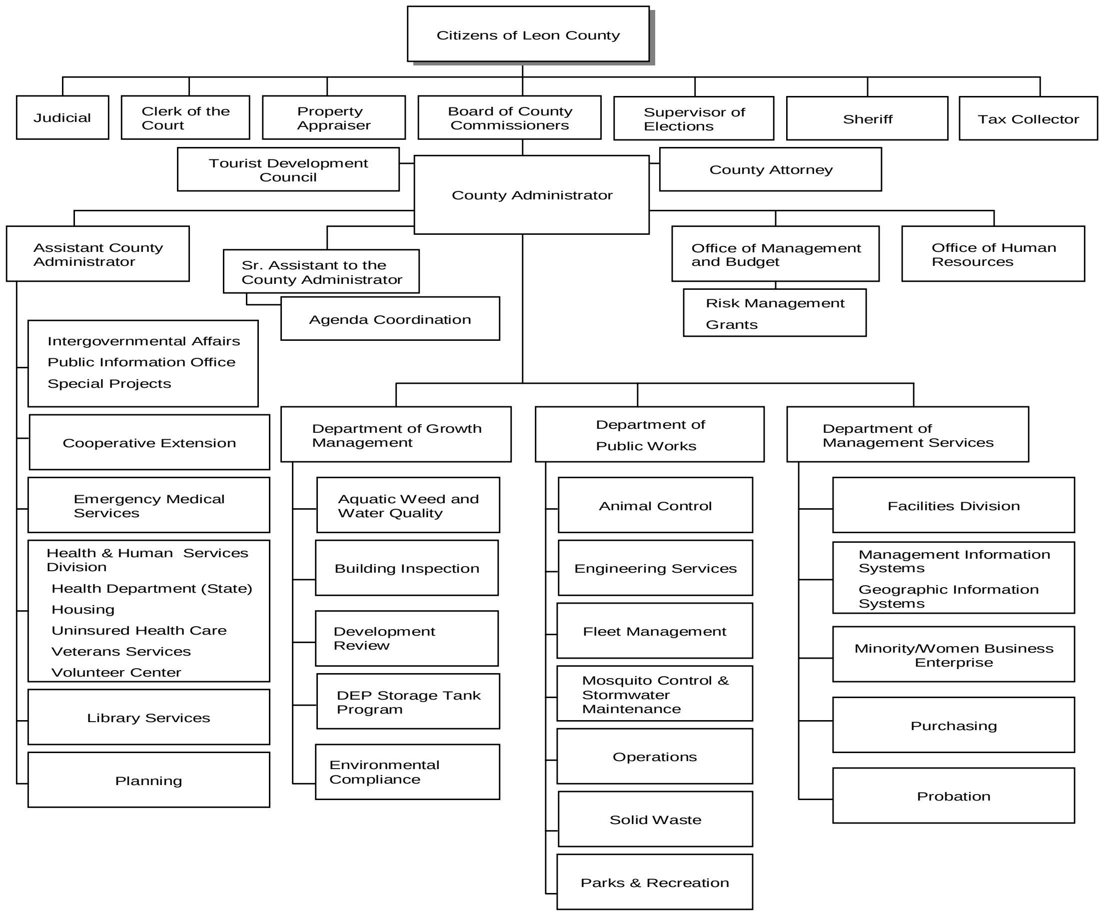


LEON COUNTY, FLORIDA

Leon County is approximately 671 square miles. It has a population of approximately 255,000 people, with 36% living in the unincorporated area of the County and 64% within the city limits.

The County, a political subdivision of the State of Florida, is guided by an elected seven-member Board of County Commissioners. Five members of the Board are elected to serve specific districts and two members are elected at-large. A chairperson is also selected each year by the members of the Board. Florida Statutes, Chapter 125 establishes the powers and duties of the County Commission and the County Administrator. The County became a charter government effective November 12, 2002, with the passage of a referendum by Leon County voters. A Home Rule Charter gives citizens the power to shape their government to meet their unique and changing needs through a local constitution.

The County Administrator is appointed by the Board of County Commissioners and is responsible for carrying out the directives and policies of the Board. The County Administrator is also responsible for the management and supervision of all functions and personnel under the Board of County Commissioners.

Other elected officials of Leon County include the Judiciary, State Attorney, Public Defender and five Constitutional Officers: the Clerk of the Court, the Property Appraiser, the Sheriff, the Supervisor of Elections, and the Tax Collector. Constitutional Officers are elected to administer a specific function of County government and are directly accountable to the public for its proper operation. The Board of County Commissioners funds all, or in some cases a portion, of the operating budgets of the other elected officials. Leon County also has a number of appointed Boards and Committees that serve in an advisory capacity to the Board of County Commissioners. In addition, the Board appoints a number of committees that serve as quasi-legislative bodies.

Leon County
Board of County Commissioners
2004-2005 Top Priorities

County Commissioners

Bill Proctor, District 1
Jane G. Sauls, District 2
Dan Winchester, District 3
Tony Grippa, District 4
Bob Rackleff, District 5
Cliff Thaell, At-Large
Ed DePuy, At-Large

1. Enhance Economic Development - Work with the Economic Development Council and local Chambers of Commerce to address job creation, loss of state jobs, and acquisition of state buildings to enhance private sector development.

2. Address Leon County Jail Issues - Address inmate overcrowding, inmate health care and medical issues, including availability of prescription drugs and mental health issues, vocational training for inmates, and assess adequate staffing levels of correctional officers.

3. Improve Health Care - Address accessibility and affordability of health care for Leon County citizens.

"Leon County citizens can be proud of the Board's progress in enhancing services and programs to improve their quality of life. The Board has evaluated the critical issues facing our County and established priorities that will shape our community in the next year and years to come."
- Chairman Cliff Thaell

"The annual retreat provides an opportunity for commissioners to discuss and deliberate the issues that are most important to them and their constituents. County staff will continue to work diligently to achieve the Board's current and future goals."
- Parwez Alam, County Administrator

ONGOING PRIORITIES
Established: 2003-04

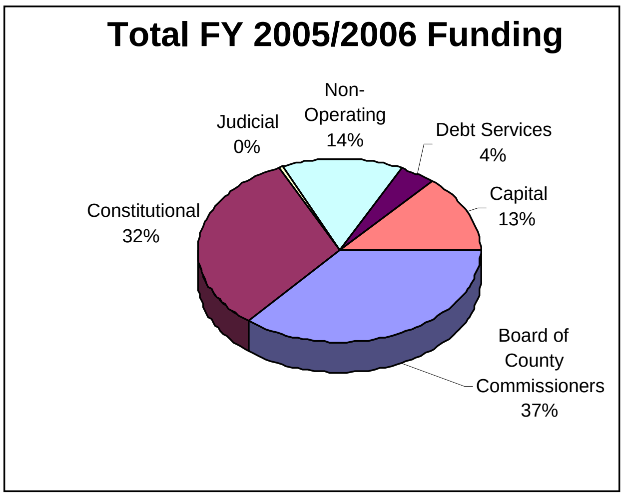
- Develop Total Maximum Daily Load (TMDL) Standards (Water Quality)
- Create Joint Dispatch/Emergency Operations Center (EOC)
- Pursue Leon County Charter Amendment to Address Countywide Stormwater Issues
- Protect North Florida Water Resources
- Enhance Economic Development through recruitment and expansion of small businesses.
- Evaluate the need for a Women's Health Center on Southside
- Enhance Community and Teen Centers/Programs
- Address Funding for 90 East (Mahan Drive) to I-10
- Enhance Southern Strategy

Budget At-A-Glance

OVERVIEW

The total tentative budget for FY 2005/2006 is $210,082,210 or 9.88% more than last fiscal year. The operating budget of $181,616,173 represents an increase from last year's adopted budget. The capital budget of $28,466,037 represents an increase of 21.62% from last year. **Figure 1** depicts the budget as it is reflected organizationally. The FY 2005/2006 budget reflects levels of appropriation that maintain existing service levels, while being sensitive to high priority programs such as public safety, transportation, parks and recreation, library services, fire protection, and water quality.

Figure 1



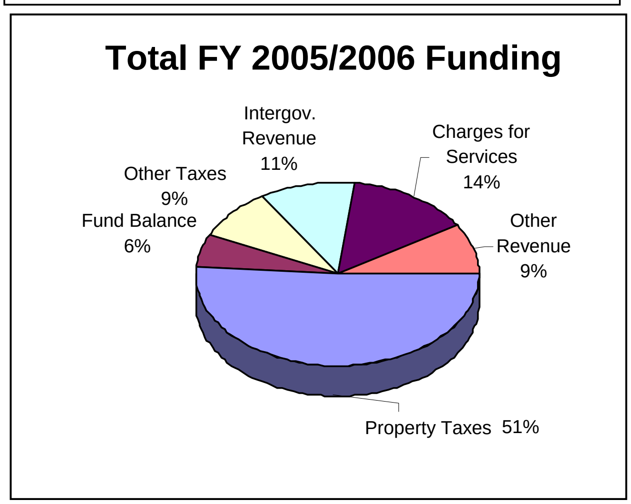


Figure 2

BUDGET PROCESS

In **December of 2004** the Board held its annual retreat to develop a list of priorities and other policy initiatives. Following the Board retreat (**February thru April**), County departments, constitutional officers, and judicial officers submitted to the Office of Management and Budget tentative funding requests. In the months of **May and June,** departmental budgets were analyzed, revenue estimates (including assessed property values) were updated, and a policy guidance workshop was held with the Board to assist in completing a tentative budget. In **July**, the taxable property values were certified by the Property Appraiser and the County Administrator made a formal presentation of his recommended tentative budget to the Board. The Board, in the month of **September** will tentatively adopt and then finally adopt the budget through two public hearings held by the Board of County Commissioners. The final adopted budget will formally be published by the Office of Management and Budget in early **October, 2005**.

FY 2005/2006 REVENUES

The Florida Statutes require that all local government adopted budgets be balanced. Leon County's FY 2005/2006 budget of $210,082,210 is balanced with the use of a variety of revenue sources and fund balances, and retained earnings from previous fiscal years. Of all the difference revenue sources utilized by the Leon County, **Figure 2** displays the major classifications of revenue sources used in support of the FY2005/2006 adopted budget. On the following page, some of the major individual revenue sources are summarized in more detail.

Budget At A Glance

MAJOR REVENUES

(FY 2006 Revenue Estimates projected in Millions)

AD VALOREM PROPERTY TAXES ($99.8)
Ad Valorem property taxes are derived from all nonexempt real and personal property located within the County.

LOCAL OPTION SALES TAX ($3.5)
The Local Government Infrastructure Sales Tax (Local Option) is a 1 cent sales tax on all transactions up to $5,000. Effective December 2004, the sales tax will be disbursed 80% for Blueprint 2000, 10% County and 10% City. Prior to December 2004, according to the existing agreement with the City, the revenue is split 52.84% County and 47.16% City.

STATE REVENUE SHARING TAX ($4.3)
The Florida Legislature repealed the intangible tax revenues which comprised the majority of the County's revenue sharing in 2002. The Legislature replaced the lost revenue with a 2.044% of sales tax collections (96.5% of revenue sharing comes from this source and 3.5% comes from cigarette tax collections). (FL Statutes 210 and 212).

LOCAL GOVERNMENT 1/2 CENT SALES TAX ($11.6)
The Local Government 1/2 Cent Sales Tax is based on 8.814 percent of net sales tax proceeds remitted by all sales tax dealers located within the County. Revenue is shared between County (56.6%) and City (43.4%) based on statutory defined distribution formula.

LANDFILL AND TRANSFER STATION TIPPING FEES ($6.3)
Tipping fees are revenues collected by the County for sorting, reclaiming and disposing of solid waste at the County landfill and transfer station.

STATE SHARED GAS TAX ($4.3)
Tax derived from the County Fuel Tax (7th Cent) and the Constitutional Gas Tax (80/20; 2 cents). These revenues are all restricted to transportation related expenditures.

LOCAL OPTION GAS TAX ($3.6)
Locally imposed tax of 6 cents per gallon on every net gallon of motor and diesel fuel. Per the interlocal agreements, this revenue is shared 50%/50% for the first 4 cents between the City and County and 60% City and 40% County for the remaining 2 cents.

LOCAL OPTION TOURIST TAX ($3.2)
This is a locally imposed 4% tax levied on rentals and leases of less than a six month duration. A 1% option has been levied by the Board to pay for a performing arts center.

ENVIRONMENTAL PERMITS ($1.6)
Environmental permit/development review fees are revenues derived from development projects for compliance with stormwater, landscape, tree protection, site development, zoning and subdivision regulations.

BUILDING PERMITS ($1.4)
Building permit fees are revenues derived from developers of residential and commercial property. Revenues are intended to offset the cost of inspections assuring that development activity meets local, state and federal building code requirements.

9TH CENT GAS TAX ($1.4)
Prior to FY02, the 9th Cent Gas Tax was a state imposed one cent tax on special and diesel fuel. Effective FY02, the County levies the amount locally on all fuel consumption.

TELECOMMUNICATIONS TAX ($3.2)
This is a two-tiered tax, each with its own rate. The two taxes are (1) The State Communications Services Tax (State Tax) and the Local Option Communications Services Tax (Local Option Tax). The County levies the local tax at a rate of 5.22%. The County has also eliminated its 5% cable franchise fee and certain Right-Of-Way permit fees.

PUBLIC SERVICE TAX ($4.8)
The Public Service Tax is based upon a 10% levy on gas, water, electric services and $.04 per gallon on fuel oil.

Culture and Recreation

Culture and recreation operations and capital projects funded for Fiscal Year 2005/2006 represent a broad range of services provided by Leon County designed to enhance the quality of life for both residents and visitors. This includes services provided by the Parks and Recreation Division of the Public Works Department, and the Library Division of the Public Services Department.

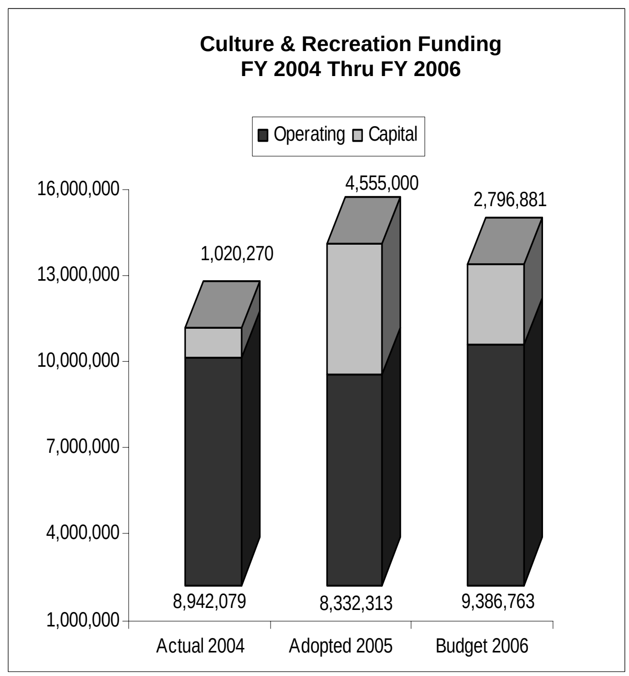
FUNDING

In Fiscal Year 2005/2006 a total of $12,183,644 is allocated by the Board of County Commissioners in support of culture and recreational operations and capital projects. This represents approximately a 5.8% allocation of the total Fiscal Year 2005/2006 budget.

HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating and capital budget, with respect to culture and recreational services include:

- It is estimated that the Leon County Library System will catalog an average of 45,000 new volumes every year for the next two years.
- Citizens will access the in-house computers at the branch libraries an estimated 75,000 times in FY 2006, providing needed computer access to those who may not otherwise have access.
- Youth sports participation increased by 15% for the County's park system.
- Completed various upgrades, remodeling, and construction projects at the J. Lewis Hall Woodville Community Park, Apalachee Regional Park, and J. Lee Vause Park.
- Community Center funding - $450,000 Woodville, $650,000 Lake Jackson, $50,000 Chaires, $175,000 Ft. Braden, and $175,000 Miccosukee.



COUNTY FACT

Library Services had 3,072,609 uses at the Library in 2005.

Transportation

Transportation operations and capital projects funded for Fiscal Year 2005/2006 represent a broad range of services provided by Leon County designed to enhance the safe and adequate flow of vehicles, travelers, and pedestrians. This includes services provided by the Engineering Services Division, and the Operations Division of the Public Works Department.

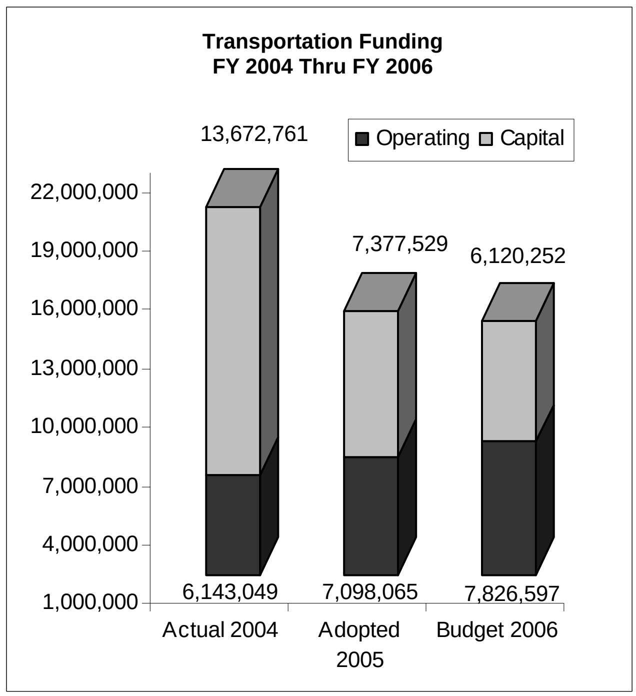
FUNDING

In Fiscal Year 2005/2006 a total of $13,946,849 was allocated by the Board of County Commissioners in support of transportation operations and capital projects. This allocation represents 6.6% of the total Fiscal Year 2005/2006 budget.

HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating and capital budget, with respect to environmental services include:

- Increased funding to maintain current service levels during inclement weather, stormwater, or road projects.
- The Capital Area Flood Warning Network system is completed and operational.
- Implemented a Private Dirt Road Repair Program allowing citizens to pay Leon County to make repairs on their private roads saving citizens money and generating revenue.
- Completed the large sound attenuation wall on Magnolia Drive and the stormwater maintenance improvements on Log Ridge Road in Killearn Lakes.



COUNTY FACT

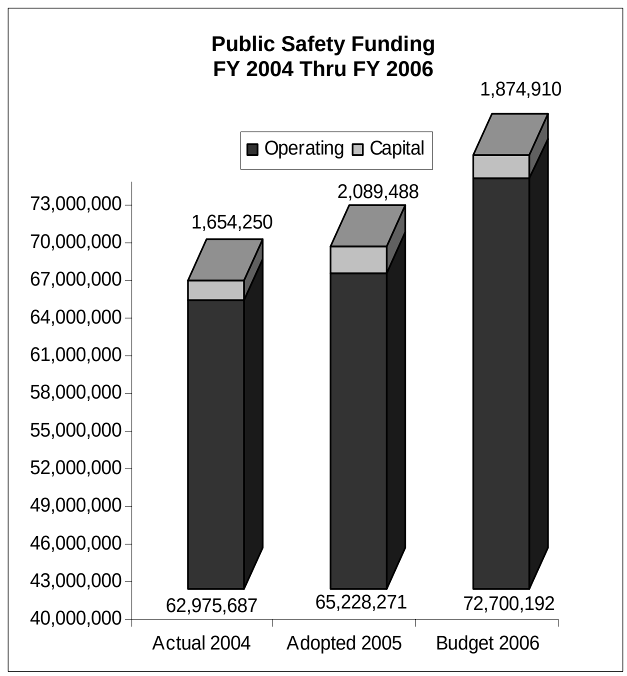
Public Works mowed 2,500 miles of roadway during mowing season.

Public Safety

Public Safety operations and capital projects funded for Fiscal Year 2005/2006 represent a broad range of services provided by Leon County that are designed to enhance the quality of life by ensuring the security of both persons and property. This includes services provided by the Emergency Medical Services Division, the Leon County Sheriff's Office, the Medical Examiner, the Building Inspection Division, the Office of Growth & Environmental Management, the Probation Division of the Management Services Department, and the Leon County Volunteer Fire Departments.

FUNDING

In Fiscal Year 2005/2006 a total of $74,575,102 is allocated by the Board of County Commissioners in support of public safety operations and capital projects. This allocation represents approximately 35.5% of the total Fiscal Year 2005/2006 budget.



HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating and capital budget, with respect to public safety services include:

- Additional staffing to operate an additional ambulance to provide increased levels of service to the public in emergency situations.
- Funding approved for additional staff to maintain current levels of service due to additional requirements of the Florida Building Code.
- Building inspections increased by 8.6% since last fiscal year, due primarily to the 14.6% increase in permits issued.
- Over $759,000 is budgeted for raises to bring the law enforcement & corrections officers of Leon County to parity with the local market.

COUNTY FACT

The Leon County Sheriff's Office has used more than 227,000 inmate crew labor hours.

Human Services

Human Services operations and capital projects funded for Fiscal Year 2005/2006 represent a broad range of services provided by Leon County for the welfare of the community as a whole and its individuals. This includes services primarily provided by the Health and Human Services Division of the Public Services Department, the Mosquito Control Division of the Public Works Department, and the Intergovernmental Affairs/Primary Health Care MSTU Division of the Public Services Department.

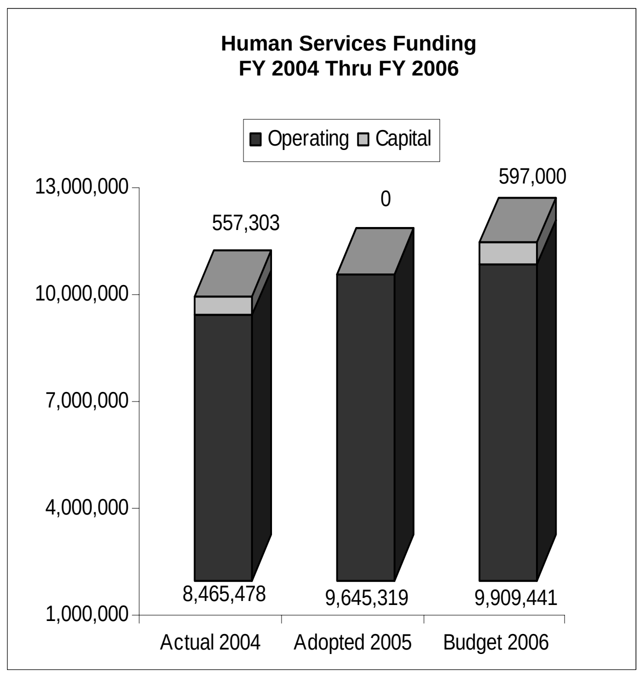
FUNDING

In Fiscal Year 2005/2006 a total of $10,506,441 is allocated by the Board of County Commissioners in support of human services operations. This allocation represents approximately 5.0% of the total Fiscal Year 2005/2006 budget.

HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating budget, with respect to human services include:

- Increased funding for child protection examinations.
- Primary Healthcare patients increased by 58% while per patient costs were reduced from $250.31 to $146.55.
- The Mosquito Control Division responded to more than 1200 service requests in the first quarter of the fiscal year.
- Purchase of excavating equipment to dredge stormwater facilities and conveyance systems with limited or no easement access. Equipment will also be used to clean out and dredge the trash rack at Lake Henrietta.



COUNTY FACT

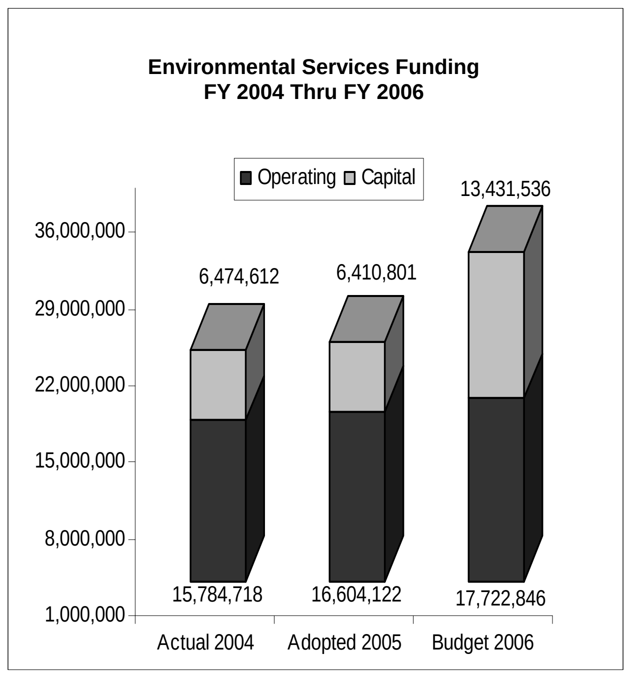
There are over 7,000 citizens registered with CareNet.

Environmental Services

Environmental Services operations and capital projects funded for Fiscal Year 2005/2006 represent a broad range of services provided by Leon County for the primary purpose of achieving a satisfactory living environment by controlling and utilizing elements of the environment. This includes services provided by the Solid Waste, Stormwater Engineering, and Stormwater Maintenance Divisions of the Public Works Department, the GIS Division of the Management Services Department, the Cooperative Extension Division of the Public Services Department, and the Development Services, Environmental Compliance, Water Quality Monitoring, and Aquatic Weed Control Divisions of the Office of Growth & Environmental Management.

FUNDING

In Fiscal Year 2005/2006 a total of $31,154,382 is allocated by the Board of County Commissioners in support of environmental services operations and capital projects. This allocation represents approximately 14.8% of the total Fiscal Year 2005/2006 budget.



HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating and capital budget, with respect to environmental services include:

- Processed, screened and loaded 184,325 tons of waste to be delivered to Springhill Regional Landfill in Jackson County, FL for disposal.
- Provided extensive volunteer training for Master Gardeners and Master Wildlife Conservationists which resulted in a supply of over 7,000 hours of volunteer time.
- Provided approximately 3,600 analyses to check water quality in Leon County area lakes.
- Recycled 5,021 tons of appliances and other metals, as well as 289 tons of waste tires.

COUNTY FACT

Environmental Compliance conducted over 6,500 compliance inspections.

Economic Development

Economic Development operations funded for Fiscal Year 2005/2006 represent a broad range of services provided by Leon County designed to develop and improve the economic condition of the community and its citizens. This includes services provided by the Tourist Development Council, Economic Development Council, Veteran Services division of the Public Services Department, and the Housing Unit of Health and Human Services Division of the Public Services Department. Leon County is also the primary contributor to the Community Redevelopment Area (Frenchtown).

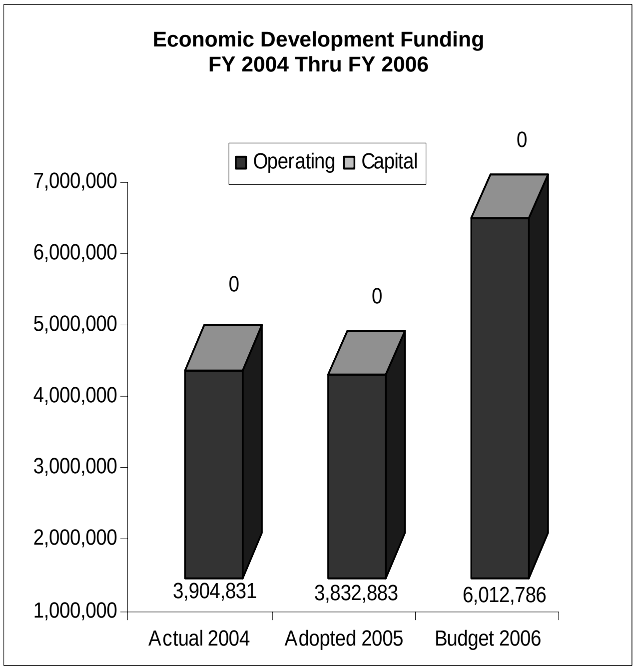
FUNDING

In Fiscal Year 2005/2006 a total of $6,012,786is allocated by the Board of County Commissioners in support of economic development operations. This allocation represents almost 2.9% of the total Fiscal Year 2005/2006 budget.

HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating budget, with respect to economic development services include:

- Continued funding to support the Downtown Community Redevelopment Area (CRA) as well as continued funding of the existing Southside/Frenchtown (CRA).
- Continued commitment to the County's participation and administration of the State Housing Initiatives program.
- Continued support of the County's "Summer Youth Employment" program.
- Continued support of the Veteran Services division of the Public Services Department.



COUNTY FACT

Housing Services completed housing rehabilitation, home replacement, down payment assistance and disaster mitigations services to 120 clients.

Courts

Court operations funded for Fiscal Year 2004/2005 represent a broad range of services provided by the Judicial Branch of Leon County government. This includes services provided by the Second Judicial Circuit of the State of Florida, the State Attorney, and the Public Defender. The County Constitutional Office of the Clerk of the Court also provides services in support of the Judicial Branch of government. Beginning July 1, 2004, the County's role in support of the Courts changed significantly with the implementation of Revision 7 to Article V of the state constitution. The State of Florida is now responsible for the majority of funding as it relates to the operation of the Court System. The County is still obligated for a number of items, including facilities, technology and court security.

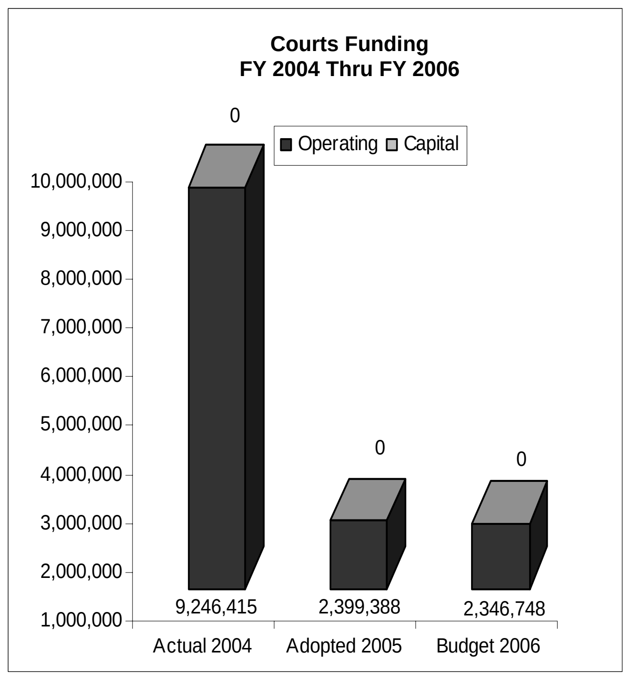
FUNDING

In Fiscal Year 2005/2006 a total of $2,346,748 is allocated by the Board of County Commissioners in support of Judicial Branch and court related operations. This allocation represents almost 1.1% of the total Fiscal Year 2004/2005 budget.

HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating budget, with respect to court related services include:

- The State of Florida mandated that counties fund juvenile detention centers. This expense was previously funded by the state. The budget includes over $1.4 million for this purpose.
- Continued funding of positions to address jail overcrowding - Detention Review Coordinator and Mental Health Coordinator.



NOTE: All capital funding for Court related expenses are contemplated in the General Government Section.

COUNTY FACT

Guardian Ad Litem represented almost 1,200 children alleged to be abused, neglected or abandoned.

General Government

General government operations and capital projects funded for Fiscal Year 2005/2006 represent a broad range of general services provided by Leon County. This includes services provided by the legislative and administrative branches of County government like the County Commission and the County Administrator. Additionally, general government funding is allocated in support of services provided by the Property Appraiser, the Tax Collector, the Supervisor of Elections, the County Attorney, and the Tallahassee-Leon County Planning Department.

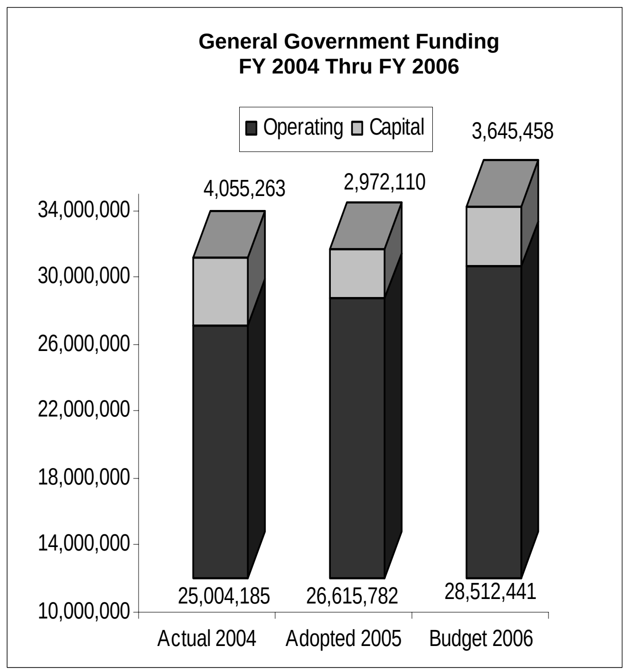
FUNDING

In Fiscal Year 2005/2006 a total of $32,157,899 is allocated by the Board of County Commissioners in support of general government operations. This allocation represents approximately 15.3% of the total Fiscal Year 2005/2006 budget.

HIGHLIGHTS

Key highlights of the Fiscal Year 2005/2006 operating and capital budget, with respect to general government services include:

- As authorized by the County Commission, FY 2005/2006 will be the 4th year that low-income seniors are able to realize an additional $25,000 homestead exemption.
- The FY 2005/2006 budget provides continued support of all Leon County's Constitutional Officers.
- The FY 2005/2006 provides continued support for the Tallahassee-Leon County Planning Department.
- Recent legislation requires the issuance of new Voter ID Registration Cards. Additional funding for the Supervisor Elections is being provided for the statewide Voter Registration System.



COUNTY FACT

There are 53,021 citizens receiving homestead exemptions and 2,010 citizens receiving the senior homestead exemption.

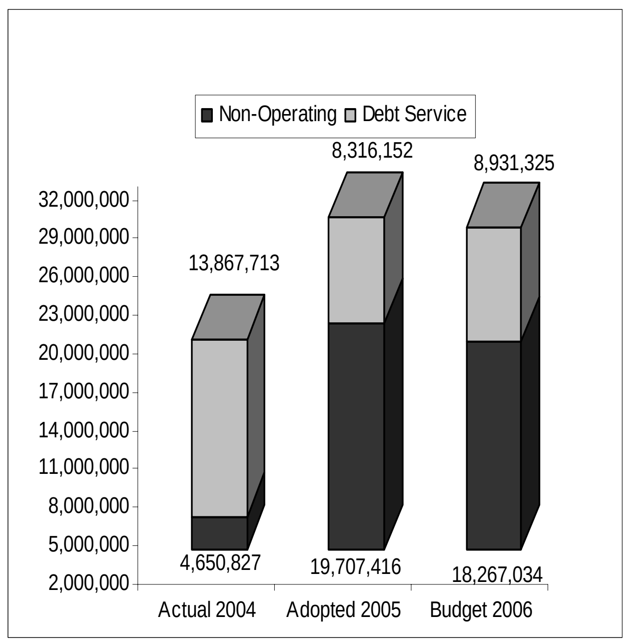
Other Expenses and Debt Service

NON-OPERATING EXPENSES

Non-operating funding is provided by the Board of County Commissioners for those activities for which costs do not apply solely to any specific County department's function, but are either applicable to the operation of County government as a whole, or are provided for the public good. The County employees responsible for the administration of these programs are presented in specific County Administrator department budgets.

In Fiscal Year 2005/2006 a total of $18,267,034 was allocated by the Board of County Commissioners for non-operating expenses. This allocation represents approximately 8.7% of the total Fiscal Year 2005/2006 budget.

Non-Operating expenditures support the various County activities which include: Fleet Management, countywide communication services and infrastructure, risk management and insurance programs, and reserve and contingency funding for a multitude of County programs and activities.



DEBT SERVICE

The various Debt Service Funds account for the debt service, including the accumulation of resources and payment of principal and interest, associated with the existing bonds previously issued by the County.

In Fiscal Year 2005/2006 a total of $8,931,325 was allocated by the Board of County Commissioners for debt service expenses. This allocation represents approximately 4.3% of the total Fiscal Year 2005/2006 budget.

FLORIDA'S CAPITAL COUNTY

LEON