u>\$ 1,215,544,925</u>
\$ 242,140	\$ 2,102,140	\$ 82,110	\$ 0	\$ 2,020,030
1,856	161,856	15,985	0	145,871
73,137	1,493,137	54,270	0	1,438,867
51,011	736,011	74,083	0	661,928
31,998	471,998	11,840	0	460,158
15,265	295,265	0	0	295,265
<u>\$ 415,406</u>	<u>\$ 5,260,406</u>	<u>\$ 238,288</u>	<u>\$ 0</u>	<u>\$ 5,022,118</u>
\$ 26,223,442	\$ 79,903,442	\$ 3,852,530	\$ 4,325,901	\$ 71,725,010
9,756,902	38,369,902	1,378,485	2,305,831	34,685,586
14,089,188	54,249,188	2,968,382	3,236,367	48,044,438
7,046,346	33,361,346	561,130	2,120,643	30,679,573
22,500,062	69,445,062	0	3,783,149	65,661,913
<u>\$ 79,615,940</u>	<u>\$ 275,328,940</u>	<u>\$ 8,760,527</u>	<u>\$ 15,771,892</u>	<u>\$ 250,796,521</u>
<u>\$ 2,189,499</u>	<u>\$ 57,189,499</u>	<u>\$ 19,526,453</u>	<u>\$ 0</u>	<u>\$ 37,663,046</u>
<u>\$ 2,189,499</u>	<u>\$ 57,189,499</u>	<u>\$ 19,526,453</u>	<u>\$ 0</u>	<u>\$ 37,663,046</u>

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS  
COMPARED TO CASH IN SINKING FUND  
LONG-TERM OBLIGATIONS (continued)  
FOR THE FISCAL YEAR ENDED**

	<b>PRINCIPAL OUTSTANDING</b>
<b>Revenue Bonds Supported by BJP Revenues:</b>	
Transportation Revenue Bonds, Series 2001.....	\$ 164,300,000
* Better Jacksonville Sales Tax Revenue Bonds, Series 2001.....	139,102,956
* Better Jacksonville Sales Tax Revenue Bonds, Series 2003.....	136,010,444
* Better Jacksonville Sales Tax Revenue Bonds, Series 2004.....	143,880,584
Transportation Revenue Bonds, Series 2007.....	95,015,000
Transportation Revenue Bonds, Series 2008A.....	154,535,000
Transportation Revenue Bonds, Series 2008B.....	113,095,000
Better Jacksonville Sales Tax Revenue Bonds, Series 2008.....	102,805,000
Total.....	<u>\$ 1,048,743,984</u>
<b>Special Revenue Bonds Supported by BJP Revenues:</b>	
Special Revenue Bonds, Series 2009B-1A.....	\$ 52,090,000
Special Revenue Bonds, Taxable Series 2009B-1B (Direct Pay Build America Bonds)..	55,925,000
Special Revenue Bonds, Series 2010B.....	100,205,000
Total.....	<u>\$ 208,220,000</u>
<b>Notes Payable Supported by BJP Revenues:</b>	
State Infrastructure Bank Loan.....	\$ 29,299,456
State Infrastructure Bank Loan.....	36,572,492
Total.....	<u>\$ 65,871,949</u>
TOTAL GOVERNMENTAL ACTIVITIES .....	<u><u>\$ 2,404,964,358</u></u>
<b>BUSINESS-LIKE ACTIVITIES:</b>	
<b>Revenue Bonds Supported by Business-Type Activities:</b>	
* Sales Taxes Revenue Bonds, Series 1996.....	\$ 1,012,283
Capital Improvement Revenue Bonds, Series 1997.....	6,010,000
Capital Improvement and Revenue Refunding Bonds, Series 1998.....	34,780,000
* Better Jacksonville Sales Tax Revenue Bonds, Series 2001.....	46,217,044
Capital Improvement Revenue Bonds, Series 2002A.....	52,020,000
Capital Improvement and Refunding Revenue Bonds, Crossover Series 2002B.....	32,630,000
Capital Improvement and Refunding Revenue Bonds, Crossover Series 2002C.....	23,535,000
* Better Jacksonville Sales Tax Revenue Bonds, Series 2003.....	45,189,556
* Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003B.....	2,550,000
* Better Jacksonville Sales Tax Revenue Bonds, Series 2004.....	47,804,416
* Excise Taxes Revenue Bonds, Series 2005A.....	2,000,000
* Capital Project Revenue Bonds, Series 2008A.....	232,435
* Capital Project Revenue Bonds, Series 2008B.....	232,435
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	10,475,000
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	21,455,000
TOTAL BUSINESS-LIKE ACTIVITIES .....	<u>\$ 326,143,169</u>
TOTAL BONDED INDEBTEDNESS.....	<u><u>\$ 2,731,107,528</u></u>

(continued)

<u>TOTAL INTEREST TO MATURITY</u>	<u>TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY</u>	<u>CASH IN SINKING FUND</u>	<u>CASH IN DEBT SERVICE RESERVE FUND</u>	<u>NET DEBT</u>
\$ 142,605,073	\$ 306,905,073	\$ 3,851,866	\$ 16,289,653	\$ 286,763,554
95,398,688	234,501,644	8,059,822	11,916,675	214,525,148
87,086,849	223,097,293	7,819,867	11,651,745	203,625,681
78,630,756	222,511,341	7,767,278	12,325,965	202,418,098
82,829,500	177,844,500	3,593,139	9,420,337	164,831,024
92,924,766	247,459,766	2,860,860	0	244,598,906
38,652,723	151,747,723	4,111,717	0	147,636,006
61,954,463	164,759,463	6,029,431	8,807,101	149,922,931
<u>\$ 680,082,817</u>	<u>\$ 1,728,826,801</u>	<u>\$ 44,093,978</u>	<u>\$ 70,411,475</u>	<u>\$ 1,614,321,348</u>
\$ 27,917,641	\$ 80,007,641	\$ 1,973	\$ 5,155,712	\$ 74,849,956
42,273,106	98,198,106	1,855	5,535,288	92,660,963
70,357,260	170,562,260	2,213	9,917,990	160,642,058
<u>\$ 140,548,007</u>	<u>\$ 348,768,007</u>	<u>\$ 6,041</u>	<u>\$ 20,608,990</u>	<u>\$ 328,152,976</u>
\$ 4,268,987	\$ 33,568,444	\$ 2,200,472	\$ 0	\$ 31,367,972
7,052,769	43,625,262	3,594,514	0	40,030,747
<u>\$ 11,321,757</u>	<u>\$ 77,193,705</u>	<u>\$ 5,794,986</u>	<u>\$ 0</u>	<u>\$ 71,398,719</u>
<u>\$ 1,375,067,507</u>	<u>\$ 3,780,031,865</u>	<u>\$ 137,275,398</u>	<u>\$ 119,856,814</u>	<u>\$ 3,522,899,652</u>
\$ 366,311	\$ 1,378,594	\$ 19,084	\$ 141	\$ 1,359,369
2,859,934	8,869,934	2,912	0	8,867,022
20,554,241	55,334,241	35,322	0	55,298,919
30,217,759	76,434,804	2,456,484	3,959,323	70,018,997
46,986,028	99,006,028	82,464	6,439,070	92,484,493
9,266,531	41,896,531	108,454	0	41,788,077
10,497,899	34,032,899	57,610	0	33,975,289
28,934,661	74,124,218	2,383,351	3,871,300	67,869,567
129,000	2,679,000	480,403	60,797	2,137,800
26,125,119	73,929,534	2,367,322	4,095,310	67,466,903
1,640,391	3,640,391	70,502	47,684	3,522,204
65,065	297,500	3,574	0	293,927
65,065	297,500	3,574	0	293,927
1,934,483	12,409,483	2,046,410	249,745	10,113,328
3,113,750	24,568,750	3,555,669	511,530	20,501,551
<u>\$ 182,756,237</u>	<u>\$ 508,899,406</u>	<u>\$ 13,673,135</u>	<u>\$ 19,234,899</u>	<u>\$ 475,991,373</u>
<u>\$ 1,557,823,744</u>	<u>\$ 4,288,931,271</u>	<u>\$ 150,948,533</u>	<u>\$ 139,091,713</u>	<u>\$ 3,998,891,025</u>



(continued)

<b>To Fund a Redevelopment Agreement for the Riverfront Development of the Jacksonville Shipyards</b>		<b>To Refund Excise Taxes Revenue Refunding Bonds, Series 1992 and Animal Care and Control Facility</b>		<b>To Refund Guaranteed Entitlement Revenue Refunding Bonds, Series 1992A and Various Other Projects</b>		<b>To Fund a Grant to Shands Jacksonville Medical Center, Inc</b>	
<b>Excise Taxes Revenue Bonds, Series 2001B</b>		<b>Excise Taxes Revenue Refunding and Improvement Bonds, Series 2002A</b>		<b>Guaranteed Entitlement Revenue Refunding and Improvement Bonds, Series 2002</b>		<b>Excise Taxes Revenue Bonds Series 2002B</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 1,035,000	\$ 2,091,277	\$ 6,465,000	\$ 868,206	\$ 2,485,000	\$ 4,918,206	\$ 2,325,000	\$ 2,636,204
1,080,000	2,045,265	6,805,000	511,362	2,580,000	4,821,625	2,400,000	2,549,841
1,130,000	1,996,080	2,865,000	245,438	2,680,000	4,718,038	2,495,000	2,451,941
1,180,000	1,943,515	3,030,000	83,325	2,785,000	4,608,737	2,595,000	2,346,898
1,235,000	1,887,353			2,895,000	4,493,328	2,705,000	2,230,891
1,290,000	1,827,370			3,015,000	4,352,591	2,825,000	2,106,466
1,355,000	1,763,212			3,180,000	4,186,100	2,955,000	1,965,238
1,420,000	1,694,515			3,350,000	4,010,606	3,110,000	1,804,638
1,490,000	1,621,765			3,530,000	3,825,706	3,275,000	1,634,629
1,565,000	1,544,608			3,720,000	3,630,863	3,450,000	1,454,835
1,645,000	1,462,547			3,920,000	3,425,537	3,635,000	1,264,426
1,730,000	1,376,062			4,130,000	3,216,938	3,830,000	1,076,730
1,815,000	1,285,222			4,335,000	3,005,312	4,010,000	891,488
1,910,000	1,189,769			4,555,000	2,783,063	4,200,000	691,250
2,010,000	1,089,319			4,780,000	2,549,687	4,410,000	476,000
2,110,000	983,744			5,020,000	2,304,688	4,630,000	250,000
2,220,000	872,787			5,270,000	2,047,438	2,685,000	67,125
2,335,000	756,066			5,535,000	1,777,313		
2,450,000	633,450			5,810,000	1,491,375		
2,580,000	504,556			6,105,000	1,188,506		
2,710,000	369,000			6,415,000	869,756		
2,850,000	226,525			6,745,000	534,206		
2,995,000	76,747			7,090,000	181,050		
<b>\$ 42,140,000</b>	<b>\$ 29,240,754</b>	<b>\$ 19,165,000</b>	<b>\$ 1,708,331</b>	<b>\$ 99,930,000</b>	<b>\$ 68,940,669</b>	<b>\$ 55,535,000</b>	<b>\$ 25,898,599</b>
4.300% - 5.125%		5.250% - 5.500%		3.750% - 5.375%		3.300% - 5.375%	



(continued)

<b>To Fund City-Wide Capital Improvements and River City Marketplace Road and Utility Improvements</b>		<b>To Refund the Sunshine State Governmental Finance Commission Bonds, Series 1995A and various Capital Improvements</b>		<b>To Refund the Sunshine State Governmental Finance Commission Bonds, Series 1995B (AMT)</b>		<b>To Fund the Renovation of the Carling, Ed Ball and Laura Street Trio, and Dredging of Privately Owned Canals</b>	
<b>Excise Taxes Revenue Bonds Series 2005A</b>		<b>Excise Taxes Revenue Refunding Bonds Series 2006A</b>		<b>Excise Taxes Revenue Refunding Bonds Series 2006B (AMT)</b>		<b>Excise Taxes Revenue Bonds Taxable Series 2006C</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 525,000	\$ 1,959,359		\$ 1,693,644		\$ 360,038		\$ 1,199,585
545,000	1,940,293	\$ 1,370,000	1,670,525	\$ 1,490,000	333,031	\$ 2,135,000	1,147,491
565,000	1,919,822	1,420,000	1,622,556	1,830,000	271,713	2,240,000	1,039,733
585,000	1,898,259	1,465,000	1,571,153	1,895,000	199,500	2,350,000	924,849
605,000	1,875,190	1,520,000	1,516,100	1,975,000	122,100	2,470,000	803,138
630,000	1,850,490	1,575,000	1,456,100	2,065,000	41,300	2,590,000	674,990
655,000	1,824,790		1,424,600			2,725,000	539,574
685,000	1,797,562		1,424,600			2,865,000	395,753
710,000	1,768,347		1,424,600			3,010,000	243,584
740,000	1,737,534		1,424,600			3,170,000	82,737
2,420,278	1,670,378	1,660,000	1,383,100				
2,525,403	1,555,812	1,740,000	1,298,100				
2,649,553	1,426,438	1,830,000	1,208,850				
2,783,053	1,290,623	1,920,000	1,115,100				
2,921,553	1,157,108	2,015,000	1,016,725				
3,050,379	1,016,969	2,115,000	913,475				
3,203,229	860,629	2,225,000	810,538				
3,360,754	704,932	2,325,000	708,163				
2,398,279	574,364	2,430,000	601,175				
2,505,804	460,447	2,535,000	483,125				
2,622,680	341,851	2,665,000	353,125				
2,744,230	212,596	2,795,000	216,625				
2,876,257	71,995	2,935,000	73,375				
<b>\$ 42,306,452</b>	<b>\$ 29,915,791</b>	<b>\$ 36,540,000</b>	<b>\$ 25,409,953</b>	<b>\$ 9,255,000</b>	<b>\$ 1,327,681</b>	<b>\$ 23,555,000</b>	<b>\$ 7,051,431</b>
3.500% - 5.000%		3.375% - 5.000%		3.625% - 4.000%		4.880% - 5.220% (Taxable)	



(continued)

<b>To Fund City-Wide Capital Improvements</b>		<b>To Refund the Excise Taxes Revenue Bonds, Series 1996A and the Excise Taxes Revenue Bonds, Series 1999A</b>		<b>To Refund the Excise Taxes Revenue Bonds, Series 1999B</b>		<b>To Fund the Acquisition and Construction of Various Capital Improvement Projects</b>	
<b>Excise Taxes Revenue Bonds Series 2009A</b>		<b>Excise Taxes Revenue Refunding Bonds Series 2009B</b>		<b>Excise Taxes Revenue Refunding Bonds Series 2009C (AMT)</b>		<b>Special Revenue Bonds Series 2009C-1</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 1,000,000	\$ 1,665,561	\$ 1,575,000	\$ 792,218	\$ 485,000	\$ 71,363	\$ 955,000	\$ 1,237,425
1,020,000	1,637,761	1,595,000	762,800	420,000	59,000	1,165,000	1,205,625
1,050,000	1,606,711	1,640,000	711,950	365,000	47,225	3,020,000	1,127,750
1,080,000	1,574,761	1,695,000	643,875	295,000	35,075	3,115,000	1,005,050
1,115,000	1,541,836	1,780,000	557,000	275,000	22,900	3,220,000	862,250
1,150,000	1,507,861	1,865,000	465,875	240,000	12,600	3,360,000	697,750
1,170,000	1,473,061	1,965,000	370,125	195,000	3,900		613,750
1,215,000	1,436,071	2,035,000	270,125				613,750
1,255,000	1,395,453	2,140,000	165,750				613,750
1,300,000	1,350,025	2,245,000	56,125				613,750
1,345,000	1,293,869						613,750
1,410,000	1,229,213						613,750
1,460,000	1,159,963					2,840,000	561,450
1,550,000	1,087,288					2,925,000	459,475
1,620,000	1,018,713					3,005,000	356,425
1,685,000	945,609					3,090,000	225,800
1,765,000	863,219					3,475,000	74,275
1,835,000	782,538						
1,910,000	696,966						
2,005,000	601,763						
2,115,000	502,906						
2,220,000	399,950						
2,325,000	292,006						
2,435,000	178,956						
2,550,000	121,125						
<b>\$ 39,585,000</b>	<b>\$ 26,363,184</b>	<b>\$ 18,535,000</b>	<b>\$ 4,795,843</b>	<b>\$ 2,275,000</b>	<b>\$ 252,063</b>	<b>\$ 30,170,000</b>	<b>\$ 11,495,775</b>
2.500% - 5.000%		2.500% - 5.000%		2.500% - 5.000% (Taxable)		3.000% - 5.000%	

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)  
SEPTEMBER 30, 2010**

Fiscal Year	Special Revenue Bonds Taxable Series 2009C-2 (Direct Pay Build America Bonds)		Special Revenue Bonds Series 2010A		Total Principal and Interest
	Principal	Interest	Principal	Interest	
2011		\$ 326,273		\$ 1,184,804	\$ 72,967,182
2012		326,273		2,343,569	79,646,056
2013		326,273	\$ 943,000	2,319,994	78,536,943
2014		326,273	970,000	2,272,169	79,028,735
2015		326,273	998,000	2,222,969	75,973,626
2016		326,273	1,026,000	2,172,369	75,829,701
2017	\$ 3,780,000	274,184	1,059,000	2,120,244	72,752,474
2018	1,375,000	202,255	1,097,000	2,066,344	69,809,631
2019	1,420,000	161,231	1,136,000	2,010,519	69,585,544
2020	1,450,000	117,710	1,175,000	1,952,744	53,507,509
2021	1,475,000	71,932	1,219,000	1,892,894	51,339,217
2022	1,495,000	24,245	1,263,000	1,830,844	43,442,656
2023			1,312,000	1,766,469	44,958,926
2024			1,367,000	1,711,455	44,625,494
2025			1,428,000	1,665,144	42,761,799
2026			1,494,000	1,614,901	42,992,250
2027			1,566,000	1,549,606	41,095,014
2028			1,643,000	1,469,381	34,783,178
2029			1,726,000	1,385,156	33,838,691
2030			1,814,000	1,296,656	33,461,875
2031			1,909,000	1,203,581	33,634,931
2032			1,820,000	1,110,356	33,438,920
2033			1,910,000	1,017,106	33,414,940
2034			2,005,000	919,231	14,301,808
2035			2,105,000	816,481	14,315,377
2036			2,210,000	708,606	2,918,606
2037			2,320,000	595,356	2,915,356
2038			2,435,000	474,959	2,909,959
2039			2,560,000	346,963	2,906,963
2040			2,680,000	212,688	2,892,688
2041			2,810,000	72,006	2,882,006
	<u>\$ 10,995,000</u>	<u>\$ 2,809,193</u>	<u>\$ 48,000,000</u>	<u>\$ 44,325,564</u>	<u>\$ 1,287,464,508</u>

Interest Rates: 4.240% - 4.990%  
(2.756% - 3.244% net of subsidy)  
(Taxable)

3.250% - 5.125%



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**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
NOTES PAYABLE SUPPORTED BY GENERAL FUND  
SEPTEMBER 30, 2010**

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Purpose:	HUD Section 108 Program Loan for Coach Distribution Project		HUD Section 108 Program Loan for Sally Beauty Project		HUD Section 108 Program Loan for Hilton Hotel Project	
	U.S. Government Guaranteed Note Payable, Series 1995		U.S. Government Guaranteed Note Payable, Series 2010		U.S. Government Guaranteed Note Payable, Series 2010	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 420,000	\$ 93,258	\$ 80,000	\$ 1,168	\$ 250,000	\$ 20,266
2012	455,000	73,140	80,000	688	275,000	18,318
2013	500,000	50,572			295,000	15,953
2014	485,000	25,172			300,000	12,000
2015					300,000	6,600
2016						
	<u>\$ 1,860,000</u>	<u>\$ 242,140</u>	<u>\$ 160,000</u>	<u>\$ 1,856</u>	<u>\$ 1,420,000</u>	<u>\$ 73,137</u>

Interest Rates:	4.790% - 5.190% (Taxable)	0.560% - 0.860% (Taxable)	0.560% - 2.200% (Taxable)
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(continued)

<b>HUD Section 108 Program Loan for LaVilla Project</b>		<b>HUD Section 108 Program Loan for Armor Holdings</b>		<b>HUD Section 108 Program Loan for Hampton Inns</b>		<b>Total Principal And Interest</b>
<b>U.S. Government Guaranteed Note Payable, Series 2010</b>		<b>U.S. Government Guaranteed Note Payable, Series 2010</b>		<b>U.S. Government Guaranteed Note Payable, Series 2010</b>		
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
\$ 90,000	\$ 11,723	\$ 60,000	\$ 7,429	\$ 45,000	\$ 4,131	\$ 1,082,973
100,000	10,902	65,000	6,892	50,000	3,767	1,138,707
110,000	10,042	75,000	6,333	55,000	3,337	1,121,237
125,000	8,568	80,000	5,328	65,000	2,600	1,108,668
130,000	6,318	80,000	3,888	65,000	1,430	593,236
130,000	3,458	80,000	2,128			215,586
<b>\$ 685,000</b>	<b>\$ 51,011</b>	<b>\$ 440,000</b>	<b>\$ 31,998</b>	<b>\$ 280,000</b>	<b>\$ 15,265</b>	<b>\$ 5,260,406</b>

0.560% - 2.660%  
(Taxable)

0.560% - 2.660%  
(Taxable)

0.560% - 2.200%  
(Taxable)



(continued)

To Fund the Acquisition and Construction of Various Capital Improvement Projects		To Fund the Acquisition and Construction of Various Capital Improvement Projects		To Fund the Acquisition and Construction of Various Capital Improvement Projects		Total Principal And Interest
Special Revenue Bonds Series 2009C-1		Special Revenue Bonds Taxable Series 2009C-2 (Direct Pay Build America Bonds)		Special Revenue Bonds Series 2010A		
Principal	Interest	Principal	Interest	Principal	Interest	
\$ 2,590,000	\$ 1,592,325		\$ 790,609		\$ 1,146,530	\$ 13,513,655
3,200,000	1,505,475		790,609		2,267,863	43,239,067
3,680,000	1,383,875		790,609	\$ 2,372,000	2,208,563	32,645,432
3,845,000	1,233,375		790,609	2,515,000	2,086,388	29,061,857
4,020,000	1,055,975		790,609	2,662,000	1,956,963	24,066,197
4,240,000	849,475		790,609	2,814,000	1,820,063	19,325,767
	743,475	\$ 4,200,000	732,733	2,976,000	1,675,313	18,722,420
	743,475	6,825,000	576,372	3,138,000	1,522,463	21,186,578
	743,475	3,625,000	423,811	3,309,000	1,361,288	17,820,499
	743,475	3,750,000	311,967	3,145,000	1,199,938	17,511,135
	743,475	3,885,000	192,455	3,321,000	1,038,288	16,768,000
	743,475	4,030,000	65,357	3,507,000	867,588	16,804,067
3,455,000	679,875			3,693,000	687,588	10,251,801
3,605,000	555,050			1,593,000	569,376	8,060,515
3,750,000	427,225			1,632,000	515,950	8,061,994
3,905,000	263,000			1,666,000	459,255	8,025,214
3,870,000	82,688			1,559,000	391,125	7,631,375
				1,637,000	311,225	3,678,456
				1,714,000	227,450	3,668,344
				1,801,000	139,575	3,665,419
				1,891,000	47,275	3,662,081
						1,718,644
						1,718,094
						1,711,828
<u>\$ 40,160,000</u>	<u>\$ 14,089,188</u>	<u>\$ 26,315,000</u>	<u>\$ 7,046,346</u>	<u>\$ 46,945,000</u>	<u>\$ 22,500,062</u>	<u>\$ 332,518,439</u>

3.000% - 5.000%

4.240% - 4.990%  
(2.756% - 3.244% net of subsidy)  
(Taxable)

3.250% - 5.000%



(continued)

<b>Better Jacksonville Infrastructure Projects</b>		<b>Better Jacksonville Transportation Projects</b>		<b>To Refund the Transportation Revenue Bonds, Series 2003A &amp; Series 2003B (Auction Rate Securities)</b>	
<b>Better Jacksonville Sales Tax Revenue Bonds Series 2004</b>		<b>Transportation Revenue Bonds Series 2007</b>		<b>Transportation Revenue Bonds Series 2008A</b>	
<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
\$ 4,349,782	\$ 5,833,784	\$ 3,170,000	\$ 4,607,700		\$ 6,192,612
4,462,374	5,718,054	3,300,000	4,461,800	\$ 2,700,000	6,109,979
4,582,471	5,587,959	3,465,000	4,310,000		6,084,416
4,721,334	5,442,501	3,600,000	4,150,700	1,350,000	6,034,765
4,875,209	5,283,510	3,780,000	3,966,200	11,250,000	5,616,555
5,036,590	5,113,100	3,970,000	3,772,450	11,875,000	5,156,735
5,216,736	4,930,407	4,170,000	3,568,950	11,450,000	4,682,522
5,408,142	4,727,691		3,464,700		4,644,810
5,622,065	4,507,086		3,464,700		4,644,810
5,847,248	4,277,700		3,464,700		4,657,535
6,079,937	4,039,156		3,464,700		4,644,810
6,327,638	3,787,050		3,464,700		4,644,810
6,582,845	3,516,657		3,464,700		4,644,810
6,864,324	3,230,905		3,464,700		4,657,535
7,153,309	2,924,088		3,464,700	10,460,000	4,260,102
7,476,071	2,590,255		3,464,700	11,005,000	3,820,899
7,825,104	2,236,415	4,375,000	3,355,325	11,560,000	3,359,488
8,189,150	1,866,086	4,595,000	3,131,075	12,155,000	2,882,131
8,564,455	1,484,011	4,825,000	2,895,575	12,770,000	2,364,665
8,947,265	1,089,998	5,065,000	2,648,325	13,430,000	1,828,664
19,748,536	444,342	5,320,000	2,395,350	14,110,000	1,265,480
		5,575,000	2,129,625	14,830,000	675,287
		5,850,000	1,844,000	15,590,000	51,348
		6,145,000	1,544,125		
		6,450,000	1,229,250		
		6,775,000	898,625		
		7,115,000	551,375		
		7,470,000	186,750		
<u>\$ 143,880,584</u>	<u>\$ 78,630,756</u>	<u>\$ 95,015,000</u>	<u>\$ 82,829,500</u>	<u>\$ 154,535,000</u>	<u>\$ 92,924,766</u>

2.500% - 4.625%

4.000% - 5.000%

Variable Rate  
Assumed at 4.34%

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**GOVERNMENTAL ACTIVITIES**  
**REVENUE BONDS SUPPORTED BY BJP REVENUES (continued)**  
**SEPTEMBER 30, 2010**

Fiscal Year	To Refund the Transportation Revenue Bonds, Series 2003 & Series 2004A (Auction Rate Securities)		Better Jacksonville Infrastructure Projects		Total Principal and Interest
	Transportation Revenue Bonds Series 2008B		Better Jacksonville Sales Tax Revenue Bonds Series 2008		
	Principal	Interest	Principal	Interest	
2011	\$ 4,535,000	\$ 4,365,213	\$ 2,985,000	\$ 4,920,100	\$ 70,116,563
2012	5,160,000	4,171,849	3,105,000	4,798,300	81,981,736
2013	4,680,000	3,971,377	3,230,000	4,671,600	69,258,543
2014	5,615,000	3,749,449	3,355,000	4,539,900	71,223,349
2015	5,695,000	3,521,499	3,490,000	4,385,550	80,516,601
2016	5,955,000	3,292,666	3,665,000	4,206,675	80,659,702
2017	8,915,000	2,936,226	3,850,000	4,018,800	82,340,086
2018	8,990,000	2,576,221	4,040,000	3,821,550	66,259,241
2019	9,285,000	2,205,118	4,245,000	3,614,425	66,173,846
2020	9,310,000	1,837,061	4,455,000	3,396,925	65,814,521
2021	9,730,000	1,443,603	4,680,000	3,168,550	65,804,324
2022	4,430,000	1,248,625	4,915,000	2,928,675	63,614,385
2023	4,695,000	1,061,357	5,160,000	2,676,800	63,697,216
2024	4,780,000	872,431	5,415,000	2,412,425	70,566,282
2025	4,965,000	671,740	5,685,000	2,134,925	80,550,210
2026	5,210,000	463,768	5,970,000	1,843,550	80,637,909
2027	5,460,000	245,796	6,270,000	1,537,550	84,970,764
2028	5,685,000	18,724	6,585,000	1,224,406	85,021,137
2029			6,895,000	904,256	85,437,108
2030			7,225,000	559,875	85,481,401
2031			7,585,000	189,625	119,637,368
2032					47,364,037
2033					23,335,348
2034					7,689,125
2035					7,679,250
2036					7,673,625
2037					7,666,375
2038					7,656,750
	<u>\$ 113,095,000</u>	<u>\$ 38,652,723</u>	<u>\$ 102,805,000</u>	<u>\$ 61,954,463</u>	<u>\$ 1,728,826,801</u>

Interest Rates: Variable Rate Assumed at 3.43% 4.000% - 5.000%

Hedges Fixed at 3.455% and 4.010%



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**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
SPECIAL REVENUE BONDS SUPPORTED BY BJP REVENUES  
SEPTEMBER 30, 2010**

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Fiscal Year	Better Jacksonville Road and Infrastructure Projects Special Revenue Bonds Series 2009B-1A		Better Jacksonville Road and Infrastructure Projects Special Revenue Bonds Series 2009B-1B (Direct Pay Build America Bonds)	
	Principal	Interest	Principal	Interest
2011		\$ 2,420,019		\$ 2,275,225
2012	\$ 1,000,000	2,410,019		2,275,225
2013	1,500,000	2,377,519		2,275,225
2014	1,875,000	2,313,769		2,275,225
2015	1,950,000	2,223,769		2,275,225
2016	2,050,000	2,124,719		2,275,225
2017	2,155,000	2,031,319		2,275,225
2018	2,240,000	1,954,619		2,275,225
2019	2,305,000	1,863,394		2,275,225
2020	2,420,000	1,745,269		2,275,225
2021	2,545,000	1,633,869		2,275,225
2022	2,640,000	1,516,969		2,275,225
2023	4,600,000	1,335,969		2,275,225
2024	7,005,000	1,046,219		2,275,225
2025	7,980,000	677,969		2,275,225
2026	9,825,000	242,234		2,275,225
2027			\$ 10,310,000	2,065,501
2028			10,730,000	1,637,511
2029			11,170,000	1,192,027
2030			11,620,000	728,438
2031			12,095,000	246,033
	<u>\$ 52,090,000</u>	<u>\$ 27,917,641</u>	<u>\$ 55,925,000</u>	<u>\$ 42,273,106</u>

Interest Rates: 2.000% - 5.000%

6.259%  
(4.068% net of subsidy)  
(Taxable)

(continued)

**Better Jacksonville  
Road and Infrastructure  
Projects**

<b>Special Revenue Bonds Series 2010B</b>		<b>Total Principal and Interest</b>
<b>Principal</b>	<b>Interest</b>	
	\$ 2,713,885	\$ 7,409,129
	5,010,250	10,695,493
	5,010,250	11,162,993
	5,010,250	11,474,243
	5,010,250	11,459,243
	5,010,250	11,460,193
	5,010,250	11,471,793
	5,010,250	11,480,093
\$ 7,705,000	4,817,625	18,966,243
7,705,000	4,432,375	18,577,868
7,705,000	4,047,125	18,206,218
7,705,000	3,661,875	17,799,068
7,705,000	3,276,625	19,192,818
7,710,000	2,891,250	20,927,693
7,710,000	2,505,750	21,148,943
7,710,000	2,120,250	22,172,709
7,710,000	1,734,750	21,820,251
7,710,000	1,349,250	21,426,761
7,710,000	963,750	21,035,777
7,710,000	578,250	20,636,688
7,710,000	192,750	20,243,783
<u>\$ 100,205,000</u>	<u>\$ 70,357,260</u>	<u>\$ 348,768,007</u>

5.000%

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**GOVERNMENTAL ACTIVITIES**  
**NOTES PAYABLE SUPPORTED BY BJP REVENUES**  
**SEPTEMBER 30, 2010**

Purpose	Better Jacksonville Infrastructure Projects		Better Jacksonville Infrastructure Projects		Total Principal And Interest
	State Infrastructure Bank Loan #1; Dated 7/28/05		State Infrastructure Bank Loan #2; Dated 3/13/07		
	Principal	Interest	Principal	Interest	
<b>Fiscal Year</b>					
<b>2011</b>	\$ 2,061,666	\$ 387,034	\$ 3,088,859	\$ 911,141	\$ 6,448,700
<b>2012</b>	1,902,544	544,756	3,085,688	914,312	6,447,300
<b>2013</b>	1,938,495	506,705	3,162,909	837,091	6,445,200
<b>2014</b>	1,979,465	467,935	3,162,766	837,234	6,447,400
<b>2015</b>	2,020,454	428,346	3,241,839	758,161	6,448,800
<b>2016</b>	2,056,463	387,937	3,320,908	679,092	6,444,400
<b>2017</b>	2,097,493	346,807	3,401,954	598,046	6,444,300
<b>2018</b>	2,143,542	304,858	3,484,976	515,024	6,448,400
<b>2019</b>	2,184,613	261,987	3,570,025	429,975	6,446,600
<b>2020</b>	2,225,706	218,294	3,657,150	342,850	6,444,000
<b>2021</b>	2,271,820	173,780	3,395,420	229,841	6,070,862
<b>2022</b>	2,317,956	128,344			2,446,300
<b>2023</b>	2,364,115	81,985			2,446,100
<b>2024</b>	1,735,123	30,220			1,765,344
	<u>\$ 29,299,456</u>	<u>\$ 4,268,987</u>	<u>\$ 36,572,492</u>	<u>\$ 7,052,769</u>	<u>\$ 77,193,705</u>

Interest Rates:                      2.000%    2.500%



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**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
PAYABLE FROM ENTERPRISE FUNDS  
SEPTEMBER 30, 2010**

Purpose	River City Renaissance Projects		Superstructure Renovation of the Everbank Stadium		To Refund a Portion of Capital Improvement Revenue Bonds, Series 1994	
	Sales Tax Revenue Bonds, Series 1996		Capital Improvement Revenue Bonds, Series 1997		Capital Improvement and Refunding Revenue Bonds, Series 1998	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2011		\$ 51,880	\$ 250,000	\$ 307,833	\$ 205,000	\$ 1,649,890
2012		51,880	265,000	294,825	215,000	1,640,332
2013		51,880	275,000	280,986	225,000	1,630,100
2014		51,880	290,000	266,365	235,000	1,619,231
2015		51,880	305,000	250,819	245,000	1,607,525
2016	\$ 235,287	45,850	320,000	234,412	260,000	1,594,900
2017	246,231	33,511	340,000	217,087	270,000	1,581,650
2018	258,543	20,577	355,000	198,844	285,000	1,567,775
2019	272,222	6,976	375,000	179,681	300,000	1,553,150
2020			395,000	159,469	315,000	1,538,169
2021			415,000	138,206	5,035,000	1,411,106
2022			435,000	115,894	5,330,000	1,164,937
2023			460,000	92,400	5,640,000	904,400
2024			485,000	67,594	5,970,000	628,663
2025			510,000	41,475	5,640,000	352,925
2026			535,000	14,044	4,610,000	109,488
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
	<u>\$ 1,012,283</u>	<u>\$ 366,311</u>	<u>\$ 6,010,000</u>	<u>\$ 2,859,934</u>	<u>\$ 34,780,000</u>	<u>\$ 20,554,241</u>

Interest Rates:                      5.125%                                      5.000% - 5.250%                                      4.500% - 5.000%

(continued)

<b>Better Jacksonville Infrastructure Projects</b>		<b>Capital Improvements at Everbank Stadium</b>		<b>To Crossover Refund Capital Improvement Revenue Bonds, Series 1994</b>		<b>To Crossover Refund Capital Improvement Revenue Bonds, Series 1995</b>	
<b>Better Jacksonville Sales Tax Revenue Bonds Series 2001</b>		<b>Capital Improvement Revenue Bonds, Series 2002A</b>		<b>Capital Improvement and Refunding Revenue Bonds, Crossover Series 2002B</b>		<b>Capital Improvement and Refunding Revenue Bonds, Crossover Series 2002C</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 1,173,382	\$ 2,337,549	\$ 395,000	\$ 2,575,203	\$ 2,310,000	\$ 1,596,313	\$ 980,000	\$ 1,094,993
1,223,260	2,281,740	335,000	2,562,260	2,465,000	1,476,938	1,045,000	1,059,033
1,284,361	2,215,838	290,000	2,550,865	2,630,000	1,349,563	1,105,000	1,019,780
1,355,437	2,143,244	220,000	2,541,100	2,810,000	1,210,050	1,175,000	975,838
1,430,254	2,066,637	155,000	2,533,600	3,005,000	1,057,406	1,250,000	927,338
1,508,812	1,985,813	75,000	2,529,000	3,210,000	894,263	1,335,000	867,294
1,591,111	1,900,877		2,527,500	3,685,000	717,875	1,425,000	796,625
1,678,398	1,811,277		2,527,500	3,920,000	527,750	1,440,000	725,000
1,770,672	1,716,428		2,527,500	4,165,000	325,625	1,460,000	652,500
1,867,935	1,619,168		2,527,500	4,430,000	110,750	1,485,000	578,875
1,965,197	1,519,506		2,527,500			1,505,000	504,125
2,067,447	1,416,725		2,527,500			1,520,000	428,500
2,170,944	1,310,765		2,527,500			1,540,000	352,000
2,279,429	1,199,506		2,527,500			1,555,000	274,625
2,394,149	1,082,666		2,527,500			2,245,000	179,625
2,513,856	959,966	945,000	2,503,875			2,470,000	61,750
2,638,551	831,156	8,975,000	2,255,875				
2,770,728	695,924	9,425,000	1,795,875				
2,909,140	553,927	9,900,000	1,312,750				
3,055,033	404,823	10,395,000	805,375				
6,568,944	164,224	10,910,000	272,750				
<b>\$ 46,217,044</b>	<b>\$ 30,217,759</b>	<b>\$ 52,020,000</b>	<b>\$ 46,986,028</b>	<b>\$ 32,630,000</b>	<b>\$ 9,266,531</b>	<b>\$ 23,535,000</b>	<b>\$ 10,497,899</b>
4.300% - 5.000%		3.500% - 5.000%		5.000% - 5.250%		3.500% - 5.250%	

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
PAYABLE FROM ENTERPRISE FUNDS (continued)  
SEPTEMBER 30, 2010**

Purpose	Better Jacksonville Infrastructure Projects		To Partially Refund Excise Taxes Revenue Refunding Bonds, Series 1993A		Better Jacksonville Infrastructure Projects	
	Better Jacksonville Sales Tax Revenue Bonds Series 2003		Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003B		Better Jacksonville Sales Tax Revenue Bonds Series 2004	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 1,235,730	\$ 2,170,675	\$ 1,245,000	\$ 96,375	\$ 1,445,218	\$ 1,938,278
2012	1,275,632	2,128,271	1,305,000	32,625	1,482,626	1,899,827
2013	1,320,523	2,081,187			1,522,529	1,856,603
2014	1,369,154	2,030,414			1,568,666	1,808,274
2015	1,421,526	1,975,969			1,619,791	1,755,450
2016	1,478,886	1,908,718			1,673,410	1,698,831
2017	1,556,197	1,829,047			1,733,264	1,638,131
2018	1,637,249	1,745,219			1,796,858	1,570,778
2019	1,723,288	1,661,592			1,867,935	1,497,482
2020	1,805,587	1,573,546			1,942,752	1,421,269
2021	1,900,356	1,476,265			2,020,063	1,342,012
2022	1,998,865	1,373,911			2,102,362	1,258,250
2023	2,104,856	1,268,819			2,187,155	1,168,412
2024	2,209,600	1,161,547			2,280,676	1,073,470
2025	2,319,332	1,048,913			2,376,691	971,530
2026	2,435,298	930,148			2,483,929	860,614
2027	2,556,253	805,598			2,599,896	743,050
2028	2,683,442	674,860			2,720,850	620,008
2029	2,818,113	537,437			2,845,545	493,064
2030	2,959,018	393,008			2,972,735	362,152
2031	6,380,656	159,516			6,561,464	147,633
2032						
2033						
2034						
2035						
	<u>\$ 45,189,556</u>	<u>\$ 28,934,661</u>	<u>\$ 2,550,000</u>	<u>\$ 129,000</u>	<u>\$ 47,804,416</u>	<u>\$ 26,125,119</u>

Interest Rates: 3.250% - 5.250%

5.000%

2.500% - 5.000%

(continued)

<b>To Fund City-Wide Capital Improvements and River City Marketplace Road and Utility Improvements</b>		<b>To Paritally Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and 2002-1</b>		<b>To Paritally Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and 2002-1</b>		<b>To Refund the Excise Taxes Revenue Bonds, Series 1996A and the Excise Taxes Revenue Bonds, Series 1999A</b>	
<b>Excise Taxes Revenue Bonds Series 2005A</b>		<b>Capital Projects Revenue Refunding Bonds Series 2008A</b>		<b>Capital Projects Revenue Refunding Bonds Series 2008B</b>		<b>Excise Taxes Revenue Refunding Bonds Series 2009B</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
	\$ 95,516	\$ 5,220	\$ 4,546	\$ 5,220	\$ 4,546	\$ 1,285,000	\$ 490,983
	95,516	6,391	4,422	6,391	4,422	1,350,000	425,750
	95,516	4,849	4,320	4,849	4,320	1,420,000	356,500
	95,516	6,019	4,203	6,019	4,203	1,490,000	283,750
	95,516	6,298	4,078	6,298	4,078	1,565,000	207,375
	95,516	6,614	3,947	6,614	3,947	1,645,000	127,125
	95,516	7,710	3,796	7,710	3,796	1,720,000	43,000
	95,516	7,282	3,649	7,282	3,649		
	95,516	6,874	3,511	6,874	3,511		
	95,516	7,988	3,354	7,988	3,354		
\$ 114,722	93,078	8,360	3,189	8,360	3,189		
119,597	87,650	8,787	3,014	8,787	3,014		
125,447	81,524	9,809	2,821	9,809	2,821		
131,947	75,089	9,642	2,628	9,642	2,628		
138,447	68,792	9,568	2,436	9,568	2,436		
144,621	62,118	10,608	2,228	10,608	2,228		
151,771	54,708	11,109	2,007	11,109	2,007		
159,246	47,331	11,648	1,776	11,648	1,776		
166,721	39,383	12,559	1,528	12,559	1,528		
174,196	32,009	12,484	1,278	12,484	1,278		
182,320	23,764	13,432	1,013	13,432	1,013		
190,770	14,779	14,082	733	14,082	733		
200,195	5,005	14,769	440	14,769	440		
		15,550	132	15,550	132		
		4,784	16	4,784	16		
<b>\$ 2,000,000</b>	<b>\$ 1,640,391</b>	<b>\$ 232,435</b>	<b>\$ 65,065</b>	<b>\$ 232,435</b>	<b>\$ 65,065</b>	<b>\$ 10,475,000</b>	<b>\$ 1,934,483</b>

3.500% - 5.000%

Assumed at 3.80%  
Variable Rate

Assumed at 3.80%  
Variable Rate

2.500% - 5.000%

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**PAYABLE FROM ENTERPRISE FUNDS (continued)**  
**SEPTEMBER 30, 2010**

**Purpose**                    **To Refund the Excise Taxes**  
**Revenue Bonds, Series 1999B**

<b>Fiscal Year</b>	<b>Excise Taxes Revenue Refunding Bonds Series 2009C (AMT)</b>		<b>Total Principal and Interest</b>
	<b>Principal</b>	<b>Interest</b>	
2011	\$ 2,590,000	\$ 746,825	\$ 28,286,173
2012	2,730,000	673,500	28,335,639
2013	2,880,000	589,350	27,048,917
2014	3,050,000	477,175	27,086,538
2015	3,220,000	343,800	27,110,638
2016	3,400,000	211,400	27,355,638
2017	3,585,000	71,700	27,627,334
2018			22,183,147
2019			22,171,336
2020			21,888,221
2021			21,990,234
2022			21,970,241
2023			21,959,483
2024			21,944,186
2025			21,921,053
2026			21,665,379
2027			21,638,092
2028			21,620,113
2029			21,604,252
2030			21,580,874
2031			31,400,160
2032			235,179
2033			235,618
2034			31,362
2035			9,600
	<u>\$ 21,455,000</u>	<u>\$ 3,113,750</u>	<u>\$ 508,899,406</u>

Interest Rates            2.500% - 5.000%



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**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF SELF-INSURANCE FUND**  
**TEN YEAR CLAIMS DEVELOPMENT INFORMATION (in thousands)**  
**WORKERS COMPENSATION**

	For the Year Ended September 30				
	2001	2002	2003	2004	2005
Revenue	\$ 15,486	\$ 16,225	\$ 15,543	\$ 17,658	\$ 23,797
Interest Revenue	2,725	2,854	1,349	1,437	1,782
Total Revenue	<u>\$ 18,211</u>	<u>\$ 19,079</u>	<u>\$ 16,892</u>	<u>\$ 19,095</u>	<u>\$ 25,579</u>
Unallocated Expenses	<u>\$ 1,387</u>	<u>\$ 1,705</u>	<u>\$ 1,712</u>	<u>\$ 1,934</u>	<u>\$ 1,962</u>
Estimated Incurred Claims and Expense, End of Policy Year	<u>\$ 10,882</u>	<u>\$ 11,180</u>	<u>\$ 11,725</u>	<u>\$ 10,766</u>	<u>\$ 12,824</u>
Paid (Cumulative) as of:					
End of Policy Year	\$ 2,122	\$ 2,758	\$ 2,938	\$ 2,335	\$ 3,186
One Year Later	4,455	5,568	5,644	3,945	5,098
Two Years Later	5,649	7,028	7,122	4,405	5,893
Three Years Later	6,697	8,039	7,675	4,790	6,490
Four Years Later	7,666	8,421	8,085	527	6,808
Five Years Later	8,099	8,811	8,566	5,623	7,008
Six Years Later	8,391	9,230	9,608	5,903	
Seven Years Later	8,647	9,609	10,560		
Eight Years Later	8,965	10,184			
Nine Years Later	9,573				
Reestimated incurred Claims and Expense:					
End of Policy Year	\$ 10,882	\$ 11,180	\$ 11,725	\$ 10,766	\$ 12,824
One Year Later	10,685	11,668	13,459	9,701	11,609
Two Years Later	11,075	12,356	13,162	8,482	11,537
Three Years Later	11,707	11,988	12,543	8,423	11,397
Four Years Later	11,824	12,560	13,906	8,734	11,693
Five Years Later	11,651	12,656	13,858	9,804	10,758
Six Years Later	12,376	12,946	14,286	9,395	
Seven Years Later	12,516	12,750	14,322		
Eight Years Later	12,761	12,610			
Nine Years Later	12,709				
Increase (Decrease) in Estimated Incurred Claims and Expense from End of Policy Year	<u>\$ 1,827</u>	<u>\$ 1,430</u>	<u>\$ 2,597</u>	<u>\$ (1,371)</u>	<u>\$ (2,066)</u>
Available Funding	\$ 18,211	\$ 19,079	\$ 16,892	\$ 19,095	\$ 25,579
Current Reestimated Incurred Claims and Expense	(12,709)	(12,610)	(14,322)	(9,395)	(10,758)
Excess (Deficit) Funding	<u>\$ 5,502</u>	<u>\$ 6,469</u>	<u>\$ 2,570</u>	<u>\$ 9,700</u>	<u>\$ 14,821</u>

**For the Year Ended September 30**

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 21,723	\$ 25,140	\$ 22,124	\$ 17,692	\$ 19,369
2,095	2,807	1,404	5,753	4,218
<u>\$ 23,818</u>	<u>\$ 27,947</u>	<u>\$ 23,528</u>	<u>\$ 23,445</u>	<u>\$ 23,587</u>
<u>\$ 1,898</u>	<u>\$ 1,896</u>	<u>\$ 2,113</u>	<u>\$ 2,267</u>	<u>\$ 2,062</u>
<u>\$ 11,799</u>	<u>\$ 10,451</u>	<u>\$ 13,091</u>	<u>\$ 13,418</u>	<u>\$ 13,251</u>
\$ 2,339	\$ 1,916	\$ 2,742	\$ 2,923	\$ 3,201
4,219	4,003	5,163	6,207	
4,756	4,576	6,181		
5,059	4,976			
5,407				
\$ 11,799	\$ 10,451	\$ 13,091	\$ 13,418	\$ 13,251
10,626	10,523	12,684	12,981	
9,941	9,531	12,809		
9,088	8,438			
8,816				
<u>\$ (2,983)</u>	<u>\$ (2,013)</u>	<u>\$ (282)</u>	<u>\$ (437)</u>	<u>\$ 0</u>
\$ 23,818	\$ 27,947	\$ 23,528	\$ 23,445	\$ 23,587
(8,816)	(8,438)	(12,809)	(12,981)	(13,251)
<u>\$ 15,002</u>	<u>\$ 19,509</u>	<u>\$ 10,719</u>	<u>\$ 10,464</u>	<u>\$ 10,336</u>

**Total Excess (Deficit) Funding of Reestimated  
Incurred Claims - 10 Years Shown.**

\$ 105,092

continued

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF SELF-INSURANCE FUND**  
**TEN YEAR CLAIMS DEVELOPMENT INFORMATION (in thousands)**  
**GENERAL LIABILITY**

	<b>For the Year Ended September 30</b>				
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Revenue	\$ 5,217	\$ 5,473	\$ 5,541	\$ 6,748	\$ 7,880
Interest Revenue	933	1,025	547	592	601
Total Revenue	<u>\$ 6,150</u>	<u>\$ 6,498</u>	<u>\$ 6,088</u>	<u>\$ 7,340</u>	<u>\$ 8,481</u>
Unallocated Expenses	<u>\$ 1,567</u>	<u>\$ 1,549</u>	<u>\$ 1,461</u>	<u>\$ 1,422</u>	<u>\$ 1,562</u>
Estimated Incurred Claims and Expense, End of Policy Year	<u>\$ 4,096</u>	<u>\$ 3,619</u>	<u>\$ 2,989</u>	<u>3,587</u>	<u>5,186</u>
Paid (Cumulative) as of:					
End of Policy Year	\$ 968	\$ 984	\$ 720	\$ 737	\$ 1,166
One Year Later	1,359	1,249	956	1,318	2,024
Two Years Later	1,943	1,672	1,808	2,349	3,344
Three Years Later	2,394	2,306	2,276	2,741	3,821
Four Years Later	3,145	2,631	2,410	2,929	4,093
Five Years Later	3,209	2,829	2,795	2,970	4,378
Six Years Later	3,023	2,859	2,889	2,988	
Seven Years Later	3,042	2,862	2,889		
Eight Years Later	3,043	2,862			
Nine Years Later	3,049				
Reestimated incurred Claims and Expense:					
End of Policy Year	\$ 4,096	\$ 3,619	\$ 2,989	\$ 3,587	\$ 5,186
One Year Later	3,337	3,055	2,826	3,568	5,487
Two Years Later	3,414	2,912	3,128	3,533	5,261
Three Years Later	3,466	3,100	2,834	3,430	5,005
Four Years Later	3,388	3,011	2,777	3,198	4,893
Five Years Later	3,112	2,913	3,011	3,009	4,663
Six Years Later	3,060	2,865	2,956	3,000	
Seven Years Later	3,045	2,869	2,920		
Eight Years Later	3,047	2,873			
Nine Years Later	3,049				
Increase (Decrease) in Estimated Incurred Claims and Expense from End of Policy Year	<u>\$ (1,047)</u>	<u>\$ (746)</u>	<u>\$ (69)</u>	<u>\$ (587)</u>	<u>(523)</u>
Available Funding	\$ 6,150	\$ 6,498	\$ 6,088	\$ 7,340	\$ 8,481
Current Reestimated Incurred Claims and Expense	<u>(3,049)</u>	<u>(2,873)</u>	<u>(2,920)</u>	<u>(3,000)</u>	<u>(4,663)</u>
Excess (Deficit) Funding	<u>\$ 3,101</u>	<u>\$ 3,625</u>	<u>\$ 3,168</u>	<u>\$ 4,340</u>	<u>\$ 3,818</u>

**For the Year Ended September 30**

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 6,496	\$ 6,980	\$ 8,283	\$ 7,310	\$ 6,780
666	855	510	2,404	1,529
<u>\$ 7,162</u>	<u>\$ 7,835</u>	<u>\$ 8,793</u>	<u>\$ 9,714</u>	<u>\$ 8,309</u>
<u>\$ 1,648</u>	<u>\$ 1,708</u>	<u>\$ 1,911</u>	<u>\$ 2,044</u>	<u>\$ 2,087</u>
<u>\$ 4,651</u>	<u>\$ 4,365</u>	<u>\$ 5,994</u>	<u>\$ 4,794</u>	<u>\$ 4,485</u>
\$ 1,093	\$ 857	\$ 1,495	\$ 1,192	\$ 1,019
1,709	1,371	2,372	2,082	
2,294	1,822	3,325		
2,693	2,258			
2,743				
\$ 4,651	\$ 4,365	\$ 5,994	\$ 4,794	\$ 4,485
3,913	3,779	5,617	4,595	
3,627	2,857	5,156		
3,212	2,636			
2,950				
<u>\$ (1,701)</u>	<u>\$ (1,729)</u>	<u>\$ (838)</u>	<u>\$ (199)</u>	<u>\$ 0</u>
\$ 7,162	\$ 7,835	\$ 8,793	\$ 9,714	\$ 8,309
(2,950)	(2,636)	(5,156)	(4,595)	(4,485)
<u>\$ 4,212</u>	<u>\$ 5,199</u>	<u>\$ 3,637</u>	<u>\$ 5,119</u>	<u>\$ 3,824</u>

**Total Excess (Deficit) Funding of Reestimated  
Incurred Claims - 10 Years Shown.**

\$ 40,043

continued



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## STATISTICAL SECTION

This part of the City of Jacksonville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

### Page(s)

#### Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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Changes in Net Assets .....	270-273
Fund Balances, Governmental Funds .....	274
Changes in Fund Balances, Governmental Funds .....	276-277

#### Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Assessed Value and Estimated Actual Value of Taxable Property .....	280-281
Direct and Overlapping Property Tax Rates .....	282
Principal Property Taxpayers.....	284-285
Property Tax Levies and Collections.....	286-287

#### Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type to Personal Income and Per Capita.....	290-292
Ratios of General Bonded Debt Outstanding to Actual Taxable Value of Property and Per Capita.....	294
Direct and Overlapping Governmental Activities Debt.....	295
Legal Debt Margin Information.....	295
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#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics .....	304
Principal Employers.....	305

#### Operating Information

These schedules contain services and infrastructure data to help the reader understand how the information in the City's financial report compares to the services the City provides and the activities it performs.

Full-time Equivalent City Government Employees by Function/Program.....	307
Operating Indicators by Function/Program .....	308-311
Capital Asset Statistics by Function/Program.....	312-313

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB statement 34 in 2002; schedules presenting government-wide information includes information beginning in that year.



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**STATISTICAL SECTION – FINANCIAL TRENDS**

**CITY OF JACKSONVILLE, FLORIDA**  
**NET ASSETS BY COMPONENTS (in thousands)**  
**LAST NINE FISCAL YEARS**  
**(accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Governmental Activities:</b>				
Invested in capital assets, net of related debt.....	\$ 974,561	\$ 953,289	\$ 1,000,539 (3)	\$ 1,063,627
Restricted .....	92,336	86,676	81,048	41,702
Unrestricted.....	<u>(207,729)</u>	<u>(326,149)</u>	<u>(390,777) (4)</u>	<u>(259,189)</u>
<b>Total governmental Activities net assets</b>	<u>859,168</u>	<u>713,816</u>	<u>690,810</u>	<u>846,140</u>
<b>Business type Activities</b>				
Invested in capital assets, net of related debt.....	135,912	126,221	114,078 (3)	16,341
Restricted .....	-	-	-	8,274
Unrestricted.....	<u>14,586</u>	<u>19,035</u>	<u>24,060 (4)</u>	<u>(105,181)</u>
<b>Total business type activities net assets</b>	<u>150,498</u>	<u>145,256</u>	<u>138,138</u>	<u>(80,566)</u>
<b>Primary Government</b>				
Invested in capital assets, net of related debt.....	1,110,473	1,079,510	1,114,617	1,079,968
Restricted .....	92,336	86,676	81,048	49,976
Unrestricted.....	<u>(193,143)</u>	<u>(307,114)</u>	<u>(366,717)</u>	<u>(364,370)</u>
<b>Total primary government net assets .....</b>	<u>\$ 1,009,666</u>	<u>\$ 859,072</u>	<u>\$ 828,948</u>	<u>\$ 765,574</u>

**Notes:**

Net assets were reallocated in 2002 and 2005 to adjust for the consideration of outstanding non-asset backed bonds.

(1) Retroactive infrastructure assets of \$541,960 was not included in 2002 Governmental Activities and Total Primary Government Net Assets, but were recorded beginning 2003.

(2) Transferred capital assets for EverBank Field from an Enterprise Fund (Business Type activity) to General Government (Governmental Activities).

(3) The City transferred \$404,898 of capital assets associated with the sports venues from Governmental Activities to Business Type Activities.

(4) The Pollution Remediation Liability of \$162,710, previously considered a liability of Business Type Activities, was reclassified to a liability of Governmental Type Activities.

---

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 900,373	\$ 786,614	\$ 725,464	\$ 529,265 (2)	\$ (320,321) (1)
103,733	120,823	118,224	154,165	43,894
<u>(127,555)</u>	<u>(163,353)</u>	<u>(110,337)</u>	<u>22,856</u>	<u>287,606</u>
<u>876,551</u>	<u>744,084</u>	<u>733,351</u>	<u>706,286</u>	<u>11,179</u>
13,375	13,742	12,289	14,258 (2)	234,802
13,045	15,497	13,591	12,714	11,929
<u>(118,120)</u>	<u>(104,700)</u>	<u>539</u>	<u>17,701</u>	<u>24,346</u>
<u>(91,700)</u>	<u>(75,461)</u>	<u>26,419</u>	<u>44,673</u>	<u>271,077</u>
913,748	800,356	737,753	543,523	(85,519) (1)
116,778	136,320	131,815	166,879	55,823
<u>(245,675)</u>	<u>(268,053)</u>	<u>(109,798)</u>	<u>40,557</u>	<u>311,952</u>
<u>\$ 784,851</u>	<u>\$ 668,623</u>	<u>\$ 759,770</u>	<u>\$ 750,959</u>	<u>\$ 282,256</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**CHANGES IN NET ASSETS (in thousands)**  
**LAST NINE FISCAL YEARS**  
**(accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Expenses</b>				
Government Activities				
General government.....	\$ 186,072	\$ 180,054	\$ 174,777	\$ 201,186
Human services.....	112,785	107,991	102,076	108,738
Public safety.....	549,369	527,227	511,009	472,531
Culture and recreation.....	75,451	71,091	67,054	93,197
Transportation.....	192,231	217,296	178,949	316,261
Economic environment.....	71,082	72,571	77,460	77,440
Physical environment.....	98,058	97,114	125,984	69,211
Payments to component units.....	-	-	-	-
Interest on long term debt.....	87,723	94,289	102,835	94,114
Total governmental activities expenses.....	<u>1,372,771</u>	<u>1,367,633</u>	<u>1,340,144</u>	<u>1,432,678</u>
Business-type activities:				
Parking system.....	3,585	3,417	3,921	6,340
Sports complex.....	-	-	-	-
Motor vehicle inspections.....	476	433	462	482
Storm Water Services.....	17,340	14,612	55	-
Solid Waste.....	73,934	86,674	69,230	71,240
Mayport Ferry.....	-	-	-	1,937
EverBank Field.....	24,485	20,361	11,850	11,732
Veterans Memorial Arena .....	15,602	12,355	8,055	7,750
Baseball Stadium .....	3,335	1,993	1,297	1,135
Performing Arts .....	4,265	4,006	3,264	3,959
Convention Center .....	3,804	4,342	3,681	3,443
Equestrian Center .....	1,816	1,890	1,449	1,309
Total business type activities expenses.....	<u>148,642</u>	<u>150,083</u>	<u>103,264</u>	<u>109,327</u>
Total primary government expenses.....	<u>1,521,413</u>	<u>1,517,716</u>	<u>1,443,408</u>	<u>1,542,005</u>
<b>Program Revenues</b>				
Government Activities				
Charges for services:				
General government.....	75,506	64,978	102,011	79,232
Public safety.....	46,457	92,096	47,233	45,825
Other activities .....	5,997	6,865	12,523	18,304
Operating grants and contributions .....	83,456	83,068	82,342	87,234
Capital grants and contributions .....	170,558	52,464	56,230	52,112
Total governmental activities program revenues	<u>381,974</u>	<u>299,471</u>	<u>300,339</u>	<u>282,707</u>
Business type activities:				
Charges for services:				
Sports complex.....	-	-	-	-
Solid Waste.....	47,112	42,752	39,892	39,123
EverBank Field.....	3,719	3,536	4,106	3,534
Veterans Memorial Arena.....	4,797	4,704	5,520	5,979
Other Activities.....	35,033	36,498	16,111	10,804
Operating grants and contributions .....	-	-	-	-
Capital grants and contributions .....	-	-	-	-
Total business type activities revenue .....	<u>90,661</u>	<u>87,490</u>	<u>65,629</u>	<u>59,440</u>
Total primary government program revenues.....	<u>\$ 472,635</u>	<u>\$ 386,961</u>	<u>\$ 365,968</u>	<u>\$ 342,147</u>

<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ 194,406	\$ 160,341	\$ 191,705	\$ 168,844	\$ 112,505
106,755	107,588	100,120	101,974	95,609
429,207	414,490	367,308	334,977	332,829
84,527	88,875	60,955	73,523	47,832
216,674	236,998	129,734	299,785	91,594
74,030	83,832	74,889	77,375	81,615
55,605	52,097	44,732	9,460	13,400
-	-	-	-	58,585
92,682	90,738	92,477	68,656	55,745
<b>1,253,886</b>	<b>1,234,959</b>	<b>1,061,920</b>	<b>1,134,594</b>	<b>889,714</b>
4,975	5,116	4,298	3,621	3,497
25,964	25,088	21,995	15,528	20,471
439	555	451	577	706
-	-	-	-	-
92,935	83,506	77,588	69,098	65,323
2,346	1,943	2,063	2,040	1,871
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
126,659	116,208	106,395	90,864	91,868
<b>1,380,545</b>	<b>1,351,167</b>	<b>1,168,315</b>	<b>1,225,458</b>	<b>981,582</b>
95,672	87,297	55,329	54,715	54,848
45,670	40,517	42,398	39,087	34,779
11,491	7,357	10,313	10,313	5,866
69,485	89,784	83,649	85,013	86,833
76,072	50,241	67,970	31,210	26,453
<b>298,390</b>	<b>275,196</b>	<b>259,659</b>	<b>220,338</b>	<b>208,779</b>
16,004	16,605	13,515	8,183	9,578
44,093	41,120	39,903	37,421	35,987
-	-	-	-	-
-	-	-	-	-
5,570	4,441	4,335	4,335	4,448
-	-	220	49	229
-	-	-	-	1,371
<b>65,667</b>	<b>62,166</b>	<b>57,973</b>	<b>49,988</b>	<b>51,613</b>
<b>\$ 364,057</b>	<b>\$ 337,362</b>	<b>\$ 317,632</b>	<b>\$ 270,326</b>	<b>\$ 260,392</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**CHANGES IN NET ASSETS (in thousands)**  
**LAST NINE FISCAL YEARS**  
**(accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Net (expense)revenue</b>				
Government activities .....	\$ (990,797)	\$ (1,068,162)	\$ (1,039,805)	\$ (1,149,971)
Business type activities .....	(57,981)	(62,593)	(37,635)	(49,887)
Total primary government net expense	<u>(1,048,778)</u>	<u>(1,130,755)</u>	<u>(1,077,440)</u>	<u>(1,199,858)</u>
<b>General revenues and other changes in net assets</b>				
Government Activities:				
Property taxes.....	493,171	474,381	477,368	465,918
Utility service taxes.....	126,653	118,453	114,392	104,634
Sales and tourist taxes.....	158,062	162,295	179,645	181,621
Intergovernmental - unrestricted.....	170,687	166,923	185,041	206,371
JEA contributions.....	99,188	96,961	96,096	92,915
Payment in lieu of taxes.....	-	-	-	-
Unrestricted earnings on investments.....	57,454	73,326	15,263	34,033
Franchise fees.....	39,842	-	-	-
Miscellaneous.....	26,626	29,028	48,976	63,772
Special item - refunded state bonds.....	-	-	-	-
Transfers.....	(35,534)	(30,199)	(232,306)	(29,704)
Total general revenues, special items, and transfers...	<u>1,136,149</u>	<u>1,091,168</u>	<u>884,475</u>	<u>1,119,560</u>
Business type activities				
Intergovernmental .....	-	-	-	-
Unrestricted earnings on investments.....	5,770	8,237	2,516	6,165
Sales and tourist taxes.....	10,965	10,875	12,695	12,520
Miscellaneous.....	10,954	20,400	8,822	12,632
Special item - pollution remediation & settlement.....	-	-	-	-
Transfers.....	35,534	30,199	232,306	29,704
Total business type activities.....	<u>63,223</u>	<u>69,711</u>	<u>256,339</u>	<u>61,021</u>
Total primary government .....	<u>1,199,372</u>	<u>1,160,879</u>	<u>1,140,814</u>	<u>1,180,581</u>
<b>Changes in net assets:</b>				
Governmental activities .....	145,352	23,006	(155,330)	(30,411)
Business type activities .....	5,242	7,118	218,704	11,134
Total primary government .....	<u>\$ 150,594</u>	<u>\$ 30,124</u>	<u>\$ 63,374</u>	<u>\$ (19,277)</u>

(continued)

<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ (955,496)	\$ (959,763)	\$ (802,261)	\$ (914,256)	\$ (680,935)
(60,992)	(54,042)	(48,422)	(40,876)	(40,255)
<u>(1,016,488)</u>	<u>(1,013,805)</u>	<u>(850,683)</u>	<u>(955,132)</u>	<u>(721,190)</u>
408,942	365,456	343,870	327,388	312,551
104,259	99,463	95,629	95,976	93,978
196,257	184,172	163,107	157,925	151,561
228,237	202,510	190,917	163,551	156,593
89,188	85,938	83,188	78,496	76,606
-	-	-	2,880	2,984
44,380	23,759	33,741	22,894	26,743
-	-	-	-	-
52,912	43,610	26,771	28,109	20,275
-	-	(79,218)	-	-
<u>(36,212)</u>	<u>(35,301)</u>	<u>(25,723)</u>	<u>190,184</u>	<u>(27,215)</u>
<u>1,087,963</u>	<u>969,607</u>	<u>832,282</u>	<u>1,067,403</u>	<u>814,076</u>
-	-	-	-	117
4,765	3,368	2,594	2,729	2,787
-	-	-	-	-
3,776	1,488	2,132	1,927	2,542
-	(87,995)	-	-	-
<u>36,212</u>	<u>35,301</u>	<u>25,723</u>	<u>(190,184)</u>	<u>27,215</u>
<u>44,753</u>	<u>(47,838)</u>	<u>30,449</u>	<u>(185,528)</u>	<u>32,661</u>
<u>1,132,716</u>	<u>921,769</u>	<u>862,731</u>	<u>84,798</u>	<u>293,053</u>
132,467	9,844	30,021	153,147	133,141
<u>(16,239)</u>	<u>(101,880)</u>	<u>(17,973)</u>	<u>(226,404)</u>	<u>(7,594)</u>
<u>\$ 116,228</u>	<u>\$ (92,036)</u>	<u>\$ 12,048</u>	<u>\$ (73,257)</u>	<u>\$ 125,547</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)**  
**LAST THREE FISCAL YEARS**  
**(modified accrual basis of accounting)**

<b>Pre-GASB 54</b>							
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>General Fund</b>							
Reserved .....	\$ 57,317	\$ 57,507	\$ 53,935	\$ 14,728	\$ 18,736	\$ 11,640	\$ 14,745
Unreserved .....	40,841	26,476	23,974	48,267	70,373	46,104	46,835
<b>Total General Fund .....</b>	<b><u>\$ 98,158</u></b>	<b><u>\$ 83,983</u></b>	<b><u>\$ 77,909</u></b>	<b><u>\$ 62,995</u></b>	<b><u>\$ 89,109</u></b>	<b><u>\$ 57,744</u></b>	<b><u>\$ 61,580</u></b>
<b>All other Governmental funds</b>							
Reserved .....	\$ 312,341	\$ 393,177	\$ 388,723	\$ 448,536	\$ 696,431	\$ 542,300	\$ 490,181
Unreserved, reported in:							
Special revenue funds .....	181,662	185,307	176,468	148,054	113,134	95,859	73,762
Capital Projects funds .....	(24,510)	(38,688)	17,731	48,064	1,127	106,756	140,785
Permanent fund .....	195	194	188	178	176	174	170
<b>Total all other governmental funds .....</b>	<b><u>\$ 469,688</u></b>	<b><u>\$ 539,990</u></b>	<b><u>\$ 583,110</u></b>	<b><u>\$ 644,832</u></b>	<b><u>\$ 810,868</u></b>	<b><u>\$ 745,089</u></b>	<b><u>\$ 704,898</u></b>

<b>Post-GASB 54</b>			
	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>General Fund</b>			
<b>Non Spendable:</b>			
Non Spendable.....	\$ 6,604	\$ 6,259	\$ 4,300
<b>Spendable:</b>			
Restricted.....	-	-	-
Committed.....	58,921	62,846	54,889
Assigned.....	2,766	3,114	3,050
Unassigned.....	41,774	37,962	35,919
<b>Total General Fund .....</b>	<b><u>\$ 110,065</u></b>	<b><u>\$ 110,181</u></b>	<b><u>\$ 98,158</u></b>
<b>All other Governmental funds</b>			
<b>Non Spendable:</b>			
Non Spendable.....	\$ 127	\$ 123	\$ 123
<b>Spendable:</b>			
Restricted.....	329,146	221,416	155,333
Committed.....	214,964	224,657	291,554
Assigned.....	3,215	8,764	23,777
Unassigned.....	-	(34,264)	(1,099)
<b>Total all other governmental funds .....</b>	<b><u>\$ 547,452</u></b>	<b><u>\$ 420,696</u></b>	<b><u>\$ 469,688</u></b>

Note: Seven years of data available for GASB 34 compliance.

Two years of data available for GASB 54 compliance which was adopted in 2009.

2008 data was restated for GASB 54 comparable presentation.



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**CITY OF JACKSONVILLE, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)**  
**LAST NINE FISCAL YEARS**  
**(modified accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Revenue</b>				
Property taxes.....	\$ 493,171	\$ 474,381	\$ 477,368	\$ 465,918
Utility Service taxes.....	126,878	118,453	114,392	104,634
Sales and tourist taxes.....	158,062	162,295	179,645	181,621
Licenses and permits.....	47,894	46,774	27,356	8,867
Intergovernmental.....	268,008	263,316	286,492	299,696
Charges for services.....	112,563	112,013	128,570	128,391
Fines and forfeitures.....	5,095	5,152	5,841	6,103
JEA contribution.....	99,188	96,688	94,188	91,438
Payment in lieu of taxes.....	-	-	-	3,713
Interest.....	48,495	62,593	15,346	31,101
Other.....	27,996	29,031	47,443	63,772
<b>Total Revenue.....</b>	<b><u>1,387,350</u></b>	<b><u>1,370,696</u></b>	<b><u>1,376,641</u></b>	<b><u>1,385,254</u></b>
<b>Expenditures</b>				
General government.....	180,259	167,245	162,202	152,894
Human services.....	112,792	107,309	100,858	107,651
Public safety.....	553,756	527,027	502,305	474,120
Culture and recreation.....	67,352	64,076	59,096	72,993
Transportation.....	163,768	144,298	164,918	163,433
Economic environment.....	70,626	66,713	72,433	76,991
Physical environment.....	21,726	24,945	20,539	21,874
Capital outlay.....	243,601	273,518	216,770	351,581
Debt service:				
Principal.....	61,777	79,554	74,365	66,294
Interest and fiscal charges.....	84,325	89,339	102,423	96,907
Other - cost of issuance.....	8,536	2,846	1,607	1,759
<b>Total Expenditures.....</b>	<b><u>1,568,518</u></b>	<b><u>1,546,870</u></b>	<b><u>1,477,516</u></b>	<b><u>1,586,497</u></b>
<b>Excess of Revenue Over</b>				
<b>(Under) Expenditures.....</b>	<b><u>(181,168)</u></b>	<b><u>(176,174)</u></b>	<b><u>(100,875)</u></b>	<b><u>(201,243)</u></b>
<b>Other Financing Sources (Uses):</b>				
Long term debt issued.....	319,680	166,858	584,893	190,455
Refunding bond issued.....	-	18,200	-	-
Premium on special obligation bonds payable.....	19,543	7,904	3,587	4,097
Discount on special obligation bonds payable.....	-	-	-	-
Payment to escrow agent - refunded bonds.....	-	(18,622)	(410,460)	-
Transfers in.....	181,638	196,914	219,862	192,537
Transfers out.....	(212,543)	(232,049)	(245,238)	(222,892)
<b>Total Other Financing Sources(Uses):</b>	<b><u>308,318</u></b>	<b><u>139,205</u></b>	<b><u>152,644</u></b>	<b><u>164,197</u></b>
<b>Special Item:</b>				
Payment to escrow agent - refunded state bonds....	-	-	-	-
<b>Net Changes in Fund Balances</b>	<b><u>\$ 127,150</u></b>	<b><u>\$ (36,969)</u></b>	<b><u>\$ 51,769</u></b>	<b><u>\$ (37,046)</u></b>
<b>Debt Service as Percentage of NonCapital</b>				
<b>Expenditures</b>	10.84%	12.75%	13.93%	11.54%

	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$	408,942	\$ 365,456	\$ 343,870	\$ 327,388	\$ 312,551
	104,259	99,463	95,629	95,976	93,978
	196,257	184,172	163,107	157,925	151,561
	10,509	9,045	8,524	8,473	10,238
	314,959	302,213	297,639	264,146	250,752
	134,977	121,036	85,789	84,424	74,309
	7,347	6,192	10,771	11,218	10,946
	88,688	85,938	83,188	78,496	76,606
	-	-	-	2,880	2,984
	41,384	21,676	34,489	20,404	23,118
	52,912	43,609	26,771	28,109	20,275
	<u>1,360,234</u>	<u>1,238,800</u>	<u>1,149,777</u>	<u>1,079,439</u>	<u>1,027,318</u>
	136,815	139,092	117,428	109,494	102,169
	105,979	107,104	100,212	99,206	94,375
	427,478	412,054	358,964	341,473	327,634
	72,924	78,066	78,392	59,538	49,592
	148,107	141,195	130,473	118,073	128,928
	72,270	78,323	68,675	74,242	78,241
	19,307	21,215	19,271	18,435	25,608
	302,583	259,078	337,896	557,727	259,486
	64,774	53,320	47,415	31,210	35,960
	95,365	93,074	79,183	59,445	52,675
	1,085	1,773	4,033	7,935	4,415
	<u>1,446,687</u>	<u>1,384,294</u>	<u>1,341,942</u>	<u>1,476,778</u>	<u>1,159,083</u>
	<u>(86,453)</u>	<u>(145,494)</u>	<u>(192,165)</u>	<u>(397,339)</u>	<u>(131,765)</u>
	114,170	18,319	371,775	620,496	341,910
	-	-	-	-	-
	1,693	-	-	12,136	5,833
	-	-	(2,778)	-	(1,409)
	(41,457)	(40,668)	-	(172,346)	(123,854)
	214,270	208,115	232,249	185,557	168,233
	<u>(249,031)</u>	<u>(232,209)</u>	<u>(232,721)</u>	<u>(211,895)</u>	<u>(190,906)</u>
	<u>39,645</u>	<u>(46,443)</u>	<u>368,525</u>	<u>433,948</u>	<u>199,807</u>
	-	-	(79,218)	-	-
\$	<u>(46,808)</u>	<u>(191,937)</u>	<u>97,142</u>	<u>\$ 36,609</u>	<u>\$ 68,042</u>

12.72%

12.11%

12.41%

8.32%

9.73%



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**STATISTICAL SECTION – REVENUE CAPACITY**

**CITY OF JACKSONVILLE, FLORIDA**  
**ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY**  
**LAST FOUR FISCAL YEARS (in thousands)**

<b>Year</b>	<b>Real Property</b>				<b>Personal Property</b>	<b>Centrally Assessed Property (1)</b>
	<b>Residential Real Property</b>	<b>Commercial Real Property</b>	<b>Industrial Real Property</b>	<b>Other Real Property</b>		
2007	\$ 31,686,651	\$ 13,394,365	\$ 3,199,698	\$ 5,338,289	\$ 7,899,162	\$ 167,104
2008	36,941,849	15,093,348	3,777,631	6,643,841	8,305,449	177,308
2009	39,265,137	16,929,605	4,317,968	7,025,130	11,570,293	200,236
2010	44,839,547	18,085,667	4,507,151	7,994,713	12,081,891	197,806

(1) Centrally assessed property is primarily railroad property and private car line property, which must be separately assessed.

(2) Estimated actual values are the total "just" values or property subject to taxation, as defined by Section 193.011 of the Florida Statutes.

Note: \* The information in the schedule is presented to conform with the requirements to GASB statement 44. Prior to the change in format, real assessed values were presented in aggregate. Additionally, all assessed value columns were presented net of tax exempt property. The City is not able to present data in the current format prior to 2007. Additionally information presented for 2007 and 2008 differ from the original final tax roll due to subsequent Value Board Adjustment modifications.

Source: Property Appraiser's Office

Unaudited - see accompanying independent auditors' report.

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<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Values (2)</b>	<b>Assessed as a Percentage of Actual Values</b>
\$ 14,055,282	\$ 47,629,987	9.6400	\$ 70,926,829	67.15%
15,713,214	55,226,212	8.4841	83,838,185	65.87%
23,804,210	55,504,160	8.4841	91,002,440	60.99%
34,507,969	53,198,806	9.2727	87,706,774	60.66%

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS (Per \$1,000 of Assessed Value)**

Year	City of Jacksonville				Overlapping Rates			
	District (Note 1)	Operating Millage	Debt Service Millage	Total City Millage	Other Taxing Authorities			Combined Millage Total
					Total School Millage	Water Management District Millage	FIND Millage (Note 3)	
2001	GSD (4)	10.5498	0.0225	10.5723	9.2580	0.4720	0.0410	20.3433
2002	GSD (4)	10.3465	0.0210	10.3675	8.8720	0.4620	0.0385	19.7400
2003	GSD (4)	10.1650	0.0192	10.1842	8.9200	0.4620	0.0385	19.6047
2004	GSD (4)	9.8398	0.0000	9.8398	9.0510	0.4620	0.0385	19.3913
2005	GSD (4)	9.6879	0.0000	9.6879	8.5650	0.4620	0.0385	18.7534
2006	GSD (4)	9.6500	0.0000	9.6500	8.4250	0.4620	0.0385	18.5755
2007	GSD (4)	9.6400	0.0000	9.6400	8.0420	0.4620	0.0385	18.1825
2008	GSD (4)	8.4841	0.0000	8.4841	7.7550	0.4158	0.0345	16.6894
2009	GSD (4)	8.4841	0.0000	8.4841	7.5610	0.4158	0.0345	16.4954
2010	GSD (4)	9.2727	0.0000	9.2727	7.5820	0.4158	0.0345	17.3050

- (1) The GSD (General Services District) millage rate is a county-wide rate which applies to most taxpayers in the City of Jacksonville, Due to the existence of six other taxing districts, a total of seven combined millage rates apply to taxpayers in the City of Jacksonville. The two most prevalent millage rates are shown here.
- (2) Beginning in 1981, as the result of a double-taxation suit settlement, the four independent Urban Services Districts within Duval County began paying 18.8% less than the GSD millage rate, subject to a limit of 10.0000 mills plus debt service. Each of the four levies additional taxes for its own municipal services.
- (3) Florida Inland Navigational District

Source: Property Appraiser's Office

Unaudited - see accompanying independent auditors' report.



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**CITY OF JACKSONVILLE, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND NINE YEARS AGO**

Taxpayer	Type of Business	2010		
		Valuation	Rank	Percentage
AT&T/Bell South Communications .....	Communications	\$ 374,544,948	1	0.69%
Anheuser-Busch/Metal Container Corp .....	Manufacturing	291,611,246	2	0.54%
FDG Properties/Flagler Development Company .....	Real Estate Mgmt/Development	276,741,224	3	0.51%
Wal-Mart Properties/Stores .....	Retail	248,838,655	4	0.46%
Stone Mountain Industrial Inc.....	Distribution Center	213,358,359	7	0.39%
Vistakon/Johnson & Johnson Vision .....	Manufacturing	209,089,683	5	0.39%
Blue Cross & Blue Shield .....	Insurance	201,204,345	6	0.37%
Beemer & Associates.....	Real Estate Mgmt/Development	189,593,825	8	0.35%
St. Johns Town Center LLC .....	Retail	168,141,031	9	0.31%
Comcast Cable.....	Communications	167,607,852	10	0.31%
AT&T/MediaOne/Continental Cablevision.....	Communications	-	-	-
Bank of America.....	Banking	-	-	-
Cedar Bay Generating Co. ....	Utilities	-	-	-
Gran Central Corp.....	Real Estate Mgmt/Development	-	-	-
Liberty Property Limited Vision.....	Real Estate Mgmt/Development	-	-	-
Gate Petroleum/Maritime/Lands.....	Petroleum	-	-	-
Total Taxable Assessed Value of 10 Largest Taxpayers.....		\$ 2,340,731,168		4.31%
Total Taxable Assessed Value of Other Taxpayers .....		51,946,369,647		95.69%
Total Taxable Assessed Value of All Taxpayers .....		<u>\$ 54,287,100,815</u>		<u>100.00%</u>

Source: Tax Collector's Office

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<b>2001</b>		
<u>Valuation</u>	<u>Rank</u>	<u>Percentage</u>
\$ 434,470,896	1	1.08%
293,769,111	3	0.73%
-		-
-		-
-		-
194,874,468	7	0.48%
183,171,779	9	0.45%
-		-
-		-
-		-
333,986,872	2	0.83%
266,935,601	4	0.66%
202,776,399	5	0.50%
199,321,586	6	0.49%
187,370,826	8	0.46%
152,203,156	10	0.38%
\$ 2,448,880,694		6.06%
37,933,506,541		93.94%
\$ 40,382,387,235		100.00%

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended Sept. 30</b>		<b>Taxes Levied for the Fiscal year (1)</b>	<b>Collected within the Fiscal Year of the Levy</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>
2001	General Fund - General Services District	\$ 303,152,394	\$ 300,591,772	99.2%
2002	General Fund - General Services District	\$ 317,428,233	\$ 313,861,386	98.9%
2003	General Fund - General Services District	\$ 336,340,414	\$ 328,521,941	97.7%
2004	General Fund - General Services District	\$ 348,345,910	\$ 344,796,332	99.0%
2005	General Fund - General Services District	\$ 367,688,578	\$ 365,687,691	99.5%
2006	General Fund - General Services District (2)	\$ 410,959,779	\$ 408,738,240	99.5%
2007	General Fund - General Services District (2)	\$ 480,593,928	\$ 477,702,461	99.4%
2008	General Fund - General Services District (2)	\$ 480,223,601	\$ 479,028,328	99.8%
2009	General Fund - General Services District (2)	\$ 478,948,728	\$ 477,353,588	99.7%
2010	General Fund - General Services District	\$ 497,900,724	\$ 494,770,794	99.4%

- (1) Tax levies are final certified amounts net of discounts allowed. The discount schedule is as follows:  
 For taxes paid in:           November - 4%  
   December - 3%  
   January - 2%  
   February - 1%

- (2) Correction made to amounts previously reported to reflect taxes levied amount net of discounts.

Source: Tax Collector's Office

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<b>Collections in Subsequent Years</b>	<b>Total Collections to date</b>	
	<b>Amount</b>	<b>Percentage of Levy</b>
\$ 247,881	\$ 300,839,653	99.2%
\$ 180,573	\$ 314,041,959	98.9%
\$ 312,801	\$ 328,834,743	97.8%
\$ 524,414	\$ 345,320,746	99.1%
\$ 775,934	\$ 366,463,625	99.7%
\$ 1,333,338	\$ 410,071,578	99.8%
\$ 929,116	\$ 478,631,577	99.6%
\$ 1,728,233	\$ 480,756,561	100.1%
\$ 1,735,310	\$ 479,088,898	100.0%
\$ -	\$ 494,770,794	99.4%

Unaudited - see accompanying independent auditors' report.



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**STATISTICAL SECTION – DEBT CAPACITY**

**CITY OF JACKSONVILLE, FLORIDA  
RATIO OF OUTSTANDING DEBT BY TYPE  
TO PERSONAL INCOME AND PER CAPITA  
LAST TEN YEARS**

*(dollars in thousands, except per capita)*

<b>Fiscal Year</b>	<b>Government Activities</b>			
	<b>General Obligation Bonds</b>	<b>Revenue Bonds Payable from General Fund</b>	<b>Notes Payable from General Fund</b>	<b>Revenue Bonds Payable from BJP Revenues</b>
<b>2001</b>	\$ 1,195	\$ 689,010	\$ 13,025	\$ 397,710
<b>2002</b>	605	881,440	11,165	395,395
<b>2003</b>	-	998,466	9,375	804,425
<b>2004</b>	-	1,035,101	8,980	1,093,855
<b>2005</b>	-	955,206	8,520	1,081,805
<b>2006</b>	-	985,840	7,995	1,064,210
<b>2007</b>	-	985,015	7,360	1,147,120
<b>2008</b>	-	779,533	6,630	1,090,568
<b>2009</b>	-	771,550	5,790	1,178,193
<b>2010</b>	-	826,574	4,845	1,256,964

**Government Activities (continued)**

<b>Notes Payable from BJP Revenues</b>	<b>Commercial Paper Notes</b>	<b>Notes and Bonds Payable from Internal Service Fund</b>	<b>Capitalized Lease Obligations</b>	<b>Due to Component Units</b>
-	\$ 60,000	-	-	\$ 400
-	60,000	-	\$ 18,444	-
-	-	-	19,455	-
-	-	-	18,882	-
\$ 18,319	-	\$ 58,565	991	-
15,920	-	72,205	144	-
57,426	-	72,205	952	-
66,414	-	153,730	609	-
60,719	-	156,643	313	-
65,872	-	250,713	-	-

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**TO PERSONAL INCOME AND PER CAPITA (continued)**  
**LAST TEN YEARS**  
*(dollars in thousands, except per capita)*

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<b>Fiscal Year</b>	<b>Business-Type Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (2)</b>
	<b>Revenue Bonds</b>	<b>Capitalized Lease Obligations</b>			
<b>2001</b>	\$ 79,670	\$ 1,332	\$ 1,242,342	5.44%	\$ 1,564.86
<b>2002</b>	79,670	-	1,446,719	6.12%	1,792.69
<b>2003</b>	76,234	-	1,907,955	7.70%	2,307.22
<b>2004</b>	72,109	-	2,228,927	8.45%	2,662.88
<b>2005</b>	67,990	-	2,191,396	7.91%	2,550.03
<b>2006</b>	63,465	-	2,209,779	7.60%	2,479.58
<b>2007</b>	57,560	-	2,327,638	7.62%	2,592.10
<b>2008</b>	357,124	-	2,454,608	7.96%	2,712.36
<b>2009</b>	341,887	-	2,515,095	7.72%	2,792.94
<b>2010</b>	326,143	-	2,731,111	8.11%	3,030.29



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**CITY OF JACKSONVILLE, FLORIDA  
RATIO OF GENERAL BONDED DEBT OUTSTANDING  
TO ACTUAL TAXABLE VALUE OF PROPERTY AND PER CAPITA  
LAST TEN YEARS**

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Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Redevelopment Bonds	Total		
2001	\$ 1,755,000	-	\$ 1,755,000	n/a	2.21
2002	1,195,000	-	1,195,000	n/a	1.48
2003	605,000	-	605,000	n/a	0.73
2004	-	-	-	n/a	-
2005	-	-	-	n/a	-
2006	-	-	-	n/a	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-

(1) Source: Property Appraiser's Office.

(2) Population figures are noted for Duval County as of April 1st of each year.  
Source: University of Florida, Bureau of Economic and Business Research

**CITY OF JACKSONVILLE, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**as of September 30, 2010**

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<u>Governmental Unit</u>	<u>Net General Obligation Bonds (1)</u>	<u>Estimated Percentage Applicable (2)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Duval County School Board - Bonds	\$ 21,850,000	100.000%	\$ 21,850,000
Duval County School Board - Certificate of Participation	\$ 287,522,000	100.000%	287,522,000
<b>Other Debt</b>			
None	-	-	-
<b>Subtotal, Overlapping Debt</b>			\$ 309,372,000
<b>City Direct Debt</b>			<u>2,731,111,076</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$3,040,483,076</u></u>

(1) The net general obligation debt outstanding includes debt which is secured by the District to levy taxes on real estate less amounts available in debt service funds.

(2) The applicable percentage is based on the District's geographical boundaries within Duval County.

Source: Duval County Public Schools - Business Services

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**CITY OF JACKSONVILLE, FLORIDA**  
**LEGAL DEBT MARGIN INFORMATION**  
**as of September 30, 2010**

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The amount of debt the City of Jacksonville can issue is not limited by either the City of Jacksonville charter or code, nor the Florida State Statutes.

**CITY OF JACKSONVILLE, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN YEARS**  
*(dollars in thousands)*

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**Excise Tax Revenue Bonds**

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<b>Fiscal Year</b>	<b>Utility Service Taxes</b>	<b>Fuel Oil Taxes</b>	<b>Occupational License Taxes</b>	<b>Gross Available Revenues</b>	<b>Debt Service</b>		<b>Coverage</b>
					<b>Principal</b>	<b>Interest</b>	
<b>2001</b>	\$ 78,486	\$ 287	\$ 6,910	\$ 85,683	\$ 17,860	\$ 16,248	2.51 x
<b>2002</b>	87,710	164	7,089	94,964	19,155	14,586	2.81 x
<b>2003</b>	89,604	163	7,493	97,260	16,845	16,185	2.94 x
<b>2004</b>	89,364	107	7,320	96,791	23,080	17,072	2.41 x
<b>2005</b>	92,848	113	8,143	101,104	26,120	17,320	2.33 x
<b>2006</b>	97,284	229	8,809	106,322	28,570	17,388	2.31 x
<b>2007</b>	97,833	92	7,618	105,543	31,205	21,578	2.00 x
<b>2008</b>	107,531	71	7,932	115,533	32,930	21,100	2.14 x
<b>2009</b>	111,634	90	7,928	119,652	26,435	19,846	2.59 x
<b>2010</b>	120,333	24	7,867	128,224	21,616	21,463	2.98 x

**Capital Improvement Revenue Bonds**

Franchise Fees	Communication Services Taxes	Sports Facility Sales Tax Rebate	Convention Development Tax (2%)	Sports Facility		Gross Available Revenues	Debt Service		Coverage
				Development Tax (2%)	Tourist Development Tax (2%)		Principal	Interest	
\$ 7,846	-	\$ 1,833	\$ 3,475	\$ 3,738	\$ 16,892	\$ 725	\$ 6,073	2.48 x	
2,763	\$ 6,104	2,000	3,524	3,780	18,171	1,360	6,024	2.46 x	
926	6,209	2,000	3,611	3,895	16,641	1,475	9,189	1.56 x	
1,152	6,158	2,000	3,847	4,155	17,311	1,610	11,642	1.31 x	
1,276	6,502	2,000	4,800	5,108	19,686	1,750	10,441	1.61 x	
1,710	6,746	2,000	5,201	5,530	21,187	2,215	8,530	1.97 x	
1,335	6,709	2,000	5,118	5,402	20,565	3,675	7,733	1.80 x	
1,132	6,790	2,000	5,197	5,498	20,618	3,775	7,631	1.81 x	
1,349	6,726	2,000	4,366	4,675	19,117	4,005	7,453	1.67 x	
1,351	6,522	2,000	4,238	4,561	18,672	4,140	7,317	1.63 x	

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN YEARS**  
*(dollars in thousands)*

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Fiscal Year	Capital Project Revenue Bonds						Coverage
	JEA	JEA	Gross Available Revenues	Debt Service			
	Contribution - Electric Serices	Contribution - Water and Sewer		Principal	Interest		
<b>2001</b>	\$ 62,590	\$ 11,049	\$ 73,638	\$ 725	\$ 6,073	10.83 x	
<b>2002</b>	65,490	11,117	76,606	1,955	1,062	25.39 x	
<b>2003</b>	67,039	11,457	78,496	2,000	783	28.21 x	
<b>2004</b>	70,039	13,148	83,188	2,055	903	28.12 x	
<b>2005</b>	68,677	17,261	85,938	2,205	2,875	16.92 x	
<b>2006</b>	71,031	17,657	88,688	2,265	4,478	13.15 x	
<b>2007</b>	73,100	18,337	91,438	2,430	5,103	12.14 x	
<b>2008</b>	73,847	20,341	94,188	2,495	4,262	13.94 x	
<b>2009</b>	76,094	20,593	96,688	2,680	1,581	22.69 x	
<b>2010</b>	79,008	20,180	99,188	2,810	474	30.20 x	

(continued)

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**Guaranteed Entitlement Bonds**

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County Revenue Sharing	City Revenue Sharing	Gross Available Revenues	Debt Service		Coverage
			Principal	Interest	
\$ 1,999	\$ 5,826	\$ 7,825	\$ 3,810	\$ 3,716	1.04 x
1,999	5,826	7,825	3,990	3,538	1.04 x
1,999	5,826	7,825	-	4,058	1.93 x
1,999	5,826	7,825	2,000	5,421	1.05 x
1,999	5,826	7,825	2,060	5,360	1.05 x
1,999	5,826	7,825	2,120	5,298	1.05 x
1,999	5,826	7,825	2,185	5,233	1.05 x
1,999	5,826	7,825	2,250	5,165	1.05 x
1,999	5,826	7,825	2,400	5,049	1.05 x
1,999	5,826	7,825	2,485	4,965	1.05 x

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN YEARS**  
*(dollars in thousands)*

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Fiscal Year	Local Government Sales Tax Revenue Bonds				Better Jacksonville Infrastructure Sales Tax Bonds			
	Local Government 1/2 Cent Sales Tax	Debt Service		Coverage	Infrastructure Sales Tax	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2001	\$ 67,487	\$ 4,985	\$ 10,609	4.33 x	\$ 38,496			
2002	71,689	5,325	8,374	5.23 x	55,324	\$ 2,315	\$ 9,994	4.49 x
2003	73,677	5,680	7,985	5.18 x	57,971	3,310	10,822	4.10 x
2004	76,155	8,675	8,923	4.33 x	60,132	6,020	21,269	2.20 x
2005	81,355	8,675	8,517	4.73 x	69,337	7,865	29,042	1.88 x
2006	86,763	9,085	8,114	5.04 x	73,227	13,310	28,071	1.77 x
2007	83,940	9,480	7,748	4.87 x	70,665	15,799	28,011	1.61 x
2008	77,529	9,815	7,351	4.52 x	70,262	19,844	27,948	1.47 x
2009	70,510	10,660	6,735	4.05 x	63,330	22,474	33,515	1.13 x
2010	67,642	11,080	6,316	3.89 x	61,322	23,591	32,381	1.10 x

(continued)

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**Transportation Revenue Bonds (Better Jax)**

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Transportation Sales Tax	Gas Tax (Constitutional Fuel Tax)	Gross Available Revenues	Debt Service		Coverage
			Principal	Interest	
\$ 57,496	\$ 8,475	\$ 65,972	-	-	
57,471	8,174	65,646	-	\$ 8,153	8.05 x
60,379	8,447	68,826	\$ 110	8,971	7.58 x
61,650	8,861	70,511	3,580	12,492	4.39 x
71,717	9,280	80,997	4,185	18,148	3.63 x
76,136	9,280	85,416	6,684	22,039	2.97 x
73,543	9,235	82,779	4,495	23,283	2.98 x
72,339	8,856	81,195	2,595	24,408	3.01 x
65,132	8,693	73,825	7,495	21,054	2.59 x
62,868	8,549	71,417	7,705	17,730	2.81 x

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**STATISTICAL SECTION – DEMOGRAPHIC AND ECONOMIC INFORMATION**

**CITY OF JACKSONVILLE, FLORIDA  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS**

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<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Total Personal Income (thousands) (1)</b>	<b>Per Capita Personal Income (1)</b>	<b>Median Age (1)</b>	<b>Education level in Years of Schooling (2)</b>	<b>School Enrollment (3)</b>	<b>Unemployment rate (4)</b>
2001	793,898	\$ 22,828,124	\$ 28,879	34.1	N/A	126,919	4.2%
2002	807,012	\$ 23,651,670	\$ 29,498	34.2	13.01	128,118	5.7%
2003	826,951	\$ 24,788,824	\$ 30,546	34.6	13.16	129,553	5.5%
2004	837,037	\$ 26,371,290	\$ 32,175	35.0	13.22	127,469	5.2%
2005	859,361	\$ 27,689,855	\$ 32,221	35.4	13.26	126,535	4.2%
2006	891,192	\$ 29,074,347	\$ 32,624	35.5	13.35	125,171	3.0%
2007	897,974	\$ 30,528,064	\$ 33,997	36.1	13.16	125,063	3.9%
2008	904,971	\$ 30,844,161	\$ 34,022	35.3	13.25	125,403	6.4%
2009	900,518	\$ 32,575,928	\$ 36,175	35.5	13.32	123,716	10.5%
2010	901,271	\$ 33,675,423	\$ 37,364	35.8	14.74	124,044	11.6%

**Source:**

- (1) Office of Economic and Demographic Research
- (2) U.S. Census Bureau
- (3) Duval County Public Schools, Budget Department
- (4) U.S. Department of Labor - Bureau of Labor Statistics

**Notes:**

N/A = Statistical information is not available  
 2005 - 2009 population, total personal income, per capita personal income, and education level are estimates.  
 2009 educational attainment source is 2009 Decision Data 2009, Discover Jacksonville

**CITY OF JACKSONVILLE, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR**

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<b>EMPLOYER</b>	<b>2010</b>		<b>% of Total City Employment</b>
	<b>Employees</b>	<b>Rank</b>	
Naval Air Station Jacksonville	25,245	1	3.68%
Duval County Public Schools	14,489	2	2.11%
Naval Air Station Mayport	12,677	3	1.85%
City of Jacksonville	8,828	4	1.29%
Baptist Health	8,276	5	1.21%
Blue Cross & Blue Shield	6,000	6	0.87%
Mayo Clinic	4,978	7	0.73%
CitiBank (Citi-Cards)	4,863	8	0.71%
United Parcel Service	4,100	9	0.60%
St. Vincent's Medical Care	4,000	10	0.58%
<b>Total</b>	<b>93,456</b>		<b>13.63%</b>

Notes:

- (1) Information current as of June 2010
- (2) Prior year information from nine years ago is not available.

Source: Jacksonville Cornerstone Regional Development Partnership

**STATISTICAL SECTION – OPERATING INFORMATION**

**CITY OF JACKSONVILLE, FLORIDA  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES  
 BY FUNCTION/PROGRAM  
 LAST 10 YEARS**

Function/Program	Full-time Equivalent Employees as of September 30									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Government .....	1,665	1,752	1,681	1,493	1,545	1,451	1,608	1,575	1,596	1,554
Human Services .....	172	173	207	376	421	275	283	256	207	201
Public Safety .....	4,728	4,564	4,467	4,493	4,522	4,505	4,093	4,069	3,953	3,897
Culture and Recreation .....	452	444	562	769	809	706	693	556	482	452
Transportation .....	493	518	518	421	445	478	471	470	472	466
Economic Environment .....	180	191	32	77	97	104	96	94	94	91
Physical Environment .....	155	157	231	156	161	137	133	124	122	151
Parking System .....	51	51	51	44	47	31	32	76	29	29
Motor Vehicle Inspection .....	14	14	12	9	9	10	9	11	12	11
Solid Waste .....	132	150	153	170	203	160	163	163	162	175
<b>Total</b>	<b>8,042</b>	<b>8,014</b>	<b>7,914</b>	<b>8,008</b>	<b>8,259</b>	<b>7,857</b>	<b>7,581</b>	<b>7,394</b>	<b>7,129</b>	<b>7,027</b>

Source: City of Jacksonville Annual Financial Plan

Note: Number of positions based on approved budget

**CITY OF JACKSONVILLE, FLORIDA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR					
	2010	2009	2008	2007	2006	2005
<b>Police</b>						
Average daily police calls for service .....	4,138	4,289	5,045	4,738	4,605	4,660
Traffic citations issued .....	128,152	154,806	216,644	220,569	208,825	208,292
Total sworn officers .....	1,790	1,751	1,704	1,665	1,591	1,609
Total civilians .....	1,637	1,552	1,348	1,335	1,236	1,125
Average daily population by institution:						
John E Goode Pretrial Detention Facility .....	2,825	2,692	2,578	2,536	2,322	2,247
James I. Montgomery Correctional Center .....	620	659	677	718	747	744
Community Corrections Division .....	313	295	297	314	312	337
<b>Fire/Rescue</b>						
Fire incidents .....	18,991	19,251	21,667	20,835	19,604	19,336
Rescue incidents .....	92,287	90,851	92,150	92,875	89,260	88,041
Rescue transports .....	59,527	53,700	51,013	49,340	45,110	44,533
Fire /Rescue Communication(9-1-1)						
No. of calls for emergency assistance .....	115,204	110,102	113,817	113,710	108,864	107,377
Fire prevention						
No. of inspections .....	7,329	5,717	8,406	8,411	10,351	14,106
No. of public education participants .....	56,312	75,655	70,388	46,195	48,722	35,278
<b>Solid Waste</b>						
Refuse collections (tons per day) .....	2,324	2,360	2,591	2,731	3,173	3,252
Recyclables collected(tons per day) .....	433	452	505	490	493	586
<b>Motor Vehicle</b>						
Number of vehicles inspected .....	10,274	10,607	10,929	10,895	11,196	11,229
<b>Animal Care and Control</b>						
Complaints received .....	30,112	24,849	16,138	16,491	34,398	32,520
Animals impounded .....	19,877	25,377	25,368	26,642	25,870	20,497
License tags dispensed .....	24,087	86,236	65,318	65,369	64,648	89,646
<b>Housing</b>						
Community Development Block Grant(CDBG)						
Limited Repair Program .....	44	30	44	55	53	37
Utility top-in Program .....	103	37	88	78	81	96
Façade program .....	N/A	3	3	6	20	10
Home Ownership Made Easy(HOME)						
Head Start Homeownership .....	136	160	105	111	46	78
Home-American Dream .....	N/A	2	27	6	33	36
Elderly Relocation/New Construction .....	N/A	N/A	1	4	4	4
State Housing Initiative Partnership(SHIP)						
Home Owner Rehabilitation .....	67	62	28	6	26	156

Source: City of Jacksonville Annual Financial plan  
Various City Departments

Notes: N/A=Statistical Information is not available

FISCAL YEAR			
2004	2003	2002	2001
4,450	4,208	4,277	3,964
212,726	234,591	240,364	248,001
1,622	1,622	1,584	1,579
1,175	1,118	1,107	1,095
2,206	2,139	1,986	1,955
698	602	548	570
306	333	313	294
22,538	18,221	19,607	20,198
83,841	78,649	75,332	72,648
42,280	38,635	36,834	35,484
106,379	96,870	94,939	92,844
12,457	7,459	N/A	N/A
26,421	15,221	N/A	N/A
3,046	2,849	2,015	2,693
568	490	348	476
10,430	13,872	17,703	17,970
30,987	36,523	26,011	19,892
17,586	18,518	17,422	20,000
72,354	97,258	87,614	74,100
44	55	66	77
N/A	N/A	N/A	88
8	13	18	19
174	165	144	183
N/A	N/A	N/A	N/A
1	N/A	1	N/A
310	17	27	35

**CITY OF JACKSONVILLE, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS (continued)**

Function/Program	FISCAL YEAR					
	2010	2009	2008	2007	2006	2005
<b>Parks and Recreations</b>						
Pool Attendance .....	435,211	653,606	411,354	428,403	466,321	462,817
Camp Attendance .....	1,959	2,323	2,082	5,094	4,956	5,013
Swimming lessons (children) .....	3,607	5,588	4,444	5,529	4,458	4,447
Permits issued(Athletic, special use, picnic) .....	3,289	3,028	1,696	1,912	3,322	1,694
Cecil Attendance .....	428,929	331,691	269,046	264,833	211,320	173,144
Athletic volunteers total hours of service .....	728,006	776,570	1,081,745	912,550	1,082,695	668,260
<b>Jacksonville Children's Commission</b>						
Early Learning Coalition-Child Care Service .....	12,559	12,507	12,844	13,018	13,547	13,394
Team UP Programs .....	7,413	6,701	4,722	4,129	3,987	5,267
Community Based After School Programs .....	2,144	2,440	2,507	2,409	2,365	2,596
Healthy Kids and Kidcare* .....	47	24	24	7,430	7,042	10,931
Summer Camperships .....	5,830	5,979	3,524	4,083	4,972	6,861
<b>Summer Lunch Program</b>						
Lunches served daily .....	285,924	308,900	340,838	340,213	323,571	289,627
Snacks served daily .....	254,490	264,935	299,416	275,421	272,656	233,040
Number of Sites .....	173	185	201	157	175	157
Number of days served .....	44	49	49	57	47	43
<b>After School Food Program</b>						
Snacks served annually	248,061	457,503	430,843	358,622	409,704	452,544
Suppers served annually	574,811	382,932	293,810	302,231	313,087	369,431
Number of sites	42	42	28	24	24	24
<b>Early Literacy</b>						
Mayor Peyton Book Club .....	10,180	9,766	9,604	8,818	8,399	8,365
Others .....	5,502	5,856	5,531	6,800	7,851	5,329
Workforce Development Training Institute .....	5,745	4,388	3,713	1,500	1,142	2,718
<b>Library</b>						
Programs .....	10,694	12,628	11,194	11,417	9,243	6,874
Gate count .....	5,029,115	5,257,939	4,829,892	4,703,234	4,365,463	3,768,611
Circulation .....	9,087,192	9,156,597	8,824,972	8,378,103	7,948,860	6,145,880

Source: City of Jacksonville Annual Financial plan  
Various City Departments

Notes: N/A=Statistical Information is not available  
\*Healthy Kids and kidcare stat as of June 30th.

<b>FISCAL YEAR</b>			
<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
592,622	615,392	500,229	493,131
6,487	5,998	5,716	N/A
4,687	4,129	4,054	4,558
189	N/A	N/A	N/A
164,603	N/A	N/A	N/A
469,872	N/A	N/A	N/A
13,881	15,649	13,113	9,350
5,002	4,300	5,128	2,418
2,142	2,649	7,201	21,744
14,435	13,635	11,396	9,007
6,216	5,430	7,832	4,916
447,238	468,019	481,259	482,570
381,061	407,918	422,129	438,851
231	236	239	232
46	44	40	44
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
4,000	N/A	N/A	N/A
1,000	N/A	N/A	N/A
3,699	2,600	N/A	N/A
4,827	4,824	3,024	3,024
3,461,025	3,102,184	2,885,356	2,542,511
5,460,107	5,212,422	4,773,855	4,315,518

**CITY OF JACKSONVILLE, FLORIDA  
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year					
	2010	2009	2008	2007	2006	2005
<b>Police</b>						
Vehicular Patrol units						
Patrol Cars .....	1,290	1,133	1,468	1,468	1,418	1,418
Motorcycles .....	21	22	20	16	16	16
Other Vehicles .....	343	411	164	160	160	222
Unmarked .....	480	412	285	255	255	255
Horse Patrol .....	5	6	6	6	6	6
<b>Fire Protection</b>						
Stations .....	53	53	52	50	52	50
Marine Based stations .....	2	2	2	2	2	2
Rescue Units .....	34	32	31	31	30	30
<b>Parks and Recreation</b>						
Boat ramps .....	22	22	22	32	32	29
Community Center .....	65	65	65	53	53	53
Softball and Baseball Diamonds .....	226	214	210	280	287	277
Swimming pools .....	35	35	35	36	36	35
Tennis Courts .....	161	161	156	158	156	158
Soccer Fields .....	68	68	68	84	78	76
<b>Street</b>						
Miles of the street .....	3,626	3,620	3,603	3,570	3,534	3,489
Street - paved (miles) .....	3,622	3,616	3,599	3,566	3,530	3,485
Street - unpaved (miles) .....	4	4	4	4	4	4
Street maintained primary (miles) .....	386	372	372	372	372	371
Interstate (miles) .....	95	95	95	115	95	95
<b>Parking</b>						
Downtown parking garages capacity .....	2,636	2,636	2,576	2,576	2,280	2,280
Downtown parking lots capacity .....	1,205	1,205	1,262	1,262	1,530	1,530
On street meters .....	1,448	1,448	1,450	1,500	1,600	1,600
<b>Solid Waste</b>						
No. of city landfills in operation .....	1	1	1	1	1	1
No. of city yard waste recycling .....	1	1	1	1	2	2
<b>Community Services</b>						
Senior Citizen Centers .....	18	18	18	18	18	18
Passenger busses .....	26	26	26	26	26	26
<b>Library</b>						
Facilities .....	21	21	21	21	21	20
Square footage .....	785,046	785,046	785,046	785,046	785,046	785,046
No. of items held(books, DVD's, CD's, etc) ...	3,023,307	3,147,971	3,113,359	3,071,780	2,856,089	2,682,984

Source: City of Jacksonville Annual Financial plan  
 Various City Departments

Notes: N/A=Statistical Information is not available

<b>Fiscal Year</b>			
<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>
1,208	1,164	1,144	1,122
16	16	17	17
241	184	178	150
345	381	352	357
6	6	7	7
50	47	47	47
2	2	2	2
24	24	17	21
21	21	23	23
30	30	30	30
267	267	209	209
33	33	33	33
149	149	127	127
57	57	27	27
3,449	3,403	3,403	3,351
3,445	3,396	3,396	3,347
4	7	7	4
371	373	373	363
95	95	95	95
2,240	2,240	2,330	2,330
1,554	1,554	1,830	1,830
1,546	1,506	1,750	1,750
1	1	1	1
2	2	2	2
19	21	21	21
24	24	23	24
18	14	14	14
417,061	362,061	356,721	356,721
3,057,024	2,407,711	2,386,165	2,325,780



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COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010  
CITY OF JACKSONVILLE, FLORIDA