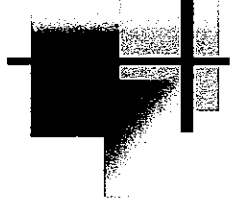


Budget Savings Review Capital Improvement Program and Related Debt



Presented by:

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Chief Financial Officer

April 19, 2011



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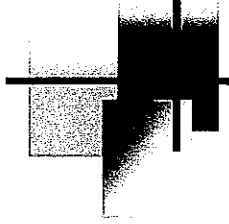
CITY RATING

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Moody's:										
Issuer Credit Rating	Aa2	(1)					Aa2		Aa1	(2)
Covenant Bonds							Aa3		Aa2	(2)
Revenue Bonds	Aa3/A2						Aa3/A1		Aa2/A1	(2)
Better Jacksonville	Aa3						Aa2		Aa2/A1	(2)
Commercial Paper									PI(3)	

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Standard & Poors:										
Issuer Credit Rating	AA	(1)					AA			
Covenant Bonds							AA-			
Revenue Bonds	AA-/A									
Better Jacksonville	A+/A					AA-				
Commercial Paper				A-1+						(3)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fitch:										
Issuer Credit Rating	AA	(1)					AA		AA+	(2)
Covenant Bonds							AA-		AA	(2)
Revenue Bonds	AA/AA-						AA/A+		AA+/AA-	(2)
Better Jacksonville	AA							AA-	AA/AA-	(2)

(1) The agency previously discontinued its underlying rating for the City, but recently re-established an Issuer Credit Rating.
(2) Moody's and Fitch have subsequently recalibrated the City's ratings to the Global Rating Scale.
(3) S&P withdrew the rating of the liquidity provider at the request of the liquidity provider. S&P subsequently removed the rating for the related City commercial paper. The City successfully replaced the S&P rating with the Moody's rating.



CAPITAL IMPROVEMENT PROGRAM (CIP)

Principal Elements of CIP

- Base element – Capital Maintenance
 - Street paving
 - Building Maintenance
 - Park Maintenance
- Next Element - New Construction
- Unusual City Element – Environmental Cleanup - Ash



Current City Program

- Primarily limited to Capital Maintenance and Environmental Cleanup
- Has changed significantly in the last few years
- End of BJP Capital Maintenance has had major impact (replacement within CIP)
- Tied to the Debt Affordability Model

Summary of Proposed Capital Improvement Program Fiscal Years 07-11



FUNDING	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11
Grant(s)	904,000	800,000	800,000	800,000	800,000
BIP (Ash Site remediation)	20,000,000	4,000,000	6,000,000	12,000,000	16,000,000
Pay Co	346,000	60,687,750	76,504,000	45,950,000	65,600,000
Debt Proceeds	2,000,000	3,000,000	3,000,000	3,000,000	2,000,000
Tree Mitigation Fund	3,032,000				
Project Reallocation					
Total per year	\$ 26,282,000	\$ 68,487,750	\$ 88,304,000	\$ 61,750,000	\$ 84,600,000
Grand Total	\$ 329,423,750				

Dept.	Program Area	Project Name	Budget	Prior Years	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	Beyond 5th	FY07-FY11 Total By Program Area
1 ERM	Environment/Quality of Life	Burke St. Lime Pits(DEP ASH)	4,000,000		2,000,000	1,000,000	1,000,000				
2 ERM	Environment/Quality of Life	Dee Boy Dump Site(DEP ASH)	6,930,000		2,000,000	2,500,000	2,430,000				
3 ERM	Environment/Quality of Life	Goli Merit/Pope Plant(DEP ASH)	23,750,000		5,000,000	5,000,000	4,500,000	6,000,000	1,750,000	1,500,000	
4 ERM	Environment/Quality of Life	Southside Incinerator Site(DEP ASH)	2,500,000		1,000,000	1,000,000	500,000				
5 ERM	Environment/Quality of Life	Jax Ash Sites(EPA)	98,400,000		10,000,000	9,500,000	19,870,000	22,000,000	22,200,000	14,830,000	119,250,000
6 FR	Public Safety	Replacement Fire Station #25 (3 Bay)	2,700,000				2,500,000		2,700,000		
7 FR	Public Safety	Replacement Fire Station #26 (3 Bay)	2,500,000								
8 FR	Public Safety	Replacement Fire Stations #28 (4 Bay)	2,474,000		2,474,000						7,674,000
9 JEDC	Drainage	Cecil North 100 acres of new wetlands	1,500,000			300,000	420,000	310,000	310,000	160,000	
10 JEDC	Targeted Economic Development	Redevelopment Land bank	5,000,000			500,000	500,000	500,000	500,000	3,000,000	3,340,000
11 PREC	Parks	ADA Compliance within Parks	9,166,000				1,500,000	1,500,000	1,500,000	3,166,000	
12 PREC	Parks	Upgrade Parks	10,461,000		960,000	1,000,000	1,000,000	1,000,000	1,000,000	6,501,000	
13 PREC	Parks	Florida Inland Navigation District (FIND) Projects	8,208,000		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000		
14 PREC	Parks	Southbank Riverwalk Renovation	18,567,000		1,808,000		2,920,000	3,000,000	6,100,000	6,547,000	30,188,000
15 PW	Drainage	Willis Branch Maint. Dredging	1,480,000		1,480,000						
16 PW	Drainage	Stormwater Master Plan/TMDL	3,000,000		1,000,000	1,000,000	1,000,000				
17 PW	Drainage	Countywide Stormwater Pump	950,000		950,000						
18 PW	Drainage	County Wide Drainage System Rehab	24,600,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	16,600,000	
19 PW	Drainage	Micoys Creek Pond retrofit	370,000		370,000						
20 PW	Environment/Quality of Life	County Wide Landscaping	10,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000		
21 PW	Environment/Quality of Life	County Wide Hardscapes	2,000,000		500,000	500,000	500,000	500,000	500,000		
22 PW	Environment/Quality of Life	TMDL Initiative	157,000,000		500,000	2,176,000	4,150,000	7,040,000	143,134,000		
23 PW	Environment/Quality of Life	TMDL Initiative - Completion of Prior Drainage Bond Projects	21,000,000		10,000,000	11,000,000					
24 PW	Environment/Quality of Life	County Wide, City Maintained St. Johns River Bulkhead, Assessment and Restoration	40,500,000	500,000	720,000					39,280,000	
25 PW	Environment/Quality of Life	Septic tank phase out-failed areas	300,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	296,000,000	
26 PW	Government Facilities	Ed Ball Building	44,366,298	31,776,048	8,770,000	3,820,250					
27 PW	Government Facilities	Capital Maint. for JSO Government Facilities	9,000,000		1,450,000	1,500,000	1,500,000	1,500,000	1,500,000	3,050,000	
28 PW	Government Facilities	Historical Rep. Snyder Memorial	1,000,000		1,000,000						
29 PW	Government Facilities	Acquisition and Development of Haverly's/YMCA Building	11,350,000								
30 PW	Public Facilities	Northbank Riverwalk Extension- Fuller Warren toward Memorial Park	25,098,000	790,000	3,500,000	7,850,000	4,300,000	5,500,000	6,200,000	8,308,000	
31 PW	Roads/Infrastructure/Transportation	Sidewalk Construction and Repair	5,000,000			750,000	750,000	1,000,000	1,000,000	1,500,000	
32 PW	Roads/Infrastructure/Transportation	Roadway Resurfacing	42,750,000		1,250,000	830,000	2,690,000	3,500,000	3,500,000	34,480,000	
33 PW	Roads/Infrastructure/Transportation	Countywide Intelligent Transportation System Program	11,250,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,250,000	
34 PW	Roads/Infrastructure/Transportation	Intersection Improvements, Bridge, misc construction	11,250,000		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	5,250,000	
35 PW	Roads/Infrastructure/Transportation	Signalization Enhancements	11,250,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,250,000	
36 PW	Roads/Infrastructure/Transportation	11th St.-12th St.- Venus St. Connector	3,200,000								
37 PW	Roads/Infrastructure/Transportation	8th St.- 195 to Boulevard Landscaping/tree planting hardscapes	1,300,000		1,000,000	300,000					
38 PW	Roads/Infrastructure/Transportation	Jefferson St. Reconstruction- 8th St. to 10th St.	650,000		5,887,750	650,000					
39 PW	Roads/Infrastructure/Transportation	Street Improvements (Naldo to Riverplace)	12,575,000	799,500	5,887,750	5,887,750					
40 PW	Roads/Infrastructure/Transportation	Countywide Land bank	6,250,000		500,000	500,000	500,000	500,000	500,000	4,250,000	153,471,750
41 SE	Government Facilities	Gateway Buyout	1,500,000						1,500,000		1,500,000
42 Sheriff	Public Safety	MCC Prisoner Housing Units	31,334,619						14,000,000	17,334,619	14,000,000

Grand Total \$ 26,282,000 \$ 68,487,750 \$ 88,304,000 \$ 61,750,000 \$ 84,600,000 \$ 619,890,000 \$ 329,423,750

Grand Total
Surplus (Deficit)

(Dollar amounts based on 2006 calculations)



FY 11-15 ADOPTED CAPITAL IMPROVEMENT PROJECTS

CURRENT FUNDING SOURCE

Pay Go - Current Revenues 3,700,000
 Interest & Revenue Appropriation 6,500,000
 TID 1,300,000

ANTICIPATED FUNDING SOURCE

Pay Go 3,700,000
 Interest & Revenue Appropriation 1,000,000
 Project and Budget Transfers 10,835,160
 Banking Fund Debt Proceeds 55,895,450
 Grant(s) - FUND/Other 600,000
 Total Per Year \$ 72,030,610 \$ 75,264,220 \$ 63,635,694 \$ 58,730,865

Dept.	Program Area	Project Name	Total Est. Expenditures	Prior Years' Appropriation												
				FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	Beyond 5th							
1	E&C	Environment/Quality of Life	3,000,000	1,000,000												
2	E&C	Environment/Quality of Life	23,750,000	17,500,000												
3	E&C	Environment/Quality of Life	98,320,000	31,120,000												
4	E&C	Environment/Quality of Life	2,500,000	2,250,000												
5	E&C	Environment/Quality of Life	7,500,000	500,000												
6	FR	Public Safety	3,044,783													
7	FR	Public Safety	318,270													
8	FR	Public Safety	309,000													
9	FR	Public Safety	154,500													
10	FR	Public Safety	2,870,610													
11	FR	Public Safety	2,954,220													
12	FR	Public Safety	3,042,847													
13	FR	Public Safety	3,630,236													
14	FR	Public Safety	3,134,132													
15	FR	Public Safety	2,956,100													
16	FR	Public Safety	3,227,470													
17	FR	Public Safety	3,322,180													
18	FR	Public Safety	3,322,180													
19	FR	Public Safety	3,322,180													
20	FR	Public Safety	3,421,845													
21	FR	Public Safety	3,524,501													
22	FR	Public Safety	530,000													
23	JEDC	Targeted Economic Development	36,088,274	9,088,274												
24	JEDC	Drainage	1,500,000	720,000												
25	R&C	Parks	7,455,531	4,455,531												
26	R&C	Parks	4,800,000													
27	R&C	Parks	671,500	167,500												
28	R&C	Parks	604,800													
29	R&C	Parks	445,533	53,533												
30	R&C	Parks	126,000													
31	R&C	Parks	8,000,000													
32	R&C	Parks	27,415,166	13,919,316												
33	R&C	Parks	3,000,000	3,000,000												
34	PW	Environment/Quality of Life	9,800,000	3,800,000												
35	PW	Environment/Quality of Life	800,000	200,000												
36	PW	Government Facilities	54,768,230	51,132,164												
37	PW	Government Facilities	52,464,266	22,864,266												
38	PW	Government Facilities	19,743,625	6,743,625												
39	PW	Government Facilities	2,247,000	2,247,000												
40	PW	Government Facilities	350,000,000	273,500,000												
41	PW	Parks	37,208,014	27,708,014												



DEBT AFFORDABILITY

City of Jacksonville, Florida

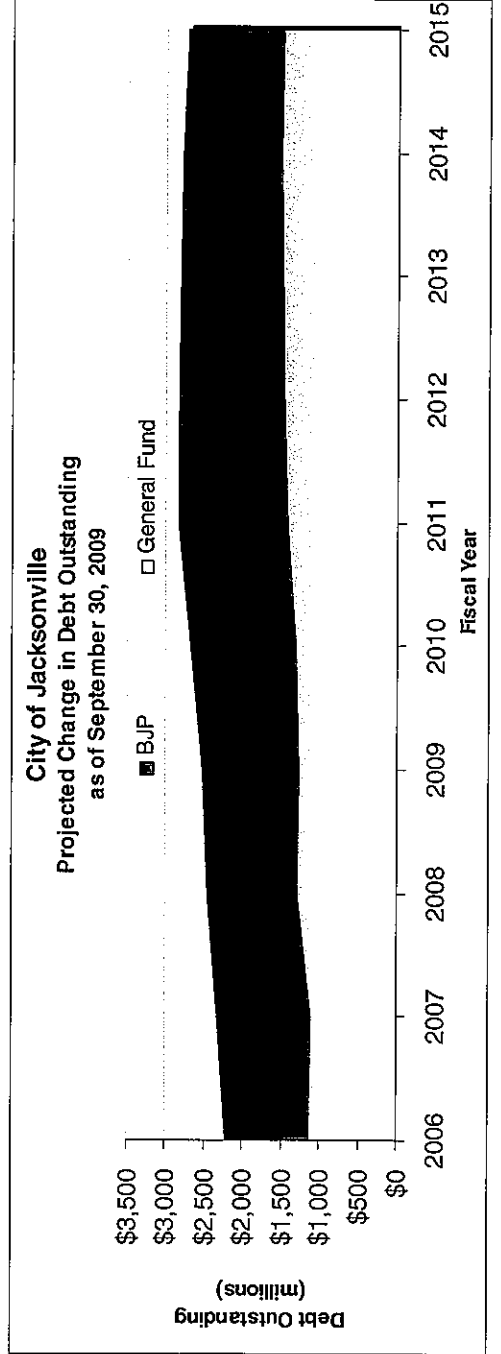
Projected Change in Debt Outstanding

General Government Non-Ad Valorem Debt

(\$ in thousands)

FYE:	2010	2011	2012	2013	2014	2015	Total 2010-2015	2015 and thereafter
Outstanding Debt, Beginning	\$2,514,782	\$2,665,940	\$2,833,424	\$2,835,171	\$2,818,816	\$2,787,806	\$2,514,782	2,710,985
Current Authorizations:								
Better Jacksonville Plan:								
BJP I - Transportation								
BJP II - Infrastructure								
Special Revenue	110,000	76,700					186,700	
State Infrastructure Bank (SIB) Loans	13,279						13,279	
Banking Fund:								
Prior CIP - General Authorizations	99,820	35,089					134,909	
Prior CIP - Stormwater Authorizations	10,900	8,230					19,130	
Banking Fund - Prior Fleet/ITD Authorizations	15,214						15,214	
Future Borrowings:								
Capital Improvement Plan - General		137,325	100,000	80,446	80,446	50,000	448,217	
Capital Improvement Plan - Stormwater			14,470	19,400	14,100	10,000	57,970	
Banking Fund - Fleet/ITD **		5,350	5,000				10,350	
Retirements	(98,055)	(95,210)	(117,723)	(116,201)	(125,556)	(136,821)	(689,566)	
Outstanding Debt, Ending	\$2,665,940	\$2,833,424	\$2,835,171	\$2,818,816	\$2,787,806	\$2,710,985	\$2,710,985	\$2,710,985

** Current plans call for a final borrowing during fiscal year 2012, but is subject to the ongoing availability of Pay-Go funding.

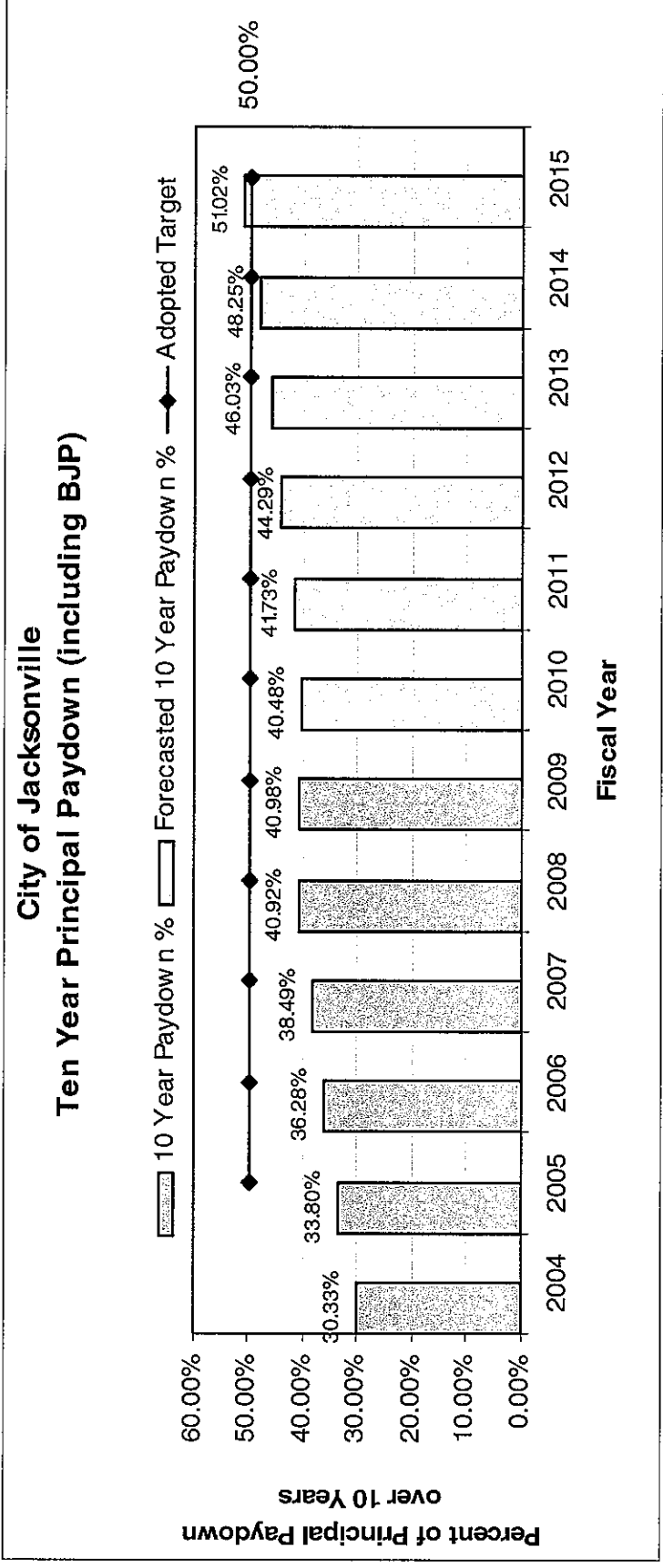


City of Jacksonville, Florida
Effect of the New Debt Issuance on Debt Ratios
Overall

	Adopted		Projected End of Fiscal Year					
	Target	Maximum	2010	2011	2012	2013	2014	2015
Overall Debt to Estimated Full Value	2.50%	3.50%	3.04%	3.46%	3.54%	3.45%	3.29%	3.06%
Overall Debt Per Capita	\$2,600	\$3,150	\$2,960	\$3,162	\$3,148	\$3,084	\$3,005	\$2,879
(1) Debt Service as a % of General Expenditures	11.50%	13.00%	9.80%	10.10%	10.68%	10.43%	10.34%	9.66%
Ten Year Principal Paydown	50%	30% (2)	40.48%	41.73%	44.29%	46.03%	48.25%	51.02%

(1) Debt Service as a % of General Expenditures excludes BJP debt due to its self supporting nature.

(2) Minimum



Debt Financing Mix-CIP to Debt Affordability Model (DAM) - continued

- Borrowing on a blended internal loan payback and anticipated short-term spend down
- Typically have one to two transactions a year

Debt Financing Mix – CIP to Debt Affordability Model (DAM)

- Based on recent experience the CIP authorized debt is phased into the DAM

<u>Year</u>	<u>%</u>
1	50
2	25
3	15
4	10

RESTRUCTURE AMORTIZATION

Sizing of the Special Revenue Bonds, Series 2009C:

Authorization	Projects	8-Year Amort	12-Year Amort	20-Year Amort	25-Year Amort
Capital Project 2002-1	40,000,000	0	0	0	40,000,000
2008 CIP	0	0	0	0	0
2009 CIP	48,461,521	14,000,000	21,687,440	12,774,081	0
2010 CIP	16,285,133	7,000,000	9,285,133	0	0
	<u>104,746,654</u>	<u>21,000,000</u>	<u>30,972,573</u>	<u>12,774,081</u>	<u>40,000,000</u>

Bond Amortization:

	Combined	8-Year	12-Year	20-Year	25-Year
10/1/2010	3,545,000	1,712,940	835,295	41,765	955,000
10/1/2011	4,365,000	2,116,375	1,032,020	51,605	1,165,000
10/1/2012	6,700,000	2,433,830	1,186,825	59,345	3,020,000
10/1/2013	6,960,000	2,542,960	1,240,035	62,005	3,115,000
10/1/2014	7,240,000	2,658,695	1,296,475	64,830	3,220,000
10/1/2015	7,600,000	2,804,200	1,367,425	68,375	3,360,000
10/1/2016	7,980,000	2,777,745	1,354,525	67,730	3,780,000
10/1/2017	8,200,000	4,513,830	2,201,105	110,065	1,375,000
10/1/2018	5,045,000	-	3,452,370	172,630	1,420,000
10/1/2019	5,200,000	-	3,571,420	178,580	1,450,000
10/1/2020	5,360,000	-	3,699,980	185,020	1,475,000
10/1/2021	5,525,000	-	3,838,080	191,920	1,495,000
10/1/2022	6,295,000	-	3,290,465	164,535	2,840,000
10/1/2023	6,530,000	-	3,433,325	171,675	2,925,000
10/1/2024	6,755,000	-	-	3,750,000	3,005,000
10/1/2025	6,995,000	-	-	3,905,000	3,090,000
10/1/2026	7,345,000	-	-	3,870,000	3,475,000
	<u>107,640,000</u>	<u>21,560,575</u>	<u>31,799,345</u>	<u>13,115,080</u>	<u>41,165,000</u>



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