



Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2000

City of Jacksonville, Florida

FULLER WARREN BREWER

CITY OF JACKSONVILLE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000



PREPARED BY THE DEPARTMENT OF ADMINISTRATION AND FINANCE
ACCOUNTING DIVISION

City of Jacksonville, Florida
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LETTERS OF TRANSMITTAL



OFFICE OF THE MAYOR

JOHN A. DELANEY
MAYOR

117 W. DUVAL STREET
JACKSONVILLE, FL 32202

Dear Members of the City Council and Citizens of Jacksonville:

It is my pleasure to submit to you the City of Jacksonville's Comprehensive Annual Financial Report for the fiscal year 1999/2000.

The year 2000 was an exciting one for Jacksonville. The City continued efforts to improve public services, strengthen neighborhoods, manage growth and preserve our natural assets. And Jacksonville voters approved The Better Jacksonville Plan – a growth management initiative that will go far to improve the quality of life in our city.

Efficiencies in city government continued to provide greater resources for critical needs such as social services, children's programs, land acquisition and the arts. Our employees are committed to an efficient and responsive government, and through this document, the City of Jacksonville is proud to offer residents a full disclosure of the City's financial status. Sound and prudent financial management is a key component of any effective organization, and this report clearly reflects the City of Jacksonville's commitment to responsible public service.

I hope you will find this document useful, and I look forward to continuing to work with you to make Jacksonville's local government the most responsive and efficient city government in America, and Jacksonville, the best place in the nation to live, work and raise a family.

Sincerely,

John A. Delaney



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DEPARTMENT OF ADMINISTRATION AND FINANCE

Office of the Director



March 30, 2001

**The Honorable Mayor
Members of the City Council
and Citizens of the City of Jacksonville**

Introduction

The Comprehensive Annual Financial Report (Report) of the City of Jacksonville, Florida (the City), for the fiscal year ended September 30, 2000 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with the City. The Report fulfills the requirements set forth in the City Charter, Section 5.11; Florida Statutes, Chapter 166.241; and the Rules of the Florida Auditor General, Chapters 10.550 and 10.600 requiring publication of financial statements which have been audited by independent auditors.

We believe that the Report, prepared by the City's Department of Administration and Finance - Accounting Division, and based on generally accepted governmental accounting principles, presents fairly and consistently the City's financial position and results of operations and conforms to the standards of governmental accounting and financial reporting principles as promulgated by the Governmental Accounting Standards Board (GASB). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

Report Format. The Comprehensive Annual Financial Report is presented in three sections: Introductory; Financial, including the report of independent auditors, general purpose financial statements and the combining statements and individual fund and account group financial statements and schedules; and Statistical, containing 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.

Financial Reporting Entity. The financial reporting entity includes all funds and account groups 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 were those outlined by the GASB under Statement No. 14, The Financial Reporting Entity. The criteria considered in

establishing financial accountability, set forth in GASB Statement No. 14, include appointing a voting majority of the organization's governing body and either (1) the ability to impose its will on the organization or (2) the potential for the organization to provide specific benefits to or to impose financial burdens on the City. Also included are component units where the nature and significance of their relationship with the City are such that their exclusion would cause the general purpose financial statements 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 of the City, as it is not a legally separate organization. Therefore, its activity is included as part of the primary government.

Blended component units, although legally separate entities, are reported as part of the City because they are so intertwined with the City that they are, in substance, the same as the City. The Police and Fire Pension Fund and the Metropolitan Planning Organization are component units of the City blended into the appropriate fund types. The JEA, the Jacksonville Port Authority, the Jacksonville Transportation Authority, the Jacksonville Economic Development Company, Inc., the Jacksonville Economic Development Commission, the Duval County Housing Finance Authority, and the Jacksonville Health Facilities Authority are reported as discretely presented component units. The Jacksonville Housing Authority is considered a related organization. The Duval County School Board did not meet the above criteria and is not a component unit of the City.

The City's Constitutional Officers (Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of the Circuit Court) are reported as part of the City's primary government activities because they do not possess the corporate powers necessary to meet the GASB Statement No. 14 definition of separate legal standing.

The reader is directed to Note 1.B. in the Notes to the Financial Statements for a more complete description of the factors used to define the reporting entity.

Form of Government. The City provides a full range of services including police and fire protection, parks, recreation facilities, courts, planning and zoning, street maintenance, elections and voter registration, emergency transport system, community health, housing and human services, planning and economic development programs, agricultural extension, and general administrative services. The City also owns and operates five enterprise activities, the major ones consisting of a solid waste disposal, collection, and recycling system; and a sports complex, convention center and performing arts center.

The City is a home-rule municipal corporation operating under the laws of the State of Florida, first organized and incorporated as a city February 11, 1832. The City's current charter, its municipal constitution, has been amended many times since its original adoption by the electorate on October 1, 1968, when the City of Jacksonville and Duval County governments were combined into the single, consolidated government of the City of Jacksonville. The laws of the State of Florida prevail when conflicts exist between the charter and the state constitution and in matters where the charter is silent. The City's charter can only be amended by the Florida Legislature and/or by a majority of the City's voters.

The Charter provides for a strong mayor-council form of government. Legislative authority is vested with a 19-member council; 14 members are elected by district and 5 members are elected at-large to serve for four-year terms. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and borrowings, licensing and regulating of businesses and trades, and other municipal purposes. The City's Chief Executive Officer is the Mayor, elected to a four-year term. The Mayor has the power to veto any legislation passed by Council with certain limited exceptions. The present term of the elected Mayor and members of the City Council expires on June 30, 2003. To conform to the traditional organization of county governments within the State of Florida, the City retained the elected constitutional offices of Sheriff, Property Appraiser, Tax Collector, Supervisor of Elections, and the Clerk of the Circuit Court.

Economic Condition and Outlook

Situated in the corner of Northeast Florida, Jacksonville is considered to be the metropolitan market for over ten Florida and South Georgia Counties. The city is the hub of an array of services that include a deep-water port, an international airport, tourism, sporting events, shopping and cultural amenities. With a Metropolitan Statistical Area (MSA) population of over a million, Jacksonville is on the verge of being classified as a first-tier city.

Summary of local economy:

Population Growth: The Jacksonville MSA population increased from 1,096,326 in 1999 to 1,118,481 in 2000, a 2.0% increase. Of the Jacksonville MSA, St. Johns County experienced the greatest increase in population with a 3.6% increase. Duval County's population increased from 778,341 to 791,507, an increase of 1.7%. With a median age of 35.1, Jacksonville is the "youngest" major city in Florida.

Employment: The Jacksonville MSA continues to possess a strong labor force. Over the past two years, there have been over 27,500 jobs created in the Jacksonville MSA, for a growth rate of just over 5% (2.5% per year). The services industry employment leads the way with 34% of the total employment, with retail and total government at 19% and 12%, respectively. The unemployment rate remains a low 3.1%, while the total number of employees is 571,500. The average yearly wage in 1999 for Duval County was \$31,379.

2000 Economic Activity

The Cornerstone Division of the Jacksonville Chamber of Commerce announced 40 business projects in 2000, which retained a total of 1,630 jobs and brought 16,908 new jobs to the area. Private capital investment associated with these projects totaled \$260 million.

The Jacksonville International Airport serviced over 5.2 million passengers in 2000. This total reflects a 6.8% increase over 1999 and reflects the City's position as an emerging tourist and business center.

Jacksonville MSA's economy is strong as indicated by solid growth in the transportation & public utilities, 6.4%, and wholesale, 4.6%, sectors.

Employment By Industry*

<u>Jacksonville MSA by sector</u>	<u>January 1999</u>	<u>January 2000</u>	<u>Change</u>	<u>%Change</u>	<u>% of Total Change</u>
Construction	30,100	31,000	900	3.0	5.9
Manufacturing	38,600	39,400	800	2.1	5.2
Transportation & Public Utilities	39,100	41,600	2,500	6.4	16.3
Wholesale	30,700	32,100	1,400	4.6	9.2
Retail	105,200	107,600	2,400	2.3	15.7
Financial, Insurance, Real Estate	57,800	58,200	400	0.7	2.6
Services	188,600	194,900	6,300	3.3	41.2
Government	66,100	66,700	600	0.9	3.9
Total	556,200	571,500	15,300	2.8	100.0

* Source: FL Department of Labor, Current Employment Statistics Program

Retail sales in the Jacksonville MSA are on the rise with a reported \$11.4 billion in 1999 as compared to \$10.7 billion in 1998, a 7.1% increase.

Retail Sales 1998-1999 (in thousands)			
<u>Jacksonville MSA</u>	<u>1998</u>	<u>1999</u>	<u>% Change</u>
Duval County	\$ 8,032,967	\$ 8,547,915	6.4
Clay County	1,226,045	1,350,439	10.1
Nassau County	419,572	448,048	6.8
St. Johns	1,003,102	1,090,756	8.7
TOTAL	\$ 10,681,689	\$ 11,437,158	7.1

Future Economic Activity

The strength of Jacksonville's economy lies in its uniquely diversified structure, not heavily dependent on any one major employer or employment sector. The community enjoys a natural location for distribution and warehousing activities. Quality lifestyle, labor force, and cultural/educational/medical facilities are key resources in the market's ability to sustain continued high growth in 2001 and beyond. The following listing from various sources highlights the community:

- *Expansion Management Magazine* ranked Jacksonville fourth in its annual "America's Hottest Cities" article in January. This is the third consecutive year that Jacksonville has been ranked in the top ten.
- Jacksonville is the second fastest growing city in the Southeast and the eighth fastest growing large city in the U.S. according to the Bureau of the Census.
- Jacksonville was ranked the eleventh best small metro area for entrepreneurial businesses in the December 2000 issue of *Inc.* magazine.
- According to One Source Information Services, Jacksonville is ranked in the Top Ten Cities for High-Tech jobs in the Southeast (April 2000).
- Jacksonville was recently in *Yahoo Internet Life Magazine*, ranking 41st in Yahoo's America's 50 Most Wired Cities and Towns.
- *Entrepreneur Magazine* ranked Jacksonville second in its "Best Big Cities for Small Business."
- The Jacksonville MSA boasts two premier medical research facilities: Shands Jacksonville and the Mayo Clinic.
- The Jacksonville International Airport is the 7th fastest growing airport in the U.S. (Based on the largest 100 airports) and the fastest growing in Florida.

Major Initiatives

On September 5, 2000, Jacksonville voters approved The Better Jacksonville Plan, a \$2.2 billion growth management initiative that includes improvements to roads and infrastructure, environmental protection, targeted economic development as well as new and improved public facilities. The City of Jacksonville also continued efforts to enhance government efficiency while also working to improve neighborhoods and protect the environment. Information on a number of initiatives, including The Better Jacksonville Plan, follows:

The Better Jacksonville Plan

The Better Jacksonville Plan is a comprehensive growth management strategy that provides road and infrastructure improvements, environmental preservation, targeted economic development and new and improved public facilities. The Plan is funded through a half-penny sales tax and by leveraging existing revenue sources.

With \$1.5 billion set aside for road and infrastructure improvements, neighborhoods in all parts of the City will see a direct benefit from the Plan. Further, targeted economic development will encourage job growth in areas that have lagged in development opportunities. The Plan includes funding to improve the environment through land preservation, enhancing neighborhood parks, and sewer infrastructure in critical areas. Finally, the Plan seeks to provide residents with quality public facilities and includes funding for improved neighborhood libraries as well as a new main library, sports and entertainment arena and baseball park, and county courthouse.

The Better Jacksonville Plan marries all of these key elements into a design that will encourage and support responsible and managed growth while creating a better quality of life for all of Jacksonville's residents.

An integral piece of The Better Jacksonville Plan is the accountability measure that is actually a part of the legislation. The ordinance calls for a Financial Administration Committee and a Program Administration Committee. In addition, the Mayor will report annually to a Citizens Oversight Committee.

Government Efficiency

Total Quality Government. The City of Jacksonville's strategic plan provides a road map for achieving the City's vision and mission. Major areas of focus are effective, responsive customer-focused government, families, neighborhoods and schools, growth management, promoting Jacksonville as a green community and economic development. Some of these initiatives are further highlighted in this section. Resources are allocated based on these key areas of focus. In addition, departments continue to review their key service processes in an ongoing effort to improve and better meet customer needs.

Tax Cut. In fiscal year 2000/2001, Mayor Delaney again reduced the property tax rate, this year by 2/10 of a mil. This sixth consecutive property tax cut set the lowest millage rate in two decades. The six years of tax cuts has saved taxpayers more than \$57.5 million dollars.

Neighborhoods

Intensive Care Neighborhoods. The City continues to focus services and resources on six targeted neighborhoods in Jacksonville. The plan aims to improve learning environments for kids, enhance infrastructure, improve recreational opportunities as well as improve public safety, social services and housing. For example, the City's Community Development Division provides nearly \$1 million annually for home rehabilitation through the Limited Repair Program. These grant monies can be used for low-income homeowners whose homes could pose a health or safety threat if not repaired.

Neighborhoods Department. The City's Neighborhoods Department serves as a model for cities throughout the nation. With neighborhood coordinators assigned to the six planning districts, the department helps navigate through area problems and helps to resolve them. In addition, the department helps organize residents to improve

their own communities. Through the Clean It Up, Green It Up division, residents join together for more than 1,000 neighborhood cleanups each year. The division hosts annual tree giveaways through a partnership with JEA and have given away 60,000 trees to residents each of the past four years. In addition, residents will soon meet the Mayor's challenge of planting one million trees in five years.

Growth Management/Environment

Preservation Project

In January 1999, Mayor Delaney established the Preservation Project, a major land acquisition initiative, designed to manage growth, preserve environmentally sensitive lands, improve water quality and access to the city's unique natural areas.

The Preservation Project was launched with a vision of setting aside 10 to 20 square miles of developable land in Duval County within five years. In just two years, the city and its partners have set aside more than 30 square miles -over 19,000 acres- creating one of the largest urban park systems in the country. The City of Jacksonville initially committed \$21 million to the program, and voters, through The Better Jacksonville Plan, added another \$50 million to the program in September 2000. The balance of the funds are continuing to be raised through state, federal and private sources.

St. Johns River. Designated in 1998 by the President of the United States as an American Heritage River, the St. Johns River continues to play a critical role in the everyday life of our community. Mayor Delaney meets regularly with federal, state and local officials to ensure that the needs of the river are met. Having completed three years of a five-year plan for the river, the City and other river partners continue to commit time and resources to restore the river and its water quality. A number of these agencies are also working together to eliminate septic tanks in sanitary nuisance areas and help homeowners hook up to sewer lines.

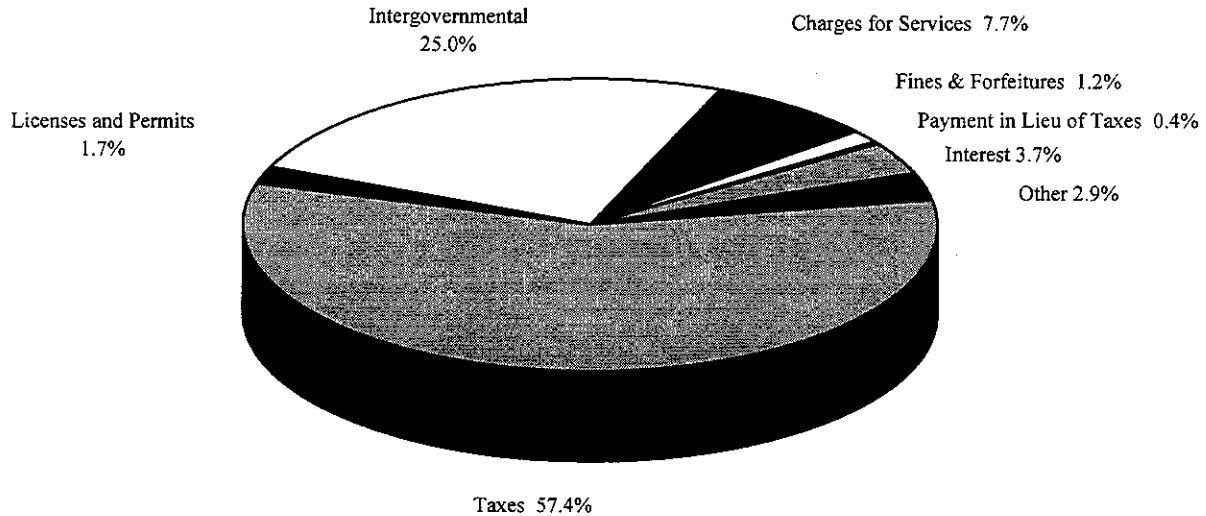
General Governmental Functions

The City's general governmental activities are accounted for in four fund types. The fund types are as follows: the General Fund, the Special Revenue Fund, the Debt Service Fund, and the Capital Projects Fund.

Revenues. Revenues for general governmental functions totaled \$809.6 million in fiscal year 2000, an increase of \$78.7 million, or 10.8%, over 1999. The amounts of revenue by source and the changes from last year are shown as follows (in thousands):

<u>Sources</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1999</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$464,004	57.4	\$38,092	8.9
Licenses and Permits	13,970	1.7	776	5.9
Intergovernmental	202,150	25.0	19,607	10.7
Charges for Services	62,302	7.7	7,027	12.7
Fines and Forfeitures	9,938	1.2	990	11.1
Payment in Lieu of Taxes	3,583	0.4	(216)	(5.7)
Interest	29,864	3.7	7,491	33.5
Other	23,790	2.9	4,970	26.4
Total	<u>\$809,601</u>	<u>100.0</u>	<u>\$78,737</u>	10.8

GENERAL GOVERNMENTAL REVENUES



Taxes, the largest source of City revenue, include ad valorem property taxes, utility service taxes, local option sales and gas taxes, and convention and tourism development taxes. This category reported an 8.9% increase in 2000, or \$38.9 million, over last year largely due to new construction and growth in Jacksonville's continuing strong economy. The City's strong revenue tax base is represented by increases in ad valorem taxes of \$10.5 million to a total of \$282.8 million in 2000. Over the last five years, taxable assessed values have increased by \$7.2 billion, as the City lowered the millage rate to 10.7861 mills, the lowest rate since 1980. In addition, the budgets for the past ten fiscal years 1991-92 to 2000-01 were prepared under a budgetary policy that sets a 3% tax cap on ad valorem revenues excluding new construction for any year over the ad valorem taxes of the previous year. The local option sales tax increased \$14.9 million due to strong retail sales in 2000 and improved timeliness of remittances of sales tax to the City from the State.

Intergovernmental revenues account for the City's second largest source of revenue. Growth in this category also reflects an improved Jacksonville economy. The collection of intergovernmental revenues for the fiscal year ended September 30, 2000, totaled \$202.2 million, an increase of \$19.6 million, or 10.7%, over fiscal year 1999. The ½ cent sales tax, reflecting our strong economy, showed an \$11.1 million increase in 2000. The revenue also reflects the improved timeliness of remittances of sales tax to the City from the State. Also reflected in the 2000 intergovernmental revenue is a \$4.7 million refund of the intangible tax from the State Department of Revenue.

Charges for services increased \$7.1 million due to improved collection of ambulance service fees, new 911 charges for wireless phones, and court cost fees remitted to the General Fund.

Fines and forfeitures were higher due to the City making a concerted effort to collect alcohol and traffic fines. More court cases were heard in 2000 than in 1999.

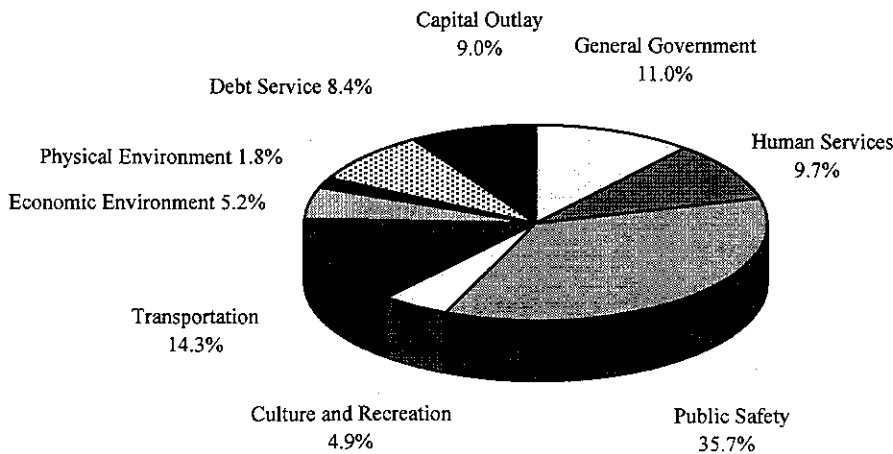
Interest income increased due to a higher average interest rate of 5.972% during 2000 as compared to 5.158% in 1999, a 15.8% increase. This increased rate was applied to higher daily balance of cash, especially in the capital improvement fund due to increased monies from the 1999A issue of Excise Taxes Revenue Refunding and Improvement Bonds.

The increase of 26.4% or \$5.0 million in the Revenue category entitled Other is largely due to private contributions from Healthy Families Florida to help fund the Florida Ounce of Prevention program at the Jacksonville Children's Commission.

Expenditures. Expenditures for general governmental functions totaled \$837 million in 2000, an increase of \$67 million, or 8.7%, over 1999. The amount of expenditures, including the increases (decreases) over the prior year are shown in the following tabulation (in thousands):

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1999</u>	<u>Percent of Increase (Decrease)</u>
General Government	\$ 92,281	11.0	\$ 7,068	8.3
Human Services	81,451	9.7	6,093	8.1
Public Safety	298,131	35.7	21,770	7.9
Culture and Recreation	40,725	4.9	2,375	6.2
Transportation	119,741	14.3	9,722	8.8
Economic Environment	43,296	5.2	(1,259)	(2.8)
Physical Environment	15,352	1.8	1,461	10.5
Debt Service	70,451	8.4	6,008	9.3
Capital Outlay	75,548	9.0	13,722	22.2
Total	\$836,976	100.0	\$ 66,960	8.7

GENERAL GOVERNMENTAL EXPENDITURES



The major component of the general governmental expenditure increase in FY 2000 was \$21.8 million in Public Safety, or an increase of 7.9% compared to FY 1999. The Sheriff's Office received additional funding from the United States Department of Justice, which enabled them to hire 50 new police officers. The Fire Department added 33 firefighters to support Atlantic Beach, Cecil Field, and other West Jacksonville areas.

Capital Outlay increased \$13.7 million, or 22.2%, due primarily to funding for JPA, economic development incentives to businesses, and land purchases.

Transportation increased \$9.7 million for increased transfers to JTA. This was due to more gasoline taxes received due to higher gasoline prices and additional funds available reflecting improved timeliness of remittances of gasoline tax to the City from the State.

Human Services increased \$6.1 million, or 8.1%, primarily due to a \$2 million increase for assistance to Shand's Hospital for indigent care. An additional \$2 million provided after-school activities for school children. A miscellaneous appropriation of \$2.3 million was made to the Cultural Council of Greater Jacksonville to administer and fund the art programs for the City.

Debt Service increased \$6 million, or 9.3%, for increases in principal and interest payments on bonds.

General Fund Balance. At September 30, 2000, the unreserved, undesignated portion of the fund balance for the General Fund reflected a positive balance of \$888 thousand after providing \$34 million for FY2001 budget appropriation, \$17.2 million for FY2001 budget stabilization, \$14 million for encumbrances, and \$8.0 million carry forward for capital projects.

Proprietary and Other Financial Operations

The City of Jacksonville has a number of enterprise operations. The largest are highlighted as follows:

Public Parking System. The Public Parking System manages and operates public parking facilities, both on-street and off-street, within the City. This enterprise activity also provides for installation and maintenance of the parking meters and collection and management of revenues generated by the System. Results of operations indicate an operating loss for 2000 of \$359 thousand with charges for services of \$3.0 million. The Parking System experienced a net loss of \$100 thousand.

Solid Waste Enterprise Fund. The Solid Waste Enterprise Fund is responsible for residential collection of garbage, yard waste, blue bin recycling, appliances, and tires. Solid Waste is also responsible for the City's landfill operations, yard waste facilities, recycling facilities, and monitoring all closed landfills in Duval County. Jacksonville is a leader in the State of Florida, recycling over 47% of the waste stream through blue bin recycling, yard waste composting, waste oil collection, tire and used appliance recycling, household hazardous waste collection and commercial recycling.

In 2000 the Solid Waste Disposal Enterprise Fund experienced a net income of \$3.5 million on operating revenue of \$32.5 million compared to a \$4.0 million net income on revenue of \$29.2 million in 1999.

At September 30, 2000, the estimated liability for landfill closure and postclosure care costs recorded in the Solid Waste Disposal Enterprise Fund was \$21.8 million compared to \$19.5 million as of September 30, 1999. The increase was attributed to an increase in estimate for post closure costs at the three closed landfills. It is the intent of the City to fund these costs through future operating revenues of the Solid Waste Disposal Enterprise Fund. Accordingly, a deferred charge for landfill closure and postclosure care of \$38.4 million has been established that will be recognized as an operating expense to the Fund as enterprise revenue is earned over future periods.

Internal Service Operations. The City has several internal service funds, which provide a variety of services to City agencies. These include fleet management, information and communications services, copy center, general counsel, and self-insurance and group insurance programs.

In fiscal year 2000 the City's internal service operations experienced charges for services of \$123.8 million. For 2000 the internal service funds reported a net income of \$13.6 million compared to \$8.4 million for 1999. This increase was primarily due to a reduction in expenses in the self-insurance for the estimated liability for incurred but not reported claims. Excess equity of \$18.9 million in the self-insurance fund was transferred to the General Fund as compared to \$15.2 million transferred in FY 1999.

Pension Trust Funds. The City sponsors two public employee retirement systems administered by two separate and distinct pension Boards of Trustees that provide retirement, death, and disability benefits to 7,446 active City employees, 408 DROP participants for the Police and Fire Pension Plan and 5,537 retirees and beneficiaries at September 30, 2000. The General Employees Pension Plan (a multi-employer contributory defined benefit plan) covers substantially all full-time employees of the City and the JEA, a discretely presented component unit of the City, except for police officers and firefighters. The Police and Fire Pension Plan (a single-employer contributory defined benefit plan) covers eligible employees of the Office of the Sheriff and the Department of Fire and Rescue. In addition, certain City employees (less than 1% of total payroll) participate in the State of Florida Retirement System.

During fiscal year 2000, the net plan assets of the General Employees Pension Plan (\$1.5 billion at September 30, 2000) increased a net of \$87.1 million and the actuarial accrued liability of \$1.4 billion is 100.01% funded. The net plan assets of the Police and Fire Pension Plan (\$814.9 million at September 30, 2000) increased a net of \$53.7 million during fiscal year 2000, with the plan being 86.71% funded.

The City made all of its required contributions in 2000 to the respective pension funds in accordance with actuarially determined contribution requirements. The City's pension plans are further explained in Note 9 in the Notes to Financial Statements.

Debt Administration. The City's sound financial condition is evidenced by the continuation of its long-held high grade of bond ratings on indebtedness from the major credit rating services. Among the factors most commonly cited by these services in support of the "Aa2" rating from Moody's Investor Services on its general obligation debt include the following: (1) a well-diversified employment and tax base that provides a solid foundation to absorb future spending requirements; (2) moderate debt burden and well-managed finances; (3) sound financial condition; and (4) a consolidated city/county government structure. The City of Jacksonville also maintains an "A+" rating from Standard & Poor's, a "AA" rating from Fitch, and an "A1" rating from Moody's Investors Service on its revenue bond issues. The City continues to follow prudent fiscal policies and practices to maintain these strong credit ratings.

The City does not borrow for operating needs. All of its outstanding long-term indebtedness is for capital needs only. At September 30, 2000, the City of Jacksonville had \$1.8 million in general obligation bonds payable from ad valorem taxes, \$718 million in special obligation bonds payable from specific revenue sources other than ad valorem taxes, \$85 million in bonds payable from Enterprise Funds, and \$77 million in commercial paper and U.S. Government-Guaranteed Notes. The direct net debt per capita as of September 30, 2000, was \$1,112.

All required principal and interest payments on outstanding debt were remitted timely and in full. The reserve requirements and sinking fund remittances mandated by the bond covenants remain funded at the prescribed levels at September 30, 2000.

On November 4, 1999, the City closed on the sale of \$45 million Capital Project Revenue Bonds, Series 1997-2. The 1997-2 bonds represent the second tranche of a series of bonds pursuant to a bond authorization in the principal amount of \$99 million. These bonds are issued as 7-day Variable Rate Demand Bonds in a tax-exempt mode. The proceeds of this bond issue will be allocated for various drainage and capital improvement projects of the City.

The City anticipates that future debt activity will surround The Better Jacksonville Program. This program will incur debt of approximately \$1.5 billion to construct \$2.2 billion of capital projects. These projects comprise \$1.5 billion in road construction and resurfacing, \$525 million in new public facilities, \$60 million in targeted economic development, and \$165 million in environment/quality of life projects. The new public facilities to be built are a main library, courthouse, arena, and baseball stadium.

In addition, the City has the opportunity to refinance several bond issues. These bonds will be refunded when the net value savings targets are met.

Cash Management. The City has a detailed written statement of investment policy which it follows. The investment goal of the City is to invest public funds in a manner which will earn a competitive yield on its portfolio, consistent with its primary function of safeguarding public assets by minimizing credit and market risks. Safety of principal is regarded as the foremost objective of the investment program. Maintaining sufficient liquidity is also an important investment objective. In keeping with this policy, at September 30, 2000, of the \$2.9 billion of cash and investments, \$2.6 billion are categorized under GASB Statement No. 3, Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements, as "Category 1," or the most secured custodial relationship. The remaining \$314.9 million, representing U.S. Government and Agency Securities and Repurchase Agreements held by a counterparty or its trust department not in the City's name, are categorized as "Category 3." These investments are stated at fair value. The City's investment policies are periodically reviewed for classification under the lowest risk category. The City's investment portfolio contains no derivative securities, floating rate securities, collateralized mortgage obligations or reverse repurchase agreements. Cash, investments, and the City's collateralizing process are further explained in Note 3 of the Notes to Financial Statements.

All of the City's deposits and the deposits of certain of the City's component units are held in qualified public depositories, pursuant to State of Florida Statutes, Chapter 280, Florida Security for Public Deposits Act ("the Act"), and are covered by federal depository insurance, and, for the amount in excess of such federal depository insurance, by the Act. Cash is pooled, except for that held by revenue bond trustees, fiscal and escrow agents, and certain debt service and trust and agency funds, for maximum investing efficiency. Cash temporarily idle during the year is aggregated and invested in certificates of deposit, money market instruments, obligations of the U.S. Government, and repurchase agreements collateralized by U.S. Government securities for all funds except the City's pension trust funds, which are administered separately outside the City's pooled cash operations. Assets of the City's pension plans are maintained in separate investment pools, and investment management responsibility rests with the two pension Boards of Trustees.

Earnings on investments, other than those held by the City's pension funds, totaled \$40.9 million during the fiscal year ended September 30, 2000. From this total, \$33.0 million was derived from a City-administered, commingled investment pool which generated a total weighted average yield of 5.972% on an average daily invested balance of \$550.8 million. The remaining \$7.9 million in earnings was derived from a variety of segregated investments and investment programs primarily linked to the investment of bond proceeds.

The City utilizes an overnight repurchase agreement mechanism to ensure full investment of all funds and to provide adequate cash liquidity; 101.2% of all funds were invested due to this reinvestment program. The City has a short-term investment horizon to minimize the level of market risk. At September 30, 2000, the general investment portfolio of government securities carried a weighted-average number of days to maturity of 134 days and a weighted average yield of 5.972%.

Risk Management. The City administers a comprehensive risk management and loss-control program, the primary objectives of which are to (1) identify potential exposures to loss, (2) evaluate the frequency and severity of losses, (3) reduce or eliminate risks or losses through established procedures and practices, and (4) determine the most efficient use of financial resources to satisfy losses.

The City's risk management policy is to rely primarily on the concept of self-insurance, supplemented by excess insurance coverage, when dealing with its various loss exposures, including workers' compensation, automobile liability, and general liability. Participants in the risk management pool include the City and independent agencies electing to be included. The City funds its risk retention losses dollar-for-dollar on an actuarially computed basis.

Unlike commercial insurance, establishment of a self-insurance fund, accounted for by the participant, does not result in the pure transfer of risk. The program's self-insured liability remains among and between the participants in varying degrees of risk sharing. State sovereign immunity statutes limit the liability to the participants for certain general liability risk exposures to \$100,000 per individual and \$200,000 per occurrence. There is a \$1 million retention for workers' compensation and no excess insurance for automobile liability and general liability. Various cost containment measures, such as managed care, are utilized by the workers' compensation self-insurance program in order to appropriately minimize medical claim costs.

Commercial insurance has been purchased for other risk exposures, including aviation, marine, property, fidelity bonding and employee benefits (medical, disability, dental, vision, prescription drug, and life).

General Fixed Assets. The general fixed assets of the City are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of enterprise and internal service funds. In addition, they do not include infrastructure (roads, bridges, sidewalks, gutters and drainage, etc.). As of September 30, 2000, the original cost of general fixed assets of the City was \$614.9 million, which is considerably less than their replacement cost. This amount represents the valuation of general fixed assets in accordance with generally accepted accounting standards and the City's capitalization policy as described in Note 6 of the Notes to Financial Statements.

General Information

Discussion of Controls. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements, in conformity with generally accepted governmental accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgements by management.

Accounting System. 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.

The City's records are maintained on a modified accrual basis for all Governmental Fund Types. Accordingly, revenues are recognized when susceptible to accrual, i.e., both measurable and available. Expenditures, other than interest on long-term debt and compensated absences, are recorded as fund liabilities when incurred. The accrual basis of accounting is utilized by all Proprietary Fund Types. Fiduciary Fund Types include expendable trust, non-expendable trusts, pension trust, and agency funds. The measurement focus of the expendable trust funds is the

same as for governmental funds. The measurement focus of the pension trust funds and non-expendable trust funds are similar to proprietary funds. Agency funds are purely custodial and thus do not involve measurement of results of operations.

Budget System. Detailed provisions regulating the City's budget, tax levies, and appropriations are set in the Laws of Florida, in the City Charter, and in the City's Ordinance Code. The Mayor is required to submit his appropriations budget, called "The Mayor's Proposed Budget," to Council by the second Tuesday in July of each year. The Mayor's Proposed Budget is to comply with state and local legal requirements for a balanced financial plan of operation for the government which coincides with and is limited to the City's fiscal year. As a financial plan, 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. At the beginning of each new fiscal year the Council adopts a balanced annual budget in the form of an ordinance 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.

The Annual Budget includes the activities of the General Fund, certain individual Special Revenue Funds, the Proprietary Fund Types, and certain Fiduciary Fund Types. Project-length or program financial plans, which may not coincide with the City's fiscal year, or which may exceed a single annual period are adopted by separate ordinance for individual Capital Project Funds and other individual Special Revenue Funds. Budgets are not formally adopted for individual Debt Service Funds, since internal spending controls are set by compliance with bond covenant requirements. Also not budgeted are certain Expendable Trust Funds, Nonexpendable Trust Funds and Pension Trust Fund accounts, where existing legal requirements obviate the need for formal budgets, or the City has elected to use internal spending controls established by management instead of formally-adopted budgets.

The City maintains budgetary control (that is, the level at which expenditures cannot legally exceed appropriations) at the fund level. Lower levels within each individual fund are accounted for and reported internally. Such lower levels are referred to as objects (personnel services, supplies, capital outlay, etc.) within each division. Estimated expenditure amounts must be encumbered prior to release of purchase orders to vendors and finalization of other contracts. Encumbrances which would exceed their available object level appropriation are not approved or recorded until either the Mayor and/or City Council authorizes additional funding or transfers. Encumbrances outstanding at year-end are reported as reservations of fund balance and are reappropriated as part of the following year's annual budget. Unencumbered appropriations lapse at the end of each fiscal year unless carried forward by ordinance.

Independent Audit. The City Charter, Section 5.11, and Florida Statutes, Chapter 166.241, require the City's financial statements to be audited by an independent firm of certified public accountants selected by the City Council. This requirement has been complied with, and the report of the independent auditors, rendered by Ernst & Young LLP, is included in the financial section of this report. The audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards set forth by the Comptroller General of the United States. The financial statements of certain component units were audited by other auditors as described in the Ernst & Young LLP audit opinion.

As a recipient of federal and state financial assistance, the City is also required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1984; U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-profit Organizations*; and the Rules of the Auditor General of the State of Florida, Chapter 10.600, *Audits of State Grants and Aid Appropriations*. As a part of the City's Single Audit, tests are made to determine the adequacy of internal control, including that portion related to federal and state financial assistance programs. The information related to the Single Audit, including the schedule

of federal awards, reports of the independent auditors on internal control and compliance with applicable laws and regulations, and findings and questioned costs, is in a report to be issued separately at a later date.

Reporting Achievements. 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, 1999. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for 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 generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Jacksonville has received this Certificate for twenty consecutive years (fiscal years 1980 through 1999). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

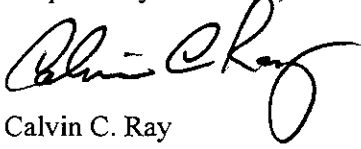
Use of the Report and Acknowledgments. The Report represents the thirty-second (1969 - 2000) Comprehensive Annual Financial Report of the City audited by a nationally recognized firm of certified public accountants, since the City of Jacksonville and Duval County Governments were consolidated on October 1, 1968. Approximately 400 copies of this report will be distributed. In addition to citizens of the community, the recipients will include city, state, and federal officials; university students; schools; libraries; newspapers; investment banking firms; banks and rating agencies.

The Report will be made available to any person or organization requesting it. The extensive effort of preparation and distribution of this report fulfills the Department of Administration and 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 judgements about the government's financial position and results of operations.

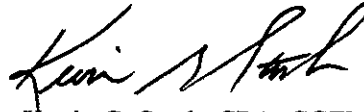
The 2000 Comprehensive Annual Financial Report represents our commitment to this goal and could not have been prepared without the efficient and dedicated efforts of the entire staff of the Department of Administration and Finance - Accounting Division and Treasury Division, who devoted many hours in 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 auditors, Ernst & Young LLP and the Office of the Council Auditor for their efforts and professional conduct throughout the audit engagement.

Special acknowledgment is due Mayor John Delaney, Council President Alberta Hipps and Councilperson Jim Overton, Finance Committee Chairman, and other 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,



Calvin C. Ray
Director, Department of
Administration and Finance



Kevin G. Stork, CPA, CGFM
City Comptroller -
Chief, Accounting Division

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, 1999

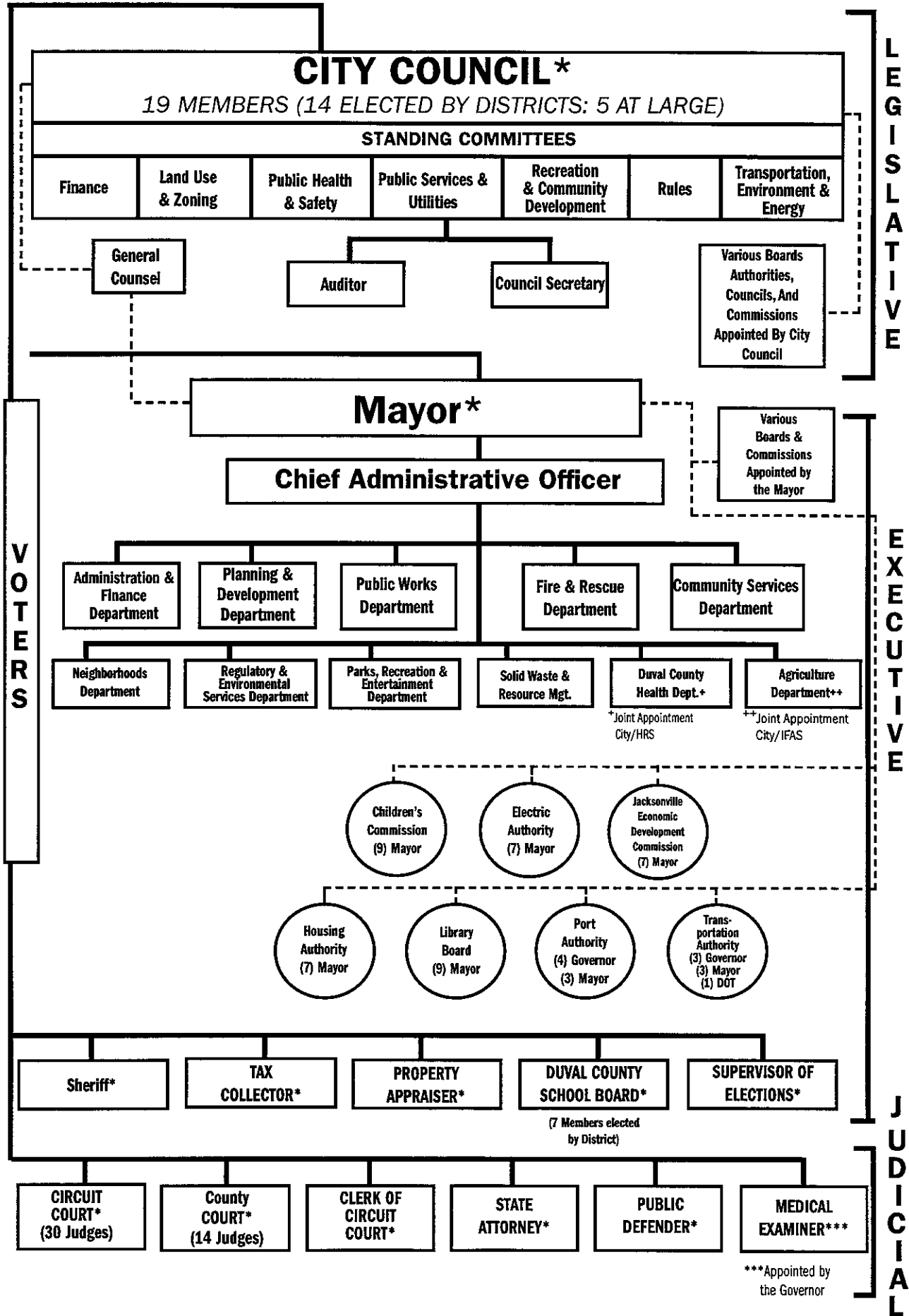
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



Anne Spray Kinney
President

Jeffrey L. Esler
Executive Director

ORGANIZATIONAL CHART



*Elected Officials

City of Jacksonville, Florida

City Officers and Constitutional Officeholders

John A. Delaney, Mayor

City Officers

Sam E. Mousa, PE Chief Administrative Officer
Eric Green Deputy Chief Administrative Officer
Rick Mullaney. General Counsel

Calvin C. Ray..... Director, Department of Administration and Finance
Harold Jones Director, Department of Agriculture
Judith A. Truett..... Director, Department of Community Services
Ray Alfred..... Director, Department of Fire and Rescue
John Curtin..... Director, Department of Neighborhoods
Debra Igou Director, Department of Parks, Recreation, and Entertainment
Jeannie Fewell Director, Planning and Development Department
Dr. Jeffrey Goldhagen Public Health Administrator
Joe R. Miller Director, Department of Public Works
Mario Taylor..... Director, Department of Regulatory and Environmental Services
Janice E. Davis..... Director, Solid Waste and Resource Management

Constitutional Officeholders

Jim Fuller Clerk of Circuit Court
Ernie Mastroianni Property Appraiser
Nathaniel Glover, Jr..... Sheriff
John L. Stafford Supervisor of Elections
Lynwood Roberts Tax Collector

City of Jacksonville, Florida

City Council Officials and Staff

City Council

President of Council Alberta Hipps
Vice President of Council.....Matt Carlucci

District 1 — Lake Ray	District 8 — Gwen Yates
District 2 — Lynette Self	District 9 — Reggie Fullwood
District 3 — Jerry Holland	District 10 — King Holzendorf
District 4 — Suzanne Jenkins	District 11 — Warren Alvarez
District 5 — Matt Carlucci	District 12 — Doyle D. Carter
District 6 — Mary Ann Southwell	District 13 — Alberta Hipps
District 7 — Pat Lockett-Felder	District 14 — Jim Overton

Group 1 At-Large — Faye Rustin
Group 2 At-Large — Elaine Brown
Group 3 At-Large — Lad Daniels
Group 4 At-Large — Ginger Soud
Group 5 At-Large — Dr. Gwen Chandler-Thompson

Council Staff

Robert O. Johnson, CPA Council Auditor
Vacant Council Secretary
Kristi Sikes..... Chief of Administrative Services
Kathleen Roberts Acting Chief of Legislative Services
Joey Kelly Chief of Public Information
Cheryl Brown..... Chief of Research



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Report of Independent Auditors

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

We have audited the accompanying general-purpose financial statements of the City of Jacksonville, Florida (the City), as of and for the year ended September 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the following component units, which statements reflect total assets and total revenues as of September 30, 2000 and for the year then ended of the respective fund type as follows:

	Total Assets	Total Revenues	Type of Component Unit
	<i>(in thousands)</i>		
JEA	\$ 5,133,519	\$933,554	Proprietary and Similar Fund Types
Jacksonville Port Authority	767,145	64,260	Proprietary and Similar Fund Types
Police and Fire Pension Trust Fund	844,215	107,073	Trust and Agency Fund Types
Jacksonville Economic Development Company, Inc.	2,543	199	Governmental and Similar Fund Types

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the general-purpose financial statements, insofar as it relates to the amounts included for the aforementioned component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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 general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial



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statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

The schedules of employer contributions and funding progress listed under required supplemental information in the table of contents are not a required part of the general-purpose financial statements but are supplemental information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

In our opinion, based on our audit and the reports of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of September 30, 2000, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2001 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the City of Jacksonville, Florida. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects in relation to the general-purpose financial statements taken as a whole.

The information presented in the introductory and statistical sections is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

Ernst & Young LLP

March 16, 2001



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COMBINED STATEMENTS

**CITY OF JACKSONVILLE, FLORIDA
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS, AND
 COMPONENT UNITS (in thousands)
 SEPTEMBER 30, 2000**

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
ASSETS AND OTHER DEBITS						
ASSETS:						
Equity in cash and investments.....	\$ 52,245	\$ 106,587	\$ 47,393	\$ 162,308	\$ 49,681	\$ 147,439
Cash and equivalents.....	-	-	-	-	-	-
Investments.....	-	-	-	-	-	-
Cash in escrow and with fiscal agents.....	-	4,751	249	1,108	-	-
Receivables (net, where applicable, of allowances for uncollectibles):						
Taxes.....	28	-	-	-	-	-
Accounts and interest.....	2,049	172	-	-	2,473	245
Due from individuals.....	-	-	-	-	-	-
Mortgages.....	-	20,611	-	-	-	-
Grants.....	-	-	-	-	-	-
Other.....	214	-	-	-	-	75
Due from other funds.....	4,199	227	-	-	-	3,369
Due from component units.....	-	584	-	-	-	-
Due from primary government.....	-	-	-	-	-	-
Due from independent agencies and other governments.....	37,440	31,353	-	2,918	375	3,086
Advances to other funds.....	-	-	-	-	-	13,551
Inventories.....	1,287	-	-	-	2	1,371
Prepaid expenditures, prepaid expenses, and other assets.....	-	-	-	-	205	14
Restricted assets:						
Cash and equivalents.....	-	-	-	-	-	-
Investments.....	-	-	-	-	-	-
Sinking fund cash and investments.....	-	-	-	-	697	-
Construction fund cash and investments.....	-	-	-	-	11,333	-
Accounts and interest receivable.....	-	-	-	-	58	-
Land.....	-	-	-	-	24,112	58
Fixed assets and infrastructure, net.....	-	-	-	-	-	-
Electric plant in service.....	-	-	-	-	-	-
Buildings and improvements.....	-	-	-	-	223,393	3,886
Improvements other than buildings.....	-	-	-	-	87,987	4,868
Buses.....	-	-	-	-	-	-
Furniture and equipment.....	-	-	-	-	17,384	113,502
Construction work in process.....	-	-	-	-	656	132
Less accumulated depreciation.....	-	-	-	-	(78,778)	(82,226)
Deferred landfill closure and postclosure care costs.....	-	-	-	-	38,421	-
Unamortized debt issuance costs.....	-	-	-	-	-	-
Unamortized service rights.....	-	-	-	-	-	-
Costs to be recovered from future revenues.....	-	-	-	-	-	-
Real estate under development.....	-	-	-	-	-	-
Other deferred charges.....	-	-	-	-	617	-
OTHER DEBITS:						
Amount available for retirement of general long-term obligations.....	-	-	-	-	-	-
Amount to be provided for retirement of general long-term obligations.....	-	-	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ 97,462	\$ 164,285	\$ 47,642	\$ 166,334	\$ 378,616	\$ 209,370

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS		COMPONENT UNITS		TOTAL
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(Memorandum only)		GOVERNMENTAL AND SIMILAR FUND TYPES	PROPRIETARY AND SIMILAR FUND TYPES	(Memorandum only)
			PRIMARY GOVERNMENT 2000	1999			REPORTING ENTITY 2000
\$ 2,416,739	\$ -	\$ -	\$ 2,982,392	\$ 2,746,181	\$ 11,176	\$ -	\$ 2,993,568
-	-	-	-	-	36,995	74,110	111,105
-	-	-	-	-	-	57,877	57,877
-	-	-	6,108	19,896	-	-	6,108
-	-	-	28	4,225	-	-	28
319	-	-	5,258	8,733	894	135,165	141,317
3,940	-	-	3,940	2,978	-	-	3,940
-	-	-	20,611	13,583	8,997	-	29,608
-	-	-	-	-	-	8,049	8,049
-	-	-	289	318	-	-	289
246	-	-	8,041	25,328	2,439	2,466	12,946
-	-	-	584	584	-	-	584
-	-	-	-	-	-	800	800
-	-	-	75,172	53,970	22,108	5,502	102,782
-	-	-	13,551	14,000	-	-	13,551
-	-	-	2,660	2,589	-	105,710	108,370
-	-	-	219	216	-	29,989	30,208
-	-	-	-	22,193	145,768	376,010	521,778
-	-	-	-	-	-	499,270	499,270
-	-	-	697	3,398	-	-	697
-	-	-	11,333	8,867	-	-	11,333
-	-	-	58	697	404	53,780	54,242
24	98,883	-	123,077	113,619	-	125,393	248,470
-	-	-	-	-	220,975	-	220,975
-	-	-	-	-	-	4,121,997	4,121,997
155	463,002	-	690,436	676,998	-	230,242	920,678
97	-	-	92,952	91,850	-	349,366	442,318
-	-	-	-	-	-	55,638	55,638
321	53,034	-	184,241	179,189	-	144,211	328,452
-	-	-	788	510	-	994,854	995,642
(303)	-	-	(161,307)	(150,738)	-	(1,815,622)	(1,976,929)
-	-	-	38,421	40,348	-	-	38,421
-	-	-	-	-	-	2,829	2,829
-	-	-	-	-	-	3,775	3,775
-	-	-	-	-	-	538,150	538,150
-	-	-	-	-	562	-	562
-	-	-	617	-	-	-	617
-	-	47,370	47,370	41,859	28,789	-	76,159
-	-	803,306	803,306	791,564	341,746	-	1,145,052
<u>\$ 2,421,538</u>	<u>\$ 614,919</u>	<u>\$ 850,676</u>	<u>\$ 4,950,842</u>	<u>\$ 4,712,955</u>	<u>\$ 820,853</u>	<u>\$ 6,099,561</u>	<u>\$ 11,871,256</u>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS, AND
 COMPONENT UNITS (in thousands)
 SEPTEMBER 30, 2000**

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>						
LIABILITIES:						
Accounts payable and accrued liabilities.....	\$ 9,304	\$ 12,967	\$ -	\$ 4,658	\$ 4,594	\$ 4,796
Contracts payable.....	-	-	-	876	514	-
Due to other funds.....	37	2,334	-	998	-	-
Due to component units.....	-	-	-	-	-	-
Due to primary government.....	-	-	-	-	-	-
Due to independent agencies and other governments.....	4,935	4,103	-	-	25	16
Due to individuals.....	-	-	-	-	-	-
Capitalized lease obligations, current portion.....	-	-	-	-	-	332
Estimated liability for self-insured losses.....	-	-	-	-	-	56,147
Accrued compensated absences due within one year.....	-	-	-	-	76	327
Matured bonds and interest payable.....	-	-	39	-	-	-
Deposits.....	-	138	-	-	117	-
Deferred revenue.....	6,831	-	-	-	190	-
Payable from restricted assets:						
Deposits held for construction and events.....	-	-	-	-	755	-
Accrued interest payable.....	-	-	-	-	835	-
Current portion of long-term obligations.....	-	-	-	-	2,115	-
Construction contracts, retainage and accounts payable.....	-	-	-	-	-	-
Renewal and replacement reserve.....	-	-	-	-	-	-
Customers' deposits.....	-	-	-	-	-	-
Other.....	-	-	-	-	-	-
Deposits held in escrow.....	-	-	-	-	-	-
Advances from other funds.....	-	-	-	13,551	-	-
Liability for landfill closure and postclosure care.....	-	-	-	-	21,752	-
Accrued compensated absences.....	-	-	-	-	562	2,410
Commercial paper notes.....	-	-	-	-	-	-
General obligation bonds.....	-	-	-	-	-	-
Special obligation bonds.....	-	-	-	-	-	-
Revenue bonds.....	-	-	-	-	79,564	-
Long-term debt and other long-term obligations.....	-	-	-	-	-	-
Capitalized lease obligations, less current portion.....	-	-	-	-	-	777
Deferred credits and other.....	-	-	-	689	-	-
TOTAL LIABILITIES.....	\$ 21,107	\$ 19,542	\$ 39	\$ 20,772	\$ 111,099	\$ 64,805

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS		COMPONENT UNITS		TOTAL	
	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(Memorandum only)		GOVERNMENTAL AND SIMILAR FUND TYPES	PROPRIETARY AND SIMILAR FUND TYPES	(Memorandum only)
				PRIMARY GOVERNMENT				REPORTING ENTITY
				2000	1999			2000
\$ 3,928	\$ -	\$ -	\$ 40,247	\$ 39,859	\$ 5,743	\$ 107,182	\$ 153,172	
35	-	-	1,425	836	-	-	1,425	
4,672	-	-	8,041	25,328	2,466	2,439	12,946	
-	-	800	800	1,200	-	-	800	
-	-	-	-	-	584	-	584	
14,459	-	-	23,538	18,444	686	962	25,186	
30,281	-	-	30,281	28,429	-	-	30,281	
-	-	-	332	38	-	1,214	1,546	
-	-	-	56,147	65,580	-	1,939	58,086	
6	-	-	409	439	-	-	409	
-	-	-	39	39	-	-	39	
-	-	-	255	210	-	-	255	
-	-	-	7,021	6,693	1,253	267	8,541	
-	-	-	755	1,180	-	-	755	
-	-	-	835	2,186	-	80,024	80,859	
-	-	-	2,115	1,925	-	90,231	92,346	
-	-	-	-	-	-	93,912	93,912	
-	-	-	-	-	-	90,241	90,241	
-	-	-	-	-	-	17,705	17,705	
-	-	-	-	-	-	680	680	
18,011	-	-	18,011	13,319	-	-	18,011	
-	-	-	13,551	14,000	-	-	13,551	
-	-	-	21,752	19,533	-	-	21,752	
44	-	53,017	56,033	55,229	-	-	56,033	
-	-	60,000	60,000	60,000	-	-	60,000	
-	-	1,755	1,755	2,285	-	-	1,755	
-	-	718,300	718,300	697,915	-	-	718,300	
-	-	-	79,564	80,761	370,535	189,478	639,577	
-	-	16,565	16,565	19,425	-	3,056,320	3,072,885	
-	-	239	1,016	466	-	22,917	23,933	
-	-	-	689	151	-	149,166	149,855	
<u>\$ 71,436</u>	<u>\$ -</u>	<u>\$ 850,676</u>	<u>\$ 1,159,476</u>	<u>\$ 1,155,470</u>	<u>\$ 381,267</u>	<u>\$ 3,904,677</u>	<u>\$ 5,445,420</u>	

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS, AND
 COMPONENT UNITS (in thousands)
 SEPTEMBER 30, 2000**

	<u>GOVERNMENTAL FUND TYPES</u>				<u>PROPRIETARY FUND TYPES</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>						
EQUITY AND OTHER CREDITS:						
Investment in general fixed assets.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributed capital.....	-	-	-	-	226,652	11,345
Retained earnings:						
Unreserved.....	-	-	-	-	40,865	133,220
Fund balances:						
Reserved for encumbrances.....	14,314	47,203	-	37,280	-	-
Reserved for imprest cash and cash in escrow.....	330	4,751	210	1,108	-	-
Reserved for mortgages receivable.....	-	20,611	-	-	-	-
Reserved for inventories and prepaids.....	1,287	-	-	-	-	-
Reserved for employees' retirement benefits.....	-	-	-	-	-	-
Reserved for debt service.....	-	-	47,160	-	-	-
Unreserved:						
Designated for capital projects.....	8,018	-	-	109,221	-	-
Designated for subsequent years' budget.....	-	26,978	-	-	-	-
Designated for budget stabilization.....	17,205	-	-	-	-	-
Designated for self-insurance.....	-	-	-	-	-	-
Designated for changes in fair value of investments.....	271	524	233	797	-	-
Designated for next year's budget appropriation.....	34,042	-	-	-	-	-
Undesignated (deficit).....	888	44,676	-	(2,844)	-	-
TOTAL EQUITY AND OTHER CREDITS.....	76,355	144,743	47,603	145,562	267,517	144,565
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS.....	\$ 97,462	\$ 164,285	\$ 47,642	\$ 166,334	\$ 378,616	\$ 209,370

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS		COMPONENT UNITS		TOTAL (Memorandum only) REPORTING ENTITY 2000
	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(Memorandum only)		GOVERNMENTAL AND SIMILAR FUND TYPES	PROPRIETARY AND SIMILAR FUND TYPES	
			PRIMARY GOVERNMENT 2000	2000			
\$ -	\$ 614,919	\$ -	\$ 614,919	\$ 595,090	\$ 220,975	\$ -	\$ 835,894
-	-	-	237,997	244,908	-	881,504	1,119,501
-	-	-	174,085	153,393	-	1,313,380	1,487,465
-	-	-	98,797	76,188	347	-	99,144
-	-	-	6,399	5,247	-	-	6,399
-	-	-	20,611	13,550	-	-	20,611
-	-	-	1,287	1,210	-	-	1,287
2,344,614	-	-	2,344,614	2,203,816	-	-	2,344,614
-	-	-	47,160	41,859	28,712	-	75,872
-	-	-	117,239	95,303	-	-	117,239
-	-	-	26,978	14,720	-	-	26,978
-	-	-	17,205	17,486	-	-	17,205
-	-	-	-	-	200	-	200
26	-	-	1,851	1,074	6	-	1,857
-	-	-	34,042	33,242	-	-	34,042
5,462	-	-	48,182	60,399	189,346	-	237,528
2,350,102	614,919	-	3,791,366	3,557,485	439,586	2,194,884	6,425,836
\$ 2,421,538	\$ 614,919	\$ 850,676	\$ 4,950,842	\$ 4,712,955	\$ 820,853	\$ 6,099,561	\$ 11,871,256

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS, AND SIMILAR DISCRETELY
PRESENTED COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
REVENUE:				
Taxes.....	\$ 355,610	\$ 108,394	\$ -	\$ -
Licenses and permits.....	13,970	-	-	-
Intergovernmental.....	125,119	75,780	-	1,251
Charges for services.....	48,430	13,872	-	-
Fines and forfeitures.....	7,744	2,194	-	-
Payment in lieu of taxes.....	3,583	-	-	-
Interest.....	10,171	7,391	2,952	9,350
Other.....	7,575	11,078	-	5,137
Total Revenue.....	572,202	218,709	2,952	15,738
EXPENDITURES:				
Current:				
General government.....	86,101	6,180	-	-
Human services.....	55,610	25,841	-	-
Public safety.....	280,895	17,236	-	-
Culture and recreation.....	37,032	3,693	-	-
Transportation.....	30,792	88,949	-	-
Economic environment.....	4,357	38,939	-	-
Physical environment.....	11,019	4,333	-	-
Capital outlay.....	-	-	-	75,548
Debt service:				
Principal.....	-	-	28,200	-
Interest on fiscal charges.....	-	-	42,251	-
Arbitrage.....	-	-	-	-
Other.....	-	-	-	-
Total Expenditures.....	505,806	185,171	70,451	75,548
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....	66,396	33,538	(67,499)	(59,810)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of notes and bonds and issuance of other debt obligations.....	-	-	-	44,939
Proceeds from sale of refunding bonds.....	-	-	-	-
Operating transfers in.....	6,399	15,815	73,107	34,479
Operating transfers out.....	(130,428)	(14,840)	-	(448)
Payments to refund escrow agent.....	-	-	-	-
Transfers - In from component units.....	71,434	-	-	-
Transfers - Out to component units.....	(5,999)	(8,904)	-	-
Transfers - In from primary government.....	-	-	-	-
Total Other Financing Sources (Uses).....	(58,594)	(7,929)	73,107	78,970
EXCESS (DEFICIENCY) OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES.....	7,802	25,609	5,608	19,160
FUND BALANCES, BEGINNING OF YEAR.....	68,476	119,300	41,995	126,236
Change in reserve for inventory of supplies.....	77	-	-	-
Residual equity transfer in (out).....	-	(166)	-	166
FUND BALANCES, END OF YEAR.....	\$ 76,355	\$ 144,743	\$ 47,603	\$ 145,562

FIDUCIARY FUND TYPE EXPENDABLE TRUST	TOTALS (Memorandum only) PRIMARY GOVERNMENT		COMPONENT UNITS	TOTALS (Memorandum only) REPORTING ENTITY
	2000	1999		2000
\$ -	\$ 464,004	\$ 425,912	\$ 58,195	\$ 522,199
-	13,970	13,194	-	13,970
-	202,150	182,543	11,316	213,466
-	62,302	55,275	-	62,302
-	9,938	8,949	-	9,938
-	3,583	3,799	-	3,583
96	29,960	22,380	12,738	42,698
<u>3,051</u>	<u>26,841</u>	<u>20,589</u>	<u>1,019</u>	<u>27,860</u>
<u>3,147</u>	<u>812,748</u>	<u>732,641</u>	<u>83,268</u>	<u>896,016</u>
478	92,759	85,323	2,432	95,191
87	81,538	75,412	-	81,538
1,057	299,188	277,648	-	299,188
281	41,006	38,678	1	41,007
-	119,741	110,019	2,288	122,029
127	43,423	44,781	7,460	50,883
61	15,413	13,977	-	15,413
-	75,548	61,826	31,897	107,445
-	28,200	25,437	10,550	38,750
-	42,251	39,006	20,861	63,112
-	-	-	48	48
-	-	-	31	31
<u>2,091</u>	<u>839,067</u>	<u>772,107</u>	<u>75,568</u>	<u>914,635</u>
<u>1,056</u>	<u>(26,319)</u>	<u>(39,466)</u>	<u>7,700</u>	<u>(18,619)</u>
-	44,939	32,999	-	44,939
-	-	43,492	-	-
162	129,962	120,363	-	129,962
(12)	(145,728)	(145,330)	(13,079)	(158,807)
-	-	(43,492)	-	-
-	71,434	66,494	-	71,434
-	(14,903)	(13,185)	-	(14,903)
-	-	-	6,703	6,703
<u>150</u>	<u>85,704</u>	<u>61,341</u>	<u>(6,376)</u>	<u>79,328</u>
1,206	59,385	21,875	1,324	60,709
3,972	359,979	337,658	221,952	581,931
-	77	230	-	77
-	-	216	(4,665)	(4,665)
<u>\$ 5,178</u>	<u>\$ 419,441</u>	<u>\$ 359,979</u>	<u>\$ 218,611</u>	<u>\$ 638,052</u>

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL BUDGETED GOVERNMENTAL FUND TYPES (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GENERAL FUND				VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL	ENCUMBRANCES	BUDGETARY BASIS	BUDGET	
REVENUE:					
Taxes.....	\$ 355,610	\$ -	\$ 355,610	\$ 342,882	\$ 12,728
Licenses and permits.....	13,970	-	13,970	13,492	478
Intergovernmental.....	125,119	-	125,119	113,197	11,922
Charges for services.....	48,430	-	48,430	47,271	1,159
Fines and forfeitures.....	7,744	-	7,744	7,200	544
Payment in lieu of taxes.....	3,583	-	3,583	3,773	(190)
Interest.....	10,171	-	10,171	7,563	2,608
Other.....	7,575	-	7,575	3,838	3,737
Total Revenue.....	572,202	-	572,202	539,216	32,986
EXPENDITURES AND ENCUMBRANCES:					
General government.....	86,101	3,429	89,530	118,006	28,476
Human services.....	55,610	1,093	56,703	56,166	(537)
Public safety.....	280,895	3,068	283,963	276,978	(6,985)
Culture and recreation.....	37,032	1,729	38,761	39,307	546
Transportation.....	30,792	1,837	32,629	33,457	828
Economic environment.....	4,357	2,040	6,397	7,050	653
Physical environment.....	11,019	1,074	12,093	13,136	1,043
Total Expenditures and Encumbrances.....	505,806	14,270	520,076	544,100	24,024
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND ENCUMBRANCES.....					
	66,396	(14,270)	52,126	(4,884)	57,010
OTHER FINANCING SOURCES (USES):					
Operating transfers in.....	6,399	-	6,399	6,261	138
Operating transfers out.....	(130,428)	-	(130,428)	(135,990)	5,562
Transfers - In from component units.....	71,434	-	71,434	74,897	(3,463)
Transfers - Out to component units.....	(5,999)	-	(5,999)	(6,499)	500
Total Other Financing Sources (Uses).....	(58,594)	-	(58,594)	(61,331)	2,737
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES, AND OTHER USES.....					
	7,802	(14,270)	(6,468)	(66,215)	59,747
FUND BALANCE ALLOCATION.....					
	-	-	-	66,215	(66,215)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES, AND OTHER USES.....					
	\$ 7,802	(\$ 14,270)	(\$ 6,468)	\$ -	(\$ 6,468)

BUDGETED SPECIAL REVENUE FUNDS

<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 108,394	\$ -	\$ 108,394	\$ 92,251	\$ 16,143
-	-	-	-	-
37,649	-	37,649	45,684	(8,035)
12,233	-	12,233	10,925	1,308
2,083	-	2,083	1,923	160
-	-	-	-	-
5,541	-	5,541	4,351	1,190
9,502	-	9,502	3,465	6,037
<u>175,402</u>	<u>-</u>	<u>175,402</u>	<u>158,599</u>	<u>16,803</u>
4,118	373	4,491	6,241	1,750
18,998	4,934	23,932	25,261	1,329
8,832	692	9,524	11,189	1,665
813	-	813	998	185
88,927	26,930	115,857	112,135	(3,722)
25,343	718	26,061	54,788	28,727
3,789	222	4,011	4,776	765
<u>150,820</u>	<u>33,869</u>	<u>184,689</u>	<u>215,388</u>	<u>30,699</u>
24,582	(33,869)	(9,287)	(56,789)	47,502
12,705	-	12,705	12,790	(85)
(14,483)	-	(14,483)	(14,483)	-
-	-	-	-	-
(8,515)	-	(8,515)	(8,315)	(200)
<u>(10,293)</u>	<u>-</u>	<u>(10,293)</u>	<u>(10,008)</u>	<u>(285)</u>
14,289	(33,869)	(19,580)	(66,797)	47,217
-	-	-	66,797	(66,797)
<u>\$ 14,289</u>	<u>(\$ 33,869)</u>	<u>(\$ 19,580)</u>	<u>\$ -</u>	<u>(\$ 19,580)</u>

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINED STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS -
ALL PROPRIETARY FUND TYPES, SIMILAR TRUST FUNDS, AND SIMILAR
DISCRETELY PRESENTED COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST
OPERATING REVENUE:			
Operating revenue and charges for services.....	\$ 47,585	\$ 123,781	\$ -
Earnings on investments.....	-	-	19
Other.....	-	352	-
Total Operating Revenue.....	<u>47,585</u>	<u>124,133</u>	<u>19</u>
OPERATING EXPENSES:			
Fuel.....	-	-	-
Purchased power.....	-	-	-
Operations and maintenance.....	-	-	-
General and administrative.....	-	-	-
Personal services.....	14,909	19,837	-
Supplies and materials.....	2,284	11,609	-
Central services.....	160	4,046	-
Interdepartmental charges.....	586	-	-
Other services and charges.....	58,489	18,108	-
Bad debts, net of recoveries.....	139	-	-
Casualty and insurance.....	-	-	-
Taxes and licenses.....	-	-	-
Depreciation and amortization.....	9,315	13,198	-
Claims and losses.....	-	327	-
Insurance premiums and participant dividends.....	-	37,722	-
Other.....	-	-	8
Total Operating Expenses.....	<u>85,882</u>	<u>104,847</u>	<u>8</u>
OPERATING INCOME (LOSS).....	<u>(38,297)</u>	<u>19,286</u>	<u>11</u>
NON-OPERATING REVENUE (EXPENSES):			
Interest revenue.....	2,987	7,968	-
Interest expense.....	(2,097)	-	-
Public funding:			
United States Government.....	-	-	-
State of Florida.....	-	-	-
Other subsidies.....	-	-	-
Operating grants.....	914	-	-
Other.....	4,884	(497)	-
Total Non-Operating Revenue (Expenses).....	<u>6,688</u>	<u>7,471</u>	<u>-</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS AND EXTRAORDINARY ITEM.....	<u>(31,609)</u>	<u>26,757</u>	<u>11</u>
OPERATING TRANSFERS:			
Operating transfers in.....	31,646	5,776	-
Operating transfers out.....	(2,581)	(18,913)	-
Transfers - In from primary government.....	-	-	-
Transfers - Out to primary government.....	-	-	-
Total Operating Transfers In (Out).....	<u>29,065</u>	<u>(13,137)</u>	<u>-</u>
INCOME (LOSS) BEFORE EXTRAORDINARY ITEM.....	<u>(\$ 2,544)</u>	<u>\$ 13,620</u>	<u>\$ 11</u>

TOTALS (Memorandum only) PRIMARY GOVERNMENT		COMPONENT UNITS	TOTALS (Memorandum only) REPORTING ENTITY	
2000	1999		2000	
\$ 171,366	\$ 157,846	\$ 973,666	\$ 1,145,032	
19	11	195	214	
352	1,146	30,714	31,066	
<u>171,737</u>	<u>159,003</u>	<u>1,004,575</u>	<u>1,176,312</u>	
-	-	271,662	271,662	
-	-	96,509	96,509	
-	-	241,149	241,149	
-	-	15,178	15,178	
34,746	35,505	23,675	58,421	
13,893	10,796	3,606	17,499	
4,206	3,391	-	4,206	
586	629	-	586	
76,597	65,979	6,830	83,427	
139	130	-	139	
-	-	784	784	
-	-	16,790	16,790	
22,513	22,386	172,083	194,596	
327	9,968	-	327	
37,722	35,877	-	37,722	
8	6	-	8	
<u>190,737</u>	<u>184,667</u>	<u>848,266</u>	<u>1,039,003</u>	
<u>(19,000)</u>	<u>(25,664)</u>	<u>156,309</u>	<u>137,309</u>	
10,955	5,396	45,045	56,000	
(2,097)	(1,806)	(147,583)	(149,680)	
-	-	2,391	2,391	
-	-	3,273	3,273	
-	-	444	444	
914	720	-	914	
4,387	(7,340)	(11,987)	(7,600)	
<u>14,159</u>	<u>(3,030)</u>	<u>(108,417)</u>	<u>(94,258)</u>	
<u>(4,841)</u>	<u>(28,694)</u>	<u>47,892</u>	<u>43,051</u>	
37,422	43,887	13,079	50,501	
(21,494)	(18,797)	-	(21,494)	
-	-	8,200	8,200	
-	-	(71,434)	(71,434)	
<u>15,928</u>	<u>25,090</u>	<u>(50,155)</u>	<u>(34,227)</u>	
\$ 11,087	(\$ 3,604)	(\$ 2,263)	\$ 8,824	

See accompanying notes.

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINED STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS -
ALL PROPRIETARY FUND TYPES, SIMILAR TRUST FUNDS, AND SIMILAR
DISCRETELY PRESENTED COMPONENT UNITS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST
INCOME (LOSS) BEFORE EXTRAORDINARY ITEM.....	(\$ 2,544)	\$ 13,620	\$ 11
Extraordinary item - (loss) on advance refundings and early retirements.....	-	-	-
NET INCOME	(2,544)	13,620	11
Add depreciation on contributed assets.....	8,124	1,492	-
Increase (decrease) in retained earnings.....	5,580	15,112	11
Retained Earnings, Beginning of Year.....	35,285	118,108	299
Residual equity transfer (out).....	-	-	-
Retained Earnings, End of Year	<u>\$ 40,865</u>	<u>\$ 133,220</u>	<u>\$ 310</u>

TOTALS (Memorandum only) PRIMARY GOVERNMENT		COMPONENT UNITS	TOTALS (Memorandum only) REPORTING ENTITY
2000	1999		2000
\$ 11,087	(\$ 3,604)	(\$ 2,263)	\$ 8,824
-	-	(33)	(33)
11,087	(3,604)	(2,296)	8,791
9,616	9,913	28,227	37,843
20,703	6,309	25,931	46,634
153,692	147,599	1,257,614	1,411,306
-	(216)	-	-
<u>\$ 174,395</u>	<u>\$ 153,692</u>	<u>\$ 1,283,545</u>	<u>\$ 1,457,940</u>

**CITY OF JACKSONVILLE, FLORIDA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUNDS AND
SIMILAR DISCRETELY PRESENTED COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

	PROPRIETARY FUND TYPES	
	ENTERPRISE	INTERNAL SERVICE
OPERATING ACTIVITIES:		
OPERATING INCOME (LOSS).....	(\$ 38,297)	\$ 19,286
Adjustments to reconcile operating income / loss to net cash provided by (used in) operating activities:		
Depreciation and amortization.....	9,315	13,198
Bad debt expense, net of recoveries.....	139	-
Other non-operating revenue/(expenses).....	4,884	(497)
Interest on investments.....	-	-
Change in assets and liabilities:		
Decrease (increase) in accounts and interest receivable, restricted.....	-	-
Decrease (increase) in receivables and other current assets, net.....	1,043	(105)
Decrease (increase) in due from other funds.....	-	9,702
Decrease (increase) in due from independent agencies and other governments.....	205	1,580
Decrease (increase) in inventories.....	(1)	7
Decrease (increase) in prepaid expenses and other.....	(3)	-
Decrease (increase) in deferred charges.....	1,310	-
Increase (decrease) in accounts payable and accrued expenses.....	851	196
Increase (decrease) in contracts payable.....	178	-
Increase (decrease) in due to other funds.....	(23)	(560)
Increase (decrease) in due to component units.....	-	-
Increase (decrease) in due to independent agencies and other governments.....	-	(1,839)
Increase (decrease) in current portion long-term liabilities.....	(11)	-
Increase (decrease) in liabilities, restricted.....	-	-
Increase (decrease) in deposits held for construction and events.....	(415)	-
Increase (decrease) in other liabilities and deferred revenue.....	-	-
Increase (decrease) in deferred revenue.....	107	-
Increase (decrease) in accrued landfill closure and postclosure care.....	2,219	-
Increase (decrease) in accrued compensated absences.....	(73)	(29)
Increase (decrease) in liability for self-insured losses.....	-	(9,433)
Contribution to primary government.....	-	-
TOTAL ADJUSTMENTS.....	19,725	12,220
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	(18,572)	31,506
NONCAPITAL FINANCING ACTIVITIES:		
Operating grants received.....	914	-
Cash received through operating transfers from other funds.....	31,646	5,776
Cash payments through operating transfers to other funds.....	(2,581)	(18,913)
Cash payment on advances received.....	-	-
Cash assumed from primary government.....	-	-
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES....	\$ 29,979	(\$ 13,137)

NONEXPENDABLE TRUST	TOTALS (Memorandum only) PRIMARY GOVERNMENT		COMPONENT UNITS	TOTALS (Memorandum only) REPORTING ENTITY
	2000	1999		2000
\$ 11	(\$ 19,000)	(\$ 25,664)	\$ 156,309	\$ 137,309
-	22,513	22,386	172,083	194,596
-	139	122	-	139
-	4,387	(7,343)	2,349	6,736
(19)	(19)	(11)	-	(19)
-	-	-	(4,855)	(4,855)
-	938	729	631	1,569
-	9,702	(21,435)	-	9,702
-	1,785	1,206	-	1,785
-	6	161	(14,861)	(14,855)
-	(3)	156	(247)	(250)
-	1,310	10,133	-	1,310
1	1,048	(1,228)	(1,349)	(301)
-	178	(153)	-	178
-	(583)	560	(382)	(965)
-	-	83	-	-
-	(1,839)	1,586	963	(876)
-	(11)	(8)	-	(11)
-	-	-	29,203	29,203
-	(415)	628	-	(415)
-	-	-	(1,192)	(1,192)
-	107	(202)	-	107
-	2,219	(6,445)	-	2,219
-	(102)	(443)	-	(102)
-	(9,433)	(1,656)	357	(9,076)
-	-	-	(71,434)	(71,434)
(18)	31,927	(1,174)	111,266	143,193
(7)	12,927	(26,838)	267,575	280,502
-	914	720	6,109	7,023
-	37,422	43,935	13,079	50,501
-	(21,494)	(18,797)	-	(21,494)
-	-	(700)	-	-
-	-	-	8,200	8,200
\$ -	\$ 16,842	\$ 25,158	\$ 27,388	\$ 44,230

(continued)

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUNDS AND
SIMILAR DISCRETELY PRESENTED COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>PROPRIETARY FUND TYPES</u>	
	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>
CAPITAL AND RELATED FINANCING ACTIVITIES:		
Additions to property, plant and equipment.....	(\$ 1,925)	(\$ 28,554)
Proceeds from sale of property, plant and equipment.....	594	11,394
Customer contributions.....	-	-
Cash receipts from contributions in aid.....	-	-
Proceeds from issuance of long-term debt, net.....	-	-
Defeasance of capital debt.....	-	-
Principal paid on long-term debt obligations.....	(1,007)	777
Interest paid on debt.....	-	-
Interest and payments to refunded bond escrow agent.....	(3,448)	-
Passenger facility charges and other.....	-	-
Assets transferred to operations.....	-	-
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	(5,786)	(16,383)
INVESTING ACTIVITIES:		
Interest and dividends on investments.....	2,987	7,968
Purchase of investments.....	-	-
Proceeds from sale and maturities of investments.....	-	-
Investment in The Energy Authority.....	-	-
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	2,987	7,968
NET INCREASE IN CASH AND CASH EQUIVALENTS.....	8,608	9,954
Cash and cash equivalents at October 1.....	53,103	137,485
Cash and cash equivalents at September 30.....	<u>\$ 61,711</u>	<u>\$ 147,439</u>
CLASSIFIED AS:		
Current Assets.....	\$ 49,681	\$ 147,439
Restricted Assets.....	12,030	-
TOTAL.....	<u>\$ 61,711</u>	<u>\$ 147,439</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Acquisition of contributed capital assets.....	\$ 2,539	\$ 166
Accrual of landfill closure, postclosure and decontamination costs.....	40	-
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES.....	<u>\$ 2,579</u>	<u>\$ 166</u>

NONEXPENDABLE TRUST	TOTALS (Memorandum only) PRIMARY GOVERNMENT		COMPONENT UNITS	TOTALS (Memorandum only) REPORTING ENTITY	
	2000	1999		2000	
\$ -	(\$ 30,479)	(\$ 30,724)	(\$ 683,336)	(\$ 713,815)	
-	11,988	28,102	722	12,710	
-	-	-	8,699	8,699	
-	-	-	48,481	48,481	
-	-	-	964,453	964,453	
-	-	-	(341,772)	(341,772)	
-	(230)	17,597	(119,908)	(120,138)	
-	-	-	(157,437)	(157,437)	
-	(3,448)	(1,397)	-	(3,448)	
-	-	-	7,078	7,078	
-	-	(216)	(278)	(278)	
<u>-</u>	<u>(22,169)</u>	<u>13,362</u>	<u>(273,298)</u>	<u>(295,467)</u>	
19	10,974	5,288	45,139	56,113	
-	-	-	(1,702,228)	(1,702,228)	
-	-	-	1,788,019	1,788,019	
-	-	-	10,919	10,919	
<u>19</u>	<u>10,974</u>	<u>5,288</u>	<u>141,849</u>	<u>152,823</u>	
12	18,574	16,970	163,514	182,088	
<u>299</u>	<u>190,887</u>	<u>173,917</u>	<u>286,606</u>	<u>477,493</u>	
<u>\$ 311</u>	<u>\$ 209,461</u>	<u>\$ 190,887</u>	<u>\$ 450,120</u>	<u>\$ 659,581</u>	
\$ 311	\$ 197,431	\$ 156,429	\$ 74,110	\$ 271,541	
-	12,030	34,458	376,010	388,040	
<u>\$ 311</u>	<u>\$ 209,461</u>	<u>\$ 190,887</u>	<u>\$ 450,120</u>	<u>\$ 659,581</u>	
-	\$ 2,705	\$ 848	-	\$ 2,705	
-	40	40	-	40	
<u>\$ -</u>	<u>\$ 2,745</u>	<u>\$ 888</u>	<u>\$ -</u>	<u>\$ 2,745</u>	

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF PLAN NET ASSETS (in thousands)
SEPTEMBER 30, 2000

ASSETS	GENERAL EMPLOYEES PENSION PLAN	POLICE AND FIRE PENSION PLAN	TOTALS	
			2000	1999
Cash and short-term investments.....	\$ 8,980	\$ 24,907	\$ 33,887	\$ 121,924
Receivables (net, where applicable, of allowances for uncollectible):				
Interest and dividends.....	8,135	5,446	13,581	10,845
Due from other funds.....	-	246	246	196
Due from other governments.....	-	-	-	7,357
Accounts receivable.....	9	72	81	168
Total receivables.....	8,144	5,764	13,908	18,566
Investments, at fair value:				
U.S. Government obligations.....	313,948	195,845	509,793	417,354
Municipal Bonds.....	-	-	-	1,004
Domestic corporate bonds.....	264,600	99,212	363,812	389,953
Domestic stocks.....	731,117	465,770	1,196,887	1,063,556
International stocks.....	202,901	50,162	253,063	199,033
Real Estate.....	-	2,321	2,321	2,055
Total investments.....	1,512,566	813,310	2,325,876	2,072,955
Property, Plant and Equipment:				
Land.....	-	24	24	24
Buildings and improvements.....	-	252	252	252
Furnitures and equipment.....	128	193	321	317
Accumulated depreciation.....	(68)	(235)	(303)	(252)
Net property, plant and equipment.....	60	234	294	341
TOTAL ASSETS.....	1,529,750	844,215	2,373,965	2,213,786
LIABILITIES				
Accounts payable and accrued liabilities.....	13	880	893	1,199
Accrued Compensated Absences.....	12	38	50	48
Due to Drop Participants.....	-	28,408	28,408	8,723
TOTAL LIABILITIES.....	25	29,326	29,351	9,970
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS...	\$ 1,529,725	\$ 814,889	\$ 2,344,614	\$ 2,203,816
(See schedule of funding progress at page 170.)				

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CHANGES IN PLAN NET ASSETS (in thousands)
SEPTEMBER 30, 2000

	GENERAL EMPLOYEES PENSION PLAN	POLICE AND FIRE PENSION PLAN	TOTALS	
			2000	1999
ADDITIONS				
Contributions:				
Employer.....	\$ 11,698	\$ 9,186	\$ 20,884	\$ 24,013
Plan Member.....	17,414	7,986	25,400	24,325
Total contributions.....	<u>29,112</u>	<u>17,172</u>	<u>46,284</u>	<u>48,338</u>
Other additions:				
State insurance contributions.....	-	4,299	4,299	4,246
Court fines & penalties.....	-	2,942	2,942	2,708
Atlantic Beach Firefighter's Fund.....	-	-	-	1,615
Miscellaneous.....	1	32	33	39
Total other additions.....	<u>1</u>	<u>7,273</u>	<u>7,274</u>	<u>8,608</u>
Investment income:				
Net appreciation				
in fair value of investments.....	83,880	59,136	143,016	187,191
Interest and dividends.....	53,193	27,258	80,451	76,729
Total investment income.....	<u>137,073</u>	<u>86,394</u>	<u>223,467</u>	<u>263,920</u>
Less investment expense.....	(4,271)	(3,766)	(8,037)	(8,092)
Net investment income.....	<u>132,802</u>	<u>82,628</u>	<u>215,430</u>	<u>255,828</u>
TOTAL ADDITIONS.....	<u>161,915</u>	<u>107,073</u>	<u>268,988</u>	<u>312,774</u>
DEDUCTIONS				
Benefits payments.....	70,098	52,142	122,240	96,818
Refunds of contributions.....	3,314	307	3,621	2,885
Operating transfers out.....	-	162	162	123
Administrative expenses.....	1,402	765	2,167	1,234
TOTAL DEDUCTIONS.....	<u>74,814</u>	<u>53,376</u>	<u>128,190</u>	<u>101,060</u>
Net increase.....	87,101	53,697	140,798	211,714
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:				
BEGINNING OF YEAR.....	1,442,624	761,192	2,203,816	1,992,102
END OF YEAR.....	<u>\$ 1,529,725</u>	<u>\$ 814,889</u>	<u>\$ 2,344,614</u>	<u>\$ 2,203,816</u>



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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 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. These are presented in two reporting groups, Governmental Fund Type and Proprietary Fund Type.

GOVERNMENTAL FUND TYPE:

The Duval County 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 the City that results in a centralization of economic development programs.

The Jacksonville Economic Development Company, Inc. provides financial assistance in the form of venture capital loans, grants and other economic incentives to promote new small business development throughout the City.

PROPRIETARY FUND TYPE:

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 Port Authority manages and operates the City's major marine port and aviation/airport facilities.

GOVERNMENTAL AND PROPRIETARY FUND TYPE:

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

**CITY OF JACKSONVILLE, FLORIDA
 COMBINING BALANCE SHEET
 DISCRETELY PRESENTED COMPONENT UNITS
 GOVERNMENTAL FUND TYPES (in thousands)
 SEPTEMBER 30, 2000**

**DUVAL COUNTY
 HOUSING
 FINANCE
 AUTHORITY**

ASSETS

Equity in pooled cash and investments.....	\$ 9,839
Cash and equivalents.....	-
Receivables (net, where applicable, of allowances for uncollectibles):	
Accounts and interest.....	-
Mortgages.....	7,744
Due from other funds.....	-
Due from other governments.....	-
Restricted assets:	
Cash and equivalents.....	-
Interest receivable.....	-
Fixed assets and infrastructure, net.....	40
Real estate under development.....	-
Amount available for retirement of general long-term obligations.....	-
Amount to be provided for retirement of general long-term obligations.....	-
TOTAL ASSETS.....	\$ 17,623

LIABILITIES AND FUND BALANCES

LIABILITIES:

Accounts payable and accrued liabilities.....	\$ 21
Due to other funds.....	-
Due to primary government.....	-
Due to other governments.....	-
Deferred revenue.....	-
Revenue bonds.....	-
TOTAL LIABILITIES.....	21

FUND EQUITY:

Investment in general fixed assets.....	40
Fund Balances:	
Reserved for encumbrances.....	-
Reserved for debt service.....	-
Unreserved:	
Designated for self-insurance.....	-
Designated for changes in fair value of investments.....	-
Undesignated.....	17,562
Total Fund Balances.....	17,562
Total Fund Equity.....	17,602
TOTAL LIABILITIES AND FUND EQUITY.....	\$ 17,623

<u>JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION</u>	<u>JACKSONVILLE TRANSPORTATION AUTHORITY - JACKSONVILLE EXPRESSWAY SYSTEM</u>	<u>JACKSONVILLE ECONOMIC DEVELOPMENT COMPANY, INC.</u>	<u>COMBINED TOTALS</u>
\$ 1,337	\$ -	\$ -	\$ 11,176
-	36,297	698	36,995
8	886	-	894
-	-	1,253	8,997
-	2,439	-	2,439
274	21,804	30	22,108
-	145,768	-	145,768
-	404	-	404
200	220,735	-	220,975
-	-	562	562
-	28,789	-	28,789
-	341,746	-	341,746
<u>\$ 1,819</u>	<u>\$ 798,868</u>	<u>\$ 2,543</u>	<u>\$ 820,853</u>
\$ 148	\$ 5,335	\$ 239	\$ 5,743
-	2,466	-	2,466
-	-	584	584
-	686	-	686
-	-	1,253	1,253
-	370,535	-	370,535
<u>148</u>	<u>379,022</u>	<u>2,076</u>	<u>381,267</u>
200	220,735	-	220,975
347	-	-	347
-	28,712	-	28,712
-	200	-	200
6	-	-	6
1,118	170,199	467	189,346
1,471	199,111	467	218,611
1,671	419,846	467	439,586
<u>\$ 1,819</u>	<u>\$ 798,868</u>	<u>\$ 2,543</u>	<u>\$ 820,853</u>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA
 COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
 DISCRETELY PRESENTED COMPONENT UNITS
 GOVERNMENTAL FUND TYPES (in thousands)
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

	DUVAL COUNTY HOUSING FINANCE AUTHORITY
REVENUE:	
Taxes.....	\$ -
Intergovernmental.....	-
Interest.....	525
Other.....	492
	<hr/>
Total Revenue.....	1,017
	<hr/>
EXPENDITURES:	
Current:	
General government.....	-
Culture and recreation.....	-
Transportation.....	-
Economic environment.....	1,337
Capital outlay.....	-
Debt service:	
Principal.....	-
Interest.....	-
Arbitrage.....	-
Other.....	-
	<hr/>
Total Expenditures.....	1,337
	<hr/>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....	(320)
	<hr/>
OTHER FINANCING SOURCES (USES):	
Operating transfers out.....	-
Transfers - In from primary government.....	389
	<hr/>
Total Other Financing Sources (Uses).....	389
	<hr/>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES.....	69
	<hr/>
FUND BALANCES, BEGINNING OF YEAR.....	17,493
Residual equity transfer (out).....	-
	<hr/>
FUND BALANCES, END OF YEAR.....	\$ 17,562
	<hr/> <hr/>

<u>JACKSONVILLE ECONOMIC DEVELOPMENT COMMISSION</u>	<u>JACKSONVILLE TRANSPORTATION AUTHORITY - JACKSONVILLE EXPRESSWAY SYSTEM</u>	<u>JACKSONVILLE ECONOMIC DEVELOPMENT COMPANY, INC.</u>	<u>COMBINED TOTALS</u>
\$ -	\$ 58,195	\$ -	\$ 58,195
388	10,904	24	11,316
93	12,098	22	12,738
<u>102</u>	<u>272</u>	<u>153</u>	<u>1,019</u>
583	81,469	199	83,268
-	2,432	-	2,432
1	-	-	1
-	2,288	-	2,288
6,033	-	90	7,460
-	31,897	-	31,897
-	10,550	-	10,550
-	20,861	-	20,861
-	48	-	48
<u>-</u>	<u>31</u>	<u>-</u>	<u>31</u>
6,034	68,107	90	75,568
<u>(5,451)</u>	<u>13,362</u>	<u>109</u>	<u>7,700</u>
-	(13,079)	-	(13,079)
<u>6,314</u>	<u>-</u>	<u>-</u>	<u>6,703</u>
6,314	(13,079)	-	(6,376)
<u>863</u>	<u>283</u>	<u>109</u>	<u>1,324</u>
608	203,493	358	221,952
-	(4,665)	-	(4,665)
<u>\$ 1,471</u>	<u>\$ 199,111</u>	<u>\$ 467</u>	<u>\$ 218,611</u>

**CITY OF JACKSONVILLE, FLORIDA
 COMBINING BALANCE SHEET
 DISCRETELY PRESENTED COMPONENT UNITS
 PROPRIETARY AND SIMILAR FUND TYPES (in thousands)
 SEPTEMBER 30, 2000**

ASSETS	<u>JEA</u>
CURRENT ASSETS:	
Cash and equivalents.....	\$ 50,949
Investments.....	28,202
Receivables (net, where applicable, of allowances for uncollectibles):	
Accounts and interest.....	129,915
Grants.....	-
Due from other funds.....	-
Due from primary government.....	800
Due from other governments.....	-
Inventories.....	103,653
Prepaid expenses and other assets.....	<u>26,861</u>
Total Current Assets.....	<u>340,380</u>
RESTRICTED ASSETS:	
Cash and equivalents.....	344,844
Investments.....	434,411
Accounts and interest receivable.....	<u>53,390</u>
Total Restricted Assets.....	<u>832,645</u>
PROPERTY, PLANT, AND EQUIPMENT:	
Land.....	-
Electric plant in service.....	4,121,997
Buildings and improvements.....	-
Improvements other than buildings.....	-
Buses.....	-
Equipment.....	-
Construction in progress.....	<u>839,112</u>
Total.....	4,961,109
Less accumulated depreciation.....	<u>(1,538,765)</u>
Total Property, Plant and Equipment - Net.....	<u>3,422,344</u>
OTHER ASSETS:	
Unamortized debt issuance costs.....	-
Unamortized service rights.....	-
Costs to be recovered from future revenues.....	<u>538,150</u>
Total other assets.....	<u>538,150</u>
TOTAL ASSETS.....	<u><u>\$ 5,133,519</u></u>

<u>JACKSONVILLE PORT AUTHORITY</u>	<u>JACKSONVILLE TRANSPORTATION AUTHORITY - MASS TRANSIT SYSTEM</u>	<u>COMBINED TOTALS</u>
\$ 11,827	\$ 11,334	\$ 74,110
29,675	-	57,877
4,761	489	135,165
8,049	-	8,049
-	2,466	2,466
-	-	800
-	5,502	5,502
1,139	918	105,710
2,962	166	29,989
<u>58,413</u>	<u>20,875</u>	<u>419,668</u>
31,166	-	376,010
64,859	-	499,270
390	-	53,780
<u>96,415</u>	<u>-</u>	<u>929,060</u>
112,262	13,131	125,393
-	-	4,121,997
143,119	87,123	230,242
349,366	-	349,366
-	55,638	55,638
90,875	53,336	144,211
127,118	28,624	994,854
822,740	237,852	6,021,701
(217,027)	(59,830)	(1,815,622)
<u>605,713</u>	<u>178,022</u>	<u>4,206,079</u>
2,829	-	2,829
3,775	-	3,775
-	-	538,150
<u>6,604</u>	<u>-</u>	<u>544,754</u>
<u>\$ 767,145</u>	<u>\$ 198,897</u>	<u>\$ 6,099,561</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA
 COMBINING BALANCE SHEET
 DISCRETELY PRESENTED COMPONENT UNITS
 PROPRIETARY AND SIMILAR FUND TYPES (in thousands; continued)
 SEPTEMBER 30, 2000**

JEA

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES:

Accounts payable and accrued liabilities.....	\$ 96,364
Due to other funds.....	-
Due to other governments.....	-
Capitalized lease obligations, current portion.....	-
Estimated liability for self-insured losses.....	-
Deferred revenue and other.....	-
Total Current Liabilities.....	96,364

LIABILITIES PAYABLE FROM RESTRICTED ASSETS:

Accrued interest payable.....	73,886
Long-term obligations, current portion.....	85,115
Construction contracts, retainage and accounts payable.....	81,594
Renewal and replacement reserve.....	90,241
Customers' deposits.....	17,705
Other.....	-
Total liabilities payable from restricted assets.....	348,541

LONG-TERM LIABILITIES, net of current portion:

Revenue bonds and note payable.....	-
Long-term debt and other long-term obligations.....	3,056,320
Capitalized lease obligations, less current portion.....	-
Total Long-Term Liabilities.....	3,056,320

OTHER LIABILITIES AND DEFERRED CREDITS:

Deferred credits and other.....	149,166
Total Other Liabilities and Deferred Credits.....	149,166

TOTAL LIABILITIES..... **3,650,391**

FUND EQUITY:

Contributed capital.....	329,596
Retained earnings.....	1,153,532

TOTAL FUND EQUITY..... **1,483,128**

TOTAL LIABILITIES AND FUND EQUITY..... **\$ 5,133,519**

<u>JACKSONVILLE PORT AUTHORITY</u>	<u>JACKSONVILLE TRANSPORTATION AUTHORITY - MASS TRANSIT SYSTEM</u>	<u>COMBINED TOTALS</u>
\$ 5,392	\$ 5,426	\$ 107,182
-	2,439	2,439
-	962	962
1,214	-	1,214
-	1,939	1,939
-	267	267
<u>6,606</u>	<u>11,033</u>	<u>114,003</u>
6,138	-	80,024
5,116	-	90,231
12,318	-	93,912
-	-	90,241
-	-	17,705
680	-	680
<u>24,252</u>	<u>-</u>	<u>372,793</u>
189,478	-	189,478
-	-	3,056,320
22,917	-	22,917
<u>212,395</u>	<u>-</u>	<u>3,268,715</u>
-	-	149,166
-	-	149,166
<u>243,253</u>	<u>11,033</u>	<u>3,904,677</u>
370,447	181,461	881,504
153,445	6,403	1,313,380
<u>523,892</u>	<u>187,864</u>	<u>2,194,884</u>
<u>\$ 767,145</u>	<u>\$ 198,897</u>	<u>\$ 6,099,561</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN RETAINED EARNINGS
DISCRETELY PRESENTED COMPONENT UNITS
PROPRIETARY AND SIMILAR FUND TYPES (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>JEA</u>
OPERATING REVENUE:	
Operating revenue.....	\$ 902,840
Earnings on investments.....	-
Other.....	30,714
Total Operating Revenue.....	<u>933,554</u>
OPERATING EXPENSES:	
Fuel.....	271,662
Purchased power.....	96,509
Operations and maintenance.....	216,132
General and administrative.....	-
Personal services.....	-
Supplies and materials.....	-
Other services and charges.....	-
Casualty and insurance.....	-
Taxes and licenses.....	16,671
Depreciation and amortization.....	137,657
Total Operating Expenses.....	<u>738,631</u>
OPERATING INCOME (LOSS).....	<u>194,923</u>
NON-OPERATING REVENUE (EXPENSES):	
Interest revenue.....	39,322
Interest expense.....	(138,141)
Public funding:	
United States Government.....	-
State of Florida.....	-
Other subsidies.....	-
Other.....	(17,637)
Total Non-Operating Revenue (Expenses).....	<u>(116,456)</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS AND EXTRAORDINARY ITEM.....	<u>78,467</u>
OPERATING TRANSFERS:	
Operating transfer in.....	-
Transfer - In from primary government.....	-
Transfers - Out to primary government.....	(71,434)
Total Operating Transfers In (Out).....	<u>(71,434)</u>
INCOME (LOSS) BEFORE EXTRAORDINARY ITEM.....	7,033
Extraordinary item - (loss) on advance refundings and early retirements.....	<u>(33)</u>
NET INCOME (LOSS).....	7,000
Add depreciation on contributed assets / grant assets consumed in operations.....	<u>8,192</u>
Increase in retained earnings.....	<u>15,192</u>
RETAINED EARNINGS, BEGINNING OF YEAR.....	<u>1,138,340</u>
RETAINED EARNINGS, END OF YEAR.....	<u>\$ 1,153,532</u>

<u>JACKSONVILLE PORT AUTHORITY</u>	<u>JACKSONVILLE TRANSPORTATION AUTHORITY - MASS TRANSIT SYSTEM</u>	<u>COMBINED TOTALS</u>
\$ 64,260	\$ 6,566	\$ 973,666
-	195	195
-	-	30,714
<u>64,260</u>	<u>6,761</u>	<u>1,004,575</u>
-	-	271,662
-	-	96,509
25,017	-	241,149
15,178	-	15,178
-	23,675	23,675
-	3,606	3,606
-	6,830	6,830
-	784	784
-	119	16,790
23,831	10,595	172,083
<u>64,026</u>	<u>45,609</u>	<u>848,266</u>
234	(38,848)	156,309
5,482	241	45,045
(9,442)	-	(147,583)
-	2,391	2,391
-	3,273	3,273
-	444	444
5,650	-	(11,987)
<u>1,690</u>	<u>6,349</u>	<u>(108,417)</u>
1,924	(32,499)	47,892
-	13,079	13,079
-	8,200	8,200
-	-	(71,434)
-	21,279	(50,155)
1,924	(11,220)	(2,263)
-	-	(33)
1,924	(11,220)	(2,296)
8,920	11,115	28,227
<u>10,844</u>	<u>(105)</u>	<u>25,931</u>
142,601	6,508	1,287,449
<u>\$ 153,445</u>	<u>\$ 6,403</u>	<u>\$ 1,313,380</u>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNITS
PROPRIETARY AND SIMILAR FUND TYPES (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

	<u>JEA</u>
OPERATING ACTIVITIES:	
OPERATING INCOME (LOSS).....	<u>\$ 194,923</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization.....	137,657
Other non-operating revenue, net.....	2,288
Change in assets and liabilities:	
Decrease (increase) in accounts and interest receivable, restricted.....	(4,855)
Decrease (increase) in receivables and other current assets, net.....	2,401
Decrease (increase) in inventories.....	(14,581)
Decrease (increase) in prepaid expenses and other.....	-
Increase (decrease) in accounts payable and accrued expenses.....	(1,365)
Increase (decrease) in due to other funds.....	-
Increase (decrease) in due to other governments.....	-
Increase (decrease) in liabilities, restricted.....	29,203
Increase (decrease) in other liabilities and deferred revenue.....	(1,286)
Increase (decrease) in liability for self-insured losses.....	-
Contribution to primary government.....	<u>(71,434)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>272,951</u>
NONCAPITAL FINANCING ACTIVITIES:	
Operating grants received.....	-
Cash received through operating transfers from other funds.....	-
Cash received through operating transfers from primary government.....	<u>-</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES.....	<u>-</u>
CAPITAL AND RELATED FINANCING ACTIVITIES:	
Additions to property, plant and equipment.....	(584,838)
Proceeds from sales of property and equipment.....	650
Customer contributions.....	8,699
Cash receipts from contributions in aid.....	-
Proceeds from issuance of long-term debt, net.....	917,709
Defeasance of capital debt.....	(341,772)
Principal paid on long-term debt obligations.....	(113,934)
Interest paid on debt.....	(147,793)
Passenger facility charges and other.....	-
Assets transferred to operations.....	<u>-</u>
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	<u>(261,279)</u>
INVESTING ACTIVITIES:	
Interest and dividends on investments.....	37,138
Purchase of investments.....	(1,604,398)
Proceeds from sale and maturities of investments.....	1,685,140
Investment in The Energy Authority.....	<u>10,919</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES.....	<u>128,799</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	140,471
Cash and cash equivalents at October 1.....	<u>255,322</u>
Cash and cash equivalents at September 30.....	<u>\$ 395,793</u>

JACKSONVILLE PORT AUTHORITY	JACKSONVILLE TRANSPORTATION AUTHORITY - MASS TRANSIT SYSTEM	COMBINED TOTALS
<u>\$ 234</u>	<u>(\$ 38,848)</u>	<u>\$ 156,309</u>
23,831	10,595	172,083
61	-	2,349
-	-	(4,855)
(75)	(1,695)	631
(135)	(145)	(14,861)
(213)	(34)	(247)
(291)	307	(1,349)
-	(382)	(382)
-	963	963
-	-	29,203
-	94	(1,192)
-	357	357
-	-	(71,434)
<u>23,412</u>	<u>(28,788)</u>	<u>267,575</u>
-	6,109	6,109
-	13,079	13,079
-	8,200	8,200
<u>-</u>	<u>27,388</u>	<u>27,388</u>
(84,394)	(14,104)	(683,336)
58	14	722
-	-	8,699
30,696	17,785	48,481
46,744	-	964,453
-	-	(341,772)
(5,974)	-	(119,908)
(9,644)	-	(157,437)
7,078	-	7,078
-	(278)	(278)
<u>(15,436)</u>	<u>3,417</u>	<u>(273,298)</u>
7,749	252	45,139
(97,830)	-	(1,702,228)
102,879	-	1,788,019
-	-	10,919
<u>12,798</u>	<u>252</u>	<u>141,849</u>
20,774	2,269	163,514
22,219	9,065	286,606
<u>\$ 42,993</u>	<u>\$ 11,334</u>	<u>\$ 450,120</u>



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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

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**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Jacksonville, Florida (the City) conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant policies. Notes 1.D. through 19 are note disclosures of the primary government. Disclosures of major discretely presented component units essential to the fair presentation of the City's General Purpose Financial Statements are set forth in Note 20.

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 an appointed Chief Administrative Officer, services to approximately 792,000 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.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
B. Financial Reporting Entity: (continued)

This report includes all funds, account groups, 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 accordance with GASB Statement No. 14, The Financial Reporting Entity, the GASB has set forth criteria to be considered in determining financial accountability. 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 Units. There are two component units, which are legally separate from the City, but are so intertwined with the City that they are, in substance, the same as the City. They are reported as part of the City and blended into the appropriate funds.

The **Jacksonville Metropolitan Planning Organization (MPO)** was established under Chapter 339.175, Laws of Florida, to encourage and promote the development of transportation systems for the Jacksonville urbanized area. The members of MPO are also members of the City Council. MPO provides services exclusively to the City in the form of transportation planning and capital improvement program development.

The MPO is blended in the Special Revenue Funds. There are no separately issued financial statements for the MPO.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
B. Financial Reporting Entity: (continued)

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 3200 Emerson Street, Jacksonville, Florida 32207. These transactions are blended in the Trust and Agency 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 in a separate column to emphasize that they are legally separate from the primary government and are governed by separate boards. The Component Units column of the combined financial statements includes the financial data of these entities. Each component unit listed below has a September 30 fiscal year end.

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 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 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. The governing body of the JPA consists of seven members, four of whom are appointed by the Governor of Florida, and three of whom are appointed by the Mayor and confirmed by the City Council. The JPA is, however, fiscally dependent upon the City under

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity: (continued)

Section 14 of the City Charter through approval of its budgets, which ensures strong accountability to the local constituent citizenry. The relationship of the City to its independent authorities under Jacksonville's consolidated form of city/county government would make it misleading to exclude it from the financial statements. The JPA issues separate financial statements, which may be obtained from its administrative office at 2831 Tallyrand Avenue, Jacksonville, Florida 32206.

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. 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 relationship of the City to its independent authorities under Jacksonville's consolidated form of city/county government would make it misleading to exclude it from the financial statements. The JTA issues separate financial statements, which may be obtained from its administrative office at 100 North Myrtle Avenue, Jacksonville, Florida 32203.

Non-major Component Units

The **Duval County Housing Finance Authority (DCHFA)**, created under Chapter 65.105 of the City Ordinance Code pursuant to Chapter 78-89 of the Laws of Florida, 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 City appoints DCHFA board members and has the ability to impose its will. There are no separately issued financial statements for the DCHFA, whose financial activity is accounted for by the City as a special revenue fund during the year. Accordingly, no fund type data is presented for this component unit.

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
B. Financial Reporting Entity: (continued)

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 a chairman, who are confirmed by the City Council, and the City has the ability to impose its will. There are no separately issued financial statements for the JEDC, whose financial activity is accounted for by the City as a special revenue fund during the year. Accordingly, no fund type data is presented for this component unit.

The **Jacksonville Economic Development Company, Inc. (JEDCO)**, was established as a not-for-profit corporation under the Laws of Florida in 1981 to provide a centralization of economic development programs. The JEDCO is governed by a Board of Directors which is selected by the Mayor's Economic Development Council. The City has the ability to impose its will on JEDCO principally through budgetary approvals. JEDCO issues separate financial statements on the company, which may be obtained from its administrative office at 220 East Bay Street, Room 416, 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 8.H. 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.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

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's Board at will. JHA's 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's 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 general-purpose 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 general-purpose financial statements.

C. 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 and other financing resources, together with liabilities and residual equities or balances, and changes therein. For financial statement presentation, funds with similar characteristics, including those component units referenced above, are grouped into generic fund types as required by GAAP. A brief description of these fund types and account groups and categories into which they are grouped follows:

Governmental Funds. Transactions related to resources received and used for those services traditionally provided by city/county government. Governmental funds include:

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
C. Fund Structure: (continued)

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for and the payment of interest and principal on most general governmental obligations that are included in the General Long-Term Obligations Account Group.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or improvements (other than those financed by the Proprietary Funds).

Proprietary Funds. Transactions related to activities similar to those found in the private sector. Proprietary funds include:

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or another governmental unit on a cost-reimbursement basis.

Fiduciary Funds. Transactions related to assets held by the City in a trust or agency capacity. The City's fiduciary funds include Pension Trust, Expendable Trust, Nonexpendable Trust and Agency funds as follows:

Pension Trust Funds - Pension Trust Funds are used to account for assets, liabilities, and net assets available for plan benefits of City defined benefit retirement systems.

Expendable Trust Fund – The Expendable Trust Fund reflects the transactions, assets and liabilities, and fund equity of trusts whose principal and income may be used to fund the activity.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
C. Fund Structure: (continued)

Nonexpendable Trust Fund – The Nonexpendable Trust Fund reflects the transactions, assets and liabilities, and fund equity of trusts whose income only may be used to fund the activity.

Agency Funds - Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

Account Groups. The Account Groups are maintained to account for general long-term obligations and fixed assets not accounted for in other funds of the City.

General Fixed Assets Account Group - This account group is used to account for all fixed assets of the City, except fixed assets of proprietary funds, certain trust funds, and component units.

General Long-Term Obligations Account Group - This account group is used to account for all the outstanding principal balances of any general and special obligation bonds or notes, accrued compensated absences, and capitalized leases of the City, exclusive of liabilities of proprietary funds, certain trust funds, and component units.

Component Units. Accounts for assets, liabilities and operations of discretely presented component units. The financial statements for discretely presented component units are reported as if they were a fund type using a similar basis of accounting.

D. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. 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.

Agency funds are accounted for on the modified accrual basis of accounting. Agency funds are custodial in nature (i.e. assets equal liabilities) and do not measure the results of operations.

All proprietary funds, nonexpendable trust funds and pension trust funds are accounted for using a flow of economic resources or "income determination" measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e. net total assets) is

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting: (continued)

segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g. revenues) and decreases (e.g. expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and expendable trust funds. 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. Federal grants collected on a reimbursement basis are recognized as revenue when reimbursable expenditures are made.

Revenues collected on an advance basis, including certain federal grant revenue, to which the City does not yet have legal entitlement, are not recognized as revenue until the related commitment arises. Generally, the City considers a 60-day availability period for revenue recognition.

Property taxes billed but uncollected as of the end of the fiscal year are reflected in the accompanying financial statements as due from individuals offsetting a liability due to other governments in the Tax Collector Agency Fund. These amounts are not considered to be available by the City to finance current operations. Accordingly, property taxes are recognized as revenue in the fiscal year in which they are collected and remitted to the City's General Fund by the Tax Collector Agency Fund. (See Note 5.)

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 principal and interest on general long-term indebtedness which are recognized when paid and the long-term portion of the liability for compensated absences or capital lease obligations.

The accrual basis of accounting is utilized by proprietary fund types, nonexpendable trust funds and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. 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. 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 equivalents for purposes of the Statement of Cash Flows. Investments are stated at fair value. Increases and decreases in the fair value of investments are reported as investment income.

F. Encumbrances:

Encumbrance accounting (under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation) is utilized in the General, Special Revenue, and Capital Projects Funds during the year to facilitate effective budgetary control. Unencumbered appropriations lapse at the end of each fiscal year, with encumbrances outstanding at year end being reported as a reservation of fund balances since they do not constitute expenditures or liabilities. Encumbrances at year-end are reappropriated and honored during the subsequent year.

G. Receivables:

Receivables are stated net of estimated allowances for uncollectible amounts, which are determined based on past collection experience and current economic conditions, except for mortgages receivable which are reported as a reservation of fund balance because they are not considered a current financial resource available for expenditure. 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. In governmental fund types, inventories are recorded as

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Inventories: (continued)

expenditures when purchased. Reported inventories in governmental funds are equally offset by a reservation of fund balance since they are unavailable for appropriation. In proprietary fund types, inventories are expended when consumed.

I. Fixed Assets:

All purchased fixed assets are recorded at cost where historical records are available and at estimated cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Infrastructure "public domain" assets such as highways, curbs and gutters, bridges, streets and sidewalks, drainage and lighting systems, which are immovable and of value only to the City, are not capitalized except as disclosed in Note 20 by certain component units. Generally, fixed assets costing more than \$500 or having a useful life of more than one year are capitalized. 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.

Governmental, Expendable Trust and Agency Funds - Fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in these funds, and the related assets are reported in the General Fixed Asset Account Group. Assets in the General Fixed Asset Account Group are not depreciated.

Proprietary and Pension Trust Funds - Fixed assets are referred to as fund fixed assets and are accounted for in the acquiring fund. Interest during construction is capitalized and depreciation is recorded on a straight-line basis over the assets' estimated useful lives. When property is disposed of the related cost and accumulated depreciation are removed from the accounts with gains or losses on disposition reflected in current operations. The following lives are used:

Buildings and improvements	12 - 45 years
Equipment and fixtures	3 - 10 years

Component Units - Fixed assets are recorded in accordance with their similar fund type of the primary government except for those component units as separately disclosed under Note 20.

J. Contributed Capital:

Contributed capital accounted for in the Proprietary Fund Types represents contributions from other funds and/or State and Federal Aid programs and is recorded at the cost of the related asset at the time of asset transfer or receipt. Depreciation is recorded on

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Contributed Capital: (continued)

contributed fixed assets and is reflected in the Statement of Revenue, Expenses and Changes in Retained Earnings.

The depreciation on contributed fixed assets of all Proprietary Fund Types is charged against the related contributed capital account and is "added back" as an increase to retained earnings.

K. Interfund Transactions:

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditure/expenses initially made from it that are properly applicable to another fund, are recorded as expenditure/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

L. Restricted Assets:

Mandatory asset segregation is presented in various enterprise funds as restricted assets. Such segregation is required by bond covenants and other external restrictions for debt service, construction, and renewals and replacements. The excess of restricted assets over liabilities payable from restricted assets will first be used for bonds payable. The remainder, if any, is included in reserved retained earnings.

M. Compensated Absences:

City employees may accumulate earned personal leave benefits (compensated absences) at various rates within limits specified in collective bargaining agreements. For all funds, 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Compensated Absences: (continued)

Compensated absences liabilities for governmental funds and expendable trust funds are recorded in the General Long-Term Obligations Account Group. No expenditure is reported for these amounts until payment is made. All other fund types report this liability as a fund liability that is recorded as an expense as the benefits accrue to the employees. No liability is recorded for nonvesting, accumulated sick pay benefits. Compensated absences liability is determined based on current rates of pay.

N. Risk Financing:

The City is self-insured for general and automobile liability and up to \$1 million per occurrence of workers' compensation. (See Note 14.) 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, 2000, for incurred but not yet reported claims and claims development. 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.

O. Pension Costs:

Substantially all permanent, full-time employees of the City are covered under two City sponsored defined benefit pension plans. 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 (the "1988 Act"), regulations of the Federal Environmental Protection Agency (EPA), and GASB 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 estimated total cost of municipal solid waste landfill (MSWLF) closure and postclosure care is recognized as a deferred charge and a corresponding liability in the Solid Waste Disposal Enterprise Fund, in accordance with FASB Statement No. 71, Accounting for the Effects of Certain Types of Regulation, (FAS 71). The City issued bonds to pay for closure costs on closed landfills. Post-closure costs on closed landfills are recorded as a liability based on engineers' estimates. The City Council establishes rates that are designed to recover costs and believes it is

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Landfill Closure and Postclosure Care Costs: (continued)

reasonable to assume that such rates, which will recover the costs, can be charged to and collected from customers. Accordingly, the provisions of FAS 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 costs are recorded each year and the liability is adjusted to the engineer's estimate. MSWLF closure and postclosure 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 costs. (See Note 15.D.)

Q. Long-Term Obligations:

Revenue bonds and other forms of long-term debt used to finance Proprietary Fund operations and which are payable from revenue of the Proprietary Funds are recorded in the applicable Proprietary Fund. (See Note 8.) General obligation bonds, special obligation bonds, and other forms of long-term debt are accounted for in the General Long-Term Obligations Account Group. General obligation bonds are supported by ad valorem taxes and constitute a debt of the City and a lien upon any property situated within the City. 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.

R. Reservations and Designations of Fund Equity:

Reservations of fund balance are established to identify the existence of assets that have been legally segregated for specific purposes. Assets of legally restricted budgetary funds are an example of this type of reservation. Reservations are also established for assets that are not current in nature, such as long-term advances, mortgages receivable, appreciation in market value of investments, and inventories. Designations of fund equity reflect management's plans for financial resource allocation in a future period. Such plans or intentions are subject to change and may never result in expenditures.

Explanations of significant designations include:

- (1) Fund Balance Designated for Capital Projects - Tentative plans for utilization of fund balances in future periods for capital projects designated in the City's Annual Budget for the coming fiscal year.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Reservations and Designations of Fund Equity: (continued)

- (2) Fund Balance Designated for Subsequent Years' Budget - Tentative plans for utilization of fund balances for expenditures designated in the City's Annual Budget for upcoming fiscal years, primarily associated with multi-year grants.
- (3) Fund Balance Designated for Budget Stabilization - The General Fund's fund balance not otherwise appropriated as a source of funding in future periods to be designated as a financial resource to prevent budgetary deficits.
- (4) Fund Balance Designated for Next Year's Budget Appropriation - Tentative plans for utilization of fund balances for other expenditures designated in the City's Annual Budget for the coming fiscal year.

S. Bond Discounts and Issuance Costs:

In Governmental Fund Types, bond discounts and issuance costs are recognized in the current period. Material bond discount and issuance costs for Proprietary Fund Types 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.

T. Deferred Loss on Debt Refundings:

Losses resulting from advance refundings of debt in proprietary funds 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 - Revenue Bonds 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 generally accepted accounting principles, 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

V. Comparative Data:

Comparative totals for the primary government for fiscal year 1999 are presented in the financial statements to provide an understanding of the changes in the City's financial position and operations. Disclosures relevant to the prior year are available in the City's fiscal year 1999 Comprehensive Annual Financial Report.

W. "Memorandum Only" Total Columns:

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Furthermore, this information is not comparable to a consolidation of funds as interfund transactions have not been eliminated.

X. Reclassification:

Certain amounts in the separately issued financial statements of component units have been reclassified to conform to the presentation of the primary government. In addition, certain prior year amounts of the City have been reclassified to conform to the current year's presentation.

2. 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 to be in effect on October 1.

B. All funds of each governmental fund type with legally adopted annual budgets are included in the Combined Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

2. BUDGETARY DATA (continued)

C. The City adopts annual budgets for the General Fund, certain Special Revenue Funds, certain Proprietary Fund Types and certain Fiduciary Fund Types. 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 budgeted annually include the following: Community Development Block Grant, Housing Rehabilitation and Home Investment and Opportunity Grants, Job Training Partnership Act Grant, Maintenance, Parks and Recreation, Metropolitan Planning Organization, Other Federal, State and Local Grants, State Housing Initiative Partnership, and Non-Budgeted General Government.

D. Level of Budgetary Control - Expenditures may not exceed appropriations and are controlled in the following manner:

(1) The budget is controlled according to Chapter 129, Florida Statutes, at the total fund level.

(2) The City has 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, has adopted a Municipal Ordinance Code Policy that provides transfer authority to the Mayor, without City Council approval, within an individual fund.

E. 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 2000 Annual Budget Ordinance were made throughout the year, the effects of which were not material.

F. 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.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

2. BUDGETARY DATA (continued)

- G.** Budget to actual comparisons are provided in the financial statements for all Governmental Fund Types where the City has legally adopted annual budgets. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. Budgets are prepared on the modified accrual basis (GAAP) of accounting except that budgetary expenditures include encumbrances for purchase orders and contracts that will not be fully executed prior to the end of the fiscal year.
- H.** 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 2.C.

3. CASH AND INVESTMENTS

A. Equity in Cash and Investments:

The City maintains a cash and investment pool that is available for use by all funds except for monies which are legally restricted to separate administration (i.e. pension plan custodians and deferred compensation plan administrators). This gives the City the ability to invest large amounts of idle cash for short periods of time and to maximize earnings potential. The "Equity in cash and investments" consist of cash and investments owned by each fund and defined as resources that can be liquidated without delay or penalty. In addition, cash and investments separately held and individually accounted for by several of the City's funds where contractual arrangements and bond covenants provide for and require such arrangements are classified as "restricted assets."

Investment earnings are allocated to the individual funds as provided by statute; earnings for all other participants are credited to the General Fund.

B. Cash on Deposit:

At September 30, 2000, the City's cash on deposit in its bank accounts was \$110.9 million including interest bearing accounts, all of which was insured by federal deposit insurance or collateralized pursuant to Chapter 280, Florida Statutes. The related book balance was \$107.3 million. The City has a compensating balance arrangement with a financial institution for \$2.8 million in the form of a zero percent certificate of deposit. Monies which are placed 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 and, for the amount in excess of such federal depository insurance, by the Act. Under the Act, all qualified public depositories

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

3. CASH AND INVESTMENTS (continued)
B. Cash on Deposit: (continued)

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 shall be liable for any loss thereof. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

All cash deposits of the City are placed with qualified financial institutions and are classified as Category 1 credit risk, which means they are insured or collateralized. Credit risk is the exposure to the default of another party to the transaction (the counterparty).

C. Investments and Investment Practices:

The City is authorized to invest in certificates of deposit, money market certificates, obligations of the U. S. Treasury, its agencies and instrumentalities, repurchase agreements collateralized by U. S. securities, the Florida Counties Investment Trust. The pension trust funds are also authorized to invest in obligations of the City of Jacksonville, of the State of Florida, commercial paper rated A-1 or P-1 by a nationally recognized rating service, bankers' acceptances, corporate bonds, including collateralized mortgage obligations, preferred stocks, common stocks, and real estate limited trusts. No derivative or similar investment transactions, as defined by GASB Technical Bulletin 94-1, were used, held, or written by the City during fiscal 2000.

Investments at September 30, 2000, are categorized in accordance with GASB Statement No. 3 in the following table (in thousands) to indicate the level of risk assumed by the City: Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name; Category 2 includes uninsured or unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name; Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the City's name. Due to significantly higher cash flows at certain times during the year, the City's investment in overnight repurchase agreements, for which the underlying securities were held by the dealer, fluctuated throughout the period. As a result, the amounts that were in Category 3 at those times were marginally higher than at year-end.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

3. CASH AND INVESTMENTS (continued)
C. Investments and Investment Practices: (continued)
(in thousands)

Classified as to Credit Risk	Credit Risk Category			Fair Value
	1	2	3	
<u>All Fund Types Except For Pension</u>				
Repurchase Agreements	\$ -	\$ -	\$306,644	\$ 306,644
U.S. Government and Agency Securities	244,775	-	8,290	253,064
Total	<u>\$ 244,775</u>	<u>\$ -</u>	<u>\$ 314,934</u>	<u>559,708</u>
<u>Pension Trust Funds</u>				
U.S. Government and Agency Securities	\$ 509,794	\$ -	\$ -	509,794
Corporate Bonds	363,812	-	-	363,812
Common Stock	1,449,949	-	-	1,449,949
Real Estate	2,322	-	-	2,322
Total	<u>\$2,325,877</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,325,877</u>
Total Risk-Classified Investments				2,885,585
<u>Unclassified as to Credit Risk:</u>				
Accrued Interest Receivable				18,813
Cash Bank Deposits				107,308
Less: Equity in cash and investments of certain component units discretely presented and related organizations				(11,176)
Total Cash and Investments at September 30, 2000				<u>\$ 3,000,530</u>
<u>Summary of Cash and Investment Accounts:</u>				
Equity in Cash and Investments				\$ 2,982,392
Cash in Escrow and with Fiscal Agents				6,108
Restricted Cash and Investments				12,030
Total Cash and Investments at September 30, 2000				<u>\$ 3,000,530</u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

4. ACCOUNTS RECEIVABLE

The accounts receivable balances in the funds listed below, in thousands, are shown net of an allowance for doubtful accounts in the combined balance sheet. No other funds had an allowance for doubtful accounts at September 30, 2000.

Fund	Accounts Receivable	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
General Fund	\$ 20,659	(\$ 18,610)	\$ 2,049
Enterprise Funds	2,577	(104)	2,473

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 10.7861 for the fiscal year ended September 30, 2000.

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. 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

6. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows (in thousands):

	Balance October 1, 1999	Additions	Retirements and Other Deletions	Balance September 30, 2000
Land	\$ 91,233	\$ 7,651	\$ 1	\$ 98,883
Buildings and improvements	449,720	14,911	1,629	463,002
Furniture and equipment	54,137	3,838	4,941	53,034
Total	<u>\$ 595,090</u>	<u>\$ 26,400</u>	<u>\$ 6,571</u>	<u>\$ 614,919</u>

Under an agreement with a not-for-profit corporation, Shands Jacksonville, formerly known as University Medical Center, the City leases to Shands certain general fixed 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. The fixed assets of Shands are included in the General Fixed Assets of the City and total \$232.4 million at September 30, 2000, and consist of all property real, personal or mixed and other facilities whether presently or subsequently owned, operated or leased by Shands during the term of the lease. At termination of the lease, all such demised and leased property shall revert to the City.

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**CITY OF JACKSONVILLE , FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A summary of interfund transactions follows (in thousands):

<u>DUE TO OTHER FUNDS</u>	<u>AMOUNT</u>	<u>DUE FROM OTHER FUNDS</u>
GENERAL FUND		
General Fund	\$ 2	Fleet Management
General Fund	14	Information Technologies
General Fund	21	Legal
Total	37	
SPECIAL REVENUE		
Community Development Block Grant	2,182	Self Insurance
Metropolitan Planning Organization	152	Self Insurance
Total	2,334	
CAPITAL PROJECTS		
Grant Capital Improvement Projects	998	Self Insurance
Total	998	
TRUST AND AGENCY		
Tax Collector	2,246	General Fund
Clerk of the Circuit Court	1,953	General Fund
Clerk of the Circuit Court	224	General Government - Budgeted
Clerk of the Circuit Court	3	General Government - Non-Budgeted
Clerk of the Circuit Court	246	Police and Fire
Total	4,672	
TOTAL	\$ 8,041	
 <u>ADVANCES FROM OTHER FUNDS</u>		
AMOUNT		
ADVANCES TO OTHER FUNDS		
CAPITAL PROJECTS		
General Projects	\$ 13,551	Self Insurance
TOTAL	\$ 13,551	

CITY OF JACKSONVILLE , FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

<u>TRANSFERS IN</u>	<u>AMOUNT</u>	<u>TRANSFERS OUT</u>
GENERAL FUND		
General Fund	\$ 110	Concurrency Management
General Fund	93	General Government - Budgeted
General Fund	35	Community Development Block Grant
General Fund	166	Maintenance, Parks and Recreation
General Fund	23	Other Federal, State and Local Grants
General Fund	5,810	Self Insurance
General Fund	162	Police and Fire Pension
Total	6,399	
SPECIAL REVENUE		
Air Pollution Control and Monitoring	50	General Fund
Transportation	368	Bond Projects
Transportation	80	General Projects
General Government - Budgeted	150	General Fund
Tax Increment Districts	168	General Fund
Jacksonville Children's Commission	11,839	General Fund
Jacksonville Children's Commission	50	Other Federal, State and Local Grants
Maintenance, Parks and Recreation	132	General Fund
Metropolitan Planning Organization	104	General Fund
Other Federal, State and Local Grants	2,468	General Fund
Other Federal, State and Local Grants	391	Jacksonville Children's Commission
Other Federal, State and Local Grants	2	Maintenance, Parks and Recreation
General Government - Non-Budgeted	13	General Fund
Total	15,815	
DEBT SERVICE		
Special Bonded Debt Obligations	52,836	General Fund
Special Bonded Debt Obligations	8,880	Sports, Convention and Tourism Development
Special Bonded Debt Obligations	1,691	Tax Increment Districts
Special Bonded Debt Obligations	1,344	Public Parking System
		Sports Complex, Convention Center and
Special Bonded Debt Obligations	943	Auditorium
Other Non-Bonded Debt Obligations	4,714	General Fund
Other Non-Bonded Debt Obligations	2,699	Tax Increment Districts
Total	73,107	

**CITY OF JACKSONVILLE , FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

<u>TRANSFERS IN</u>	<u>AMOUNT</u>	<u>TRANSFERS OUT</u>
CAPITAL PROJECTS		
General Projects	20,996	General Fund
General Projects	400	General Government - Budgeted
General Projects	282	Solid Waste Disposal
General Projects	12,475	Self Insurance
General Projects	12	Expendable Trust
Grant Projects	233	General Fund
Grant Projects	81	Maintenance, Parks and Recreation
Total	34,479	
ENTERPRISE FUNDS		
Public Parking System	188	General Fund
Public Parking System	12	Motor Vehicle Inspection
Sports Complex, Convention Center and Auditorium	4,043	General Fund
Sports Complex, Convention Center and Auditorium	317	Self Insurance
Solid Waste Disposal	26,450	General Fund
Mayport Ferry	636	General Fund
Total	31,646	
INTERNAL SERVICE FUNDS		
Fleet Management	4,056	General Fund
Fleet Management	219	General Government - Budgeted
Legal	118	General Fund
Legal	308	Self Insurance
Self Insurance	1,072	General Fund
Group Health	3	Insured Programs
Total	5,776	
FIDUCIARY FUNDS		
Expendable Trust	162	General Fund
Total	162	
TOTAL	\$ 167,384	

**CITY OF JACKSONVILLE , FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

A summary of intra-entity transactions follows (in thousands):

<u>DUE FROM COMPONENT UNITS</u>	<u>AMOUNT</u>	<u>DUE TO PRIMARY GOVERNMENT</u>
Community Development Block Grant	<u>\$ 584</u>	Jacksonville Economic Development Company, Inc.
Total	<u><u>\$ 584</u></u>	
<u>OTHER</u>	<u>AMOUNT</u>	<u>OTHER</u>
PRIMARY GOVERNMENT		DISCRETE COMPONENT UNIT
General Long-Term Obligations Account Group -		JEA - Due from Primary Government -
Due to Component Unit - Note Payable	<u>\$ 800</u>	Note Receivable
Total	<u><u>\$ 800</u></u>	
<u>TRANSFERS IN FROM COMPONENT UNIT</u>	<u>AMOUNT</u>	<u>TRANSFERS OUT TO PRIMARY GOVERNMENT</u>
General Fund	<u>\$ 71,434</u>	JEA
Total	<u><u>\$ 71,434</u></u>	
<u>TRANSFERS OUT TO COMPONENT UNIT</u>	<u>AMOUNT</u>	<u>TRANSFERS IN FROM PRIMARY GOVERNMENT</u>
General Fund	\$ 5,999	Jacksonville Economic Development Commission
Transportation	8,200	Jacksonville Transportation Authority
Tax Increment Districts	315	Jacksonville Economic Development Commission
State Housing Initiative Partnership	<u>389</u>	Duval County Housing Finance Authority
Total	<u><u>\$ 14,903</u></u>	

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

7. INTERFUND RECEIVABLES, PAYABLES 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 space. The total capital investment for the project is \$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 4.45%.

During fiscal year 2000, the City had financial transactions with its discretely presented component units classified as follows for financial reporting purposes:

JEA:

Note Payable - At September 30, 2000, the City's outstanding obligation to the JEA under a note payable was \$800,000, which is accounted for in the General Long-Term Obligations Account Group. During fiscal 2000, the City made a \$400,000 payment on the note payable to the JEA recorded in the City's General Fund. The terms of the note were revised in prior years at which time the remaining \$3,600,000 was to be repaid in nine equal installments of \$400,000 with the final installment due and payable on or before October 1, 2001. The note bears interest at the coupon equivalent yield for 26-week U.S. Treasury Bills.

Commercial Paper Program - In fiscal year 1994, JEA and the City worked together to develop a mutually beneficial structure for the City's Commercial Paper Program to provide financing for the River City Renaissance (RCR) Program. Currently, JEA makes an annual contribution to the City's General Fund based upon gross kilowatt-hours sold by JEA during the 12-month period ending on May 31 of each fiscal year. As part of the RCR Program, the City and JEA have entered into an agreement, which requires JEA to pay a supplemental contribution after October 1, 1997, to offset any increase in financing costs for the RCR Program incurred by the City as a result of the initial financing of the RCR Program with commercial paper. To the extent that funding costs for the RCR Program would result in debt service being greater than \$17,403,000 the supplemental contribution would be equal to the amount in excess of \$17,403,000. For fiscal year 2000 no additional supplemental contribution was required.

Enhanced Joint Agency Financing Program - On November 5, 1996, JEA and the City executed a Financial Agreement in relation to the use of an "enhanced joint agency financing program" (the "EJ Program") in conjunction with the issuance of \$57,150,000 Excise Taxes Revenue Bonds, Series 1996B for the benefit of various marine facilities for the Jacksonville Port Authority (JPA). The City and JEA have agreed that JEA's annual contribution to the City under Article 21 of the City Charter and Section

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

JEA: (continued)

106.202(c) of the City Ordinance Code will be supplemented to offset any shortfall in certain cash flows in the City revenues dedicated for the benefit of the JPA (See discussion below concerning the allocation of three sources of revenue by the City to the JPA). As of September 30, 2000, revenues dedicated for the support of debt service requirements of the 1993 Bonds and the 1996B Bonds have been sufficient so as to avoid the need to call upon supplemental contributions from JEA in support of the EJ Program.

Jacksonville Port Authority:

Interlocal Agreement - In connection with a major port and marine facilities capital improvement project (the Project), the City and the Jacksonville Port Authority (JPA) entered into an Interlocal Agreement upon the issuance of \$43,605,140 Excise Taxes Revenue Bonds, Series 1993. 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. Under the Amended and Restated Interlocal Agreement, the City agreed to issue the 1993 Bonds and the 1996B Bonds to finance the port and marine facilities capital improvement project, and the JPA, in consideration therefore, agreed to reimburse the City for debt service payments on the 1993 Bonds and the 1996B 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 changes in the Amended and Restated Interlocal Agreement does not affect in any manner any obligation of the City pursuant to the terms of the 1993 Bonds or the 1996B Bonds. The Amended and Restated Interlocal Agreement is not for the benefit of the holders of the 1993 Bonds or the 1996B 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 and supplemental contributions to the City from the JEA in conjunction with the EJ Program are not pledged as security for the 1993 Bonds and the 1996B 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 from the change in method of collection of the City's public utilities services tax on telecommunications services from 10% to 7% percent (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 revenue relates to the \$800,000 annual contribution remitted 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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)
Jacksonville Port Authority: (continued)

1993 Bonds and the 1996B Bonds for such fiscal year prior to being paid to the JPA. To the extent that the debt service on the 1993 Bonds and the 1996B Bonds in any fiscal year exceeds the allocation of revenues to the JPA for such fiscal year, then the amount of such deficiency shall be paid by the JEA to the City.

For the fiscal year ended September 30, 2000, the allocation of revenues from the City to the JPA exceeded the debt service requirements of the 1993 Bonds and the 1996B Bonds by the amount of \$2.1 million for a cumulative total of \$4.9 million at September 30, 2000. This amount will be applied to future debt service requirements of the 1993 Bonds and the 1996B Bonds through a funds transfer to the City's Debt Service Funds or released to the JPA for capital projects in the event that such amounts are in excess of anticipated debt service requirements in the near future.

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 addition thereto, during the fiscal year ended September 30, 2000, the City expended \$13.5 million on the Project from proceeds of the 1996B Bonds for the benefit of the JPA under the Interlocal Agreement for a total of \$63.4 million spent on the Project to date. The City accounts for these expenditures in the Capital Projects Funds. The City does not capitalize these capital outlay expenditures.

Jacksonville Transportation Authority:

Local Option One-Half Cent Sales Tax - On August 11, 1989, Jacksonville citizens voted 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 \$56.8 million in fiscal 2000. 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 an equal amount. The JTA reports the \$56.8 million transfer from the City as sales tax revenue.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Jacksonville Economic Development Company, Inc.:

Short-Term Construction Loan Financing Program - On January 12, 1994, the City entered into a loan agreement with the Jacksonville Economic Development Company, Inc. (JEDCO) under the City's Short-Term Construction Loan Financing Program. Under the terms of the loan agreement, the City is obligated to loan up to \$1 million with interest to JEDCO to provide affordable housing to low and moderate income persons. During fiscal year 2000 the City did not disburse funds to JEDCO under the loan agreement with a remaining loan commitment balance of \$416 thousand at September 30, 2000. JEDCO is obligated to the City for \$584 thousand at September 30, 2000.

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**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

8. LONG-TERM OBLIGATIONS

A. Long-term Obligations at September 30, 2000 are comprised of the following (in thousands):

GENERAL OBLIGATION BONDS PAYABLE FROM AD VALOREM TAXES:	<u>INTEREST RATES</u>	<u>PRINCIPAL</u>
Duval County Certificates of Indebtedness of 1972 payable in semi-annual installments to 2003	4.50 - 5.25%	<u>\$ 1,755</u>
Total General Obligation Bonds Payable From Ad Valorem Taxes		<u>1,755</u>
SPECIAL OBLIGATION BONDS PAYABLE FROM SPECIFIC REVENUE SOURCES OTHER THAN AD VALOREM TAXES:		
Excise Taxes Revenue Refunding Bonds, Series 1991 payable in semi-annual installments to 2009	6.20 - 6.30%	2,980
Excise Taxes Revenue Refunding Bonds, Series 1992 payable in semi-annual installments to 2014	5.80 - 6.50%	64,330
Guaranteed Entitlement Revenue Refunding Bonds, Series 1992A payable in semi-annual installments to 2013	5.30 - 5.90%	62,830
Excise Taxes Revenue Bonds, Series 1993 payable in semi-annual installments to 2021	4.90 - 6.30%	43,050
Excise Taxes Revenue Refunding Bonds, Series 1993A payable in semi-annual installments to 2012	4.60 - 5.375%	26,435
Capital Improvement Revenue Bonds, Series 1994 payable in semi-annual installments to 2026	4.95 - 5.875%	43,695
Sunshine State Governmental Financing Commission, Series 1994 payable in monthly installments to 2006	Variable Rate Assumed at 9.20%	5,575
Capital Improvement Revenue Bonds, Series 1995 payable in semi-annual installments to 2026	4.90 - 5.875%	26,980
Sales Tax Revenue Bonds, Series 1995 payable in semi-annual installments to 2019	5.00 - 6.00%	94,660
Excise Tax Revenue Refunding Bonds, Series 1995A payable in semi-annual installments to 2010	4.875 - 5.125%	7,580

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

8. LONG-TERM OBLIGATIONS (continued)
A. Long-term Obligations at September 30, 2000 (continued)

SPECIAL OBLIGATIONS BONDS PAYABLE FROM SPECIFIC REVENUE SOURCES OTHER THAN AD VALOREM TAXES: (continued)	<u>INTEREST RATES</u>	<u>PRINCIPAL</u>
Guaranteed Entitlement Revenue Refunding Bonds, Series 1995A payable in semi-annual installments to 2002	4.375 - 4.40%	\$ 6,330
Sunshine State Governmental Financing Commission, Series 1995A payable in semi annual installments to 2012	4.75 - 5.65%	9,050
Sunshine State Governmental Financing Commission, Series 1995B (AMT) payable in semi-annual installments to 2016	4.50 - 5.75%	13,390
Sales Tax Revenue Bonds, Series 1996 payable in semi-annual installments to 2019	4.20 - 5.50%	61,735
Excise Taxes Revenue Bonds, Series 1996B payable in semi-annual installments to 2010	4.60 - 5.70%	51,775
Excise Taxes Revenue Bonds, Series 1996C payable in semi-annual installments to 2007	4.25 - 4.85%	3,295
Capital Improvement Revenue Bonds, Series 1997 payable in semi-annual installments to 2026	4.10 - 5.25%	7,980
Capital Project Revenue Bonds, Series 1997-1 payable in monthly installments to 2017	Variable Rate Assumed at 7.81%	30,000
Capital Project Revenue Bonds, Series 1997-2 payable in monthly installments to 2022	Variable Rate Assumed at 8.89%	45,000
Capital Improvement and Refunding Revenue Bonds, Series 1998 payable in semi-annual installments to 2025	3.80 - 5.00%	36,420
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999A payable in semi-annual installments to 2019	3.30 - 5.00%	<u>75,210</u>
Total Special Obligation Bonds Payable From Specific Revenue Sources Other Than Ad Valorem Taxes		<u>718,300</u>
TOTAL GENERAL AND SPECIAL OBLIGATIONS BONDS		<u><u>720,055</u></u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

8. LONG-TERM OBLIGATIONS (continued)
A. Long-term Obligations at September 30, 2000 (continued)

BONDS PAYABLE FROM ENTERPRISE FUNDS:	<u>INTEREST RATES</u>	<u>PRINCIPAL</u>
Excise Taxes Revenue Refunding Bonds, Series 1993A payable in semi-annual installments to 2012	4.60 - 5.375%	\$ 12,030
Excise Taxes Revenue Refunding Bonds, Series 1995A payable in semi-annual installments to 2010	4.25 - 5.125%	12,270
Excise Taxes Revenue Refunding Bonds, Series 1996A payable in semi-annual installments to 2017	3.90 - 5.00%	19,965
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999B payable in semi-annual installments to 2016	4.20 - 5.75%	<u>40,835</u>
 TOTAL BONDS PAYABLE FROM ENTERPRISE FUNDS		 <u>85,100</u>
 TOTAL BONDS PAYABLE		 <u>805,155</u>
 NOTES PAYABLE FROM GENERAL REVENUE:		
U.S. Government Guaranteed Note Payable, Series 1994A (Vistakon) payable in semi-annual installments to 2003	6.31 - 6.53% (Taxable)	4,700
U.S. Government Guaranteed Note Payable, Series 1995 (Coach) payable in semi-annual installments to 2014	8.22 - 9.03% (Taxable)	3,735
U.S. Government Guaranteed Note Payable, Series 1996 (Sally Beauty) payable in semi-annual installments to 2012	6.21 - 6.88% (Taxable)	855
U.S. Government Guaranteed Note Payable, Series 1996-B (Hilton Hotel) payable in semi-annual installments to 2015	6.21 - 7.03% (Taxable)	2,710
U.S. Government Guaranteed Note Payable, Series 1997 (Lavilla) payable in semi-annual installments to 2016	6.21 - 7.08% (Taxable)	1,700
U.S. Government Guaranteed Note Payable, Series 1997 (HTV Associates) payable in semi-annual installments to 2010	6.21 - 6.78% (Taxable)	570
U.S. Government Guaranteed Note Payable, Series 1997 (Jacksonville Landing) payable in semi-annual installments to 2000	6.21% (Taxable)	1,020

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

8. LONG-TERM OBLIGATIONS (continued)
A. Long-term Obligations at September 30, 2000 (continued)

NOTES PAYABLE FROM GENERAL REVENUE: (continued)

U.S. Government Guaranteed Note Payable, Series 1997 (Armor Holdings) payable in semi-annual installments to 2016	6.21 - 7.08% (Taxable)	\$ 755
U.S. Government Guaranteed Note Payable, Series 1997 (Hampton Inns) payable in semi-annual installments to 2015	6.21 - 7.03% (Taxable)	<u>520</u>
TOTAL NOTES PAYABLE FROM GENERAL REVENUE		<u>16,565</u>

TOTAL BONDED INDEBTEDNESS 821,720

COMMERCIAL PAPER NOTES:

Outstanding in the amounts of \$60,000,000 with interest rates ranging from 3.25% to 3.65% at original issue and maturing no later than 270 days after date of issuance, and in no event later than September 27, 2001; renewable annually, at the City's option, per credit agreement dated October 27, 1993 60,000

CAPITALIZED LEASE OBLIGATIONS:

General Long-Term Obligations Account Group:

Installment lease purchase of a Sheriff's fingerprint machine payable semi-annually at \$123,811 to May 2001 including interest at 4.99% with a collateralized value of \$.8 million 239

Internal Service Fund:

Installment lease purchase of voice mail system payable monthly at \$7,563 to October 2001 including interest at 6.18% with a collateralized value of \$95 thousand 95

Installment lease purchase of software payable monthly at \$19,054 to May 2004 including interest at 5.60% with a collateralized value of \$756 thousand 756

Installment lease purchase of telephone switches and wiring payable monthly at \$5,423 to February 2005 including interest at 5.20% with a collateralized value of \$258 thousand 258

Total Capitalized Lease Obligations 1,348

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

8. LONG-TERM OBLIGATIONS

A. Long-term Obligations at September 30, 2000:

ACCRUED COMPENSATED ABSENCES:

Represents the vested portion of accrued vacation and sick leave. See Note 1.M. for a summary of the City's policy regarding compensated absences.

General Governmental Funds	\$ 53,017
Proprietary and Pension Trust Funds	<u>3,425</u>
Total Accrued Compensated Absences	<u>56,442</u>
 DUE TO COMPONENT UNITS:	
JEA: For a term of up to five years with a minimum annual principal installment of \$400,000, interest payable on each October 1, equal to yield on the 26-week Treasury Bill	<u>800</u>
 TOTAL LONG-TERM OBLIGATIONS	 <u>940,310</u>
 Less Current Portion:	
Bonds payable from enterprise funds	(\$ 2,115)
Capitalized lease obligations	(332)
Accrued compensated absences	<u>(409)</u>
Total Current Portion:	<u>(2,856)</u>
 Total, less current portion	 <u>937,454</u>
 Less Unamortized Discount/Premium and Deferred	
Loss on Advance Refunding	<u>(3,421)</u>
 Total, less current portion and Unamortized Discount/ Premium and Deferred Loss on Advance Refunding	 <u>\$ 934,033</u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

8. LONG-TERM OBLIGATIONS (continued)

B. Debt Service Requirement to Maturity:

Debt service requirement to maturity on the City's Long-Term Obligations at September 30, 2000, are as follows (in thousands):

Fiscal Year Ending September 30	General Long-Term Bonds		Bonds Payable From Enterprise Funds	Commercial Paper and Other Long-Term Obligations	Total Long-Term Obligations And Interest
	General Obligation	Special Obligation			
2001	\$ 633	\$ 68,141	\$ 6,319	\$ 64,707	\$ 139,800
2002 - 2006	1,251	347,172	38,743	8,832	395,998
2007 - 2011	-	321,446	45,737	6,597	373,780
2012 - 2016	-	225,665	28,687	4,631	258,983
2017 - 2026	-	219,212	5,447	-	224,659
Total Principal and Interest	1,884	1,181,636	124,933	84,767	1,393,220
Less: Interest to Be Paid	(129)	(463,336)	(39,833)	(8,202)	(511,500)
Total Principal	1,755	718,300	85,100	76,565	881,720
Less: Current Portion	-	-	(2,115)	-	(2,115)
	1,755	718,300	82,985	76,565	879,605
Unamortized Discount/Premium and Deferred Loss on Advance Refunding ⁽¹⁾	-	-	(3,421)	-	(3,421)
Totals	<u>\$ 1,755</u>	<u>\$ 718,300</u>	<u>\$ 79,564</u>	<u>\$ 76,565</u>	<u>\$ 876,184</u>
Long-Term Obligations Not Included Above:					
Accrued Compensated Absences					56,033
Due to Component Units					800
Capitalized Lease Obligations					1,016
TOTAL LONG-TERM OBLIGATIONS, Less current portion					<u>\$ 934,033</u>

⁽¹⁾ Public Parking System \$1,485 and Solid Waste Disposal \$1,936

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

8. LONG-TERM OBLIGATIONS (continued)

C. Changes in Long-Term Obligations:

Changes in long-term obligations for the fiscal year ended September 30, 2000, are summarized as follows (in thousands):

	Balance October 1, 1999	Additions	Deductions	Balance September 30, 2000
General Long-Term Obligations:				
Commercial Paper Notes	\$ 60,000	\$ -	\$ -	\$ 60,000
General Obligation Bonds	2,285	-	530	1,755
Special Obligation Bonds	697,915	45,000	24,615	718,300
Notes Payable	19,425	-	2,860	16,565
Capitalized Lease Obligations	466	-	227	239
Accrued Compensated Absences	52,132	885	-	53,017
Due to Component Units	1,200	-	400	800
Total General Long-Term Obligations	833,423	45,885	28,632	850,676
Long-Term Obligations of Proprietary and Fiduciary Fund Types:				
Revenue Bonds, less current portion	85,100	-	2,115	82,985
Unamortized Discount/Premium and, Deferred Loss on Advance Refunding	(4,339)	918	-	(3,421)
Total Revenue Bonds, less current portion, and Unamortized Discount/Premium and, Deferred Loss on Advance Refunding	80,761	918	2,115	79,564
Capitalized Lease Obligations	-	1,109	332	777
Accrued Compensated Absences	3,097	-	81	3,016
Total Long-Term Obligations of Proprietary and Fiduciary Fund Types	83,858	2,027	2,528	83,357
TOTAL LONG-TERM OBLIGATIONS, less current portion	\$ 917,281	\$ 47,912	\$ 31,160	\$ 934,033

Additions and deletions of accrued compensated absences are shown net since it is impractical for the City to determine these amounts separately.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

8. LONG-TERM OBLIGATIONS (continued)

D. New Indebtedness and Refundings Issued by the City:

On November 4, 1999, the City closed on the sale of \$45,000,000 Capital Project Revenue Bonds, Series 1997-2. The 1997-2 Bonds represent the second tranche of a series of bonds pursuant to a bond authorization in the principal amount of \$99,000,000. The 1997-2 Bonds are issued as 7-day Variable Rate Demand Bonds in a tax exempt mode. The proceeds of the bonds program are allocated for various drainage and capital improvement projects of the City.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

8. LONG-TERM OBLIGATIONS (continued)

E. 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.

The City presently has outstanding the following serial bonds, which are legally defeased (in thousands):

<u>ISSUE (a)</u>	<u>REFUNDED BY</u>	<u>PRINCIPAL BALANCE AT SEPTEMBER 30, 2000</u>	<u>INVESTMENT BALANCE WITH ESCROW AGENT AT SEPTEMBER 30, 2000 (b)</u>
Excise Taxes Revenue Refunding Bonds, Series 1977	1984 C Excise Tax Revenue Refunding Bonds	\$ 22,545	\$ 14,251
Capital Improvement Revenue Bonds, Series 1994	1999 Capital Improvement and Revenue Refunding Bonds	31,030	32,340
Excise Taxes Revenue Refunding Bonds, Series 1991	1999A Excise Taxes Revenue Refunding Bonds	13,950	15,627

(a) Special Obligation Bonds payable from Specific Revenue Sources Other Than Ad Valorem Taxes

(b) Source: Escrow Agent's Records

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

8. LONG-TERM OBLIGATIONS (continued)

F. Lease Obligations:

The City's capital lease agreements include the Sheriff's Office fingerprint machine. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, Accounting for Leases, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The lease agreements contain options that allow the City to cancel the leases if sufficient funds are not appropriated. Since cancellation of the leases is not foreseen, the leases have been capitalized. Further, upon satisfaction of the lease obligations, asset title will pass to the City. These assets have a carrying value of \$.8 million and are recorded in the General Fixed Asset Account Group.

Additionally, the City has a voice mail system, software and telephone switches and wiring which was acquired through capital leases (recorded in the Information Technologies Internal Service Fund). The carrying value for these items (capitalized cost less accumulated depreciation) is \$1.1 million at September 30, 2000. Depreciation of the items acquired through these capital leases was \$426 thousand in fiscal year 2000.

The future minimum lease obligations as of September 30, 2000, were as follows (in thousands):

Fiscal Year Ending September 30,	General Long-Term Obligations Account Group	Information Technologies Internal Service Fund
2001	\$ 248	\$ 384
2002	-	300
2003	-	293
2004	-	217
2005	-	27
Total minimum lease payments	248	1,221
Less: Amount representing interest	(9)	(112)
Present value of minimum lease Payments	\$ 239	\$ 1,109
Classified as:		
Current		\$ 332
Non-current		777
Total		\$ 1,109

The City does not have any material operating leases.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

8. LONG-TERM OBLIGATIONS (continued)

G. Arbitrage Liability:

The City had no outstanding arbitrage liability as of September 30, 2000.

H. 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 by 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 previously made through the Jacksonville Port Authority. As of September 30, 2000, the City had authorized \$1,195,973,120 in IDB's and PAB's, of which \$1,026,171,902 have been issued. From time to time, certain of such conduit debt may be in technical 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, 2000, the City has authorized a total of \$1,073,480,970 Duval County Housing Finance Authority (DCHFA) Single Family and Multi-Family Bonds of which \$993,230,293 have been issued. The amount of Single Family Housing Revenue Bonds authorized and issued are \$797,000,000 and \$742,370,331 respectively. The amount of Multi-Family Housing Bonds authorized and issued is \$276,480,970 and \$253,419,961, respectively. The amount of Single Family Housing Revenue Bonds authorized and issued during the fiscal year ended 2000 are \$50,000,000 and

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

8. LONG-TERM OBLIGATIONS (continued)
H. Conduit Debt: (continued)

\$45,426,142, respectively. There were no Multi-Family Housing Bonds authorized or issued during the fiscal year ended 2000. Refundings of previous issues make up \$211,385,439 of the total amount authorized and issued.

As of September 30, 2000, the City has authorized \$567,700,000 of Jacksonville Health Facilities Authority (JHFA) Bonds, of which \$441,381,184 have been issued. The amount authorized and issued during the fiscal year were \$14,000,000 and \$12,960,000, respectively. Of the total amount of JHFA Bonds, refundings of previous issues make up \$332,850,834 of the authorizations and \$257,559,166 of the issuances.

I. Special Assessment Debt - The City has no special assessment debt.

J. Demand Bonds - The City has no demand bonds.

9. PENSION PLANS

The City sponsors two employer public employee retirement systems (PERS), administered by two separate and distinct pension boards of trustees, that provide retirement, death, and disability benefits: the General Employees' Pension Plan and the Police and Fire Pension Plan. Substantially all employees of the City participate in one of these two plans. In addition, less than 1% of City employees participate in the State of Florida Retirement System.

Under both the General Employees' and Police and Fire Pension Plans, the State of Florida requires Plan contributions be made based upon an actuarial valuation and any contribution shortfalls are the responsibility of the City to fund.

The General Employees' Pension Plan 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 requires 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, 2000

9. PENSION PLANS (continued)

A. Summary of Significant Accounting Policies:

- (1) **Basis of Accounting** -The City's 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 to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.
- (2) **Method Used to Value Investments** - Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities, traded on a national or international exchange, are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

B. General Employees Pension Plan:

- (1) **Plan Description** - The General Employees' Pension Plan is a cost-sharing, multiple-employer contributory defined benefit pension plan. All full-time City employees and the employees of JEA are eligible to participate in the Plan upon employment. There are no separately issued financial statements for the General Employees Pension Plan. The Plan is administered by a seven-member board of trustees.

The payroll for members covered by the Plan was \$202.3 million during the 2000 fiscal year, consisting of \$117.6 million City of Jacksonville payroll, \$81.3 million JEA payroll and \$3.4 million JHA payroll. The total 2000 payroll was \$275.3 million for the City, \$92.7 million for the JEA and \$14.8 million for JHA for a total of \$382.8 million.

The Plan provides for retirement, survivor, death and disability benefits. Under normal retirement provisions, a member may retire after reaching the age of 55 with 20 years of credited service or at 65 with 5 years or more of credited service. The requirements for early retirement are: (1) when an employee reaches age 50 and has 20 years of service, reduced 1/2% per month for retirement prior to age 55; (2) any age after 25 years of service adjusted to a benefit accrual rate of 2% per year; and (3) any age after 30 years of creditable service at an unreduced rate of 2 1/2% per year.

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**9. PENSION PLANS (continued)
 B. General Employees Pension Plan: (continued)**

Benefits vest after 10 years of credited service equal to 2 1/2% of a member's average earnings for each year of credited service up to 32 years with a maximum of 80%. Average earnings is the average monthly salary or wages for the highest 36 months of employment within the ten years preceding retirement. The regular benefit is increased by up to 3% on the April 1 nearest the fifth anniversary of the initial benefit commencement date, and on each April 1 thereafter. A monthly supplement is payable equal to \$3 times the number of years of creditable service to subsidize retiree's health insurance. However, only that portion of the increase in excess of the supplement is payable. Members who terminate covered employment with less than ten years of credited service shall be paid a refund of 100% of their contributions to the Plan. All members of the General Employees' Pension Plan are required to contribute 8% of their earnings actuarially determined and required by City Ordinance effective October 1, 1993. There is no mandatory retirement age.

At September 30, 2000, the Plan's membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees with future benefits	<u>4,148</u>
Current employees:	
Vested	2,994
Nonvested	<u>2,403</u>
Total Current Employees	<u>5,397</u>
Total Membership	<u>9,545</u>

- (2) Contributions - The City's funding policy provides for contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Level percentages of payroll employer contribution rates are determined using the "entry age" actuarial cost method. Under this method, the cost of each member's projected retirement benefit is funded through a series of payments, determined as a level percentage of each year's earnings, from age at hire to assumed exit age. The level-percentage-of-payroll method is also used to amortize the unfunded liability and changes in Plan provisions, actuarial assumptions and gains and losses over a period of 30 years. If the Plan is in a surplus position, the surplus is recognized as an amortization credit in a level dollar amount over 10 years.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

9. **PENSION PLANS** (continued)

B. General Employees Pension Plan: (continued)

City contribution requirements are, as part of the funding policy, met through two sources; cash payments from the City, and allocations from the past excess contribution account, maintained as part of the pension fund in accordance with State requirements to track prior payments made in excess of the actuarially required amounts. Contributions from all sources during fiscal year 2000 totaled \$29.8 million. The City contributed \$11.7 million (5.67% of covered payroll) in cash, and \$.7 million (.37% of covered payroll) from the past excess contributions account. Employees paid \$17.4 million (\$16.4 million or 8% of covered payroll in payroll deductions and \$1.0 million in prior service purchases). Contributions during fiscal 1999 and 1998 were \$34.2 million (17.3% of covered payroll) and \$45.2 million (19.9% of covered payroll), respectively. These contributions were made in accordance with contribution requirements determined through an actuarial valuation performed October 1, 1999. The actuarial methods used for this purpose are the same as those used in determining funding progress.

- (3) Trend Information - Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Six-year historical trend information is being developed on a year by year basis and is included in the accompanying required supplemental information.

C. Police and Fire Pension Plan:

- (1) Plan Description - The Police and Fire Pension Plan (the "Plan") is a single-employer contributory defined benefit pension plan covering all full-time civil-service members of the City of Jacksonville's Sheriff's Office and Fire and Rescue Departments. The Plan is administered solely by a five-member board of trustees. The City's payroll for members covered by the Plan was \$97.2 million during the fiscal year, excluding DROP participants. The Plan, as amended effective October 1, 1992, provides, in general, retirement benefits after twenty years of credited membership, regardless of age, with a minimum benefit of 56% of the average salary received for the fifty-two pay periods immediately preceding retirement. An additional 2% for each completed year over twenty up to a maximum of 80% may be earned. There is no mandatory retirement age. Effective October 1, 1996, the Plan provides for a cost of living increase to pensioners and their beneficiaries of 3% per annum.

Pension benefits may be vested after a minimum of five years of membership. Benefits are computed based on average salary for the fifty-two pay periods immediately preceding vesting multiplied by 2.5% times the number of credited

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

9. PENSION PLANS (continued)
C. Police and Fire Pension Plan: (continued)

years of service. Employees, in this category, may alternatively select a 100% payout of member contributions to the Plan without interest, upon withdrawal from the Plan.

At September 30, 2000, the Plan's membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees with future benefits	<u>1,389</u>
Current Employees:	
Vested	1,500
Nonvested	549
DROP Participants	<u>408</u>
Total current employees	<u>2,457</u>
Total membership	<u>3,846</u>

- (2) The City is currently contributing 8.75% of Plan members' salaries. The Plan members contribute 7.00% of salaries, and DROP participants contribute 2.00%. Additional contributions are comprised of court fines, State premium tax refunds and transfers from the Member Reserve Account, the Base Benefit Reserve Account and the Enhanced Benefit Reserve Account. Investment costs of the Plan are financed through investment earnings. Other administrative costs are included in the annual required contribution amount.

The State of Florida requires funding of pension contributions to be made based upon an actuarial valuation; the most recent valuation is as of April 1, 2000. The City Council has the authority to amend its contribution to the Plan to not less than the minimum state requirement.

- (3) Net Assets Available for Benefits - Net assets available for benefits are designated pursuant to an agreement between the Police and Fire Pension Plan Board of Trustees and the City dated October 1, 1992 (and recently updated subsequent to September 30, 2000), consisting of the following actuarially computed components as of September 30, 2000 (in thousands):

Combined Reserve Account ⁽¹⁾	\$ 28,996
Base benefits fund	785,893
Total net assets available for benefits	<u>\$ 814,889</u>

⁽¹⁾ The value of the Combined Reserve Account is composed of the Base Benefits Reserve Account, the Member Reserve Account, and the Enhanced Benefits Account.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

9. **PENSION PLANS** (continued)
C. Police and Fire Pension Plan: (continued)

The City stabilization reserve account 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 was established to hold any remaining State premium tax refunds not assigned to offset City contribution requirements. The base benefits fund consists of the assets pledged to provide fund benefits. The combined balances as of September 30, 2000, have been calculated under the terms of the 2001 agreement between the Plan and the City of Jacksonville.

- (4) Trend Information - Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Six-year historical trend information, on a year by year basis, is included in the accompanying required supplemental information. See Note 1.B. concerning financial statement availability.

D. 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 \$2.7 million during the fiscal year; the City's total payroll for all employees was \$275.3 million.

The System provides vesting of benefits after ten (10) years (eight years for elected officials) of creditable service. Members are eligible for normal retirement after they have met one of the following; (1) after thirty years of service regardless of age; (2) ten years (eight years for elected officials) of service and age 62; or (3) twenty-five years special risk service (age 55 if not continuous). Early retirement may be taken any time after completing ten years of service (eight years for elected officials); 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

9. PENSION PLANS (continued)

D. Florida Retirement System: (continued)

- (2) Contributions - During the years ended September 30, 2000, 1999, and 1998, the City contributed \$321 thousand, \$409 thousand, and \$697 thousand, respectively, to the System for covered employees. For the fiscal year ended September 30, 2000, this contribution represented less than 1% of the total contributions required by all participating employers which amounted to \$2.2 billion. Contributions in both fiscal 1999 and 1998 were less than 1% of the total contributions required by all participating employers which amounted to \$3.2 and \$3.1 billion, respectively. The funding methods and the determination of benefits payable are provided in various Acts of the State Legislature. These Acts provide that employers make required contributions actuarially determined at the rates in effect at September 30, 2000, of 9.21% of the compensation for regular members, 20.22% for special risk members, and 17.05% for elected county officials.
- (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, 1999 annual financial report. The report may be obtained from the State of Florida, Department of Management Services, Division of Retirement at 2639-C North Monroe Street, Tallahassee, Florida 32399-1560.

10. DEFERRED COMPENSATION PROGRAM

The City offers its employees a deferred compensation program created in accordance with Internal Revenue Code (IRC) Section 457 and Florida Statute 112.215. 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 no longer display deferred compensation balances in an Agency Fund.

11. POST RETIREMENT BENEFITS

The City does not provide any post-retirement benefits for retired employees, such as health care or life insurance, other than those disclosed in Note 9.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

12. SEGMENT INFORMATION

The City's enterprise activities consist of five funds: Public Parking System; Sports Complex, Convention Center and Auditorium; Motor Vehicle Inspection; Solid Waste Disposal; and Mayport Ferry. Segment information for the year ended September 30, 2000, is as follows (in thousands):

	<u>PUBLIC PARKING SYSTEM</u>	<u>SPORTS COMPLEX, CONVENTION CENTER AND AUDITORIUM</u>
Operating revenue	\$ 2,970	\$ 10,590
Depreciation and amortization expense	412	6,872
Operating income (loss)	(359)	(11,316)
Operating grants	-	-
Operating transfers in	200	4,360
Operating transfers (out)	(1,344)	(943)
Net income (loss)	(100)	(5,936)
Net additions to (reductions in) contributed capital	-	2,539
Net additions (disposals) of property, plant and equipment	552	3,145
Net working capital (deficiency)	3,661	1,910
Bonds and other long-term liabilities - payable from operating revenue	22,174	-
Total equity (deficit)	(4,627)	225,341
Total assets	18,912	228,271

<u>MOTOR VEHICLE INSPECTION</u>	<u>SOLID WASTE DISPOSAL</u>	<u>MAYPORT FERRY</u>	<u>TOTALS</u>	
			<u>2000</u>	<u>1999</u>
\$ 548	\$ 32,501	\$ 976	\$ 47,585	\$ 44,747
11	1,757	263	9,315	9,507
66	(25,917)	(771)	(38,297)	(34,745)
-	914	-	914	720
-	26,450	636	31,646	33,521
(12)	(282)	-	(2,581)	(3,614)
81	3,529	(118)	(2,544)	(11,963)
(1)	1	-	2,539	82
21	36	116	3,870	(8,500)
509	41,156	(16)	47,220	18,040
22	79,682	-	101,878	100,929
597	41,147	5,059	267,517	267,522
627	125,564	5,242	378,616	378,146

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

13. CHANGES IN CONTRIBUTED CAPITAL ACCOUNTS

During the year, contributed capital increased (decreased) by the following amounts (in thousands):

	Enterprise Funds	Internal Service Funds
Balance, October 1, 1999	\$ 232,237	\$ 12,671
Additions to contributed assets	2,539	166
Deductions from contributed assets:		
Current year depreciation on contributed assets	(8,124)	(1,492)
Balance, September 30, 2000	<u>\$ 226,652</u>	<u>\$ 11,345</u>

14. RISK FINANCING

The Risk Management Division (Division) of the City administers general liability, workers' compensation (up to \$1 million) and public liability insurance programs covering activities of City general government, JEA, Jacksonville Housing Authority, and Jacksonville Port Authority under a comprehensive self-insurance program wherein the City assumes substantially all risks of losses. The City funds assets on a dollar-for-dollar basis for actuarially determined estimated losses in the City's Self-Insurance Fund, an internal service fund. The Self-Insurance Fund, established under Jacksonville City Ordinance, Chapter 128, services claims for tort liability claims brought against the City, its officers, employees, or agents; workers' compensation; and direct physical damage or injury due to operation of City vehicles. The City is not involved in any risk pools with other governmental entities. The City purchases conventional, commercial insurance coverage from various independent carriers on all other types of insurable risks including group health and life, property and casualty, and blanket excess policies. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The City's liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claim liabilities depend on such complex factors as inflation and changes in legal doctrines and damage awards, the process used to compute claim liabilities does not necessarily result in an exact amount. Claim liabilities are reevaluated periodically with consideration of recently settled claims, the frequency of claims, and other economic and social factors. The estimated liability for self-insured losses is not discounted. Independent actuaries use all years of City claims data and the projected number of employees, payroll, vehicles, and other property to estimate claims that have been incurred, but not reported and to forecast ultimate losses by line of coverage.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

14. RISK FINANCING (continued)

The estimated liability for self-insured losses at September 30 (in thousands) consisted of:

	2000	1999
Reported and known claims	\$ 34,695	\$ 36,040
Incurred but not reported and claims development	21,452	29,540
Total estimated liability for self insured losses	<u>\$ 56,147</u>	<u>\$ 65,580</u>

Changes in the estimated liability for self-insured losses were as follows (in thousands):

	2000	1999
Balance, October 1	\$ 65,580	\$ 67,236
Current-Year Claims and Changes in Estimates	327	9,968
Claim Payments	<u>(9,760)</u>	<u>(11,624)</u>
Balance, September 30	<u>\$ 56,147</u>	<u>\$ 65,580</u>

15. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES

A. Compliance With Finance Related Legal and Contractual Provisions:

The City has no violations of finance related legal and contractual provisions.

B. Fund Deficits and Excess of Expenditures Over Appropriations:

The following individual funds had a fund deficit at September 30, 2000, (in thousands):

	Fund Balance/ Retained Earnings (Deficit)	Contributed Capital	Total Fund Balance/ Fund Equity
Special Revenue Fund:			
Jacksonville Children's Commission	(\$2,163)	\$ -	(\$2,163)
Community Development Block Grant	(\$5,503)	\$ -	(\$5,503)
Capital Projects Fund:			
Grant Projects	(\$2,844)	\$ -	(\$2,844)
Enterprise Fund:			
Public Parking	(\$7,248)	\$2,621	(\$4,627)

It is anticipated future revenues will eliminate these fund deficits.

The Transportation Fund of the Special Revenue Funds had an excess of expenditures over appropriations of \$3.7 million for the year ended September 30, 2000.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

15. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES
(continued)

C. Reconciliation is necessary because budgets for certain Special Revenue Funds are prepared on a program basis rather than on an annual basis. The Combined Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual - All Budgeted Governmental Fund Types does not agree with the amounts of revenue and expenditures reported in the Combined Statement of Revenue, Expenditures and Changes in Fund Balance - All Governmental Fund Types. The differences between revenue, expenditures and other financing sources (uses) between the budgetary and nonbudgetary operating statements are as follows (in thousands):

	<u>Revenue</u>	<u>Expenditures</u>	<u>Total Other Financing Sources (Uses)</u>
Actual amounts reported per the Combined Budget and Actual Statement, page 15	\$ 175,402	\$ 150,820	(\$10,293)
Add Special Revenue Funds not budgeted on an annual basis:			
Community Development Block Grant	10,432	9,062	(35)
Housing Rehabilitation and Home Investment and Opportunity Grants	2,936	2,703	-
Job Training Partnership Act Grant	23	-	-
Maintenance, Parks and Recreation	1,466	1,115	(117)
Metropolitan Planning Organization	576	648	104
Other Federal, State and Local Grants	19,420	18,472	2,788
State Housing Initiative Partnership	7,815	1,598	(389)
Non-Budgeted General Government	<u>639</u>	<u>753</u>	<u>13</u>
Actual amounts reported per the Combined Statement of Revenue, Expenditures and Changes in Fund Balance, page 12	<u>\$ 218,709</u>	<u>\$ 185,171</u>	<u>(\$ 7,929)</u>

D. Landfill Closure and Postclosure Care Costs:

The State of Florida's Solid Waste Management Act of 1988 (the "Act") 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 thirty 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 postclosure 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 postclosure regulations may change which might require the City to revise its MSWLF cost estimates used in the future.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

15. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES
(continued)

D. Landfill Closure and Postclosure Care Costs: (continued)

MSWLF costs, for open landfills, are recognized in accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs. A liability of the Solid Waste Disposal Enterprise Fund (the "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 postclosure care costs at September 30, 2000, is (in thousands):

	Balance, October 1, 1999	Accrual of Costs	Payment of Costs	Balance, September 30, 2000
Closed Landfills -				
Postclosure care costs	\$ 11,238	\$ 2,586	(\$ 914)	\$ 12,910
Operating Landfill -				
Closure costs	-	345	(345)	-
Postclosure care costs	6,965	312	-	7,277
	<u>6,965</u>	<u>657</u>	<u>(345)</u>	<u>7,277</u>
Total Landfill Closure and Postclosure Care Costs	18,203	3,243	(1,259)	20,187
Waste Dump Site -				
Long Term Care Costs	1,330	235	-	1,565
Total Liability for Landfill Closure, Postclosure, Decontamination and Long Term Care Costs	<u>\$ 19,533</u>	<u>\$ 3,478</u>	<u>(\$ 1,259)</u>	<u>\$ 21,752</u>

At September 30, 2000, the closure and postclosure care costs for the closed landfills (North and East sites) had been fully recognized as these two landfills both stopped accepting solid waste in April 1992. Of the total MSWLF closure and postclosure care cost liability, \$45.1 million had been paid for the cost of closure and \$3.2 million had been paid for postclosure care costs through September 30, 2000.

Funding MSWLF costs for these two closed landfills will be provided from future operating revenues of Solid Waste Disposal Enterprise Fund activities. As discussed in Note 1.P., after adjustments for the current year change in estimate, the \$61.2 million in MSWLF closure and postclosure care costs recorded for the City's two closed landfills, North and East, and the \$9.1 million in Waste Dump Site decontamination costs has been capitalized and recorded as a deferred charge in the Solid Waste Disposal Enterprise

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

15. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES
(continued)

D. Landfill Closure and Postclosure Care Costs: (continued)

Fund. Through fiscal 1999, \$30.0 million of this deferred charge had been expensed to solid waste disposal operations. Additionally, during fiscal 2000, \$1.9 million of this deferred charge was expensed to solid waste operations, resulting in a balance at September 30, 2000, of \$38.4 million. It is the intent of the City that these costs be recovered from future operating revenues of the Solid Waste Disposal Enterprise Fund, and accordingly will be recognized as operating expense as such revenue is earned.

In addition, during fiscal 2000, the City charged to solid waste disposal operations \$0.3 million in MSWLF closure and postclosure care costs for the operating landfill ("Trailridge"). This amount brings the cumulative cost reported to date to \$12.0 million, which represents the cumulative cost to date, based on the use of 31.5 percent of the estimated capacity of Trailridge or a total of 5,199,550 landfill capacity tons used of an estimated total capacity of landfill tons of 16,482,075. The City will recognize the remaining estimated cost of closure and postclosure of \$26.0 million as the remaining capacity is filled. These amounts are based upon what it would cost to perform all closure and postclosure care in 2000. The City expects to close the landfill in approximately twelve years, in the year 2012. As mentioned, actual costs may be higher due to inflation, changes in technology, or changes in environmental regulations.

The liability for the Waste Dump Site at September 30, 2000, of \$1.6 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 Environmental Protection Agency. The City was identified as a responsible party, sharing 65% of the total clean-up costs.

Annually, the Florida Department of Environmental Protection (FDEP) requires the City to meet a proof of financial responsibility for its two closed (East and North) and one open (Trailridge) municipally owned landfills. This proof of financial responsibility provides assurance to FDEP that future closure and postclosure care costs will be adequately funded by the City. At September 30, 2000, this proof of financial responsibility has been met by the City under Rule 17-701.630(5)(c) of the Florida Administrative Code by \$11.3 million in deposits made to a restricted cash escrow account of the Solid Waste Disposal Enterprise Fund.

16. CHANGES IN REPORTING ENTITY

For the year ended September 30, 2000, the City had no changes in reporting entity.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

17. RESIDUAL EQUITY TRANSFER

The City Council approved ordinance 1999-99-E which eliminated the City's Recreation Lands and Parks Acquisition and Maintenance Fund. Remaining assets and fund equity were transferred to the General Capital Projects Fund. A residual equity transfer was recorded, as follows (in thousands):

Transfers Out	Amount	Transfers In
Special Revenue Fund - Maintenance, Parks and Recreation	\$ 166	Capital Projects Fund - General Projects
Total	\$ 166	

18. LESSOR OPERATING LEASE

The City has entered into a lease dated September 7, 1993, pursuant to which the City leases the ALLTEL Stadium and adjacent practice facilities to the Jacksonville Jaguars, Inc. (Jaguars) for a period of thirty years from the first NFL regular season play in 1995. 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 ten years \$1.25 million. Rents from years eleven 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 \$20 million requested by the Jaguars over a thirty-year period with interest computed on a tax-exempt basis.

The lease generally permits the City to retain all revenues from all activities at the Stadium not connected with pre-season, regular season or post-season Jaguar games. 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. The City is required to pay for game day personnel on the days of Jaguar games. 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

19. 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, condemnations proceedings and other alleged violations of State and 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 any ultimate liability is not expected to have a material adverse effect on the City's financial position.

B. Grants and Contracts:

The City participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal 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 federal grant, contracts, or their sponsored agreements. 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 14. Workers' compensation, public liability and general liability, including motor vehicles operated by the City under the City's Ordinance Code Chapter 128, are self-insured. The City purchases commercial insurance for workers' compensation claims in excess of \$1 million. Under the laws of the State of Florida, the City has limited sovereign immunity for certain self-insured losses in excess of \$200,000. The City retains coverage on all other types of insurance including real and personal property damage. 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 incurred but not reported and claims development liabilities.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

19. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

D. Environmental Matters:

There are claims pending against the City as a potentially-responsible party (PRP) for cleanup of hazardous and other contaminated waste sites under federal and state superfund and other environmental laws as follows:

The U.S. Environmental Protection Agency (EPA) has identified the City as one of several parties responsible for the contamination at the Pickettville Road Landfill Superfund Site, a former municipal landfill. The potentially responsible parties signed a consent decree in 1992 agreeing to conduct remedial action at the site. That action has been completed, and the site is now in a monitoring phase. The monitoring reports, however, indicate that contaminated groundwater may be seeping from the landfill. The PRPs have conducted a focused feasibility study that defines the extent of the contaminated groundwater and recommends installing an iron reactive, permeable wall to intercept groundwater migrating from the landfill. The cost of the remedy is approximately \$800 thousand. The PRPs have deposited funds with the Site Trustee to underwrite the construction costs. The PRPs are awaiting U.S. EPA's approval of the proposed remedial action.

The EPA has identified the City as one of over two hundred PRPs for contamination at the Whitehouse Oil Pits Superfund Site in Whitehouse, Florida, a small community in western Duval County. The EPA designated the site to participate in EPA's Pilot Allocation Program, under which EPA agrees to pay the remedial cost shares of insolvent or defunct PRPs, and to settle a financially viable party's liability based on an allocator's assignment of responsibility. EPA has accepted the Allocator's report. The Agency's construction design contractor has finished the remedial design and EPA claims that the past costs, construction costs, and post-construction operation and maintenance costs will be about \$16 million. The City's share of liability should be slightly under 10%.

The City has agreed with the Florida Department of Environmental Protection to survey all landfills in Jacksonville, whether open or closed and regardless of ownership. Some former City landfills may require remediation, but how many and at what cost is presently unknown.

Beginning in the 1940's continuing through the 1970's, the City operated several municipal incinerators. The ash was disposed of at a location in which an elementary school and surrounding residential neighborhood were later built. On August 31, 1999, the City signed an administrative consent order with the EPA, to conduct a remedial investigation and feasibility study at the site. The City hired a contractor who has prepared a remedial investigation and feasibility study work plan for EPA review. It is unknown at this time what remedial action, if any, will be required.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

19. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)
D. Environmental Matters: (continued)

The City simultaneously signed Administrative Orders with EPA to investigate other ash-contaminated sites in town. The remedial investigations and feasibility studies will be conducted in tandem with those mentioned previously.

Because of the uncertainty as to the amount of any environmental cleanup costs which may ultimately be paid by the City no accrual has been made in the accompanying financial statements at September 30, 2000, except as disclosed in Note 15.D. Funding for such payment, if any, will be from general revenue sources, environmental protection trust fund monies, third-party recoveries, Federal assistance and earnings.

E. Economic Development Commitments:

The City has entered into agreements that commit future revenues to promote the community economic development goals. These future grants will be paid out based on a contractual percentage of ad valorem taxes paid to the City over and above an established benchmark for the individual project. The maximum grant amounts will be paid to the following Developers:

Developer	Estimated Jobs Created	Estimated Jobs Retention	Maximum Amount (in thousands)	Maximum Number of Years
Chase Manhattan Mortgage	350	-	\$ 1,000	10
Enkei, International	100	-	800	10
Household Corporation	400	-	300	10
Humana	584	1,000	4,000	20
Oliver – Jacksonville Associates	4,930	-	17,500	15
Southeast Toyota	50	400	6,000	20
Winn Dixie HDQ & Dist. Center	250	700	3,364	10
Elkins Construction, Inc.	60	70	210	10
Cathedral Housing	n/a	n/a	409	10
I-95 Interchange	n/a	n/a	17,400	20
Harbor Residential	n/a	n/a	1,115	6
Villas of St. Johns	n/a	n/a	860	6
Lee & Cates	-	65	119	10
Laney and Duke	110	110	675	20

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS

Financial disclosure about each of the City's major discretely presented component units essential to the fair presentation of the General Purpose Financial Statements is presented below. The City's nonmajor discretely presented component units are reported along with the City's major component units in separate columns in the Component Unit Combining Statements. Accordingly, no additional financial disclosure is presented here.

A. JEA

(1) Summary of Significant Accounting Policies:

(a) Reporting Entity

JEA (formerly known as the Jacksonville Electric Authority) is currently organized into four separate systems: the Electric System; the Bulk Power Supply System which consists of Scherer Unit 4, a coal-fired 846 megawatt generating unit operated by Georgia Power Company and owned by JEA (23.64% ownership interest) and Florida Power & Light Company (FPL) (76.36% ownership interest); St. Johns River Power Park System (SJRPP), which is two coal-fired generating units (638 net megawatts each) jointly owned and operated by JEA (80% ownership interest) and FPL (20% ownership interest); and the Water and Sewer System. These financial statements include JEA's ownership interest in the Bulk Power Supply System and SJRPP. Separate accounting records are currently maintained for each system. The following information relates to JEA's ownership of the respective plants as of September 30, 2000 (in thousands):

<u>Bulk Power Supply System</u>	
Utility plant in service, net	\$ 107,362
Inventory	7,250
<u>SJRPP</u>	
Utility plant in service, net	\$ 811,252
Restricted assets	418,098
Current assets	74,185
Other assets	550,409
Long term debt	1,586,686
Other liabilities	256,568

The Electric System, the SJRPP, and the Water and Sewer System each has its own bond resolution. During fiscal year 1999, JEA defeased the remaining principal amount of its outstanding Bulk Power Supply System Bonds in advance of their scheduled due dates. As a result, all of the covenants, agreements and other obligations of JEA under the Bulk Power Supply System Bond Resolution have ceased, terminated and become void and have been discharged and satisfied, and JEA no longer is required to maintain the various funds and accounts established

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(a) Reporting Entity (continued)

thereunder, nor to make any deposits thereto. For fiscal year 2000 and going forward, JEA expects that all costs of operating and maintaining its interest in Scherer Unit 4 will continue to be paid as part of the Electric System's Cost of Operation and Maintenance.

(b) Basis of Accounting

JEA consists of two enterprise funds: Electric, and Water and Sewer. The Electric Enterprise Fund includes the Electric System, Bulk Power Supply System, and SJRPP. JEA is presenting combined financial statements for the two enterprise funds. JEA uses the accrual basis of accounting for both enterprise funds and has adopted the uniform system of accounts prescribed by the Federal Energy Regulatory Commission for the Electric Enterprise Fund and the National Association of Regulatory Utility Commissioners for the Water and Sewer Enterprise Fund. The investment in The Energy Authority (TEA) joint venture is recorded on the equity method.

The financial statements have been prepared in conformity with the pronouncements of the Governmental Accounting Standards Board (GASB), including GASB Statement No. 14, The Financial Reporting Entity, which defines JEA as a component unit of the City of Jacksonville, Florida (the City). Accordingly, the financial statements of JEA are included in the Comprehensive Annual Financial Report of the City. JEA has elected to apply all Financial Accounting Standards Board (FASB) Statements and Interpretations except for those that conflict with GASB pronouncements in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. Both SJRPP and the Bulk Power Supply System follow FASB Statement No. 71, Accounting For the Effects of Certain Types of Regulation.

(c) Revenue

Electric and water and sewer revenue is recorded as earned. JEA earned 15% of its electric revenue from electricity sold to FPL in fiscal year 2000. Operating revenues include amounts estimated for unbilled services provided during the reporting period.

(d) Utility Plant

The costs of utility plant additions and replacements are capitalized. Maintenance and replacements of minor items are charged to operating expenses. The cost of depreciable plant retired is eliminated from the

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(d) Utility Plant (continued)

plant accounts, and such cost plus removal expense less salvage value is charged to accumulated depreciation.

SJRPP is required by its bond resolution to deposit certain amounts in a renewal and replacement fund. These amounts are then required to be expended on capital expenditures to maintain and improve the system. The amounts deposited in the fund are recorded as an expense when deposited. As capital expenditures are made, the amounts funded from the renewal and replacement fund are transferred to Utility Plant as a reduction of installed cost.

(e) Allowance for Funds Used During Construction

An allowance for funds used during construction (AFUDC) is included in "Construction in progress" and as a reduction of interest expense. JEA capitalizes interest on construction projects financed with the revenue bonds and commercial paper in accordance with SFAS No. 34 and SFAS No. 62. The AFUDC rate for the Electric System fixed rate debt was 5.250% for fiscal year 2000. The AFUDC rate for the Electric System variable rate debt was 4.302% for fiscal year 2000. The AFUDC rate for the Water and Sewer System was 5.346% for fiscal year 2000. The amount capitalized is the interest cost of the debt less any interest earned on investment of debt proceeds from the date of the borrowing until the assets are placed in service. Total interest incurred was approximately \$167,238,000 for fiscal year 2000. Interest expense of approximately \$29,097,000 for fiscal year 2000 was capitalized, net of interest income capitalized of approximately \$12,240,000.

(f) Depreciation

Depreciation of the JEA utility plant, all of which is charged to operations, is computed on a straight-line basis at rates based upon the estimated service lives of the various property classes. The effective rate of depreciation based upon average depreciable property balances was approximately 5% for fiscal year 2000. The JEA has commissioned a depreciation study and once the study is finalized, the JEA will adjust future depreciation rates in fiscal year 2001 in accordance with the findings of the depreciation study.

(g) Amortization

Amortization of debt issue costs and debt original issue discount is computed on a straight-line basis, which approximates the effective interest method over the remaining term of the outstanding bonds.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(h) Losses on Refundings

Losses on refundings of JEA revenue bonds are deferred and amortized as a component of interest expense using the straight-line method over the remaining life of the old debt or the new debt, whichever is shorter, in accordance with Statement of Governmental Accounting Standards Board No. 23, Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities. The losses on refundings are reported as a reduction of long-term debt. Whereas JEA has incurred accounting losses on refundings, calculated as the difference between the net carrying value of the refunded and the refunding bonds, JEA has over time realized economic gains calculated as the present value difference in the debt service on the refunded and refunding bonds.

(i) Investments

Investments in U.S. treasury and government agency securities are recorded at fair value, as determined by quoted market prices. Investments in overnight repurchase agreements and commercial paper are recorded at cost, which approximates fair value.

(j) Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, bank demand accounts, overnight repurchase agreements, and short-term liquid investments purchased with an original maturity of 90 days or less.

(k) Interest Rate Swap Agreements

JEA's risk management policies allow the use of interest rate swaps and caps to manage financial exposures, but prohibit the use of these instruments for speculative or trading purposes. JEA utilizes interest rate swaps and caps to manage the interest rate risk associated with various assets and liabilities. Interest rate swaps are used in the area of investment management to increase the yield on revolving short-term investments. Interest rate swaps are also used in the area of debt management to take advantage of favorable market interest rates, while caps are used to limit variable rate debt exposure. Due to the policies followed, JEA does not qualify for hedge accounting. Thus, all changes in the fair value of these instruments are recorded in the combined statements of operations. Under the swap program, JEA pays a variable rate of interest, which is based on various indices, and receives a fixed rate of interest. These indices are affected by changes in the market. The

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(k) Interest Rate Swap Agreements (continued)

net amounts received or paid under the swap agreements are recorded either as an adjustment to interest income (asset management) or interest expense (debt management). From the inception of the program through September 30, 2000, JEA has earned approximately \$7.3 million on the asset management program and approximately \$8.1 million on the debt management program from the use of interest rate swaps and caps.

(l) Inventory

Inventories are maintained for fuel and material and supplies. Fuel inventories are maintained at levels sufficient to meet customer demands. Inventories are valued at average cost.

(m) Fuel Management Program

In connection with the purchase of oil and natural gas, JEA has developed and implemented a fuel management program intended to manage the risk of changes in the market prices of oil and natural gas. Pursuant to this program, JEA executes futures and options contracts from time to time to help manage fluctuations in the market prices of oil and natural gas. The fair value adjustments of such contracts are recorded in "Operating Expenses - Fuel" and "Prepaid expenses and other assets." The associated margin deposits are also recorded in "Prepaid expenses and other assets." The net amounts received or paid under the expired or closed fuel contracts are recorded as an adjustment to "Operating Expenses - Fuel."

(n) Contributed Capital

Contributed capital for the Water and Sewer System represents contributions of fixed assets from third parties. Contributed capital is recorded at cost at the time of receipt. Depreciation is recorded on contributed fixed assets on the straight-line basis and is charged against the related contributed capital account and is added back as an increase to retained earnings.

(o) Deferred Credits and Other Liabilities

"Deferred credits and other liabilities" includes long-term compensated absences, accrued environmental liabilities, and the long-term obligation to the City of Jacksonville for its Excise Tax Revenue Bonds, net of unamortized losses on refundings.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(p) Environmental Costs

JEA expenses, on a current basis, certain known costs incurred in complying with environmental regulations and conducting remediation activities. JEA also accrues liabilities in accordance with SFAS No. 5 for certain potential future costs required for site restoration for which JEA may be liable whenever, by diligent legal and technical investigation, the scope or extent of damage has been determined, remedial measures have been specifically identified as practical and viable, and the cost of remediation and JEA's proportionate share can be reasonably estimated. Generally, the timing of these accruals coincides with completion of a remedial investigation and feasibility study or JEA's commitment to a formal plan of action. Potential claims for recovery from other potentially responsible parties (PRPs) effectively reduce the recorded liability.

(q) Impairment of Long-Lived Assets

Long-lived assets subject to the requirements of SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of any asset may not be recoverable.

(r) Costs to be Recovered from Future Revenues / Revenues to be Used for Future Costs

Cost-based Regulation - Due to the application of SFAS No. 71, JEA's Bulk Power and SJRPP Systems record certain assets and liabilities that result from the effects of the ratemaking process that would not be recorded under generally accepted accounting principles for nonregulated entities. Currently, the electric utility industry is predominantly regulated on a basis designed to recover the cost of providing electric power to its customers. If cost-based regulation were to be discontinued in the electric industry for any reason, market prices for electricity could be reduced or increased and utilities might be required to reduce their balance sheet amounts to reflect market conditions. Discontinuance of cost-based regulation could also require affected utilities to write off their associated regulatory assets and liabilities. Management cannot predict the potential impact, if any, of the change in the regulatory environment on JEA's future financial position and results of operations.

The rates for SJRPP and the Bulk Power Supply System are established on a cost of service basis, which is based upon debt service, if any, and

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(r) Costs to be Recovered from Future Revenues / Revenues to be Used for Future Costs (continued)

operating fund requirements. Straight-line depreciation is not considered in the cost of service calculation used to design rates.

Costs to be Recovered from Future Revenues - The deferred debt related costs are resulting differences between expenses in determining rates and those used in financial reporting and shown under Other Assets on the Combined Balance Sheet. SJRPP has a contract with the Electric System and FPL to recover these costs from future revenue that will coincide with retirement of long-term debt of SJRPP. The amount recovered each year will be the difference between debt principal maturities (adjusted for the effects of premiums, discounts, and amortization of gains and losses) and straight-line depreciation and results in recognition of deferred costs on the Combined Statement of Revenue, Expenses, and Changes in Retained Earnings. SJRPP recognized (in thousands) \$31,815 in deferred costs in fiscal year 2000.

Revenues to be Used for Future Costs - Early debt principal retirements of the Bulk Power Supply System in excess of straight-line depreciation are included in "Deferred credits and other liabilities" on the Combined Balance Sheet and as an "Other non-operating revenue" in the Combined Statement of Revenue, Expenses, and Changes in Retained Earnings. In the future, recognition of deferred revenues on the Combined Statement of Revenue, Expenses, and Changes in Retained Earnings will coincide with future costs for straight-line depreciation that exceed any debt principal occurring at that time. The Bulk Power Supply System recognized revenue (in thousands) of (\$2,855) in fiscal year 2000.

Summary:

Recognition of deferred costs from SJRPP	\$ 31,815
Recognized revenues from the Bulk Power Supply System	<u>(2,855)</u>
Recognition of deferred costs and revenues, net	<u>\$ 28,960</u>

(s) Pervasiveness of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 amounts of revenues and expenses

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(1) Summary of Significant Accounting Policies: (continued)

(s) Pervasiveness of Estimates (continued)

during the reporting period. Actual results could differ from those estimates.

(2) Restricted Assets:

Restricted assets were held in the following funds on September 30, 2000 (in thousands):

Electric System:	
Sinking Fund	\$ 19,057
Debt Service Reserve Fund	29,372
Construction Fund	124,539
Renewal and Replacement Fund	44,037
Customer Deposits Trust Fund	15,840
Self Insurance Fund	3,000
Debt Management Strategy Reserve	26,750
Adjustment to fair value of investments	133
Total Electric System	<u>262,728</u>
Bulk Power Supply System:	
Renewal and Replacement Fund	241
Total Bulk Power Supply System	<u>241</u>
SJRPP System:	
Sinking Fund	120,927
Debt Service Reserve Fund	175,493
Renewal and Replacement Fund	91,360
Revenue Fund	34,120
Adjustment to fair value of investments	(3,802)
Total SJRPP System	<u>418,098</u>
Water and Sewer System:	
Sinking Fund	19,778
Debt Service Reserve Fund	28,511
Construction Fund	33,112
Renewal and Replacement Fund and Capital Outlay Fund	58,053
Customer Deposits Trust Fund	1,865
Debt Management Strategy Reserve	10,000
Adjustment to fair value of investments	259
Total Water and Sewer System	<u>151,578</u>
Total Restricted Assets	<u>\$ 832,645</u>

The Electric System, Bulk Power Supply System, SJRPP, and Water and Sewer System are permitted to invest restricted funds in specified types of investments until the time such funds are required to be disbursed for the designated purposes.

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(3) Cash and Investments:

JEA maintains cash and investment pools that are utilized by all funds except for those bond funds established subsequent to the 1986 Tax Reform Act.

Included in the JEA cash balances were amounts on deposit with JEA's commercial bank as well as amounts deposited with the Florida State Board of Administration's Local Government Investment Pool. The commercial bank balances were covered by federal depository insurance or collateralized subject to the "Florida Security for Public Deposits Act" of Chapter 280, Florida Statutes. Amounts subject to Chapter 280, Florida Statutes are collateralized by securities deposited by JEA's commercial bank under certain pledging formulas with the State Treasurer or other qualified custodians.

JEA is authorized to invest in securities as described in each bond resolution. Investments in securities are categorized in accordance with GASB Statement No. 3, Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements. Each category is a level of risk assumed by JEA: Category 1 includes investments that are registered or insured or which are held by JEA or by an agent in JEA's name; Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in JEA's name; and Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in JEA's name. For fiscal year 2000, all securities were classified as Category 1.

During fiscal year 2000, JEA had a securities lending agreement with an independent third party on certain securities of the Electric System, the Bulk Power Supply System, and the Water and Sewer System for the purpose of increasing investment income as permitted by the respective bond resolutions. When JEA lends securities, the risk of failure by the borrower to return the loaned securities is alleviated by such loans being continuously collateralized by securities that are permitted investments under each bond resolution. The collateral securities are in an amount equal to 103% of the market value of the loaned securities and are held by a third party safekeeping agent. Under the lending agreement, the collateral securities are deemed to be substituted for the loaned securities, and are subject to the lien or pledge under each bond resolution. JEA has the right and the ability to sell the collateral securities upon default of the borrower to return the loaned securities to JEA under the lending agreement. JEA cannot sell the collateral securities without a default by the borrower. The borrower is required by the contract agreements to indemnify JEA if upon a default the collateral securities are insufficient to replace the loaned securities or if the borrower fails to pay JEA for income

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(3) Cash and Investments: (continued)

distributions from the loaned securities of the Electric System, the Bulk Power Supply System, and the Water and Sewer System while they are on loan. These loaned securities are considered Category 1 investments in accordance with GASB Statement No. 3.

The JEA follows GASB No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, which requires the adjustments of the carrying value of investments to fair value to be presented as a component of investment income. Investments are presented at fair value, which is based on available or equivalent market values. The Local Government Investment Pool operated by the Florida State Board of Administration is a "2a-7-like" pool in accordance with GASB No. 31; therefore, it is not presented at fair value but at its actual pooled share price which approximates fair value. At September 30, 2000, the fair value of all securities, regardless of balance sheet classification as cash equivalent or investment, was as follows (in thousands):

Securities:	
U.S. Treasury and Government Agency Securities	\$ 572,296
Repurchase Agreements	53,906
Commercial Paper	67,927
Local Government Investment Pool	32,444
Loaned securities:	
U.S. Treasury and Government Agency Securities	76,481
Securities subtotal	<u>803,054</u>
Fair value of interest rate swaps	289
Total securities, at fair value	<u><u>\$ 803,343</u></u>

These securities are held in the following accounts (in thousands):

Restricted assets:	
Cash and cash equivalents	\$ 344,844
Investments, at fair value	434,411
Current assets:	
Cash and cash equivalents	50,949
Investments, at fair value	28,202
Total cash and investments	<u>858,406</u>
Plus: Interest due on securities	7,995
Less: Cash on deposit	(63,058)
Total Securities, at fair value	<u><u>\$ 803,343</u></u>

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(3) Cash and Investments: (continued)

For asset management purposes, JEA has entered into various interest rate swap agreements that expire over the next five years with outstanding total notional amounts of \$35,000,000 for the Electric System at September 30, 2000, as well as \$35,000,000 for the Water and Sewer System at September 30, 2000. For the fiscal year ended September 30, 2000, the weighted average rates of interest were:

Variable	3.989%
Fixed	4.291%

Asset management interest rate swap earnings and losses are recorded as an increase to "Interest revenue" in the Combined Statement of Revenues, Expenses, and Changes in Retained Earnings. As a result of these interest rate swap earnings, JEA increased investment income for the Electric System by \$174,425 in fiscal year 2000, and for the Water and Sewer System by \$50,392 in fiscal year 2000. For fiscal year 2000, the notional amounts of the interest rate swaps are not reflected in the financial statements; however, the fair value of the interest rate swaps are included in "Investments" on the Combined Balance Sheet. Although JEA has no plans or expectations to terminate the interest rate swaps prior to their maturity dates, the aggregate fair value of the notional amount of the interest rate swaps as of September 30, 2000 were \$35,044,975 for the Electric System, and \$34,591,883 for the Water and Sewer System. These amounts were calculated using market rates as of September 28, 2000, and standard cash flow present valuing techniques. The Electric System and the Water and Sewer System are exposed to a potential nonpayment in the event of nonperformance by the counterparty of its interest rate swap agreements. JEA believes that the risk of nonpayment in the event of nonperformance by the counterparty under these agreements is not significant. JEA does not anticipate nonperformance by the counterparty.

(4) Renewal and Replacement Funds:

The requirements for contributions to the respective systems' renewal and replacement funds are as follows:

Electric System:	An amount equal to the greater of 10% of the prior year defined net revenues or 5% of the prior year defined gross revenues.
SJRPP System:	An amount equal to 12.5% of aggregate debt service, as defined.
Water and Sewer System:	An amount equal to the greater of 10% of the prior year defined net revenues or 5% of the prior year defined gross revenues.

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(5) Long-Term Debt:

The Electric System, Bulk Power Supply System, SJRPP System, and Water and Sewer System Revenue Bonds (JEA Revenue Bonds) are payable from and secured by a pledge of the Net Revenues of each of the respective JEA Systems. JEA is required to deposit monthly, into separate debt service funds for each System, approximately one-twelfth of the aggregate amount of principal and interest becoming payable on the outstanding JEA Revenue Bonds within the bond year. Interest on the fixed rate portion of the JEA Revenue Bonds (excluding SJRPP capital appreciation bonds) is payable semi-annually on April 1 and October 1, with the principal amount payable on October 1. FPL is required to make certain debt service payments on SJRPP Revenue Bonds. These payments are made in accordance with the requirements of the SJRPP Bond Resolution and Joint Ownership Agreement between JEA and FPL.

On September 23, 1999, all of the outstanding Bulk Power Supply System Bonds were defeased. The debt service to maturity on the outstanding JEA Revenue Bonds (excluding Commercial Paper Notes and Variable Rate Obligations) as of September 30, 2000, is summarized in the following table (in thousands):

Bond Yrs Ending October 1	Electric System		SJRPP		Water & Sewer		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2000 ⁽¹⁾	\$ 1,605	\$ 15,291	\$ 75,100	\$ 45,292	\$ 8,410	\$ 11,226	\$ 156,924
2001	1,695	34,994	80,370	86,677	8,735	22,108	234,579
2002	1,795	34,511	84,715	82,321	7,360	21,741	232,443
2003	1,895	34,425	85,735	78,161	8,935	21,380	230,531
2004	2,000	34,335	90,430	73,464	9,410	20,956	230,595
2005-2009	133,680	163,161	515,625	293,536	47,190	97,593	1,250,785
2010-2014	204,055	107,363	591,589	184,525	52,950	85,465	1,225,947
2015-2019	73,815	72,492	140,470	41,619	58,360	70,434	457,190
2020-2024	49,370	56,839	62,025	4,002	57,340	54,898	284,474
2025-2029	60,795	42,433	-	-	58,675	39,075	200,978
2030-2034	106,430	19,025	-	-	24,700	26,331	176,486
2035-2039	6,465	363	-	-	75,350	13,704	95,882
Total	\$643,600	\$615,232	\$1,726,059	\$889,597	\$417,415	\$484,911	\$4,776,814

1) Principal and interest to be paid on October 1, 2000, only; excludes interest paid on April 1, 2000 of this bond year.

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(5) Long-Term Debt: (continued)

The estimated fair value of the outstanding fixed rate and variable rate JEA Long-Term Debt (excluding commercial paper notes) at September 30, 2000 was approximately \$3,052,948,000. The estimated fair value at September 30, 2000 for the fixed rate portion of the JEA Revenue Bonds was determined through a nationally recognized third-party financial information service. The estimated fair value at September 30, 2000 for the \$240,000,000 of JEA Variable Rate Electric System Subordinated Revenue Bonds and \$50,250,000 of JEA Variable Rate Water and Sewer System Revenue Bonds were determined to be the par amount outstanding at September 30, 2000.

JEA, at its option, may redeem specific outstanding JEA Revenue Bonds prior to maturity, as discussed in the Official Statements covering their issue. A summary of the redemption provisions is as follows:

	<u>Electric System</u>	<u>SJRPP</u>	<u>Water and Sewer</u>
Earliest year for redemption	2000	2000	2002
Redemption price ranges	101% - 100%	101.5% - 100%	101% - 100%

Electric System and Bulk Power Supply System

During fiscal year 1999, JEA established irrevocable escrows to defease \$65,145,000 in par amount of Electric System Bonds and to defease the remaining \$87,230,000 outstanding par amount of Bulk Power Supply System Bonds. The defeasance escrow transactions are summarized in the following table (in thousands):

<u>Date</u>	<u>Issue</u>	<u>Par Amount of Extinguishments</u>	<u>Accounting Gain (Loss) on Debt Extinguishments</u>
December 10, 1998	Bulk Power Supply, Series 1993A	\$ 22,505	\$ -
January 13, 1999	Bulk Power Supply, Series 1993A	20,035	-
May 25, 1999	Bulk Power Supply, Series 1993A	20,000	-
September 2, 1999	Electric System, Series 1993A and 1993B	65,145	-
September 23, 1999	Bulk Power Supply, Series 1993A and 1991A	24,690	(33)
		<u>\$ 152,375</u>	<u>(\$ 33)</u>

During fiscal year 2000, JEA issued Electric System debt as summarized in the following table (in thousands):

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(5) Long-Term Debt: (continued)

<u>Debt Issued</u>	<u>Purpose</u>	<u>Priority Of Lien</u>	<u>Month Issued</u>	<u>Par Amount Issued</u>	<u>Par Amount Refunded</u>	<u>Accounting Loss on Refunding</u>
Series Three 2000A	New Money/ Refunding	Senior	February 2000	\$ 137,305	\$ 54,849	\$ 91
Series Three 2000B	Refunding	Senior	May 2000	78,965	78,246	149
Series Three 2000C	New Money	Senior	September 2000	59,930	-	-
2000 Series A, B, C	New Money	Junior	January 2000	240,000	-	-
2000 Series D	Refunding	Junior	June 2000	69,285	68,587	118
2000 Series E	New Money	Junior	September 2000	31,105	-	-
Series E Commercial Paper	New Money	Junior	October 1999	40,000	-	-
				<u>\$ 656,590</u>	<u>\$ 201,682</u>	<u>\$ 358</u>

The payment of principal and interest on the 2000 Series A, B, and C, 2000 Series D, and 2000 Series E bonds is subordinate in all respects to the payment of principal and interest on the Series Two and Three Electric System Revenue Bonds from the Net Revenues of the Electric System.

The 2000 Series A, B, and C Subordinated Bonds are variable rate obligations and are subject to mandatory and optional redemption prior to their scheduled maturity on October 1, 2010 and to optional and mandatory tender for purchase as set forth in the Official Statement relating to their issuance. Initially, the Series 2000 Series A, B, and C Subordinated Bonds were issued in the daily mode, and bear interest at a daily rate, which will be determined on each business day. Interest is payable on the first business day of each month. Liquidity support in connection with tenders for purchase of the 2000 Series A, B, and C Subordinated Bonds are provided by separate liquidity providers with respect to each separate Series pursuant to a standby bond purchase agreement ("the liquidity facility"). The liquidity facility relating to the 2000 Series A Bonds has a stated termination date of January 18, 2003; the liquidity facility relating to the 2000 Series B Bonds has a stated termination date of January 16, 2001; and the liquidity facility relating to the 2000 Series C Bonds has a stated termination date of January 17, 2001. With respect to each separate liquidity facility, the JEA can and expects to request extensions of the termination dates. The purchase price of the 2000 Series A, B, and C Subordinated Bonds tendered or deemed tendered for purchase is payable solely from the proceeds of the remarketing thereof and moneys drawn under the applicable liquidity facility and are not payable from any funds of JEA.

SJRPP

In July 1995, JEA issued \$141,755,000 of SJRPP Special Obligation Bonds, Fifth Crossover Series (Fifth Crossover Series). The proceeds from the Fifth

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
A. JEA (continued)
(5) Long-Term Debt: (continued)

Crossover Series were held in a special escrow fund until October 1, 1999, the "crossover date". A portion of the invested proceeds and income of the special escrow fund was used to pay the interest on the Fifth Crossover Series until the crossover date. On the crossover date, the balance of the funds on deposit in the special escrow fund was used to redeem \$138,450,000 of Issue Two, Series Five Bonds. Also, on the crossover date, the SJRPP Special Obligation Bonds, Fifth Crossover Series were exchanged for the SJRPP Issue Two, Series Twelve Bonds. JEA realized and deferred an accounting loss of \$2,802,258 in October 1999 on the redemption. However, a net economic gain of \$9,963,165 was realized as a result of the transaction. After the crossover date, the SJRPP Issue Two, Series Twelve Refunding Bonds that were exchanged for the Fifth Crossover Series bear the same interest rates, have the same maturity dates, and are subject to optional and mandatory redemption at the same times, in the same amounts, and at the same redemption prices as the Fifth Crossover Series.

Water and Sewer System

JEA issued \$110,000,000 of 1999 Series A Water and Sewer System Revenue Bonds on June 9, 1999 and \$78,890,000 of 2000 Series A Water and Sewer System Revenue Bonds on February 3, 2000 to fund various additions and improvements to the Water and Sewer System.

In February 2000, JEA also issued \$50,250,000 of Variable Rate Water and Sewer System Bonds 2000 Series B to fund projects of the Water and Sewer System. The 2000 Series B Bonds are subject to mandatory and optional redemption prior to their scheduled maturity on October 1, 2034 and to optional and mandatory tender for purchase as set forth in the Official Statement relating to their issuance. The 2000 Series B Bonds bear interest at variable rates. Initially, the 2000 Series B Bonds were issued in the weekly mode, and bear interest at a weekly rate, which is determined on each Tuesday. Interest on the 2000 Series B Bonds is payable on the first Wednesday of each month. Liquidity support in connection with tenders for purchase of the 2000 Series B Bonds is provided pursuant to a standby bond purchase agreement ("the liquidity facility"). The liquidity facility relating to the 2000 Series B Bonds has a stated termination date of February 1, 2001. With respect to the liquidity facility, the JEA can and expects to request an extension of the termination date. The purchase price of the 2000 Series B Bonds tendered or deemed tendered for purchase is payable solely from the proceeds of the remarketing thereof and moneys drawn under the liquidity facility and not payable from any funds of JEA.

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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(5) Long-Term Debt: (continued)

Commercial Paper

During fiscal year 2000, JEA retired \$20,751,000 of Series B and C Commercial Paper Notes. Also, during fiscal year 2000, JEA refunded \$101,682,000 and \$100,000,000 of Series A and Series E Commercial Paper Notes, respectively, through an economic defeasance, from the proceeds of its Series Three 2000A, Series Three 2000B and 2000 Series D bonds.

The following table summarizes the Electric System Commercial Paper Notes (Commercial Paper Notes) as of September 30, 2000 (in thousands):

	Principal Amount Outstanding	Final Maturity Date Not to Exceed	Interest Rate Not to Exceed	Average Interest Rate For Fiscal Year 2000
Series B Notes	\$ 20,647	June 7, 2033	20%	5.986%
Series C Notes	122,650	June 7, 2033	15%	3.718%
	<u>\$ 143,297</u>			

The Commercial Paper Notes, shown in the previous table, have been classified as long-term debt obligations and are subordinate in all respects to the Electric System Revenue Bonds. The estimated fair value of the Commercial Paper Notes at September 30, 2000 was \$143,297,000. The Commercial Paper Notes were valued at par.

In order to manage more effectively its finances and to reduce the net cost of its debt, JEA from time to time enters into interest rate cap agreements to limit the interest rate risk associated with the Commercial Paper Notes. As of September 30, 2000, JEA has interest rate caps with a total notional amount of \$60 million associated with the Commercial Paper Notes. JEA is exposed to a potential nonpayment in the event of nonperformance by the counter-party to its interest rate cap agreements. JEA believes that the risk of nonpayment in the event of nonperformance by the counter-party under these agreements is not significant and furthermore, JEA does not anticipate nonperformance by the counter-party.

In order to provide liquidity support for each series of Commercial Paper Notes, JEA has two separate revolving credit agreements with a commercial bank for its two remaining commercial paper programs. If moneys are not available to pay the principal of any maturing Commercial Paper Notes during the term of the credit agreements, JEA is entitled to make a borrowing under the applicable credit agreements, provided that certain conditions are satisfied,

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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(5) Long-Term Debt: (continued)

in an amount equal to the principal amount of the maturing Commercial Paper Notes. As of September 30, 2000, the expiration dates for the credit agreements are as follows:

Series B Notes	September 26, 2001
Series C Notes	May 14, 2001

JEA has and will continue to request extensions of the credit agreements expiration dates as provided for in the agreements, so that a current credit agreement is in place for each of the outstanding Commercial Paper Notes. If JEA is unable to fund any Commercial Paper Note maturities, JEA can utilize the credit agreements prior to their expiration dates to the extent alternate sources of financing are not available. Upon the expiration of the term of any of the credit agreements, if any of the Commercial Paper Notes secured thereby are outstanding, JEA is required to make a borrowing under the credit agreements to repay the principal of all outstanding Commercial Paper Notes secured thereby. Any loans outstanding under the credit agreements on the expiration date thereof may be converted to a term loan that is repayable, in general, in twelve equal semi-annual installments. JEA has not made any borrowings under the credit agreements and does not expect to do so in the future.

In May 2000, JEA obtained an unsecured line of credit for \$50 million which expires May 3, 2003. As of September 30, 2000, there was no outstanding balance.

Debt Management Strategy

JEA has entered into various interest rate swap agreements in connection with its debt management strategy that expire over the next five years and which have total notional amounts outstanding of \$535 million for the Electric System and \$200 million for the Water and Sewer System at September 30, 2000. For the fiscal year ending September 30, 2000, the weighted average rates of interest were as follows:

Variable	3.989%
Fixed	4.273%

Debt management strategy interest rate swap earnings and the related adjustments to fair value are shown as additions or reductions to "Interest expense" in the Combined Statement of Revenue, Expenses, and Changes in Retained Earnings. As a result of these interest rate swap earnings and fair value adjustments, JEA increased "Interest expense" for the Electric System by

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(5) Long-Term Debt: (continued)

\$1,466,435 and decreased "Interest expense" for the Water and Sewer System by \$137,573 in fiscal year 2000. The fair value of the interest rate swap instruments are also included as an addition to "Long-term debt and other long-term obligations" on the Combined Balance Sheet; however, the notional amounts of the interest rate swaps are not reflected in the financial statements. Although the Electric System and the Water and Sewer System have no plans or expectations to terminate the interest rate swaps prior to their maturity dates, the aggregate fair value of the notional amount of the interest rate swaps as of September 30, 2000 were \$532,619,734 for the Electric System and \$200,009,160 for the Water and Sewer System. These amounts were calculated using market rates as of September 28, 2000 and standard cash flow present valuing techniques.

The Electric System and the Water and Sewer System are exposed to a potential nonpayment in the event of nonperformance by the counterparty to its interest rate swap agreements. JEA believes that the risk of nonpayment in the event of nonperformance by the counterparty under the agreements is not significant and furthermore, JEA does not anticipate nonperformance by the counterparty.

(6) City of Jacksonville

JEA is a component unit of the City and utilizes various services provided by departments of the City, including revenue collections, insurance, legal and motor pool. JEA is billed on a proportionate cost basis with other user departments and agencies.

JEA provides electric, water and sewer service to the City and its agencies and bills for such service using established rate schedules. The revenues for services provided and expenses for services received by JEA for these related party transactions with the City were as follows (in thousands):

	<u>Revenues</u>	<u>Expenses</u>
Fiscal year 2000	\$ 13,702	12,555

Beginning in fiscal year 1999, the JEA Electric System is required to contribute annually to the General Fund of the City an amount not to exceed 7.5 mills per kilowatt hour delivered by JEA to retail users in JEA's service area, and to wholesale customers under firm contracts having an original term of more than one year, other than sales of energy to Florida Power & Light Company from JEA's St. Johns River Power Park System. The contribution rate, beginning

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(6) City of Jacksonville: (continued)

with fiscal year 1999, is the greater of 5.5 mills per kilowatt hour delivered or the 1998 fiscal year contribution of \$52,039,278 plus an increase of \$3 million a year for the next five years. The fiscal year 1999 contribution amount was also subject to a one-time increase of \$336,540, which was offset by a reduction of \$336,540 in the fiscal year 2000 contribution amount. The contribution rate for fiscal year 2000 was 5.5 mills per kilowatt hour delivered and amounted to \$60,898,145. A contribution of \$62,589,668 has been budgeted for the fiscal year ending September 30, 2001.

Beginning in fiscal year 1999, the JEA Water and Sewer System is required to contribute annually to the General Fund of the City an amount not to exceed 2.63 mills per cubic foot of potable water and sewer service provided, excluding reclaimed water service. The contribution amount for fiscal year 2000 was \$10,536,135. These amounts are based on a contribution rate of 1.75 mills and such rate will be in effect for the next five years. A contribution of \$11,048,610 has been budgeted for the fiscal year ending September 30, 2001.

Although the calculation for the annual transfer of available revenue from JEA to the City is based upon formulas that are applied specifically to each utility system operated by JEA, JEA may, in its sole discretion, utilize any of its available revenues regardless of source to satisfy its total annual obligation to the City.

In addition to the contributions described above, JEA is also obligated to make semi-annual payments with respect to a portion of the debt service for the City's Excise Tax Revenue Bonds, Series 1988A and 1995A through fiscal year 2009. In March 1999, the City refunded the Series 1988A Bonds with the City's Excise Tax Revenue Bonds, Series 1999A. In fiscal year 2000, JEA paid to the City \$2,406,144 in principal and \$794,669 in interest. The total amount due the City as of September 30, 2000 was \$20,501,581 and is reflected in "Deferred credits and other liabilities" in the Combined Balance Sheet.

Joint Projects Agreement

The Joint Projects Agreement (Agreement) between JEA and the City, entered into on November 23, 1998, authorized the design and/or construction of certain JEA water, sewer, and electric utility upgrades in conjunction with certain City projects for streets and drainage to accomplish one-time construction within the public rights of way.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(6) City of Jacksonville: (continued)

Pursuant to this Agreement, JEA funded a \$750,000 working fund to be kept by the City, from which monthly payments are made for JEA's portion of these projects. The working fund is replenished the following month for payments made on behalf of JEA. JEA is not required to fund its unexpended project commitments other than the working fund amount unless the working fund becomes inadequate, which would require immediate wire transfer of needed funds. At September 30, 2000, JEA's unfunded project commitment to the City in excess of the working fund is approximately \$1.5 million.

(7) Coal Purchase and Purchased Power Commitments:

JEA has commitments to purchase a majority of the coal for SJRPP and the Bulk Power Supply System under long-term contracts expiring in 2002 and 2008, respectively. Subsequent to September 30, 2000, the long-term contract expiring in 2002 was extended to 2005. JEA also has commitments for the transportation of coal purchases under a long-term contract for SJRPP expiring in 2005. Commitments for transportation of coal purchases for the Bulk Power Supply System are effective through 2002 and subject to renewal in 2003 for the coal purchases through 2008. Contract terms specify minimum annual purchase commitments at certain prices subject to adjustments for price level changes according to the contract.

JEA also has contracts with certain operating subsidiaries of Southern Company (such operating subsidiaries are referred to herein as "Southern") for the purchase of 200 MW of coal-fired capacity and energy through May 2010. These capacity obligations of Southern are firm, subject to the availability of the units involved (Miller Units 1-4 and Scherer Unit 3). Upon three years notice to Southern, JEA may elect to reduce its capacity obligations by as much as 150 MW.

Under these contracts with Southern, JEA is committed to purchase for the Electric System certain energy output associated with the purchased generating capacity entitlement. The total cost to be incurred by JEA depends upon future costs incurred by Southern in connection with its ownership and operation of coal-fired generating facilities to which the agreements relate and upon the amount of energy actually purchased by JEA. A portion of such future costs is related to the electric generating capacity entitlement and is payable by JEA, subject to certain contingencies, whether or not any energy is actually produced by such units or purchased by JEA.

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(7) Coal Purchase and Purchased Power Commitments: (continued)

The maximum aggregate amount of future payments, including the projected effects of inflation for coal purchase commitments of SJRPP (at JEA's 80% ownership interest) and the Bulk Power Supply System and future estimated fixed charges for electric generating capacity entitlement and transmission, including the projected effects of inflation for JEA, appear in the following table (in thousands). The electric generating capacity and transmission charges do not reflect JEA's option to reduce its capacity obligations with three years notice.

Calendar Year	Coal		Electric Generating Capacity/ Energy	Transmission
	Purchases	Transportation		
2001	\$85,526	\$39,088	\$ 19,129	\$ 4,330
2002	72,669	34,730	18,888	4,680
2003	66,121	19,699	19,128	4,992
2004	60,400	15,375	19,092	5,232
2005	61,745	15,449	19,056	5,304
2006 - 2010	3,781	1,815	82,523	25,217

(8) General Employees Pension Plan:

JEA Plan Description and Contributions

Substantially all of the employees of the Electric System and Water and Sewer System participate in and contribute to the City of Jacksonville General Employees Pension Plan (Plan), as amended. The Plan is a cost-sharing, multiple-employer contributory defined benefit pension plan.

All full-time employees who successfully complete a physical examination and meet the medical requirements for membership are eligible to participate in the Plan. The Plan, based on laws outlined in the City of Jacksonville Ordinance Code and applicable Florida Statutes, provides for retirement, survivor, death and disability benefits.

Plan members are required to contribute 8% of their current-year annual covered salary. JEA's required contribution rate for fiscal year 2000 was 5.62% of annual covered payroll. The State of Florida requires Plan contributions be made based upon an actuarial valuation and any contribution shortfalls are the responsibility of the City to fund. JEA's contributions (in millions) to the Plan for the years ending September 30, 2000, 1999 and 1998

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(8) General Employees Pension Plan: (continued)

were \$4.5, \$6.8, and \$8.5, respectively, equal to the required contributions for each year.

St. Johns River Power Park Plan Description

The JEA St. Johns River Power Park System Employees' Retirement Plan (Plan) is a single employer contributory defined benefit plan covering employees of the JEA St. Johns River Power Park System (SJRPP).

All participants who have met the requirements for number of years of vesting service and age are entitled to monthly Plan benefits as provided for retirement, survivor, death and disability. SJRPP issues a publicly available financial report that includes financial statements and required supplementary information. The latest report (1998) may be obtained by writing to JEA, Employee Services, Tower 6, 21 West Church Street, Jacksonville, Florida 32202-3139 or by calling (904) 665-6257.

Plan members are required to contribute 2% of their current-year annual covered salary. JEA SJRPP's required contribution rate for fiscal year 2000 was 8% of annual covered payroll. The Plan's funding policy provides for at least quarterly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. JEA SJRPP contributions (in millions) to the Plan for the years ending September 30, 2000, 1999, and 1998 were \$1.9, \$1.4, and \$1.1, respectively, equal to the required contributions for each year.

(9) Commitments and Contingent Liabilities:

(a) Commitments

JEA has ongoing capital improvement programs for the Electric System and the Water and Sewer System. The capital programs consist of: (a) the Electric System capital requirements for additional generating facilities, as well as improvements to existing generating facilities, that are determined to be necessary as a result of JEA's annual resource planning process, (b) the Electric System's remaining capital requirements for transmission and distribution facilities and other capital items, and (c) the Water and Sewer System capital requirements necessary to accommodate system growth.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(9) Commitments and Contingent Liabilities: (continued)

(a) Commitments (continued)

JEA's projected total capital expenditures for fiscal year 2001 through fiscal year 2005 are as follows (in thousands):

Electric System - Generation, Transmission, Distribution, and Other	\$ 1,127,248
Water and Sewer System	667,020

The City has authorized a capital improvement program, referred to as the River City Renaissance Program ("RCR Program"), for the acquisition, construction and improvement of various civic facilities. JEA has assisted the City in structuring a financing plan, which currently consists of City-issued commercial paper notes and long-term debt. The City-issued commercial paper notes are expected to be converted to long-term debt at some date in the future. The City and JEA have agreed that JEA's contribution to the City's General Fund would be adjusted to offset any increase (or a portion of any decrease) from \$17,403,000 in the annual debt service after October 1, 2000, on the debt issued by the City to finance the RCR Program. This program was designed to provide the City with funds sufficient to pay approximately \$242,210,000 of project costs. Any increase in the JEA contribution would not be effective until after October 1, 2000. Current projections indicate that the revenue streams will be sufficient to pay debt service on the outstanding bonds. For fiscal year 2000, the average commercial paper interest rate under this program was 3.907% and \$60 million of commercial paper notes were outstanding during this period. The average interest rate for the \$151.4 million of long-term debt outstanding as of September 30, 2000 was 5.33% with a final maturity on this fixed rate debt on October 1, 2018.

Beginning in fiscal year 1996, JEA entered into various interest rate swap transactions on behalf of the Electric System to manage its interest rate risk under the River City Renaissance Program. The total notional amount of the various interest rate swap agreements outstanding at September 30, 2000, was \$95 million. Under these agreements, JEA pays a variable rate of interest, based on various indices, and receives a fixed rate of interest on outstanding swap agreements expiring over the next five years. For the fiscal year ending September 30, 2000, the weighted average rates of interest were as follows:

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(9) Commitments and Contingent Liabilities: (continued)

(a) Commitments (continued)

<u>Weighted-Average Interest Rate</u>	
Variable	3.989%
Fixed	4.853%

All earnings on the interest rate swaps are paid to the City of Jacksonville to supplement the cash flows available for debt service. The notional amount of the various interest rate swaps is not reflected on the Combined Balance Sheets; however, the fair value of the interest rate swaps are included in "Investments" on the Combined Balance Sheet. Although JEA has no plans or expectations to terminate the interest rate swaps prior to their maturity dates, as of September 30, 2000, the aggregate fair value of the notional amount of the interest rate swaps was \$95,599,387. This amount was calculated using market rates as of September 28, 2000, and standard cash flow present valuing techniques. JEA is exposed to a potential nonpayment in the event of nonperformance by the counterparty to its interest rate swap agreements. The risk of nonpayment to JEA in the event of nonperformance by the counterparty under these agreements is not significant. JEA does not anticipate nonperformance by the counterparty.

In November 1996, the City issued a fixed rate bond issue to fund various marine facilities for the Jacksonville Port Authority. JEA, through a financing agreement, has committed to guaranteeing the growth of certain revenue streams dedicated to paying the debt service for this bond issue. The principal amount of the bonds outstanding is \$51,775,000 at September 30, 2000, with a final maturity of October 1, 2009. Coupon rates for the bonds range from 4.60% to 5.70%. The City and JEA have agreed that JEA's contribution to the City's General Fund would be adjusted to offset any shortfall in the dedicated revenue streams to pay the actual debt service. Current projections indicate that the revenue streams will be sufficient to pay the debt service on the outstanding bonds.

During fiscal year 1997, JEA entered into an interest rate swap agreement on behalf of the Electric System to manage its interest rate risk under the City/Jacksonville Port Authority Financing Agreement. The total notional amount of the interest rate swap agreement outstanding at September 30, 2000 was \$15 million. Under this agreement, JEA pays a variable rate of interest, based on an index, and receives a fixed rate of interest on the outstanding swap agreement, which will expire within the next five years.

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(9) Commitments and Contingent Liabilities: (continued)

(a) Commitments (continued)

For the fiscal year ending September 30, 2000, the weighted average rates of interest were as follows:

Weighted-Average Interest Rate	
Variable	3.989%
Fixed	4.562%

All earnings on the interest rate swap are currently held by JEA for the benefit of the Jacksonville Port Authority. The notional amount of the interest rate swap is not reflected on the Combined Balance Sheet; however, the fair value of the interest rate swaps is included in "Investments" on the Combined Balance Sheet. Although JEA has no plans or expectations to terminate the interest rate swap prior to maturity, as of September 30, 2000, the aggregate fair value of the notional amount of the interest rate swap was \$15,052,647. This amount was calculated using market rates as of September 28, 2000 and standard cash flow present valuing techniques. JEA is exposed to a potential nonpayment in the event of nonperformance by the counterparty to the interest rate swap agreement. The risk of nonpayment to JEA in the event of nonperformance by the counterparty under the agreement is not significant. JEA does not anticipate nonperformance by the counterparty.

(b) General Litigation

JEA is party to various pending or threatened legal actions arising in connection with its normal operations. Although the outcome of these actions is not presently determinable, it is management's opinion that the resolution of these matters will have no material adverse effect on JEA's financial position or results of operations.

JEA is insured for worker's compensation and general liability through an internal service fund of the City of Jacksonville.

(c) Grants and Contracts

JEA participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of JEA.

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(9) Commitments and Contingent Liabilities: (continued)

(d) Environmental Matters

JEA's generating stations are subject to regulation of their thermal and wastewater discharges, hazardous wastes, and air emissions by the U.S. Environmental Protection Agency (EPA), the Florida Department of Environmental Protection (FDEP), and the Jacksonville Regulatory and Environmental Services Department.

JEA has entered into two consent orders with the EPA related to various solid waste management units and areas of concern at J. Dillon Kennedy Generation Station and Northside Generation Station. These orders require JEA to do studies and prepare demonstrations without presently requiring remedial work. In connection with one area of concern at Kennedy Generation Station, JEA is in litigation with former owners and operators of the site and negotiating with their insurance carriers to recoup anticipated clean-up costs. It is estimated that the remedial cost could be between \$7 and \$13 million, although additional costs are possible.

Under Florida Department of Environmental Protection supervision, JEA has investigated groundwater contamination in the vicinity of the San Souci Substation in Jacksonville. The contaminants are solvents that may be associated with substation operations. JEA proposed to monitor the groundwater conditions to determine if the contaminants are naturally attenuating. If FDEP approves, it will take several years and cost approximately \$500,000 to install monitoring wells and confirm natural attenuation.

An accrued liability of \$8.0 million is reflected in the Combined Balance Sheet under "Deferred credits and other liabilities" applicable to the corrective action plans for property acquired by JEA such as the one adjacent to the J. Dillon Kennedy Generation site. This accrued liability is based on facts known at the date reported. While the final outcome of any of the proceedings referred to above cannot be predicted with certainty, JEA does not believe that its potential liabilities for such proceedings, either individually or in the aggregate, will have a material adverse effect upon its financial position and results of operations; however, changes in EPA standards, improvements in cleanup technology and discovery of additional information concerning these sites and other sites could affect the estimated costs in the future.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(10) Fuel Management Program:

The fuel management program is intended to help manage the risk of changes in the market prices of oil and natural gas. During fiscal year 2000, JEA entered into various fuel management contracts. It is possible that the market price before or at the specified time to purchase fuel oil may be lower than the price at which JEA is committed to buy. This would reduce the value of the contract. JEA is also exposed to the failure of the counterparty to fulfill the contract. JEA believes the risk of nonperformance by the counterparty under these contracts is not significant. JEA does not anticipate nonperformance by the counterparty.

At September 30, 2000, the fuel management program had 17 open oil contracts with a fair value of \$323,000 and no open natural gas contracts. It is expected that the dollar value of such contracts in effect under the program will not exceed \$90 million.

For fiscal year 2000, expirations and closings of fuel management contracts resulted in a \$4,896,175 decrease in "Operating Expenses – Fuel." The fair value adjustment resulted in a \$4,446,680 increase in "Operating Expenses – Fuel" for fiscal year 2000. At September 30, 2000, the fuel management program had margin deposits of \$924,398, which are reflected as "Prepaid expenses and other assets."

(11) Investment in The Energy Authority:

During fiscal year 2000, the four members of the power marketing joint venture, The Energy Authority (TEA), agreed to accept two new members. JEA's ownership interest decreased from 25% to 21.43%. Additionally, JEA received a \$434,000 prorata share of the membership fees, which are recorded as deferred revenue and are being amortized over a 24-month period. In accordance with a contractual agreement between JEA and its joint venture members, JEA has advanced funds to TEA for the purpose of negotiating power marketing transactions. As a result of the change in membership during fiscal year 2000, JEA received partial repayment of the advance to TEA. The \$1.3 million remaining advance is reflected in "Prepaid expenses and other assets" on the Combined Balance Sheet. JEA's equity in TEA's net income was \$11.3 million in fiscal year 2000. The following is a summary of the unaudited financial information of TEA for the 9 months ending September 30, 2000 (in thousands):

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

A. JEA (continued)

(11) Investment in The Energy Authority: (continued)

Condensed statement of operations:	
Operating revenues	\$ 265,105
Operating expenses	189,827
Operating income	<u>75,278</u>
Net income	<u>\$ 75,917</u>
Condensed balance sheet:	
Current assets	\$ 86,943
Noncurrent assets	22,377
Total assets	<u>\$ 109,320</u>
Current liabilities	<u>\$ 75,906</u>
Noncurrent liabilities	20,510
Equity	12,904
Total equity and liabilities	<u>\$ 109,320</u>

TEA issues separate audited financial statements on a calendar year basis. Pursuant to the Electric Advance Agreement with TEA, JEA's Board has approved the use of \$15,000,000 to support TEA's trading activities in the form of corporate guarantees, letters of credit and/or cash advances as determined by management.

(12) Segment Information

JEA's electric segment consists of an electric utility engaged in generation, purchase, transmission, distribution and sale of electricity primarily in Northeast Florida. JEA's water and sewer segment consists of water collection, distribution, and wastewater treatment in Northeast Florida. Segment information for JEA's electric segment and water and sewer segment activities for the fiscal year ended September 30, 2000 was as follows (in thousands):

	Electric	Water and Sewer
Operating revenue	\$ 794,312	\$ 139,242
Depreciation	106,073	31,584
Operating income	154,334	40,589
Net income	42,208	36,226
Current capital contributions	-	13,262
Additions to plant	429,916	154,922
Total assets	3,868,897	1,264,622
Net working capital	161,643	55,462
Long-term liabilities	2,642,847	473,072
Total equity	745,271	737,857

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority

(1) Summary of Significant Accounting Policies:

(a) Reporting Entity

The Jacksonville Port Authority (the Authority) was created in 1963 by Chapter 63-1447 of the Laws of Florida, to own and operate marine and aviation facilities in Duval County, Florida. The Authority is governed by an independent body (the Board) consisting of seven members, four of whom are appointed by the Governor of Florida and confirmed by the State Senate, and three of whom are appointed by the Mayor and confirmed by the City Council of the City of Jacksonville, Florida (the City or Council).

The Authority is considered a component unit of the City under Government Accounting Standards Board Statement No. 14, The Financial Reporting Entity. The Authority's financial statements include all funds and departments, which the Authority controls or which are dependent on the Authority. No other agencies or organizations have been included in the Authority's financial statements.

(b) Basis of Accounting

The Authority uses two enterprise funds, Aviation and Marine, to report its financial position, results of operations and cash flows. These funds are separately accounted for on a cost of services or capital maintenance measurement focus. The accrual basis of accounting is used for reporting purposes. Revenue is recognized when earned and expenses are recognized as incurred.

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board Opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting.

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(1) Summary of Significant Accounting Policies: (continued)

(c) Budgeting Procedures

The Jacksonville Port Authority's charter and related amendments, Council resolutions and/or Board policies have established the following budgetary procedures for certain accounts maintained within its enterprise funds. These include:

- i. Prior to July 1 of each year, the Authority shall prepare and submit its budget to the City Council for the ensuing fiscal year.
- ii. The Council may increase or decrease the appropriation requested by the Authority on a total basis or a line-by-line basis, subject to the following limitations:

The appropriation from the Council for construction, reconstruction, enlargement, expansion, improvement or development of any marine project or projects authorized to be undertaken by the Authority, shall not be reduced below \$800,000 (see Note 20.B.(10)).

Once adopted, the total budget may only be increased through action of the Council.

Operating budget item transfers may be made with the approval of the President and CEO or his designee. Line-to-line capital budget transfers may be made with the approval of the President and CEO or his designee if it is cumulatively less than or equal to \$100,000 or with the approval of the Board if over \$100,000.

All appropriations lapse at the end of each fiscal year and must be re-appropriated except for certain capital and maintenance related projects that have been formally encumbered.

(d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in operating accounts and cash invested in the following highly liquid instruments: money market funds, cash investment pools payable on demand or overnight repurchase agreements. These investments have a maturity of three months or less when purchased.

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 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(1) Summary of Significant Accounting Policies: (continued)

(e) Investments

All investments are stated at fair value, in accordance with GASB No. 31.

(f) Property and Equipment

Property and equipment are carried at cost less accumulated depreciation.

Property and equipment, including assets acquired by issuance of capitalized lease obligations, are depreciated on the straight-line basis over the estimated useful lives of the assets. The estimated useful lives of property and equipment are as follows:

Asset Class	Estimated Service Life (Years)	
	Aviation	Marine
Buildings	20-50	20-30
Other improvements	10-50	10-50
Equipment	3-25	3-25

Depreciation applicable to assets acquired or constructed by use of monies received as contributed capital is included in depreciation expense but charged to contributed capital rather than retained earnings.

When property and equipment are disposed of, the related cost and accumulated depreciation are removed from the accounts with gains or losses on disposition being reflected in current operations.

(g) Dredging Related Costs

Dredged soil placement rights were acquired pursuant to an agreement with the Florida Internal Improvement Trust Fund and are being amortized using the straight-line method over the estimated useful life of the rights acquired, which is 25 years.

The cost of periodic maintenance dredging of berthing areas adjacent to the Authority's wharves and of certain shipping channels not maintained by the federal government is expensed as incurred.

(h) Bond Issuance Costs

The costs incurred in connection with the issuance of the various bonds outstanding are being amortized using the straight-line method over the life of the related bonds.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(1) Summary of Significant Accounting Policies: (continued)

(i) Contributed Capital/Grants Receivable

Contributed capital results from grants from the United States Government, the State of Florida and the City for funding of various capital projects. Such grants are recognized as a receivable and as contributed capital as related project costs are incurred (see Note 20.B.(10)).

(j) Allocation of Administrative Services

The cost of general administrative services, including accounting and finance, purchasing, personnel, planning, public relations, data processing, risk management and the chief executive officer's office, are allocated to the marine and aviation enterprise funds at 55% and 45%, respectively, based on internal studies which are periodically reviewed.

(2) Cash and Investments:

The Governing Body has authorized the Authority to invest in obligations of the U.S. Government and certain of its agencies, repurchase agreements, investment grade commercial paper, money market funds, corporate bonds, time deposits, bankers' acceptances, state and/or local debt, and the Florida State Board of Administration Investment Pool. Restricted bond proceeds are invested in accordance with the bond indenture agreements.

Cash, consisting of bank balances on deposit, is entirely insured or collateralized with securities held by the Authority's agent in the Authority's name. Securities are collateralized by the full faith and credit of the U.S. Government and/or the guarantee of U.S. Government agencies. Repurchase agreements are collateralized by U.S. Treasury or U.S. agency securities valued at 102% of the value of invested funds.

The Authority's investments are categorized to indicate the level of credit risk assumed by the Authority. Category (1) includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name; Category (2) includes uninsured or unregistered investments for which the securities are held by the counterparty's trust department or agent, and in the Authority's name; Category (3) includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent, but not in the Authority's name. All of the Authority's investments were included in category 1 for the year ended September 30, 2000.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(2) Cash and Investments: (continued)

Investments are presented at September 30, 2000, (in thousands):

<u>Security Type</u>	<u>Cost</u>	<u>Fair Value at 9/30/99</u>	<u>Purchases</u>	<u>Sales</u>	<u>Subtotal</u>	<u>Fair Value at 9/30/00</u>	<u>Change in Fair Value</u>
U.S. Government and their agencies' securities	\$ 59,883	\$ 78,445	\$ 6,881	(\$ 23,287)	\$ 62,039	\$ 59,212	(\$ 2,827)
Corporate bonds	-	2,007	-	(2,000)	7	-	(7)
Commercial paper	-	18,966	48,998	(70,963)	(2,999)	-	2,999
Investment agreement note	35,322	-	41,951	(6,629)	35,322	35,322	-
Total	\$ 95,205	\$ 99,418	\$ 97,830	(\$102,879)	\$ 94,369	\$ 94,534	\$ 165

Restricted cash and cash equivalents and investments must be used for renewal and replacement of existing facilities, construction and acquisition of property and equipment, repayment of outstanding bonds, or operations and maintenance.

Interest earned on pooled cash accounts are allocated to the enterprise funds based on relative daily balances in the pooled cash accounts.

(3) Capitalization of Interest:

The Authority capitalizes interest expense on construction in progress under FASB Statement No. 62. Capitalization of interest cost in situations involving tax exempt borrowings and certain grants is applicable when "specified qualifying assets" are constructed with proceeds that are externally restricted. Interest costs are netted against the interest earned on the invested proceeds of specific purpose tax-exempt borrowings. The capitalization period is from the time of the borrowing until the completion of the project. The following schedule summarizes capitalization of interest for the Authority for the fiscal year ended September 30, 2000, (in thousands).

Total interest expense incurred	\$ 10,009
Interest expense associated with construction	2,386
Interest earned in construction accounts capitalized	(1,819)
Net interest capitalized	567
Net interest expense incurred	\$ 9,442

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
B. Jacksonville Port Authority (continued)**

(4) Leasing Operations:

Minimum future rental income for each of the next five years and thereafter, excluding contingent or volume variable amounts on noncancelable operating leases at September 30, 2000, is as follows (in thousands):

<u>Year</u>	<u>Aviation</u>	<u>Marine</u>	<u>Total</u>
2001	\$14,208	\$ 8,122	\$ 22,330
2002	14,003	5,813	19,816
2003	13,646	5,396	19,042
2004	8,732	5,354	14,086
2005	6,922	2,916	9,838
Thereafter	24,461	9,032	33,493
Total	<u>\$81,972</u>	<u>\$36,633</u>	<u>\$118,605</u>

The Authority receives contingent rentals under certain leases if cargo throughput or concessionaires' receipts exceed minimum amounts. Contingent rentals or volume variable amounts were received as follows (in thousands):

	<u>Aviation</u>	<u>Marine</u>	<u>Total</u>
Total Contingent Rentals	\$ 10,942	\$ 732	\$ 11,674

(5) Pension Plans:

(a) Plan Description

All of the full-time employees of the Authority participate in the Florida State Retirement System (the System), a cost sharing multiple-employer defined benefit public retirement system. Certain "special risk" employees who retire at or after age 55, with ten years of creditable service and all other employees who retire at or after age 62, with ten years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to the product of 1) average monthly compensation in the highest five years of creditable service; 2) years of creditable service; and 3) the appropriate benefit percentage. Benefits fully vest on reaching ten years of creditable service. Vested employees may retire after ten years of creditable service and receive reduced retirement benefits. The System also provides death and disability benefits. Benefits are established by Florida Statute. The system issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Florida State Retirement System, Division of Policy, Cedars Executive Center Building C, 2639 North Monroe Street,

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(5) Pension Plans: (continued)

(a) Plan Description (continued)

Tallahassee, Florida 32399-1560, attention Research and Education, or by calling (850) 414-6349.

(b) Funding Policy

The Authority is required by Florida Statute to contribute 20.29% of special risk, 11.13% of senior management, 12.5% of deferred retirement option and 9.15% of all other employee earnings. The contribution requirement in the accompanying financial statements, was \$1,855,000 and \$2,206,000, for the years ended September 30, 2000 and 1999, respectively. Covered employees are not required to make contributions to the System.

(6) Deferred Compensation Plan:

The Authority offers its employees a deferred compensation plan (the 457 Plan) created in accordance with IRS Code Section 457. The Plan, which is available to all full-time employees, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All plan assets are held by trustees for the exclusive benefit of plan participants and beneficiaries. Thus the assets and liabilities relating to the 457 Plan are not reflected on the Authority's balance sheet. The market value of the Plan's investments was \$5,666,000 as of September 30, 2000.

During fiscal year 1999, the Authority began offering its employees a deferred compensation plan (the 401(a) Plan), created in accordance with IRS code Section 401(a). The Authority contributes a specified amount for each dollar the employee defers to the 457 Plan. All 401(a) Plan assets are held by trustees for the exclusive benefit of plan participants and beneficiaries. The market value of the 401(a) Plan's investments was \$182,000 as of September 30, 2000.

(7) Risk Management:

The Authority participates in the City's experience rated self-insurance plan which provides for auto liability, comprehensive general liability, and workers' compensation insurance, with excess coverage of \$1,000,000 on an occurrence basis for workers' compensation claims over \$1,000,000. Reserves related to claims incurred by the Authority are accounted for in the financial statements to the extent that these reserves are reflected in premiums charged to the Authority. These premiums may be calculated on a retrospective or prospective basis depending on the claims experience of the Authority and other

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(7) Risk Management: (continued)

participants in the City's self-insurance programs. The Authority incurred premium expense to the City of \$666,000 for the year ended September 30, 2000. During 2000, the Authority received a retroactive rebate of approximately \$226,000 from the City's self-insurance plan, which offsets the Authority's premium expense.

As a part of the Authority's risk management program, certain commercial insurance policies are purchased to cover designated exposures and potential loss situations.

(8) Long-Term Debt and Capital Leases:

Long-term debt and capital leases at September 30, 2000 consisted of the following (in thousands):

Airport Revenue Bonds:	
Airport Revenue Bonds, Series 2000, including serial bonds due in varying amounts through 2024. Interest rates range from 4.50% to 6.125%.	\$ 47,460
Airport Revenue Refunding Bonds, Series 1998, including serial bonds due in varying amounts through 2017. Interest rates range from 4.00% to 5.00%.	62,375
Airport Revenue Refunding Bonds, Series 1993, including serial bonds due in varying amounts through 2009 and term bonds due October 2017, subject to annual sinking fund redemption. Interest rates range from 4.60% to 5.65%.	30,165
Marine Revenue Bonds:	
Marine Revenue Refunding Bonds, Series 1996, including serial bonds due in varying amounts through 2019, subject to annual sinking fund redemption. Interest rates ranging from 5.50% to 5.75%.	63,105
Marine Equipment Capital Lease Obligation:	
Subordinated Equipment Lease-Purchase Agreement, Series 1999-A, with semi-annual principal and interest payments through 2014 with interest at an annual rate of 5.14%.	24,131
Marine Note Payable:	
Subordinated Revenue Note, Series 1992, with quarterly principal and interest payments of \$188 through 2002 with interest at an annual rate of 5.69%.	1,434
Note payable, with monthly principal and interest payments of \$3 through 2002 with interest at an annual rate of 4.90%.	84
Total Long-Term Debt	<u>228,754</u>
Less: Current Portion	<u>(6,330)</u>
Total, less current portion	<u><u>\$ 222,424</u></u>

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
B. Jacksonville Port Authority (continued)
(8) Long-Term Debt and Capital Leases: (continued)

In February 2000, the Authority issued \$47,460,000 principal amount of Airport Revenue Bonds, Series 2000. The proceeds from the bonds are being used for the acquisition, construction and installation of capital improvements at Jacksonville International Airport.

The Series 1993, 1998 and 2000 Airport Bonds are collateralized by a first lien upon and pledge of the operating revenues derived from operation of the Airport facilities. The Authority has agreed to take necessary actions to attain and maintain operating revenues sufficient to achieve certain minimum measures as to the ability of the Airport to service its outstanding indebtedness.

The Authority cash defeased \$13,855,000 principal amount of Marine Revenue Bonds, Series 1993 in September 1999. The Authority incurred a loss on defeasance of \$1,325,000. The Authority through the defeasance, reduced its aggregate debt service payments by \$2,847,000 over the next 4 years and will obtain an economic gain (difference between the present value of debt service of the refunded bonds and cash escrow) of \$778,000.

The Series 1996 Marine Bonds are collateralized by a lien upon and pledge of net revenues of the Marine Facilities and certain monies held in trust funds. The Authority has agreed in its various bond related documents to establish and maintain rates charged to Marine customers that will be sufficient to generate certain levels of operating revenues and operating income in excess of its annual debt service on the various outstanding Marine Bonds. The Series 1996 Marine Bonds also place restrictions on the Authority's issuance of debt on a parity with Marine Bonds currently outstanding.

In April 1999, the Authority entered into a fifteen year Equipment Lease-Purchase Agreement Series 1999-A (the Capital Lease) in the principal amount of \$25,225,000. The proceeds from the Capital Lease are being used for the acquisition, construction and installation of four container gantry cranes and two rubber-tired cranes.

Revolving Line of Credit

In July 1999, the Authority entered into a \$25,000,000 revolving line of credit to provide interim financing for the acquisition, construction and installation of certain capital improvements to the Marine Facilities. As of September 30, 2000, the Authority had not drawn against the line of credit.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
B. Jacksonville Port Authority (continued)
(8) Long-Term Debt and Capital Leases: (continued)**

Debt Maturities

Required debt service for the outstanding revenue bonds and notes payable for the next five years and thereafter to maturity are as follows (in thousands):

<u>Years Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2001	\$ 5,116	\$ 11,349	\$ 16,465
2002	6,038	10,618	16,656
2003	5,534	10,339	15,873
2004	5,775	10,073	15,848
2005	6,060	9,789	15,849
2006 to maturity	176,100	92,448	268,548
Total	<u>\$ 204,623</u>	<u>\$ 144,616</u>	<u>\$ 349,239</u>

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of September 30, 2000 (in thousands):

<u>Years Ending September 30</u>	
2001	\$ 2,439
2002	2,439
2003	2,439
2004	2,439
2005	2,439
Thereafter	<u>21,948</u>
Total minimum lease payments	34,143
Less: Amount representing interest	<u>(10,012)</u>
Present value of minimum lease payments	<u>\$ 24,131</u>

Advance Refunding of Revenue Bonds

The Authority has defeased a revenue bond issue by placing funds in an irrevocable trust restricted for payment of all principal and interest upon maturity of the revenue bond. This transaction has been treated as an in-substance defeasement and, accordingly, has been accounted for as though the debt has been extinguished. The debt that has been defeased and the related balances at September 30, 2000 are as follows (in thousands):

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(8) Long-Term Debt and Capital Leases: (continued)

	<u>Principal Balance</u>	<u>Investment Balance with Escrow Agent</u>
Marine Revenue Bonds, Series 1993	\$ 12,820	\$ 13,824

Special Purpose Facility Revenue Bond

To provide for the construction of an air cargo shipping, storage and handling facility at the airport, the Authority has issued one series of Special Purpose Facility Revenue Bonds. These bonds are special limited obligations of the Authority, payable solely from and secured by a pledge of rentals to be received from a lease agreement between the Authority and an air cargo company. The bonds do not constitute a debt or pledge of the faith and credit of the Authority, the County, or the State, and accordingly have not been reported in the accompanying financial statements.

At September 30, 2000, Special Purpose Facility Revenue Bonds outstanding aggregated approximately \$3.2 million.

(9) Commitments and Contingencies:

At September 30, 2000, the Authority had commitments for purchases of equipment and future construction work of approximately \$28,623,000 for the Marine Enterprise Fund and \$43,004,000 for the Aviation Enterprise Fund. In addition to its own funds, the Authority also has funding available from the following sources for qualifying marine capital expenditures (in thousands):

City of Jacksonville	\$ 502
Florida Ports Financing Commission	\$ 30,311

On December 21, 1998, the Authority became aware that a piece of its real property is contaminated and may be subject to undetermined cleanup efforts. The Authority's property was sampled by the Florida Department of Environmental Protection in connection with testing at an adjacent site, not owned by the Authority, but known to be contaminated. The Authority has investigated the former uses of its property and is unable to identify any source of contamination other than from the adjacent site not owned by the Authority. The owner of the adjacent property and the United States Environmental Protection Agency have entered into an Administrative Order of Consent whereby the adjacent site will be further investigated and remediation alternatives identified. The adjacent property owner has sampled soils and groundwater from one well placed on the Authority's property; however, the results are not yet available. Additional sampling may be conducted in the future. The Authority believes that it is not a responsible party.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(10) Contributed Capital and Retained Earnings:

A summary of the changes in contributed capital for the year ended September 30, 2000 is as follows (in thousands):

	<u>Aviation</u>	<u>Marine</u>	<u>Total</u>
Balance at the beginning of the year	\$ 82,399	\$ 191,979	\$ 274,378
Contributions during the year:			
City of Jacksonville	-	10,778	10,778
State government	2,565	14,529	17,094
Federal government	77,075	78	77,153
Other contributions	-	-	-
Total contributions	<u>79,640</u>	<u>25,385</u>	<u>105,025</u>
Reductions during the year:			
Depreciation of facilities provided by government grants	4,888	4,032	8,920
Residual equity transfer to JEA	-	36	36
Total reductions	<u>4,888</u>	<u>4,068</u>	<u>8,956</u>
Balance at the end of the year	<u>\$157,151</u>	<u>\$ 213,296</u>	<u>\$ 370,447</u>

City of Jacksonville Excise Taxes Revenue Bonds

In February 1993, the City issued \$43,605,140 of Excise Tax Revenue Bonds, Series 1993 (1993 Bonds) of which \$38,880,000 of the total proceeds were loaned to the Authority for marine port expansion. In October 1996, the City issued \$57,150,000 of Excise Tax Revenue Bonds (1996 Bonds), of which \$56,035,000 of the proceeds were contributed to the Authority for marine port expansion. The City is responsible to the Bond Holders for payment of the debt service on the 1993 and 1996 bonds.

The City has allocated to the Authority an amount equal to 50% of the increase in the City's telecommunication tax revenues over the base year and 50% of an additional mill of revenue the City receives from the JEA (the Authority Allocation).

The Authority is not required to pay the City any amount for debt service on the 1993 Bonds. The City retains the Authority Allocation and the \$800,000 annual appropriation (see Note 20.B.(1)) to the Authority which is used by the City for debt service on the 1993 and 1996 Bonds. As the Authority expends funds for marine port expansion, reimbursements from the City are accounted for as contributed capital by the Authority.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. **MAJOR DISCRETELY PRESENTED COMPONENT UNITS** (continued)
B. **Jacksonville Port Authority** (continued)
(10) **Contributed Capital and Retained Earnings:** (continued)

Florida Ports Financing Commission Revenue Bonds, Series 1996

On December 19, 1996, \$222,320,000 Florida Ports Financing Commission Revenue Bonds (State Transportation Trust Fund), Series 1996 (the "Series 1996 Bonds") were issued to provide funds to finance the costs of acquiring and constructing capital projects undertaken by 11 ports located in the State of Florida (the "Ports"), including the Jacksonville Port Authority. The amount allocated to the Authority was \$32,680,000 plus earned interest which is available for approved capital expenditures on a fifty-fifty matching basis. In April, 2000, an additional \$2,437,500 plus earned interest was allocated to the Authority.

The Series 1996 Bonds do not create nor constitute an obligation or debt of the Jacksonville Port Authority. The financing program of the Commission is in substance a grant program, inasmuch as all debt service payments on the Series 1996 Bonds are payable solely from monies in the State Transportation Trust Fund. As expenditures are incurred for the approved projects, the Authority records a receivable from the Commission for 50% of qualified amounts and records the amount to be reimbursed as contributed capital. As of September 30, 2000, the Authority has drawn approximately \$36,912,000 of eligible expenditures.

Florida Ports Financing Commission Revenue Bonds, Series 1999

On October 14, 1999 the Florida Ports Financing Commission (the Commission) issued \$153,115,000 in Revenue Bonds, Series 1999 (the "Series 1999 Bonds"). The Series 1999 Bonds were issued to provide funds to finance the costs of acquiring and constructing capital projects undertaken by 9 ports located in the State of Florida (the Ports), including the Jacksonville Port Authority. The amount allocated to the Jacksonville Port Authority was \$31,966,000 which is available for approved expenditures. Including earned interest, the maximum amount approved for funding is \$33,800,000.

The Authority has not recorded a liability for the Series 1999 Bonds since it does not have any obligation except for moneys due it from the State Transportation Trust Fund. As discussed above, all of such moneys have been assigned to the Trustee to pay the debt. The Authority has no other obligation for payment of the debt. As expenditures are incurred for the approved projects, the Authority records a receivable from the Commission for 50% of qualifying amounts (75% of certain qualifying amounts) and records the amount % to be reimbursed as contributed capital. As of September 30, 2000, the Authority has drawn approximately \$3,875,000 of eligible expenditures.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(10) Contributed Capital and Retained Earnings: (continued)

On October 1, 1999 the U.S. Department of the Navy conveyed certain aviation assets of Cecil Field, a former U.S. Navy air base, to the Authority. The property consisted of land, runways, taxiways, apron and flight line, building and improvements with a total fair market value of \$74,587,000. The transaction was recorded with a credit to contributed capital of \$74,587,000.

(11) Segment Information:

The Authority consists of two enterprise funds, Aviation and Marine. Segment information for each enterprise fund for the fiscal year ended September 30, 2000 is as follows (in thousands):

	Aviation	Marine
Operating revenue	\$ 37,758	\$ 26,502
Depreciation and amortization	11,414	12,417
Operating income	3,653	(3,419)
Net income (loss)	9,878	(7,954)
Current capital contributions	79,641	25,385
Additions to property and equipment	31,845	52,549
Total assets	420,894	346,251
Net working capital	35,780	14,279
Long-term liabilities, all payable from operating revenues	131,668	80,727
Total equity	268,025	255,867

(12) Other Non-Operating Income, Net:

Other non-operating revenue (expense) is summarized as follows (in thousands):

Passenger facility charges (restricted for qualified capital projects)	\$ 7,177
Net gain (loss) on sale of assets	(1,587)
Other	60
Total	<u>\$ 5,650</u>

(13) Subsequent Events:

On October 30, 2000, a proposed local bill to implement the restructuring of the existing Authority into separate Marine and Aviation Authorities was filed with the Duval County State Legislative Delegation. The local bill proposes that each of the two resulting governmental entities would be

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

B. Jacksonville Port Authority (continued)

(13) Subsequent Events: (continued)

governed by a seven-member board. As proposed, (i) three members of the board of the governmental entity overseeing the Marine facilities would be appointed by the governor of the State of Florida and four members would be appointed by the mayor of the City of Jacksonville, and (ii) three members of the board of the governmental entity overseeing the Aviation facilities would be appointed by the mayor of the City of Jacksonville and four members would be appointed by the governor of the State of Florida.

On January 9, 2001, the Jacksonville City Council passed a resolution requesting the Duval County State Legislative Delegation to introduce and seek the passage of this local bill. On January 18, 2001, the Duval County State Legislative Delegation held a local bill hearing and voted to introduce and seek the passage of this bill during the 2001 regular legislative session. If approved, the restructuring would be scheduled to take effect on October 1, 2001.

In November 2000, the Authority issued \$39,625,000 principal amount of Seaport Revenue Bonds, Series 2000 including serial bonds due in varying amounts through 2030. Interest rates range from 4.5% to 5.7%. The proceeds from the bonds are being used for the acquisition, construction and installation of capital improvements to the Authority's Marine Facilities.

C. Jacksonville Transportation Authority

(1) Reporting Entity:

The Jacksonville Transportation Authority (the Authority) is a public body politic and corporate agency of the State of Florida under Chapter 349, as amended, Florida Statutes. It is empowered to construct, improve, operate and lease the Jacksonville Expressway System and improvements thereto, to fix and collect rates, rentals and other charges for the services and facilities of such system; and to secure its bonds by a pledge of such revenues and all or part of Duval County gasoline tax and sales tax funds pursuant to a Lease-Purchase Agreement between the Authority and the State of Florida Department of Transportation (FDOT). FDOT maintains responsibility for the operation of the Expressway System with the exception of certain contract maintenance functions.

The Authority is also empowered to acquire, construct, operate and lease a mass transit system; it may plan, coordinate and recommend methods and facilities for the parking of vehicles and the movement of pedestrians and vehicular traffic; it may issue evidences of indebtedness and secure

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(1) Reporting Entity: (continued)

payment thereof by pledge of its revenues. These activities are not related to expressway system activities or to the Authority's obligations to holders of the Jacksonville Transportation Authority Revenue Bonds.

The Authority has adopted Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, for the purpose of evaluating its financial statements. Based on the criteria in Statement No. 14, the Authority has determined that there are no other units that meet the criteria for inclusion in the Authority's financial statements. However, the Authority meets the criteria for inclusion in the State of Florida and the City of Jacksonville as a component unit to be discretely disclosed in the financial statements.

The Authority has adopted GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting. As provided by Statement No. 20, the Authority has elected not to adopt any Financial Accounting Standards Board statements issued after November 30, 1989 unless so directed by the GASB.

(2) Summary of Significant Accounting Policies:

(a) Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the Authority are organized and operated on the basis of funds and account groups, each an independent fiscal and accounting entity. The operations of each fund are accounted for by a separate set of self-balancing accounts that comprise the assets, liabilities, fund equity, retained earnings, revenues, expenditures and expenses, as appropriate. Authority resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds and are not involved with the measurement of results of operations.

The Authority has the following fund types:

Governmental Fund Types. The focus of Governmental Fund Type measurement is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. Governmental Fund Types use the flow of

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(2) Summary of Significant Accounting Policies: (continued)

**(a) Measurement Focus, Basis of Accounting and Basis of Presentation
(continued)**

current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis for accounting, revenues are recognized when susceptible to accrual (i.e., when they are “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 pay liabilities of the current period.

Proprietary Fund Type. The focus of Proprietary Fund Type measurement is the flow of economic resources and the accrual basis of accounting is used. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary Funds of the Authority consist of the following fund type:

Enterprise Funds—These funds are used to account for Mass Transportation operations (BUS—bus system and ASE—Automated Skyway Express system) that are financed and operated in a manner similar to private business or where the Authority’s board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

(b) Cash and Equivalents

Cash and equivalents includes certain investments and cash on deposit. The Authority considers all investments with an original maturity of three months or less when purchased to be cash equivalents. Such investments include repurchase agreements, treasury bills and money market funds and are reported at amortized cost, which approximates fair value.

(c) Investments

Investments are carried at fair value or amortized cost in accordance with GASB Statement No. 31. Investments with a maturity date greater than one year from the purchase date are reported at fair value as determined by quoted market prices, and investments with a maturity date less than one year from the purchase date are reported at amortized cost, which approximates fair value.

(d) Inventory

Inventory consists of materials and supplies and is carried using the average cost method.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(2) Summary of Significant Accounting Policies: (continued)

(e) Fixed Assets and Infrastructure

Governmental Funds—Fixed assets and infrastructure are valued at historical cost. The cost of expressway facilities (infrastructure) includes right-of-way expenditures, construction costs and administrative and legal expenditures made from Capital Projects Fund and General Fund monies. The Authority does not record depreciation or capitalized interest on governmental funds fixed assets and infrastructure.

Proprietary Fund—Proprietary fund fixed assets are valued at historical cost. Depreciation commences when the assets are placed in service. Property and equipment is depreciated by the straight-line method over the estimated useful lives of the assets as follows:

Buildings	15 - 40 years
Vehicles	5 - 25 years
Other equipment	3 - 10 years

Because the rate structure of the Enterprise Funds (Mass Transportation operations) is not sufficient to generate revenues to cover the acquisition, replacement, and future expansion of property and equipment, the Authority is compelled to seek contributions-in-aid for construction from local, state and federal sources. As recommended in the Industry Audit Guide for Audits of State and Local Governmental Units prepared by the State and Local Government Committee of the American Institute of Certified Public Accountants, depreciation applicable to assets acquired through contributions-in-aid for construction is charged to contributions rather than retained earnings.

(f) Compensated Absences

Vested vacation, sick leave and related fringe benefits are accrued when earned.

(g) Estimated Liability for Injury and Damage Claims

Periodic provisions for injury and damage claims are charged to operations based on the estimated ultimate cost of settling claims, using past experience adjusted for current trends, and other factors, if any, that would modify past experience. Claims are charged to the estimated liability when paid.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(2) Summary of Significant Accounting Policies: (continued)

(h) Subsidies and Grants

Subsidies and grants for operating assistance are recorded as nonoperating revenues in the statement of revenues and expenses in the accounting period in which they are earned and become measurable. Capital grants from federal, state and local sources are recorded directly as contributions to equity.

Grants received as reimbursements for specific purposes are recognized when the expenditure is incurred.

(i) Revenues and Expenditures

Sales taxes and investment earnings are recorded when earned (when they are measurable and available). Passenger fares and miscellaneous revenues are recorded as revenues when received in cash.

Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except expenditures for debt service and other long-term obligations which are recognized when paid.

(j) Operating Transfers

During the normal course of operations, numerous transactions occur between funds. Transfers of net resources from a fund receiving revenue to a fund in which the resources are to be expended are recorded as operating transfers.

(k) Budget and Budgetary Accounting

The Authority prepares budgets for each of its governmental funds. The budgets are approved by the City of Jacksonville. The Authority is authorized to transfer appropriated funds from one of the purposes for which funds are appropriated to another, if in the discretion of the Authority, such transfer is necessary to carry out all of the purposes for which funds are appropriated, subject to applicable law. Thus, the legal level of budgetary control is at the fund level. All budgets are adopted in accordance with generally accepted accounting principles and appropriations lapse at year-end.

(l) Fund Balance Reserves

Reservations of fund balance relate to amounts legally restricted as to their use by debt agreements or other authority.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(2) Summary of Significant Accounting Policies: (continued)

(m) Fund Balance Designations

Designations of fund balance relate to amounts restricted as to their use at the discretion of the Authority.

(3) Cash and Investments:

Cash and Equivalents—At September 30, 2000, all of the Authority's cash balances were insured by federal deposit insurance or collateralized pursuant to Chapter 280, Florida Statutes. Cash of \$16,000 was on hand. The Authority has no compensating balance arrangements.

The Authority's outstanding bond issues' Trust Indentures provide that the related Debt Service Funds will be deposited with the Florida State Board of Administration.

Investments—The Authority's investment practices are governed by Chapter 280, Florida Statutes and various legal covenants related to the outstanding bond issues. In addition to investments listed below, the Authority also invested in repurchase agreements during the year.

Cash and investments held at September 30, 2000 are categorized in accordance with GASB Statement No. 3 in the following table to indicate the level of credit risk assumed by the Authority. Category 1 credit risk investments include investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent in the Authority's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the Authority's name.

Certain investments cannot be categorized because they are not evidenced by securities that exist in physical or book entry form, such as mutual funds. Cash and investments held at September 30, 2000, are as follows (in thousands):

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
C. Jacksonville Transportation Authority (continued)
(3) Cash and Investments: (continued)**

Type	Risk Category			Recorded Amount	Fair Value
	1	2	3		
Investments Categorized:					
U.S. Government obligations	\$ -	\$ -	\$ 28,588	\$ 28,588	\$ 28,837
Total	\$ -	\$ -	\$ 28,588	28,588	28,837
Investments not categorized:					
State treasury pooled investments				117,163	117,163
Cash and cash equivalents categorized:					
U.S. government obligations				31,471	31,755
Cash and cash equivalents not categorized:					
Cash in banks				16,161	16,161
Cash on hand				16	16
Total cash and equivalents and investments				\$ 193,399	\$ 193,932

The State Board of Administration controls and invests all of the \$28,588,339 of U.S. Government obligations, at September 30, 2000.

Restricted cash and equivalents and investments with the State of Florida are restricted for use for bond service and for construction expenditures described in the applicable bond indentures.

(4) Fixed Assets:

(a) Changes in the General Fixed Assets Account Group

The following is a schedule of changes in the General Fixed Assets Account Group for the year ended September 30, 2000 (in thousands):

	Balance September 30, 1999	Additions	Disposals	Balance September 30, 2000
Land and improvements	\$ 13,501	\$ 402	\$ -	\$ 13,903
Furniture and equipment	115	40	-	155
Vehicles	95	-	-	95
Roads and bridges	215,644	-	(93,465)	122,179
Construction in progress	55,073	31,958	(2,628)	84,403
Total	\$ 284,428	\$ 32,400	(\$ 96,093)	\$ 220,735

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(4) Fixed Assets: (continued)

(a) Changes in the General Fixed Assets Account Group (continued)

As a result of the discharge of the 1963, 1977 and 1985 trust indentures and related lease-purchase agreements between the Authority and FDOT, title and ownership of the Jacksonville Expressway System will eventually be transferred to the State of Florida. During the fiscal year ended September 30, 2000, assets of approximately \$94,850,000 were transferred to FDOT.

At September 30, 2000, the General Fixed Assets Account Group included assets of approximately \$190,500,000 which will be transferred to the City and/or State on various dates as determined by the City or State, respectively.

(b) Changes in Fixed Assets of the Enterprise Fund

The following is a schedule of changes in fixed assets of the Enterprise Funds for the year ended September 30, 2000 (in thousands):

	Balance September 30, 1999	Additions/ Provisions	Disposals/ Deletions	Balance September 30, 2000
Land	\$ 13,131	\$ -	\$ -	\$ 13,131
Building and improvements	86,746	377	-	87,123
Vehicles	55,714	1,436	(1,512)	55,638
Other equipment	52,010	1,727	(401)	53,336
Construction in progress	17,717	10,915	(8)	28,624
TOTAL	225,318	14,455	(1,921)	237,852
Less:				
Accumulated Depreciation	(50,796)	(10,596)	1,562	(59,830)
TOTAL, net of accumulated Depreciation	\$ 174,522	\$ 3,859	(\$ 359)	\$ 178,022

(5) Interfund Balances:

The following is a schedule of interfund balances at September 30, 2000 (in thousands):

	Due To		Total
	Expressway System	Mass Transit System	
Due From			
Expressway System	\$ -	\$ 2,466	\$ 2,466
Mass Transit System	2,439	-	2,439
TOTAL	\$ 2,439	\$ 2,466	\$ 4,905

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(6) Revenue Bonds:

Changes in long-term debt are as follow (in thousands):

Beginning balance, September 30, 1999	\$ 381,085
Additions	-
Retired	<u>(10,550)</u>
Ending balance, September 30, 2000	<u>\$ 370,535</u>

Series 1989

Full Faith and Credit of the State of Florida, Jacksonville Transportation Authority Senior Lien Bonds, Series 1989, were issued in the principal amount of \$172,575,000 and Full Faith and Credit of the State of Florida, Jacksonville Transportation Authority Junior Lien Bonds, Series 1989, were issued in the principal amount of \$21,580,000. The Series 1989 Bonds were issued for the purpose of paying a portion of the cost of refunding the Series 1963, 1977 and 1985 Bonds and to pay certain expenses related to the issuance and sale of the Series 1989 Bonds. The Series 1989 Senior Lien Bonds are payable primarily from the interlocal agreement payments derived from a discretionary sales surtax of 0.5% levied by the City of Jacksonville, Florida and pledged county gasoline tax funds and are additionally secured by the full faith and credit of the State of Florida. The Series 1989 Junior Lien Bonds ascended to Senior Lien status in August of 1990 after meeting the fiscal sufficiency test and obtaining the necessary certifications from the State Board of Administration of the State of Florida as further discussed in the trust indenture.

Optional Redemption—The Series 1989 Senior Lien Bonds maturing July 1, 1997 were not redeemable prior to their stated dates of maturity. The Series 1989 Senior Lien Bonds maturing on July 1, 1998 and thereafter are redeemable prior to their stated dates of maturity, at the option of the State Board of Administration of the State of Florida at the direction of the Authority (1) in part, by lot within a maturity on July 1, 1997, or on any interest payment date thereafter, or (2) as a whole on July 1, 1997, or at any time thereafter, at the following redemption prices (other than the Series 1989 Senior Lien Bonds maturing on July 1, 2015), expressed in percentages of the principal amount of the Series 1989 Senior Lien Bonds, plus accrued interest to the redemption date during the following periods.

<u>Redemption Period (Dates Inclusive)</u>	<u>Redemption Price</u>
July 1, 1997 to June 30, 1998	102.0%
July 1, 1998 to June 30, 1999	101.5%
July 1, 1999 to June 30, 2000	101.0%
July 1, 2000 to June 30, 2001	100.5%
July 1, 2001 and thereafter	100.0%

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(6) Revenue Bonds: (continued)

The Series 1989 Senior Lien Bonds due July 1, 2015 are subject to optional redemption on and after July 1, 1997 at a redemption price of par plus accrued interest to the redemption date.

Mandatory Redemption—The Series 1989 Senior Lien Bonds maturing on July 1, 2001, July 1, 2013 and July 1, 2015 are subject to mandatory redemption, in part by lot, on July 1, at a redemption price equal to the principal amount thereof, without premium, and accrued interest thereon beginning 2006, 2009 and 2014, respectively.

Interest is payable semiannually on January 1 and July 1 of each year. Interest rates and maturities for the Series 1989 bonds are as follows (in thousands):

Year Ending September 30	Interest Rate	Principal	Interest	Total
2001	6.50	\$ 4,900	\$ 3,420	\$ 8,320
2002	6.60	5,220	3,102	8,322
2003	6.60	5,565	2,757	8,322
2004	6.60	5,230	2,390	7,620
2005	6.60	5,575	2,045	7,620
2006	6.80	5,945	1,677	7,622
2007	6.80	-	1,272	1,272
2008	6.80	-	1,272	1,272
2009	7.00	-	1,272	1,272
2010	7.00	-	1,272	1,272
2011	7.00	-	1,273	1,273
2012	7.00	-	1,273	1,273
2013	7.00	-	1,273	1,273
2014	6.25	9,895	1,273	11,168
2015	6.25	10,465	654	11,119
Total		\$ 52,795	\$ 26,225	\$ 79,020

A portion of the original proceeds from this bond issuance for the repayment periods July 1, 2001 through July 1, 2006 and July 1, 2014 through July 1, 2015 as well as all of the repayments for the periods July 1, 2007 through July 1, 2013 was advance refunded during the prior year.

Series 1992

Full Faith and Credit of the State of Florida, Jacksonville Transportation Authority Senior Lien Bonds, Series 1992, were issued in the principal amount of \$92,900,000. The Series 1992 Bonds were issued for the purpose of paying a portion of the costs of acquisition and construction of additions, extensions and improvements to the Jacksonville Expressway System, to fund a reserve account, and to pay certain costs related to the issuance and sale of the Series 1992 Bonds. The Series 1992 Bonds are payable primarily from the interlocal

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(6) Revenue Bonds: (continued)

agreement payments derived from a discretionary sales surtax of 0.5% levied by the City of Jacksonville, Florida and the pledged county gasoline tax funds and are additionally secured by the full faith and credit of the State of Florida.

Optional Redemption—The Series 1992 Bonds maturing from July 1, 1998 through July 1 2002, both inclusive, shall not be redeemable prior to their stated dates of maturity. The Series 1992 Bonds maturing on July 1, 2003 and thereafter (including any Term Bonds designated pursuant to the Term Bonds Option) shall be redeemable prior to their stated dates of maturity, at the option of the State Board of Administration of the State of Florida at the direction of the Authority (1) in part, by maturities to be selected by the State Board of

Administration of the State of Florida, and by lot within a maturity if less than an entire maturity is to be redeemed, on July 1, 2002, or at any time thereafter, or (2) as a whole, on July 1, 2002, or at any time thereafter, in each case at the following redemption prices (expressed in percentages of the principal amount of the Series 192 Bonds to be redeemed) plus accrued interest to the redemption date during the following periods:

Redemption Period (Dates Inclusive)	Redemption Price
July 1, 2002 to June 30, 2003	101.0%
July 1, 2003 and thereafter	100.0%

Interest rates and maturities for the Series 1992 Bonds are as follows (in thousands):

Year Ending September 30	Interest Rate	Principal	Interest	Total
2001	5.600	\$ 1,900	\$ 1,131	\$ 3,031
2002	5.750	2,000	1,024	3,024
2003	5.800	2,100	909	3,009
2004	5.900	2,300	788	3,088
2005	6.000	2,400	652	3,052
2006	6.125	2,600	508	3,108
2007	6.200	2,700	349	3,049
2008	6.250	2,900	181	3,081
Total		\$ 18,900	\$ 5,542	\$ 24,442

The portion of the original proceeds from this bond issuance which related to the repayment periods July 1, 2009 through July 1, 2022 was advance refunded during the prior year.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(6) Revenue Bonds: (continued)

Full Faith and Credit of the State of Florida, Jacksonville Transportation Authority Senior Lien Bonds, Series 1992A, were issued in the principal amount of \$51,715,000. The Series 1992A Bonds were issued for the purpose of refunding the Series 1990 Bonds and to pay certain expenses related to the issuance and sale of the Series 1992A Bonds. The Series 1992A Senior Lien Bonds are payable primarily from the interlocal agreement payments derived from a discretionary sales surtax of .5% levied by the City of Jacksonville, Florida and pledged county gasoline tax funds and are additionally secured by the Full Faith and Credit of the State of Florida.

Optional Redemption—The Series 1992A Bonds maturing in the years 1997 through 2003, both inclusive, shall not be redeemable prior to their stated dates of maturity. The Series 1992A Bonds maturing in 2004, and thereafter, shall be redeemable prior to their stated dates of maturity, at the option of the Division of Bond Finance of the State of Florida Department of General Services (2) in part, and by lot within a maturity if less than an entire maturity is to be redeemed, on July 1, 2003, or on any date thereafter, or (2) as a whole, on July 1, 2003, or on any date thereafter, in either case at the following redemption prices (expressed in percentages of the principal amount of the Series 1992A Bonds to be redeemed) plus accrued interest to the redemption date during the following periods:

Redemption Period (Dates Inclusive)	Redemption Price
July 1, 2003 to June 30, 2004	101.0%
July 1, 2004 and thereafter	101.0%

Mandatory Redemption—The Series 1992A Bonds maturing on July 1, 2014 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2012 and on each July 1 thereafter and including July 1, 2014, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

Year	Principal Amount
2012	\$ 1,685
2013	2,105
2014	2,205

Series 1992A Bonds maturing on July 1, 2018 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2015, and on each July 1 thereafter to and including July 1, 2018, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
C. Jacksonville Transportation Authority (continued)
(6) Revenue Bonds: (continued)

<u>Year</u>	<u>Principal Amount</u>
2015	\$ 2,325
2016	4,835
2017	5,080
2018	5,340

The Series 1992A Bonds maturing on July 1, 2020 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2019, and on July 1, 2020, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

<u>Year</u>	<u>Principal Amount</u>
2019	\$ 5,120
2020	5,390

Interest rates and maturities for the Series 1992A Bonds are as follows (in thousands):

<u>Year Ending September 30</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	4.600	\$ 1,005	\$ 2,518	\$ 3,523
2002	4.600	1,050	2,471	3,521
2003	4.600	1,095	2,423	3,518
2004	4.900	1,150	2,373	3,523
2005	4.900	1,200	2,317	3,517
2006	5.000	1,255	2,259	3,514
2007	5.100	1,320	2,196	3,516
2008	5.150	1,390	2,129	3,519
2009	5.200	1,455	2,057	3,512
2010	5.250	1,530	1,981	3,511
2011	5.250	1,600	1,901	3,501
2012	5.300	1,685	1,817	3,502
2013	5.300	2,105	1,728	3,833
2014	5.300	2,205	1,616	3,821
2015	5.300	2,325	1,499	3,824
2016	5.300	4,835	1,376	6,211
2017	5.300	5,080	1,120	6,200
2018	5.300	5,340	851	6,191
2019	5.400	5,120	567	5,687
2020	5.400	5,390	291	5,681
Total		<u>\$ 48,135</u>	<u>\$ 35,490</u>	<u>\$ 83,625</u>

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
C. Jacksonville Transportation Authority (continued)
(6) Revenue Bonds: (continued)

Series 1997

Full Faith and Credit of the State of Florida, Jacksonville Transportation Authority Senior Lien Refunding Bonds, Series 1997, were issued in the principal amount of \$161,645,000. The Series 1997 Bonds were issued for the purpose of refunding a portion of the outstanding callable Series 1989 and 1992 Bonds, funding a Senior Lien Reserve Account and paying certain expenses related to the issuance and sale of the Series 1997 Bonds. The Series 1997 Senior Lien Bonds are payable primarily from the interlocal agreement payments derived from a discretionary sales surtax of .5% levied by the City of Jacksonville, Florida and pledged county gasoline tax funds and are additionally secured by the Full Faith and Credit of the State of Florida.

Optional Redemption—The Series 1997 Bonds maturing in the years 1999 through 2007, both inclusive, shall not be redeemable prior to their stated dates of maturity. The Series 1997 Bonds maturing in 2008, and thereafter, shall be redeemable prior to their stated dates of maturity, at the option of the Division of Bond Finance of the State of Florida Department of General Services (1) in part, and by lot within a maturity if less than an entire maturity is to be redeemed, on July 1, 2007, or on any date thereafter, or (2) as a whole, on July 1, 2007, or on any date thereafter, in either case at the following redemption prices (expressed in percentages of the principal amount of the Series 1997 Bonds to be redeemed) plus accrued interest to the redemption date during the following periods:

Redemption Period (Dates Inclusive)	Redemption Price
July 1, 2007 to June 30, 2008	101.0%
July 1, 2008 and thereafter	100.0%

Mandatory Redemption—The Series 1997 Bonds maturing on July 1, 2017 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2016 and July 1, 2017, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

Year	Principal Amount
2016	\$ 4,975
2017	5,330

Series 1997 Bonds maturing on July 1, 2019 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2018 and July 1, 2019, at a redemption price equal to the principal

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NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(6) Revenue Bonds: (continued)

amount thereof, plus accrued interest, without premium, as follows (in thousands):

<u>Year</u>	<u>Principal Amount</u>
2018	\$ 5,575
2019	5,900

The Series 1997 Bonds maturing on July 1, 2022 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2020, and on each July 1 thereafter to and including July 1, 2022, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

<u>Year</u>	<u>Principal Amount</u>
2020	\$ 6,220
2021	6,530
2022	6,825

Interest rates and maturities for the Series 1997 Bonds are as follows (in thousands):

<u>Year Ending September 30</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	4.500	\$ 1,615	\$ 8,344	\$ 9,959
2002	4.600	1,685	8,272	9,957
2003	5.000	1,760	8,194	9,954
2004	6.000	2,555	8,106	10,661
2005	6.000	2,705	7,953	10,658
2006	6.250	2,870	7,791	10,661
2007	6.250	9,395	7,611	17,006
2008	6.000	9,985	7,024	17,009
2009	5.000	13,680	6,425	20,105
2010	5.000	14,370	5,741	20,111
2011	5.000	15,080	5,022	20,102
2012	5.000	15,910	4,268	20,178
2013	5.000	14,915	3,473	18,388
2014	5.375	5,850	2,727	8,577
2015	5.250	6,080	2,413	8,493
2016	5.250	4,975	2,093	7,068
2017	5.250	5,330	1,832	7,162
2018	5.000	5,575	1,553	7,128
2019	5.000	5,900	1,274	7,174
2020	5.000	6,220	979	7,199
2021	5.000	6,530	668	7,198
2022	5.000	6,825	341	7,166
Total		\$ 159,810	\$ 102,104	\$ 261,914

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
C. Jacksonville Transportation Authority (continued)
(6) Revenue Bonds: (continued)

Full Faith and Credit of the State of Florida, Jacksonville Transportation Authority Senior Lien Refunding Bonds, Series 1997A, were issued in the principal amount of \$95,690,000. The Series 1997A Bonds were issued for the purpose of acquisition and construction of additions, extensions and improvements to the Jacksonville Expressway System, funding a Senior Lien Reserve Account and paying certain expenses related to the issuance and sale of the Series 1997A Bonds. The Series 1997A Senior Lien Bonds are payable primarily from the interlocal agreement payments derived from a discretionary sales surtax of .5% levied by the City of Jacksonville, Florida and pledged county gasoline tax funds and are additionally secured by the Full Faith and Credit of the State of Florida.

Optional Redemption—The Series 1997A Bonds maturing in the years 1998 through 2007, both inclusive, shall not be redeemable prior to their stated dates of maturity. The Series 1997A Bonds maturing in 2008, and thereafter, shall be redeemable prior to their stated dates of maturity, at the option of the Division of Bond Finance of the State of Florida Department of General Services (1) in part, and by lot within a maturity if less than an entire maturity is to be redeemed, on July 1, 2007, or on any date thereafter, or (2) as a whole, on July 1, 2007, or on any date thereafter, in either case at the following redemption prices (expressed in percentages of the principal amount of the Series 1997A Bonds to be redeemed) plus accrued interest to the redemption date during the following periods:

Redemption Period (Dates Inclusive)	Redemption Price
July 1, 2007 to June 30, 2008	101.0%
July 1, 2008 and thereafter	100.0%

Mandatory Redemption—The Series 1997A Bonds maturing on July 1, 2018 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2017 and July 1, 2018, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

Year	Principal Amount
2017	\$ 3,605
2018	3,785

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
C. Jacksonville Transportation Authority (continued)
(6) Revenue Bonds: (continued)

Series 1997A Bonds maturing on July 1, 2022 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2019 and on each July 1 thereafter to and including July 1, 2022, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

<u>Year</u>	<u>Principal Amount</u>
2019	\$ 3,980
2020	4,185
2021	4,405
2022	4,630

The Series 1997A Bonds maturing on July 1, 2027 are subject to mandatory redemption by operation of the Bond Amortization Account, in part by lot, on July 1, 2023, and on each July 1 thereafter to and including July 1, 2027, at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as follows (in thousands):

<u>Year</u>	<u>Principal Amount</u>
2023	\$ 4,870
2024	5,120
2025	5,380
2026	5,660
2027	5,950

Interest rates and maturities for the Series 1997A Bonds are as follows (in thousands):

CITY OF JACKSONVILLE, FLORIDA
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20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
C. Jacksonville Transportation Authority (continued)
(6) Revenue Bonds: (continued)

Year Ending September 30	Interest Rate	Principal	Interest	Total
2001	6.500	\$ 1,725	\$ 4,826	\$ 6,551
2002	6.500	1,795	4,714	6,509
2003	6.500	1,875	4,597	6,472
2004	5.750	1,955	4,476	6,431
2005	6.500	2,040	4,363	6,403
2006	6.500	2,130	4,231	6,361
2007	6.500	2,230	4,092	6,322
2008	5.750	2,330	3,947	6,277
2009	5.000	2,440	3,813	6,253
2010	5.000	2,560	3,691	6,251
2011	5.000	2,680	3,563	6,243
2012	5.000	2,815	3,429	6,244
2013	5.125	2,955	3,288	6,243
2014	5.125	3,105	3,137	6,242
2015	5.125	3,260	2,978	6,238
2016	5.250	3,430	2,811	6,241
2017	5.125	3,605	2,631	6,236
2018	5.125	3,785	2,446	6,231
2019	5.250	3,980	2,252	6,232
2020	5.250	4,185	2,043	6,228
2021	5.250	4,405	1,823	6,228
2022	5.250	4,630	1,592	6,222
2023	5.000	4,870	1,349	6,219
2024	5.000	5,120	1,106	6,226
2025	5.000	5,380	850	6,230
2026	5.000	5,660	581	6,241
2027	5.000	5,950	298	6,248
Total		<u>\$ 90,895</u>	<u>\$ 78,927</u>	<u>\$ 169,822</u>

Advanced Refunding and Defeased Debt

Debt considered defeased consists of the following (in thousands):

	Principal Balance September 30, 1999	Retirements	Principal Balance September 30, 2000
Series 1977 bonds	\$ 13,115	(\$ 1,640)	\$ 11,475
Series 1985 bonds	113,900	(3,000)	110,900
Series 1990 bonds	44,365	(44,365)	-
Series 1992 bonds	68,000	-	68,000
Total	<u>\$ 239,380</u>	<u>(\$ 49,005)</u>	<u>\$ 190,375</u>

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
 C. Jacksonville Transportation Authority (continued)**

(7) Estimated Liability for Injury and Damage Claims

The Authority is exposed to various risks of loss related to injury and damage claims arising from bus and ASE operations.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Individual claims in excess of \$100,000 and \$200,000 per occurrence would be subject to the Florida Sovereign Immunity Law. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The liability is reported in the Proprietary Funds.

The estimated liability for injury and damage claims consisted of the following (in thousands):

Reported and known claims	\$ 345
Estimated incurred but not reported claims	1,594
Total	<u>\$ 1,939</u>

Changes in the estimated liability for injury and damage claims consisted of the following (in thousands):

Balance, beginning of year	\$ 1,582
Claims provision	650
Claims paid	(293)
Balance, end of year	<u>\$ 1,939</u>

Management does not expect that these matters will have a material effect on the financial position or results of operations of the Authority.

(8) Commitments and Contingencies:

Commitments—Construction in progress represents capital costs of approximately \$28,625,000 incurred to date on the Automated Skyway Express Phase 1B and River Crossing projects. This amount is exclusive of right-of-way acquisition costs of approximately \$6,100,000 included in land on the balance sheet.

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(8) Commitments and Contingencies: (continued)

The uncompleted portion of this project is financed primarily by the unexpended balance in grants from the following agencies (in thousands):

	<u>Grant Amount</u>
Federal Transit Administration	\$ 73,698
State of Florida	27,229
City of Jacksonville and the Authority	27,229

The Authority as a whole has commitments on outstanding contracts amounting to approximately \$43,000,000 at September 30, 2000.

Contingencies—The Authority is a party to a number of lawsuits and claims primarily related to condemnation proceedings for right-of-way acquisitions and injury and damage claims arising out of the normal conduct of its mass transportation activities. The Authority is self-insured in regards to injury and damage claims. In the opinion of Authority management, based on the advice of legal counsel, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial position or results of operations of the Authority.

Federal grant awards are audited in accordance with OMB Circular A-133 and the Single Audit Act of 1984 to determine the Authority’s compliance with the terms and conditions of the grant awards. State of Florida grant awards are subject to audit by the respective Florida grantor agencies. It is management’s opinion that no material liabilities will result from any such audits.

Self-Insurance—During January 1988, the Florida State Department of General Services rendered an opinion which stated that the Authority was no longer included in the State Self-Insurance Fund. The Authority is responsible for any potential liability related to accidents on the Jacksonville Transportation Authority expressway system. Any individual claim in excess of \$100,000 and \$200,000 per occurrence would be subject to the Florida Sovereign Immunity Law. Management does not expect that these matters will have a material effect on the financial position or results of operations of the Authority. The Authority has \$200,000 designated for any potential liability related to accidents on the Jacksonville Transportation Authority expressway system. There have been no claims of liability against the Authority or any claims payments by the Authority related to such accidents in the last three years.

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)
 C. Jacksonville Transportation Authority (continued)**

(9) Employee Benefits:

Florida Retirement System—The Authority participates in the Florida Retirement System (System), a cost-sharing multiple-employer public employee retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the Authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions.

Benefits are determined by category and length of service as follows:

Membership Category	Benefit	Vesting	Employer Contribution Rate	
			July 1, 2000	July 1, 1999
Regular	1.6% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age.	After 10 years of creditable service.	9.15%	10.15%
Senior Management	2.0% times years of service times average compensation (5 highest years) if age 55 or 25 years of special risk service.	After 7 years of creditable service.	11.13%	12.13%

Employer contributions include 0.94% for a post-retirement health insurance subsidy and 0.10% administrative fee.

Participating employer contributions are based upon actuarially determined state-wide rates established by the State of Florida, that expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due. No employee contributions are required.

The contributions required for the years ended September 30, 2000, 1999 and 1998 were \$501,449, \$677,184 and \$659,438, respectively, which is equal to the required contribution for each year.

During the year ended June 30, 2000, the System held no securities issued by the Authority.

The Florida Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the Division of Retirement,

**CITY OF JACKSONVILLE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

20. MAJOR DISCRETELY PRESENTED COMPONENT UNITS (continued)

C. Jacksonville Transportation Authority (continued)

(9) Employee Benefits: (continued)

2639-C North Monroe Street, Tallahassee, Florida 32399-1560, or by calling 850-488-5541.

JTM Money Purchase Pension Plan—The Authority also contributes to the Jacksonville Transit Management, inc. (JTM) Money Purchase Pension Plan, which covers all employees on JTM’s payroll whose job classification is within the bargaining unit represented by a union. Such contributions for the year ended September 30, 2000 were based on the collective bargaining agreements in effect and are included in operating expenses in the amount of \$1,821,816.

(10) Enterprise Fund Contributed Capital:

Following is a summary of contributed capital by source at September 30, 2000 (in thousands):

United States capital grants	\$ 149,580
State of Florida capital grants	45,252
City of Jacksonville capital grants	22,879
General Fund contributed capital	30,983
Total	<u>248,694</u>
Less: Accumulated depreciation	(60,440)
Less: Grant assets consumed	(6,793)
Total, net of accumulated depreciation and grant assets consumed	<u>\$ 181,461</u>

(11) Grants and Receipts from Other Governments:

FDOT

The Authority and FDOT have entered into a contract whereby FDOT reimburses the Authority for certain highway and bridge maintenance costs. Under the current year contract, certain reimbursements may be offset against amounts owed by the Authority to FDOT.

REQUIRED SUPPLEMENTAL INFORMATION

**CITY OF JACKSONVILLE, FLORIDA
 REQUIRED SUPPLEMENTAL INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 GENERAL EMPLOYEES RETIREMENT SYSTEM
 SEPTEMBER 30, 2000**

(in thousands)

<u>Plan Year Ending September 30</u>	<u>Annual Required Contributions</u>	<u>City Cash Contributions</u>	<u>Allotted from Past Excess Contributions</u>	<u>Total Employer Contributions</u>	<u>Percentage Contributed</u>
1995	\$ 42,046	\$ 41,787	\$ 259	\$ 42,046	100%
1996	42,719	42,634	85	42,719	100%
1997	25,754	21,930	3,824	25,754	100%
1998	28,782	20,668	8,114	28,782	100%
1999	17,673	16,081	1,592	17,673	100%
2000*	12,429	11,681	748	12,429	100%

* The financial statement expense requirement for the fiscal year ended September 30, 2000, was equal to the annual required contribution of \$12,429.

Certain adjustments are made to the annual required contribution if the plan carries a net pension obligation. The net pension obligation (asset) is defined in GASB Statement No. 27 as the cumulative difference at date of adoption (or transition) between annual requirements and actual contributions plus the cumulative difference between the requirements and contributions after that date. Because the plan has no net pension obligation, no other adjustments were made to determine expense this year.

Note that the net pension asset is not the same as "past excess contributions," which stand 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, 2000**

(in thousands)

Plan Year Ending September 30	Annual Required Contribution	City Cash Contributions	Alloted from Contribution Reserves	Court Fines and Premium-Tax Refunds*	Total Employer Contributions	Total Member Contributions	Percentage Contributed
1995	\$ 15,552						100%
1996	15,366						100%
1997	28,910						100%
1998	34,618						100%
1999	30,201						100%
2000 **	32,146	\$ 9,187	\$ 8,144	\$ 6,830	\$ 24,161	\$ 7,985	100%

* Includes refunds from premium tax under Florida Statutes Chapters 175 and 185.

** The financial statement expense requirement for the fiscal year ended September 30, 2000 was equal to the annual required contributions of \$32,146. The Plan has no net pension obligation.

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS
SEPTEMBER 30, 2000**

(in thousands)

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (1)(2) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
<u>GENERAL EMPLOYEES RETIREMENT SYSTEM</u>						
09/30/95	\$ 856,474	\$ 1,032,427	\$ 175,953	82.96%	\$ 193,266	91.04%
09/30/96	980,205	1,093,222	113,017	89.66%	193,418	58.43%
09/30/97 (3)	1,137,301	1,153,551	16,250	98.59%	196,510	8.27%
09/30/98	1,261,363	1,217,641	(43,722)	103.59%	192,859	N/A
09/30/99	1,324,735	1,321,083	(3,652)	100.28%	197,781	N/A
09/30/00 (4)	1,426,926	1,426,745	(181)	100.01%	202,321	N/A
<u>POLICE AND FIRE RETIREMENT SYSTEM</u>						
09/30/95	492,017	544,816	52,799	90.31%	98,332	53.69%
09/30/96	546,914	726,299	179,385	75.30%	101,021	177.57%
09/30/97	615,421	842,849	227,428	73.02%	106,111	214.33%
09/30/98	675,414	902,035	226,621	74.88%	110,598	204.91%
09/30/99	738,461	970,418	231,957	76.10%	97,666	237.50%
09/30/00	814,889	939,802	124,913	86.71%	97,207	128.50%

- (1) General Employees - Actuarial present values determined under the Entry Age Actuarial Cost Method.
- (2) Police and Fire - Actuarial present values determined under the Entry Age Actuarial Cost Method for the 2000 valuation and the Frozen Entry Age Actuarial Cost Method for 1999 and prior valuations.
- Actuarial Assumptions:
- Net investment rate of return 8.50%
 - Projected salary increases 5.00%
 - Includes inflation percent of 3.25%
 - Cost-of-living adjustments 3.00%
- (3) Actuarial present values calculated after changes in Plan provisions. The decrease in AAL (and UAAL) due to changes in Plan provisions was measured to be \$6,343.
- (4) Net of the unassigned past-excess contributions separate account of \$71,006.

See accompanying independent auditors' report.

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.

CITY OF JACKSONVILLE, FLORIDA
BALANCE SHEET
GENERAL FUND (in thousands)
SEPTEMBER 30, 2000

	TOTALS	
	2000	1999
ASSETS		
Equity in cash and investments.....	\$ 52,245	\$ 60,331
Receivables (net, where applicable, of allowances for uncollectibles):		
Taxes.....	28	4,225
Accounts.....	2,049	4,809
Mortgages.....	-	33
Other.....	214	216
Due from other funds.....	4,199	12,324
Due from independent agencies and other governments.....	37,440	14,359
Inventories.....	1,287	1,210
TOTAL ASSETS.....	\$ 97,462	\$ 97,507
LIABILITIES AND FUND BALANCES		
LIABILITIES:		
Accounts payable and accrued liabilities.....	\$ 9,304	\$ 19,524
Due to other funds.....	37	37
Due to independent agencies and other governments.....	4,935	2,860
Deferred revenue.....	6,831	6,610
TOTAL LIABILITIES.....	21,107	29,031
FUND BALANCES:		
Reserved for encumbrances.....	14,314	11,027
Reserved for imprest cash and cash in escrow.....	330	332
Reserved for inventories.....	1,287	1,210
Unreserved:		
Designated for capital projects.....	8,018	4,294
Designated for budget stabilization.....	17,205	17,486
Designated for changes in fair value of investments.....	271	202
Designated for next year's budget appropriation.....	34,042	33,242
Undesignated.....	888	683
TOTAL FUND BALANCE.....	76,355	68,476
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 97,462	\$ 97,507

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	TOTALS	
	2000	1999
REVENUE:		
Taxes.....	\$ 355,610	\$ 334,809
Licenses and permits.....	13,970	13,194
Intergovernmental.....	125,119	108,546
Charges for services.....	48,430	42,170
Fines and forfeitures.....	7,744	7,062
Payment in lieu of taxes.....	3,583	3,799
Interest.....	10,171	8,094
Other.....	7,575	8,579
Total Revenue.....	572,202	526,253
EXPENDITURES:		
General government.....	86,101	80,055
Human services.....	55,610	50,099
Public safety.....	280,895	261,788
Culture and recreation.....	37,032	34,448
Transportation.....	30,792	30,193
Economic environment.....	4,357	1,303
Physical environment.....	11,019	9,991
Total Expenditures.....	505,806	467,877
EXCESS OF REVENUE OVER EXPENDITURES.....	66,396	58,376
OTHER FINANCING SOURCES (USES):		
Operating transfers in.....	6,399	9,023
Operating transfers out.....	(130,428)	(125,911)
Transfers - In from component units.....	71,434	66,494
Transfers - Out to component units.....	(5,999)	(4,161)
Total Other Financing (Uses).....	(58,594)	(54,555)
EXCESS OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES.....	7,802	3,821
FUND BALANCES, BEGINNING OF YEAR.....	68,476	64,209
Change in reserve for inventory of supplies.....	77	230
Residual equity transfer in.....	-	216
FUND BALANCES, END OF YEAR.....	\$ 76,355	\$ 68,476

See accompanying independent auditors' report.



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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.

The Sports, Convention and Tourism Development Fund collects revenues from tourist and convention development taxes and sales tax rebate revenue from the State to support ALLTEL Stadium and surrounding sports complex and convention center facilities and to fund tourism programs sponsored by the Tourist Development Council through the City.

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 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 Housing Rehabilitation and Home Investment and Opportunity Grants Fund accounts for federal grant funds expended within federal guidelines to help Jacksonville citizens to secure home ownership through a variety of private/public partnership mortgage and rehabilitation loan programs.

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 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, homeowner repair and rehabilitation and acquisition of existing single family dwellings for home ownership.

The Non-Budgeted General Government Fund accounts for the 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 and also accounts for numerous smaller funds whose revenues are dedicated to a variety of specific purposes.



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**CITY OF JACKSONVILLE, FLORIDA
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS (in thousands)
 SEPTEMBER 30, 2000**

BUDGETED ON AN ANNUAL BASIS

ASSETS	CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	SPORTS, CONVENTION AND TOURISM DEVELOPMENT
Equity in cash and investments.....	\$ 2,351	\$ 617	\$ 4,458
Cash in escrow and with fiscal agents.....	-	-	100
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts	-	-	23
Mortgages.....	-	-	-
Due from other funds.....	-	-	-
Due from component units.....	-	-	-
Due from independent agencies and other governments.....	-	321	-
TOTAL ASSETS.....	<u>\$ 2,351</u>	<u>\$ 938</u>	<u>\$ 4,581</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable and accrued liabilities.....	\$ 5	\$ 11	\$ 18
Due to other funds.....	-	-	-
Due to other governments.....	-	-	-
Deposits.....	55	-	-
TOTAL LIABILITIES.....	<u>60</u>	<u>11</u>	<u>18</u>
FUND BALANCES:			
Reserved for encumbrances.....	267	91	632
Reserved for cash in escrow.....	-	-	100
Reserved for mortgages receivable.....	-	-	-
Unreserved:			
Designated for subsequent years' budget.....	-	28	-
Designated for changes in fair value of investments.....	11	3	22
Undesignated (deficit).....	2,013	805	3,809
Total Fund Balances.....	<u>2,291</u>	<u>927</u>	<u>4,563</u>
TOTAL LIABILITIES AND FUND BALANCES.....	<u>\$ 2,351</u>	<u>\$ 938</u>	<u>\$ 4,581</u>

BUDGETED ON AN ANNUAL BASIS

<u>TRANSPORTATION</u>	<u>BUDGETED GENERAL GOVERNMENT</u>	<u>PUBLIC SAFETY</u>	<u>EMERGENCY 9-1-1</u>	<u>TAX INCREMENT DISTRICTS</u>	<u>JACKSONVILLE CHILDREN'S COMMISSION</u>
\$ 55,936	\$ 12,258	\$ 492	\$ 1,842	\$ -	\$ 2,790
-	-	-	-	-	-
-	149	-	-	-	-
-	224	-	-	-	-
-	-	-	-	-	-
<u>21,473</u>	<u>204</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,189</u>
<u>\$ 77,409</u>	<u>\$ 12,835</u>	<u>\$ 492</u>	<u>\$ 1,842</u>	<u>\$ -</u>	<u>\$ 5,979</u>
\$ 7,387	\$ 506	\$ 7	\$ 15	\$ -	\$ 3,173
-	-	-	-	-	-
4,103	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>11,490</u>	<u>506</u>	<u>7</u>	<u>15</u>	<u>-</u>	<u>3,173</u>
26,930	497	166	331	-	4,955
-	-	-	-	-	-
-	-	-	-	-	-
26,243	-	-	-	-	-
275	60	3	9	-	14
<u>12,471</u>	<u>11,772</u>	<u>316</u>	<u>1,487</u>	<u>-</u>	<u>(2,163)</u>
<u>65,919</u>	<u>12,329</u>	<u>485</u>	<u>1,827</u>	<u>-</u>	<u>2,806</u>
<u>\$ 77,409</u>	<u>\$ 12,835</u>	<u>\$ 492</u>	<u>\$ 1,842</u>	<u>\$ -</u>	<u>\$ 5,979</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS (in thousands; continued)
SEPTEMBER 30, 2000

ASSETS	COMMUNITY DEVELOPMENT BLOCK GRANT	HOUSING REHABILITATION AND HOME INVESTMENT AND OPPORTUNITY GRANTS	JOB TRAINING PARTNERSHIP ACT GRANT	MAINTENANCE, PARKS AND RECREATION
Equity in cash and investments.....	\$ -	\$ 1,773	\$ 457	\$ 5,363
Cash in escrow and with fiscal agents.....	1,975	2,351	-	-
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts	-	-	-	-
Mortgages.....	1,683	13,647	-	-
Due from other funds.....	-	-	-	-
Due from component units.....	584	-	-	-
Due from independent agencies and other governments....	1,384	741	-	-
TOTAL ASSETS.....	<u>\$ 5,626</u>	<u>\$ 18,512</u>	<u>\$ 457</u>	<u>\$ 5,363</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable and accrued liabilities.....	\$ 436	\$ 332	\$ -	\$ 59
Due to other funds.....	2,182	-	-	-
Due to other governments.....	-	-	-	-
Deposits.....	6	77	-	-
TOTAL LIABILITIES.....	<u>2,624</u>	<u>409</u>	<u>-</u>	<u>59</u>
FUND BALANCES:				
Reserved for encumbrances.....	4,847	1,308	-	674
Reserved for cash in escrow.....	1,975	2,351	-	-
Reserved for mortgages receivable.....	1,683	13,647	-	-
Unreserved:				
Designated for subsequent years' budget.....	-	-	-	707
Designated for changes in fair value of investments....	-	9	2	27
Undesignated (deficit).....	(5,503)	788	455	3,896
Total Fund Balances.....	3,002	18,103	457	5,304
TOTAL LIABILITIES AND FUND BALANCES.....	<u>\$ 5,626</u>	<u>\$ 18,512</u>	<u>\$ 457</u>	<u>\$ 5,363</u>

<u>METROPOLITAN PLANNING ORGANIZATION</u>	<u>OTHER FEDERAL, STATE AND LOCAL GRANTS</u>	<u>STATE HOUSING INITIATIVE PARTNERSHIP</u>	<u>NON-BUDGETED GENERAL GOVERNMENT</u>	<u>TOTALS</u>	
				<u>2000</u>	<u>1999</u>
\$ -	\$ 11,397	\$ 6,321	\$ 532	\$ 106,587	\$ 93,831
-	-	100	225	4,751	4,915
-	-	-	-	172	175
-	-	5,281	-	20,611	13,550
-	-	-	3	227	185
-	-	-	-	584	584
<u>406</u>	<u>3,635</u>	<u>-</u>	<u>-</u>	<u>31,353</u>	<u>24,128</u>
<u>\$ 406</u>	<u>\$ 15,032</u>	<u>\$ 11,702</u>	<u>\$ 760</u>	<u>\$ 164,285</u>	<u>\$ 137,368</u>
\$ -	\$ 721	\$ 278	\$ 19	\$ 12,967	\$ 7,442
152	-	-	-	2,334	10,523
-	-	-	-	4,103	-
-	-	-	-	138	103
<u>152</u>	<u>721</u>	<u>278</u>	<u>19</u>	<u>19,542</u>	<u>18,068</u>
17	6,098	361	29	47,203	30,350
-	-	100	225	4,751	4,915
-	-	5,281	-	20,611	13,550
-	-	-	-	26,978	14,720
-	56	31	2	524	307
<u>237</u>	<u>8,157</u>	<u>5,651</u>	<u>485</u>	<u>44,676</u>	<u>55,458</u>
<u>254</u>	<u>14,311</u>	<u>11,424</u>	<u>741</u>	<u>144,743</u>	<u>119,300</u>
<u>\$ 406</u>	<u>\$ 15,032</u>	<u>\$ 11,702</u>	<u>\$ 760</u>	<u>\$ 164,285</u>	<u>\$ 137,368</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	BUDGETED ON AN ANNUAL BASIS		
	CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	SPORTS, CONVENTION AND TOURISM DEVELOPMENT
REVENUE:			
Taxes.....	\$ -	\$ -	\$ 9,864
Intergovernmental.....	-	2,099	2,000
Charges for services.....	1,225	-	-
Fines and forfeitures.....	-	-	-
Interest.....	100	51	167
Other.....	-	-	560
Total Revenue.....	1,325	2,150	12,591
EXPENDITURES:			
General government.....	183	-	-
Human services.....	-	-	-
Public safety.....	-	-	-
Culture and recreation.....	-	-	813
Transportation.....	-	-	-
Economic environment.....	-	-	3,437
Physical environment.....	-	2,225	-
Total Expenditures.....	183	2,225	4,250
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....	1,142	(75)	8,341
OTHER FINANCING SOURCES (USES):			
Operating transfers in.....	-	50	-
Operating transfers out.....	(110)	-	(8,880)
Transfers - Out to component units.....	-	-	-
Total Other Financing Sources (Uses).....	(110)	50	(8,880)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES.....	1,032	(25)	(539)
FUND BALANCES, BEGINNING OF YEAR.....	1,259	952	5,102
Residual equity transfer out.....	-	-	-
FUND BALANCES, END OF YEAR.....	\$ 2,291	\$ 927	\$ 4,563

BUDGETED ON AN ANNUAL BASIS

<u>TRANSPORTATION</u>	<u>BUDGETED GENERAL GOVERNMENT</u>	<u>PUBLIC SAFETY</u>	<u>EMERGENCY 9-1-1</u>	<u>TAX INCREMENT DISTRICTS</u>	<u>JACKSONVILLE CHILDREN'S COMMISSION</u>
\$ 94,267	\$ -	\$ -	\$ -	\$ 4,263	\$ -
6,979	1,693	257	-	-	24,621
-	8,209	-	2,799	-	-
-	2,083	-	-	-	-
4,495	421	54	73	-	180
-	2,848	-	-	-	6,094
<u>105,741</u>	<u>15,254</u>	<u>311</u>	<u>2,872</u>	<u>4,263</u>	<u>30,895</u>
-	3,935	-	-	-	-
-	820	-	-	-	18,178
-	6,069	433	2,330	-	-
-	-	-	-	-	-
88,927	-	-	-	-	-
-	-	-	-	-	21,906
-	1,564	-	-	-	-
<u>88,927</u>	<u>12,388</u>	<u>433</u>	<u>2,330</u>	<u>-</u>	<u>40,084</u>
<u>16,814</u>	<u>2,866</u>	<u>(122)</u>	<u>542</u>	<u>4,263</u>	<u>(9,189)</u>
448	150	-	-	168	11,889
-	(712)	-	-	(4,390)	(391)
<u>(8,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(315)</u>	<u>-</u>
<u>(7,752)</u>	<u>(562)</u>	<u>-</u>	<u>-</u>	<u>(4,537)</u>	<u>11,498</u>
9,062	2,304	(122)	542	(274)	2,309
56,857	10,025	607	1,285	274	497
-	-	-	-	-	-
<u>\$ 65,919</u>	<u>\$ 12,329</u>	<u>\$ 485</u>	<u>\$ 1,827</u>	<u>\$ -</u>	<u>\$ 2,806</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	COMMUNITY DEVELOPMENT BLOCK GRANT	HOUSING REHABILITATION AND HOME INVESTMENT AND OPPORTUNITY GRANTS	JOB TRAINING PARTNERSHIP ACT GRANT	MAINTENANCE, PARKS AND RECREATION
REVENUE:				
Taxes.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	10,135	2,567	-	-
Charges for services.....	-	-	-	1,195
Fines and forfeitures.....	-	-	-	-
Interest.....	122	176	23	170
Other.....	175	193	-	101
Total Revenue.....	10,432	2,936	23	1,466
EXPENDITURES:				
General government.....	-	-	-	-
Human services.....	-	-	-	-
Public safety.....	-	-	-	-
Culture and recreation.....	-	-	-	1,115
Transportation.....	-	-	-	-
Economic environment.....	9,062	2,703	-	-
Physical environment.....	-	-	-	-
Total Expenditures.....	9,062	2,703	-	1,115
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....	1,370	233	23	351
OTHER FINANCING SOURCES (USES):				
Operating transfers in.....	-	-	-	132
Operating transfers out.....	(35)	-	-	(249)
Transfers - Out to component units.....	-	-	-	-
Total Other Financing Sources (Uses).....	(35)	-	-	(117)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES.....	1,335	233	23	234
FUND BALANCES, BEGINNING OF YEAR.....	1,667	17,870	434	5,236
Residual equity transfer out.....	-	-	-	(166)
FUND BALANCES, END OF YEAR.....	\$ 3,002	\$ 18,103	\$ 457	\$ 5,304

<u>METROPOLITAN PLANNING ORGANIZATION</u>	<u>OTHER FEDERAL, STATE AND LOCAL GRANTS</u>	<u>STATE HOUSING INITIATIVE PARTNERSHIP</u>	<u>NON-BUDGETED GENERAL GOVERNMENT</u>	<u>TOTALS</u>	
				<u>2000</u>	<u>1999</u>
\$ -	\$ -	\$ -	\$ -	\$ 108,394	\$ 91,103
576	18,494	6,359	-	75,780	72,597
-	-	-	444	13,872	13,105
-	-	-	111	2,194	1,886
-	753	598	8	7,391	5,029
-	173	858	76	11,078	5,838
<u>576</u>	<u>19,420</u>	<u>7,815</u>	<u>639</u>	<u>218,709</u>	<u>189,558</u>
648	834	-	580	6,180	5,158
-	6,721	-	122	25,841	25,259
-	8,378	-	26	17,236	14,573
-	1,740	-	25	3,693	3,902
-	22	-	-	88,949	79,826
-	233	1,598	-	38,939	43,252
-	544	-	-	4,333	3,900
<u>648</u>	<u>18,472</u>	<u>1,598</u>	<u>753</u>	<u>185,171</u>	<u>175,870</u>
<u>(72)</u>	<u>948</u>	<u>6,217</u>	<u>(114)</u>	<u>33,538</u>	<u>13,688</u>
104	2,861	-	13	15,815	15,988
-	(73)	-	-	(14,840)	(17,354)
-	-	(389)	-	(8,904)	(8,754)
<u>104</u>	<u>2,788</u>	<u>(389)</u>	<u>13</u>	<u>(7,929)</u>	<u>(10,120)</u>
32	3,736	5,828	(101)	25,609	3,568
222	10,575	5,596	842	119,300	115,732
-	-	-	-	(166)	-
<u>\$ 254</u>	<u>\$ 14,311</u>	<u>\$ 11,424</u>	<u>\$ 741</u>	<u>\$ 144,743</u>	<u>\$ 119,300</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL BUDGETED SPECIAL REVENUE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

CONCURRENCY MANAGEMENT

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE:					
Taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	-	-	-	-	-
Charges for services.....	1,225	-	1,225	1,150	75
Fines and forfeitures.....	-	-	-	-	-
Interest.....	100	-	100	30	70
Other.....	-	-	-	-	-
Total Revenue.....	<u>1,325</u>	<u>-</u>	<u>1,325</u>	<u>1,180</u>	<u>145</u>
EXPENDITURES AND ENCUMBRANCES:					
General government.....	183	267	450	1,829	1,379
Human services.....	-	-	-	-	-
Public safety.....	-	-	-	-	-
Culture and recreation.....	-	-	-	-	-
Transportation.....	-	-	-	-	-
Economic environment.....	-	-	-	-	-
Physical environment.....	-	-	-	-	-
Total Expenditures.....	<u>183</u>	<u>267</u>	<u>450</u>	<u>1,829</u>	<u>1,379</u>
EXCESS OF REVENUE OVER (UNDER)					
EXPENDITURES.....	<u>1,142</u>	<u>(267)</u>	<u>875</u>	<u>(649)</u>	<u>1,524</u>
OTHER FINANCING SOURCES (USES):					
Operating transfers in.....	-	-	-	-	-
Operating transfers out.....	(110)	-	(110)	(110)	-
Transfers - Out to component units.....	-	-	-	-	-
Total Other Financing Sources (Uses).....	<u>(110)</u>	<u>-</u>	<u>(110)</u>	<u>(110)</u>	<u>-</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	<u>1,032</u>	<u>(267)</u>	<u>765</u>	<u>(759)</u>	<u>1,524</u>
FUND BALANCE ALLOCATION.....					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>759</u>	<u>(759)</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	<u>\$ 1,032</u>	<u>(\$ 267)</u>	<u>\$ 765</u>	<u>\$ -</u>	<u>\$ 765</u>

AIR POLLUTION CONTROL AND MONITORING

<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ -	\$ -	\$ -	\$ -	\$ -
2,099	-	2,099	2,125	(26)
-	-	-	-	-
51	-	51	21	30
-	-	-	-	-
<u>2,150</u>	<u>-</u>	<u>2,150</u>	<u>2,146</u>	<u>4</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,225	91	2,316	2,577	261
<u>2,225</u>	<u>91</u>	<u>2,316</u>	<u>2,577</u>	<u>261</u>
<u>(75)</u>	<u>(91)</u>	<u>(166)</u>	<u>(431)</u>	<u>265</u>
50	-	50	50	-
-	-	-	-	-
-	-	-	-	-
<u>50</u>	<u>-</u>	<u>50</u>	<u>50</u>	<u>-</u>
(25)	(91)	(116)	(381)	265
-	-	-	381	(381)
<u>(\$ 25)</u>	<u>(\$ 91)</u>	<u>(\$ 116)</u>	<u>\$ -</u>	<u>(\$ 116)</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL BUDGETED SPECIAL REVENUE FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

SPORTS, CONVENTION AND TOURISM DEVELOPMENT

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE:					
Taxes.....	\$ 9,864	\$ -	\$ 9,864	\$ 9,200	\$ 664
Intergovernmental.....	2,000	-	2,000	2,000	-
Charges for services.....	-	-	-	-	-
Fines and forfeitures.....	-	-	-	-	-
Interest.....	167	-	167	100	67
Other.....	560	-	560	142	418
Total Revenue.....	12,591	-	12,591	11,442	1,149
EXPENDITURES AND ENCUMBRANCES:					
General government.....	-	-	-	-	-
Human services.....	-	-	-	-	-
Public safety.....	-	-	-	-	-
Culture and recreation.....	813	-	813	998	185
Transportation.....	-	-	-	-	-
Economic environment.....	3,437	632	4,069	6,370	2,301
Physical environment.....	-	-	-	-	-
Total Expenditures.....	4,250	632	4,882	7,368	2,486
EXCESS OF REVENUE OVER (UNDER)					
EXPENDITURES.....	8,341	(632)	7,709	4,074	3,635
OTHER FINANCING SOURCES (USES):					
Operating transfers in.....	-	-	-	-	-
Operating transfers out.....	(8,880)	-	(8,880)	(8,880)	-
Transfers - Out to component units.....	-	-	-	-	-
Total Other Financing Sources (Uses).....	(8,880)	-	(8,880)	(8,880)	-
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER)					
EXPENDITURES, ENCUMBRANCES AND OTHER USES.....	(539)	(632)	(1,171)	(4,806)	3,635
FUND BALANCE ALLOCATION.....	-	-	-	4,806	(4,806)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER)					
EXPENDITURES, ENCUMBRANCES AND OTHER USES.....	(\$ 539)	(\$ 632)	(\$ 1,171)	\$ -	(\$ 1,171)

TRANSPORTATION

<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 94,267	\$ -	\$ 94,267	\$ 77,500	\$ 16,767
6,979	-	6,979	5,673	1,306
-	-	-	-	-
-	-	-	-	-
4,495	-	4,495	3,833	662
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
105,741	-	105,741	87,006	18,735
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
88,927	26,930	115,857	112,135	(3,722)
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
88,927	26,930	115,857	112,135	(3,722)
16,814	(26,930)	(10,116)	(25,129)	15,013
448	-	448	448	-
-	-	-	-	-
<u>(8,200)</u>	<u>-</u>	<u>(8,200)</u>	<u>(8,000)</u>	<u>(200)</u>
<u>(7,752)</u>	<u>-</u>	<u>(7,752)</u>	<u>(7,552)</u>	<u>(200)</u>
9,062	(26,930)	(17,868)	(32,681)	14,813
<u>-</u>	<u>-</u>	<u>-</u>	<u>32,681</u>	<u>(32,681)</u>
<u>\$ 9,062</u>	<u>(\$ 26,930)</u>	<u>(\$ 17,868)</u>	<u>\$ -</u>	<u>(\$ 17,868)</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL BUDGETED SPECIAL REVENUE FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

BUDGETED GENERAL GOVERNMENT

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE:					
Taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	1,693	-	1,693	1,370	323
Charges for services.....	8,209	-	8,209	7,443	766
Fines and forfeitures.....	2,083	-	2,083	1,923	160
Interest.....	421	-	421	242	179
Other.....	2,848	-	2,848	602	2,246
Total Revenue.....	15,254	-	15,254	11,580	3,674
EXPENDITURES AND ENCUMBRANCES:					
General government.....	3,935	106	4,041	4,412	371
Human services.....	820	65	885	1,462	577
Public safety.....	6,069	195	6,264	6,716	452
Culture and recreation.....	-	-	-	-	-
Transportation.....	-	-	-	-	-
Economic environment.....	-	-	-	-	-
Physical environment.....	1,564	131	1,695	2,199	504
Total Expenditures.....	12,388	497	12,885	14,789	1,904
EXCESS OF REVENUE OVER (UNDER)					
EXPENDITURES.....	2,866	(497)	2,369	(3,209)	5,578
OTHER FINANCING SOURCES (USES):					
Operating transfers in.....	150	-	150	150	-
Operating transfers out.....	(712)	-	(712)	(712)	-
Transfers - Out to component units.....	-	-	-	-	-
Total Other Financing Sources (Uses).....	(562)	-	(562)	(562)	-
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	2,304	(497)	1,807	(3,771)	5,578
FUND BALANCE ALLOCATION.....					
	-	-	-	3,771	(3,771)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	\$ 2,304	(\$ 497)	\$ 1,807	\$ -	\$ 1,807

PUBLIC SAFETY

<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ -	\$ -	\$ -	\$ -	\$ -
257	-	257	257	-
-	-	-	-	-
54	-	54	-	54
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
311	-	311	257	54
-	-	-	-	-
-	-	-	-	-
433	166	599	663	64
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
433	166	599	663	64
<u>(122)</u>	<u>(166)</u>	<u>(288)</u>	<u>(406)</u>	<u>118</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
(122)	(166)	(288)	(406)	118
<u>-</u>	<u>-</u>	<u>-</u>	<u>406</u>	<u>(406)</u>
<u>(\$ 122)</u>	<u>(\$ 166)</u>	<u>(\$ 288)</u>	<u>\$ -</u>	<u>(\$ 288)</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL BUDGETED SPECIAL REVENUE FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

EMERGENCY 9-1-1

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE:					
Taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	-	-	-	-	-
Charges for services.....	2,799	-	2,799	2,332	467
Fines and forfeitures.....	-	-	-	-	-
Interest.....	73	-	73	25	48
Other.....	-	-	-	-	-
Total Revenue.....	2,872	-	2,872	2,357	515
EXPENDITURES AND ENCUMBRANCES:					
General government.....	-	-	-	-	-
Human services.....	-	-	-	-	-
Public safety.....	2,330	331	2,661	3,810	1,149
Culture and recreation.....	-	-	-	-	-
Transportation.....	-	-	-	-	-
Economic environment.....	-	-	-	-	-
Physical environment.....	-	-	-	-	-
Total Expenditures.....	2,330	331	2,661	3,810	1,149
EXCESS OF REVENUE OVER (UNDER)					
EXPENDITURES.....	542	(331)	211	(1,453)	1,664
OTHER FINANCING SOURCES (USES):					
Operating transfers in.....	-	-	-	-	-
Operating transfers out.....	-	-	-	-	-
Transfers - Out to component units.....	-	-	-	-	-
Total Other Financing Sources (Uses).....	-	-	-	-	-
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	542	(331)	211	(1,453)	1,664
FUND BALANCE ALLOCATION.....					
	-	-	-	1,453	(1,453)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	\$ 542	(\$ 331)	\$ 211	\$ -	\$ 211

TAX INCREMENT DISTRICTS

<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 4,263	\$ -	\$ 4,263	\$ 5,551	(\$ 1,288)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>4,263</u>	<u>-</u>	<u>4,263</u>	<u>5,551</u>	<u>(1,288)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	1,014	1,014
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,014</u>	<u>1,014</u>
<u>4,263</u>	<u>-</u>	<u>4,263</u>	<u>4,537</u>	<u>(274)</u>
168	-	168	168	-
(4,390)	-	(4,390)	(4,390)	-
<u>(315)</u>	<u>-</u>	<u>(315)</u>	<u>(315)</u>	<u>-</u>
<u>(4,537)</u>	<u>-</u>	<u>(4,537)</u>	<u>(4,537)</u>	<u>-</u>
(274)	-	(274)	-	(274)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(\$ 274)</u>	<u>\$ -</u>	<u>(\$ 274)</u>	<u>\$ -</u>	<u>(\$ 274)</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL BUDGETED SPECIAL REVENUE FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

JACKSONVILLE CHILDREN'S COMMISSION

	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE:					
Taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	24,621	-	24,621	34,259	(9,638)
Charges for services.....	-	-	-	-	-
Fines and forfeitures.....	-	-	-	-	-
Interest.....	180	-	180	100	80
Other.....	6,094	-	6,094	2,721	3,373
Total Revenue.....	30,895	-	30,895	37,080	(6,185)
EXPENDITURES AND ENCUMBRANCES:					
General government.....	-	-	-	-	-
Human services.....	18,178	4,869	23,047	23,799	752
Public safety.....	-	-	-	-	-
Culture and recreation.....	-	-	-	-	-
Transportation.....	-	-	-	-	-
Economic environment.....	21,906	86	21,992	47,404	25,412
Physical environment.....	-	-	-	-	-
Total Expenditures.....	40,084	4,955	45,039	71,203	26,164
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....					
	(9,189)	(4,955)	(14,144)	(34,123)	19,979
OTHER FINANCING SOURCES (USES):					
Operating transfers in.....	11,889	-	11,889	11,974	(85)
Operating transfers out.....	(391)	-	(391)	(391)	-
Transfers - Out to component units.....	-	-	-	-	-
Total Other Financing Sources (Uses).....	11,498	-	11,498	11,583	(85)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	2,309	(4,955)	(2,646)	(22,540)	19,894
FUND BALANCE ALLOCATION.....					
	-	-	-	22,540	(22,540)
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES AND OTHER USES.....					
	\$ 2,309	(\$ 4,955)	(\$ 2,646)	\$ -	(\$ 2,646)

ALL BUDGETED SPECIAL REVENUE FUNDS

<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>BUDGETARY BASIS</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 108,394	\$ -	\$ 108,394	\$ 92,251	\$ 16,143
37,649	-	37,649	45,684	(8,035)
12,233	-	12,233	10,925	1,308
2,083	-	2,083	1,923	160
5,541	-	5,541	4,351	1,190
9,502	-	9,502	3,465	6,037
<u>175,402</u>	<u>-</u>	<u>175,402</u>	<u>158,599</u>	<u>16,803</u>
4,118	373	4,491	6,241	1,750
18,998	4,934	23,932	25,261	1,329
8,832	692	9,524	11,189	1,665
813	-	813	998	185
88,927	26,930	115,857	112,135	(3,722)
25,343	718	26,061	54,788	28,727
3,789	222	4,011	4,776	765
<u>150,820</u>	<u>33,869</u>	<u>184,689</u>	<u>215,388</u>	<u>30,699</u>
<u>24,582</u>	<u>(33,869)</u>	<u>(9,287)</u>	<u>(56,789)</u>	<u>47,502</u>
12,705	-	12,705	12,790	(85)
(14,483)	-	(14,483)	(14,483)	-
(8,515)	-	(8,515)	(8,315)	(200)
<u>(10,293)</u>	<u>-</u>	<u>(10,293)</u>	<u>(10,008)</u>	<u>(285)</u>
14,289	(33,869)	(19,580)	(66,797)	47,217
<u>-</u>	<u>-</u>	<u>-</u>	<u>66,797</u>	<u>(66,797)</u>
<u>\$ 14,289</u>	<u>(\$ 33,869)</u>	<u>(\$ 19,580)</u>	<u>\$ -</u>	<u>(\$ 19,580)</u>



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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 that are included in the General Long-Term Obligations Account Group. 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 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 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 River City Renaissance Commercial Paper debt.

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET
ALL DEBT SERVICE FUNDS (in thousands)
SEPTEMBER 30, 2000

	GENERAL BONDED DEBT OBLIGATIONS	SPECIAL BONDED DEBT OBLIGATIONS	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
				2000	1999
ASSETS					
Equity in cash and investments.....	\$ -	\$ 46,553	\$ 840	\$ 47,393	\$ 42,371
Cash in escrow and with fiscal agents.....	39	-	210	249	265
TOTAL ASSETS.....	\$ 39	\$ 46,553	\$ 1,050	\$ 47,642	\$ 42,636
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Due to other funds.....	\$ -	\$ -	\$ -	\$ -	\$ 602
Matured bonds and interest payable.....	39	-	-	39	39
TOTAL LIABILITIES.....	39	-	-	39	641
FUND BALANCES:					
Reserved:					
Reserved for cash in escrow and with fiscal agents.....	-	-	210	210	-
Reserved for debt service.....	-	46,324	836	47,160	41,859
Unreserved:					
Designated for changes in fair value of investments.....	-	229	4	233	136
TOTAL FUND BALANCE.....	-	46,553	1,050	47,393	41,995
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 39	\$ 46,553	\$ 1,050	\$ 47,642	\$ 42,636

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	GENERAL BONDED DEBT OBLIGATIONS	SPECIAL BONDED DEBT OBLIGATIONS	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
				2000	1999
REVENUES:					
Interest.....	\$ -	\$ 1,756	\$ 1,196	\$ 2,952	\$ 2,342
Total Revenues.....	-	1,756	1,196	2,952	2,342
EXPENDITURES:					
Principal.....	-	24,495	3,705	28,200	25,437
Interest and fiscal agent charges.....	-	38,386	3,865	42,251	39,006
Total Expenditures.....	-	62,881	7,570	70,451	64,443
EXCESS OF REVENUE UNDER					
EXPENDITURES.....	-	(61,125)	(6,374)	(67,499)	(62,101)
OTHER FINANCING SOURCES (USES):					
Proceeds from sale of notes and bonds and issuance of other debt obligations.....	-	-	-	-	220
Proceeds from sale of refunding bonds.....	-	-	-	-	43,492
Operating transfers in.....	-	65,694	7,413	73,107	63,858
Operating transfers out.....	-	-	-	-	(1,217)
Payment to refund escrow agent.....	-	-	-	-	(43,492)
Total Other Financing Sources	-	65,694	7,413	73,107	62,861
EXCESS OF REVENUE AND					
OTHER SOURCES OVER					
EXPENDITURES AND OTHER USES.....	-	4,569	1,039	5,608	760
FUND BALANCES, BEGINNING OF YEAR.....	-	41,984	11	41,995	41,235
FUND BALANCES, END OF YEAR.....	\$ -	\$ 46,553	\$ 1,050	\$ 47,603	\$ 41,995



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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 Bond Projects Fund receives proceeds from the sale of bonded debt issued by the City to fund major capital improvement projects.

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

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.

**CITY OF JACKSONVILLE, FLORIDA
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS (in thousands)
 SEPTEMBER 30, 2000**

<u>ASSETS</u>	<u>BOND PROJECTS</u>	<u>GENERAL PROJECTS</u>
Equity in cash and investments.....	\$ 78,168	\$ 78,657
Cash in escrow and with fiscal agents.....	767	-
Due from independent agencies and other governments.....	-	7
TOTAL ASSETS.....	<u><u>\$ 78,935</u></u>	<u><u>\$ 78,664</u></u>
 <u>LIABILITIES AND FUND BALANCES</u> 		
LIABILITIES:		
Accounts payable and accrued liabilities.....	\$ 1,953	\$ 2,410
Contracts payable.....	475	308
Due to other funds.....	-	-
Advances from other funds.....	-	13,551
Deferred credits and other.....	-	689
TOTAL LIABILITIES.....	<u><u>2,428</u></u>	<u><u>16,958</u></u>
 FUND BALANCES:		
Reserved for encumbrances.....	19,367	13,214
Reserved for cash in escrow.....	767	-
Unreserved:		
Designated for capital projects.....	55,990	48,105
Designated for changes in fair value of investments.....	383	387
Undesignated (deficit).....	-	-
Total Fund Balances.....	<u><u>76,507</u></u>	<u><u>61,706</u></u>
TOTAL LIABILITIES AND FUND BALANCES.....	<u><u>\$ 78,935</u></u>	<u><u>\$ 78,664</u></u>

<u>GRANT PROJECTS</u>	<u>RIVER CITY RENAISSANCE PROJECT</u>	<u>TOTALS</u>	
		<u>2000</u>	<u>1999</u>
\$ -	\$ 5,483	\$ 162,308	\$ 127,072
330	11	1,108	14,716
<u>2,911</u>	<u>-</u>	<u>2,918</u>	<u>2,824</u>
<u>\$ 3,241</u>	<u>\$ 5,494</u>	<u>\$ 166,334</u>	<u>\$ 144,612</u>
\$ 271	\$ 24	\$ 4,658	\$ 3,157
49	44	876	499
998	-	998	569
-	-	13,551	14,000
<u>-</u>	<u>-</u>	<u>689</u>	<u>151</u>
<u>1,318</u>	<u>68</u>	<u>20,772</u>	<u>18,376</u>
4,437	262	37,280	34,811
330	11	1,108	-
-	5,126	109,221	91,009
-	27	797	416
<u>(2,844)</u>	<u>-</u>	<u>(2,844)</u>	<u>-</u>
<u>1,923</u>	<u>5,426</u>	<u>145,562</u>	<u>126,236</u>
<u>\$ 3,241</u>	<u>\$ 5,494</u>	<u>\$ 166,334</u>	<u>\$ 144,612</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>BOND PROJECTS</u>	<u>GENERAL PROJECTS</u>
REVENUE:		
Intergovernmental.....	\$ -	\$ -
Interest.....	4,501	4,213
Other.....	-	5,137
Total Revenue.....	<u>4,501</u>	<u>9,350</u>
EXPENDITURES:		
Capital outlay.....	<u>37,262</u>	<u>34,469</u>
EXCESS OF REVENUE UNDER EXPENDITURES.....	<u>(32,761)</u>	<u>(25,119)</u>
OTHER FINANCING SOURCES (USES):		
Proceeds from sale of notes and bonds and issuance of other debt obligations.....	44,939	-
Operating transfers in.....	-	34,165
Operating transfers out.....	(368)	(80)
Transfers - Out to component units.....	-	-
Total Other Financing Sources	<u>44,571</u>	<u>34,085</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES.....	11,810	8,966
FUND BALANCES, BEGINNING OF YEAR.....	64,697	52,574
Residual equity transfer in.....	-	166
FUND BALANCES, END OF YEAR.....	<u>\$ 76,507</u>	<u>\$ 61,706</u>

<u>GRANT PROJECTS</u>	<u>RIVER CITY RENAISSANCE PROJECT</u>	<u>TOTALS</u>	
		<u>2000</u>	<u>1999</u>
\$ 1,251	\$ -	\$ 1,251	\$ 1,400
55	581	9,350	6,908
-	-	5,137	4,403
<u>1,306</u>	<u>581</u>	<u>15,738</u>	<u>12,711</u>
<u>1,620</u>	<u>2,197</u>	<u>75,548</u>	<u>61,826</u>
<u>(314)</u>	<u>(1,616)</u>	<u>(59,810)</u>	<u>(49,115)</u>
-	-	44,939	32,779
314	-	34,479	31,494
-	-	(448)	(750)
-	-	-	(270)
<u>314</u>	<u>-</u>	<u>78,970</u>	<u>63,253</u>
-	(1,616)	19,160	14,138
1,923	7,042	126,236	112,098
-	-	166	-
<u>\$ 1,923</u>	<u>\$ 5,426</u>	<u>\$ 145,562</u>	<u>\$ 126,236</u>



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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 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 Sports Complex, Convention Center and Auditorium Fund accounts for the operation of the ALLTEL Stadium-Wolfson Baseball Park-Veterans Memorial Coliseum sports complex, the Prime Osborn Convention Center and Performing Arts Center.

The Motor Vehicle Inspection Fund accounts for the operations of the City's motor vehicle inspection stations.

The Solid Waste Disposal Fund accounts for 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 Mayport Ferry Fund accounts for the operation of the City's ferry across the St. Johns River at Mayport.

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS (in thousands)
SEPTEMBER 30, 2000

<u>ASSETS</u>	<u>PUBLIC PARKING SYSTEM</u>	<u>SPORTS COMPLEX, CONVENTION CENTER AND AUDITORIUM</u>
CURRENT ASSETS:		
Equity in cash and investments.....	\$ 3,989	\$ 3,659
Receivables (net, where applicable, of allowances for uncollectibles):		
Accounts.....	-	302
Due from independent agencies and other governments.....	-	-
Inventories.....	-	-
Prepaid expenses and other assets.....	-	124
Total Current Assets.....	<u>3,989</u>	<u>4,085</u>
RESTRICTED ASSETS:		
Cash and equivalents.....	-	-
Sinking fund cash and investments.....	-	697
Construction fund cash and investments.....	-	-
Accounts and interest receivable.....	-	58
Total Restricted Assets.....	<u>-</u>	<u>755</u>
PROPERTY, PLANT, AND EQUIPMENT:		
Land.....	4,573	17,038
Buildings and improvements.....	11,669	209,611
Improvements other than buildings.....	4,266	42,956
Furniture and equipment.....	298	6,032
Construction work in process.....	522	-
Total.....	<u>21,328</u>	<u>275,637</u>
Less accumulated depreciation.....	<u>(6,405)</u>	<u>(52,206)</u>
Total Property, Plant and Equipment - Net.....	<u>14,923</u>	<u>223,431</u>
DEFERRED CHARGES:		
Landfill closure and postclosure care costs.....	-	-
Other deferred charges.....	-	-
Total Deferred Charges.....	<u>-</u>	<u>-</u>
TOTAL ASSETS.....	<u>\$ 18,912</u>	<u>\$ 228,271</u>

<u>MOTOR VEHICLE INSPECTION</u>	<u>SOLID WASTE DISPOSAL</u>	<u>MAYPORT FERRY</u>	<u>TOTALS</u>	
			<u>2000</u>	<u>1999</u>
\$ 515	\$ 41,439	\$ 79	\$ 49,681	\$ 18,645
-	2,164	7	2,473	3,016
-	375	-	375	580
2	-	-	2	1
-	-	81	205	202
<u>517</u>	<u>43,978</u>	<u>167</u>	<u>52,736</u>	<u>22,444</u>
-	-	-	-	22,193
-	-	-	697	3,398
-	11,333	-	11,333	8,867
-	-	-	58	697
-	<u>11,333</u>	-	<u>12,088</u>	<u>35,155</u>
32	1,859	610	24,112	22,304
296	1,690	127	223,393	223,237
51	39,404	1,310	87,987	86,885
97	6,153	4,804	17,384	17,785
-	134	-	656	168
<u>476</u>	<u>49,240</u>	<u>6,851</u>	<u>353,532</u>	<u>350,379</u>
<u>(366)</u>	<u>(18,025)</u>	<u>(1,776)</u>	<u>(78,778)</u>	<u>(70,180)</u>
<u>110</u>	<u>31,215</u>	<u>5,075</u>	<u>274,754</u>	<u>280,199</u>
-	38,421	-	38,421	40,348
-	617	-	617	-
-	39,038	-	39,038	40,348
<u>\$ 627</u>	<u>\$ 125,564</u>	<u>\$ 5,242</u>	<u>\$ 378,616</u>	<u>\$ 378,146</u>

(continued)

See accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS (in thousands; continued)
SEPTEMBER 30, 2000

	<u>PUBLIC PARKING SYSTEM</u>	<u>SPORTS COMPLEX, CONVENTION CENTER AND AUDITORIUM</u>
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS):		
Accounts payable and accrued liabilities.....	\$ 76	\$ 2,105
Contracts payable.....	56	-
Due to other funds.....	-	-
Due to other governments.....	25	-
Accrued compensated absences, current portion.....	16	-
Deposits.....	66	-
Deferred revenue.....	89	70
Total Current Liabilities (Payable From Current Assets).....	<u>328</u>	<u>2,175</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):		
Deposits held for construction and events.....	-	755
Accrued interest payable.....	277	-
Current portion of bonds payable.....	760	-
Total Current Liabilities (Payable From Restricted Assets).....	<u>1,037</u>	<u>755</u>
LONG-TERM LIABILITIES, net of current portion:		
Liability for landfill closure and postclosure care.....	-	-
Accrued compensated absences.....	119	-
Revenue bonds.....	22,055	-
Total Long-Term Liabilities.....	<u>22,174</u>	<u>-</u>
TOTAL LIABILITIES	<u>23,539</u>	<u>2,930</u>
FUND EQUITY:		
Contributed capital.....	2,621	207,314
Retained earnings (deficit):		
Unreserved (deficit).....	(7,248)	18,027
Total Retained Earnings (deficit).....	<u>(7,248)</u>	<u>18,027</u>
TOTAL FUND EQUITY (DEFICIT)	<u>(4,627)</u>	<u>225,341</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 18,912</u>	<u>\$ 228,271</u>

<u>MOTOR VEHICLE INSPECTION</u>	<u>SOLID WASTE DISPOSAL</u>	<u>MAYPORT FERRY</u>	<u>TOTALS</u>	
			<u>2000</u>	<u>1999</u>
\$ 5	\$ 2,257	\$ 151	\$ 4,594	\$ 3,743
-	457	1	514	336
-	-	-	-	48
-	-	-	25	-
3	57	-	76	87
-	51	-	117	107
-	-	31	190	83
<u>8</u>	<u>2,822</u>	<u>183</u>	<u>5,516</u>	<u>4,404</u>
-	-	-	755	1,180
-	558	-	835	2,186
-	1,355	-	2,115	1,925
<u>-</u>	<u>1,913</u>	<u>-</u>	<u>3,705</u>	<u>5,291</u>
-	21,752	-	21,752	19,533
22	421	-	562	635
<u>-</u>	<u>57,509</u>	<u>-</u>	<u>79,564</u>	<u>80,761</u>
<u>22</u>	<u>79,682</u>	<u>-</u>	<u>101,878</u>	<u>100,929</u>
<u>30</u>	<u>84,417</u>	<u>183</u>	<u>111,099</u>	<u>110,624</u>
-	12,290	4,427	226,652	232,237
597	28,857	632	40,865	35,285
<u>597</u>	<u>28,857</u>	<u>632</u>	<u>40,865</u>	<u>35,285</u>
597	41,147	5,059	267,517	267,522
<u>\$ 627</u>	<u>\$ 125,564</u>	<u>\$ 5,242</u>	<u>\$ 378,616</u>	<u>\$ 378,146</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN RETAINED EARNINGS (DEFICIT)
ALL ENTERPRISE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	PUBLIC PARKING SYSTEM	SPORTS COMPLEX, CONVENTION CENTER AND AUDITORIUM
OPERATING REVENUE:		
Charges for services.....	\$ 2,970	\$ 10,590
Total Operating Revenue.....	<u>2,970</u>	<u>10,590</u>
OPERATING EXPENSES:		
Personal services.....	1,203	7,772
Supplies and materials.....	158	1,014
Central services.....	64	-
Interdepartmental charges.....	401	165
Other services and charges.....	1,091	6,016
Bad debts, net of recoveries.....	-	67
Depreciation and amortization.....	412	6,872
Total Operating Expenses.....	<u>3,329</u>	<u>21,906</u>
OPERATING INCOME (LOSS).....	<u>(359)</u>	<u>(11,316)</u>
NON-OPERATING REVENUE (EXPENSES):		
Interest revenue.....	209	151
Interest expense.....	-	-
Operating grants.....	-	-
Other.....	1,194	1,812
Total Non-Operating Revenue (Expenses).....	<u>1,403</u>	<u>1,963</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS.....	<u>1,044</u>	<u>(9,353)</u>
OPERATING TRANSFERS:		
Operating transfers in.....	200	4,360
Operating transfers out.....	(1,344)	(943)
Total Operating Transfers In (Out).....	<u>(1,144)</u>	<u>3,417</u>
NET INCOME (LOSS).....	<u>(100)</u>	<u>(5,936)</u>
Add depreciation on contributed assets.....	<u>164</u>	<u>6,977</u>
Increase (decrease) in retained earnings.....	64	1,041
RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR.....	<u>(7,312)</u>	<u>16,986</u>
RETAINED EARNINGS (DEFICIT), END OF YEAR.....	<u>(\$ 7,248)</u>	<u>\$ 18,027</u>

MOTOR VEHICLE INSPECTION	SOLID WASTE DISPOSAL	MAYPORT FERRY	TOTALS	
			2000	1999
<u>\$ 548</u>	<u>\$ 32,501</u>	<u>\$ 976</u>	<u>\$ 47,585</u>	<u>\$ 44,747</u>
<u>548</u>	<u>32,501</u>	<u>976</u>	<u>47,585</u>	<u>44,747</u>
352	4,817	765	14,909	15,398
16	975	121	2,284	1,640
8	88	-	160	181
-	20	-	586	629
23	50,761	598	58,489	52,015
72	-	-	139	122
11	1,757	263	9,315	9,507
<u>482</u>	<u>58,418</u>	<u>1,747</u>	<u>85,882</u>	<u>79,492</u>
66	(25,917)	(771)	(38,297)	(34,745)
27	2,583	17	2,987	931
-	(2,097)	-	(2,097)	(1,806)
-	914	-	914	720
-	1,878	-	4,884	(6,970)
<u>27</u>	<u>3,278</u>	<u>17</u>	<u>6,688</u>	<u>(7,125)</u>
93	(22,639)	(754)	(31,609)	(41,870)
-	26,450	636	31,646	33,521
(12)	(282)	-	(2,581)	(3,614)
<u>(12)</u>	<u>26,168</u>	<u>636</u>	<u>29,065</u>	<u>29,907</u>
81	3,529	(118)	(2,544)	(11,963)
-	732	251	8,124	8,360
81	4,261	133	5,580	(3,603)
516	24,596	499	35,285	38,888
<u>\$ 597</u>	<u>\$ 28,857</u>	<u>\$ 632</u>	<u>\$ 40,865</u>	<u>\$ 35,285</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>PUBLIC PARKING SYSTEM</u>	<u>SPORTS COMPLEX, CONVENTION CENTER AND AUDITORIUM</u>
OPERATING ACTIVITIES:		
OPERATING INCOME (LOSS).....	(\$ 359)	(\$ 11,316)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization.....	412	6,872
Bad debt expense, net of recoveries.....	-	67
Other non-operating revenue/(expenses).....	1,194	1,812
Change in assets and liabilities:		
Decrease (increase) in receivables and other current assets, net.....	-	866
Decrease (increase) in due from independent agencies and other governments.....	-	-
Decrease (increase) in inventories.....	-	-
Decrease (increase) in prepaid expenses.....	-	(1)
Decrease (increase) in deferred charges.....	-	-
Increase (decrease) in accounts payable and accrued expenses.....	30	101
Increase (decrease) in due to other funds.....	25	-
Increase (decrease) in contracts payable.....	56	-
Increase (decrease) in current portion long-term liabilities.....	(1)	-
Increase (decrease) in deposits.....	8	(425)
Increase (decrease) in deferred revenue.....	47	53
Increase (decrease) in liability for landfill closure and postclosure care.....	-	-
Increase (decrease) in accrued compensated absences.....	(2)	-
 TOTAL ADJUSTMENTS.....	 1,769	 9,345
 NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	 1,410	 (1,971)
NONCAPITAL FINANCING ACTIVITIES:		
Operating grants received.....	-	-
Cash received through operating transfers from other funds.....	200	4,360
Cash payments through operating transfers to other funds.....	(1,344)	(943)
 NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....	 (1,144)	 3,417
CAPITAL AND RELATED FINANCING ACTIVITIES:		
Additions to property, plant and equipment.....	(578)	(607)
Proceeds from sale of property, plant and equipment.....	26	1
Principal paid on long-term obligations.....	(457)	-
Interest and payments to refunded bond escrow agent.....	(645)	-
 NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	 (\$ 1,654)	 (\$ 606)

MOTOR VEHICLE INSPECTION	SOLID WASTE DISPOSAL	MAYPORT FERRY	TOTALS	
			2000	1999
<u>\$ 66</u>	<u>(\$ 25,917)</u>	<u>(\$ 771)</u>	<u>(\$ 38,297)</u>	<u>(\$ 34,745)</u>
11	1,757	263	9,315	9,507
72	-	-	139	122
-	1,878	-	4,884	(6,973)
(72)	212	37	1,043	689
-	121	84	205	(227)
(1)	-	-	(1)	1
-	-	(2)	(3)	156
-	1,310	-	1,310	10,133
(9)	710	19	851	(1,336)
-	-	(48)	(23)	-
-	169	(47)	178	(153)
-	(10)	-	(11)	(8)
-	2	-	(415)	628
-	-	7	107	(202)
-	2,219	-	2,219	(6,445)
-	(71)	-	(73)	(59)
<u>1</u>	<u>8,297</u>	<u>313</u>	<u>19,725</u>	<u>5,833</u>
<u>67</u>	<u>(17,620)</u>	<u>(458)</u>	<u>(18,572)</u>	<u>(28,912)</u>
-	914	-	914	720
-	26,450	636	31,646	33,569
(12)	(282)	-	(2,581)	(3,614)
<u>(12)</u>	<u>27,082</u>	<u>636</u>	<u>29,979</u>	<u>30,675</u>
(82)	(542)	(116)	(1,925)	(12,843)
60	507	-	594	21,425
-	(550)	-	(1,007)	18,038
-	(2,803)	-	(3,448)	(1,397)
<u>(\$ 22)</u>	<u>(\$ 3,388)</u>	<u>(\$ 116)</u>	<u>(\$ 5,786)</u>	<u>\$ 25,223</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS (in thousands; continued)
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

	<u>PUBLIC PARKING SYSTEM</u>	<u>SPORTS COMPLEX, CONVENTION CENTER AND AUDITORIUM</u>
INVESTING ACTIVITIES:		
Interest and dividends on investments.....	\$ 209	\$ 151
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	<u>209</u>	<u>151</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	(1,179)	991
Cash and cash equivalents at October 1.....	<u>5,168</u>	<u>3,365</u>
Cash and cash equivalents at September 30.....	<u>\$ 3,989</u>	<u>\$ 4,356</u>
CLASSIFIED AS:		
Current Assets.....	\$ 3,989	\$ 3,659
Restricted Assets.....	<u>-</u>	<u>697</u>
TOTAL.....	<u>\$ 3,989</u>	<u>\$ 4,356</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Acquisition of contributed capital assets.....	\$ -	\$ 2,539
Accrual of landfill closure, postclosure care and decontamination costs.....	<u>-</u>	<u>-</u>
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES.....	<u>\$ -</u>	<u>\$ 2,539</u>

MOTOR VEHICLE INSPECTION	SOLID WASTE DISPOSAL	MAYPORT FERRY	TOTALS	
			2000	1999
<u>\$ 27</u>	<u>\$ 2,583</u>	<u>\$ 17</u>	<u>\$ 2,987</u>	<u>\$ 812</u>
<u>27</u>	<u>2,583</u>	<u>17</u>	<u>2,987</u>	<u>812</u>
<u>60</u>	<u>8,657</u>	<u>79</u>	<u>8,608</u>	<u>27,798</u>
<u>455</u>	<u>44,115</u>	<u>-</u>	<u>53,103</u>	<u>25,305</u>
<u>\$ 515</u>	<u>\$ 52,772</u>	<u>\$ 79</u>	<u>\$ 61,711</u>	<u>\$ 53,103</u>
<u>\$ 515</u>	<u>\$ 41,439</u>	<u>79</u>	<u>\$ 49,681</u>	<u>\$ 18,645</u>
<u>-</u>	<u>11,333</u>	<u>-</u>	<u>12,030</u>	<u>34,458</u>
<u>\$ 515</u>	<u>\$ 52,772</u>	<u>\$ 79</u>	<u>\$ 61,711</u>	<u>\$ 53,103</u>
<u>(\$ 1)</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,539</u>	<u>\$ 82</u>
<u>-</u>	<u>40</u>	<u>-</u>	<u>40</u>	<u>40</u>
<u>(\$ 1)</u>	<u>\$ 41</u>	<u>\$ -</u>	<u>\$ 2,579</u>	<u>\$ 122</u>



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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 automotive on and off road type 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 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.

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET
ALL INTERNAL SERVICE FUNDS (in thousands)
SEPTEMBER 30, 2000

ASSETS	FLEET MANAGEMENT	COPY CENTER	INFORMATION TECHNOLOGIES
CURRENT ASSETS:			
Equity in cash and investments.....	\$ 55,706	\$ 314	\$ 14,567
Accounts receivable.....	-	-	-
Other receivables.....	-	-	-
Due from other funds.....	2	-	14
Due from independent agencies and other governments.....	1,260	3	996
Advances to other funds.....	-	-	-
Inventories.....	1,094	-	277
Prepaid expenses and other assets.....	-	-	-
Total Current Assets.....	<u>58,062</u>	<u>317</u>	<u>15,854</u>
PROPERTY, PLANT AND EQUIPMENT:			
Land.....	36	-	22
Buildings and improvements.....	3,429	-	457
Improvements other than buildings.....	329	-	4,430
Furniture and equipment.....	79,540	138	33,336
Construction work in process.....	-	-	-
Total.....	<u>83,334</u>	<u>138</u>	<u>38,245</u>
Less accumulated depreciation.....	(51,662)	(138)	(29,976)
Total Property, Plant and Equipment, Net.....	<u>31,672</u>	<u>-</u>	<u>8,269</u>
TOTAL ASSETS.....	<u>\$ 89,734</u>	<u>\$ 317</u>	<u>\$ 24,123</u>

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	TOTALS	
				2000	1999
\$ 1,180	\$ 70,393	\$ 3,472	\$ 1,807	\$ 147,439	\$ 137,485
2	164	79	-	245	113
-	-	-	75	75	102
21	3,332	-	-	3,369	12,622
476	351	-	-	3,086	4,666
-	13,551	-	-	13,551	14,000
-	-	-	-	1,371	1,378
-	-	14	-	14	14
<u>1,679</u>	<u>87,791</u>	<u>3,565</u>	<u>1,882</u>	<u>169,150</u>	<u>170,380</u>
-	-	-	-	58	58
-	-	-	-	3,886	3,886
62	-	-	47	4,868	4,868
160	12	161	155	113,502	106,950
-	-	-	132	132	342
<u>222</u>	<u>12</u>	<u>161</u>	<u>334</u>	<u>122,446</u>	<u>116,104</u>
<u>(199)</u>	<u>(8)</u>	<u>(110)</u>	<u>(133)</u>	<u>(82,226)</u>	<u>(80,306)</u>
<u>23</u>	<u>4</u>	<u>51</u>	<u>201</u>	<u>40,220</u>	<u>35,798</u>
<u>\$ 1,702</u>	<u>\$ 87,795</u>	<u>\$ 3,616</u>	<u>\$ 2,083</u>	<u>\$ 209,370</u>	<u>\$ 206,178</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET
ALL INTERNAL SERVICE FUNDS (in thousands; continued)
SEPTEMBER 30, 2000

	FLEET MANAGEMENT	COPY CENTER	INFORMATION TECHNOLOGIES
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued liabilities.....	\$ 876	\$ 2	\$ 1,003
Due to other funds.....	-	-	-
Due to independent agencies and other governments.....	-	-	-
Capitalized lease obligations, current portion.....	-	-	332
Estimated liability for self-insured losses.....	-	-	-
Accrued compensated absences, current portion.....	113	5	122
Total Current Liabilities.....	<u>989</u>	<u>7</u>	<u>1,457</u>
LONG-TERM LIABILITIES, net of current portion:			
Accrued compensated absences.....	830	51	898
Capitalized lease obligations.....	-	-	777
Total Long-Term Liabilities.....	<u>830</u>	<u>51</u>	<u>1,675</u>
TOTAL LIABILITIES.....	<u>1,819</u>	<u>58</u>	<u>3,132</u>
FUND EQUITY:			
Contributed capital.....	6,282	-	5,001
Retained earnings:			
Unreserved.....	81,633	259	15,990
Total Retained Earnings.....	<u>81,633</u>	<u>259</u>	<u>15,990</u>
TOTAL FUND EQUITY.....	<u>87,915</u>	<u>259</u>	<u>20,991</u>
TOTAL LIABILITIES AND FUND EQUITY.....	<u>\$ 89,734</u>	<u>\$ 317</u>	<u>\$ 24,123</u>

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	TOTALS	
				2000	1999
\$ 122	\$ 31	\$ 2,761	\$ 1	\$ 4,796	\$ 4,600
-	-	-	-	-	560
-	16	-	-	16	1,855
-	-	-	-	332	38
-	56,147	-	-	56,147	65,580
72	3	10	2	327	346
<u>194</u>	<u>56,197</u>	<u>2,771</u>	<u>3</u>	<u>61,618</u>	<u>72,979</u>
526	19	71	15	2,410	2,420
-	-	-	-	777	-
<u>526</u>	<u>19</u>	<u>71</u>	<u>15</u>	<u>3,187</u>	<u>2,420</u>
<u>720</u>	<u>56,216</u>	<u>2,842</u>	<u>18</u>	<u>64,805</u>	<u>75,399</u>
2	1	20	39	11,345	12,671
980	31,578	754	2,026	133,220	118,108
<u>980</u>	<u>31,578</u>	<u>754</u>	<u>2,026</u>	<u>133,220</u>	<u>118,108</u>
<u>982</u>	<u>31,579</u>	<u>774</u>	<u>2,065</u>	<u>144,565</u>	<u>130,779</u>
<u>\$ 1,702</u>	<u>\$ 87,795</u>	<u>\$ 3,616</u>	<u>\$ 2,083</u>	<u>\$ 209,370</u>	<u>\$ 206,178</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN RETAINED EARNINGS (DEFICIT)
ALL INTERNAL SERVICE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	FLEET MANAGEMENT	COPY CENTER	INFORMATION TECHNOLOGIES
OPERATING REVENUE:			
Charges for services.....	\$ 37,073	\$ 488	\$ 20,277
Other.....	-	1	53
Total Operating Revenue.....	<u>37,073</u>	<u>489</u>	<u>20,330</u>
OPERATING EXPENSES:			
Personal services.....	7,051	201	6,891
Supplies and materials.....	10,393	14	1,094
Central services.....	78	58	3,729
Other services and charges.....	4,868	257	6,222
Bad debts, net of recoveries.....	-	-	-
Depreciation.....	10,634	-	2,514
Claims and losses.....	-	-	-
Insurance premiums and participant dividends.....	24	-	39
Total Operating Expenses.....	<u>33,048</u>	<u>530</u>	<u>20,489</u>
OPERATING INCOME (LOSS).....	<u>4,025</u>	<u>(41)</u>	<u>(159)</u>
NON-OPERATING REVENUE (EXPENSES):			
Interest revenue.....	2,462	1	648
Other.....	1,048	(17)	(993)
Total Non-Operating Revenue (Expenses).....	<u>3,510</u>	<u>(16)</u>	<u>(345)</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS.....	<u>7,535</u>	<u>(57)</u>	<u>(504)</u>
OPERATING TRANSFERS:			
Operating transfers in.....	4,275	-	-
Operating transfers out.....	-	-	-
Total Operating Transfers In (Out).....	<u>4,275</u>	<u>-</u>	<u>-</u>
NET INCOME (LOSS).....	<u>11,810</u>	<u>(57)</u>	<u>(504)</u>
Add depreciation on contributed assets.....	1,127	-	346
Increase (decrease) in retained earnings.....	12,937	(57)	(158)
RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR.....	<u>68,696</u>	<u>316</u>	<u>16,148</u>
Residual equity transfer out.....	-	-	-
RETAINED EARNINGS, END OF YEAR.....	<u>\$ 81,633</u>	<u>\$ 259</u>	<u>\$ 15,990</u>

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	TOTALS	
				2000	1999
\$ 6,556	\$ 21,573	\$ 34,430	\$ 3,384	\$ 123,781	\$ 113,099
23	231	44	-	352	1,146
<u>6,579</u>	<u>21,804</u>	<u>34,474</u>	<u>3,384</u>	<u>124,133</u>	<u>114,245</u>
4,318	492	668	216	19,837	20,107
78	12	16	2	11,609	9,156
86	22	60	13	4,046	3,210
912	4,605	822	422	18,108	13,964
-	-	-	-	-	8
12	1	18	19	13,198	12,879
-	327	-	-	327	9,968
3	1,792	32,995	2,869	37,722	35,877
<u>5,409</u>	<u>7,251</u>	<u>34,579</u>	<u>3,541</u>	<u>104,847</u>	<u>105,169</u>
<u>1,170</u>	<u>14,553</u>	<u>(105)</u>	<u>(157)</u>	<u>19,286</u>	<u>9,076</u>
6	4,638	138	75	7,968	4,465
(262)	(525)	(274)	526	(497)	(370)
<u>(256)</u>	<u>4,113</u>	<u>(136)</u>	<u>601</u>	<u>7,471</u>	<u>4,095</u>
<u>914</u>	<u>18,666</u>	<u>(241)</u>	<u>444</u>	<u>26,757</u>	<u>13,171</u>
426	1,072	3	-	5,776	10,366
-	(18,910)	-	(3)	(18,913)	(15,183)
<u>426</u>	<u>(17,838)</u>	<u>3</u>	<u>(3)</u>	<u>(13,137)</u>	<u>(4,817)</u>
1,340	828	(238)	441	13,620	8,354
-	-	6	13	1,492	1,553
1,340	828	(232)	454	15,112	9,907
(360)	30,750	986	1,572	118,108	108,417
-	-	-	-	-	(216)
<u>\$ 980</u>	<u>\$ 31,578</u>	<u>\$ 754</u>	<u>\$ 2,026</u>	<u>\$ 133,220</u>	<u>\$ 118,108</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	FLEET MANAGEMENT	COPY CENTER	INFORMATION TECHNOLOGIES
OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS).....	\$ 4,025	(\$ 41)	(\$ 159)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization.....	10,634	-	2,514
Other non-operating revenue/(expenses).....	1,048	(17)	(993)
Change in assets and liabilities:			
Decrease (increase) in receivables and other current assets, net.....	2	-	-
Decrease (increase) in due from other funds.....	-	-	14
Decrease (increase) in due from independent agencies and other governments....	487	38	(400)
Decrease (increase) in inventories.....	(107)	63	51
Increase (decrease) in accounts payable and accrued expenses.....	(616)	(13)	524
Increase (decrease) in due to other funds.....	-	-	-
Increase (decrease) in due to component units.....	-	-	-
Increase (decrease) in due to independent agencies and other governments.....	-	-	-
Increase (decrease) in compensated absences.....	2	27	(161)
Increase (decrease) in liability for self-insured losses.....	-	-	-
TOTAL ADJUSTMENTS.....	11,450	98	1,549
NET CASH PROVIDED BY OPERATING ACTIVITIES.....	15,475	57	1,390
NONCAPITAL FINANCING ACTIVITIES:			
Cash received through operating transfers from other funds.....	4,275	-	-
Cash payments through operating transfers to other funds.....	-	-	-
Cash payment on advances received.....	-	-	-
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES:.....	4,275	-	-
CAPITAL AND RELATED FINANCING ACTIVITIES:			
Additions to property, plant and equipment.....	(26,615)	-	(1,907)
Proceeds from sale of property, plant and equipment.....	11,307	-	87
Principal paid on long-term obligations.....	-	-	777
Transfer of net assets to General Fund.....	-	-	-
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	(\$ 15,308)	\$ -	(\$ 1,043)

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	TOTALS	
				2000	1999
<u>\$ 1,170</u>	<u>\$ 14,553</u>	<u>(\$ 105)</u>	<u>(\$ 157)</u>	<u>\$ 19,286</u>	<u>\$ 9,076</u>
12	1	18	19	13,198	12,879
(262)	(525)	(274)	526	(497)	(370)
-	(164)	30	27	(105)	40
(17)	9,705	-	-	9,702	(21,435)
431	1,022	2	-	1,580	1,433
-	-	-	-	7	160
(92)	(37)	439	(9)	196	111
(560)	-	-	-	(560)	560
-	-	-	-	-	83
-	(1,839)	-	-	(1,839)	1,586
67	3	44	(11)	(29)	(384)
-	(9,433)	-	-	(9,433)	(1,656)
<u>(421)</u>	<u>(1,267)</u>	<u>259</u>	<u>552</u>	<u>12,220</u>	<u>(6,993)</u>
<u>749</u>	<u>13,286</u>	<u>154</u>	<u>395</u>	<u>31,506</u>	<u>2,083</u>
426	1,072	3	-	5,776	10,366
-	(18,910)	-	(3)	(18,913)	(15,183)
-	-	-	-	-	(700)
<u>426</u>	<u>(17,838)</u>	<u>3</u>	<u>(3)</u>	<u>(13,137)</u>	<u>(5,517)</u>
(1)	1	(31)	(1)	(28,554)	(17,881)
-	-	-	-	11,394	6,677
-	-	-	-	777	(441)
-	-	-	-	-	(216)
<u>(\$ 1)</u>	<u>\$ 1</u>	<u>(\$ 31)</u>	<u>(\$ 1)</u>	<u>(\$ 16,383)</u>	<u>(\$ 11,861)</u>

(continued)

See accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>
INVESTING ACTIVITIES:			
Interest and dividends on investments.....	<u>\$ 2,462</u>	<u>\$ 1</u>	<u>\$ 648</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	<u>2,462</u>	<u>1</u>	<u>648</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....			
	6,904	58	995
Cash and cash equivalents at October 1.....	<u>48,802</u>	<u>256</u>	<u>13,572</u>
Cash and cash equivalents at September 30.....	<u>\$ 55,706</u>	<u>\$ 314</u>	<u>\$ 14,567</u>
CLASSIFIED AS:			
Current Assets.....	<u>\$ 55,706</u>	<u>\$ 314</u>	<u>\$ 14,567</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Acquisition of contributed capital assets.....	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 10</u>
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES.....	<u>\$ 150</u>	<u>\$ -</u>	<u>\$ 10</u>

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	TOTALS	
				2000	1999
\$ 6	\$ 4,638	\$ 138	\$ 75	\$ 7,968	\$ 4,465
<u>6</u>	<u>4,638</u>	<u>138</u>	<u>75</u>	<u>7,968</u>	<u>4,465</u>
1,180	87	264	466	9,954	(10,830)
<u>-</u>	<u>70,306</u>	<u>3,208</u>	<u>1,341</u>	<u>137,485</u>	<u>148,315</u>
<u>\$ 1,180</u>	<u>\$ 70,393</u>	<u>\$ 3,472</u>	<u>\$ 1,807</u>	<u>\$ 147,439</u>	<u>\$ 137,485</u>
<u>\$ 1,180</u>	<u>\$ 70,393</u>	<u>\$ 3,472</u>	<u>\$ 1,807</u>	<u>\$ 147,439</u>	<u>\$ 137,485</u>
\$ -	\$ -	\$ 6	\$ -	\$ 166	\$ 766
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 166</u>	<u>\$ 766</u>



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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 program those retirement funds for which 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 General Employees Pension Trust Fund includes resources accumulated to pay present and future retirement annuities to eligible employees of the City except for employees of the Office of the Sheriff and City 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.

NONEXPENDABLE TRUST FUNDS are funds whose resources, excluding principal may be expended in the course of the fund's designated operations.

The Nonexpendable Trust Fund receives funds from donors who legally restrict the resources so that only earnings may be spent for the trusts' intended purpose, maintaining the principal for future earnings.

EXPENDABLE TRUST FUNDS are funds whose resources, including principal and interest, may be expended in the course of the fund's designated operations.

The Expendable Trust Fund receives revenue from many miscellaneous governmental and non-governmental sources in the form of contributions, donations, gifts, and grants to be held in trust that can be expended only for those purposes specified by the donors as set forth in the City ordinance under which the expendable trust was established.

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.

The Clerk of the Circuit Court Fund accounts for assets and liabilities from revenues collected on behalf of the State and City by the Court System for various judgements, 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 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.



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CITY OF JACKSONVILLE, FLORIDA
 COMBINING BALANCE SHEET
 ALL TRUST AND AGENCY FUNDS (in thousands)
 SEPTEMBER 30, 2000

	<u>PENSION TRUST FUNDS</u>			
	<u>GENERAL EMPLOYEES</u>	<u>POLICE AND FIRE</u>	<u>NONEXPENDABLE TRUST</u>	<u>EXPENDABLE TRUST</u>
ASSETS				
CURRENT ASSETS:				
Equity in cash and investments.....	\$ 1,529,681	\$ 843,663	\$ 311	\$ 5,255
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts.....	9	72	-	41
Due from individuals.....	-	-	-	-
Due from other funds.....	-	246	-	-
Due from independent agencies and other governments.....	-	-	-	-
TOTAL CURRENT ASSETS.....	1,529,690	843,981	311	5,296
PROPERTY, PLANT AND EQUIPMENT:				
Land.....	-	24	-	-
Building and improvements.....	-	155	-	-
Improvements other than buildings.....	-	97	-	-
Furniture and equipment.....	128	193	-	-
Less: accumulated depreciation.....	(68)	(235)	-	-
TOTAL PROPERTY, PLANT AND EQUIPMENT, Net.....	60	234	-	-
TOTAL ASSETS.....	\$ 1,529,750	\$ 844,215	\$ 311	\$ 5,296
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable and accrued liabilities.....	\$ 13	\$ 880	\$ 1	\$ 75
Contracts payable.....	-	-	-	35
Due to other funds.....	-	-	-	-
Due to independent agencies and other governments.....	-	-	-	-
Due to individuals.....	-	28,408	-	-
Current portion of long-term liabilities.....	1	5	-	-
Deposits held in escrow.....	-	-	-	8
Total Current Liabilities.....	14	29,293	1	118
LONG-TERM LIABILITIES, net of current portion:				
Accrued compensated absences.....	11	33	-	-
TOTAL LIABILITIES.....	25	29,326	1	118
FUND EQUITY:				
Fund balance:				
Reserved:				
Reserved for employees' retirement benefits.....	1,529,725	814,889	-	-
Unreserved:				
Designated for changes in fair value of investments....	-	-	-	26
Undesignated.....	-	-	310	5,152
Total Fund Balances.....	1,529,725	814,889	310	5,178
Total Fund Equity.....	1,529,725	814,889	310	5,178
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 1,529,750	\$ 844,215	\$ 311	\$ 5,296

AGENCY FUNDS

<u>TREASURER</u>	<u>TAX COLLECTOR</u>	<u>CLERK OF THE CIRCUIT COURT</u>	<u>PLAT DEPOSITS</u>	<u>FLORIDA RETIREMENT SYSTEM</u>	<u>TOTALS</u>	
					<u>2000</u>	<u>1999</u>
\$ 2,803	\$ 19,987	\$ 14,726	\$ 299	\$ 14	\$ 2,416,739	\$ 2,266,446
68	-	129	-	-	319	620
-	3,940	-	-	-	3,940	2,978
-	-	-	-	-	246	197
-	-	-	-	-	-	7,413
<u>2,871</u>	<u>23,927</u>	<u>14,855</u>	<u>299</u>	<u>14</u>	<u>2,421,244</u>	<u>2,277,654</u>
-	-	-	-	-	24	24
-	-	-	-	-	155	155
-	-	-	-	-	97	97
-	-	-	-	-	321	317
-	-	-	-	-	(303)	(252)
-	-	-	-	-	294	341
<u>\$ 2,871</u>	<u>\$ 23,927</u>	<u>\$ 14,855</u>	<u>\$ 299</u>	<u>\$ 14</u>	<u>\$ 2,421,538</u>	<u>\$ 2,277,995</u>
\$ 2,871	\$ -	\$ -	\$ 88	\$ -	\$ 3,928	\$ 1,393
-	-	-	-	-	35	1
-	2,246	2,426	-	-	4,672	12,989
-	11,962	2,483	-	14	14,459	13,729
-	323	1,550	-	-	30,281	28,429
-	-	-	-	-	6	6
-	9,396	8,396	211	-	18,011	13,319
<u>2,871</u>	<u>23,927</u>	<u>14,855</u>	<u>299</u>	<u>14</u>	<u>71,392</u>	<u>69,866</u>
-	-	-	-	-	44	42
<u>2,871</u>	<u>23,927</u>	<u>14,855</u>	<u>299</u>	<u>14</u>	<u>71,436</u>	<u>69,908</u>
-	-	-	-	-	2,344,614	2,203,816
-	-	-	-	-	26	13
-	-	-	-	-	5,462	4,258
-	-	-	-	-	2,350,102	2,208,087
-	-	-	-	-	2,350,102	2,208,087
<u>\$ 2,871</u>	<u>\$ 23,927</u>	<u>\$ 14,855</u>	<u>\$ 299</u>	<u>\$ 14</u>	<u>\$ 2,421,538</u>	<u>\$ 2,277,995</u>

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN FUND BALANCES
FIDUCIARY FUNDS - NONEXPENDABLE TRUST FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	TOTALS	
	2000	1999
OPERATING REVENUE:		
Earnings on investments.....	\$ 19	\$ 11
Total Operating Revenue.....	19	11
OPERATING EXPENSES:		
Other.....	8	6
Total Operating Expenses.....	8	6
OPERATING INCOME.....	11	5
NET INCOME.....	11	5
FUND BALANCES, BEGINNING OF YEAR.....	299	294
FUND BALANCES, END OF YEAR.....	<u>\$ 310</u>	<u>\$ 299</u>

**CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FIDUCIARY FUNDS - EXPENDABLE TRUST FUND (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000**

	<u>TOTALS</u>	
	<u>2000</u>	<u>1999</u>
REVENUE:		
Fines and forfeitures.....	\$ -	\$ 1
Interest.....	96	7
Other.....	<u>3,051</u>	<u>1,769</u>
Total Revenue.....	<u>3,147</u>	<u>1,777</u>
EXPENDITURES:		
General government.....	478	110
Human services.....	87	54
Public safety.....	1,057	1,287
Culture and recreation.....	281	328
Economic environment.....	127	226
Physical environment.....	<u>61</u>	<u>86</u>
Total Expenditures.....	<u>2,091</u>	<u>2,091</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....	<u>1,056</u>	<u>(314)</u>
OTHER FINANCING SOURCES (USES):		
Operating transfers in.....	162	-
Operating transfers out.....	<u>(12)</u>	<u>(98)</u>
Total Other Financing (Uses).....	<u>150</u>	<u>(98)</u>
EXCESS OF REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES.....	1,206	(412)
FUND BALANCES, BEGINNING OF YEAR.....	<u>3,972</u>	<u>4,384</u>
FUND BALANCES, END OF YEAR.....	<u>\$ 5,178</u>	<u>\$ 3,972</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>BALANCE OCTOBER 1, 1999</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2000</u>
TREASURER				
ASSETS				
Equity in cash and investments.....	\$ -	\$ 462,638	\$ 459,835	\$ 2,803
Accounts receivable.....	142	237	311	68
TOTAL ASSETS.....	<u>\$ 142</u>	<u>\$ 462,875</u>	<u>\$ 460,146</u>	<u>\$ 2,871</u>
LIABILITIES				
Accounts payable and accrued liabilities.....	\$ -	\$ 616,952	\$ 614,081	\$ 2,871
Due to other funds.....	142	-	142	-
TOTAL LIABILITIES.....	<u>\$ 142</u>	<u>\$ 616,952</u>	<u>\$ 614,223</u>	<u>\$ 2,871</u>
TAX COLLECTOR				
ASSETS				
Equity in cash and investments.....	\$ 43,352	\$ 597,926	\$ 621,291	\$ 19,987
Due from individuals.....	2,978	3,940	2,978	3,940
TOTAL ASSETS.....	<u>\$ 46,330</u>	<u>\$ 601,866</u>	<u>\$ 624,269</u>	<u>\$ 23,927</u>
LIABILITIES				
Due to other funds.....	\$ 2,223	\$ 2,246	\$ 2,223	\$ 2,246
Due to independent agencies and other governments....	18,496	11,962	18,496	11,962
Due to individuals.....	18,059	323	18,059	323
Deposits held in escrow.....	7,552	594,466	592,622	9,396
TOTAL LIABILITIES.....	<u>\$ 46,330</u>	<u>\$ 608,997</u>	<u>\$ 631,400</u>	<u>\$ 23,927</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>BALANCE OCTOBER 1, 1999</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2000</u>
CLERK OF THE CIRCUIT COURT				
ASSETS				
Equity in cash and investments.....	\$ 12,765	\$ 1,961	\$ -	\$ 14,726
Accounts receivable.....	143	-	14	129
TOTAL ASSETS.....	<u>\$ 12,908</u>	<u>\$ 1,961</u>	<u>\$ 14</u>	<u>\$ 14,855</u>
LIABILITIES				
Due to other funds.....	\$ 2,239	\$ 1,178	\$ 991	\$ 2,426
Due to independent agencies and other governments.....	3,477	991	1,985	2,483
Due to individuals.....	1,647	-	97	1,550
Deposits held in escrow.....	5,545	2,851	-	8,396
TOTAL LIABILITIES.....	<u>\$ 12,908</u>	<u>\$ 5,020</u>	<u>\$ 3,073</u>	<u>\$ 14,855</u>
PLAT DEPOSITS				
ASSETS				
Equity in cash and investments.....	\$ 319	\$ 400	\$ 420	\$ 299
TOTAL ASSETS.....	<u>\$ 319</u>	<u>\$ 400</u>	<u>\$ 420</u>	<u>\$ 299</u>
LIABILITIES				
Accounts payable and accrued liabilities.....	\$ 109	\$ 400	\$ 421	\$ 88
Deposits held in escrow.....	210	400	399	211
TOTAL LIABILITIES.....	<u>\$ 319</u>	<u>\$ 800</u>	<u>\$ 820</u>	<u>\$ 299</u>

(continued)

See accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>BALANCE</u> <u>OCTOBER 1,</u> <u>1999</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>SEPTEMBER 30,</u> <u>2000</u>
FLORIDA RETIREMENT SYSTEM				
ASSETS				
Equity in cash and investments.....	\$ -	\$ 402	\$ 388	\$ 14
Accounts receivable.....	141	-	141	-
TOTAL ASSETS.....	\$ 141	\$ 402	\$ 529	\$ 14
LIABILITIES				
Due to other funds.....	\$ 141	\$ -	\$ 141	\$ -
Due to independent agencies and other governments.....	-	14	-	14
TOTAL LIABILITIES.....	\$ 141	\$ 14	\$ 141	\$ 14
 TOTALS - ALL AGENCY FUNDS				
ASSETS				
Equity in cash and investments.....	\$ 56,436	\$ 1,063,327	\$ 1,081,934	\$ 37,829
Accounts receivable.....	426	237	466	197
Due from individuals.....	2,978	3,940	2,978	3,940
TOTAL ASSETS.....	\$ 59,840	\$ 1,067,504	\$ 1,085,378	\$ 41,966
LIABILITIES				
Accounts payable and accrued liabilities.....	\$ 109	\$ 617,352	\$ 614,502	\$ 2,959
Due to other funds.....	4,745	3,424	3,497	4,672
Due to independent agencies and other governments.....	21,973	12,967	20,481	14,459
Due to individuals.....	19,706	323	18,156	1,873
Deposits held in escrow.....	13,307	597,717	593,021	18,003
TOTAL LIABILITIES.....	\$ 59,840	\$ 1,231,783	\$ 1,249,657	\$ 41,966

See accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CASH FLOWS
NONEXPENDABLE TRUST FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	<u>TOTALS</u>	
	<u>2000</u>	<u>1999</u>
OPERATING ACTIVITIES:		
OPERATING INCOME.....	\$ 11	\$ 5
Change in assets and liabilities:		
Increase (decrease) in accounts payable and accrued expenses.....	1	(3)
Interest on investments.....	(19)	(11)
TOTAL ADJUSTMENTS.....	(18)	(14)
NET CASH USED IN OPERATING ACTIVITIES.....	(7)	(9)
INVESTING ACTIVITIES:		
Interest on investments.....	19	11
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	19	11
NET INCREASE IN CASH AND CASH EQUIVALENTS.....	12	2
Cash and cash equivalents at October 1.....	299	297
Cash and cash equivalents at September 30.....	<u>\$ 311</u>	<u>\$ 299</u>
CLASSIFIED AS:		
Current Assets.....	<u>\$ 311</u>	<u>\$ 299</u>
TOTAL.....	<u>\$ 311</u>	<u>\$ 299</u>

See accompanying independent auditors' report.



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GENERAL FIXED ASSET ACCOUNT GROUP

The General Fixed Asset Account Group is maintained to account for fixed assets acquired or constructed for use by the City, other than those accounted for in proprietary and fiduciary funds.

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY SOURCE (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

	BALANCE OCTOBER 1, 1999	ADDITIONS	RETIREMENTS AND OTHER DELETIONS	RECLASSIFICATION*	BALANCE SEPTEMBER 30, 2000
GENERAL FIXED ASSETS:					
Land.....	\$ 91,233	\$ 7,651	\$ 1	\$ -	\$ 98,883
Buildings and improvements.....	449,720	14,911	1,629	-	463,002
Furniture and equipment.....	54,137	3,838	4,941	-	53,034
TOTAL GENERAL FIXED ASSETS...	\$ 595,090	\$ 26,400	\$ 6,571	\$ -	\$ 614,919
INVESTMENT IN GENERAL FIXED ASSETS FROM:					
Current revenue.....	\$ 277,664	\$ 8,370	\$ 3,748	(\$ 56,654)	\$ 225,632
Bond proceeds.....	292,376	371	85	-	292,662
Federal grants.....	22,972	17,607	2,712	56,654	94,521
Gifts.....	2,078	52	26	-	2,104
TOTAL INVESTMENT IN GENERAL FIXED ASSETS.....	\$ 595,090	\$ 26,400	\$ 6,571	\$ -	\$ 614,919

* Reclassification of Investment Source of General Fixed Assets

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

FUNCTION AND ACTIVITY :	Land	Building & Improvements	Furniture & Equipment	TOTAL
GENERAL GOVERNMENT				
Legislative	\$ -	\$ -	\$ 1,273	\$ 1,273
Executive	-	-	229	229
Financial and Administrative	3,050	28,339	3,386	34,775
Comprehensive Planning	-	-	609	609
Pension Benefits	-	469	128	597
Other General Governmental Services	-	13,358	1,223	14,581
TOTAL GENERAL GOVERNMENT	3,050	42,166	6,848	52,064
PUBLIC SAFETY				
Law Enforcement	5,993	90,915	14,095	111,003
Fire Control	992	13,383	3,689	18,064
Detention and/or Correction	-	-	332	332
Protective Inspection	-	232,244	426	232,670
Emergency and Disaster Relief Services	-	-	371	371
Ambulance and Rescue Services	-	-	3,818	3,818
Medical Examiners	-	-	354	354
Consumers Affairs	-	-	45	45
Other Public Safety	-	-	7	7
TOTAL PUBLIC SAFETY	6,985	336,542	23,137	366,664
PHYSICAL ENVIRONMENT				
Conservation and Resource Management	-	-	4,061	4,061
Other Physical Environment	-	-	524	524
TOTAL PHYSICAL ENVIRONMENT	-	-	4,585	4,585
TRANSPORTATION				
Road and Streets Facilities	-	-	927	927
Other Transportation Services	-	-	8	8
TOTAL TRANSPORTATION	-	-	935	935
ECONOMIC ENVIRONMENT				
Employment Opportunity and Development	-	-	21	21
Industry Development	-	-	290	290
Veterans Services	-	-	109	109
Housing and Urban Development	2,601	-	965	3,566
Other Economic Environment	-	-	2,625	2,625
TOTAL ECONOMIC ENVIRONMENT	2,601	-	4,010	6,611
HUMAN SERVICES				
Health	-	12,825	2,469	15,294
Mental Health	-	-	181	181
Developmental Disabilities	-	-	41	41
Other Human Services	-	-	1,086	1,086
TOTAL HUMAN SERVICES	-	12,825	3,777	16,602
CULTURE AND RECREATION				
Libraries	1,981	-	2,218	4,199
Parks and Recreation	28,664	22,980	2,830	54,474
Special Events	-	-	77	77
Special Recreation Facilities	-	-	24	24
TOTAL CULTURE AND RECREATION	30,645	22,980	5,149	58,774
GENERAL ADMINISTRATION (COURT-RELATED)				
State Attorney Administration	-	-	125	125
Clerk of Court Administration	-	12,282	1,468	13,750
Court Administration	-	-	1,372	1,372
Information System (Court Related)	-	1,911	-	1,911
Public Law Library	-	-	1	1
TOTAL GENERAL ADMIN. (COURT-RELATED)	-	14,193	2,966	17,159
OTHER UNCLASSIFIED	55,602	34,296	1,627	91,525
TOTAL GENERAL FIXED ASSETS	\$ 98,883	\$ 463,002	\$ 53,034	\$ 614,919

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2000

FUNCTION AND ACTIVITY :	Balance October 1, 1999	Additions	Retirements and Other Deletions	Balance September 30, 2000
GENERAL GOVERNMENT				
Legislative	\$ 1,220	\$ 53	\$ -	\$ 1,273
Executive	226	3	-	229
Financial and Administrative	34,455	320	-	34,775
Comprehensive Planning	587	22	-	609
Pension Benefits	597	-	-	597
Other General Governmental Services	16,571	524	2,514	14,581
TOTAL GENERAL GOVERNMENT	53,656	922	2,514	52,064
PUBLIC SAFETY				
Law Enforcement	110,237	766	-	111,003
Fire Control	18,683	1,010	1,629	18,064
Detention and/or Correction	196	136	-	332
Protective Inspection	232,579	91	-	232,670
Emergency and Disaster Relief Services	263	108	-	371
Ambulance and Rescue Services	3,460	358	-	3,818
Medical Examiners	342	12	-	354
Consumers Affairs	45	-	-	45
Other Public Safety	7	-	-	7
TOTAL PUBLIC SAFETY	365,812	2,481	1,629	366,664
PHYSICAL ENVIRONMENT				
Conservation and Resource Management	3,540	521	-	4,061
Other Physical Environment	618	170	264	524
TOTAL PHYSICAL ENVIRONMENT	4,158	691	264	4,585
TRANSPORTATION				
Road and Streets Facilities	886	41	-	927
Other Transportation Services	8	-	-	8
TOTAL TRANSPORTATION	894	41	-	935
ECONOMIC ENVIRONMENT				
Employment Opportunity and Development	21	-	-	21
Industry Development	280	10	-	290
Veterans Services	106	3	-	109
Housing and Urban Development	3,525	90	49	3,566
Other Economic Environment	2,138	552	65	2,625
TOTAL ECONOMIC ENVIRONMENT	6,070	655	114	6,611
HUMAN SERVICES				
Health	2,384	12,910	-	15,294
Mental Health	181	-	-	181
Developmental Disabilities	41	-	-	41
Other Human Services	932	168	14	1,086
TOTAL HUMAN SERVICES	3,538	13,078	14	16,602
CULTURE AND RECREATION				
Libraries	4,172	27	-	4,199
Parks and Recreation	46,146	8,328	-	54,474
Special Events	77	-	-	77
Special Recreation Facilities	16	8	-	24
TOTAL CULTURE AND RECREATION	50,411	8,363	-	58,774
GENERAL ADMINISTRATION (COURT-RELATED)				
State Attorney Administration	102	23	-	125
Clerk of Court Administration	13,686	64	-	13,750
Court Administration	1,290	82	-	1,372
Information System (Court Related)	1,911	-	-	1,911
Public Law Library	1	-	-	1
TOTAL GENERAL ADMIN. (COURT-RELATED)	16,990	169	-	17,159
OTHER UNCLASSIFIED	93,561		2,036	91,525
TOTAL GENERAL FIXED ASSETS	\$ 595,090	\$ 26,400	\$ 6,571	\$ 614,919

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

The General Long-Term Obligations Account Group accounts for unmatured principal of bonds, notes and other forms of long-term indebtedness which are not accounted for in proprietary or fiduciary funds.

**CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF GENERAL
LONG-TERM OBLIGATIONS (in thousands)
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2000, and 1999**

	<u>2000</u>	<u>1999</u>
Amount Available for the Retirement of General Long-Term Obligations:		
Special bonded debt obligations.....	\$ 46,324	\$ 41,848
Non-Bonded debt obligations.....	<u>1,046</u>	<u>11</u>
Total Available.....	<u>47,370</u>	<u>41,859</u>
Amount to be Provided for the Retirement of General Long-Term Obligations:		
General Fund.....	680,827	667,225
Tax Increment Districts.....	11,219	12,345
Sports, Convention and Tourism Development.....	<u>111,260</u>	<u>111,994</u>
Total to be Provided.....	<u>803,306</u>	<u>791,564</u>
TOTAL AMOUNT AVAILABLE AND TO BE PROVIDED.....	<u><u>\$ 850,676</u></u>	<u><u>\$ 833,423</u></u>
GENERAL LONG-TERM OBLIGATIONS:		
Due to component units.....	\$ 800	\$ 1,200
Accrued compensated absences.....	53,017	52,132
Commercial paper notes.....	60,000	60,000
General obligation bonds payable.....	1,755	2,285
Special obligation bonds payable.....	718,300	697,915
Notes payable.....	16,565	19,425
Capitalized lease obligations.....	<u>239</u>	<u>466</u>
TOTAL GENERAL LONG-TERM OBLIGATIONS.....	<u><u>\$ 850,676</u></u>	<u><u>\$ 833,423</u></u>

SUPPLEMENTAL INFORMATION

The Supplemental Information provided herein contains schedules of the Debt Service Funds bonded indebtedness and debt service requirements detail.

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands)
SEPTEMBER 30, 2000

	<u>INTEREST RATES</u>	<u>PAYMENT DATES</u>	<u>ISSUE DATE</u>
GENERAL OBLIGATION BONDS PAYABLE FROM AD VALOREM TAXES:			
Duval County Certificates of Indebtedness of 1972.....	4.50 - 5.25%	4/1; 10/1	10/01/72
TOTAL PAYABLE FROM AD VALOREM TAXES.....			
SPECIAL OBLIGATION BONDS PAYABLE FROM SPECIFIC REVENUE SOURCES OTHER THAN AD VALOREM TAXES:			
Excise Taxes Revenue Refunding Bonds, Series 1991.....	6.20 - 6.30 %	4/1; 10/1	08/13/91
Excise Taxes Revenue Refunding Bonds, Series 1992.....	5.80 - 6.50 %	4/1; 10/1	02/25/92
Guaranteed Entitlement Revenue Refunding Bonds, Series 1992A.....	5.30 - 5.90 %	4/1; 10/1	09/17/92
Excise Taxes Revenue Bonds, Series 1993.....	4.90 - 6.30 %	4/1; 10/1	02/23/93
Excise Taxes Revenue Refunding Bonds, Series 1993A.....	4.60 - 5.375%	4/1; 10/1	08/11/93
Capital Improvement Revenue Bonds, Series 1994.....	4.95 - 5.875%	4/1; 10/1	08/17/94
Sunshine State Governmental Finance Commission Bonds, Series 1994.....	9.20 % (1)	Monthly	08/24/94
Capital Improvement Revenue Bonds, Series 1995.....	4.90 - 5.875%	4/1; 10/1	03/14/95
Sales Tax Revenue Bonds, Series 1995.....	5.00 - 6.00 %	4/1; 10/1	06/28/95
Excise Taxes Revenue Refunding Bonds, Series 1995A.....	4.875 - 5.125%	4/1; 10/1	01/04/96
Guaranteed Entitlement Revenue Refunding Bonds, Series 1995A.....	4.375 - 4.40 %	4/1; 10/1	11/29/95
Sunshine State Governmental Finance Commission Bonds, Series 1995A.....	4.75 - 5.65 %	4/1; 10/1	10/05/95
Sunshine State Governmental Finance Commission Bonds, Series 1995B (AMT).....	4.50 - 5.75 %	4/1; 10/1	10/05/95
Sales Tax Revenue Bonds, Series 1996.....	4.05 - 5.50 %	4/1; 10/1	01/07/97
Excise Taxes Revenue Bonds, Series 1996B	4.60 - 5.70 %	4/1; 10/1	11/05/96
Excise Taxes Revenue Bonds, Series 1996C	4.25 - 4.85 %	4/1; 10/1	11/05/96
Capital Improvement Revenue Bonds, Series 1997.....	4.10 - 5.25 %	4/1; 10/1	03/11/97
Capital Project Revenue Bonds, Series 1997-1.....	7.81 % (1)	Monthly	01/22/98
Capital Project Revenue Bonds, Series 1997-2.....	8.89 % (1)	Monthly	11/04/99
Capital Improvement and Revenue Refunding Bonds, Series 1998.....	3.80 - 5.00 %	4/1; 10/1	08/26/98
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999A.....	3.30 - 5.00 %	4/1; 10/1	03/09/99
TOTAL PAYABLE FROM SPECIFIC REVENUE SOURCES.....			
TOTAL GENERAL AND SPECIAL OBLIGATION BONDS.....			

(1) The above rates represent assumed rates on variable rate debt for coverage analysis or other purposes.

<u>FINAL MATURITY DATE</u>	<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
10/01/02	\$ 9,370	\$ 9,370	\$ 7,615	\$ 1,755
	<u>9,370</u>	<u>9,370</u>	<u>7,615</u>	<u>1,755</u>
10/01/01	25,070	25,070	22,090	2,980
10/01/13	80,690	80,690	16,360	64,330
10/01/12	66,880	66,880	4,050	62,830
10/01/20	43,605	43,605	555	43,050
10/01/09	35,085	35,085	8,650	26,435
10/01/19	74,995	74,995	31,300	43,695
09/15/06	10,075	9,825	4,250	5,575
10/01/25	27,855	27,855	875	26,980
10/01/18	100,000	100,000	5,340	94,660
10/01/09	7,580	7,580	-	7,580
10/01/01	12,205	12,205	5,875	6,330
10/01/11	9,050	9,050	-	9,050
10/01/15	15,945	15,945	2,555	13,390
10/01/18	65,640	65,640	3,905	61,735
10/01/09	57,150	57,150	5,375	51,775
10/01/06	4,055	4,055	760	3,295
10/01/25	8,285	8,285	305	7,980
10/01/17	54,000	30,000	-	30,000
10/01/22	45,000	45,000	-	45,000
10/01/25	37,310	37,310	890	36,420
10/01/19	<u>75,890</u>	<u>75,890</u>	<u>-</u>	<u>75,210</u>
	<u>856,365</u>	<u>832,115</u>	<u>113,815</u>	<u>718,300</u>
	<u>\$ 865,735</u>	<u>\$ 841,485</u>	<u>\$ 121,430</u>	<u>\$ 720,055</u>

(continued)

Unaudited - see accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands; continued)
SEPTEMBER 30, 2000

	<u>INTEREST RATES</u>	<u>PAYMENT DATES</u>	<u>ISSUE DATE</u>
PAYABLE FROM ENTERPRISE FUNDS:			
Excise Taxes Revenue Refunding Bonds, Series 1993A.....	4.60 - 5.375%	4/1; 10/1	08/11/93
Excise Taxes Revenue Refunding Bonds, Series 1995A.....	4.25 - 5.125%	4/1; 10/1	01/04/96
Excise Taxes Revenue Refunding Bonds, Series 1996A.....	3.90 - 5.00 %	4/1; 10/1	02/28/96
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999B.....	4.20 - 5.75 %	4/1; 10/1	09/23/99
TOTAL PAYABLE FROM ENTERPRISE FUNDS.....			
 PAYABLE FROM GENERAL REVENUE:			
U.S. Government Guaranteed Note Payable, Series 1994A (Vistakon).....	6.31 - 6.53 %	2/1; 8/1	03/02/94
U.S. Government Guaranteed Note Payable, Series 1995 (Coach).....	8.22 - 9.03 %	2/1; 8/1	02/01/95
U.S. Government Guaranteed Note Payable, Series 1996 (Sally Beauty).....	6.21 - 6.88 %	2/1; 8/1	12/18/96
U.S. Government Guaranteed Note Payable, Series 1996-B (Hilton).....	6.21 - 7.03 %	2/1; 8/1	11/20/96
U.S. Government Guaranteed Note Payable, Series 1997 (LaVilla).....	6.21 - 7.08 %	2/1; 8/1	02/19/97
U.S. Government Guaranteed Note Payable, Series 1997 (HTV Associates).....	6.21 - 6.78 %	2/1; 8/1	04/02/97
U.S. Government Guaranteed Note Payable, Series 1997 (Jax Landing).....	6.21 %	2/1; 8/1	04/23/97
U.S. Government Guaranteed Note Payable, Series 1997 (Armor Holdings).....	6.21 - 7.08 %	2/1; 8/1	10/28/97
U.S. Government Guaranteed Note Payable, Series 1997 (Hampton Inns).....	6.21 - 7.03 %	2/1; 8/1	10/28/97
TOTAL PAYABLE FROM GENERAL REVENUE.....			
 TOTAL BONDED INDEBTEDNESS.....			

<u>FINAL MATURITY DATE</u>	<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
10/01/11	14,780	14,780	2,750	12,030
10/01/09	12,270	12,270	-	12,270
10/01/16	19,965	19,965	-	19,965
10/01/16	<u>40,835</u>	<u>40,835</u>	<u>-</u>	<u>40,835</u>
	<u>87,850</u>	<u>87,850</u>	<u>2,750</u>	<u>85,100</u>
08/01/03	10,000	10,000	5,300	4,700
08/01/14	3,845	3,845	110	3,735
08/01/12	1,065	1,065	210	855
08/01/15	2,850	2,850	140	2,710
08/01/16	1,700	1,700	-	1,700
08/01/10	700	700	130	570
08/01/00	3,400	3,400	2,380	1,020
08/01/16	775	775	20	755
08/01/15	<u>550</u>	<u>550</u>	<u>30</u>	<u>520</u>
	<u>24,885</u>	<u>24,885</u>	<u>8,320</u>	<u>16,565</u>
	<u>\$ 978,470</u>	<u>\$ 954,220</u>	<u>\$ 132,500</u>	<u>\$ 821,720</u>

Unaudited - see accompanying independent auditors' report.

**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, 2000**

	<u>PRINCIPAL OUTSTANDING</u>
General Obligation Bonds Payable from Ad Valorem Taxes:	
Duval County Certificates of Indebtedness of 1972.....	\$ 1,755,000
Total.....	<u>1,755,000</u>
Special Obligation Bonds Payable from Specific Revenue Source other than Ad Valorem Taxes:	
Excise Taxes Revenue Refunding Bonds, Series 1991.....	2,980,000
Excise Taxes Revenue Refunding Bonds, Series 1992.....	64,330,000
Guaranteed Entitlement Revenue Refunding Bonds, Series 1992A.....	62,830,000
Excise Taxes Revenue Bonds, Series 1993.....	43,050,140
Excise Taxes Revenue Refunding Bonds, Series 1993A.....	26,435,000
Capital Improvement Revenue Bonds, Series 1994.....	43,695,000
Sunshine State Governmental Finance Commission Bonds, Series 1994.....	5,575,000
Capital Improvement Revenue Bonds, Series 1995.....	26,980,000
Sales Tax Revenue Bonds, Series 1995.....	94,660,000
Excise Taxes Revenue Refunding Bonds, Series 1995A.....	7,580,000
Guaranteed Entitlement Revenue Refunding Bonds, Series 1995A.....	6,330,000
Sunshine State Governmental Finance Commission Bonds, Series 1995A.....	9,050,000
Sunshine State Governmental Finance Commission Bonds, Series 1995B (AMT).....	13,390,000
Sales Tax Revenue Bonds, Series 1996.....	61,735,000
Excise Taxes Revenue Bonds, Series 1996B.....	51,775,000
Excise Taxes Revenue Bonds, Series 1996C.....	3,295,000
Capital Improvement Revenue Bonds, Series 1997.....	7,980,000
Capital Project Revenue Bonds, Series 1997-1.....	30,000,000
Capital Project Revenue Bonds, Series 1997-2.....	45,000,000
Capital Improvement and Revenue Refunding Bonds, Series 1998.....	36,420,000
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999A.....	75,210,000
Total.....	<u>718,300,140</u>
Payable from Enterprise Funds:	
Excise Taxes Revenue Refunding Bonds, Series 1993A.....	12,030,000
Excise Taxes Revenue Refunding Bonds, Series 1995A.....	12,270,000
Excise Taxes Revenue Refunding Bonds, Series 1996A.....	19,965,000
Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999B.....	40,835,000
Total.....	<u>85,100,000</u>
Other Long - Term Obligations:	
U.S. Government Guaranteed Note Payable, Series 1994A (Vistakon).....	4,700,000
U.S. Government Guaranteed Note Payable, Series 1995 (Coach).....	3,735,000
U.S. Government Guaranteed Note Payable, Series 1996 (Sally Beauty).....	855,000
U.S. Government Guaranteed Note Payable, Series 1996-B (Hilton).....	2,710,000
U.S. Government Guaranteed Note Payable, Series 1997 (LaVilla).....	1,700,000
U.S. Government Guaranteed Note Payable, Series 1997 (HTV Associaties).....	570,000
U.S. Government Guaranteed Note Payable, Series 1997 (Jax Landing).....	1,020,000
U.S. Government Guaranteed Note Payable, Series 1997 (Armor Holdings).....	755,000
U.S. Government Guaranteed Note Payable, Series 1997 (Hampton Inns).....	520,000
Total.....	<u>16,565,000</u>
Grand Total.....	<u>\$ 821,720,140</u>

<u>TOTAL INTEREST TO MATURITY</u>	<u>TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY</u>	<u>CASH IN SINKING FUND</u>	<u>NET DEBT</u>
\$ 129,226	\$ 1,884,226	\$ -	\$ 1,884,226
<u>129,226</u>	<u>1,884,226</u>	<u>-</u>	<u>1,884,226</u>
189,852	3,169,852	1,605,396	1,564,456
30,164,582	94,494,582	5,476,252	89,018,330
27,680,100	90,510,100	2,509,884	88,000,216
54,608,030	97,658,170	1,288,548	96,369,622
7,400,292	33,835,292	2,827,870	31,007,422
31,777,670	75,472,670	1,388,219	74,084,451
1,835,400	7,410,400	570,219	6,840,181
26,420,702	53,400,702	1,079,950	52,320,752
57,204,503	151,864,503	5,523,359	146,341,144
3,170,854	10,750,854	207,913	10,542,941
281,213	6,611,213	3,265,084	3,346,129
3,861,996	12,911,996	282,870	12,629,126
7,527,555	20,917,555	1,291,435	19,626,120
34,719,613	96,454,613	3,614,038	92,840,575
17,240,471	69,015,471	3,890,398	65,125,073
558,978	3,853,978	525,446	3,328,532
6,492,539	14,472,539	359,917	14,112,622
25,188,620	55,188,620	1,220,121	53,968,499
65,786,859	110,786,859	865,182	109,921,677
37,469,961	73,889,961	986,630	72,903,331
23,756,165	98,966,165	6,747,425	92,218,740
<u>463,335,955</u>	<u>1,181,636,095</u>	<u>45,526,156</u>	<u>1,136,109,939</u>
4,129,790	16,159,790	1,066,811	15,092,979
4,576,441	16,846,441	299,780	16,546,661
9,703,351	29,668,351	1,115,464	28,552,887
21,423,898	62,258,898	1,756,793	60,502,105
<u>39,833,480</u>	<u>124,933,480</u>	<u>4,238,848</u>	<u>120,694,632</u>
590,965	5,290,965	-	5,290,965
3,263,365	6,998,365	1	6,998,364
390,684	1,245,684	9,310	1,236,374
1,857,128	4,567,128	38,903	4,528,225
881,039	2,581,039	944	2,580,095
233,145	803,145	1	803,144
63,342	1,083,342	7,454	1,075,888
555,760	1,310,760	4,992	1,305,768
366,523	886,523	14,031	872,492
<u>8,201,951</u>	<u>24,766,951</u>	<u>75,636</u>	<u>24,691,315</u>
<u>\$ 511,500,612</u>	<u>\$ 1,333,220,752</u>	<u>\$ 49,840,640</u>	<u>\$ 1,283,380,112</u>

Unaudited - see accompanying independent auditors' report.

**CITY OF JACKSONVILLE, FLORIDA
 SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
 GENERAL OBLIGATION BONDS
 PAYABLE FROM AD VALOREM TAXES
 SEPTEMBER 30, 2000**

Purpose: Construction
 of Police
 Administration
 Complex

<u>Fiscal Year</u>	<u>Duval County Certificates of Indebtedness of 1972</u>		<u>Total Principal and Interest</u>
	<u>Principal</u>	<u>Interest</u>	
2001	\$ 560,000	\$ 72,900	\$ 632,900
2002	590,000	42,713	632,713
2003	605,000	13,613	618,613
	<u>\$ 1,755,000</u>	<u>\$ 129,226</u>	<u>\$ 1,884,226</u>

Interest Rates: 4.50 - 5.25%

Construction of the Automated Skyway Express River Crossing Leg		Superstructure Renovation of the ALLTEL Stadium		River City Renaissance Projects	
Sunshine State Governmental Finance Commission Bonds, Series 1994		Capital Improvement Revenue Bonds, Series 1995		Sales Tax Revenue Bonds, Series 1995	
<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
\$ 870,000	\$ 512,900	\$ 300,000	\$ 1,544,906	\$ 2,915,000	\$ 5,129,268
890,000	432,860	335,000	1,529,181	3,090,000	4,949,117
915,000	350,980	370,000	1,511,371	3,275,000	4,758,168
940,000	266,800	415,000	1,491,250	3,470,000	4,555,817
965,000	180,320	460,000	1,468,604	3,680,000	4,341,318
995,000	91,540	510,000	1,443,256	3,900,000	4,133,417
		560,000	1,415,029	4,095,000	3,931,495
		610,000	1,383,719	4,305,000	3,715,143
		670,000	1,348,824	4,525,000	3,483,300
		735,000	1,309,819	4,765,000	3,234,732
		805,000	1,266,296	5,025,000	2,967,890
		880,000	1,218,274	5,300,000	2,683,953
		955,000	1,165,738	5,590,000	2,380,285
		1,040,000	1,107,731	5,905,000	2,055,551
		1,130,000	1,043,988	6,240,000	1,712,455
		1,230,000	974,663	6,595,000	1,358,934
		1,320,000	899,756	6,950,000	994,913
		1,345,000	821,472	7,320,000	611,406
		1,370,000	741,719	7,715,000	207,341
		1,400,000	660,350		
		1,430,000	577,219		
		1,455,000	492,472		
		1,485,000	406,109		
		1,510,000	318,131		
		2,210,000	208,856		
		2,450,000	71,969		
<u>\$ 5,575,000</u>	<u>\$ 1,835,400</u>	<u>\$ 26,980,000</u>	<u>\$ 26,420,702</u>	<u>\$ 94,660,000</u>	<u>\$ 57,204,503</u>

Variable Rate
Assumed at 9.20%

4.90 - 5.875%

5.00 - 6.00%

(continued)

Unaudited - see accompanying independent auditors' report.

Expansion of Trail Ridge Landfill		River City Renaissance Projects		Port Improvements by the Jacksonville Port Authority	
Sunshine State Governmental Finance Commission Bonds, Series 1995B (AMT)		Sales Tax Revenue Bonds, Series 1996		Excise Taxes Revenue Bonds Series 1996B	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 930,000	\$ 701,945	\$ 2,070,000	\$ 3,044,606	\$ 2,450,000	\$ 2,703,457
970,000	658,710	2,155,000	2,954,265	2,875,000	2,578,826
1,020,000	612,175	2,250,000	2,857,894	3,360,000	2,428,225
1,070,000	562,538	2,350,000	2,755,519	4,060,000	2,243,390
450,000	525,875	2,455,000	2,646,179	4,655,000	2,019,845
	514,625	2,570,000	2,529,319	5,310,000	1,758,100
	514,625	2,690,000	2,404,364	6,015,000	1,454,980
	514,625	2,820,000	2,270,714	6,805,000	1,105,438
	514,625	2,955,000	2,127,749	7,665,000	703,680
	514,625	3,105,000	1,974,696	8,580,000	244,530
	514,625	3,260,000	1,814,019		
1,370,000	475,237	3,425,000	1,646,894		
1,735,000	385,969	3,595,000	1,462,406		
1,835,000	283,331	3,795,000	1,259,181		
1,945,000	174,656	4,005,000	1,044,681		
2,065,000	59,369	4,225,000	826,278		
		4,440,000	604,237		
		4,665,000	370,922		
		4,905,000	125,690		
<u>\$ 13,390,000</u>	<u>\$ 7,527,555</u>	<u>\$ 61,735,000</u>	<u>\$ 34,719,613</u>	<u>\$ 51,775,000</u>	<u>\$ 17,240,471</u>

4.50 - 5.75%

4.20 - 5.50%

4.60 - 5.70%

(continued)

Unaudited - see accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
SPECIAL OBLIGATION BONDS PAYABLE FROM SPECIFIC REVENUE SOURCES
OTHER THAN AD VALOREM TAXES (continued)
SEPTEMBER 30, 2000

Fiscal Year	Jacksonville Beach Downtown Revitalization		Superstructure Renovation of the ALLTEL Stadium		Drainage and General Capital Programs	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$ 425,000	\$ 141,321	\$ 160,000	\$ 399,873	\$ 1,110,000	\$ 2,345,157
2002	440,000	122,720	170,000	393,022	1,155,000	2,254,232
2003	455,000	103,026	175,000	385,690	1,200,000	2,166,103
2004	470,000	82,210	180,000	377,968	1,255,000	2,072,383
2005	485,000	60,241	190,000	369,827	1,305,000	1,976,186
2006	505,000	36,971	200,000	361,148	1,365,000	1,870,723
2007	515,000	12,489	210,000	351,817	1,430,000	1,765,841
2008			215,000	341,935	1,495,000	1,654,158
2009			230,000	331,363	1,565,000	1,538,814
2010			240,000	319,962	1,640,000	1,413,869
2011			250,000	307,833	1,720,000	1,287,088
2012			265,000	294,825	1,805,000	1,152,756
2013			275,000	280,986	1,895,000	1,012,717
2014			290,000	266,365	1,995,000	862,991
2015			305,000	250,819	2,095,000	707,977
2016			320,000	234,412	2,205,000	544,357
2017			340,000	217,087	2,320,000	372,489
2018			355,000	198,844	2,445,000	190,779
2019			375,000	179,681		
2020			395,000	159,469		
2021			415,000	138,206		
2022			435,000	115,894		
2023			460,000	92,400		
2024			485,000	67,594		
2025			510,000	41,475		
2026			535,000	14,044		
	<u>\$ 3,295,000</u>	<u>\$ 558,978</u>	<u>\$ 7,980,000</u>	<u>\$ 6,492,539</u>	<u>\$ 30,000,000</u>	<u>\$ 25,188,620</u>

Interest Rates: 4.25 - 4.85%

4.10 - 5.25%

Variable Rate
Assumed at 7.81%

Drainage and General Capital Programs		To Refund a Portion of Capital Improvement Revenue Bonds, Series 1994		To Refund a Portion of Excise Taxes Revenue Refunding Bonds, Series 1988A and 1991 and Preservation and Recreational Programs		Total Principal and Interest
Capital Project Revenue Bonds Series 1997 - 2		Capital Improvement and Refunding Revenue Bonds, Series 1998		Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999A		
Principal	Interest	Principal	Interest	Principal	Interest	
\$ 700,000	\$ 4,004,183	\$ 135,000	\$ 1,719,767	\$ 5,170,000	\$ 3,051,450	\$ 68,140,904
800,000	3,934,644	140,000	1,714,473	5,370,000	2,859,445	68,962,553
800,000	3,867,150	145,000	1,708,842	7,185,000	2,645,102	69,178,741
800,000	3,796,030	155,000	1,702,843	7,435,000	2,389,252	69,398,800
900,000	3,728,340	160,000	1,696,462	7,690,000	2,066,890	69,663,634
900,000	3,641,544	165,000	1,689,718	8,075,000	1,721,215	69,968,162
1,000,000	3,564,890	175,000	1,682,577	7,385,000	1,383,165	68,762,690
1,000,000	3,475,990	180,000	1,675,078	3,670,000	1,125,140	67,390,582
1,100,000	3,390,209	190,000	1,667,167	3,815,000	975,440	67,870,723
1,100,000	3,286,271	195,000	1,658,793	1,410,000	870,940	64,379,894
1,200,000	3,191,510	205,000	1,649,890	1,465,000	811,608	53,042,582
1,200,000	3,084,830	215,000	1,640,332	1,530,000	747,965	53,078,551
1,300,000	2,980,892	225,000	1,630,100	1,590,000	680,473	50,029,678
1,400,000	2,859,944	235,000	1,619,231	1,665,000	608,030	42,794,842
1,400,000	2,738,120	245,000	1,607,525	1,740,000	530,548	39,774,944
1,500,000	2,613,660	260,000	1,594,900	1,820,000	447,758	39,986,719
1,600,000	2,482,594	270,000	1,581,650	1,905,000	359,744	38,135,132
1,700,000	2,335,917	285,000	1,567,775	1,995,000	264,625	38,209,978
4,400,000	2,186,940	300,000	1,553,150	2,095,000	162,375	38,324,346
4,600,000	1,795,780	315,000	1,538,169	2,200,000	55,000	25,400,943
4,900,000	1,388,117	5,035,000	1,411,106			23,288,036
5,200,000	950,354	5,330,000	1,164,937			15,143,657
5,500,000	488,950	5,640,000	904,400			14,976,859
		5,970,000	628,663			8,979,388
		5,640,000	352,925			8,963,256
		4,610,000	109,488			7,790,501
\$ 45,000,000	\$ 65,786,859	\$ 36,420,000	\$ 37,469,961	\$ 75,210,000	\$ 23,756,165	\$ 1,181,636,095

Variable Rate
Assumed at 8.89%

3.80 - 5.00%

3.30 - 5.00%

To Partially Refund Excise Taxes Revenue Bonds, Series 1991A		To Partially Refund Excise Taxes Revenue Bonds, Series 1991B and Construction of Trail Ridge Landfill		
Excise Taxes Revenue Refunding Bonds, Series 1996A		Excise Taxes Revenue Refunding and Capital Improvement Bonds, Series 1999B		Total Principal And Interest
<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
\$ 635,000	\$ 948,545	\$ 720,000	\$ 2,059,905	\$ 6,319,152
660,000	922,962	1,735,000	2,009,790	7,404,647
695,000	895,863	1,805,000	1,934,548	7,681,991
930,000	862,781	1,885,000	1,855,212	7,889,590
970,000	822,987	1,970,000	1,771,345	7,886,834
1,010,000	774,600	2,055,000	1,681,768	7,879,834
1,065,000	717,538	2,145,000	1,585,927	8,838,859
1,120,000	662,490	2,245,000	1,483,005	10,027,014
1,175,000	609,117	2,355,000	1,372,283	10,021,571
1,230,000	551,985	2,465,000	1,253,255	10,022,327
1,285,000	490,983	2,590,000	1,120,405	6,827,450
1,350,000	425,750	2,730,000	974,105	6,819,111
1,420,000	356,500	2,880,000	816,230	5,472,730
1,490,000	283,750	3,050,000	645,742	5,469,492
1,565,000	207,375	3,220,000	471,115	5,463,490
1,645,000	127,125	3,400,000	290,675	5,462,800
1,720,000	43,000	3,585,000	98,588	5,446,588
<u>\$ 19,965,000</u>	<u>\$ 9,703,351</u>	<u>\$ 40,835,000</u>	<u>\$ 21,423,898</u>	<u>\$ 124,933,480</u>

3.90 - 5.00%

4.20 - 5.75%

**HUD Section 108
Program Loan for
LaVilla Project**

**HUD Section 108
Program Loan for
HTV Associates Project**

**HUD Section 108
Program Loan for
Jacksonville Landing**

U.S. Government Guaranteed Note Payable, Series 1997	
<u>Principal</u>	<u>Interest</u>
\$ 595,000	\$ 112,117
25,000	75,167
30,000	73,609
35,000	71,717
40,000	69,490
45,000	66,927
55,000	64,019
60,000	60,450
60,000	56,484
70,000	52,464
90,000	47,718
100,000	41,571
110,000	34,691
125,000	27,068
130,000	18,343
130,000	9,204
<u>\$ 1,700,000</u>	<u>\$ 881,039</u>

U.S. Government Guaranteed Note Payable, Series 1997	
<u>Principal</u>	<u>Interest</u>
\$ 40,000	\$ 37,074
45,000	34,590
50,000	31,787
50,000	28,631
50,000	25,452
50,000	22,246
50,000	19,017
55,000	15,771
85,000	12,136
95,000	6,441
<u>\$ 570,000</u>	<u>\$ 233,145</u>

U.S. Government Guaranteed Note Payable, Series 1997	
<u>Principal</u>	<u>Interest</u>
\$ 1,020,000	\$ 63,342
<u>\$ 1,020,000</u>	<u>\$ 63,342</u>

6.21 - 7.08%
(Taxable)

6.21 - 6.78%
(Taxable)

6.21%
(Taxable)

(continued)

Unaudited - see accompanying independent auditors' report.



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CITY OF JACKSONVILLE, FLORIDA
SUMMARY OF PLEDGED REVENUES AND BOND COVERAGE
DISCLOSURE OBLIGATION
SEPTEMBER 30, 2000

	Pledged Revenue for the Fiscal Year Ended September 30		
	<u>1996</u>	<u>1997</u>	<u>1998</u>
Local Government 1/2 Cent Sales Tax:			
Local Government 1/2 Cent Sales Tax	\$ 52,073,203	\$ 53,189,883	\$ 57,609,792
7th Cent Gasoline Tax:			
7th Cent Gasoline Tax	\$ 2,610,460	\$ 2,670,932	\$ 2,814,214
Excise Taxes:			
Utilities Service Taxes:			
City Water Department	\$ 3,833,754	\$ 4,136,209	\$ 4,408,422
Peoples Gas	1,390,202	1,091,841	1,135,414
Telecommunications Tax	16,689,932	17,387,934	19,370,522
JEA	39,975,747	37,217,093	36,211,220
Miscellaneous	3,302,785	3,183,882	3,217,673
Total Utilities Service Tax	<u>65,192,420</u>	<u>63,016,959</u>	<u>64,343,251</u>
Fuel Oil Tax	366,168	212,660	237,661
Occupational License Taxes	6,255,272	6,394,220	6,493,254
Total Excise Tax Pledged Revenues	<u>\$ 71,813,860</u>	<u>\$ 69,623,839</u>	<u>\$ 71,074,166</u>
Junior Lien Excise Taxes:			
Total Excise Taxes	\$ 71,813,860	\$ 69,623,839	\$ 71,074,166
Net Parking Garage Revenues	251,367	-	-
Total Junior Lien Excise Tax Revenues	<u>\$ 72,065,227</u>	<u>\$ 69,623,839</u>	<u>\$ 71,074,166</u>
Sports Facilities Capital Improvements:			
Franchise Fees:			
Peoples Gas	\$ 1,075,228	\$ 867,108	\$ 824,720
Southern Bell	2,217,873	2,459,832	2,731,112
Cable Television	2,539,625	2,732,213	2,902,976
Total Franchise Fees	<u>5,832,727</u>	<u>6,059,153</u>	<u>6,458,808</u>
Sports Facility Sales Tax Rebate	1,999,884	1,999,884	1,999,884
Convention Development Tax (2%)	2,253,466	2,542,967	2,883,981
Sports Facility Tourist Development Tax (2%)	2,426,932	2,739,428	3,094,453
Total Sports Facility Capital Improvements Pledged Revenues	<u>\$ 12,513,008</u>	<u>\$ 13,341,432</u>	<u>\$ 14,437,126</u>

<u>1999</u>	<u>2000</u>	<u>Maximum Annual Debt Service</u>	<u>Pledged Revenue Coverage</u>	<u>Additional Bonds Test</u>
\$ 61,775,050	\$ 67,373,395	\$ 20,454,516	3.29 x	1.35 x
\$ 3,231,997	\$ 3,447,789	\$ 1,435,640	2.40 x	1.50 x
\$ 4,633,183	\$ 4,878,361			
1,120,391	1,068,503			
23,013,866	23,894,566			
40,054,957	44,486,956			
2,764,122	2,534,348			
<u>71,586,519</u>	<u>76,862,734</u>			
232,255	245,233			
6,674,579	6,720,992			
<u>\$ 78,493,353</u>	<u>\$ 83,828,959</u>	\$ 41,484,461	2.02 x	1.40 x
\$ 78,493,353	\$ 83,828,959			
-	-			
<u>\$ 78,493,353</u>	<u>\$ 83,828,959</u>	\$ 41,484,461	2.02 x	1.25 x
\$ 729,692	\$ 665,978			
2,835,185	3,405,328			
2,904,064	3,127,769			
<u>6,468,941</u>	<u>7,199,075</u>			
1,999,944	1,999,944			
3,058,553	3,134,146			
3,285,332	3,365,147			
<u>\$ 14,812,770</u>	<u>\$ 15,698,312</u>	\$ 9,179,513	1.71 x	1.35 x

(continued)

CITY OF JACKSONVILLE, FLORIDA
SUMMARY OF PLEDGED REVENUES AND BOND COVERAGE
DISCLOSURE OBLIGATION (continued)
SEPTEMBER 30, 2000

	Pledged Revenue for the Fiscal Year Ended September 30		
	<u>1996</u>	<u>1997</u>	<u>1998</u>
Guaranteed Entitlement Revenues:			
County Revenue Sharing:			
Cigarette Tax	\$ 547,310	\$ 660,771	\$ 742,319
Intangible Tax	16,099,289	17,167,089	21,322,225
County Total	<u>\$ 16,646,599</u>	<u>\$ 17,827,860</u>	<u>\$ 22,064,544</u>
County Guaranteed	<u>\$ 1,999,042</u>	<u>\$ 1,999,042</u>	<u>\$ 1,999,042</u>
County Coverage	<u>8.33 x</u>	<u>8.92 x</u>	<u>11.04 x</u>
City Revenue Sharing:			
Cigarette Tax	\$ 10,279,213	\$ 9,864,797	\$ 10,169,136
City Guaranteed	<u>\$ 5,826,077</u>	<u>\$ 5,826,077</u>	<u>\$ 5,826,077</u>
City Coverage	<u>1.76 x</u>	<u>1.69 x</u>	<u>1.75 x</u>
Aggregate City / County Guaranteed	<u>\$ 7,825,119</u>	<u>\$ 7,825,119</u>	<u>\$ 7,825,119</u>
Statewide Revenue Sharing - Counties:			
Intangible Tax	\$ 281,323,862	\$ 302,454,662	\$ 380,824,284
Cigarette Tax	11,624,914	11,271,362	11,875,417
Total Receipts	<u>\$ 292,948,776</u>	<u>\$ 313,726,024</u>	<u>\$ 392,699,701</u>
Guaranteed Entitlement for all Florida Counties	<u>\$ 95,086,330</u>	<u>\$ 95,086,330</u>	<u>\$ 95,086,330</u>
Average Coverage - All Florida Counties	<u>3.08 x</u>	<u>3.30 x</u>	<u>4.13 x</u>
Statewide Revenue Sharing - Municipalities:			
Cigarette Tax	\$ 130,058,478	\$ 125,928,324	\$ 132,677,078
8th Cent Motor Fuel Tax	69,714,659	72,220,880	74,511,080
Special Tax and Alternative Fuel User Decal Fee	526,069	1,055,508	438,636
Total Receipts	<u>\$ 200,299,206</u>	<u>\$ 199,204,712</u>	<u>\$ 207,626,794</u>
Guaranteed Entitlement for all Florida Municipalities	<u>\$ 110,738,433</u>	<u>\$ 110,811,385</u>	<u>\$ 110,811,385</u>
Average Coverage - All Florida Municipalities	<u>1.81 x</u>	<u>1.80 x</u>	<u>1.87 x</u>

<u>1999</u>	<u>2000</u>	<u>Maximum Annual Debt Service</u>	<u>Pledged Revenue Coverage</u>	<u>Additional Bonds Test</u>
\$ 705,953	\$ 673,724			
22,025,365	19,509,391			
<u>\$ 22,731,318</u>	<u>\$ 20,183,115</u>			
\$ 1,999,042	\$ 1,999,042			
<u>11.37 x</u>	<u>10.10 x</u>			
\$ 9,366,612	\$ 9,803,251			
\$ 5,826,077	\$ 5,826,077			
<u>1.61 x</u>	<u>1.68 x</u>			
<u>\$ 7,825,119</u>	<u>\$ 7,825,119</u>	\$ 7,532,899	1.04 x	1.10 x
\$ 409,844,667	\$ 409,844,667			
10,494,872	10,494,872			
<u>\$ 420,339,539</u>	<u>\$ 420,339,539</u>			
\$ 95,086,330	\$ 95,086,330			
<u>4.42 x</u>	<u>4.42 x</u>			
\$ 127,545,634	\$ 123,878,513			
76,852,577	80,870,856			
736,176	1,028,891			
<u>\$ 205,134,387</u>	<u>\$ 205,778,260</u>			
\$ 112,261,230	\$ 112,261,230			
<u>1.83 x</u>	<u>1.83 x</u>			



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STATISTICAL SECTION

The Statistical Section presents comparative data for the past ten years, and other pertinent information involving taxes, revenues, expenditures, demographic data and other miscellaneous statistics.

The statistical data 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 City government operates.

**CITY OF JACKSONVILLE, FLORIDA
GENERAL GOVERNMENTAL REVENUES
LAST TEN FISCAL YEARS (in thousands)**

	<u>2000</u>	<u>%</u>	<u>1999</u>	<u>%</u>	<u>1998</u>	<u>%</u>	<u>1997</u>	<u>%</u>
SOURCE								
Taxes.....	\$ 464,004	57.31	\$ 425,912	58.28	\$ 406,372	57.60	\$ 378,665	56.87
Licenses and Permits.....	13,970	1.73	13,194	1.81	13,028	1.85	12,499	1.88
Intergovernmental.....	202,150	24.97	182,543	24.98	166,477	23.60	149,095	22.39
Charges for Services.....	62,302	7.70	55,275	7.56	57,652	8.17	55,209	8.29
Fines and Forfeitures.....	9,938	1.22	8,948	1.21	9,914	1.40	7,485	1.12
Payment in Lieu of Taxes.....	3,583	0.44	3,799	0.52	3,904	0.55	4,027	0.60
Interest.....	29,864	3.69	22,373	3.06	22,055	3.13	18,900	2.84
Other.....	<u>23,790</u>	<u>2.94</u>	<u>18,820</u>	<u>2.58</u>	<u>26,068</u>	<u>3.70</u>	<u>39,992</u>	<u>6.01</u>
Total General Governmental Revenue....	<u>\$ 809,601</u>	<u>100.00</u>	<u>\$ 730,864</u>	<u>100.00</u>	<u>\$ 705,470</u>	<u>100.00</u>	<u>\$ 665,872</u>	<u>100.00</u>

Note: This schedule includes Revenues of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

<u>1996</u>	<u>%</u>	<u>1995</u>	<u>%</u>	<u>1994</u>	<u>%</u>	<u>1993</u>	<u>%</u>	<u>1992</u>	<u>%</u>	<u>1991</u>	<u>%</u>
\$ 370,590	59.11	\$ 349,208	58.34	\$ 329,993	59.83	\$ 319,032	56.04	\$ 301,666	55.04	\$ 290,374	55.44
12,129	1.93	11,592	1.94	11,442	2.07	11,377	2.00	11,246	2.05	11,433	2.18
148,789	23.74	143,141	23.91	132,535	24.03	162,282	28.51	149,613	27.30	133,064	25.40
51,192	8.17	50,644	8.46	45,725	8.29	44,387	7.80	41,289	7.53	38,190	7.29
6,521	1.04	6,380	1.07	7,232	1.31	5,917	1.04	6,782	1.24	5,974	1.14
4,275	0.68	3,612	0.60	3,808	0.69	4,134	0.73	4,991	0.91	4,848	0.93
19,217	3.07	22,153	3.70	12,717	2.31	13,188	2.32	15,648	2.86	20,085	3.83
14,161	2.26	11,825	1.98	8,089	1.47	8,893	1.56	16,818	3.07	19,845	3.79
<u>\$ 626,874</u>	<u>100.00</u>	<u>\$ 598,555</u>	<u>100.00</u>	<u>\$ 551,541</u>	<u>100.00</u>	<u>\$ 569,210</u>	<u>100.00</u>	<u>\$ 548,053</u>	<u>100.00</u>	<u>\$ 523,813</u>	<u>100.00</u>

Unaudited - see accompanying independent auditors' report.

**CITY OF JACKSONVILLE, FLORIDA
GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS (in thousands)**

	<u>2000</u>	<u>%</u>	<u>1999</u>	<u>%</u>	<u>1998</u>	<u>%</u>	<u>1997</u>	<u>%</u>
FUNCTIONAL AREA								
General Government.....	\$ 92,281	11.03	\$ 85,213	11.07	\$ 85,213	11.51	\$ 75,064	9.37
Human Services.....	81,451	9.73	75,358	9.79	71,290	9.63	63,071	7.88
Public Safety.....	298,131	35.61	276,361	35.88	267,017	36.04	257,565	32.17
Culture and Recreation.....	40,725	4.87	38,350	4.98	36,202	4.89	36,413	4.55
Transportation.....	119,741	14.31	110,019	14.29	106,854	14.43	106,943	13.36
Economic Environment.....	43,296	5.17	44,555	5.79	40,663	5.49	43,215	5.40
Physical Environment.....	15,352	1.83	13,891	1.80	11,812	1.60	15,220	1.90
Debt Service.....	70,451	8.42	64,443	8.37	59,147	7.99	104,298	13.03
Capital Outlay.....	<u>75,548</u>	<u>9.03</u>	<u>61,826</u>	<u>8.03</u>	<u>62,330</u>	<u>8.42</u>	<u>98,830</u>	<u>12.34</u>
Total General Governmental Expenditures.....	<u>\$ 836,976</u>	<u>100.00</u>	<u>\$ 770,016</u>	<u>100.00</u>	<u>\$ 740,528</u>	<u>100.00</u>	<u>\$ 800,619</u>	<u>100.00</u>

Note: This schedule includes Expenditures of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

<u>1996</u>	<u>%</u>	<u>1995</u>	<u>%</u>	<u>1994</u>	<u>%</u>	<u>1993</u>	<u>%</u>	<u>1992</u>	<u>%</u>	<u>1991</u>	<u>%</u>
\$ 69,054	9.45	\$ 69,527	8.42	\$ 65,120	10.23	\$ 63,882	10.14	\$ 58,622	10.04	\$ 57,535	9.85
59,991	8.21	53,866	6.53	50,768	7.47	51,993	8.26	48,571	8.32	46,561	7.97
243,139	33.26	232,820	28.20	218,350	31.49	204,971	32.53	192,443	32.98	191,831	32.84
33,854	4.63	34,263	4.15	32,490	4.78	30,264	4.81	28,289	4.85	26,916	4.61
103,606	14.17	102,145	12.37	100,169	14.74	99,915	15.86	98,072	16.80	104,608	17.91
39,899	5.46	40,937	4.96	42,776	6.29	75,008	11.91	82,506	14.13	68,066	11.66
15,937	2.18	16,180	1.96	21,099	3.10	18,235	2.90	14,267	2.44	14,113	2.42
58,145	7.95	78,635	9.53	39,871	5.87	36,380	5.78	41,102	7.04	46,118	7.90
<u>107,370</u>	<u>14.69</u>	<u>197,118</u>	<u>23.88</u>	<u>108,921</u>	<u>16.03</u>	<u>49,167</u>	<u>7.81</u>	<u>19,843</u>	<u>3.40</u>	<u>28,257</u>	<u>4.84</u>
<u>\$ 730,995</u>	<u>100.00</u>	<u>\$ 825,491</u>	<u>100.00</u>	<u>\$ 679,564</u>	<u>100.00</u>	<u>\$ 629,815</u>	<u>100.00</u>	<u>\$ 583,715</u>	<u>100.00</u>	<u>\$ 584,005</u>	<u>100.00</u>

**CITY OF JACKSONVILLE, FLORIDA
TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Ad Valorem Taxes (1)				
General Services District.....	\$ 278,501,775	\$ 266,765,762	\$ 255,789,300	\$ 231,645,388
Urban Services District.....	-	24,024	1,887,009	1,735,471
Tax Increment District.....	<u>4,263,409</u>	<u>5,441,737</u>	<u>3,996,224</u>	<u>4,569,270</u>
Total Ad Valorem Taxes.....	<u>282,765,184</u>	<u>272,231,523</u>	<u>261,672,533</u>	<u>237,950,129</u>
Utility Service Taxes				
Fuel Oil Companies.....	245,233	232,255	237,661	212,660
City Water.....	4,878,361	4,633,183	4,408,512	4,136,209
People's Gas.....	1,068,503	1,120,391	1,135,414	1,091,841
Telecommunications.....	23,894,566	23,013,614	19,370,288	17,387,934
JEA.....	44,486,956	36,255,365	36,068,367	37,217,093
Others.....	<u>2,534,348</u>	<u>2,764,122</u>	<u>3,217,673</u>	<u>3,183,882</u>
Total Utility Service Taxes.....	77,107,967	68,018,930	64,437,915	63,229,619
Tourist Development Tax.....	6,729,490	6,570,683	6,189,018	5,478,886
Convention Development Tax.....	3,134,146	3,058,553	2,883,981	2,542,967
Local Option Gas Tax (2).....	27,408,778	24,055,882	22,948,341	24,228,183
Local Option Sales Tax (3).....	<u>66,858,197</u>	<u>51,976,595</u>	<u>48,240,640</u>	<u>45,235,670</u>
Total Tax Revenue.....	<u>\$ 464,003,762</u>	<u>\$ 425,912,166</u>	<u>\$ 406,372,428</u>	<u>\$ 378,665,454</u>

(1) Property taxes include interest and penalties on delinquent taxes.

(2) A six cent local option gas tax was instituted in 1987 to fund capital road construction projects throughout Duval County.

(3) A one-half cent local option sales tax was passed by Jacksonville voters in 1989 to replace bridge tolls. All revenue received from this tax is remitted directly to the Jacksonville Transportation Authority (a component unit of the primary government) to fund Duval County transportation operations.

Source: Tax Collector's Office

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
\$ 225,044,088	\$ 215,496,848	\$ 204,462,560	\$ 200,036,912	\$ 192,060,189	\$ 188,536,097
1,794,848	1,727,718	1,762,200	1,781,704	1,763,654	1,711,897
<u>4,355,758</u>	<u>4,662,265</u>	<u>4,627,753</u>	<u>5,872,261</u>	<u>8,080,949</u>	<u>6,808,703</u>
<u>231,194,694</u>	<u>221,886,831</u>	<u>210,852,513</u>	<u>207,690,877</u>	<u>201,904,792</u>	<u>197,056,697</u>
366,168	330,737	406,171	280,361	316,341	251,001
3,833,754	3,202,330	2,698,922	2,048,399	1,751,914	1,831,970
1,390,202	1,282,169	1,317,215	1,422,389	1,535,100	1,659,578
16,689,932	13,452,383	12,977,579	11,227,650	7,872,779	8,503,600
39,975,747	37,649,886	36,807,357	36,020,218	31,467,325	19,881,705
<u>3,329,476</u>	<u>2,975,258</u>	<u>3,172,871</u>	<u>3,349,904</u>	<u>3,284,299</u>	<u>3,073,523</u>
65,585,279	58,892,762	57,380,115	54,348,921	46,227,758	35,201,377
4,853,878	4,022,243	2,531,120	1,871,328	2,013,039	1,562,479
2,253,466	1,991,297	1,679,594	1,754,974	1,884,032	1,637,968
22,508,967	21,847,527	21,975,041	21,317,284	21,181,275	21,169,016
<u>44,193,979</u>	<u>40,565,755</u>	<u>35,573,977</u>	<u>32,048,807</u>	<u>31,756,871</u>	<u>33,745,671</u>
<u>\$ 370,590,263</u>	<u>\$ 349,206,415</u>	<u>\$ 329,992,360</u>	<u>\$ 319,032,191</u>	<u>\$ 304,967,767</u>	<u>\$ 290,373,208</u>

Unaudited - see accompanying independent auditors' report.

**CITY OF JACKSONVILLE, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Year</u>		<u>Current Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>
1991	General Fund - General Services District	\$ 188,959,625	\$ 175,071,799	92.7%
	General Fund - Urban Services District	<u>1,690,824</u>	<u>1,546,914</u>	91.5%
	Totals	\$ 190,650,449	\$ 176,618,713	92.6%
1992	General Fund - General Services District	\$ 193,553,996	\$ 180,856,747	93.4%
	General Fund - Urban Services District	<u>1,766,042</u>	<u>1,617,332</u>	91.6%
	Totals	\$ 195,320,038	\$ 182,474,079	93.4%
1993	General Fund - General Services District	\$ 206,741,651	\$ 196,190,115	94.9%
	General Fund - Urban Services District	<u>2,029,008</u>	<u>1,893,355</u>	93.3%
	Totals	\$ 208,770,659	\$ 198,083,470	94.9%
1994	General Fund - General Services District	\$ 211,012,591	\$ 201,414,185	95.5%
	General Fund - Urban Services District	<u>1,956,505</u>	<u>1,835,711</u>	93.8%
	Totals	\$ 212,969,096	\$ 203,249,896	95.4%
1995	General Fund - General Services District	\$ 224,122,401	\$ 212,579,284	94.8%
	General Fund - Urban Services District	<u>1,948,887</u>	<u>1,821,716</u>	93.5%
	Totals	\$ 226,071,288	\$ 214,401,000	94.8%
1996	General Fund - General Services District	\$ 229,855,681	\$ 221,114,198	96.2%
	General Fund - Urban Services District	<u>1,969,347</u>	<u>1,870,103</u>	95.0%
	Totals	\$ 231,825,028	\$ 222,984,301	96.2%
1997	General Fund - General Services District	\$ 244,346,056	\$ 234,578,511	96.0%
	General Fund - Urban Services District	<u>2,022,502</u>	<u>1,893,107</u>	93.6%
	Totals	\$ 246,368,558	\$ 236,471,618	96.0%
1998	General Fund - General Services District	\$ 257,656,758	\$ 244,965,131	95.1%
	General Fund - Urban Services District	<u>2,075,611</u>	<u>1,919,421</u>	92.5%
	Totals	\$ 259,732,369	\$ 246,884,552	95.1%
1999	General Fund - General Services District	\$ 275,432,033	\$ 261,480,331	94.9%
	General Fund - Urban Services District (2)	<u>-</u>	<u>-</u>	0.0%
	Totals	\$ 275,432,033	\$ 261,480,331	94.9%
2000	General Fund - General Services District	\$ 287,849,421	\$ 274,189,507	95.3%
	General Fund - Urban Services District (2)	<u>-</u>	<u>-</u>	0.0%
	Totals	\$ 287,849,421	\$ 274,189,507	95.3%

- (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) Beginning in 1999, the amounts for USD represent delinquent collections.
 Source: Tax Collector's Office

<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections as Percent of Current Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes as Percent of Current Levy</u>
\$ 13,083,022	\$ 188,154,821	99.6%	\$ 13,887,826	7.3 %
162,863	1,709,777	101.1%	143,910	8.5 %
<u>\$ 13,245,885</u>	<u>\$ 189,864,598</u>	99.6%	<u>\$ 14,031,736</u>	7.4 %
\$ 11,440,526	\$ 192,297,273	99.4%	\$ 12,697,249	6.6 %
142,815	1,760,147	99.7%	148,710	8.4 %
<u>\$ 11,583,341</u>	<u>\$ 194,057,420</u>	99.4%	<u>\$ 12,845,959</u>	6.6 %
\$ 9,656,052	\$ 205,846,167	99.6%	\$ 10,551,536	5.1 %
112,899	2,006,254	98.9%	135,653	6.7 %
<u>\$ 9,768,951</u>	<u>\$ 207,852,421</u>	99.6%	<u>\$ 10,687,189</u>	5.1 %
\$ 8,159,804	\$ 209,573,990	99.3%	\$ 9,598,406	4.5 %
99,170	1,934,882	98.9%	120,793	6.2 %
<u>\$ 8,258,974</u>	<u>\$ 211,508,872</u>	99.3%	<u>\$ 9,719,199</u>	4.6 %
\$ 7,885,069	\$ 220,464,353	98.4%	\$ 11,543,117	5.2 %
93,859	1,915,576	98.3%	127,171	6.5 %
<u>\$ 7,978,928</u>	<u>\$ 222,379,929</u>	98.4%	<u>\$ 11,670,288</u>	5.2 %
\$ 8,129,025	\$ 229,243,224	99.7%	\$ 8,741,482	3.8 %
94,724	1,964,827	99.8%	99,244	5 %
<u>\$ 8,223,749</u>	<u>\$ 231,208,051</u>	99.7%	<u>\$ 8,840,726</u>	3.8 %
\$ 7,839,598	\$ 242,418,109	99.2%	\$ 9,767,546	4 %
97,423	1,990,530	98.4%	129,395	6.4 %
<u>\$ 7,937,021</u>	<u>\$ 244,408,639</u>	99.2%	<u>\$ 9,896,941</u>	4.0 %
\$ 8,950,810	\$ 253,915,941	98.5%	\$ 12,691,627	4.9 %
97,861	2,017,282	97.2%	156,191	7.5 %
<u>\$ 9,048,671</u>	<u>\$ 255,933,223</u>	98.5%	<u>\$ 12,847,818</u>	4.9 %
\$ 10,916,310	\$ 272,396,641	98.9%	\$ 13,951,702	5.1 %
108,071	108,071	0.0%	-	0.0 %
<u>\$ 11,024,381</u>	<u>\$ 272,504,712</u>	98.9%	<u>\$ 13,951,702</u>	5.1 %
\$ 8,866,740	\$ 283,056,247	98.3%	\$ 13,659,914	4.7 %
12,057	12,057	0.0%	-	0.0 %
<u>\$ 8,878,797</u>	<u>\$ 283,068,304</u>	98.3%	<u>\$ 13,659,914</u>	4.7 %

Unaudited - see accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (in thousands)

<u>Year</u>	<u>Assessed Taxable Values</u>			<u>Total Taxable Property</u>	<u>Estimated Actual Values (4)</u>	<u>Ratio of Assessed to Actual Values</u>
	<u>Real Property (1)</u>	<u>Personal Property (2)</u>	<u>Centrally Assessed Property (3)</u>			
1991	14,858,230	2,909,259	73,663	17,841,152	28,410,728	62.80%
1992	15,657,898	3,061,922	73,622	18,793,442	29,754,657	63.16%
1993	15,995,946	3,238,039	72,328	19,306,313	30,648,376	62.99%
1994	16,141,786	3,321,345	65,037	19,528,168	30,750,732	63.50%
1995	16,577,725	3,553,360	70,912	20,201,997	31,944,549	63.24%
1996	17,425,021	3,947,455	75,478	21,447,954	33,474,993	64.07%
1997	18,459,034	4,137,983	85,635	22,682,652	35,304,582	64.25%
1998	19,683,790	4,230,470	124,628	24,038,888	37,202,821	64.62%
1999	21,189,061	4,414,181	138,561	25,741,803	39,448,272	65.25%
2000	22,747,401	4,517,816	108,934	27,374,151	41,803,761	65.48%

- (1) Prior to fiscal year 1981, State Homestead Exemption Laws exempted from taxation the first \$5,000 of assessed value for qualified homeowners. For 1981, the homestead exemption was increased to \$15,000; for 1982, it was increased to \$20,000; and for 1983 and subsequent years, it was increased to \$25,000.
- (2) Personal property values are also net of certain allowable exemptions - primarily for inventories (which have not been assessed since 1982) and government property.
- (3) Centrally assessed property is primarily railroad property and private car line property, which must be separately assessed.
- (4) Estimated actual values are the total "just" values or property subject to taxation, as defined by Section 193.011 of the Florida Statutes.

Source: Property Appraiser's Office

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				Other Taxing Authorities			Combined Millage Total
	District (Note 1)	Operations	Debt Service	Total	Schools	Water Management District	FIND (Note 3)	
1991	GSD (2)	11.3457	0.1860	11.5317	9.8800	0.3690	0.0550	21.8357
	USD	11.8424	0.2612	12.1036	9.8800	0.3690	0.0550	22.4076
1992	GSD(2)	11.1054	0.1722	11.2776	9.8420	0.3580	0.0530	21.5306
	USD	11.552	0.2975	11.8495	9.8420	0.3580	0.0530	22.1025
1993	GSD(2)	11.1367	0.1791	11.3158	9.8420	0.3580	0.0520	21.5678
	USD	11.5823	0.3054	11.8877	9.8420	0.3580	0.0520	22.1397
1994	GSD(2)	11.1628	0.1530	11.3158	9.8420	0.4700	0.0530	21.6808
	USD	11.6008	0.2869	11.8877	9.8420	0.4700	0.0530	22.2527
1995	GSD(2)	11.2131	0.1027	11.3158	10.3210	0.4820	0.0490	22.1678
	USD	11.6934	0.1943	11.8877	10.3210	0.4820	0.0490	22.7397
1996	GSD(2)	11.1196	0.0962	11.2158	10.3070	0.4820	0.0400	22.0448
	USD	11.6	0.1877	11.7877	10.3070	0.4820	0.0400	22.6167
1997	GSD(2)	11.0866	0.0292	11.1158	10.0670	0.4820	0.0380	21.7028
	USD	11.6417	0.0460	11.6877	10.0670	0.4820	0.0380	22.2747
1998	GSD(2)	10.9883	0.0275	11.0158	9.8750	0.4820	0.0500	21.4228
	USD	11.5602	0.0275	11.5877	9.8750	0.4820	0.0500	21.9947
1999	GSD (4)	10.8901	0.0257	10.9158	9.8560	0.4820	0.0470	21.3008
2000	GSD (4)	10.7618	0.0243	10.7861	9.3660	0.4820	0.0440	20.6781

(1) The GSD (General Services District) millage rate is the one which applies to most taxpayers in the City of Jacksonville, and it is effectively a county-wide rate. Due to the existence of six other taxing districts, a total of seven combined millage rates apply to taxpayers within the City of Jacksonville. The two most prevalent millage rates are shown here.

The USD (Urban Services District 1) millage rates apply to the area of the preconsolidation City of Jacksonville. The millage rates shown include the GSD rate.

(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

(4) Beginning in 1999, the same rates apply to the consolidated City of Jacksonville.

Source: Property Appraiser's Office

**CITY OF JACKSONVILLE, FLORIDA
RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Year	Population (1)	Assessed Value (2)	Gross General Obligation Bonded Debt (3)	Less Respective Debt Service Funds	Net General Obligation Bonded Debt		
					Amount	Ratio to Assessed Value	Per Capita
1991	681,631	17,841,152,000	18,525,000	1,224,331	17,300,669	0.10%	25.38
1992	693,758	18,793,442,000	15,475,000	1,102,469	14,372,531	0.08%	20.72
1993	701,608	19,306,313,000	12,310,000	1,108,244	11,201,756	0.06%	15.97
1994	716,472	19,528,168,000	9,090,000	696,559	8,393,441	0.04%	11.71
1995	732,034	20,201,997,000	6,335,000	-	6,335,000	0.03%	8.65
1996	740,870	21,447,954,000	4,190,000	-	4,190,000	0.02%	5.66
1997	754,048	22,682,652,000	3,260,000	-	3,260,000	0.01%	4.32
1998	766,705	24,038,888,000	2,785,000	-	2,785,000	0.01%	3.63
1999	778,341	25,741,803,000	2,285,000	-	2,285,000	0.01%	2.94
2000	791,507	27,374,151,000	1,755,000	-	1,755,000	0.01%	2.22

(1) Population estimates for Duval County from the University of Florida, Bureau of Economic and Business Research, as revised after the 2000 census analysis. General obligation bonded debt applies to all of Duval County.

(2) Assessed values are the final adjusted appraisals as reported by the Duval County Property Appraiser.

(3) Gross general obligation bonded debt represents bonds payable from ad valorem taxes only.

**CITY OF JACKSONVILLE, FLORIDA
 COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
 SEPTEMBER 30, 2000**

<u>Name of Governmental Agency</u>	<u>Debt Outstanding (1)</u>	<u>Percentage Applicable to City of Jacksonville (2)</u>	<u>City of Jacksonville's Share of Gross Debt</u>
City of Jacksonville, Florida	\$ 1,755,000	100%	\$ 1,755,000
Duval County School Board	108,900,000	100%	108,900,000
			<u>\$ 110,655,000</u>

- (1) The gross debt outstanding includes debt which is secured by the authority to levy taxes on real estate.
 (2) The applicable percentage is based on the municipality's geographical boundaries within Duval County.

**CITY OF JACKSONVILLE, FLORIDA
 LEGAL DEBT LIMIT
 SEPTEMBER 30, 2000**

Neither the City of Jacksonville charter or code nor the Florida State Statutes limits the amount of debt the City of Jacksonville can issue.

**CITY OF JACKSONVILLE, FLORIDA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL
OBLIGATION BONDED DEBT TO TOTAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS**

Year	General Obligation Debt			Total General Governmental Expenditures (1) (in thousands)	Ratio of Debt Service to General Governmental Expenditures
	Principal	Interest	Total		
1991	2,925,000	859,177	3,784,177	584,005	0.65%
1992	3,050,000	736,235	3,786,235	583,715	0.65%
1993	3,165,000	607,645	3,772,645	629,815	0.60%
1994	3,295,000	476,449	3,771,449	679,564	0.55%
1995	2,755,000	357,992	3,112,992	825,491	0.38%
1996	2,145,000	260,424	2,405,424	730,995	0.33%
1997	930,000	178,905	1,108,905	799,495	0.14%
1998	475,000	154,144	629,144	740,528	0.08%
1999	500,000	128,550	628,550	770,016	0.08%
2000	530,000	101,513	631,513	836,976	0.08%

(1) Includes General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.



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**CITY OF JACKSONVILLE, FLORIDA
REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Revenue (1)</u>	<u>Expenses (2)</u>	<u>Net Revenue Available for Debt Service</u>
1991	\$75,263,704	\$57,799,338	\$17,464,366
1992	79,847,000	57,283,000	22,564,000
1993	86,618,000	57,943,000	28,675,000
1994	95,615,000	68,923,000	26,692,000
1995	112,292,000	60,975,000	51,317,000
1996	122,927,000	63,086,000	59,841,000
1997 (4)	84,019,000	45,413,000	38,606,000
1998 (4)	5,508,000	2,473,000	3,035,000
1999 (4)(5)	(6,071,000)	2,392,000	(8,463,000)
2000	4,373,000	2,917,000	1,456,000

- (1) Revenue includes interest earned and other non-operating revenue.
- (2) Expenses exclude depreciation and interest expense.
- (3) Coverage is an expression of the number of times "Net Revenue Available for Debt Service" exceeds "Debt Service Requirements" (P & I).
- (4) Reduced amounts reflect the transfer of the Water and Sewer Utility Enterprise Fund to JEA on June 1, 1997; the "Debt Service Requirements" shown here are not covered by Enterprise Fund pledged revenues.
- (5) Parking Garage given to Adam's Mark Hotel.

Debt Service Requirements			
<u>Principal</u>	<u>Interest</u>	<u>Totals</u>	<u>Coverage (3)</u>
\$4,588,171	\$7,063,706	\$11,651,877	1.50
4,958,245	7,268,211	12,226,456	1.85
5,238,770	14,715,676	19,954,446	1.44
6,086,909	13,888,233	19,975,142	1.34
7,530,661	13,187,611	20,718,272	2.48
8,231,974	13,048,240	21,280,214	2.81
1,665,000	3,840,694	5,505,694	7.01
1,740,000	3,598,168	5,338,168	0.57
1,830,000	3,508,238	5,338,238	-1.59
1,925,000	4,027,263	5,952,263	0.24

Unaudited - see accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS (in thousands)

<u>Year</u>	<u>New Construction (1)</u>			<u>Bank Deposits (2)</u>	<u>Real Property (3)</u>		
	<u>Residential</u>	<u>Commercial</u>	<u>Alterations (1)</u>		<u>Commercial</u>	<u>Residential</u>	<u>Nontaxable</u>
1991	\$ 263,234	\$ 156,274	\$ 228,342	\$ 5,884,947	\$ 7,584,327,615	\$ 12,423,957,457	\$ 4,178,293,525
1992	285,018	132,934	195,775	5,982,421	7,619,437,880	12,794,480,200	4,254,319,300
1993	345,648	220,053	230,406	6,192,683	7,618,317,883	13,228,964,522	3,938,609,825
1994	352,166	124,571	363,420	6,365,459	7,604,099,466	13,864,791,273	4,081,588,110
1995	361,598	209,100	337,284	7,502,639	7,730,829,569	14,770,621,802	4,095,070,672
1996	510,739	162,925	370,106	8,118,088	8,034,155,678	16,121,151,945	4,381,582,635
1997	453,670	301,790	671,128	8,583,244	8,445,725,666	17,207,002,871	5,978,050,566
1998	472,076	309,018	753,196	10,973,592	9,108,427,299	18,789,586,995	4,362,323,727
1999	594,438	376,159	479,738	10,127,170	9,688,132,922	20,147,735,943	4,357,721,556
2000	600,833	259,934	854,827	9,780,491	10,610,894,987	21,736,221,819	4,362,900,928

Source (1) Building and Zoning Division

(2) Florida Bankers Association

(3) The Property Appraiser's Office

**CITY OF JACKSONVILLE, FLORIDA
 DEMOGRAPHIC STATISTICS
 SEPTEMBER 30, 2000**

POPULATION

<u>Year</u>	<u>JACKSONVILLE</u>	<u>DUVAL COUNTY</u>
1910	57,699	75,163
1920	92,588	113,540
1930	129,549	155,503
1940	173,065	210,143
1950	204,517	304,029
1960	201,030	455,411
1970	504,265 (1)	528,865
1980	540,920 (1)	571,003
1990	635,230 (1)	672,971
1995	690,996 (1)	732,034
2000	747,270 (1)(2)	791,507 (2)

(1) After Consolidation

(2) As of April 1

POPULATION PROJECTIONS (3)

<u>YEAR</u>	<u>DUVAL COUNTY</u>	<u>STATE OF FLORIDA</u>
2005	846,458	16,882,830
2010	896,652	18,121,273
2015	953,508	19,400,913

Source: University of Florida, Bureau of Economic and Business Research, June 2000
 City of Jacksonville, Planning and Development Department

(3) Five year projections done in 2000

POPULATION DISTRIBUTION BY AGE

<u>AGE</u>	<u>DUVAL COUNTY</u>	<u>STATE OF FLORIDA</u>
0-14	22.35%	19.54%
15-24	12.61	11.73
25-44	32.29	29.00
45-64	21.77	20.68
65+	10.98	19.03

Source: Department of Commerce, Bureau of the Census - April 1, 2000
 University of Florida, Bureau of Economic and Business Research, June 2000

**CITY OF JACKSONVILLE, FLORIDA
TEN LARGEST TAXPAYERS
SEPTEMBER 30, 2000**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Valuation</u>	<u>Percentage</u>
Bell South/Jacksonville MSA Limited.....	Communications	\$ 465,803,971	1.54%
Anheuser-Busch/Metal Container Corp.....	Manufacturing	306,475,884	1.01%
AT&T/American TransTech.....	Communications/Telemarketing	217,596,956	0.72%
Cedar Bay Generating Co.....	Utilities	211,572,453	0.70%
MediaOne/Continental Cablevision.....	Communications	206,694,686	0.68%
Liberty Property Limited Partnership.....	Real Estate Management/Development	190,778,788	0.63%
Bank of America.....	Banking	186,768,565	0.62%
Gran Central Corp.....	Real Estate Owner/Developer	170,831,903	0.57%
Vistakon/Johnson & Johnson Vision.....	Manufacturing	163,689,609	0.54%
Florida Power & Light Company.....	Utilities	161,887,861	0.54%
Total Taxable Assessed Value of 10 Largest Taxp		2,282,100,676	7.55%
Total Taxable Assessed Value of Other Taxpayers		27,932,597,703	92.45%
Total Taxable Assessed Value of All Taxpayers		<u>\$ 30,214,698,379</u>	<u>100.00%</u>

Source: Tax Collector's Office

**CITY OF JACKSONVILLE, FLORIDA
 MISCELLANEOUS STATISTICAL DATA
 SEPTEMBER 30, 2000**

First Charter	February 11, 1832
Consolidation	October 1, 1968
Form of Government	Mayor and City Council
Area of City	840.1 square miles
Miles of Streets:	3,351.0
Streets - Paved	3,346.9
Streets - Unpaved	4.1
State Maintained Primary	362.7
Interstate	95.1
Wastewater System:	
Number of Treatment Plants	10
Total Miles of Sewer Lines	2,521
Fire Protection:	
Stations	52
Employees - Sworn	1000
Employees - Civilian	76
Police Protection:	
Employees - Sworn	1,508
Employees - Civilian	987
Vehicular Patrol Units - Patrol Cars	1,115
Motorcycles	15
Other Vehicles	150
Unmarked	341
Horse Patrol	5
Electric Utility Customers	355,573
Water Utility Customers	192,250
Sewer Utility Customers	143,604
Recreation:	
Acreage of parks and open spaces	9,804
Basketball courts	206
Boat ramps	21
Community Centers	55
Softball and baseball diamonds	223
Swimming pools	31
Tennis Courts	144
Soccer Fields	28

Unaudited - see accompanying independent auditors' report.

CITY OF JACKSONVILLE, FLORIDA
 FUND CONVERSION TABLE
 SEPTEMBER 30, 2000

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
General Fund	General Fund	
	General Services District	011
	Mosquito Control State I	012
	Property Appraiser	015
Special Revenue Funds	Special Revenue Funds	
	Concurrency Management	
	Concurrency Management System	112
	Concurrency Management Traffic Data	113
	Fair Share Sector Areas Transportation Improvement	114
	Air Pollution Control and Monitoring Fund	
	Air Pollution Tag Fee	121
	Air Pollution EPA	122
	Air Monitoring	123
	Ambient Air Monitoring	124
	Title V	125
	Air Monitoring - Grants	126
	Sports, Convention and Tourism Development Fund	
	Alltel Stadium Revenue	131
	Tourist Development Council	132
	Convention Development	133
	Special Events	134
	Transportation Fund	
	Streets & Highways 5-Year Road Program	141
	Local Option 1/2 Cent Transportation	142
	Local Option Gas Tax	143
	General Government Fund (Budgeted)	
	Tax Collector / JEA Modernization	151
	Local Government Criminal Justice	152
	Construction Trades Qualifying Board	153
	Hazardous Waste Program	154
	Gas Storage Tank Inspections and Cleanup	155
	Duval County Drug Abuse Program	156
	Alcoholic Rehabilitation Trust	157
	Court Facilities/Civil Trust	158
	Building Inspection	159
	Environmental Protection	15A
	Duval County Law Library	15B
	Family Mediation/County Mediation	15C

CITY OF JACKSONVILLE, FLORIDA
FUND CONVERSION TABLE
SEPTEMBER 30, 2000

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Special Revenue Funds (continued)	General Government Fund (Budgeted)	
	Animal Care and Control	15D
	Victim Assistance Services	15E
	Tree Protection & Related Expense	15F
	Veterinary Services	15G
	Tax Collector / JEA Modernization	15I
	Court Capital Improvement	15J
	Public Safety Fund	161
	Emergency 9-1-1	
	911 Emergency User Fee	171
	911 Capital Equipment Replacement	172
	E911 Emergency Wireless User Fees	173
	Tax Increment Districts Fund	
	USD1 C Northeast Tax Increment	181
	USD1 A Southside Tax Increment	182
	USD1 B Northwest Tax Increment	183
	JIA Area Redevelopment Trust	185
	Jacksonville Children's Commission	
	Jacksonville Children's Commission	191
	Jacksonville Children's Commission Grants	192
	Jacksonville Children's Commission Projects	193
	Community Development Block Grant Fund	
	Community Development	1A1
	Housing Opportunity for Persons with AIDS	1A2
	Housing Rehabilitation and Home Investment and Opportunity Grants Fund	
	Rehabilitation Loan Program	1B1
	HOME Investment Trust	1B2
	HOPE Program	1B3
	HUD Miscellaneous Grants	1B4
	Housing UDAG	1B5
	Rental Rehabilitation Program	1B6
	Job Training Partnership Act Grant Fund	
	JTPA Title II ABC & III	1C1

**CITY OF JACKSONVILLE, FLORIDA
 FUND CONVERSION TABLE
 SEPTEMBER 30, 2000**

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Special Revenue Funds (continued)	Maintenance, Parks and Recreation Fund	
	Huguenot Park	1D1
	Kathryn A. Hanna Park Improvement	1D2
	Recreation Lands and Park Acquisition	1D3
	Metropolitan Park Maintenance	1D4
	Recreation Maintenance and Improvements	1D5
	Parks and Recreation Facilities Trust	1D6
	Woodstock Park Development Trust	1D7
	FL Boating Improvement Program	1D8
	Sisters Creek Park Maintenance and Improvements	1D9
	Metropolitan Planning Organization Fund	1E1
	Other Federal, State and Local Grants Fund	
	Miscellaneous Federal Projects	1F1
	Prepaid Grants	1F2
	Beach Erosion - State	1F3
	Beach Erosion - Local	1F4
	Library Grants (Council Appropriated)	1F5
	Community Service Grants	1F6
	Sheriff's Office Grants	1F7
	Library Grants (Self-Appropriated)	1F8
	Fire and Rescue Grants	1F9
	Parks, Recreation and Entertainment Grants	1FA
	Regulatory and Environmental Grants	1FB
	DCHFA State Housing Initiatives Partnership Fund	1G1
	General Government Fund (Non-Budgeted)	
	Public Records Modernization	1H1
	Animal Care and Control Programs	1H2
	Legal Aid Program	1H3
	Senior Services	1H4
	James Brady Disabled Scholarship	1H5
	Fire/Rescue Production Revolving Fund	1H6
	Parks & Recreational Activities	1H7
	Handicap Parking Fines	1H8
Debt Service Funds	Debt Service Funds	
	General Bonded Debt Obligations Fund	211
	Special Bonded Debt Obligations Fund	
	1992 ETR Refunding S/F	221
	1993 Excise Tax Revenue Bonds S/F	222
	1993A ETR Refunding S/F	223

CITY OF JACKSONVILLE, FLORIDA
FUND CONVERSION TABLE
SEPTEMBER 30, 2000

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Debt Service Funds (continued)	Debt Service Funds	
	Special Bonded Debt Obligations Fund	
	ETR Refunding 1984C New Money S/F	224
	1988A ETR Refunding S/F	226
	1991 ETR Refunding S/F	228
	Criminal Justice Bond S/F	22A
	1992 Guaranteed Entitlement Revenue	22D
	1995A ETR Refunding S/F	22E
	1994 Municipal Stadium Capital Improvement Bonds S/F	22F
	1995 Sales Tax Bonds (RCR) S/F	22G
	1996 Sales Tax (RCR) S/F	22I
	1995 Municipal Stadium Capital Improvement Bonds S/F	22J
	1995A Guaranteed Entitlement Revenue Refunding S/F	22K
	1996B ETR Bonds S/F	22L
	1996C ETR Bonds S/F	22M
	Special Bonded Debt Obligations Fund (continued)	
	1995 Sunshine State S/F	22N
	1997 Municipal Stadium Capital Improvement Bonds S/F	22P
	1997 Capital Project Revenue Bonds S/F	22R
	1999 Alltel Stadium S/F	22S
	1999A ETR Refunding S/F	22T
	Other Non-Bonded Debt Obligations Fund	
	Sunshine State S/F	231
	River City Renaissance Bond S/F	232
	HUD 108 Loan S/F - Vistakon	233
	HUD 108 Loan S/F - Coach Distribution	234
	HUD 108 Loan S/F - Southside Harbor	235
	HUD 108 Loan S/F - Hilton Hotel	236
	HUD 108 Loan S/F - Sally Beauty	237
	HUD 108 Loan S/F - LaVilla	238
	HUD 108 Loan S/F - HTV Associates	239
	HUD 108 Loan S/F - Jax Landing	23A
	HUD 108 Loan S/F - American Body Armor	23B
	HUD 108 Loan S/F - Hampton Inn	23C
Capital Projects Funds	Capital Projects Funds	
	Bond Projects Fund	
	1983 Capital Improvement Revenue Construction	311
	1985A Excise Tax Revenue Bond Construction	312
	1986A Excise Taxes Revenue Bonds	313
	1988A ETR Refunding Construction	314
	1988B ETR Bond Construction	315

**CITY OF JACKSONVILLE, FLORIDA
 FUND CONVERSION TABLE
 SEPTEMBER 30, 2000**

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Capital Projects Funds (continued)	Capital Projects Funds	
	Bond Projects Fund	
	1991 ETR Refunding Construction	316
	1992 ETR Refunding Construction, 1986A	317
	1992 ETR Refunding Construction, 1988B	318
	1993 ETR Bond Construction	319
	1993A ETR Bond Construction	31A
	Streets and Drainage Bond Construction	31B
	1994 Alltel Stadium Bond Construction	31C
	1996B ETR Bonds Construction Fund	31D
	1996C ETR Bond Construction Fund	31E
	1988 Capital Improvement Revenue Construction	31F
	Criminal Justice 1987A Construction	31G
	1995A ETR Refunding Construction	31H
	1995 Alltel Stadium Bond Construction	31I
	1995 Sunshine State Construction	31J
	1997 Alltel Stadium Bond Construction Fund	31K
	Capital Project Revenue Bond Construction	31L
	1999 Alltel Stadium Construction	31M
	1999A ETR Bond Construction	31R
	General Projects Fund	
	River City Renaissance Pay-As-You-Go	321
	General Capital Projects	322
	First Municipal Loan Construction	323
	Jacksonville Environmental Land Acquisition	324
	St Andrews Church Renovation	325
	Grant Capital Improvements Projects Fund	331
	River City Renaissance Bond Construction Project Fund	341
Enterprise Funds	Enterprise Funds	
	Public Parking System Fund	
	Public Parking System	411
	Parking Garage Revenue	412
	Parking & ETR S/F RSV	413
	1986 Parking & ETR Construction	414
	1987 Parking & ETR Refunding S/F	415
	Sports Complex, Convention Center and Auditorium Fund	
	Sports Complex	421
	Convention Center and Auditorium	422

CITY OF JACKSONVILLE, FLORIDA
FUND CONVERSION TABLE
SEPTEMBER 30, 2000

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Enterprise Funds	(continued)	Enterprise Funds
	Public Parking System Fund	
	SMG - Jacksonville	423
	Alltel Stadium	424
	Motor Vehicle Inspection Fund	431
	Solid Waste Disposal Fund	
	Solid Waste Disposal	441
	Contamination Assessments	442
	Landfill Closure	443
	Solid Waste Grants	444
	Solid Waste Facilities Mitigation	445
	Solid Waste Class III Mitigation	446
	1991A Excise Tax Bonds S/F	447
	1991B Excise Tax Bonds S/F	448
	1991A Construction	449
	1991B Construction	44A
	1996A ETR Refunding S/F	44B
	1999B ETR Construction	44C
	1999B ETR Refunding S/F	44D
	Mayport Ferry	451
Internal Service Funds		Internal Service Funds
	Fleet Management Fund	
	Motor Pool	511
	Motor Pool - Vehicle Replacement	512
	Copy Center Fund	
	Copy Center	521
	Storeroom/Printing	522
	Information Technologies Fund	
	Information Technologies	531
	Information Technologies (Lapse/Self-appropriating)	532
	Communications	533
	Communications - Radio Replacement	534
	Office of General Counsel	551
	Self Insurance Fund	561
	Group Health Fund	571
	Insured Programs Fund	581

CITY OF JACKSONVILLE, FLORIDA
 FUND CONVERSION TABLE
 SEPTEMBER 30, 2000

FINANCIAL STATEMENT FUND TYPE	FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Fiduciary Funds	Fiduciary Funds	
	Expendable Trust Fund	
	Pickettville Rd Dump Site	641
	Cemetery Perpetual Care and Maintenance	642
	City Council Parks Acquisition, Development and Maintenance	643
	Treaty Oak Park Trust	644
	Jacksonville Veterans Memorial Wall Trust	645
	Child Services Trust	646
	City Access Cable Enhancement Trust	647
	Mimi & Lee Adams Trust	648
	Board of Library Trustees Trust	649
	Sheriff's Trusts (Carryforward/Council-appropriated)	64A
	Sheriff's Trusts (Lapse/Self-appropriated)	64B
	Sheriff's Trusts (Carryforward/Self-appropriated)	64C
	Sheriff's Trusts (Lapse/Council-appropriated)	64D
	Federal Forfeitures Trust	64E
	General Trust & Agency (Carryforward/Council-appropriated)	64F
	General Trust & Agency (Carryforward/Self-appropriated)	64G
	General Trust & Agency (Lapse/Council-appropriated)	64H
	General Trust & Agency (Lapse/Self-appropriated)	64I
	Flexible Spending Plan	64K
	Lavilla Cultural and Heritage District Trust	64L
	Youth Travel Trust (Jacksonville Children's Comm.)	64M
	Art in Public Places Trust Fund	64N
	Unclaimed Checks	662
	Tax Deed Sale - Surplus	663
	Outstanding Checks - Treasury	664
	Unclaimed Refunds	66Y
	Execution Funds 5 Year	66Z
	Non-expendable Trust Fund	
	Michael Jackson Music Scholarship Trust	651
	Cemetery Maintenance Trust	652
	J. B. Smith Memorial Scholarship Trust	653
	Treasurer Agency Fund	661
	Plat Deposits	665
	Tax Collector Agency Fund	671
	Clerk of the Circuit Court Fund	681

**CITY OF JACKSONVILLE, FLORIDA
 FUND CONVERSION TABLE
 SEPTEMBER 30, 2000**

FINANCIAL STATEMENT FUND TYPE		FINANCIAL STATEMENT FUND TITLE	SUBFUND NUMBERS
Fiduciary Funds	(continued)	Fiduciary Funds	
		Florida Retirement System	6A1
Pension Trust Funds		Pension Trust Funds	
		General Employees	611
		Police and Fire	621
Discretely Presented Component Units		Discretely Presented Component Units	
		Duval County Housing Finance Authority	721
		Jacksonville Economic Development Commission	
		Jacksonville Economic Development Commission	751
		Sports Development Events	752
		Jacksonville Film & Television Office Trust	753
		International Marketing Trust	754
		SS Redevelopment Trust Parks and Recreation	755
		Greenleaf/Jacobs Clock Restoration	756
		JEDC Prepaid Grants	757
		JEDC Miscellaneous Federal/State/Local Grants	758
		JEDC Cecil Field Trust	759
		Jacksonville Game Trust Fund	760



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