



CITY OF JACKSONVILLE, FLORIDA
BUDGET IN BRIEF
FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 2008

John Peyton
Mayor

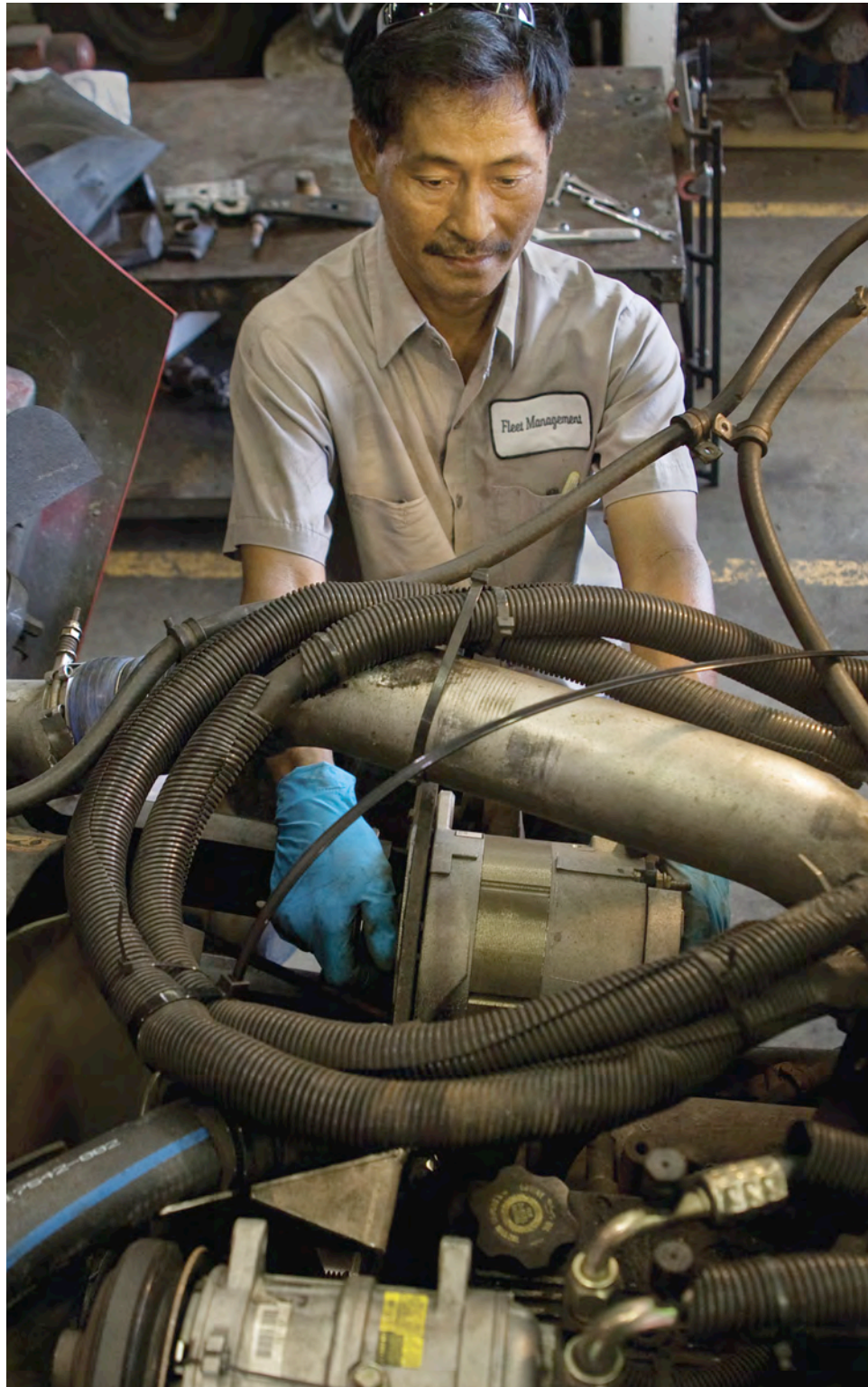
Alan R. Mosley, P.E.
Chief Administrative Officer

G. Michael “Mickey” Miller
Director of Finance

Kent R. Olson
Budget Officer

“In the face of significant financial challenges resulting from property tax reform, this budget provides funding for essential services, including public safety and infrastructure. It also funds important initiatives that will maintain and enhance Jacksonville’s superb quality of life.”

John Peyton, Mayor
City of Jacksonville





Dear Friends,

On behalf of the City of Jacksonville, it is my pleasure to provide you with the annual Budget in Brief. This guide outlines our city's short-term future and is designed to give taxpayers an overview of services the city provides, along with our plan to fund those services.

The budget City Council passed in September 2007 provides for critical city services, including public safety and infrastructure. It also meets the demands of state-mandated property tax changes, includes a reorganization of city government and continues Jacksonville's trend of fiscal responsibility.

This year's budget process forced the city to truly identify its core services; it also compelled us to identify items that are essential to maintaining our quality of life. Determining and achieving this balance has generated greater interest in how city funds are spent. We have met the financial challenges for FY 2007/08 and are preparing to address future funding scenarios.

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

Sincerely,

A handwritten signature in blue ink, which appears to read "John Peyton".

John Peyton, Mayor

OFFICE OF THE MAYOR

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



Dear Friends,

Each fiscal year, the Jacksonville City Council reviews, amends and adopts a city budget that is fiscally responsible. Presenting a balanced budget involves countless hours of dedicated work by the City Council Finance Committee, the Council Auditor's Office, the Mayor's Office and staff members throughout city government. All are dedicated to providing you with a high level of service at the lowest possible cost.

Jacksonville has a unique history of fiscal responsibility statewide, including 13 years of ad valorem tax reductions. But increased operating expenses and the state legislature's property tax changes caused a \$65 million revenue shortfall we had to fill. The mayor proposed several budget cuts as well as three new user fees to solve the revenue problem. After significant discussion on the council floor, a combination of cuts and new fees were approved to balance the budget.

This budget also reflects the significant role government plays in our quality of life. We are continuing a commitment to public safety while looking for ways to create efficiencies in the police and fire budgets. City Council has made the promise to improve your quality of life by investing in our future infrastructure needs, constantly looking for ways to make our city more efficient and creating a safe environment for our citizens.

Budget in Brief is just a snapshot of your city government's efforts. The bigger picture comes to you each day as you enjoy our city's quality of life. We are proud to be a part of that, and we are honored that you entrust us with the privilege of serving you.

Sincerely,

A handwritten signature in blue ink that reads "Daniel J. Davis". The signature is fluid and cursive.

Daniel J. Davis
City Council President

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



Dear Fellow Citizens:

The City of Jacksonville's Budget in Brief is designed to provide an overview of the fiscal year 2007-2008 (FY2008) adopted budget. We have discussed the process by which the budget is developed and ultimately approved, and we have provided some of the highlights of the budget that has just been adopted. We have included tables, charts and graphs that outline the major sources of government revenue and categories of expenditures. In addition, we display the most recent 10 years of history for the city's budget, both for all funds and the city's main operating fund, the General Fund. We also depict the number of full-time equivalent employees that have been authorized in the budget for each of the last 10 fiscal years. We display a sample ad valorem tax bill for a city taxpayer and show a 10 year history of millage rates that have been levied by other jurisdictions within the city. We further compare our city with similar cities throughout our state and indicate the total savings in ad valorem taxes that city taxpayers have enjoyed through reductions in the millage rate and the Save Our Homes amendment during the past 10 years. Finally, we have Included an organizational chart of the city and a copy of our guiding principles.

We hope you find the information in this booklet interesting and informative. If you would like more detail, please feel free to contact us at (904) 630-CITY and request a copy of the FY 2008 Annual Budget. Further information on the FY 2008 budget is also available on our Web page at www.coj.net by referencing the Finance Department.

We welcome your suggestions on how we can improve the Budget in Brief. Please contact us by calling (904) 630-CITY or e-mailing us at JaxBudget@coj.net.

Sincerely,

Kent R. Olson
Budget Officer

FINANCE DEPARTMENT

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

CITY EMPLOYEES

The City of Jacksonville is one of the largest organizations in Duval County, with approximately 8,000 employees. And although you probably don't think about it much, those public servants work for you: their collective job is ensuring your safety and preserving your quality of life.

Even if you've never entered City Hall, never called a local government office for assistance or somehow never connected with the city's workforce, you have experienced and benefited from their efforts. These hardworking individuals provide police and fire/rescue protection, staff parks and libraries, build and maintain roads and infrastructure, collect trash and yard waste, and so much more. They provide special services for our seniors, help to ensure access for disabled residents and assist Jacksonville's large veteran population with everything from housing to accessing benefits.

Without city employees, Jacksonville quite simply wouldn't be the great community it is. And your tax dollars enable these public servants to do the important work that keeps our city functioning.

This year, due to significant property tax changes approved by the state legislature, the City of Jacksonville's budget is one of the leanest in the history of consolidated government. That follows several years of budget cuts in the non-public safety portions of the government. The consequences? City employees have had to make do with less, increase their efficiency even more and look for new ways to stretch every dollar.

One thing that hasn't changed is the city's emphasis on public service. Over the past several years, Mayor John Peyton has made top-notch customer service one of his priorities. Did you know you can call one number – 630-CITY – Monday through Friday to request any city service or get information about any aspect of city operations?

You can also do business with the city online. City employees designed the city's Web site – www.coj.net – with your convenience in mind. Duval County residents can go online to pay a variety of bills, like their property taxes and even parking citations. You can renew your driver's license, too.

Using the power of coj.net, you can search the card catalog of the Jacksonville Public Library system, determine if you live in one of the city's flood zones and track legislation as it moves through the Jacksonville City Council. That means you don't have to trek to City Hall or find a parking place during business hours downtown.

The City of Jacksonville has hundreds of thousands of customers. City employees understand many of your needs because they're experienced and, like you, they're taxpayers. Any organization or any concerted effort is successful because of the people involved. When you look at our community and all it has to offer, remember that city employees are an important part of the equation!

BUDGETARY PROCESS

City departments and independent authorities submit budget requests to the city's Budget Division. After the departments and authorities work with the budget staff on each plan, the proposals are formally presented to the Mayor's Budget Review Committee or MBRC.

The mayor, working with the MBRC, drafts his proposed budget and presents it to the City Council at the first Council meeting in July. The budget is referred to the Council's Finance Committee, which conducts hearings on the proposed budget.

Department heads, division chiefs and independent authority representatives discuss their plans with the Finance Committee. The Finance Committee, working with the Council Auditor and staff, may amend the proposed budget prior to its review before the full City Council. The City Council holds two public hearings on the proposed budget, as amended, before its adoption. Residents are invited to share their input with the Council during both Finance Committee and full Council meetings.

In accordance with the law, the final budget must be approved by the full Council prior to Oct. 1, the first day of the city's fiscal year. Typically, the City Council votes on the budget during its last meeting in September.



CITY COUNCIL MEMBERS

Daniel Davis
President
District 12

Ronnie Fussell
Vice President
Group 1 At-Large

Clay Yarborough
District 1

William Bishop
District 2

Richard Clark*
District 3

Don Redman
District 4

Art Shad***
District 5

Jack Webb
District 6

Dr. Johnny Gaffney
District 7

E. Denise Lee*
District 8

Warren A. Jones
District 9

Mia Jones
District 10

Ray Holt
District 11

Arthur Graham*
District 13

Michael Corrigan
District 14

Jay Jabour*
Group 2 At-Large

Stephen C. Joost*
Group 3 At-Large

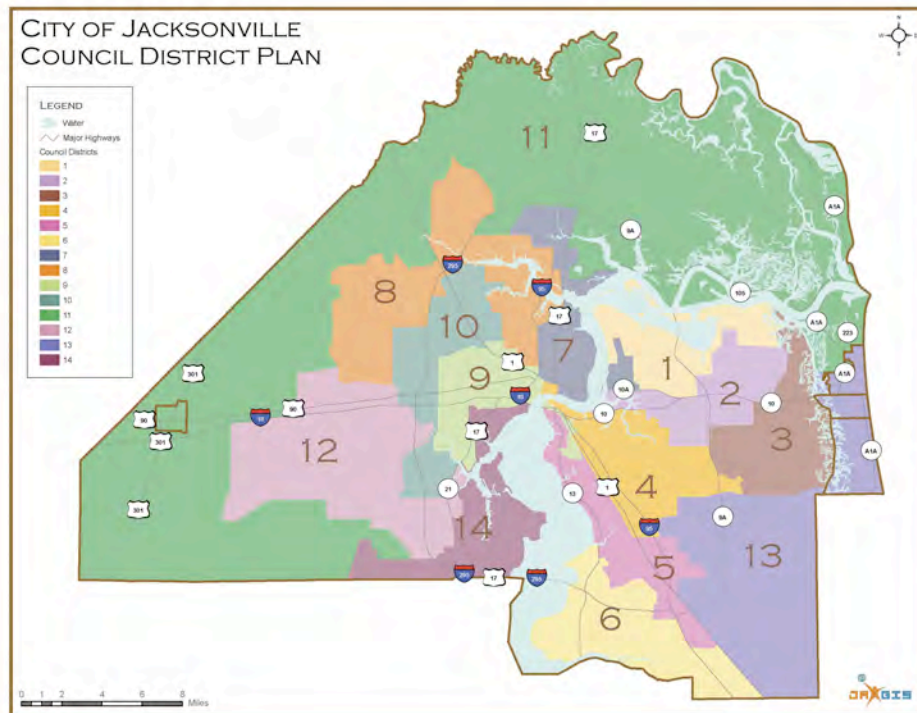
Kevin Hyde**
Group 4 At-Large

Glorious J. Johnson
Group 5 At-Large

***Chair, Finance Committee

**Vice Chair, Finance Committee

* Finance Committee member



2007-2008 BUDGET HIGHLIGHTS

- As mandated by the state, reduced the operating millage from 9.6400 to 8.4841. This reduced property tax revenues by \$67,232,755, saving the owner of a homesteaded property with an assessed value of \$125,000 over \$115 in the current fiscal year.
- Reorganized the government into eight distinct business units, resulting in a reduction of 53 authorized positions and a savings of \$2,702,063. Beyond the re-organization, an additional 21 authorized positions were eliminated from the budget, bringing the total reduction of authorized positions to 74.
- Funding to match grants from the federal government and other sources for city projects was increased by almost \$2.8 million.
- Over \$38 million in reductions and adjustments were made to the budget, including cuts in the subsidy to the state's Public Health Department, special events and the Jacksonville Public Library. Reductions were also made in Public Service Grants, while maintaining a reasonable level of funding for critical human services, arts and culture.
- Operational expenses in the Jacksonville Sheriff's Office and Jacksonville Fire and Rescue Department were reduced without impacting the delivery of services.
- Diversified the city's revenue sources to reduce reliance upon property taxes. New revenues will be phased in over time to minimize the impact upon taxpayers.
- Effective July 1, 2008 established a \$5 per month stormwater service charge to provide effective management and financing of stormwater management and drainage projects throughout the city. (Implementation plan is subject to Council approval.)
- Effective April 1, 2008, established a \$3 monthly solid waste service fee for collecting, processing, disposing, recycling and composting of residential solid waste, including yard waste.
- Effective April 1, 2008, established a 3 percent franchise fee on electricity, water and sewer charges to diversify the revenues of the city.

2007-2008 BUDGET

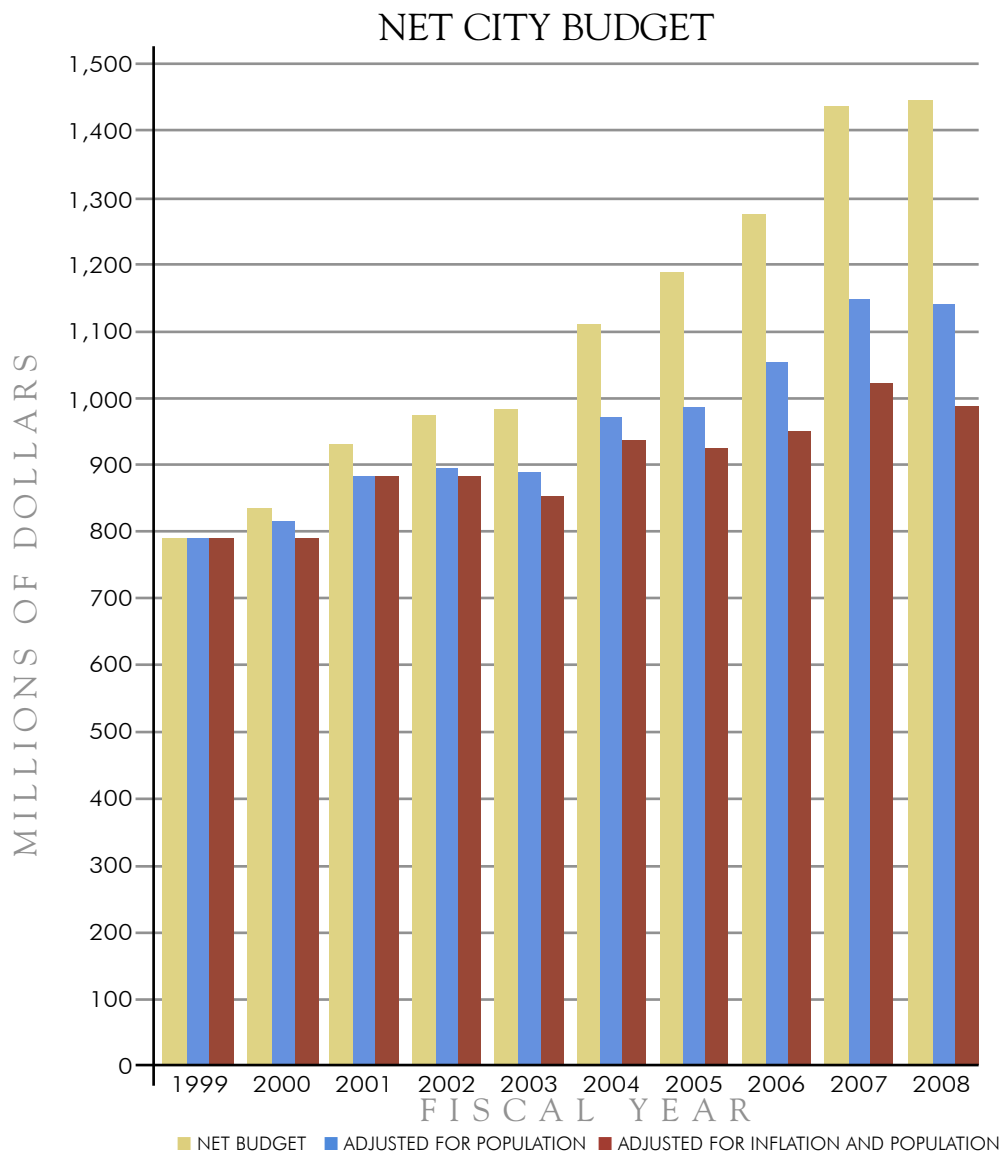
CHARTS AND GRAPHS



NET BUDGET

Total budget figures overstate the actual size of the budget by double counting items such as the cost of services provided by one division to another and interfund transfers. Transfers are dollars moved within the budget and the accounting system between funds. This movement of dollars between funds does not reflect any additional spending on programs or projects. The graph on this page and the Comparative Budget Summary on the following pages are presented on a net basis and present a truer picture of the actual size of Jacksonville's budget by adjusting for those items which are double counted.

As may be seen, the net budget of the city has increased from \$792.2 million in fiscal year 1999 to \$1.45 billion for the fiscal year 2008. However, adjusting for inflation during the period, the current budget in constant dollars is \$1.14 billion. When also taking into account the population growth during the same period, the budget is equivalent to a budget of \$995.6 million in 1999.



CITY OF JACKSONVILLE

**NET BUDGET SUMMARY FOR THE
2007-2008 FISCAL YEAR** (excluding fund-to-fund transfers)

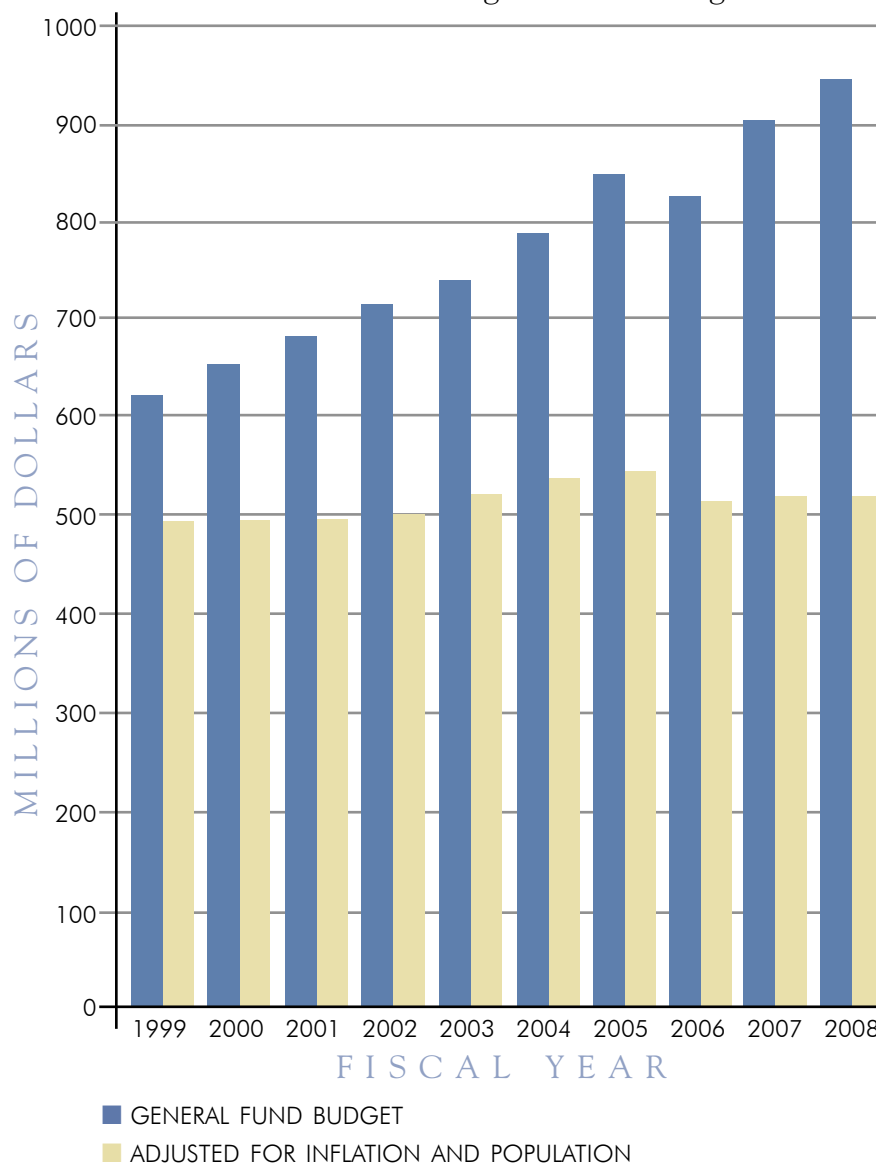
	2007-2008 Budget	% of Total Budget
General Fund - GSD (Excluding Beaches and Baldwin)	842,145,476	58.07
General Fund - Mosquito Control State I	147,966	0.01
General Fund - Clerk of Court	4,490,661	0.31
Capital Project Fund	71,807,308	4.95
Special Revenue Funds	273,306,774	18.85
Enterprise Funds	146,783,700	10.12
Internal Service Funds	96,803,324	6.68
General Trust and Agency Funds	975,000	0.07
Component Unit	13,627,742	0.94
Total City of Jacksonville	\$1,450,087,951	100



GENERAL FUND GENERAL SERVICES DISTRICT

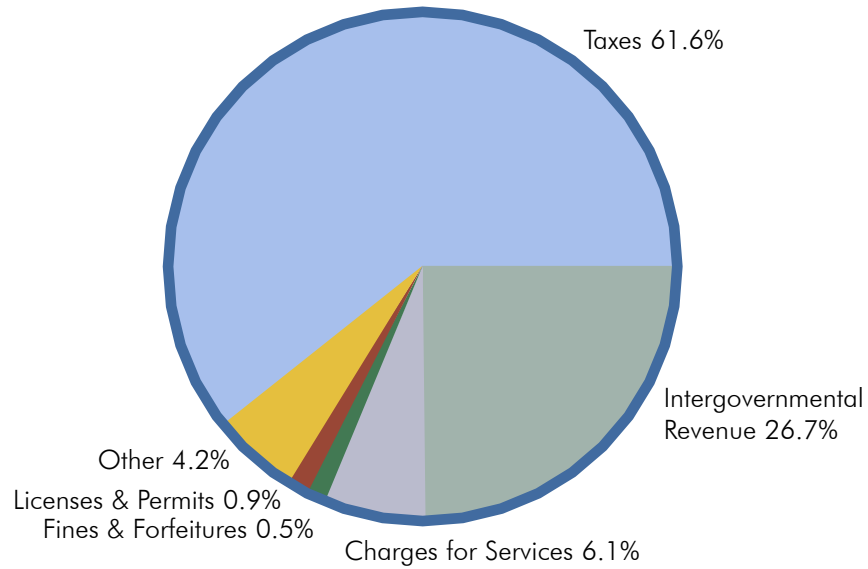
The General Fund - General Services District represents the major component of the city's budget and includes most basic municipal services plus those expenditures that are not required to be accounted for in another fund. Aside from special revenue funds and trust funds, which have been established to account for revenue that is restricted to special uses, virtually all of the city's revenue from taxes, licenses and permits, state-shared revenue distributions and charges for municipal services are accounted for in the General Fund. Revenue streams in the General Fund may have some limitations imposed on them, however most may be appropriated for any lawful purpose.

General Fund Budget - GSD Budget



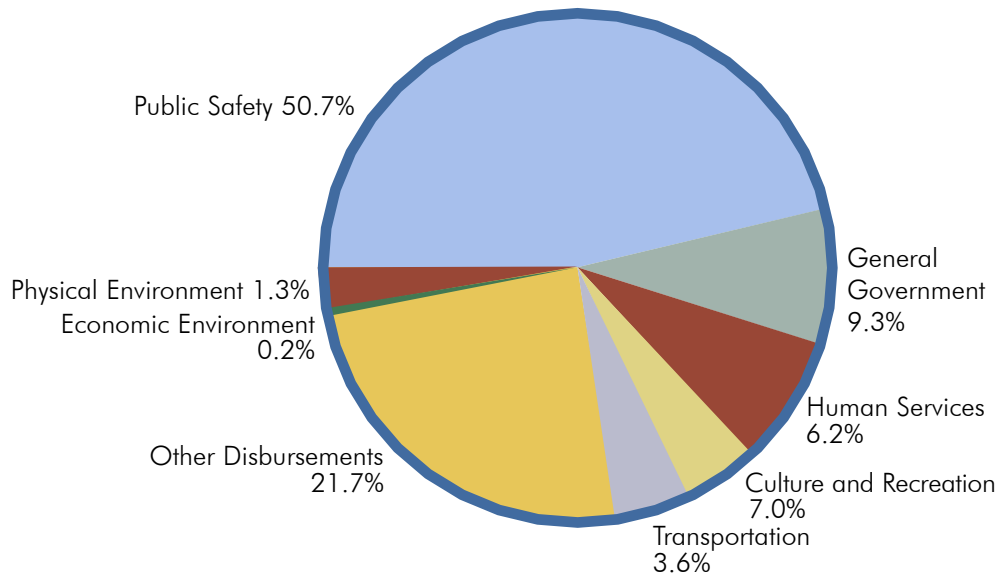
GENERAL FUND REVENUE

by Category



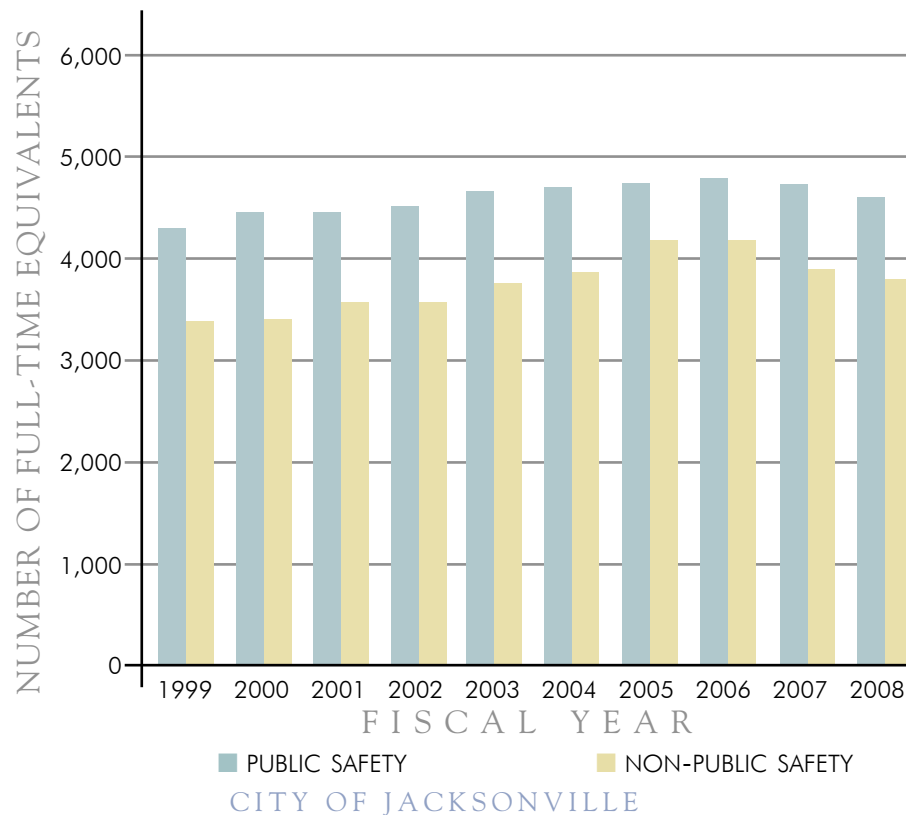
GENERAL FUND EXPENDITURES

by Category



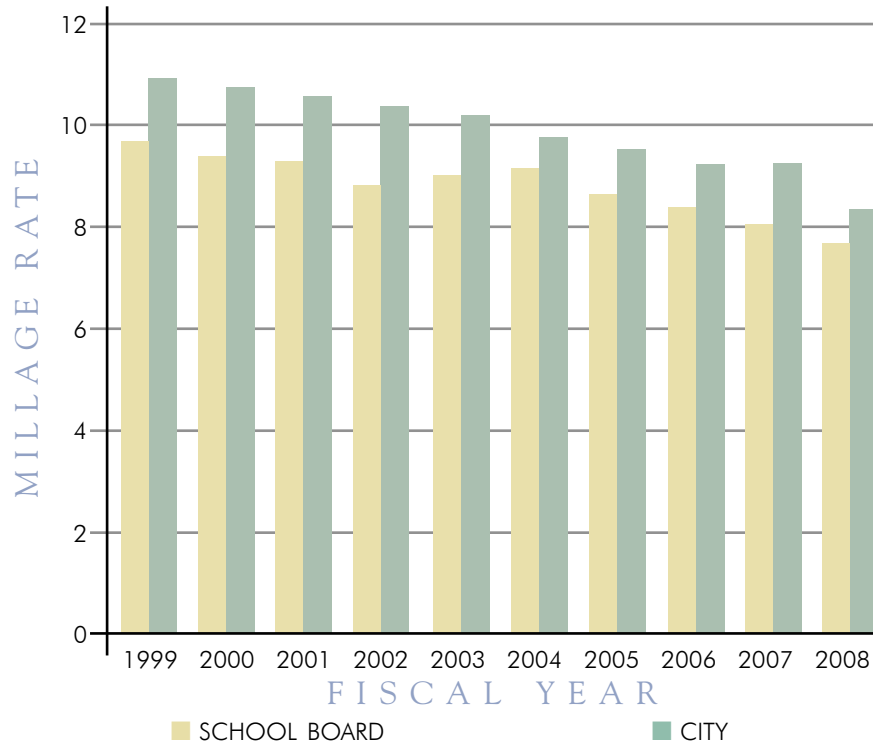
PUBLIC SAFETY VS. NON-PUBLIC SAFETY STAFFING (full-time equivalents)

Fiscal Year	Public Safety	Non-Public Safety	Total
1999	4,201	3,476	7,677
2000	4,355	3,473	7,828
2001	4,412	3,607	8,019
2002	4,480	3,604	8,084
2003	4,646	3,705	8,351
2004	4,690	3,878	8,568
2005	4,696	4,166	8,862
2006	4,650	4,164	8,814
2007	4,630	3,969	8,599
2008	4,625	3,960	8,585



CITY AND SCHOOL BOARD MILLAGE RATE TRENDS

(last 10 fiscal years)



MILLAGE RATE

(last 10 fiscal years)

Fiscal Year	Other	School Board	City	Total
1999	0.5290	9.8560	10.9158	21.3008
2000	0.5260	9.3660	10.7861	20.6781
2001	0.5130	9.2580	10.5723	20.3433
2002	0.5006	8.8720	10.3675	19.7401
2003	0.5005	8.9200	10.1842	19.6047
2004	0.5005	9.0510	9.8398	19.3913
2005	0.5005	8.5650	9.6879	18.7534
2006	0.5005	8.4250	9.6500	18.5755
2007	0.5005	8.0420	9.6400	18.1825
2008	0.4503	7.7550	8.4841	16.6894

AD VALOREM TAXES

Notice of ad valorem taxes and non-ad valorem assessments

2007 Real Estate Tax - Duval County, City of Jacksonville

The following page represents a typical ad valorem tax notice. Ad valorem taxes account for 48.9 percent of the FY 2008 General Fund revenues.

Ad valorem taxes are levied against real estate and certain personal, non-real estate property held for commercial or investment purposes. The notice of ad valorem taxes that is mailed to property owners of record in Duval County incorporates a millage rate made up of six components. Millage is an expression of the tax rate per one thousand dollars of assessed valuation levied.

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

The components of the 2007 ad valorem Tax bill are as follows:

MILLAGE RATE	TAXING AUTHORITY
8.4841	Represents the operating millage levied by the consolidated County/City of Jacksonville and goes toward providing basic services such as public safety, streets and drainage and recreation;
4.8790	Represents the local effort required of the Duval County School Board by the state;
2.7250	Is made up of discretionary millages of 0.7600 and 2.0000 mills for district local capital improvement of the Duval County School Board;
0.0345	Levy by the Florida Inland Navigation District;
0.4158	Millage levied by the St. Johns River Water Management District;
0.1510	Voter approved debt service of the Duval County School Board.
TOTAL MILLAGE	
16.6894	

AD VALOREM TAXES

AD VALOREM TAXES						
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	JUST (MARKET) VALUE \$162,518			
			TAXABLE VALUE CALCULATION			
COUNTY	8.4841	959.89	ASSESSED VALUE: \$138,140			
SCHOOL SL	4.8790	552.01	EXEMPT VALUE: <u>\$25,000</u>			
SCHOOL LB	2.7250	308.31	<u>TYPE:</u> HX			
FL INLAND	0.0345	3.90	TAXABLE VALUE: <u><u>\$113,140</u></u>			
WATER MGT	0.4158	47.04				
VOTER APPR	0.1510	17.08				
TOTALS		16.6894	1,888.24			
NON-AD VALOREM ASSESSMENTS						
<u>AUTHORITY</u>		<u>PURPOSE</u>	<u>RATE</u>	<u>AMOUNT</u>		
IF PAID IN:	NOV - 4% DISC	DEC - 3% DISC	JAN - 2% DISC	FEB - 1% DISC	MAR-GROSS AMT	APR-DELQ AMT 4%
AMOUNT DUE	1,812.71	1,831.59	1,850.47	1,869.36	1,888.24	1,963.77

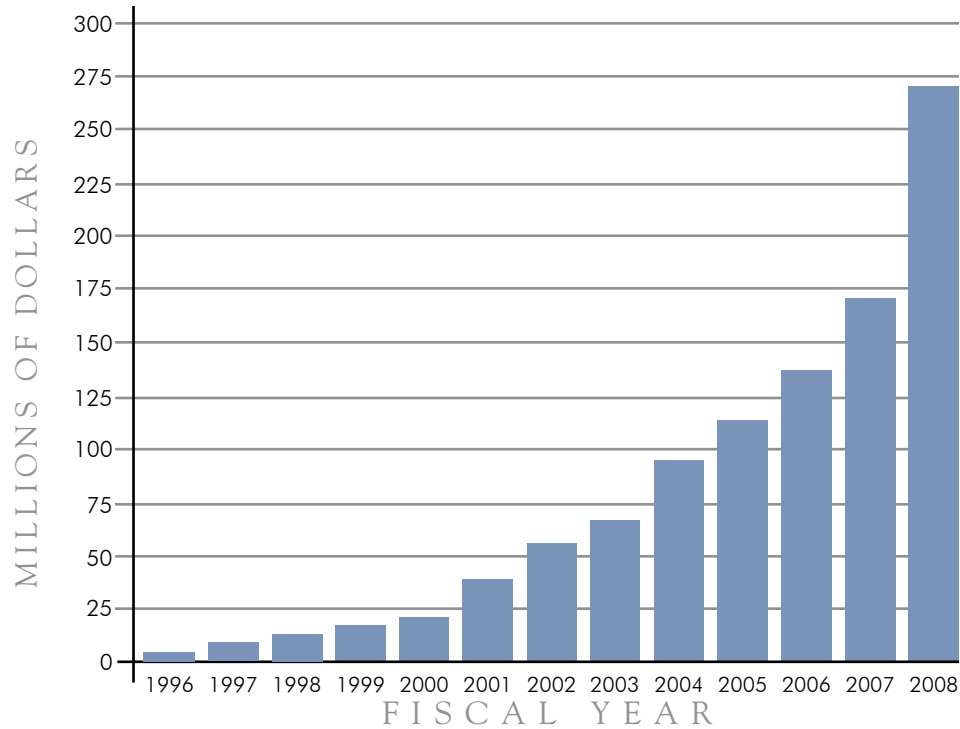
sample of an ad valorem tax notice

COMPARATIVE TAX RATES AND FEES

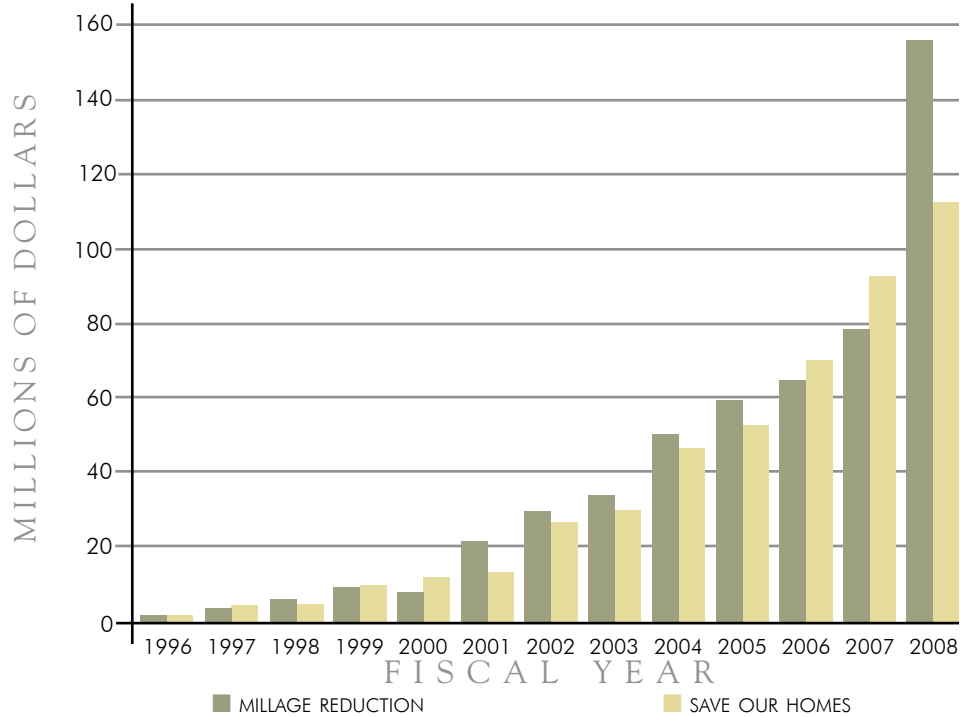
	Orlando Orange Co.	Tampa Hillsborough Co.*	St. Petersburg Pinellas Co.	Miami Dade Co.*	Jacksonville Duval Co.
Millage					
Operations	9.3654	11.4772	10.7855	11.8795	8.4841
School	7.1210	7.5230	7.7310	7.5700	7.6040
Water Mgt.	0.4158	0.6413	3.4831	0.5347	0.4158
Library	0.3748	0.6083	0	0.3842	0
Debt Service	0	0	0	1.2840	0.1510
F.I.N.D.	0	0	0	0.0345	0.0345
Transit	0	0.5000	0.5601	0	0
Children's	0	0.4634	0.7384	0.4223	0
Planning	0	0.0604	0.0170	0.0894	0
Port	0	0.2200	0	0	0
Rescue	0	0	0.5832	0	0
TOTAL	18.2770	21.4718	23.8983	22.1986	16.6894
Sales Tax	6.5%	7.0%	7.0%	7.0%	7.0%
Gas Tax	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06
Garbage Fee (Monthly)	\$15	\$25	\$21	\$33	\$3
Electric (1,000 Kwh Monthly)	\$98	\$112	\$114	\$104	\$88
Water/Sewer (7,000 gals Monthly)	\$48	\$45	\$64	\$48	\$53
Impact Fees	\$7,339	\$5,894	\$2,066	\$4,320	\$0

*Counties represented have proposed millage rates.
Approved rates will not be official until Nov. 1, 2007.

TOTAL ANNUAL AD VALOREM SAVINGS



ANNUAL AD VALOREM SAVINGS



The City of Jacksonville has reduced the ad valorem rate by more than 14.8 percent over the past 12 years. Further, the state Save Our Homes cap, which limits assessment increases to 3 percent per year, provides additional savings to homesteaded taxpayers.

ORGANIZATIONAL CHART

CITY OF JACKSONVILLE, FLORIDA

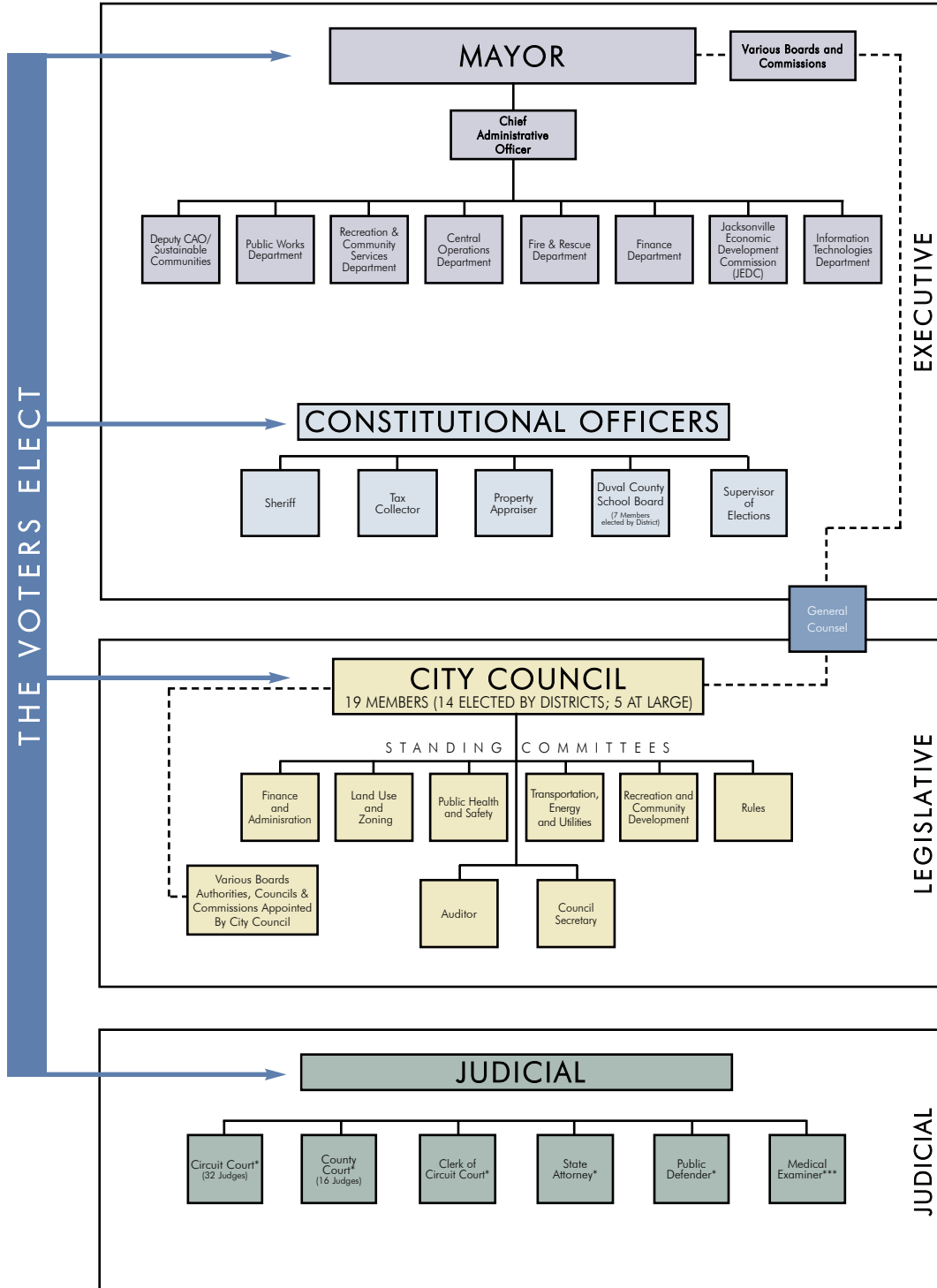


Chart Rev. 11/07

*** Appointed by the Governor

THE GUIDING PRINCIPLES OF JACKSONVILLE'S GOVERNMENT

Increase Economic Opportunity And Jobs, Including Full Support
For Our Military And Minority Business Ownership

Increase Public Safety, Including Homeland Security
And Emergency Preparedness

Increase Early Literacy

Enhance Quality Of Life, Including Transportation, Planning And Parks

Increase Infill Housing

Streamline Government to Facilitate Business Growth





DEPARTMENT OF FINANCE

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

www.coj.net