

CITY OF JACKSONVILLE BEACH ANNUAL BUDGET



FISCAL YEAR ENDING SEPTEMBER 30, 2014

CITY OF JACKSONVILLE BEACH OFFICIALS:

Mayor: Charlie Latham

Councilmembers:	Chris Hoffman	Seat 1, At-large
	Phil Vogelsang	Seat 2, At-large
	Keith Doherty	Seat 3, At-large
	Steve Hartkemeyer	Seat 4, District 1
	Jeanell Wilson	Seat 5, District 2
	Tom Taylor	Seat 6, District 3

City Clerk: Judy L. Bullock

City Attorney: Susan S. Erdelyi

City Manager: George D. Forbes

Department Directors:

Gary Frazier	Chief, Fire Department
Patrick K. Dooley	Chief, Police Department
Roy Trotter	Director of Beaches Energy Services
Karen Nelson	Director of Human Resources
Gary Meadors	Director of Parks & Recreation
Steven G. Lindorff	Director of Planning & Development
William T. Edwards, P.E.	Director of Public Works
Harry E. Royal, C.P.A.	Finance Officer

WORKING TOGETHER: COMMITTED TO THE CITIZEN

2014 ANNUAL BUDGET
TABLE OF CONTENTS

City Officials

Table of Contents

Distinguished Budget Award: 2012-2013

Budget Message and summaries of changes in revenues and expenditures	i
Community Profile	1
Budget Overview:	
Form of Government	11
Goals	12
City Services	14
Budget Process	16
Fund Accounting	19
Budget, Accounting & Financial Policies	25
Organization Chart	32
Expenditure Summary by Business Plan and Fund	33
Business Plans:	
Executive and Legislative	35
Planning & Development	47
Parks & Recreation	63
Public Works	83
Police	99
Fire	111
Beaches Energy Services	121
Finance	143
Human Resources	151
Funding Sources	159
Budget Summaries	177
Major Funds	178-185
Other Funds	186-189
Authorized Positions	190
Capital Outlay Detail	192
Debt Service and Capital Projects	194
Transfers to/from Other Funds	201
Capital Improvement Plan 2014-2018	203
Glossary	269

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Jacksonville Beach, Florida for its annual budget for the fiscal year beginning October 1, 2012. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

City of

Jacksonville Beach

City Hall

11 North Third Street

Jacksonville Beach

FL 32250

Phone: 904.247.6268

Fax: 904.247.6276

www.jacksonvillebeach.org

September 6, 2013

The 2014 Annual Budget and Capital Improvement Plan adopted on September 9, 2013, leaves the millage rate unchanged from the current year at \$4.0947 mills. The total adopted budget of \$161.5 million is \$16.8 million less than the 2013 budget. It funds a full range of services important to our community's quality of life without an increase in taxes.

ECONOMIC INFLUENCES

Although there has been improvement, the economy seems to be sending mixed signals with regard to its recovery. Median sales prices for single family homes are increasing, but statewide are still well below their pre-recession peaks. Unemployment in the Jacksonville area has fallen to 6.5% as of May 2013, from 8.1% last year (and a high of 10.9% in 2010), and less than the statewide rate of 7.3%. Unfortunately, one reason for the decrease is a low labor force participation rate. Current projections indicate that unemployment in the Jacksonville area will not fall below 6% until the end of 2016. Payrolls are also not expected to recover to their pre-recession levels until late 2016. This slow growth in the labor force has a direct impact on the growth of local economies, including ours (*The Florida & Metro Forecast 2013-2043; University of Central Florida Institute for Economic Competitiveness*).

This year, property values continued to fall in Jacksonville, but at a slower rate than in previous years; in Jacksonville Beach, however, property values rose slightly for the first time since 2008. Since 2008, Jacksonville Beach property values have fallen by \$693 million (22%). An increase in land development code, site plan, conditional use and variance request approvals along with the related building permit revenue provides a reason to be optimistic about the future.



Within the budget development framework, there exist issues that may not affect the budget development in the next year, but have the potential to affect it in the future. Among the most prominent areas of concern are:

- Expiration of the Local Option Gas Tax in 2016 – the gas tax provides approximately \$700,000 annually for street and road rehabilitation
- Proposed legislation limiting local governments' ability to fund their operations – specifically, limits on the Communications Services or Local Business Taxes
- Reductions in federal programs such as beach renourishment, grants and Community Development Block Grants
- Potential hurricanes or other significant emergencies
- Changes to interlocal agreements that may increase the City's costs
- Costs to maintain and replace City facilities and parks, streets, drainage, water, sewer and electric systems – including the high cost of environmental mandates by agencies that regulate those systems
- Costs of providing police, lifeguards, beach and cleanup and traffic control to a large number of visitors
- Labor costs and the City's ability to retain a well-trained and highly motivated workforce – including costs for pensions and health insurance – and the effects of the Affordable Healthcare Act

We constantly monitor these issues and are advocates for local government with our elected representatives and regulatory agencies at the local, regional, state and national levels.

BUDGET SUMMARY

Since 2008, City departments have been asked to submit budgets that were either reduced or flat compared to the prior fiscal year, without reductions in service to the community. This means that they have been expected to find operating efficiencies to offset costs that have continued to rise through inflation, contractual agreements or for other reasons.

As with any service-based organization, the City's primary cost is for the people who provide services. Although our services have been outsourced where practical, payroll (personal services) will always be a very significant part of our budget, one that is difficult to reduce when a department has levels of service specified in its business plan that must be met.

	All Funds		General Fund	
Personal Services	\$27,461,462	44%	\$13,007,326	70%
Operating Costs (energy purchases excluded)	\$35,020,516	56%	\$5,450,622	30%
TOTAL OPERATING COSTS	\$62,481,978		\$18,457,948	

Since 2008, no budget increase has been included for contract or across-the-board pay increases and 30 positions have been eliminated, an 8.4% decrease in the City's workforce. Merit increases have been gradually eliminated as union contracts were renegotiated since 2010. The 2014 budget makes the following changes in authorized positions:

- Adds 1 police corporal to the Downtown CAPE program
- Eliminates 1 equipment mechanic (Golf Maintenance) and 1 equipment operator (Grounds Maintenance), changes 1 maintenance worker from part-time to full-time

- Eliminates 1 electric safety and training position and 1 line truck operator (Beaches Energy)

CITY COUNCIL PRIORITIES

At a workshop in November 2012, the City Council chose five areas that they wished to make priorities:

- Sound Financial Management
- Public Safety
- Parking
- Business Growth
- Community Building

This 2014 budget provides funding for many programs, projects and events that further their priorities.

SOUND FINANCIAL MANAGEMENT

The budget process begins every year, with preparation of the 5-Year Capital Improvement Plan. Preparation of this plan starts with 5-year revenue projections for every major fund and a number of other, smaller funds that are used to pay for major projects or repairs. Departments identify projects to be included in the plan (minimum cost is \$25,000) along with estimated costs. Revenue estimates are then matched to the cost estimates, and the project list is adjusted based on the revenue expected to be available to pay for those projects. This practice focuses attention and resources on expensive items separately from the operating budget and helps to alert managers to possible revenue deficiencies that may need to be addressed. Projects are not included in the plan if the revenue stream will not support the department's projected total operating and capital costs over the five-year period.

Due to consistent, sound financial management and conservative spending practices, the City of Jacksonville Beach has been able to weather the recession

by limiting the rate of increases in spending and hiring, by building reserves in the years leading up to the recession, and by acting early to reduce spending and authorized positions before the recession began. In order to better control pension costs, we have engaged an actuarial consultant and an attorney to help us identify and implement changes to our pension plans that will reduce the rate of unsustainable annual cost increases. In order to manage health insurance costs, we have implemented wellness programs and passed more of the cost to our employees. A Request for Proposal was issued this past spring and we are considering which proposals will offer the City and its employees the best plan at a reasonable cost. Our employees are required to attend periodic safety and accident training to keep accident and insurance rates low.

PUBLIC SAFETY

The Downtown CAPE Policing Initiative, funded by the Community Redevelopment Agency (CRA), consists of four police officers who are assigned full-time to patrol the downtown area, interacting closely with business people, residents and visitors and focusing on issues of public safety and quality-of-life crimes. The CRA also provides funding for additional officers working in the Downtown redevelopment district on an overtime basis during peak workload times. This budget includes the addition of a fifth officer, a police corporal to supervise the officers in this program.

The Police Department continues to work closely with other local agencies to identify resources and provide assistance to vagrants who may be receptive to their collective efforts. This year, the City Council held a well-attended community workshop that included participation by Mission House and the Sulzbacher Center to discuss the components that contribute to vagrancy, and the resources and options available to manage the problems associated with it.

Other public safety programs funded in this budget include firearms and bicycle safety, neighborhood watch and DUI prevention, fire safety and prevention and hurricane safety. The Police Department is one of the few that still provides drug resistance training to middle school students through its DARE program.

The Police Department's Citizen Police Academy, its Alumni Association and the Citizens on Patrol programs all contribute to public safety efforts by educating participants about police operations and responsibilities and providing participants an opportunity to get involved in public safety. Volunteers in these programs provided over 12,300 hours of service to the department in 2012 – the approximate equivalent of six full time positions.

PARKING

Issues related to downtown parking and the adjacent residential areas have been the subject of discussion for a number of years. This year, management of the security for the downtown parking program, previously outsourced, was taken over by the Police Department. The 2014 budget includes funding for one supervisor and ten part-time Community Service Officer II's. It will be their responsibility to oversee parking enforcement in four city-owned parking lots downtown by providing security and information to visitors. The budget also includes some overtime for additional police officer security.

We are currently identifying and discussing longer-term options for parking management throughout the City, most recently at a workshop in late-August. Additional workshops will be scheduled to discuss and refine proposals for parking management in the coming months.

Two separate workshops to identify parking options for low-speed vehicles at street-ends were held in February of this year. As a result, parking spaces at various locations throughout the City have been specifically marked as being reserved for low-speed vehicles.

BUSINESS GROWTH

In the Downtown and South Beach redevelopment districts, many water, sewer, drainage and road systems have been completely rebuilt, making those areas attractive and functional to both residential and commercial customers.

Commercial construction activity has picked up in the past year. Building permits have been issued for two multi-family properties containing 40 units. Three other properties, two mixed use and one multi-family, are currently under building

permit review. These three properties will add 240 residential apartments and 4,500 square feet of commercial space in various parts of Jacksonville Beach. All five will bring new customers to our existing businesses and create the demand for goods and services in adjacent commercial areas.

In July 2010, Beaches Energy Services began to provide natural gas to customers. The natural gas system, designed to primarily serve commercial customers within the Beaches Energy service area, gave businesses an opportunity to reduce their costs by converting to natural gas from propane. We continue to consider adding lines to the system when the addition makes economic sense.

Early this year, the position of Business Relations Coordinator was established to provide businesses with one point of contact when they move or relocate here or are simply having difficulty completing their business with the City. The Business Relations Coordinator is also an ambassador, making contact with new businesses and welcoming them to our community. We are getting favorable responses to this work being done to aid our businesses.

Due to budget constraints and unruly crowds in 2012, 4th of July fireworks were eliminated from the 2013 budget. Based on feedback from the City Council and the community earlier this year, the fireworks were added back to the 2013 budget. A fundraising campaign earlier this summer brought in \$13,000 to offset part of their cost, with much of the money raised from our local businesses. Funding for fireworks is included in the 2014 budget.

We are currently working to improve our technology systems and expand programs to enable our residential and commercial customers to transact business with us electronically. Funding for the Information Systems master plan was set aside in the 2013 budget. The improvements, described in the Capital Improvement Plan in the back of this book, are expected to be completed in phases over the next 4 years.

COMMUNITY BUILDING

Community attachment has been shown to be strongly correlated to local business growth. Factors that are most significant in building community attachment are a variety of ways and places for people to meet through programs and social offerings, the perception of community inclusiveness and the physical beauty of the community, including the availability of parks and green space. As a local government, part of our business is to provide attractive, inviting spaces that create opportunities for that community attachment to occur.

It is important, therefore, that we continue to keep all City facilities well maintained. The budget includes funding to inspect City facilities regularly and schedule appropriate maintenance when it is needed. The 2014 budget includes a project to rebuild a bulkhead at the golf course and to stabilize the stormwater pond at the dog park. The Public Works budget includes funding for beach and downtown cleanup, dumpster enclosures and street sweeping to keep Jacksonville Beach clean and debris-free.

In the year end budget adjustment for the 2013 budget, we began to fund a reserve to replace the roofs at some of the City's larger buildings: the Operations and Maintenance Facility, the Police Station and City Hall, among others whose roofs are 15-20 years old. We build reserves in order to be able to pay for major repairs without borrowing.

Keeping City facilities well maintained includes making sure that our utilities, whose condition is largely out of sight, get proper attention and care. The budget includes a number of electric, water & sewer projects designed to improve or maintain the quality of service provided to our customers. Our Capital Projects Team meets monthly to discuss the status of projects and potential problems. This team has been instrumental in keeping our big projects moving forward and in all of the improvements that make Jacksonville Beach an attractive community.

Special events provide other opportunities for people to connect. The budget funds the Jazz Series, Moonlight Movies, the annual Beaches Parade and

fireworks. Along with the management of those City-sponsored events, the budget pays for staff time to provide logistical support to the large number of private organizations that use City facilities for fundraising and awareness events. A partial list of these events is in the Parks and Recreation business plan. The department also provides logistical support for the large number of adult and youth sports leagues that keep the Wingate Park sports complex very busy for most of the year.

As mentioned earlier, the Police Department sponsors programs such as the Citizen Police Academy, Youth Police Academy, Kids Fishing Rodeo, Halloween and Christmas parties. This year, for the first time, the Department and members of our community participated in the annual National Night Out. National Night Out is designed to strengthen communities by encouraging neighborhoods to engage in stronger relationships with each other and with their local law enforcement partners. The 2014 budget makes continued participation in the event possible.

Another way the City is working to build community is by encouraging more community participation. We are holding more workshops, using a variety of techniques designed to make participants more comfortable discussing sometimes politically divisive issues with the goal of obtaining as much thoughtful feedback as possible. Most recently, the workshops have been particularly helpful with issues related to parking.

A re-design for both the City and Beaches Energy websites is currently underway. In the short-term, the website improvements will make it easier to get information; longer-term, future planned improvements will give our customers more options to conduct their business electronically. We are increasing our use of social media as a tool to engage anyone interested in our operations and as a tool to inform our “friends”, “likes” and “followers” in the event of an emergency.

Jacksonville Beach is fortunate to have many strengths: a temperate climate and great natural beauty, 4.1 miles of oceanfront with plenty of public access, and space for walking and bike riding. Engaged and well educated residents support

a variety of cultural, social, service and recreational activities that appeal to many different interests. The 2014 budget allows the City to continue to provide services that help make Jacksonville Beach such a great place to live and work. Much more detail about the programs and projects funded for 2014 is included in the department business plans in this document.

OTHER PROCESSES

In addition to the budget process, the City periodically offers other processes through which members of the community have the opportunity to guide the direction of the community and to make budget recommendations.

Our Downtown Vision Plan, for example, grew out of a 2007 walking tour of the area and a subsequent three-day charrette. The resulting projects include roadway, drainage, water and sewer facility improvements. Phase I of the improvements was completed in 2011; Phase II was completed at the end of 2012. Construction of Phase IIIA will be complete before the end of the year. Phases IIIB, C and D are in various stages of design and survey. These projects will continue to significantly improve the appearance and functionality of the area.

Paid parking is one tool that shows potential in reducing some of the misbehavior that occurs in and around the downtown parking lots. Parking revenues are used to provide additional security in the downtown lots. Based on information gathered since the beginning of a paid parking program in 2009, guidance from the City Council, and input from the community at several recent workshops, several options are being considered for implementation over the next year. The implementation costs will vary with the type of program selected. These costs are anticipated to be paid for by downtown tax increment funds following the amendment of the downtown redevelopment district master plan.

Misbehavior in establishments that over-serve alcohol is generally addressed by police in a reactive manner because by law, police officers cannot operate inside a bar, so what happens inside these establishments is up to the owner or

manager. In February 2011, following supportive feedback obtained in two well-attended workshops, the City Council adopted an ordinance to create some incentives for owners and managers to do a better job of limiting the amount of alcohol consumed by patrons in their establishments. We believe this ordinance has been effective. It is worth noting that most of those arrested downtown do not live in Jacksonville Beach.

For the past few years, the capital improvement plan process pointed out the inadequacy of water and sewer rates to pay for anything more than personnel and operating costs. As a result, the City engaged a consultant who created options addressing the revenue shortage to the City Council that resulted in the adoption of rate increases of 7.5% in 2012-2014, with CPI adjustments after that. Water and Sewer Fund revenues in the 2014 budget include the third year of the rate increase which is funding more projects to rehabilitate our water and sewer system.

BUDGET DEVELOPMENT

Revenues used to develop the budget were projected (see Funding Sources section) based on estimates from the State of Florida, current contracts, interlocal agreements, prescribed formulas and five-year cash flow projections.

Prior to the receipt of property values from the Property Appraiser, we relied on revised information provided by the Florida Ad Valorem Estimating Committee to estimate property tax revenue. Although those estimates for Duval County showed a 1.2% increase for next year, followed by an increase of 2.4% for 2015, the preliminary estimate for property taxes was based on a more conservative assumption of no change in property values and no change in the millage rate (\$4.0947 mills).

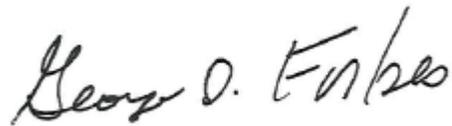
Once the initial revenue estimates were made, expenses were estimated and instructions to departments were developed. With 30 positions eliminated since 2008, most departments are lean in terms of staffing.

1. Payroll was projected assuming there would be no merit pay plan, cost of living or other pay increases. The only budgeted payroll increases were for new hires expected to successfully complete their probationary period. The projection assumed there would be no vacancy in any authorized positions.
2. Pension cost increases of 18% were based on a preliminary projection from the pension funds' actuary.
3. No new or additional positions were considered in the projected payroll, although toward the end of the process, a corporal was added to the Downtown CAPE program.
4. The cost of energy was estimated based on historical consumption and consumption patterns and projected pricing from the Florida Municipal Power Agency, from whom Beaches Energy purchases all of its power.
5. The cost of all insurance for property, liability, workers comp and health insurance was estimated to increase 8%, based on recent rate history and the City's experience rates.
6. Departments were instructed to develop spending plans by assuming they would have to absorb pension increases and therefore, find savings in their operating budgets to offset them.

Each year, following the development of the proposed budget, the City holds a Citizen's workshop to solicit feedback on spending priorities, a budget tour, four budget review workshops, and two public hearings. This requires a significant investment of time on the part of the City Council, City staff, citizens and business owners who attend these meetings.

We thank everyone for their leadership and thoughtful participation that improves the process every year.

Sincerely,



George Forbes
City Manager



Harry Royal
Finance Officer



Trish Roberts
Budget Officer

Summary of Changes in Fund Balance, Revenues and Expenditures:

Fund Balance:

The City divides its funds into categories of major and nonmajor to comply with criteria established by governmental accounting rules (GASB 54). 81.5% of 2014 budgeted revenue and expense can be found in the City's five major funds. Of the City's fund balance, 58% is restricted or has some kind of limitation on how it can be used. In conjunction with the implementation of GASB 54, the City

adopted Resolutions #1887-2011 and #1890-2011, to specify its fund balance classifications and permitted uses for them.

Major Fund or Nonmajor Fund Type	Revenues 2014	Expenses 2014	Budgeted	
			Change in Fund Balance	% Change
General Fund	\$18,785,485	\$18,885,485	(\$100,000)	-1.1%
Redevelopment	7,063,330	6,112,239	951,091	118.7%
General Capital Projects	235,000	1,061,056	(826,056)	-17.8%
Electric	93,039,509	95,270,168	(2,230,659)	-3.8%
Water & Sewer	10,233,928	10,353,306	(119,378)	-1.3%
Total Major Funds	129,357,252	131,682,254	(2,325,002)	-2.8%
Nonmajor Governmental	3,265,270	3,577,359	(312,089)	-7.4%
Nonmajor Enterprise	8,587,411	8,756,547	(169,136)	-1.7%
Nonmajor Internal Service	11,417,341	11,561,870	(144,529)	-4.0%
Nonmajor Pension	10,001,841	5,935,539	4,066,302	5.8%
Total Nonmajor Funds	33,271,863	29,831,315	3,440,548	3.9%
TOTALS	\$162,629,115	\$161,513,569	\$1,115,546	0.7%

Ending Fund Balance	Unrestricted	All Other	Total Fund Balance	% of Total
General Fund	\$1,141,170	\$8,271,666	\$9,412,836	5.5%
Redevelopment	-	1,752,259	1,752,259	1.0%
General Capital Projects	-	3,817,728	3,817,728	2.2%
Electric	48,374,955	7,936,994	56,311,949	32.8%
Water & Sewer	7,914,995	1,435,783	9,350,778	5.5%
Total Major Funds	57,431,120	23,214,430	80,645,550	47.0%
Nonmajor Governmental	623,230	3,274,113	3,897,343	2.3%
Nonmajor Enterprise	9,879,100	-	9,879,100	5.8%
Nonmajor Internal Service	3,495,608	-	3,495,608	2.0%
Nonmajor Pension	-	73,621,273	73,621,273	42.9%
Total Nonmajor Funds	13,997,938	76,895,386	90,893,324	53.0%
TOTALS	\$71,429,058	\$100,109,816	\$171,538,874	100.0%
	42%	58%		

General Fund: The budgeted fund balance decrease represents the reserve amount needed to fund budgeted expenditures in 2014. Of the \$8.3 million of

fund balance classified as “All Other”, \$4.5 million has been committed for revenue stabilization and \$3.8 million has been assigned for emergencies and unanticipated events as described in Resolution #1877-2011 and #1890-2011.

Redevelopment Fund: The increase in fund balance in the Redevelopment Fund is the result of a timing difference between the receipt of tax increment revenue and award of bids for design and construction of projects that have been approved by the Community Redevelopment Agency. Projects are budgeted once design is complete and the City has a construction estimate based on the design. The use of fund balance is restricted by Florida Statutes to be spent in the redevelopment district for purposes specified in its adopted redevelopment plan. Construction of Phase IIIA nearing completion; and design of Phases IIIB-D of the Downtown Vision Plan is underway. Construction of the South Beach Infrastructure Project began in July with completion expected in the fall.

General Capital Projects Fund: The General Capital Projects Fund accumulates funds necessary to perform expensive infrastructure improvements or equipment replacements or upgrades, in order to avoid having to borrow for such projects. Funding is primarily from transfers from other funds, interest earnings and occasional grant funds that the City may receive for such projects. Because the type and cost of these replacements varies from year to year, this budget can show big swings in expenses. Budgeted revenue is a transfer from the General Fund for a fire truck replacement tentatively scheduled for 2015 (\$75,000), and the heavy vehicle equipment replacement reserve (\$90,000). Part of the cost of computer replacements (\$40,000) included in the information technology master plan will come from the Lease Facilities Fund. Budgeted capital expenses are for the reconstruction of a bulkhead for hole #14 at the golf course (\$100,000), annual computer replacements (\$99,447), replacement of a blade center, a server at the Police Department (\$440,000), replacement of self-contained breathing apparatus (\$175,000) and a portion of the cost of design for the 10th Street South Industrial Park Area Project (\$91,609). The use of these

fund balances is assigned by Resolution #1877-2011 and #1890-2011 to be used to pay for major repair and replacement of equipment and facilities.

Electric Fund: Beaches Energy Services, the City's electric utility, expects continued stability in its power costs that will also result in stable electric prices for its customers. Since June of 2010, Beaches Energy has reduced the residential electric rate for 1,000 kilowatt hours of electricity to \$124.91, which is less than it was in October, 2008. The decrease in fund balance is primarily due to a reduction in revenues due to expected continued stable power costs. Restrictions on fund balance in the Electric Fund exist to set aside balances required by bond covenants and for customer deposits.

Water & Sewer Fund: In early 2012, the city engaged a consultant to update the last water and sewer rate study and instituted 7.5% rate increases through 2014, with CPI increases thereafter. The rate increase was adopted to pay for needed water and sewer system improvements. The additional funding is enabling Public Works to move forward with projects in 2014 that include improvements to water and sewer mains, sewer lift stations, and extensions to reuse mains. Expanded programs for water valve and sewer system maintenance are also included in the budget. Restrictions on fund balance exist in compliance with bond covenants.

A description of identified projects is included in the Capital Improvement Plan.

Nonmajor Governmental Funds: Nonmajor governmental funds have dedicated revenues from taxes, grants, bond proceeds, or fines and confiscations. Revenues can vary greatly from year to year, as can the related spending in funds where the revenues are required to be spent on new equipment or programs. Ongoing grant funding for continuing programs such as the Carver Center (partial funding from the Community Development Block Grant), and police overtime for the Community Response Team (partial funding from a Justice Assistance Grant) has been decreasing. The budgeted decrease in nonmajor governmental fund balance this year is caused by the the use of

special revenues received in a previous year to pay for projects budgeted in 2014. Restrictions on most governmental funds come from state and federal law and enabling legislation, bond covenants and contractual obligations.

Nonmajor Enterprise Funds: The decrease in Stormwater fund balance is due to the inclusion of projects from the Stormwater master plan (\$688,438) against relatively flat revenues. Stormwater bonds were paid off in 2012, making an additional \$450,000 per year for system improvements. The Sanitation budget includes the replacement of a street sweeper (\$200,000) that will make its expenses more than its revenues. Although contract costs have risen slightly over the past several years, the City does not anticipate increasing its garbage rates to cover the cost increases. Estimates of natural gas revenues have been revised downward to reflect a growth rate that has not been as rapid as was anticipated in the initial planning estimate. Consideration is being given to expanding the system (increasing capital outlay expenses by \$100,000 in 2014) in certain commercial areas served by the utility. The slight decrease in the fund balance of the Golf Course is due to equipment replacement.

Nonmajor Internal Service Funds: Internal service funds account primarily for the activities associated with providing services to other City departments, such as accounting, utility billing, data processing, purchasing, human resources, grounds maintenance and risk management (insurance). Budgeted revenues in internal service funds also represent budgeted expenses in the City's other operating funds, meaning that revenues equal expense and there is normally no change in fund balance. Interest earnings on the self-insurance reserve in the Workers' Comp Insurance Fund are used to reduce the cost for workers comp insurance charged to other departments. That cost reduction is the reason for the decrease in internal service fund balance.

Pension Funds: The City has three pension funds to account for its defined benefit pension plans for general, police and fire employees. Revenues are expected to exceed costs in 2014 by about \$4.1 million. All of the pension fund balances are restricted to payments for current and future retirees.

Revenues by Category:

Revenues	Original Budget 2013	Approved Budget 2014	Increase (Decrease)	% Change
Taxes	\$17,980,318	\$18,314,213	\$333,895	1.9%
Permits & fees	303,800	358,600	54,800	18.0%
Intergovernmental	3,785,507	3,913,724	128,217	3.4%
Charges for services	129,181,431	121,936,048	(7,245,383)	-5.6%
Fines & forfeitures	204,500	217,000	12,500	6.1%
Interest & other	10,873,401	12,184,712	1,311,311	12.1%
Transfers in	6,495,133	5,704,818	(790,315)	-12.2%
Total Revenues	\$168,824,090	\$162,629,115	(\$6,194,975)	-3.7%

Taxes: A change in the way the City is required to account for the insurance premium taxes that are restricted for use in the police and fire pension funds is the primary reason for the increase. Previously, those revenues (\$350,069 in 2014) were only reported in the pension funds. Now, they are reported in both the General Fund and the Pension funds.

Permits & fees: An increase in estimated permits & fees resulted from an increase in building activity within the City.

Intergovernmental: Intergovernmental revenue comes primarily from tax revenues that are collected by the State and distributed to counties and cities. Grant revenues, while not significant in the 2014 budget, are also included in this category. Estimates from the Florida Department of Revenue's Office of Tax Research and recent receipt history are the reason for increases in the City's estimated revenues from other governments.

Charges for services: Changes in the cost of power are recaptured through the power cost adjustment on the customer's monthly bill (See Beaches Energy Services). Both Beaches Energy Services (76% of this category) and Natural Gas Fund budgets contain reductions in revenue estimates based on current and projected consumption. With the exception of Water & Sewer rates, all other City utilities' rates are expected to remain stable. Water and Sewer rates will

increase by 7.5% in 2014 in the last year of a 3-year rate increase that was enacted to enable it to pay for needed system maintenance and improvements. Beaches Energy Services expects to maintain its rates through FY2014 (76% of this revenue category).

Fines & forfeitures: The budget anticipates that an increase in revenue from its downtown parking program will partially offset continued decreases in revenue from court fines. This revenue source has decreased by over half since FY2005, due to changes in the allocation of traffic fines made by the State legislature.

Interest & other: Interest earnings and gains on pension investments are expected to increase in FY2014, reversing the 5-year decline in this revenue source.

Transfers in: Included in the 2013 budget was the one-time transfer of \$850,000 from the Lease Properties Fund to the General Capital Projects Fund to provide a majority of the funding for the Information Technology Master Plan. Transfers from the Lease Facilities Fund into other funds have returned to previous levels in the 2014 budget (\$260,000 per year).

For additional information on revenues, please refer to both the Funding Sources and Financial Summaries sections of this document.

Expenditures by Category:

Expenditures by Category	Original Budget 2013	Approved Budget 2014	Increase (Decrease)	% Change
Personal Services	\$27,130,863	\$27,461,462	\$330,599	1.2%
Operating-Energy	74,630,823	72,184,977	(2,445,846)	-3.3%
Operating-All Other	36,209,313	35,020,516	(1,188,797)	-3.3%
Capital Outlay	27,005,304	14,687,285	(12,318,019)	-45.6%
Debt Service	6,874,394	6,442,974	(431,420)	-6.3%
Grants to Others	11,537	11,537	0	0.0%
Transfers out	6,495,133	5,704,818	(790,315)	-12.2%
Total Expenditures	\$178,357,367	\$161,513,569	(\$16,843,798)	-9.4%

Personal Services: The City's payroll budget increase is the result of a \$292,000 increase in the cost of its pension contribution. The budget also includes an 8% estimated increase in workers comp insurance. Smaller increases in overtime for the downtown parking program were offset by decreases in wages. The 2014 budget makes the following changes to the number of authorized positions:

- Adds a supervisory position (corporal) to the Downtown CAPE police unit
- Eliminates an equipment operator and changes a part-time maintenance worker to full-time (Grounds Maintenance)
- Eliminates an equipment mechanic (Golf Maintenance)
- Eliminates a line truck operator and a safety/training position (Beaches Energy)

The Police Department's budget includes a \$30,000 decrease in overtime for the cost of police overtime related to downtown parking and a \$5,000 increase in overtime in the Fire Department budget. In the future, to manage payroll costs, more of the increases in health insurance may be passed on to employees. Employee pension contribution rates may also increase to the extent permitted by state law.

The entire LIUNA (non-police and non-fire employees) contract is currently being negotiated. The wage article for FOP (police) and the entire IAFF (fire) contract are both open for negotiation. Based on the outcome of those negotiations, the payroll budget may need to be adjusted later in the year.

Operating-Energy: The City's electric utility, Beaches Energy Services, serves about 34,000 customers in Jacksonville Beach, Neptune Beach, Ponte Vedra, and Palm Valley. This year, the utility's budget includes \$70.1 million for the purchase of electricity from its supplier, Florida Municipal Power Agency whose primary fuel for generation is natural gas. Due to low natural gas prices, the budget anticipates a \$2.2 million savings in the cost of electricity. Savings in the cost of power are returned to our customers through reductions in the power cost

portion of their rate. Since July 2010, that rate has fallen by \$13 per 1,000 kilowatt hours, saving residential customers, on average, between \$200 and \$300 per year. (See Beaches Energy Services.)

In June 2010, Beaches Energy Services began the construction of a natural gas distribution system. The system, designed to serve commercial customers, began operation in 2011 and currently serves 150 customers. Budgeted costs for this new service include \$1.3 million for the cost of natural gas, a decrease of about \$200,000.

Operating-All Other: The net decrease in this category comes from a decrease in estimates for costs in the pension funds (\$1.3 million) combined with a citywide increase in all other operating costs (\$110,000). Given that departments have been reducing budgets for several years, without looking at reductions in service, finding cost savings in this category has become very difficult.

Capital Outlay: Capital projects are budgeted for the life of the project. Projects are normally budgeted when design is complete and a bid award has been approved by the City Council. The 2013 budget included about \$13 million in construction costs for projects in the Downtown and South Beach redevelopment areas for the construction of Phase II of the Downtown Vision Plan Project and the South Beach Infrastructure Project. Redevelopment projects included in the 2014 budget total \$4.3 million. An itemized list of budgeted 2014 capital outlay can be found in the Financial Summaries section; descriptions of larger projects planned for completion between 2014 and 2018 can be found in the Capital Improvement Plan.

Debt Service: In 2012 the City refinanced its 2006 and 2007 Infrastructure Sales Surtax Bonds. The refinancing saves the City between \$280,000 and \$320,000 per year over the life of the bonds. In addition, the 2003A Downtown Redevelopment bonds and the 2003 Stormwater bonds were paid off, resulting in savings of approximately \$800,000 per year. The Financial Summaries section has a more detailed discussion of the City's debt position.

Grants to Others: The City makes an annual contribution to fund minimum monthly pension benefits for certain retirees or their beneficiaries. This \$11,537 contribution is unchanged in 2014.

Transfers: The 2013 budget contained a one-time transfer of \$850,000 from Lease Facilities to the General Capital Project Fund to provide partial funding for the City's information technology master plan. No such transfer is included in the 2014 budget.

Expenditures-by Department:

Expenditures by Department	Original Budget 2013	Approved Budget 2014	Increase (Decrease)	% Change
Executive & Legislative	\$1,324,111	\$1,316,896	(\$7,215)	-0.5%
Finance	5,160,493	4,252,491	(908,002)	-17.6%
Planning & Development	15,639,307	6,115,504	(9,523,803)	-60.9%
Parks & Recreation	4,822,187	4,841,556	19,369	0.4%
Public Works	20,845,956	17,628,185	(3,217,771)	-15.4%
Police	9,007,471	9,220,742	213,271	2.4%
Fire	3,691,153	3,644,009	(47,144)	-1.3%
Beaches Energy Services	101,799,435	99,446,024	(2,353,411)	-2.3%
Human Resources	4,294,566	4,594,080	299,514	7.0%
Non-Departmental	11,772,688	10,454,082	(1,318,606)	-11.2%
Total Expenditures	\$178,357,367	\$161,513,569	(\$16,843,798)	-9.4%

The **Executive & Legislative Department** (which also manages the Nondepartmental functions) works with the City Council to develop policy and legislation that are administered and executed by the City Manager. Operating in this department are the City Council, City Attorney, City Manager, and City Clerk. The department's budget is essentially unchanged. Decreases in Convention and Development capital outlay for the completion of Seabreeze Field lights and decreases in the City Manager Internal service fund (payroll) offset an increase in the City Clerk's budget created by the transfer of pension administration duties to Human Resources.

The **Finance Department** provides support services in the areas of accounting, utility billing/customer service, information systems and purchasing. Its budget also includes the technology division of the Lease Facilities Fund. Total transfers in the 2013 budget (\$1.1 million) included a one-time transfer from Lease Facilities to pay for equipment and related costs for the information technology master plan (\$850,000). Transfers have decreased to normal levels (\$260,000) in the 2014 budget.

Planning & Development provides planning, building inspections, and code enforcement services. It also provides administrative support for the Community Redevelopment Agency's projects in the Downtown and South Beach redevelopment districts. This department's budget decrease is due to the timing of construction projects in the Redevelopment Districts included in the 2013 budget. The 2014 budget includes a much reduced budget for redevelopment projects.

Parks & Recreation manages the City's parks and recreation services which include tennis, golf, adult and youth athletic leagues, special events and all park, golf, and oceanfront restroom services. This department also provides lifeguard services. 85% of the authorized positions in this department are part-time. The Parks & Recreation budget increase is due to the increases in the cost of parks and grounds maintenance at City parks and other facilities for which the department is responsible, despite the reduction of two additional positions. The department has eliminated 7 full-time positions since 2008.

Public Works provides water, sewer, stormwater, and sanitation services to the citizens of Jacksonville Beach, along with street maintenance. The department's plant maintenance costs and capital outlay decreased with the completion of the Wastewater Treatment Plant in 2013. Operating costs decreased in both the Water Plant and the Pollution Control Plant.

In the General Fund, the increase in the **Police Department** budget is attributable to its assumption of the management of the security component of

the City's parking program, which was previously outsourced. The addition of a corporal to supervise the Downtown CAPE program in the Redevelopment Special Revenue Fund increased its budget. Other police department spending in the grant and special revenue funds was unchanged.

In addition to providing fire and rescue services, the **Fire Department** also manages the City's radio system. The Department reduced its overtime budget by \$100,000 (72%) in 2013; however \$11,000 of that has been restored in the 2014 budget. The department has developed a firefighter auxiliary program to supplement staffing needs in order to maintain adequate service levels. These volunteer personnel are state certified firefighters and either EMTs or paramedics.

Beaches Energy Services operates and maintains the City's electric distribution system and provides facility management services for the City's buildings and rental properties. Its budget will decrease primarily due to expected decreases in the cost of power and natural gas due to low fuel prices. The City purchases its power through Florida Municipal Power Agency, whose primary generation fuel is natural gas. Beaches Energy eliminated two positions in the 2014 budget.

In the past 10 years, Beaches Energy has rebuilt many of the old distribution lines that had reached the end of their useful life, undergrounded most of the system east of A1A and converted the entire system to 26 kv. Beaches Energy has one of the highest reliability ratings in the state and its residential rates continue to remain well below the state average.

Human Resources Department is responsible for personnel services, labor relations, and risk management. The Department upgraded one full-time position in order to assume responsibility for the administration of the City's pension funds, but the primary reason for the department's budget increase is that insurance premiums were estimated to be 8% higher than this year.

The **Nondepartmental** department captures costs that are not directly attributable to any other department for items such as debt service, capital projects and the operation of the City's three pension funds. This department's budget decrease is primarily due to a reduction in expected pension costs along with a smaller decrease in projects and purchases made in capital projects funds. The Nondepartmental budget is included in the Executive & Legislative section of this document.

A summary of staffing levels by department and division since 2010 can be found in the Financial Summaries section of this book. A discussion of changes in 2014 budgeted revenues is located behind the Funding Sources tab. A more detailed discussion of expenditures/expenses, services provided and performance measures is in each department's business plan.

A Brief History of Jacksonville Beach

Although the French Huguenots led by Capt. Jean Ribault in 1562 laid claim to the First Coast area, it was the Spanish who first settled the area around Jacksonville Beach, establishing missions from Mayport to St. Augustine. The Spanish ceded East Florida to the English by treaty in 1763 only to regain control twenty years later. In 1821 the Spanish ceded Florida to the United States of America.

The area was settled by river pilots and fishermen as early as 1831 when Mayport, then known as Hazard, was established as a port. The Mayport lighthouse was erected in 1859 and still stands at the Naval Station Mayport. By 1885 Mayport had 600 inhabitants, a post office and a school. The town was also visited daily by steamships which brought beach-goers from Jacksonville down the St. Johns River.

Meanwhile, a group of enterprising Jacksonville businessmen conceived the idea of a railway to the beaches east of Jacksonville. It was their plan to develop a summer resort to attract tourists to the Jacksonville area. The Jacksonville and Atlantic Railway Company was chartered in 1883 to build sixteen and a half miles of narrow gauge railway from South Jacksonville to the Ruby settlement.



The company acquired many acres of choice oceanfront property which was divided into lots. By November 12, 1884, Ruby was ready for the first buyers of the subdivided lots. About fifty prospective buyers arrived by excursion boats. In all, thirty-four lots were sold that day for a grand total of \$7,514.

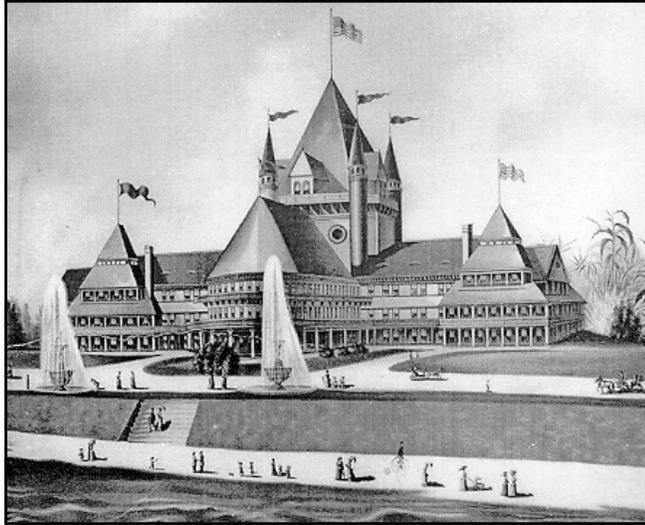
In 1884 William E. Scull, surveyor for the railroad, and his wife Eleanor, moved to the area now known as Jacksonville Beach. There

were already several tent houses in the vicinity. The Sculls lived in one tent and ran the first general store from another. Later the Sculls applied for a post office under the name of Ruby, a name chosen in honor of their oldest daughter, and ran the post office from their store. Mail was delivered by boat once a week from Jacksonville.

In 1886, Ruby was renamed Pablo Beach after the San Pablo River to the west that divides the island from the mainland.



The first sidewalk in Pablo Beach was a wooden boardwalk to the oceanfront on Ocean Avenue, which is now known as Pablo Avenue. Photo taken around 1898.



MURRAY HALL
FLORIDA'S SUMMER AND WINTER
RESORT

THE FINEST AND MOST ELEGANTLY
FURNISHED IN THE SOUTH.

Upon completion of the railway to Pablo Beach in mid 1886, the first resort hotel was built and opened to the public. The splendid multistory wooden structure, the Murray Hall hotel, had 192 rooms and could accommodate 350 guests. The Hotel advertised an elevator, electric bells, hot, cold and sulfur baths, bar, bowling and billiards. It also claimed it was located on "The Finest Beach in the World!" with "Surf Bathing the Year Round!" The construction cost was \$150,000. Unfortunately a fire in the boiler room around midnight on August 7, 1890 destroyed the hotel, the railway depot and surrounding buildings. However, the guests and their belongings were saved.

The Murray Hall was followed by other resort hotels: the Adams House, the Perkins House, the Continental, the Ocean View and the Palmetto Lodge. All were eventually destroyed by fire.



Above: One of many boarding houses opened to take advantage of the tourist trade. Photo to left is Hotel Pablo.





*Palmetto Avenue,
Pablo Beach, Florida
looking east from what is currently
the intersection of
Beach Boulevard and 2nd Street.
Photograph taken around 1906.*



The railway company soon met with financial difficulties and was taken over by the millionaire Henry M. Flagler as part of the Florida East Coast Railway System. Late in 1900 the railway was changed to standard gauge and extended to Mayport. Further transportation was added in 1910 when a winding oyster shell road was constructed near the present Atlantic Boulevard, dividing Neptune Beach and Atlantic Beach.



Pablo Beach was incorporated on May 22, 1907. In 1925 the name was changed to Jacksonville Beach.

The boardwalk era began in 1915 and 1916 when businessman Martin Williams, Sr. established dance pavilions, shooting galleries, boxing, wrestling, restaurants and other forms of entertainment on the new boardwalk.

Auto racing on the hard-packed sand of the beaches made the area popular for this spectator sport.

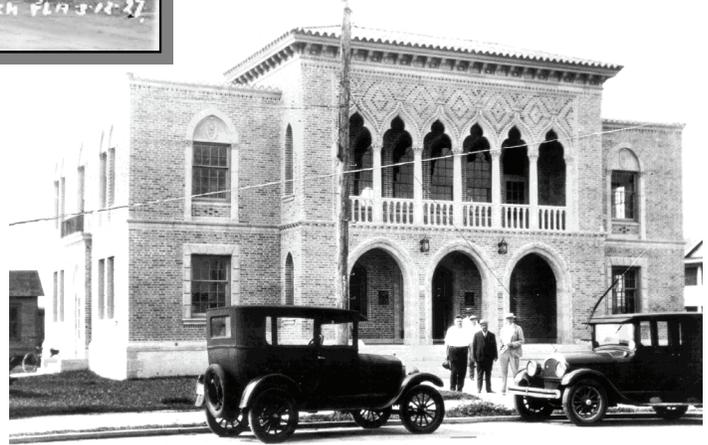
The boardwalk's popularity declined in the late 1950's with the state's crackdown on gambling and games of chance. Driving on the beach was prohibited in 1979.





Photograph of the first City Hall built in Jacksonville Beach located on Pablo Avenue. Photo taken in 1927

Photograph of the second City Hall taken in 1920's.



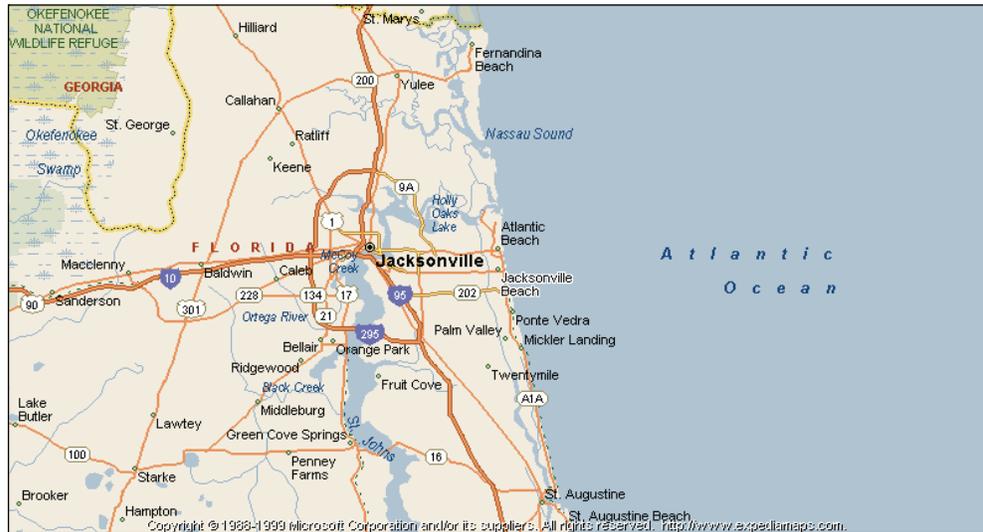
Lt. James H. Doolittle on the beach before his famous transcontinental flight in 1922.

On September 4, 1922, Pablo Beach came into the international limelight when First Lieutenant James H. Doolittle, after a previous abortive attempt, broke the transcontinental speed record. With only one stop at Kelly Field in Texas, he flew from Pablo Beach to San Diego in less than 24 hours. For this feat he was awarded his first Distinguished Flying Cross. On September 4, 1980, he returned to unveil a marker in Jacksonville Beach's Pablo Historical Park. James Doolittle had a distinguished military career, leaving service as a Lt. General.

Historical information and historical photographs courtesy of The Beaches Area Historical Society.



Welcome to Jacksonville Beach



Bordered by the City of Neptune Beach to the north, Ponte Vedra Beach to the south, the Intra-Coastal Waterway to the west, and the Atlantic Ocean to the east, the City of Jacksonville Beach occupies 8.06 square miles of land in northeast Florida. It is primarily a residential community located approximately 15 miles east of Jacksonville.

The City's mission statement is Working Together—Committed to Our Citizens. To keep its citizens informed, the City publishes an *Annual Report*, a monthly newsletter—*Jax Beach Briefs*, and a monthly newsletter *Tidings* distributed to its electric customers in their utility bills.

Additional information including City Council agendas and minutes, annual financial statements and budgets, employment and applications, updates about current construction projects and road closures, upcoming special events and much more can be found at: www.jacksonvillebeach.org. Information on the City's electric utility, Beaches Energy Services, is available at www.beachesenergy.com

The City Hall is located at 11 North Third St., Jacksonville Beach, Florida 32250 and may be reached by calling (904) 247-6100.

Jacksonville Beach Today



The City produces multiple special events that draw thousands of spectators.

From what began as a tent city for a few hardy souls, Jacksonville Beach has grown into a solid business, resort and residential community with a population over 21,000. Its location, adjacent to the Atlantic Ocean and close to historical and entertainment attractions, makes tourism an important part of the City's economy.

The list of principal taxpayers is composed of shopping centers, a hospital, hotels and apartment complexes. In addition, the City has a commercial district which contributes significantly to its economy. Major employers include The United States Navy, Duval County School Board, Baptist Medical Center-Beaches, PGA Tour, Ponte Vedra Inn & Club, and Sawgrass Marriott, among others.

The City is primarily a residential community although it has a larger proportion of commercial property than the neighboring oceanfront cities of Neptune Beach and Atlantic Beach. Even though Jacksonville Beach is the economic center of the Beaches area, housing is still the dominant land use occupying well in excess of 50 percent of the developed land areas of the City.

Approximately sixty percent of the City's housing stock are comprised of single family homes and forty percent are multi-family dwellings. Generally, the quality of the housing is high, with approximately fifty percent of the housing built since 1960 with one third less than twenty years old. The City is a mature community which is nearly fully developed.



*The commercial district
Jacksonville Beach
within the Downtown
Redevelopment Area.*



*Jacksonville Beach is primarily a residential community with
one-third of its housing built within the last twenty years.*

**City of Jacksonville Beach
Summary Statistics and Information**

Year of Incorporation	1907
Form of Government	Council / Manager
Number of City Employees - (Full / Part-Time and Seasonal)	325 / 137
Government Facilities and Services	
Miles of Streets	88.9
Number of Street Lights	5,433
Culture and Recreation	
Parks	11
Parks Acreage	86
Golf Course	1
Tennis Courts	8
Fire Protection	
ISO Fire Classification	3
Number of Stations	2
Number of Fire Personnel and Officers	31
Police Protection	
Number of Stations (Satellite Station included)	2
Number of Police Support Personnel and Officers	96
Number of Patrol Units	51
Beaches Energy Services	
Number of Electric Customers	33,873
Number of Residential Electric Customers	28,774
Average Monthly Consumption-Residential	1,212 kwh
Sewer System (MGD-million gallons per day)	
Number of Sewer Services	8,915
Number of Treatment Plants	1
Daily Average Flow in Gallons	3.0 MGD
Maximum Daily Capacity of Treatment in Gallons	4.5 MGD
Water System (MGD-million gallons per day)	
Number of Water Services	10,502
Number of Residential Customers	8,315
Average Monthly Consumption-Residential	4,367 gallons
Number of Artesian Wells	6
Number of Fire Hydrants	867
Daily Average Flow in Gallons	2.4 MGD
Maximum Daily Capacity of Treatment Plant in Gallons	7.0 MGD
Hospitals	1
Bond Ratings	
Moody's Investor Services	A-1
Fitch Investor Services	AA-

Miscellaneous Statistics

City of Jacksonville Beach, Florida

	<u>Population</u>	<u>Unemployment Rate</u>	<u>Duval County Per Capita Income</u>	<u>Budgeted Expenditures</u>	
				<u>Original</u>	<u>Final</u>
2003	21,146	5.7%	\$30,809	\$131,055,687	\$159,867,143
2004	21,544	6.0%	\$32,502	\$132,106,787	\$154,151,594
2005	21,531	4.5%	\$34,610	\$133,475,640	\$162,911,494
2006	21,544	3.3%	\$37,387	\$144,856,119	\$160,525,044
2007	22,253	3.4%	\$38,462	\$159,850,220	\$197,129,175
2008	22,749	5.7%	\$39,473	\$160,253,941	\$181,755,603
2009	22,715	9.7%	\$38,937	\$175,254,352	\$227,018,616
2010	21,362 (census)	12.9%	\$39,140	\$174,705,201	\$197,874,464
2011	21,441	10.3%	n/a	\$161,095,934	\$179,687,345
2012	21,615	9.3%	n/a	\$164,854,246	\$194,129,086

	<u>Residential</u>		<u>Commercial</u>		<u>Total Value of Permits</u>
	<u>Permits Issued</u>	<u>Value of Permits</u>	<u>Permits Issued</u>	<u>Value of Permits</u>	
2003	1208	\$60,778,566	322	\$31,517,693	\$92,296,259
2004	1298	\$184,659,701	707	\$32,790,775	\$217,450,476
2005	1354	\$66,518,829	670	\$52,068,967	\$118,587,796
2006	1452	\$56,912,030	272	\$28,415,437	\$85,327,467
2007	872	\$42,075,389	602	\$23,613,260	\$65,688,649
2008	967	\$10,716,776	361	\$16,509,065	\$27,225,841
2009	1105	\$27,410,365	335	\$26,007,679	\$53,418,044
2010	894	\$11,093,625	462	\$14,847,370	\$25,940,995
2011	983	\$15,743,052	387	\$11,327,860	\$27,070,912
2012	1121	\$24,527,261	412	\$14,738,020	\$39,265,281

<u>Principal Taxpayers:</u>	<u>Percentage of 2012</u>		
	<u>2011 Assessed Valuation</u>	<u>2012 Assessed Valuation</u>	<u>Total Assessed Valuation</u>
Broadstone Beach House at Jax Beach	\$20,913,970	\$21,939,280	0.9%
Ocean Park Partnership, Ltd.	\$15,566,100	\$17,122,710	0.7%
Pablo Plaza Shopping Center	\$15,713,000	\$15,010,000	0.6%
South Beach Regional Shopping Center	\$16,303,300	\$14,601,800	0.6%
Courtyard Marriott	\$12,828,716	\$14,111,587	0.6%
Beach Marine	\$12,317,100	\$11,503,800	0.5%
Hampton Inn Oceanfront	\$9,032,922	\$9,936,214	0.4%
Gordon Bank	\$8,996,700	\$9,479,300	0.4%
Adventure Landing Amusement Park	\$8,980,203	\$9,443,258	0.4%
Target	\$8,202,277	\$9,070,759	0.4%
Comfort Inn	\$9,032,922	\$9,032,922	0.4%
Southbeach Parkway Shopping Center	\$9,496,500	\$8,862,800	0.4%
	<u>\$147,383,710</u>	<u>\$150,114,430</u>	
Total Real Property Assessed Valuation	\$2,729,906,452	\$2,466,653,081	

<u>Principal Employers 2012:</u>	<u>Number of Employees</u>
Naval Station Mayport	15,170
Baptist Medical Center-Beaches	800
Ponte Vedra Inn & Club	650
PGA Tour	620
Honeywell	570
Sawgrass Marriott	450
City of Jacksonville Beach - fulltime	325
U.S. Coast Guard	320
Vicar's Landing	320
TPC Sawgrass	320



Government and Budget Overview



City Hall, located in downtown Jacksonville Beach

Form of Government

The City of Jacksonville Beach operates under the council-manager form of government. The City Council, consisting of a mayor and six council members is responsible for determining policy, passing ordinances and resolutions, adopting the annual budget, appointing committees and hiring the City Manager and City Attorney.

The City Manager is the Chief Administrative Officer of the City and is charged with carrying out the policies made by the City Council. He manages the day-to-day operations of the city, prepares the annual budget for City Council approval, and hires City employees.

City Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected to four year terms. Three council members are elected from within their districts. The mayor and the remaining three council members are elected at-large.

The City Council meets at 7:00 P.M. on the first and third Monday of each month (except January and July, 3rd Monday of the month only) at City Hall located at Eleven North Third Street. Council agendas and minutes can be found at <http://www.jacksonvillebeach.org/government/city-documents-public-records/agendas-minutes>.

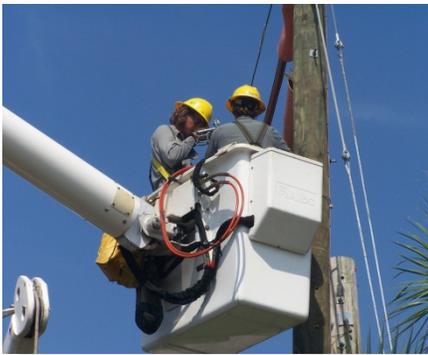
Quality of Life Goals:

The City of Jacksonville Beach’s mission is **to improve our community’s quality of life by building a strong community**. This mission is defined by the quality of life goals below.

	Mission	Supporting Services
Public Safety	To feel safe from crime and fire and have good emergency management services	Police, Fire, Building Inspection, Ocean Rescue
Environmental Protection	To live in a community that protects my health by providing safe water to drink, reliable garbage collection and clean waterways through the treatment of stormwater and wastewater, while preserving the environment for future generations	Water, Stormwater, Wastewater, Sanitation
Sense of Community	To live in a community that provides parks, open space and recreational opportunities for all ages that give us a sense of community	Parks & Recreation, Special Events, Golf Course
Sense of Place and Neighborhood Vitality	To live in a City of vibrant neighborhoods that are clean, safe, encourage a sense of place and preserve property values	Planning & Development, Code Enforcement, Street Maintenance, Redevelopment
Responsible Government	To live in a community that has a fiscally responsible government, maximizes the use of public funds, provides great customer service, and has dedicated employees	City Manager’s Office, Finance, Legal, City Clerk, Information Systems, Human Resources
Reliable Electric Service	To live in a city that delivers reliable energy services while encouraging conservation and environmental responsibility with service that is above and beyond the expected	Beaches Energy Services

Long-term Goals:	See the following section(s):
To maintain the <i>level of service</i> desired by our citizens.	Budget Message; Executive
To manage the City to be <i>competitive in all services</i> with respect to cost, service and reliability.	Beaches Energy Services
To make <i>redevelopment</i> work.	Planning & Development
To maintain an atmosphere in which all <i>citizens feel safe</i> in their homes, in public and on the beach.	Police; Fire; Parks & Recreation (Ocean Rescue)
To <i>protect the environment</i> through improvements to our water and sewer system, streets and sidewalks, tree protection, beach renourishment and compliance with all environmental hazard and waste regulations.	Public Works; Executive; 5-Year Capital Improvement Plan
To <i>manage growth</i> in a way that protects the quality of life and to maintain an ideal mix of commercial and residential uses.	Planning & Development
To <i>promote the City</i> as a family-oriented entertainment center of the beaches by improving the quality and scope of special events and through improved marketing of the area.	Parks & Recreation
To maintain the minimum <i>cash balances</i> which protect the City's financial integrity.	Finance
To implement a <i>comprehensive performance measurement</i> system which will give the public, City Council and department directors the ability to evaluate the level and value of the services the City provides to the community.	Performance measures are shown in each department's business plan.
To <i>emphasize employee safety</i> through proper supervision, training and equipping of all City employees at an appropriate level as to assure their safety and the safety of those around them.	Human Resources
To maintain a compensation and benefit package sufficient to attract and retain a <i>qualified and highly motivated workforce</i> .	Human Resources
To <i>eliminate deferred maintenance</i> in order to lengthen the life of City assets.	Executive; Beaches Energy Services (Property Mgt.) ; 5-Year Capital Improvement Plan

Each department's business plan contains its mission and information about its objectives and performance measures that support achieving the goals above. An overview can be found in the Budget Message section of this budget document.



City Services

The City provides a full range of services to its citizens:

- 24-Hour Police Protection
- 24-Hour Fire Protection
- Maintenance of city streets & lighting
- Building Inspection & Permitting Services
- Code Enforcement Services
- Animal Control Services
- 4.1 miles of lifeguard protected beach
- Oceanfront restrooms and showers
- 86 acres of park facilities including softball and football fields, basketball courts, playground and picnic equipment, South Beach Community Center, Carver Center, Huguenot Tennis Facility, and an 18-hole professionally staffed golf course
- 2 City Cemeteries
- Electric, Water, Stormwater, Sewer and Sanitation services



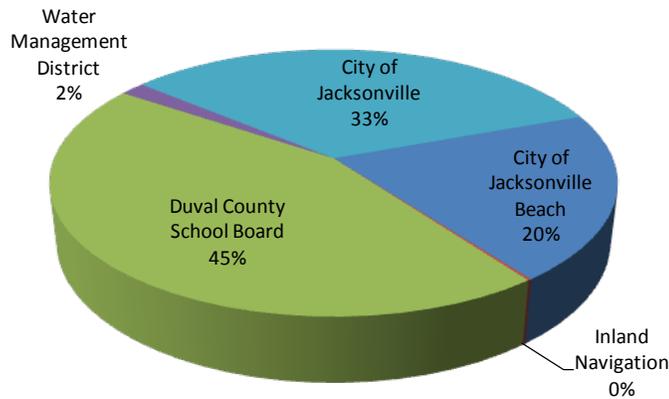
Funding City Services

City services are funded from a variety of sources including property taxes, local option taxes, state shared revenues and utility rates. The current ad valorem tax rate is \$4.0947 mills per thousand dollars of property value. This rate is unchanged from last year's rate.

Where Your Property Tax Dollars Go

Property Taxes on a home with Homestead Exemption

FY2013 Millage Actual	FY2014 Proposed Millage		FY2013 Estimated Tax*	FY2014 Estimated Tax**
\$4.0947	\$4.0947	City of Jacksonville Beach	\$560	\$571
0.0345	0.0345	Inland Navigation	\$5	\$5
7.6000	7.3880	Duval County School Board	\$1,229	\$1,215
0.3313	0.3283	Water Management District	\$45	\$46
6.7446	8.1512	City of Jacksonville	\$921	\$1,136
\$18.8051	\$19.9967	TOTAL	\$2,760	\$2,972



*Based on a median home just value of \$186,680 for 2012 (Property Appraiser)

**Based on a median home just value of \$189,378 for 2013 (Property Appraiser)

A home valued at \$189,378 with a homestead exemption of \$50,000 has a net taxable value of \$137,500 (\$162,500 for schools). Based on 2014 millage rates, that home owner will pay \$2,972 in property taxes. Only \$571 of that household's taxes are paid to the City of Jacksonville Beach (about \$48 per month). By comparison, cable television and internet access can cost over \$100 per month.

Budget Process

<i>Approximate Date</i>	<i>Required Action</i>
January 31	Completion of preliminary revenue estimates and budget projections
March 15 Early March	Mid-year budget adjustment Departments submit 5-year capital improvement plans
April 1	Departments submit next year budget requests
April 15 through May	City Manager reviews all budget requests and business plans
June 1	Property Appraiser provides estimated preliminary taxable base for next budget year per FS 200.065
July 1	Property Appraiser submits Certificate of Taxable Value (DR420)
July 28	Proposed millage rate, calculation of rolled back rate and date for first public hearing on budget due to Property Appraiser (within 35 days of receipt of taxable value); proposed budget is finalized
August 1-14	City Council workshops to review budgets and business plans
September 3-6	First public hearing on budget; adoption of tentative millage rate and proposed operating budget
September 8-16	Second (final) public hearing on budget: adoption of millage rate and operating budget

Responsibility: Section 31 of the City of Jacksonville Beach’s Charter gives the City Manager the duty to prepare and submit the annual budget estimate to the City Council. Although not required to do so, the City prepares an operating budget for all funds. The City adopts its budget in accordance with Florida Statutes, Chapter 200, commonly referred to as TRIM (Truth in Millage). The budget calendar complies with TRIM requirements.

October: October 1 marks the start of the fiscal year. The previous year’s encumbrances (prior year’s purchase commitments) are reviewed and incorporated into the new budget, as appropriate.

November/December: The City’s *annual financial audit* for the previous fiscal year takes place.

January: *Revenue estimates* for the next fiscal year are generated from trend analysis, independent rate studies by financial advisors, known funding sources and estimates of distributions from other governmental units. *Five-year projections* are prepared for the City's major funds: the General Fund, Community Redevelopment Fund, General Capital Projects Fund, the Electric Fund and the Water & Sewer Fund. Five-year projections are also prepared for all nonmajor enterprise funds and certain special revenue funds. The projections include four or more years of historical data, current year original budget and five future years. *One-year projections* are prepared and reviewed for all remaining funds.

February: *Budget preparation instructions are updated* to reflect changes in economic condition, citywide priorities, goals and objectives, new or revised directives from the City Council.

March: *Five-year Capital Improvement Plan* (CIP) is prepared. This request is a tentative outline of major (cost greater than \$25,000) capital needs matched to the most likely funding source. In some cases, non-capital items are included in the CIP when the expected cost is significant (greater than \$100,000) or when the cost is for major on-going programs such as street resurfacing and sidewalk repair. City has established certain replacement cycles that are intended to keep the most critical equipment and infrastructure operating in reasonable repair. While there are no other recurring planning processes that affect the budget process, the CIP process is affected by other periodic planning processes related to such things as infrastructure improvements, Downtown redevelopment, utility rate adjustments or long-term capital planning.

Cost allocations and payroll projections are prepared for departments to integrate into their budget requests. Lapse is not budgeted. Cost allocations are prepared for items such as payroll, insurance, internal service charges, debt service and transfers. Other operating costs are budgeted according to need and the anticipated level of service. Depreciation is not budgeted. Budget requests are completed by each department for their respective division or program along with department-wide business plans. A summary of the department's budget request is also included in its business plan.

May: *Preliminary budget assessment* compares projected revenues and submitted expenditure requests for the purpose of determining the initial excess or shortage of available resources for appropriation. *Budget meetings* provide each department the opportunity to discuss their budget request and business plan with the City Manager. In these meetings, budget requests may be adjusted based upon each department's package of expected program service levels and anticipated funding.

July 1: Property Appraiser provides *estimates of property value* used to calculate millage rates (DR420).

August: *Proposed budget document* is updated for changes in state revenue estimates and posted on the City's website. *Budget workshops* are conducted by the City Manager during which the City Council has the opportunity to review and revise the budgets. Budget issues are discussed along with levels of service. The workshops are open to the public.

September: *Two public hearings* concerning the Tentative Millage Rate and Tentative Operating Budget and are held in accordance with Florida's Truth in Millage requirements (Florida Statutes, Chapter 200). The *final budget* must be adopted by September 30 of each year and becomes effective on October 1.

Budget Adjustments: Council agendas are reviewed for any approved items that will impact the budget because the items were either not budgeted or were budgeted based on an estimate that was too low or too high. Occasionally, unexpected and unbudgeted costs will occur in amounts that are significant enough to warrant consideration for budget adjustment (for example, severe storms or hurricanes, unanticipated major infrastructure or equipment repairs or replacements).

Twice per year – **the mid-year adjustment** in March and the **year-end adjustment** in September – these budget adjustment items are aggregated and presented to the Council in the form of a resolution. The City Council may make supplemental appropriations during the year, up to the amount available for appropriation. It must approve budget amendments that increase a fund's total budget for all funds except the General Fund. City Council approval is required for increases to a *department's total budget within the General Fund*. Rarely, due to hurricanes or due to other unusual circumstances, an additional, retroactive budget adjustment may be necessary.

Fund Accounting

The City of Jacksonville Beach maintains its accounting system on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are typically segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City uses three broad types of funds: governmental, proprietary and fiduciary.

Governmental funds are generally used to account for tax-supported government activities.

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprise; or where the periodic determination of net income is appropriate for accountability purposes. The City has two types of proprietary funds: enterprise funds which account for its utilities, golf course and lease facilities; and internal service funds, which account for centralized services that are provided on a cost-reimbursement basis. *Fiduciary* (pension) funds account for funds held by the government as a trustee; these assets cannot be used to support the government's own activities.

GASB Statement No. 54, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. Governmental and enterprise funds which do not meet the criteria for reporting as major funds are designated as nonmajor.

Revenues and Expenditures by Major/Nonmajor Fund

	Revenues	Expenditures	Revenues minus expenses	Exp. as a % of Total Budget
Major Funds:				
General Fund	\$18,785,485	\$18,885,485	(\$100,000)	11.7%
Community Redevelopment	7,063,330	6,112,239	951,091	3.8%
General Capital Projects	235,000	1,061,056	(826,056)	0.7%
Electric	93,039,509	95,270,168	(2,230,659)	59.0%
Water & Sewer	10,233,928	10,353,306	(119,378)	6.4%
	<u>129,357,252</u>	<u>131,682,254</u>	<u>(2,325,002)</u>	<u>81.5%</u>
Nonmajor Funds:				
Governmental	3,265,270	3,577,359	(312,089)	2.2%
Enterprise	8,587,411	8,756,547	(169,136)	5.4%
Internal Service	11,417,341	11,561,870	(144,529)	7.2%
Trust (pension)	10,001,841	5,935,540	4,066,301	3.7%
	<u>33,271,863</u>	<u>29,831,316</u>	<u>3,440,548</u>	<u>18.5%</u>
TOTAL, All Funds	<u>\$162,629,115</u>	<u>161,513,569</u>	<u>1,115,545</u>	<u>100.0%</u>

Governmental Funds

Major Governmental Funds

The **General Fund** accounts for resources traditionally associated with governments that are not required to be accounted for in another fund. Its primary funding sources are property taxes, revenue from other governments and transfers from other funds. The General Fund provides funding for the traditional services of municipal government: elected officials, police & fire, parks & recreation, planning and development, building inspection and street maintenance. Budget objective: to provide for the general government operations of the City and maintain the working capital necessary for the fund's financial health and stability.

The **Community Redevelopment Fund** accounts for the receipt and expenditure of ad valorem tax increment funds in a special revenue fund because use of the revenue is limited to purposes specified in its redevelopment plan. The Community Redevelopment Agency (CRA) uses these funds to pay for capital projects and to secure debt issued to pay for those projects benefitting the City's two redevelopment districts in accordance with adopted plans for each district: Downtown, which was created in 1984 and Southend, which was created in 1985. Other revenue sources include grant funds and interest earnings. Information about the Community Redevelopment Agency is reported in Planning & Development's section of this document. Budget objective: to show the legally restricted revenue sources and how these sources will be utilized and to demonstrate compliance with Florida Statutes.

The **General Capital Projects Fund** is the City's primary capital projects fund and accounts for the costs of various nonrecurring capital projects, major equipment purchases and major repairs and renovations. Due to the nature of the fund, its budget can fluctuate significantly from one year to the next. Primary funding sources are transfers from other funds, grants and interest earnings. Its budget is itemized and discussed in the Executive and Legislative section of the budget. Budget objective: to account for all financial resources to be expended for the acquisition, construction or repair of major capital facilities or equipment used as capital assets in governmental funds.

Nonmajor Governmental Funds

Nonmajor Governmental Funds account for those special revenue, debt service and capital projects funds that do not meet government accounting standards criteria for inclusion as major funds.

Special revenue funds are used to account for specific revenues that are legally restricted to be spent for a particular purpose. Funding sources in these funds are largely grant and tax revenues. Budget objective: to show the legally restricted revenue sources, how these sources will be utilized and to demonstrate compliance with statutes, regulations and rules governing their use.

Debt service funds are used to account for the accumulation of resources for and payment of governmental bond principal and interest; funding for these funds comes from the revenue pledged as support for the debt. Budget objective: to fund debt service expenditures and to provide for any cash flow deficiency that would occur prior to the receipt of tax increment revenues.

Capital projects funds are used to account for the acquisition and construction of major repairs, replacements and capital facilities other than those financed by proprietary funds and trust funds; funding sources are grants, transfers from other funds, interest earnings and bond proceeds. Budget objective: to account for all financial resources to be expended for the acquisition or construction or repair of major capital facilities or equipment to be used as capital assets in governmental funds.

A summary of the city's governmental funds, budget, primary uses and the department responsible for managing the fund is on the next page.

Governmental Funds	Budget	Primary Uses	Department
		Police, Fire, Parks & Recreation, Public Works-Street Maintenance, Planning & Development, Executive, Beaches Energy-Building Maintenance, Executive, Executive-Nondepartmental	All departments listed on the left
General Fund (major)	\$18,885,485		
Special Revenue Funds			
Community Redevelopment (major)	6,112,239	Infrastructure improvements in Downtown and Sounthend districts; downtown policing initiative	Planning & Development, Police, Public Works
Convention Development	221,669	Tourism and convention development	Executive
Court Cost Training	60,400	Police training	Police
Local Option Gas Tax	778,928	Street and road maintenance	Public Works
Half-Cent Infrastructure Surtax	986,797	Infrastructure improvements specified in enabling legislation	Public Works
Community Development Block Grant	133,796	CAPE, Carver Center and Utility Assistance	Police, Finance, Parks & Recreation
Radio Communication	0	City's radio system	Fire
Justice Assistance Grant	85,393	Specific law enforcement uses	Police
Tree Protection	3,000	Tree replacement	Parks & Recreation
Law Enforcement Trust Fund	60,059	Specific law enforcement uses	Police
Equitable Sharing Fund	66,000	Specific law enforcement uses	Police
Debt Service Fund			
Half-Cent Infrastructure Surtax	990,797	Principal and interest payments	Executive
Capital Projects Funds			
General Capital Projects (major)	1,061,056	Major capital projects and repair/ replacement of equipment	Executive
Infrastructure Surtax Bond Proceeds	184,020	Infrastructure improvements specified in enabling legislation	Executive
Sunshine Park	3,500	Maintenance of Sunshine Park	Executive
Dog Park Project	3,000	Maintenance of Dog Park	Executive
TOTAL GOVERNMENTAL FUNDS	\$29,636,138		

Proprietary Funds

Major Enterprise Funds: The **Electric Fund** and the **Water & Sewer Fund** are two of the City's enterprise funds that are accounted for as major funds. Although the Water & Sewer Fund does not meet the minimum government accounting standards criteria for reporting as a major

fund, because of its importance the City has elected to account for it as one. Both funds use revenues from the delivery of services to cover the costs of operating their systems. The Electric Fund’s budget is discussed under Beaches Energy Services. The Water & Sewer Fund’s is discussed under Public Works. Budget objective: to monitor revenues and control expenses.

Nonmajor Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises – where the intent of the City Council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The primary revenue source in each of these funds is user charges. These funds account for the City’s natural gas, stormwater and sanitation utilities, golf course and its lease facilities operations. Budget objective: to monitor revenues and control expenses.

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the government and to other government units, on a cost reimbursement basis. Departments are charged by these funds based on their usage of the goods or services provided. Revenue, rates and charges are be adjusted to cover all operating expenses, capital outlay and debt service. Budget objective is to demonstrate that these funds are self-supporting. Administrative operations providing services through internal service funds and the allocation basis used to distribute their costs are shown below.

Internal Service Fund	Allocation Basis
City Manger	Time estimate
Accounting	Department/division operating budgets
Utility Billing	Number of meters in each utility & degree of difficulty (time)
Information Systems	Time and difficulty estimate
Purchasing	Number and value of purchase orders
Human Resources	Number of employees
Fleet Maintenance	Specific vehicle maintenance costs and overhead allocation based on number of vehicles
Grounds Maintenance	Time estimate and acreage
Meter Services	Number of meters read
Operations & Maintenance Facility	Square footage allocated to each department
Insurance Funds	Property value (general/liability); payroll costs and cost per \$1,000 (worker’s comp); specific charges (employee life, health & dental insurance)

Fiduciary Finds:

Pension Trust Funds – Pension funds are the City’s only fiduciary funds. **Pension Funds** are used to account for assets held by the City as trustee for general, police and fire employees and retirees. Funding sources come from insurance premium taxes, City and employee contributions and investment earnings. Expenditures are used to pay retirement benefits to current and future

retirees and to administer the three funds. Budget objective: to monitor revenues and control expenditures. Pension funds are reported in the Executive and Legislative department.

Proprietary Funds	Budget	Primary Uses	Department
Enterprise			
Electric (major)	95,270,168	Operations of Beaches Energy Services	Beaches Energy Services
Water & Sewer (major)	10,353,306	Operations of water and sewer system	Public Works
Natural Gas	1,853,558	Operations of natural gas system	Beaches Energy Services
Stormwater	1,444,455	Operations of stormwater system	Public Works
Sanitation	3,546,855	Garbage and sanitation operations	Public Works
Golf Course	1,356,803	Golf course operations	Parks & Recreation
Lease Facilities	554,876	Operations of lease facilities and funding for major projects and replacements	Beaches Energy Services
Internal Service			
City Manager	344,942	City Manager's office operations	Executive
Finance	3,782,417	Utility billing, accounting, purchasing and information systems operations	Finance
Human Resources	546,650	Human resources operations	Human Resources
Fleet Maintenance	578,492	Maintenance on City's vehicle fleet	Beaches Energy Services
Grounds Maintenance	833,970	City grounds maintenance services	Parks & Recreation
Meter Services	0	Meter reading services for electric & water	Beaches Energy Services
Radio Communications	396,271	Costs related to radio system	Fire
Operations & Maintenance Facility	1,031,698	Maintenance costs of O&M buildings	Beaches Energy Services
Insurance & Risk Retention	4,047,430	Premiums and related costs for general, liability, workers comp and employee insurance	Human Resources
TOTAL PROPRIETARY FUNDS	\$125,941,891		

Pension	Budget	Primary Uses	Department
General	\$ 3,474,457	General employees' pension fund	Executive
Police	\$ 1,492,649	Police pension fund	Executive
Fire	\$ 968,434	Fire pension fund	Executive
TOTAL PENSION FUNDS	\$5,935,540		

Budget, Accounting and Financial Policies

Budget Policies

The Budget is the City's plan of financial operations that provides for controlling and evaluating governmental activities. The budget process is the primary mechanism by which key decisions are made regarding the levels of service to be provided in light of the anticipated resources available. A budget policy states how this is to be accomplished in addition to addressing the need for financial strength and stability.

The City prepares budgets for each of its funds; all funds are included in the City's financial statements. No item or project is budgeted unless there are sufficient resources to pay for it. All unencumbered operating budget appropriations, except project budgets, expire at the end of each fiscal year.

Basis of Budgeting - All annual operating budgets will be adopted on a basis consistent with generally accepted accounting principles (GAAP), with certain exceptions. (See also Basis of Accounting.)

Governmental funds and expendable trust funds use the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available. Expenditures are recognized in the accounting period in which the related liability is incurred, except that principal and interest on general long-term debt are recognized when due. Compensated absences are budgeted in the year paid but recorded for financial statement purposes in the year earned.

In all funds, encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbered appropriations are carried forward into the subsequent year's budget without being re-budgeted. All unencumbered appropriations, except project budgets lapse at the end of each fiscal year. Unencumbered project budgets are carried forward for the life of the project.

Proprietary funds (electric, water & sewer, stormwater, sanitation, golf course, lease facilities and internal service) use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Depreciation and accruals related to amortization of bond discounts and issuance costs are not budgeted.

Balanced Budget – A balanced budget will be prepared for each and every fund. Balanced budget means that total anticipated revenues plus available fund balance in excess of authorized reserves will not be less than total budgeted expenditures plus required reserves for each fund.

Budgetary Level of Control - The budget is a spending plan, that requires adjustment from time to time, as circumstances change. The legal level of budgetary control is at the fund level, except for the General Fund, where it is maintained at the department level. This means that for any department within the General Fund, the department's expenditures may not exceed its total annual appropriation as adopted by the City Council. The City Manager has the authority to adjust the budget within departments as long as the adjustment does not increase the total level of appropriation approved by the City Council.

A system of budgetary controls is maintained to assure adherence to the budget. Timely monthly financial reports that compare revenues, expenditures and encumbrances with budgeted amounts in line-item detail are prepared and provided to department supervisors. Monthly financial reports to the City Council include summary budget reports, which compare current year revenues and expenditures to prior year activity at the same point in time.

Budget Amendment Process - When a change in funding needs such as the acquisition or loss of a revenue source or the unanticipated increase in the cost of providing a service occurs, the respective department head will make a formal request to the Budget Officer that the budget be amended. After analysis, this request is forwarded to the City Manager for approval. If the request is within the scope of the City Manager's authority, the request may be approved or denied immediately. If the request is approved by the City Manager, but requires City Council approval, it will be placed on a City Council agenda for their approval in the form of a resolution amending the operating budget. Resolutions adjusting the budget are prepared twice each year, except in unusual circumstances.

Budget Lapses at Year End - All unencumbered operating budget appropriations, except project budgets, will expire at the end of each fiscal year. In accordance with generally accepted accounting principles, the amount of budget related to purchases encumbered in the current year but not received until the subsequent year is added to the budget of the subsequent year. All purchase orders for the current year will be issued by September 15 except in unusual cases approved by the Finance Officer.

Budget Guidelines –

Personnel Costs - Personnel costs (payroll and benefits) will be budgeted in accordance with the City's adopted pay plans and union contracts, using wage rates consistent with the plan's grades

and steps appropriate for each employee. Cost of living adjustments, if any, will budgeted separately and integrated into the final adopted budget.

Operating Costs - Operating costs will be budgeted according to need and based on the cost of providing a certain level of service. Priority is given to expenditures for the adequate maintenance of capital equipment, facilities and infrastructure, and for their orderly repair or replacement.

Capital Outlay - Capital outlay consists of costs associated with the acquisition of and improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure and all other tangible assets costing \$1,000 or more that are used in operations and have initial useful lives lasting more than one year. The City does not budget depreciation.

5-Year Capital Improvement Program - Expenditures in the Capital Improvement Program will include capital outlay that costs \$25,000 or more. The operating expenditures associated with these items will be included in the operating budget in the current year. The future operating expenditures will be considered in the development of the time schedule for capital improvements along with resource availability. Projects will be scheduled for the current year if resources are available to cover capital outlay and the operating costs. Significant, recurring repair and maintenance items may also be included in the plan.

Business Plans – Each department will prepare an annual business plan that includes the following:

1. Organization – a description of the department, its programs and functions along with a schedule of authorized positions.
2. Mission – a statement of the department’s mission.
3. Recent accomplishments – significant accomplishments during the past budget year.
4. Objectives/outcomes – the larger purpose that the department or division aims to achieve.
5. Goals – a specific listing of what the department expects to achieve in the coming budget year.
6. Funding sources – a description of revenue sources that fund the department.
7. Financial summary – a three-year (prior year actual, current year revised budget, next year proposed budget) summary of the department’s expenditures for personal services, operating expenditures, capital outlay, debt service and transfers.
8. Major budget changes from last year – a description of the primary causes of increases or decreases in the department’s budget.
9. Budget issues – a description of items that may impact the department’s budget now or in the future.
10. Performance measures – indicators of the department’s efficiency and effectiveness.

Accounting and Financial Policies

Basis of Accounting – The City prepares its Comprehensive Annual Financial Report (CAFR) on the basis of Generally Accepted Accounting Principles (GAAP). Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Expenses are recognized when the related liability is incurred. Proprietary funds use the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred. Except as noted below, this conforms to the way the City prepares its budget.

Exceptions are:

- a. Compensated absence liabilities are accrued as earned under GAAP, but budgeted in the year paid.
- b. Principal payments on long-term debt in the Proprietary Funds are applied to the outstanding liability on a GAAP basis, but are budgeted as debt service in the year paid.
- c. Capital outlay in the Proprietary Funds are recorded as assets on a GAAP basis, but budgeted in the year paid.
- d. Other post-employment benefits and depreciation are only recorded on a GAAP basis and are not budgeted.
- e. Fund balances reported in the City’s financial statements comply with the provisions of GASB 54. For budget reporting, however, fund balances that would be reported in the financial statements as nonspendable, restricted, committed or assigned have been combined into a single category called “All other balances”.

Funds and Account Groups - The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenue and expenditures or expenses, as appropriate. Government 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. (See the following Fund Accounting pages.)

Major and Nonmajor Funds – GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City reports three major governmental funds: the General Fund, one special revenue fund, the Community Redevelopment Agency and one capital projects fund, the General Capital Projects Fund. The Electric Fund and the Water and Sewer Funds are reported as the City’s two major enterprise funds.

Governmental and enterprise funds which do not meet the criteria for reporting as major funds are grouped together for presentation purposes as nonmajor Governmental Funds and nonmajor Enterprise Funds, respectively. In addition, the City reports a nonmajor internal service fund type and a nonmajor fiduciary (pension) fund type. Budgets are prepared for all funds regardless of the fund's classification as a major or nonmajor fund and all budgeted funds are included in the City's Comprehensive Annual Financial Report (CAFR).

Cash and Investments - The City's investment policy (Resolution 1854-2010) was adopted on May 17, 2010. The policy authorizes the Finance Officer to invest public funds, contract for banking, investment and related services, establish internal controls and specifies the types of investments that may be purchased. Key objectives included in the policy are as follows:

1. Safety of principal.
2. Sufficient liquidity to allow for quick conversion of investments to cash easily and rapidly without loss of principal.
3. Attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.
4. Investments held should be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold.

The policy specifies requirements for financial institutions and broker/dealers which are approved for investment purposes, maturity and liquidity requirements, and competitive selection of investment instruments. It also specifies the type of authorized investments and portfolio composition, prohibited investments, performance measurements, monthly reporting requirements and third-party custodial agreements.

Debt Service - Debt service costs arise out of obligations to repay amounts borrowed (principal) with interest and any other related costs. Funds are to be borrowed for capital expenditures only. The City will not borrow funds to meet day-to-day operating expenditures. The City will seek to minimize the need for future debt through long term financial planning and capital budgeting. Neither the City Charter nor Code, nor Florida Statutes limit the amount of debt the City can issue.

Decisions to issue debt will be guided by the following policies:

1. The City will restrict the use of long-term debt to capital projects that cannot be funded from current revenues. The City will not use long-term debt to meet current operating expenditures.
2. Debt payments will not extend beyond the useful life of the capital investment being financed.
3. The City may issue refunding bonds provided such refunding does not result in an increase in the interest rate.

4. Issuance of General Obligation Bonds (GOB) requires the approval of the City Council and an affirmative vote of a majority of electors voting at any specific general election.
5. The City may issue tax increment debt securities payable solely from the ad valorem tax increment proceeds within the area of authority created in accordance with City Ordinances for the Southend and Downtown Tax Increment Districts.
6. The City Council has the authority to obligate the City's resources for the issuance of Revenue Bonds. Issuance of additional revenue bonds for the utilities must not violate the terms of current bond covenants and comply with all the restrictions for parity, debt service coverage and reserve requirements.
7. The use of lease purchase obligations will be considered only when the useful life of the item is equal to or greater than the length of the lease. If the item becomes technologically obsolete or is likely to require extensive repairs during the lease period, then the City will purchase the item with current operating revenues.
8. As a part of the budget process, the Finance Officer annually reviews current and projected levels of debt, monitoring debt levels to assure that the City does not over-obligate its resources. Analysis of debt levels, along with long term revenue projections will both be considered when deciding if the City should incur new debt. Plans for long-term debt will vary depending upon funding source, its reliability and availability in the future and the priority of the capital project being considered. When considering if the City can afford the new debt, the City will also consider the added operating expenditures associated with the new capital asset and its long-term budget impact.

Transfers - Transfers are used to move monies from one fund to another without the intent of repayment. Transfers are made according to prescribed formula or legal requirements upon the availability of unrestricted fund balances. No transfer will be made in violation of the legal purpose or use of revenues from which the fund balance was created.

Fund Balance – The City implemented the provisions of GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2011 (Resolution 1887-2011, revised in Resolution 1890-2011), as required. The policy establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which the amounts in the funds can be spent.

For financial statement purposes, fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned. For budget purposes, fund balance is reported as either *Unrestricted/unassigned* or *All other balances*. Fund balances that would be reported in the financial statements as nonspendable, restricted, committed or assigned have been combined for budget reporting into a single grouping designated as “All other balances”.

The fund balance resolutions adopted in 2011 established a revenue stabilization fund balance

reserve in the General Fund in an amount equal to 25% of subsequent year's general fund budgeted expenditures. The purpose of the stabilization fund is to provide sufficient working capital at the beginning of the fiscal year until the time the City begins receiving ad valorem taxes, usually toward the end of the first quarter. It essentially sets a fund balance minimum. The stabilization balance can only be reduced with City Council approval or for budgeted expenditures when all other unrestricted or uncommitted fund balances have been exhausted, or there is a revenue shortfall resulting in a decrease in the stabilization fund.

The resolutions also established an assigned fund balance in the General Fund for unanticipated events or emergencies calculated as up to 25% of the subsequent year's General Fund budget (after the revenue stabilization reserve is funded). Expenditures for emergencies must be approved by the City Manager and reported to the City council within 30 working days of the emergency. Expenditures for major unanticipated, unbudgeted events require prior City Council approval and subsequent modification to the general fund budget.

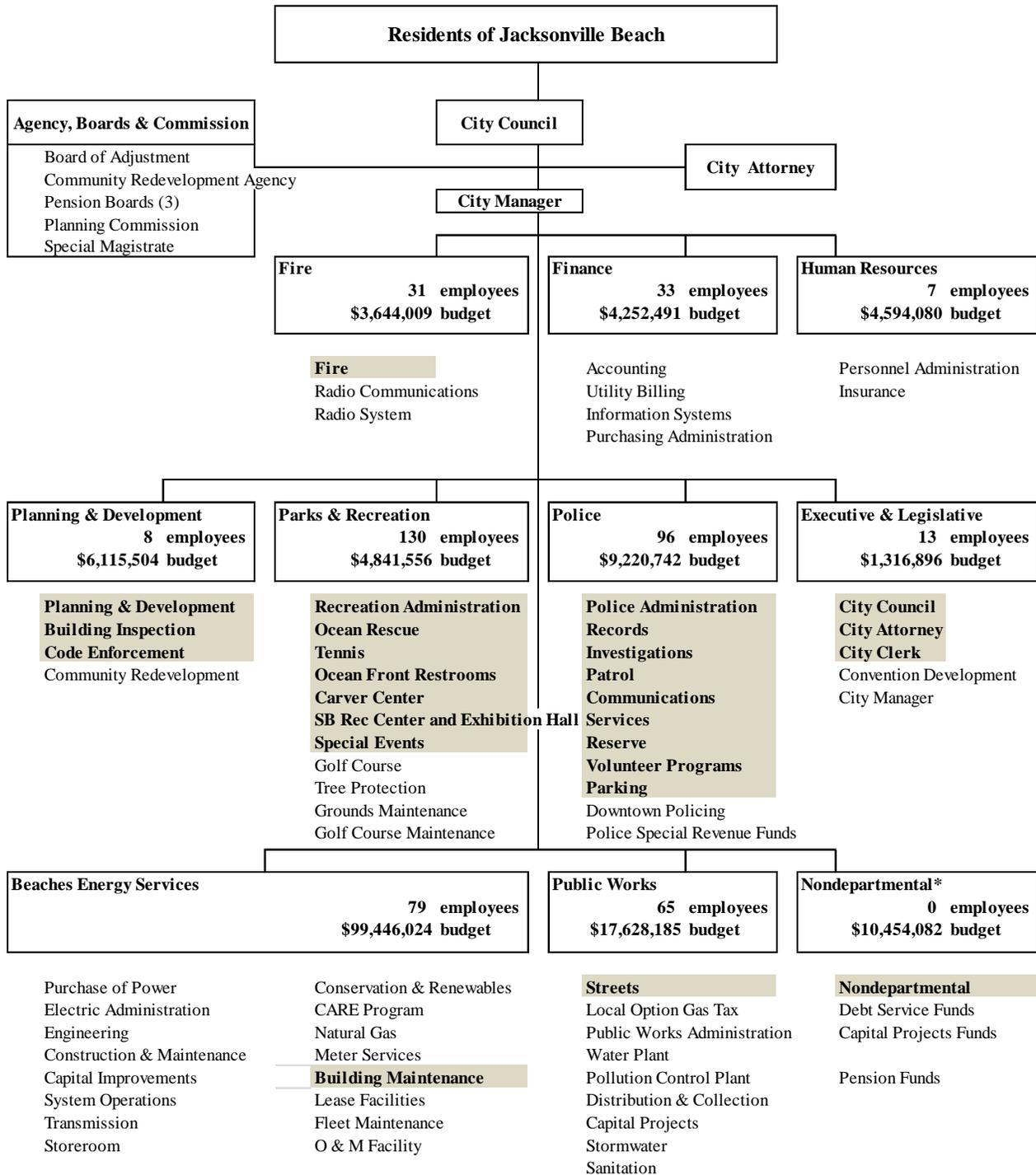
In general, fund balances in special revenue funds are classified as restricted. Fund balances in debt service and capital projects funds are classified as assigned.

When both restricted (or committed, or assigned) and unrestricted resources are available for use, the City's policy as established in the resolution is to use the restricted (or committed, or assigned) resources first, then unrestricted resources as they are needed.

Fund Balance Reserves in Proprietary Funds – In addition to any legally restricted fund balances, the City maintains a fund balance reserve for working capital in all operating funds. The purpose of this reserve is to handle shortfalls from revenue deficiencies, costs from unforeseen emergencies, and to avoid the need for short term borrowing for cash flow purposes. This reserve is maintained at the approximate level of three to four months operating expenditures. The City's insurance internal service funds maintain minimum reserves of \$500,000 in the Property and Liability Insurance Fund and a minimum of \$1,500,000 in the Workers Comp Insurance Fund. The reserves were recommended as part of a plan for the City to become partially self-insured.

GFOA Award for Distinguished Budget Presentation - The City strives to improve its budget document in order to continue to meet the criteria for the Government Finance Officers' Association (GFOA) Award for Distinguished Budget Presentation. This award signifies that the City is communicating its spending plan to its citizens, elected and administrative officials, and to outside interested parties such as bond rating agencies, in an exemplary manner.

City of Jacksonville Beach, Florida Organization Chart



Denotes divisions whose operations are funded by the General Fund

* See Executive & Legislative Department for discussion of these items
Number of employees includes full-time, part-time, seasonal and temporary

**Expenditure Summary by Business Plan and Fund
Fiscal Year 2014**

	General Fund	Other Govt. Funds	Enterprise	Internal Service	Trust (Pension)	Total
Executive & Legislative						
Governmental Debt Service		\$990,797				\$990,797
Executive & Legislative	750,285	221,669		344,942		1,316,896
Capital Projects		2,238,373				2,238,373
Nondepartmental	1,289,373					1,289,373
Total Executive & Legislative	2,039,658	3,450,839		344,942		5,835,438
Planning & Development						
Planning & Development	633,072					633,072
Downtown Redevelopment		1,609,554				1,609,554
Southend Tax Increment		3,872,878				3,872,878
Total Planning & Devel.	633,072	5,482,432				6,115,504
Parks & Recreation						
Recreation Administration	1,295,259					1,295,259
Ocean Rescue	621,760					621,760
Tennis	91,081					91,081
Oceanfront Restrooms	80,500					80,500
Carver Center-CDBG	83,640	126,815				210,455
Special Events	110,000					110,000
Exhibition Hall	41,000					41,000
Golf Course			1,356,803			1,356,803
Tree Protection		3,000				3,000
Grounds Maintenance				1,031,698		1,031,698
Total Recreation & Parks	2,323,240	129,815	1,356,803	1,031,698		4,841,556
Public Works						
Administration			3,095,500			3,095,500
Distribution and Collection			2,656,049			2,656,049
Pollution Control			3,124,692			3,124,692
Water Plant			1,477,065			1,477,065
Streets	1,504,641					1,504,641
Local Option Gas Tax		778,928				778,928
Stormwater Utility			1,444,455			1,444,455
Sanitation			3,546,855			3,546,855
Total Public Works	1,504,641	778,928	15,344,616			17,628,185
Police						
General Fund	8,304,083					8,304,083
Special Revenue Funds		453,566	463,093			916,659
Total Police	8,304,083	453,566	463,093			9,220,742
Fire						
	3,644,009					3,644,009
Beaches Energy Services						
Beaches Energy-Electric Division			95,270,168	833,970		96,104,138
Beaches Energy-Natural Gas Division			1,853,558			1,853,558
Property Management	436,782		76,783	974,763		1,488,328
	436,782		97,200,509	1,808,733		99,446,024
Finance						
		6,981	463,093	3,782,417		4,252,491
Human Resources						
Personnel Administration				546,650		546,650
Insurance & Risk Management				4,047,430		4,047,430
Total Human Resources				4,594,080		4,594,080
Total All Business Plans	18,885,485	10,302,561	114,828,114	11,561,870		155,578,029
Pension Fund					5,935,540	5,935,540
Total Adopted Budget	\$18,885,485	\$10,302,561	\$114,828,114	\$11,561,870	\$5,935,540	\$161,513,569



Executive & Legislative Department

Mission

Improving our quality of life and building community.

Organization

The Executive and Legislative Services Department consists of four General Fund divisions: City Council, City Attorney, City Clerk, and Non-Departmental. This department also manages the City Manager Internal Service Fund, Convention Development Fund, and Capital Projects Funds.

The City Council and City Manager are responsible for providing leadership that result in informed decision-making, exceptional customer service and a positive quality of life for the citizens of Jacksonville Beach.

Policy decisions and legislative actions, which are made by the City Council, are administered and executed by the City Manager. The City Attorney serves in an advisory role in the interpretation of ordinances adopted by the City Council and other state and federal laws and regulations related to the business of City government. The City Clerk maintains City records in compliance with state and local laws.

Authorized Positions	FY2012	FY2013	FY2014
City Council	7	7	7
City Manager	1	1	1
Assistant to the City Manager	1	1	1
City Clerk	1	1	1
Assistant City Clerk	1	1	1
Senior Secretary	1	1	1
Senior Secretary- part-time	2	1	1
TOTAL	14	13	13

Goals for FY2014-City Manager's Office

- Lead efforts to restructure City services to meet budgetary limitations.
- Provide leadership to implement business plan strategies and City Council priorities for all departments.
- Analyze levels of service and recommend changes in City programs to improve their effectiveness.
- Continue customer service emphasis to provide high quality services at a reasonable cost.
- Focus on sound financial management.

Executive & Legislative Department

City Manager's Performance Measures	2012	2013	Target 2014
City Council Priorities			
Financially Sound City			
Sustainable pension plans	Underway	Underway	Complete
Provide competitive compensation & health care for employees	On-going	On-going	On-going
Develop potential alternate revenue sources to supplement General Fund	Yes	Yes	Yes
Ensure capital improvement planning is up to date	Yes	Yes	Yes
Public Safety			
Ensure Downtown CAPE is enhancing citizen safety	Yes	Yes	Yes
Partner with other agencies to assist vagrants	n/a	In Progress	Underway
Work with neighborhood watch programs and other community organizations to prevent and reduce crime	On-going	On-going	On-going
Business Growth			
Support and work with business owners and Beaches Chamber of Commerce in developing a plan to identify, attract and retain a good mix of businesses for our city	n/a	Retail Study	On-going
Work with Beaches Chamber of Commerce, Beaches Hospitality Network and Visit Florida to market our city and assist hospitality/tourism businesses	n/a	On-going	On-going
Review City ordinances or policies that may unduly restrict business activity	n/a	Underway	Complete
Parking			
Provide spaces for low speed vehicles	-	Complete	n/a
Investigate the feasibility of a paid integrated parking program to encourage long-term parking in the lots and short-term parking on the streets	n/a	In Progress	Underway
Provide security in City-owned parking lots	Yes	Yes	Yes
Building Community			
Involve citizens in the decision making process; provide training on problem solving and citizen participation	Yes	Yes	Yes
Enhance web and social media presence to keep the public informed and invited to participate in decision making	-	Yes	Yes
Provide spaces, parks and events that create opportunities for friends and neighbors to connect with each other and with the community	Yes	Yes	Yes
Effectiveness			
Accomplish business plan goals	Yes	Yes	Yes
Customer Service			
Customer service training and standards for all departments	Yes	Yes	Yes

Executive & Legislative Department

City Manager's Performance Measures	2012	2013	Target 2014
Quality of Life			
Infrastructure:			
System improvements and maintenance for streets, sidewalks, water, sewer, stormwater, electric and natural gas as scheduled in the 5-year capital improvement plan	Yes	Yes	Yes
Water, Sewer & Stormwater:			
Rebuild Waste Treatment Plant to comply with federal/state limits on nitrogen	Construct	Complete	--
Water-consumptive use permit	Yes	Yes	Yes
Sewer & Stormwater-NPDES permits	Yes	Yes	Yes
Parks & Facilities:			
All parks and facilities in good condition; properly maintained and free of trash	Yes	Yes	Yes
Install bus shelters at selected locations as funding is available	Yes	Yes	Complete
Public Safety:			
Emergency Management	On-going	On-going	On-going
Redevelopment			
30-year redevelopment district renewal	-	Complete	n/a
Projects:			
Downtown Redevelopment-Glatting Jackson, Phase 3 (2nd St. N., 5th Ave. N. & portions of 1st St., 1st & 2nd Sts. South and Aves. To 16th S.) (see 5-year Capital Improvement Plan)	Phase 3A construct, 3B & 3C design	Phase 3B construct	3C design & construct
Southend Reuse, Road, Drainage, Landscaping and Irrigation Improvements (see 5-year Capital Improvement Plan)	Phase 2 construct	Construct road improve.	Phase 3 construct; Phase 4 design
Intergovernmental Relations			
Monitor & provide input on issues of importance to the City's future including: Federal: electric, internet tax, regulatory agencies, beach renourishment State: legislation, beach renourishment, DOT, regulatory agencies Local: City of Jacksonville, JTA, interlocal agencies			
Promote the City's interests in issues affecting the cost of power, integrated resource plan, natural gas, and legislative issues. Continue to monitor and participate in decision making through active membership in Florida Municipal Power Association (FMPA) and Florida Municipal Electric Association (FMEA)			
Marketing and Public Relations			
Communication with the media	On-going	On-going	On-going
Website management	Yes	Yes	Yes
Special Events: Jazz Concert Series, Moonlight Movies and others (see Parks & Recreation)	Yes	Yes	Yes

Executive & Legislative Department

Employee Pension Funds' Performance Measures:

	Actual				
	2008	2009	2010	2011	2012
Percentage funded (historical) ¹ :					
General	83.4%	81.3%	78.7%	74.2%	73.9%
Police	77.5%	76.4%	75.6%	71.5%	73.8%
Fire	78.0%	73.8%	70.4%	66.8%	69.6%
Accrued unfunded liability (in thousands) ¹ :					
General	\$8,135	\$9,580	\$11,279	\$14,166	\$14,932
Police	\$4,376	\$4,741	\$5,042	\$6,172	\$5,806
Fire	\$2,360	\$3,004	\$3,553	\$4,149	\$3,891
Net assets held for pension benefits (in thousands) ² :					
General	\$36,348	\$37,249	\$39,015	\$37,834	\$42,760
Police	\$13,390	\$13,751	\$14,616	\$14,336	\$16,530
Fire	\$7,431	\$7,595	\$7,875	\$7,759	\$8,979
Market rate of return (all pension funds combined) ¹ :					
All pension funds	-10.80%	5.40%	8.20%	-0.10%	16.4%
Annual City contribution ² :					
General	\$623,377	\$612,416	\$737,532	\$971,717	\$1,132,385
Police	\$340,003	\$370,722	\$512,679	\$609,116	\$653,602
Fire	\$285,681	\$195,664	\$179,590	\$291,996	\$387,844
Number of retirees & beneficiaries receiving benefits ¹ :					
General	130	135	142	151	151
Police	33	35	36	40	40
Fire	24	24	23	21	21
Annual benefits paid (in thousands) ² :					
General	\$1,588	\$2,201	\$2,490	\$2,608	\$3,011
Police	\$971	\$1,012	\$1,040	\$1,120	\$1,131
Fire	\$718	\$718	\$724	\$700	\$660

¹ Actuarial valuation dated October 1

² Audited financial statements dated September 30

Annual City Contribution ³	2010	2011	2012	2013	2014
General	\$737,532	\$971,717	\$1,132,385	\$1,490,902	\$1,699,919
Police	\$512,679	\$609,116	\$620,826	\$733,533	\$803,886
Fire	\$179,590	\$291,996	\$363,700	\$429,947	\$449,068

³ Audited financial statements dated 9-30-2011 and 2012 and actuary report dated 10-1-2011 and 2012

Executive & Legislative Department

City Clerk's Performance Measures	2012	2013	Target 2014
Customer survey satisfaction rating: Target is 95% Satisfactory, with at least 80% Exceeds Expectations	99%	95%	95%
Issue business licenses within 5 days of receipt of completed application	98%	100%	100%
Issue lien certificates within 7-10 business days of request receipt	98%	95%	95%
Issue Council agenda packets 4 days prior to meeting	100%	100%	100%
Prepare regular Council meeting minutes within 3 days	100%	100%	100%
Compile & submit data for actuary report by January	Yes	Yes	Yes
Issue Summary Annual Report to pension members	Yes	Yes	Yes

Goals for FY2014-City Clerk's Office

- Identify, preserve and protect historic City records.
- Ensure that all Council and board meetings are attended and minutes are transcribed in a timely manner. Preserve and protect vital City documents and information by continuing employee Opti-View training and maintenance of document imaging program. Research conversion of document images to microfilm. Only long-term and permanent retention documents will be considered for conversion.
- Maintain training and continue cross-training of staff in the areas of Local Business Tax, research and preparation of lien certificates to collect outstanding liens and fees due to the City, conduct annual in-house records retention and records management training.
- Ensure customer needs and expectations are met by conducting annual surveys in all areas: local business tax and lien certificates. Maintain a rating of 95% satisfactory or higher.
- Work with Finance and Human Resources to transfer pension administration to Human Resources.

Executive & Legislative Department

Funding Sources:

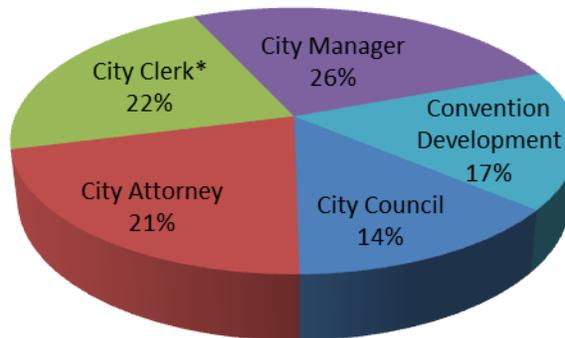
The **General Fund Executive and Non-Departmental Divisions** are supported by taxes, intergovernmental revenues, and transfers from other funds. **The City Manager Division** is funded by allocation of charges to departments served by the division. **The Convention Development Fund** receives half of the County’s 2% Bed Tax charged to each hotel room within the City’s corporate limits.

Half-Cent Infrastructure Tax Fund uses distributions from the *Better Jacksonville Plan* to fund:

- Street reconstruction and school sidewalks
- Water, sewer, stormwater improvements
- Capital improvements to recreational facilities
- Purchase of property for preservation and recreational purposes

Funding Uses:

Executive & Legislative Budget



Division	FY2013 Budget	FY2014 Budget	Increase (Decrease)
City Council	\$175,750	\$179,535	\$3,785
City Attorney	282,690	280,547	-2,143
City Clerk*	234,525	290,203	55,678
City Manager	353,876	344,942	-8,934
Convention Development	277,270	221,669	-55,601
TOTAL	\$1,324,111	\$1,316,896	(\$7,215)

*City Clerk budget increase resulted from moving pension administration duties to Human Resources. This change eliminated the allocation of a portion of the City Clerk’s budget to the pension funds.

Executive & Legislative Department

Funding Uses (continued)

City Council

This division's expenses are essentially level in comparison to previous years. Total budget is \$179,535. The City Council budget includes funding assistance for:

Dial-a-Ride \$2,500

Beaches Resource Center \$500

BEAM \$500

Beaches Community Healthcare \$500

City Attorney/Legal and Legislative Services

The City Attorney division includes budgeted legal fees for legal matters affecting the City and its departments and for State and Federal legislative issues. This budget may require modification annually depending on the number of lawsuits. The total budget is \$280,547.

City Clerk

The City Clerk's office is responsible for maintaining the City's records and documents, keeping minutes of all City meetings, coordinating all municipal elections and publishing legal notices and advertisements. It also manages the City's business license program. The total budget is \$290,203.

City Manager

The City Manager's office runs the day-to-day operations of the City by overseeing the work of all City departments, manages inter-governmental (Federal, State and local) affairs, represents the Beaches Energy Services in the Florida Municipal Power Agency and on the board of the Florida Municipal Electric Association, is responsible for presenting the annual budget to the City Council and executes the directives of the City Council. The total budget is \$344,942.

Convention Development

The expenses of this division cover the maintenance and upkeep of the SeaWalk amphitheater and downtown entertainment center. This includes \$29,500 for SeaWalk maintenance, and \$77,169 for the Grounds Maintenance division to maintain landscaping in the SeaWalk Pavilion and downtown entertainment center. The Convention Development Fund transfers \$20,000 to provide partial funding for the maintenance and operation of the South Beach Recreation Center and Exhibit Hall and \$95,000 to partially fund Special Events. The total budget is \$221,669.

Executive & Legislative Department

Funding Uses (continued)

Non-Departmental

The Non-Departmental Division of the General Fund includes those expenses that are not attributable to any distinct area and unanticipated expenses that might come up during the year. Liability insurance coverage is also paid for in this cost area.

NON-DEPARTMENTAL BUDGET		
(General Fund)	FY2013	FY2014
Professional Services	\$10,000	\$7,500
Contract Services: Christmas lights	0	12,000
Contract Services: bank charges	34,000	35,000
Utilities (Downtown area)	20,000	20,000
Rental of South Beach Recreation Center	10,000	10,000
Liability Insurance	376,539	409,442
Printing and reproduction (Jax Beach Briefs)	6,000	2,000
Unanticipated:		
Unallocated	245,250	428,648
Customer Service Rewards	15,000	15,000
Emergency Management (if needed)	0	0
Internal Service Charges	193,030	173,246
Uncollectible Accounts	1,000	0
Minimum monthly retiree benefits	11,537	11,537
Subtotal - operating	922,356	1,124,373
Capital outlay	0	0
Transfers from General Fund to General Capital Projects Fund:		
Capital Projects-equip. replacement		
Fire apparatus replacement	75,000	75,000
Streets heavy equipment replacement	96,200	90,000
Subtotal - transfers	171,200	165,000
TOTAL Non-departmental	\$1,093,556	\$1,289,373

Executive & Legislative Department

Funding Uses (continued)

Capital Projects Funds include ½ **Cent Sales Surtax** (also known as the Better Jacksonville Beach Fund) which are used to pay debt service and fund improvements to streets, sidewalks and recreation facilities. ½ **Cent Sales Surtax Bond Proceeds** accounts for \$10 million borrowed, in part, to partially fund the Waste Treatment Plant rebuild required to meet the City’s nitrogen allocation, along with the 9th Street, Avalon and Duval Drive projects.

Funding Source	Projects budgeted	Budget
½ Cent Sales Surtax Fund (Better Jax Beach)	Transfer to debt service fund	\$986,797
½ Cent Sales Surtax Bond Proceeds Fund (Better Jax Beach)	Paws Park sidewalk and fencing	\$85,000
	Bus Stops	\$99,020
Total 1/2 Cent Sales Surtax Bond Proceeds		\$184,020
General Capital Projects	Professional engineering services	\$30,000
	10th St. S. Industrial Park Area Improvements	\$91,609
	Replace Self-contained breathing apparatus (SCBAs)	\$175,000
	Rebuild Golf Course bulkhead (hole #14)	\$100,000
	Replace computers (annual plan)	\$99,447
	Replace blade center/server and Police Department server (IT master plan-phase 2)	\$465,000
	Dune walkover maintenance	\$100,000
Total General Capital Projects		\$1,061,056
Sunshine Park	Park Maintenance	\$3,500
Paws Dog Park	Park Maintenance	\$3,000
TOTAL CAPITAL PROJECTS		\$2,238,373

Financial Summary-Capital Projects Funds

Resource Allocation	Actual	Original	Adopted	Increase	%
	2012	Budget 2013	Budget 2014	-Decrease	Change
Operating	\$872,949	\$171,500	\$161,500	-\$10,000	-5.8%
Capital Outlay	\$963,756	\$1,325,000	\$1,090,076	-\$234,924	-17.7%
Transfers	\$1,015,115	\$971,734	\$986,797	\$15,063	1.6%
TOTAL	\$2,851,820	\$2,468,234	\$2,238,373	-\$229,861	-9.3%

General Capital Projects Fund uses transfers from other funds to pay for planned major capital improvements or equipment purchases and unforeseen major repairs or renovations. **Beaches Park Project for Kids and Paws Dog Park** funds use donations to help maintain two facilities: Sunshine Park and Paws Dog Park.

Executive & Legislative Department

Financial Summaries

Executive & Legislative Department

With the completion of Seabreeze ball field light installation in 2013, the budget has decreased.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$548,143	\$570,363	\$622,118	\$51,755	9.1%
Operating	\$459,388	\$568,748	\$579,778	\$11,030	1.9%
Capital Outlay	\$14,480	\$95,000	\$0	-\$95,000	-100.0%
Debt Service	\$0	\$0	\$0	\$0	0.0%
Transfers	\$108,252	\$90,000	\$115,000	\$25,000	27.8%
TOTAL	\$1,130,263	\$1,324,111	\$1,316,896	-\$7,215	-0.5%

Nondepartmental Division

A detail of Non-departmental expenditures is on page 42.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Operating	\$652,801	\$922,356	\$1,124,373	\$202,017	21.9%
Capital Outlay	\$0	\$0	\$0	\$0	n/a
Transfers	\$188,360	\$171,200	\$165,000	-\$6,200	-3.6%
TOTAL	\$841,161	\$1,093,556	\$1,289,373	\$195,817	17.9%

Governmental Debt Service Funds

The 1/2 Cent Infrastructure Surtax Bond Proceeds are paying for capital projects throughout the City. The bonds will be paid off in 2019.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Principal	\$7,325,000	\$875,000	\$900,000	\$25,000	2.9%
Interest & other charges	\$213,928	\$105,993	\$90,797	-\$15,196	-14.3%
TOTAL	\$7,538,928	\$980,993	\$990,797	\$9,804	1.0%

Executive & Legislative Department

Budget Issues for 2014

- Keeping a strong, well trained and highly motivated workforce while reducing staff, limiting wage increases due to revenue reductions, and increasing pension and health insurance costs will be a continuing challenge.
- The wage article for FOP (Police Officers) and the entire contract for IAFF (Firefighters) are open for negotiation. The entire LIUNA (General Employees) contract is currently under negotiation.
- State legislation imposing business and communications tax limitations for local governments along with reductions in property value caused by the recession have had a substantial effect on City operations.
- Construction of sewer plant rebuild to meet nutrient allocation for the St. Johns River *total maximum daily load* (TMDL) costing over \$21.6 million is substantially complete. New stormwater regulations (numeric nutrient criteria) could increase costs dramatically.
- The City of Jacksonville may try to reopen the interlocal agreements with the three beach cities. These agreements govern such things as the relative taxing and provision of services to the cities.
- Although the cost of natural gas is currently low and not expected to increase significantly in the next year, future cost volatility could drive the City's power costs higher. New regulations limiting carbon dioxide emissions could also increase those costs.
- Maintenance improvements to the City's 10+ year old dune walkovers are expected to cost \$100,000 per year for the next several years. \$100,000 is included in the 2014 budget for this purpose.



Planning & Development Department

Mission

Working together to build a better Jacksonville Beach.

Department Service Philosophy

- Ensure compliance with the City’s adopted development and construction standards.
- Communicate effectively with customers regarding the code requirements while implementing processes that are responsive to their particular needs.
- Provide assistance to the general public to aid in their understanding of the land planning, development and building permit processes.

Organization

The Planning & Development Department consists of three divisions: Planning & Development, Building Inspection, and Code Enforcement. In 2006, the Code Enforcement Division was formed out of the Building Inspection Division to conform to state mandates regarding financial management of permit fee revenues.

The department also provides administrative support to the Community Redevelopment Agency (CRA) for the City’s Downtown and South Beach Redevelopment Districts. The work of the department is carried out in coordination with the appointed Planning Commission, Board of Adjustment, Community Redevelopment Agency, and the Special Magistrate.

Authorized Positions	FY2012	FY2013	FY2014
Planning Division	2	2	2
Building Inspection Division	4	4	4
Code Enforcement Division	2	2	2
TOTAL	8	8	8

Planning & Development Department

Financial Summary - All Divisions

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$582,894	\$603,072	\$590,785	-\$12,287	-2.0%
Operating	\$246,808	\$207,602	\$199,372	-\$8,230	-4.0%
Capital Outlay	\$3,728,495	\$13,041,884	\$4,276,608	-\$8,765,276	-67.2%
Debt Service	\$1,833,917	\$1,494,114	\$1,048,739	-\$445,375	-29.8%
Transfers	\$41,465	\$292,635	\$0	-\$292,635	-100.0%
TOTAL	\$6,433,579	\$15,639,307	\$6,115,504	-\$9,523,803	-60.9%

The FY 2014 budget for the Department is decreased, in part, due to the manner in which tax increment revenues will be budgeted for capital projects. The year-to-year change in capital projects can create significant changes in this department's budget. Reserved funds are earmarked or committed to such projects when they reach the final design stage.

Financial Summary by Division

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Planning	\$159,260	\$161,576	\$159,838	-\$1,738	-1.1%
Building Inspection	\$292,749	\$299,440	\$319,235	\$19,795	6.6%
Code Enforcement	\$139,012	\$161,424	\$153,999	-\$7,425	-4.6%
Downtown Redevelopment	\$4,686,405	\$10,441,595	\$1,609,554	-\$8,832,041	-84.6%
South Beach Redevelopment	\$1,156,153	\$4,575,272	\$3,872,878	-\$702,394	-15.4%
TOTAL	\$6,433,579	\$15,639,307	\$6,115,504	-\$9,523,803	-60.9%

Planning & Development Department

Planning & Development Division

The Planning and Development Division is responsible for the City's short- and long-range planning activities including administering and maintaining the Comprehensive Plan Elements and implementing the Land Development Code. This Division also provides administrative support for the City's community redevelopment efforts. This function includes developer relations, redevelopment agreement negotiations, and monitoring the implementation of projects.

The Division works closely with the appointed Planning Commission, Board of Adjustment, and Community Redevelopment Agency (CRA).

Authorized Positions	FY2012	FY2013	FY2014
Director of Planning & Development	1	1	1
Senior Planner	1	1	1
TOTAL	2	2	2

Recent Accomplishments

- ✓ Processed 182 separate land development code approvals including three zoning changes that involved modifications to the PUD zoning for the Osceola Professional Office Center, Ocean Cay, and Paradise Key; two site plan approvals (the Mastec fiber optic switching building on 10th Avenue South and a new triplex residential structure at 608 South 2nd Street), 37 conditional use approvals, and 81 variance requests for public hearings by the Planning Commission or Board of Adjustment. Administrative approvals of home occupations totaled 68.
- ✓ Prepared regulations governing the extension of licensed premises requirements for special events on private property.
- ✓ With the assistance of a summer intern, completed extensive research into the regulation of the mobile food vending industry in Florida and throughout the country that will be invaluable in preparing an ordinance proposing to allow this type of business to operate in the City.
- ✓ Assisted in inter-departmental efforts related to capital project coordination, paid public parking, drainage-related land acquisition project, and provision of bus shelters.
- ✓ Maintained the City's involvement in the North Florida TPO transportation planning activities.
- ✓ Continued the Division's commitment to provide a 10-day turnaround time for the initial review of land development application plan submittals.

Planning & Development Department

Planning & Development Division Goals for FY2014

- Maintain current standard of distributing development plans to reviewing departments within two days of receipt and completing the initial review of the submittal within ten working days.
- Continue working on Beaches transportation issues through participation on the North Florida Transportation Planning Organization (TPO) technical coordinating committee.
- Continue the evaluation of the City's land development code in terms of current conditions and trends, and recommend revisions, such as regulating mobile food vending, to continue properly managing the future growth and development of the City.

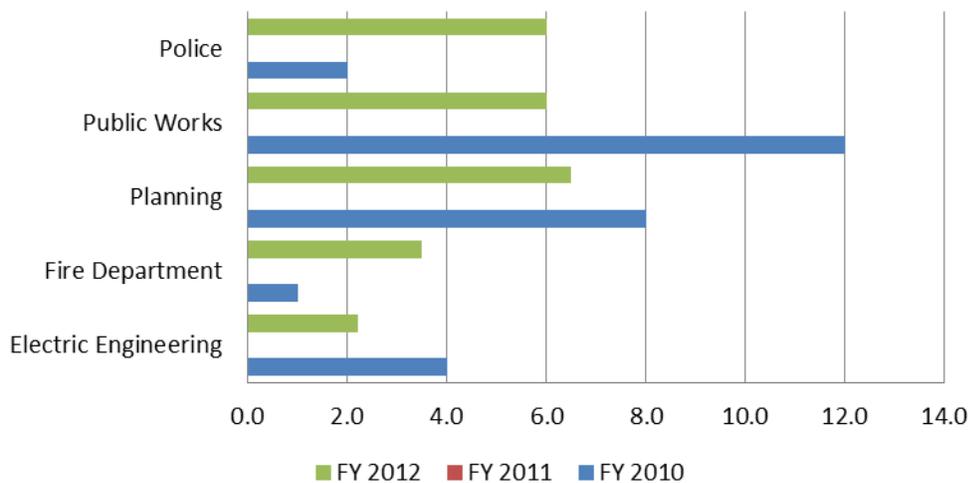
Division Budget Issues for FY2014

- The recovery in development and construction activity due to the slow but sure turnaround in the national economic situation that began in 2008 has resulted in a noticeable increase in the Department's workload. For example, the number of inspections performed increase from 4,386 in FY 2011 to 5,699 in FY 2012, an increase of nearly 30%. Over the 2008-2012 time period, the Department's staffing level was reduced from 11 to 8. A second building code inspector position exists, but will remain unfunded and unfilled indefinitely.
- There is a need to continuously monitor permitting and inspection workload activity as the economic recovery continues so that we can quickly respond to fill the vacant position to ensure that we maintain our high standard of service to our customers.

Division Performance Measures

It is the goal of the Division to complete the initial review of all site development plan applications within 10 working days from receipt.

Site Plan Review Processing Days



Note: There were no site plans submitted for review during FY2011.

Planning & Development Department

Building Inspection and Code Enforcement Divisions

Organization of the Division

The Building Inspection Division is responsible for reviewing and approving all applications for permits, including new construction and remodeling, electrical, plumbing, mechanical, and miscellaneous work. This division also inspects all permitted jobs to ensure that they are carried out in accordance with the approved plans and adopted codes.

The Code Enforcement Division is responsible for enforcing the property maintenance ordinances of the City. This function includes clearing of vacant lots, abating general nuisances, and removal of junked or abandoned property. The Division works closely with the appointed Special Magistrate in carrying out this responsibility.

Authorized Positions	FY2012	FY2013	FY2014
Building Official	1	1	1
Building Code Inspector	1	1	1
Permit Specialist	2	2	2
Total, Building Inspection Division	4	4	4
Code Enforcement Inspector	1	1	1
Permit Specialist	1	1	1
Total, Code Enforcement Division	2	2	2
TOTAL, Building Inspection and Code Enforcement Divisions	6	6	6

The job description for the Building Code Inspector position has been revised to include general code enforcement duties. Going forward, all Building Code Inspectors will be cross-trained to work in the code enforcement areas.

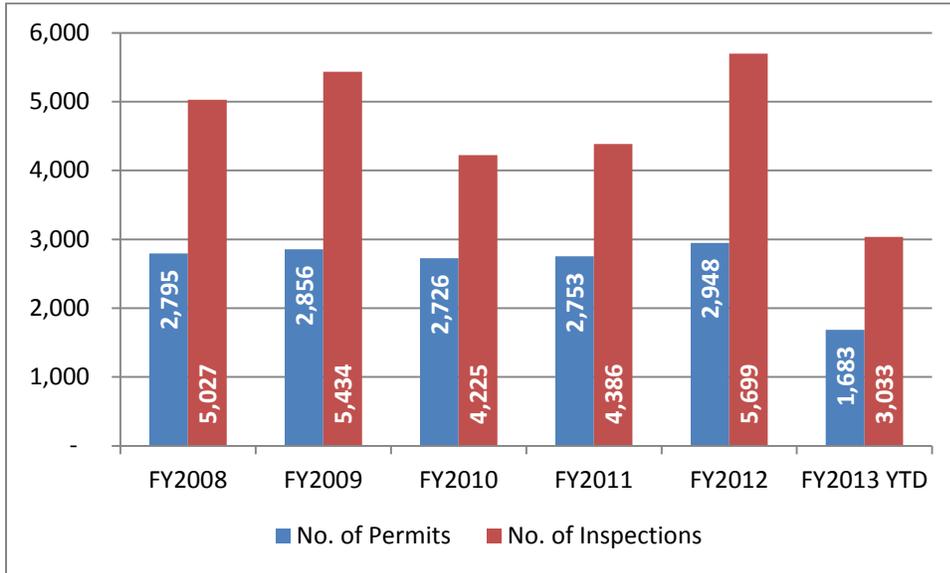
Recent Accomplishments

- ✓ The Building Inspection Division issued 2,948 building permits with a valuation of \$39,265,281. Building inspection personnel carried out 5,699 construction inspections during the fiscal year. Construction activity included 65 new dwelling units, and generated over \$375,000 in permit fees. All of these figures are up significantly from the prior fiscal year signaling a slow emergence from the historical downturn in the construction industry starting in 2008.
- ✓ Code enforcement staff processed 1,322 property maintenance code cases. The Special Magistrate system, which began in 2007, has now been in place for over five years. The magistrate, who is trained in the law, hears and decides code violation cases. The Magistrate heard and decided 83 cases in FY 2012.
- ✓ The Building Inspection Division is meeting its objectives for turnaround times during the initial review of construction plans.
- ✓ The Division has been diligent in making sure that team members attain and retain the proper licenses and credentials under state law. Throughout FY 2012, all Building Inspection personnel devoted adequate time in building code administration classroom activities to maintain their certifications, and all of Department staff devoted some time to elective personal and professional development training seminars.

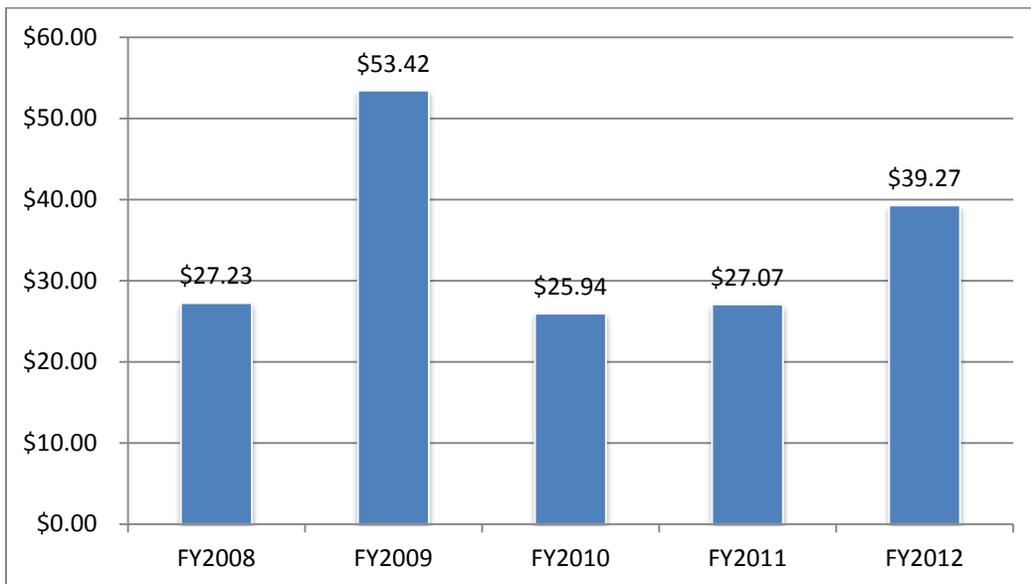
Planning & Development Department

Building Inspection and Code Enforcement Divisions Performance Measures

Annual Number of Permits Issued and Inspections Made, FY 2008-2013 YTD



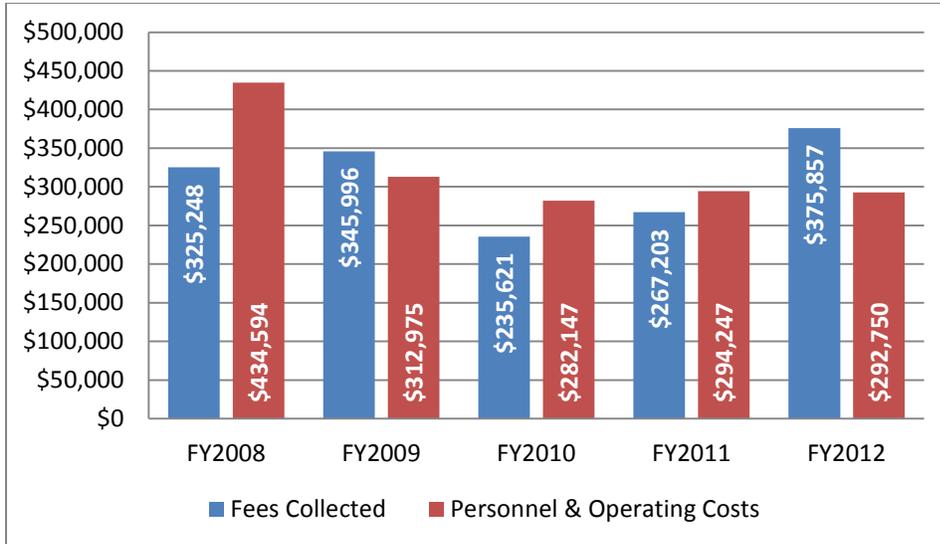
Total Dollar Value of Permits, FY 2008-2012 (millions)



Building Inspection's objective is to maintain a level of service for building permitting, inspections and code enforcement to achieve a high degree of customer satisfaction.

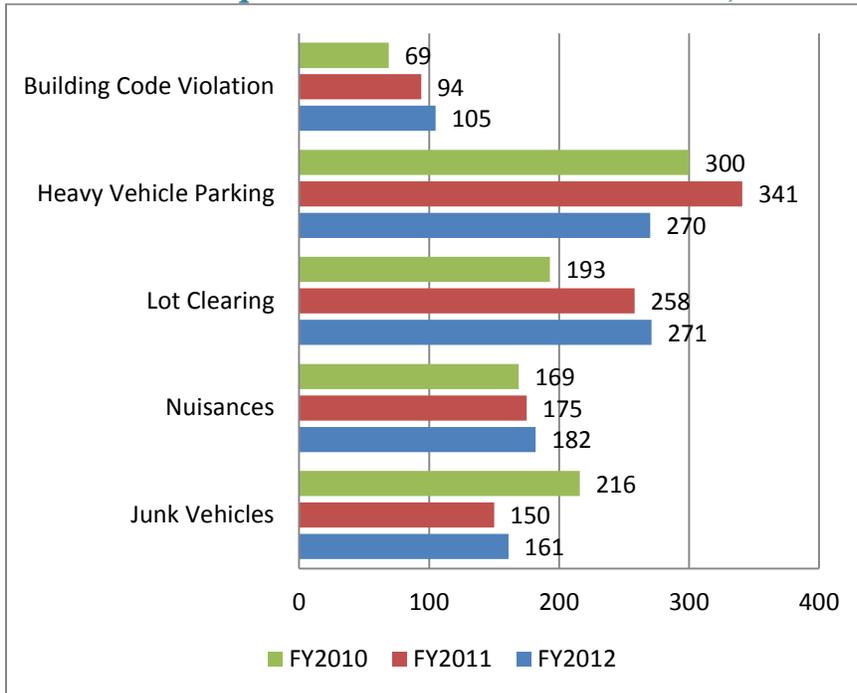
Planning & Development Department

Comparison of Permit Fees & Building Inspection and Code Enforcement Divisions' Personnel and Operating Expenses, FY 2008-2012



In 2006, the Florida legislature passed a bill requiring local governments to earmark funds derived from permit fees to support the building permitting and inspection functions of the jurisdiction.

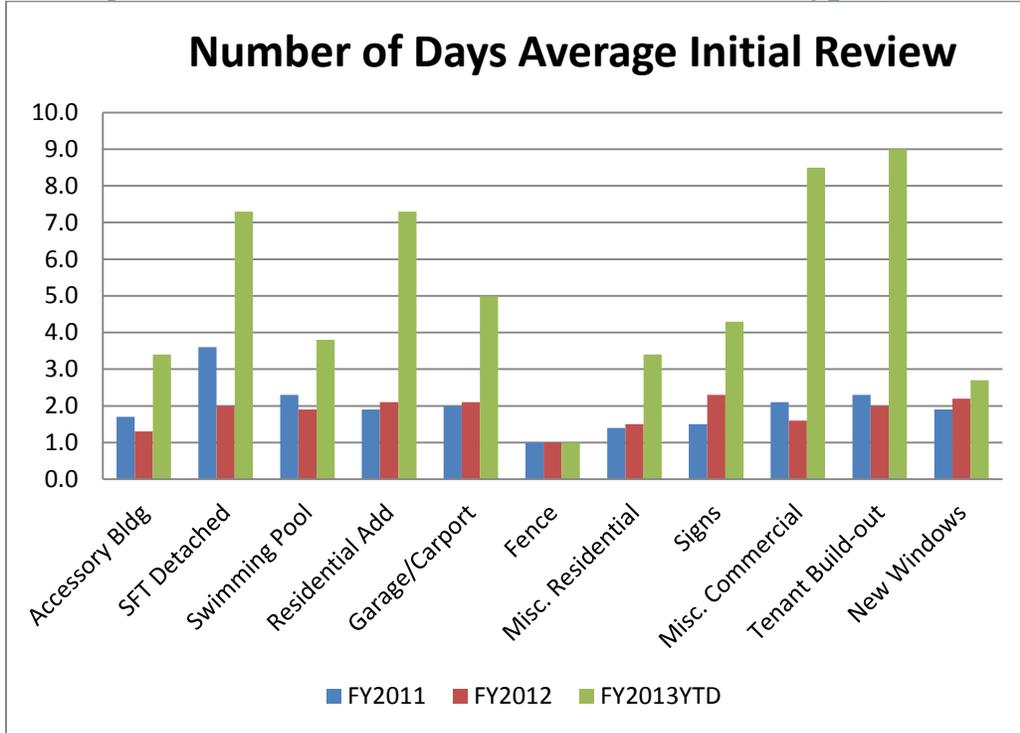
Five Most Frequent Code Enforcement Cases, FY 2010-FY 2012



Planning & Development Department

Building Inspection and Code Enforcement Divisions

Average Initial Review Time for Selected Permit Types, FY 2011-2013 YTD



*The Building Inspection Division's goal for the initial review of major projects is **10 working days** for commercial and multi-family projects and **3 working days** for single family residential projects.*

Building Inspection and Code Enforcement Division Goals for FY 2014

- Maintain the current standard of completing the initial plan review for single-family residential construction permits within three days of receipt.
- Maintain the current standard of completing initial plan review for large-scale projects within ten working days of receipt.
- Maintain the current standard of issuing trade permits for miscellaneous work within one working day of receipt.
- Continue providing “next day” service for all requests for building inspections.
- Continue studying and providing training opportunities for staff members to effectively manage the challenge of administering and enforcing the Florida Building Code.

Planning & Development Department

Building Inspection and Code Enforcement Divisions (continued)

PERFORMANCE MEASURES	FY2011	FY2012	2013 FYTD (thru 3/31/13)	FY2014 Target / Estimate
SITE PLAN REVIEWS:				
Number of applications	0	2	6	6
Plans routed within 48 hours of receipt	N/A	100%	100%	100%
Average number of work days for initial review:				
Public Works – All Reviewers	N/A	6.0	10.7	10.0
Planning	N/A	6.5	8.3	10.0
Fire Department	N/A	3.5	2.7	10.0
Electric Engineering	N/A	2.0	8.7	10.0
NUMBER OF BUILDING PERMITS				
Building	1,370	1,533	922	N/A
Plumbing	435	497	304	N/A
Electrical	605	556	250	N/A
Mechanical	343	362	207	N/A
COMMON TYPES OF CONSTRUCTION PLAN REVIEWS:				
Single Family Dwellings				
Number of applications	34	51	47	60
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of work days for initial review:				
Code Enforcement	1.9	3.5	2.9	3.0
Inspection Division Plans Reviewer	2.0	3.6	3.0	3.0
Public Works	3.5	3.7	3.7	3.0
Miscellaneous Commercial				
Number of applications	58	79	35	69
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	1.6	3.1	2.3	3.0
Tenant Build-Out				
Number of applications	21	32	13	26
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	2.0	2.3	3.1	3.0
Signs				
Number of applications	76	63	30	66
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	2.3	1.5	1.6	3.0
Residential Additions				
Number of applications	14	18	8	16
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	2.1	1.9	3.0	3.0

Planning & Development Department

Community Redevelopment Program

The five-member Jacksonville Beach Community Redevelopment Agency (CRA) was established in 1978, pursuant to Chapter 163, Part III of the Florida Statutes. The CRA was created for the purpose of carrying out a community redevelopment program for the City. The Jacksonville Beach program consists of a variety of redevelopment activities in two districts: Downtown and South Beach.

Both Community Redevelopment District programs are funded from property tax revenues generated from within the two districts. The funds derived from the tax increments are held in separate trust funds administered by the Agency. The Downtown District generated \$4,274,632 for FY 2013 South Beach generated \$2,611,066 for the same period.

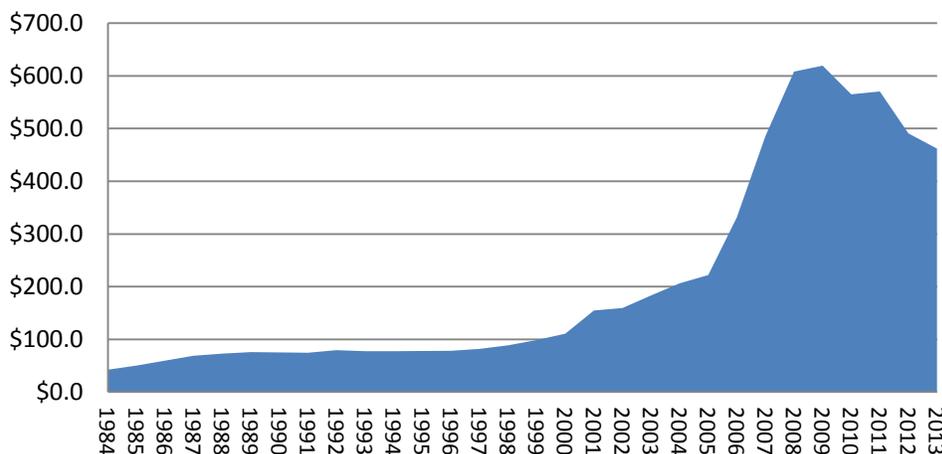
Both districts are expected to continue fully funding their operations, debt service and planned and approved projects for the foreseeable future. The Planning and Development Division provides administrative support for the City's community redevelopment efforts.

Downtown Redevelopment District

The initial focus of the CRA was the rejuvenation of the Downtown District. The plan for the redevelopment of the Downtown District was adopted in June 1987, following the creation of the TIF District in 1984. In 2008, the Downtown Plan was amended to incorporate the Vision Plan prepared with the assistance of the consulting firm, Glatting Jackson Kercher and Anglin (now AECOM, Inc.).

The redevelopment effort to date has been centered on improvements to the public infrastructure: Downtown Utility and Streetscape Project, Latham Plaza and Parking Lot, SeaWalk Pavilion, Oceanfront Park, Jacksonville Beach Fishing Pier, 3rd Street Landscaped Medians, and the SeaWalk Reconstruction to facilitate private investments in the area.

**Downtown Tax Increment District
Total Assessed Valuation (\$Millions), 1984-2013**



Infrastructure projects have increased the value of property in the Downtown Redevelopment District since its inception. Following the peak year of 2009, the assessed values have declined as result of national real estate economic situation.

Planning & Development Department

Community Redevelopment-Recent Program Accomplishments-Downtown

During FY2012, the CRA and staff continued its involvement in implementing the Vision Plan for the core of the Downtown area. The Vision Plan was adopted by the Community Redevelopment Agency and City Council as an amendment to the Downtown Plan in late 2007. The CRA and city staff are diligently pursuing the implementation of the Vision Plan proposals, including:

- Work on the basic Phase II Project (North 1st Street from Beach to the Pier entry, Beach Boulevard, and 4th Avenue North) began in December 2011 and is substantially complete.
- The new public restrooms in the 2nd Avenue North street end were completed and are an attractive and welcome improvement over the one that was replaced.
- Two projects were extracted from Phase III and are labeled Phase III-A and III-B. These included the design and construction of the balance of the 1st Street destination street from the Pier to 6th Avenue North, and reconstruction of 5th and 6th Avenue North. The work on 5th Avenue North and the balance of North 1st Street is under construction, and 6th Avenue North is in the final stages of design. These two projects will complete the Phase III work in the CBD with the exception of work on 2nd Street.
- The design and approval of the surfboard-themed signs at Beach Boulevard, 4th Avenue North Pier entry, and the 6th Avenue North intersection was completed, and the signs are under construction.
- A major engineering and design contractor was approved for the balance of Phase III which primarily includes utility and road reconstruction south of Beach Boulevard.
- Prepared a RFP and obtained a continuing services agreement for refurbishing/replacing damaged or missing Beach Rules and other Downtown wayfinding signage.
- Initiated communications with the City of Jacksonville regarding the statutory provisions governing the life of a tax increment trust fund.
- Continued financial support of the Police Department's Community Policing Initiative in the Downtown District.

Program Goals for FY 2014 – Downtown

- Provide technical support, project development assistance, and financial backing for infrastructure improvements contained in the Downtown Vision Plan in the downtown core and throughout the entire redevelopment district, including completion of the engineering design, permitting and awarding of the construction contract for a portion of the work in Phase III of the implementation of the Downtown Vision Plan, based on the annual availability of tax increment trust funds.
- Continue the Downtown Community Policing Initiative (Downtown CAPE) and expand as needed to ensure the safety of visitors to the Downtown Community Redevelopment District.

Planning & Development Department

Financial Summary-Downtown Redevelopment

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$80,200	\$83,502	\$77,786	-\$5,716	-6.8%
Operating	\$75,463	\$50,708	\$49,561	-\$1,147	-2.3%
Capital Outlay	\$3,556,575	\$9,673,846	\$1,300,000	-\$8,373,846	-86.6%
Debt Service	\$974,167	\$633,539	\$182,207	-\$451,332	-71.2%
Transfers	\$0	\$0	\$0	\$0	0.0%
TOTAL	\$4,686,405	\$10,441,595	\$1,609,554	-\$8,832,041	-84.6%

The 2014 budget will be increased when construction bids are awarded for Downtown projects.

Downtown Community Policing Initiative

The Downtown Community Policing Initiative, or Downtown CAPE, began a pilot project in November of 2006, and was accepted by the CRA as a permanent part of the Downtown Vision Plan in November of 2007. The program initially consisted of two officers and was expanded to four officers in FY 2009. A fifth position, a corporal is included in the FY2014 budget. The five officers provide a concentrated presence in the Central Business District, but are authorized to provide police services throughout the Downtown Redevelopment District. Additional information regarding their activities may be found in the Police Department section of this Budget and Business Plan.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$299,583	\$451,605	\$553,251	\$101,646	22.5%
Operating	\$48,713	\$58,272	\$76,556	\$18,284	31.4%
Capital Outlay	\$3,690	\$0	\$0	\$0	0.0%
TOTAL	\$351,986	\$509,877	\$629,807	\$119,930	23.5%

Funding for the five police officers who comprise the Community Policing Initiatives ("Downtown CAPE") is authorized under Chapter 163, Florida Statutes. This financial information is also included in the Police Department budget.

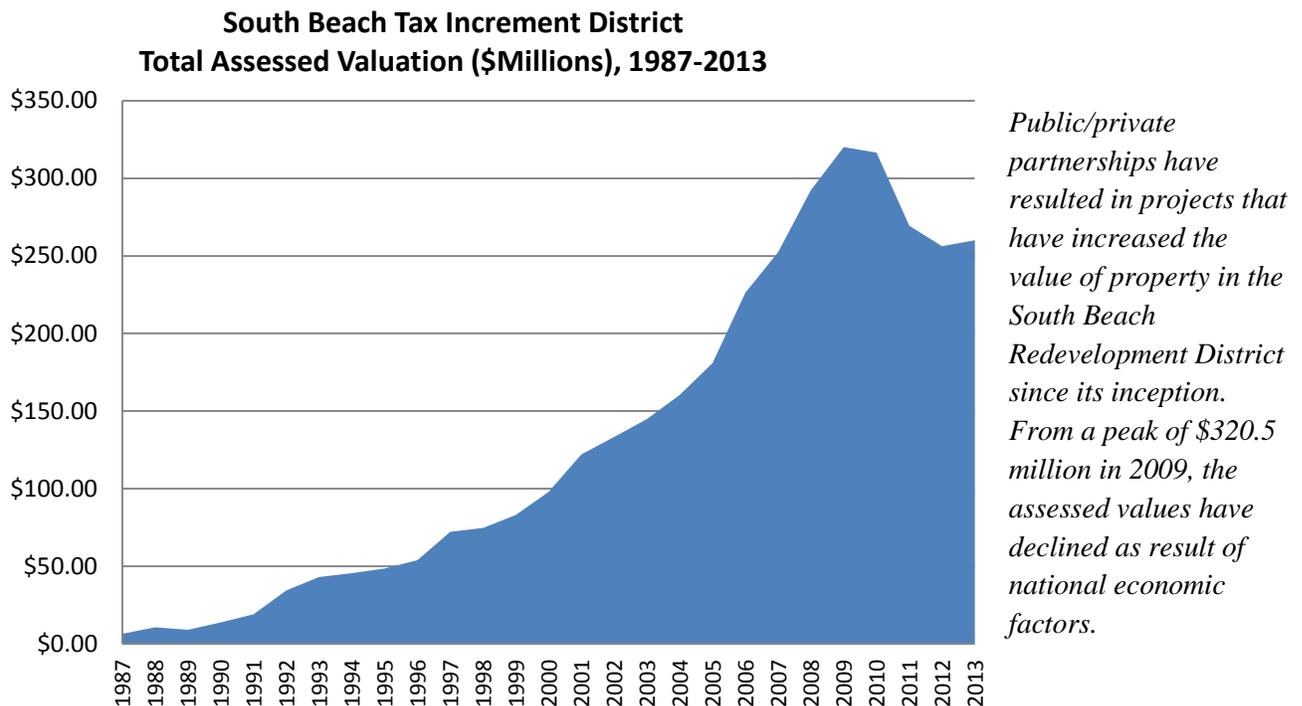
Planning & Development Department

Downtown FY 2014 Budget Issues

- Planning and programming of available tax increment trust funds to ensure the continuation of construction of the streetscape, landscaping, and infrastructure improvements for Phase III of the Vision Plan work as described in the Downtown Community Redevelopment Plan Capital Improvement Plan that is now in the engineering design stage.

South Beach Redevelopment District

In November of 1985, the South Beach district was designated for redevelopment. A plan for the redevelopment of the area was adopted and a tax increment trust fund was established in 1987. Since the adoption of the South Beach redevelopment plan, six major public-private projects have been completed (Riptide, South Beach Regional Shopping Center, South Beach Parkway Shopping Center, Ocean Cay, South Beach Mixed Use Development, and Paradise Key). In addition to the projects involving private enterprises, numerous public infrastructure projects have been constructed to support the redevelopment activity in the district.



Planning & Development Department

Recent Program Accomplishments - South Beach

- ✓ City staff continued to work on improvements to the public infrastructure as described in the Capital Improvement Plan for the South Beach Redevelopment District that was approved in 2011. The plan amendment details the water, sewer, storm drainage, street paving, and traffic safety improvements that need to be addressed over the next 5-10 years.
- ✓ Completed the engineering plans and specifications for an initial infrastructure reconstruction project. The initial project includes water, sewer, wastewater reuse, storm drainage, and paving in the Jacksonville Beach Heights and Williams Coastal Boulevard Heights areas of the District.
- ✓ The CRA and Public Works staff are coordinating on the development of a scope of work for Phase 2 of the Capital Improvement Plan for the South Beach Redevelopment District.
- ✓ The Development Order for the South Beach Redevelopment District Development of Regional Impact was rescinded following the completion of the mitigation requirements set forth in the original development order. In the future, all development activity in the District will be handled locally following the provisions of the 2030 Comprehensive Plan, the South Beach Redevelopment Plan, and the Land Development Code.

Community Redevelopment-Program Goals for FY 2014 - South Beach

- Award the bid and complete construction of the Phase 1 project to begin implementation of the Capital Improvement Plan for the South Beach Redevelopment District.
- Secure engineering services and complete the engineering work on the Phase 2 project components.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change	
Personal Services	\$39,468	\$42,596	\$38,848	-\$3,748	-8.8%	<i>Funds for capital projects are appropriated at the completion of the design phase.</i>
Operating	\$43,550	\$11,428	\$10,890	-\$538	-4.7%	
Capital Outlay	\$171,920	\$3,368,038	\$2,956,608	-\$411,430	-12.2%	
Debt Service	\$859,750	\$860,575	\$866,532	\$5,957	0.7%	
Transfers	\$41,465	\$292,635	\$0	-\$292,635	-100.0%	
TOTAL	\$1,156,153	\$4,575,272	\$3,872,878	-\$702,394	-15.4%	

Budget Issues-South Beach – next page

Planning & Development Department

Budget Issues-South Beach

- Complete the construction of the **Phase 1** work under the South Beach Capital Improvements Plan (Bid awarded 5/20/2013. Total amount \$3.88 Million, including CEI services). Work includes construction of a reuse water main from the Wastewater Treatment Plant to South Beach Park; and replacement of water and sanitary sewer lines and road reconstruction in on Merrill Boulevard and throughout Williams Coastal Boulevard Heights.

FUTURE PHASES

ESTIMATED COST

- | | |
|--|----------------|
| <ul style="list-style-type: none"> ➤ Phase 2: Secure engineering consultant and provide funding for design and construction: <ul style="list-style-type: none"> • Provide connection of the reuse water main for irrigation in South Beach Park. • Design and installation of “Florida Friendly” landscaping and a reuse water irrigation system in South Beach Parkway and Jacksonville Drive. • Design and installation of manholes for access to maintain and de-silt the twin 72” storm drainage pipes through the South Beach Regional Shopping Center site | \$2.43 Million |
| <ul style="list-style-type: none"> ➤ Phase 3: Secure engineering consultant and provide funding for design and construction: <ul style="list-style-type: none"> • Drainage piping in existing swale between Palm Way and Grande Boulevard. North of Jacksonville Drive. • Roadway reconstruction – Jacksonville Drive, America Avenue, Grande Boulevard, Palm Way. And Sanctuary Parkway. • Traffic safety improvement on South Beach Parkway between Jacksonville Drive and J. Turner Butler Boulevard. | \$2.66 Million |
| <ul style="list-style-type: none"> ➤ Phases 4-7: Secure engineering consultant and provide funding for design and construction for remaining items set out in the South Beach Redevelopment Area Capital Improvements Plan, including Osceola drainage ditch desiltation, miscellaneous road reconstruction, additional stormwater management projects, and sanitary sewer work. Consider construction of a bicycle/pedestrian path along the Osceola drainage ditch. | \$3.83 Million |



Parks & Recreation Department

Mission

Providing safe and enjoyable leisure opportunities for all citizens.

Organization

Recreation Administration directs the City’s overall recreation functions, including the following divisions: Ocean Rescue, Special Events, Huguenot Tennis Center, Oceanfront Restroom Facilities, Carver Recreation Center, Community Center & Exhibition Hall, and all Park Maintenance citywide. Recreation operations are funded by the General Fund, Community Development Block Grant and bed tax.

The Golf Course is an 18-hole facility that is open year-round. It operates as an Enterprise Fund.

Grounds Maintenance maintains the City’s parks, golf course, grounds and cemetery. This division operates as an Internal Service Fund.

Authorized Positions	2012	2013	2014
Recreation – full-time	5	5	6
Recreation – part-time	94	93	92
Recreation Total	99	98	98
Golf Course – full-time	8	8	7
Golf Course – part-time	18	18	18
Golf Course Total	26	26	25
Grounds – full-time	8	7	7
Grounds – part-time	0	1	0
Grounds Total	8	8	7
Total full-time	21	20	20
Total part-time	112	112	110
TOTAL	133	132	130

Financial Summary

Parks & Recreation has eliminated 10 positions since 2010.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$2,123,095	\$2,098,653	\$2,102,367	\$3,714	0.2%
Operating	\$2,498,816	\$2,521,758	\$2,541,374	\$19,616	0.8%
Capital Outlay	\$39,705	\$65,200	\$71,000	\$5,800	8.9%
TOTAL	\$4,813,101	\$4,822,187	\$4,841,556	\$19,369	0.4%

Parks & Recreation Department

Recreation Administration

The Recreation Administration Division is responsible for the management of all park facilities, special events and recreation activities throughout the city. The staff manages all adult active sports and coordinates youth sports. The staff also administers the Community Development Block Grant, which provides funding for the Carver Center, Community Assisted Policing Effort (CAPE) and the Utility Bill Assistance Program. The division manages the overall operation of the City’s public golf course, Ocean Rescue, Carver Center Recreation Center, and Huguenot Tennis Center. Also, the division is responsible for several other facilities which include: **Lee Kirkland & Warren Smith Cemeteries, Oceanfront Restrooms, and Community Center.**

Administration	2012	2013	2014
Director	1	1	1
Recreation Superintendent	1	1	1
Administrative Secretary (fulltime)	0	0	1
Administrative Secretary (part-time)	1	1	0
Senior Secretary (part-time)	1	1	1
Recreation Program Assistant (part-time)	1	1	1
TOTAL	5	5	5

Recent Accomplishments

Administered & coordinated:

- Carver Center
- Surf Camps
- Autism Surf Camp
- Opening Day Parade
- Easter Egg Hunt
- Adult Softball League (Spring & Fall) – 37 Teams
- Adult Flag Football League (Fall) – 43 Teams
- Youth Sports Programs in conjunction with the parent organization ~ Little League, Girls Softball, Pop Warner and Babe Ruth

Recreation Administration Goals for FY2014

1. Provide Recreation programs and facilities that are meeting the needs of the community.
2. Maintain safe facilities, parks, and playgrounds.
3. Survey customer satisfaction with league play and use of facilities; striving for an 80% satisfaction rating.

Parks & Recreation Department

Recreation Administration Performance Measures

Performance measures are tracked on a monthly and yearly basis. In addition, performance is also measured by ratings on customer service satisfaction surveys.

Sports Programs Offered:	Estimated # of participants
Youth Spring Girls Softball	240
Youth Fall Girls Softball	168
Youth Spring Baseball	332
Youth Fall Baseball	290
Spring Babe Ruth Baseball	60
Fall Babe Ruth Baseball	60
Pop Warner Football & Cheerleading	200
Adult Fall Men & Co-ed Softball	500
Adult Fall/Winter Flag Football	864
Tennis Members	250
Tennis Walkups	200
Super Surf Camp	200
Carver Center	30
Easter Egg Hunt	400

Survey Questions	YTD 3-31-13	Target FY2014
% of customers who rated playing fields as being in good condition	95% Football 95% Softball	90% Football 90% Softball
% of customers who are satisfied with the way the leagues are run	95% Football 100% Softball	90% Football 90% Softball

Performance Measure	FY2012	YTD 3-31-13	Target FY2014
Ensure parks and other facilities are cleaned and inspected weekly	Yes	Yes	Yes
Playground safety inspections conducted monthly	Yes	Yes	Yes
Number of accidents at parks and other recreation facilities	0	1	0
Number of sports programs administered to adult and youth	6	6	6

Parks & Recreation Department

Recreation Administration (continued)

Financial Summary

<i>Recreation Admin's budget reflects an increase in payroll for making one part-time position full-time and an increase in operating costs for grounds maintenance.</i>	Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
	Personal Services	\$337,610	\$354,401	\$362,486	\$8,085	2.3%
	Operating	\$894,593	\$878,902	\$932,773	\$53,871	6.1%
	Capital Outlay	\$0	\$0	\$0	\$0	0.0%
	Transfers	\$151,485	\$136,576	\$126,815	-\$9,761	-7.1%
	TOTAL	\$1,383,688	\$1,369,879	\$1,422,074	\$52,195	3.8%

The Community Development Block Grant Program is funded by an Inter-local Agreement with Jacksonville that allows Jacksonville Beach to share a per capita portion of its entitlement funding. The requested Community Block Grant allocation for next fiscal year will once again cover the City's Community Assisted Policing Effort (CAPE), Carver Center and Utility Bill Assistance Programs. We have received preliminary approval to continue these programs subject to budget approval by congress. FY2013 funding request amount and priority for each program is:

<u>Priority</u>	<u>Program</u>	<u>Request</u>
1	Carver Center	\$62,833
2	CAPE	\$63,982
3	Utility Assistance	\$ 6,981
	TOTAL	<u>\$133,796</u>

Additional discussions of these programs may be found in the Police (CAPE) and Finance (Utility Bill Assistance) business plans.

Budget Issues FY2014

Budgets for the Carver Center and CAPE programs are based on the expectation of continued funding from CDBG.

Parks & Recreation Department

Ocean Rescue

The Ocean Rescue Division is responsible for supervising approximately 4.1 miles of municipal beach. Responsibilities include ensuring the maximum efficiency of the ocean rescue operations, beach safety and services to the public.

Division personnel must have advanced knowledge of ocean tides and currents and know how to properly use lifesaving equipment. The Division also offers a Junior Lifeguard Program.

Ocean Rescue	2012	2013	2014
Supervisor	1	1	1
Lieutenants (part-time)	3	3	3
Rescue Swimmers (part-time)	3	3	3
Tower Guards (part-time)	80	80	80
TOTAL	87	87	87

Recent Accomplishments

- ✓ Successful completion of eight Junior Lifeguard Programs.
- ✓ U.S. Lifesaving Association accreditation.
- ✓ Certified Inflatable Rescue Boat Operators (IRB).
- ✓ Certified Emergency Medical Technicians (EMT).
- ✓ Supervisors trained in USLA “Beach Driving Safety Course”.
- ✓ Distributed beach safety brochures through Beaches Energy Services welcome bags.
- ✓ Delivered beach safety lectures to elementary students.
- ✓ Completed in-service training for lifeguards.

Goals for FY2014

1. Zero drownings at the beach while lifeguards are on duty.
2. Continue in-service training hours for lifeguards.
3. Maintain training for Inflatable Rescue Craft Operators.
4. Distribute Ocean Safety Brochures to hotels.
5. Annual meeting with Jax Beach Fire Rescue.
6. Distribute surveys and receive an 85% approval rating.

Parks & Recreation Department

Performance Measures-Ocean Rescue

	Performance Measure	FY2012	YTD 3-31-13	Target FY2014	
<i>Performance is measured by accident report sheets and customer satisfaction surveys.</i>	Number of drownings while Ocean Rescue on duty	1*	0	0	
	Successful first-aid cases	100%	90%	90%	
	Respond to major surf-related rescue calls within two minutes	100%	90%	90%	
	Average lifeguard to tower ratio (one guard on-duty and one guard off-duty per tower)	2:1	2:1	2:1	
	Maintain USLA Certification	Yes	Yes	Yes	
	Customer Survey Results:				
	Confidence in lifeguard's abilities	95%	90%	90%	
	Lifeguards are kind and courteous	95%	90%	90%	
	Lifeguards provide professional care while providing first aid	95%	90%	90%	

*In 2011, there was 1 drowning when Ocean Rescue was not on duty.

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change	
Personal Services	\$474,323	\$453,973	\$458,084	\$4,111	0.9%	<i>Budget increase is due to the replacement of a pickup truck.</i>
Operating Capital	\$124,255	\$124,930	\$129,676	\$4,746	3.8%	
Outlay	\$12,612	\$32,700	\$34,000	\$1,300	4.0%	
TOTAL	\$611,190	\$611,603	\$621,760	\$10,157	1.7%	

Budget Issues

- ✓ Tower Guards are budgeted for 23,100 hours per year. It takes about 80 part-time employees to achieve this level of coverage.
- ✓ In the future, if the Red Cross cannot provide full coverage on Sundays and holidays, it may significantly increase costs.
- ✓ Replacement of Pickup truck 4x4 for a cost of \$24,000.
- ✓ Additional 4 wheel drive truckster at a cost of \$12,000.

Parks & Recreation Department

Tennis Center

The Huguenot Tennis Center is responsible for managing adult men's and women's tennis teams, for managing a complete junior program, and for promoting tennis throughout the beach community. This also includes maintaining the building, courts, fences, and surrounding grounds. The Tennis Center staff is responsible for supervising six lighted and one unlit tennis courts.

The division also provides free clinics for children and adults throughout the year. The clinics are mainly for handicapped and financially less fortunate adults and children. The Tennis Center also hosts a free clinic for the children attending Carver Center summer camp.

Tennis	2012	2013	2014
Tennis Professional	1	1	1
Asst. Tennis Pro (part-time)	1	0	0
Court Attendant (part-time)	2	2	2
TOTAL	4	3	3

Recent Accomplishments

- ✓ The Tennis Center hosted approximately 9,900 players in the first six months of this year.
- ✓ Rebuilt 3 tennis courts with Plexi-cushion playing surface.
- ✓ Offered Senior Day on Friday mornings.
- ✓ Offered physically-challenged tennis clinic.
- ✓ Offered an Ironwoman & Ironman Tournament.
- ✓ Continued USTA Junior tennis team.
- ✓ Offered Friday night "Round Robin" tournaments during the months of May, June, & July.

Parks & Recreation Department

Tennis Center Goals for FY2014

- Increase the number of members and matches played. Current number of members is 234.
- Keep the courts and grounds in good condition at all times.
- Receive a customer satisfaction rating of 85% or higher.

Survey Results

Tennis facility satisfaction was measured by customer service surveys.

Performance Measure	YTD 3-31-13	Target FY2014
Level of customer service satisfaction with tennis facilities	90%	95%
Level of customer service satisfaction with tennis programs	90%	95%
Tennis court condition rated good	90%	90%
Building condition rated good	85%	100%

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$89,163	\$71,760	\$74,581	\$2,821	3.9%
Operating Capital Outlay	\$14,365	\$25,670	\$16,500	-\$9,170	-35.7%
	\$0	\$0	\$0	\$0	0.0%
TOTAL	\$103,528	\$97,430	\$91,081	-\$6,349	-6.5%

Tennis Center Budget Issues

- ✓ This year's estimated revenue is \$38,714.

Parks & Recreation Department

Oceanfront Restrooms

This operation provides public restroom facilities at 5th Avenue North and 2nd Avenue North. All facilities include outdoor showers. An additional shower facility is located at 7th Avenue South.

Recent Accomplishments

- ✓ Constructed new restroom facility at 2nd Avenue North.
- ✓ Two additional showers were added at Beach Boulevard end zone as part of the Downtown Vision Plan.

Goals for FY2014

1. Maintain clean restroom facilities and operating showers.

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Operating	\$58,522	\$80,500	\$80,500	\$0	0.0%
TOTAL	\$58,522	\$80,500	\$80,500	\$0	0.0%

Expenses include contract for restroom cleaning & staffing. Other expenses include: utilities – electric, water, and sewer. Maintenance consists of yearly painting, plumbing and vandalism repairs.

Performance Measures

- Restrooms should be in good working order; clean and sanitary for the public.
 - Hours of operation: March-Sept: 10 am to 7 pm (7 days a week)
October: closed on Monday & Tuesday
Nov-Feb: 10 am to 6 pm: (7 days a week)

Budget Issues

- ✓ Two additional showers have been added at Beach Boulevard end zone as part of the Downtown Vision Plan.

Carver Center

Parks & Recreation Department

The Carver Center provides activities and functions to the South Pablo Beach neighborhood, focusing primarily on summer and after school programs for disadvantaged youth.

Carver Center	2012	2013	2014
Recreation Supervisor	1	1	1
Recreation Leader (part-time)	0	0	0
Tutor (part-time)	2	2	2
TOTAL	3	3	3

Recent Accomplishments

- ✓ Continued Mentor programs for both young men's group "YMC" (Young Men of Carver) and "Ladies of Carver" to teach values and goals setting.
- ✓ Events and Projects:
 - Golf Clinic with the First Tee at TPC
 - McKenzie Noelle Wilson sponsorship of teen summer camp counselors
 - Health clinic sponsored by Mayo Clinic
 - After school exercise program
 - Annual Christmas dinner for parents and children of Carver
 - Jacksonville Beach Elementary School 3rd grade class school supply donations
 - Christmas toy drive sponsored by Beaches Women's Club
 - After school healthy snacks program sponsored by a local company
 - Promise reward program (new bicycle) awarded to a good student sponsored by a local company
 - Water Safety class
 - Halloween function

Parks & Recreation Department

Carver Center Program Goals

- Explore opportunities for community volunteer participation in programs.
- Focus on coaching, mentoring, and providing activities for young people.
- Offer counseling on jobs, employment and career goals.
- In conjunction with Rhoda Martin Heritage Museum, retired teachers provide help with studies to 3rd through 5th graders.
- Evaluate activities to continue to improve programs and ensure customer satisfaction.

Performance Measures

	2012	Estimate 2013	Target 2014
Avg. # children attending	45	45	45

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$94,909	\$79,867	\$83,640	\$3,773	4.7%
Operating	\$0	\$0	\$0	\$0	0.0%
TOTAL	\$94,909	\$79,867	\$83,640	\$3,773	4.7%

The Community Development Block Grant is expected to provide \$62,833 for this program in 2014.

Budget Issues

Community Development Block Grant funding for this program from CDBG has been reduced and may be subject to further federal budget reductions.

Parks & Recreation Department

Community Center and Exhibition Hall

This facility, opened in September 2007, is located at South Beach Park along with the Recreation office. The Community Center & Exhibition Hall is available to host many types of events such as trade shows, art exhibits, wedding receptions, parties, seminars, homeowners association and club meetings, school functions and shows. The facility may be rented on an hourly basis and is operated by the Recreation Department staff.

Recent Accomplishments

- ✓ Groups renting the facility include: Weekly Business Networking groups and local homeowners associations for meetings; local school for graduation, wedding receptions and Christmas parties.

Goals for FY2014

1. Market the building, on internet and locally.
2. Rent building to offset the facility's operating costs.
3. Maintain a clean and professionally operated facility.

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	0.0%
Operating Capital	\$31,641	\$41,000	\$41,000	\$0	0.0%
Outlay	\$0	\$0	\$0	\$0	0.0%
TOTAL	\$31,641	\$41,000	\$41,000	\$0	0.0%

Revenues are currently estimated to cover approximately half of the facility's expenses such as insurance, security, cleaning, set-up/tear-down and supplies.

Performance Measures

Objective	FY2012	YTD 3-31-13	Target FY2014
Customer Survey - % satisfaction with building, equipment and operation	95%	95%	95%
Rental Events	149	88	145

Parks & Recreation Department

Special Events

The Special Events budget includes a contribution to the Springing the Blues Festival and City-managed events including: the Summer Jazz, Moonlight Movies and July 4th fireworks.

SPECIAL EVENTS	2013	2014	Incr. / (Decr.)	% change
Funding Sources				
Facility rentals and fees	\$ 10,000	\$ 7,500	\$ (2,500)	-25.0%
Contributions	15,000	7,500	(7,500)	-50.0%
General Fund	16,198	-	(16,198)	-100.0%
Convention Development	70,000	95,000	25,000	35.7%
Total Sources	\$ 111,198	\$110,000	\$ (1,198)	-1%
Funding Uses				
Springing the Blues	8,000	8,000	-	0.0%
4th of July Fireworks	25,000	25,000	-	0.0%
Jazz Concerts (2)	57,000	57,000	-	0.0%
Moonlight Movies (3)	12,000	12,000	-	0.0%
Opening of the Beaches Parade	7,000	7,000	-	0.0%
Contingency	1,000	1,000	-	0.0%
Total Uses	\$ 110,000	\$110,000	\$ -	0%

Parks & Recreation Department

Special Events (continued)

In addition to City-sponsored events, the Parks & Recreation Department provides logistical support for many fundraising and awareness events that take place in Jacksonville Beach. Logistical support includes assistance with site setup, trash collection, traffic management and securing the event route, among other things.

Other annual events that are scheduled for 2013 include:

- Chariots of Fur 5-K Dog Run
- 26.2 with Donna
- Beach Volleyball Tournament
- St. Paul's Carnival
- Sandcastle Contest
- Easter Sunrise Service
- Kids Fishing Rodeo
- Jax Beach Paddle Challenge
- Jax Beach Surf Camp
- Festival of Chariot
- Pancreatic Cancer Walk
- Making Strides Against Cancer
- Winter Beaches Run
- Skin Cancer Foundation
- Great Atlantic Seafood Festival
- Lifesaving Corps Opening Day
- Junior Lifeguard Camp
- Never Quit
- Hammerhead Marathon
- FSA Pro-Am Surf Contest
- Out of Darkness

Budget Issues

- Funding for the July 4th fireworks (\$25,000)
- Funding for the Sea & Sky Spectacular in October 2015 (\$60,000)
- Funding for the Jacksonville Symphony (\$30,000)

Parks & Recreation Department

Golf Course

*“A Great Product
at a Great Price”*

The Golf Course division is responsible for the daily operation of the golf course. It ensures that the use of the facility is maximized and that all revenues are collected. The division also monitors the quality of the playing conditions. The Jacksonville Beach Golf Course operates as an enterprise fund.

Golf Course	2012	2013	2014
Golf Professional	1	1	1
Golf Course Superintendent	1	1	1
Lead Equipment Mechanic	1	1	1
Maintenance Workers I, II, III (full-time)	5	5	4
Maintenance Workers I, II, III (part-time)	2	2	2
Shop Attendant – part-time	8	8	8
Cart Attendant - part-time	5	5	5
Starter – part-time	3	3	3
TOTAL	26	26	25

Recent Accomplishments

- ✓ Hosted the North/South Collegiate Tournament.
- ✓ Hosted Ladies Golf League for third year.
- ✓ Continued program with “Golf Now” to promote play.

Goals for FY2014

1. Insure the Golf Course pays its own way with great customer service and well maintained playing conditions.
2. Maintain competitive position with local golf facilities.
3. Increase the Golf Course’s visibility and play through continued efforts to market the facility.

Parks & Recreation Department

Golf Course Performance Measures

	Actual FY2012	YTD 3-31-13	Target FY2014
Course condition-survey rating of above average	91%	77%	85%
Operating Revenue Per Round	\$27.23	\$26.22	\$26.88
Operating Cost Per Round	\$30.80	\$26.22	\$25.73

Survey Results (April 2012)

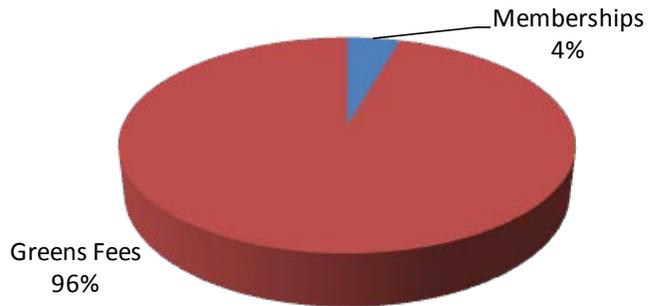
	Above Average	Satisfactory	Needs Improvement	No Opinion
Service inside Pro Shop?	96%	3%	1%	-
Service given by our starters?	92%	7%	1%	-
Overall service?	76%	23%	1%	-
Condition of our golf course?	46%	53%	1%	-
Restaurant operation?	66%	18%	12%	4%
Menu selection?	39%	34%	15%	12%

Parks & Recreation Department

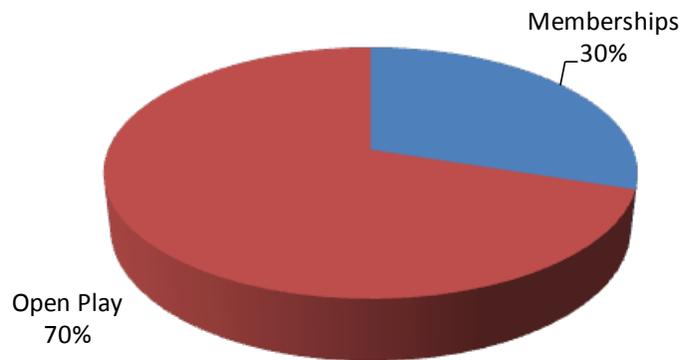
Play Statistics

These charts show the composition of our players.

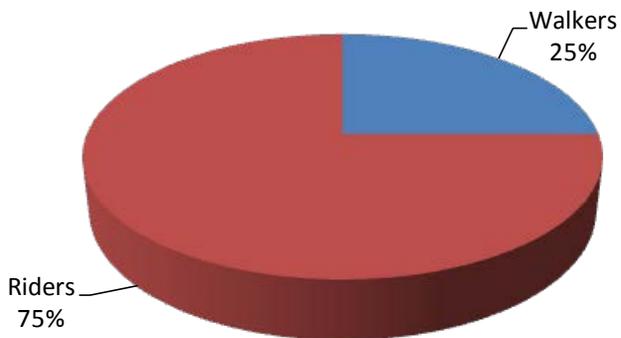
Revenues from Greens Fees & Memberships



Players

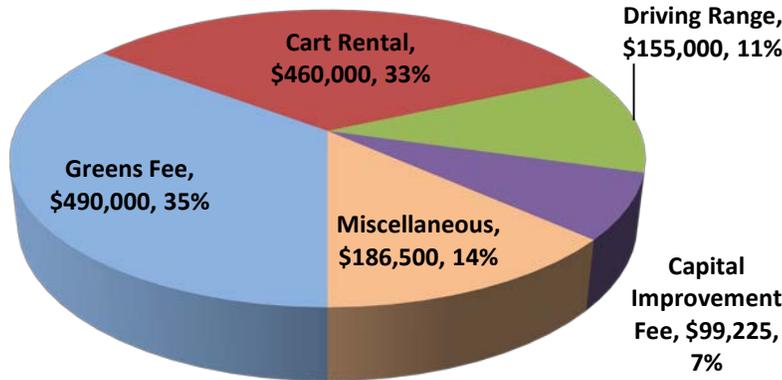


Walkers and Riders



Parks & Recreation Department

Golf Course Revenues: \$1,390,725



Miscellaneous revenue consists of: sales of memberships, lessons, pro shop merchandise, concessions, and season passes.

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$677,108	\$668,988	\$660,764	-\$8,224	-1.2%
Operating Capital	\$695,957	\$692,480	\$659,039	-\$33,441	-4.8%
Outlay	\$27,093	\$18,000	\$37,000	\$19,000	105.6%
TOTAL	\$1,400,158	\$1,379,468	\$1,356,803	-\$22,665	-1.6%

Budget Issues

Operations Issue: The Golf Course is operated as an enterprise fund and is intended to generate sufficient revenues to cover its operating costs. Budgeted 2014 revenues of \$1,390,725 are expected to slightly exceed expenses.

Maintenance Issues:

- Golf Course Irrigation Main Line-replacement of rusting fittings that are failing.
- Replacement of Triplex Greens Mower and purchase of a walking greens mower.
- Rebuild hole #14 bulkhead with funding from General Capital Projects Fund (\$100,000)

Parks & Recreation Department

Grounds Maintenance

The Grounds Maintenance Division is an internal service fund. This division is responsible for the maintenance and upkeep of the ball fields, parks, cemeteries, landscape, grounds and common areas. In addition, this division assists with construction projects and special events as needed.

Recent Accomplishments

- ✓ Warren Smith Cemetery entrance improvements.
- ✓ Contracted out the downtown landscape and irrigation.

Grounds Maintenance	2012	2013	2014
Maintenance Superintendent	1	1	1
Crew Supervisor	2	1	2
Equipment Operator (FT)	2	0	0
Equipment Operator (PT)	0	1	0
Equipment Mechanic*	0	1	1
Maintenance Workers I, II, III (FT)	3	4	3
TOTAL	8	8	7

Funding Sources:

Grounds Maintenance costs are allocated to a variety of City departments and divisions as internal service charges:

Grounds Maintenance Cost Allocation			
Divisions Charged	Areas Maintained	Costs	
General Fund-Nondepartmental	Cemeteries (Warren Smith and Lee Kirkland: \$100,000), Jacksonville Drive, South Beach Parkway, A1A at Fletcher Middle School, City Hall, Penman Road and south A1A welcome signs	14.7%	\$151,660
Parks & Recreation	City parks: Wingate, Cradle Creek, Tall Pines, Carver, South Beach, Huguenot, Gonzales, Ocean Front, Penman, Seabreeze field, dog parks	70.7%	\$729,485
Streets	15th Ave N, 10th St N cul-de-sacs, Mills Lane, end of America at Butler, grass circle at 10th Place & 5th Ave, 18th & Eastern, Coral Way, Tanglewood & Tallwood	2.1%	\$21,356
Police	Police facility	1.1%	\$10,963
Fire	Fire facilities	1.2%	\$11,968
General Fund TOTAL		89.7%	\$925,432
Convention Development Tax	Downtown including: Beach Blvd-A1A to the ocean, 1st St and the Avenues from Beach Blvd to 6th Ave, Latham Plaza, SeaWalk, downtown parking lots (Latham, Pier, 1st St), vacant lots	7.3%	\$75,108
Community Service	Community Services Center	0.9%	\$8,977
Penman Park	Penman Park	1.0%	\$9,904
O/M Facility	O&M Facility grounds	1.2%	\$12,277
TOTAL		100.0%	\$1,031,698

Parks & Recreation Department

Financial Summaries

Tree Protection funds are used to add or replace trees throughout the City.

Tree Protection

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Operating	\$6,865	\$3,000	\$3,000	\$0	0.0%

Grounds Maintenance

Grounds Maintenance budget reduction is primarily due to decreases in operating costs.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$449,982	\$469,664	\$462,812	-\$6,852	-1.5%
Operating Capital	\$576,471	\$565,276	\$568,886	\$3,610	0.6%
Outlay	\$0	\$14,500	\$0	-\$14,500	0.0%
TOTAL	\$1,026,453	\$1,049,440	\$1,031,698	-\$17,742	-1.7%

Goals for FY2014

- ✓ Keep all facilities well maintained and free of trash and debris.
- ✓ Keeping facilities and equipment in good condition.

Budget Issues for FY2014

- Maintenance costs for the new landscaping included as part of the Downtown Vision Plan are expected to increase operating cost by approximately \$75,000. Maintenance costs will include sprinkler heads and irrigation parts, labor, water, and other costs.

Public Works Department

Mission

To protect the health, safety, environment, and quality of life in our community by:

- Providing safe drinking water in volumes necessary for fire suppression.
- Providing proper collection, treatment, disposal, and reuse of wastewater.
- Maintaining roadways and sidewalks in good repair with appropriate traffic control signs.
- Providing effective removal and treatment of stormwater runoff.
- Providing for the timely removal and disposal of garbage and recyclables.

“We Make It So.”

Organization

The Public Works Department manages the City’s drinking water system, sewage collection system, stormwater collection system, street and rights-of-way maintenance, traffic control, signage and garbage collection.

Authorized Positions by Division	FY2012	FY2013	FY2014
Distribution & Collection	14	14	14
Pollution Control Plant	15	15	15
Water Plant	13	13	13
Streets	18	18	18
Administration	5	5	5
TOTAL	65	65	65

Recent Accomplishments

- ✓ Rebuilt, improved, and enhanced city infrastructure supporting our citizens by construction of the:
 - *Downtown* Vision Plan Improvements Project - Phase 2 (Beach Blvd. – 4th Ave. N. & 1st S. N.)
 - Road Reconstruction Project (Duval Drive)
 - Water Main Improvements Project (Oceanside Park Area)
 - Lift Station #15 Rehabilitation Project (11 Hopson Rd.)
 - New Sidewalk Extension Project (South Beach Parkway south of Butler Blvd.).
 - Central Basin Erosion Control Project (10th St. S. at 12 Ave.)

Public Works Department

Recent Accomplishments (continued)

- ✓ Cleaned /televised 33,010 feet of storm pipe and 14,300 feet of sanitary pipe.
- ✓ Achieved high levels of service in oceanfront cleaning, garbage collection & sweeping.
- ✓ Signed up 30 apartments and condominiums for recycling collection.
- ✓ Received 20-year State Consumptive Use Permit to withdraw aquifer water for treatment and distribution as drinking water
- ✓ Started Water, Sewer, Stormwater Utility layers for City's Geographic Information System platform.

Goals for FY2014

- Complete design and/or start/continue construction on:
 - Community Redevelopment Districts
 - *Downtown* Improvements Project (Beach Blvd to 16th Ave. S.)
 - *South Beach* Median Reconstruction & Reuse Irrigation Extension Project (S. Beach Parkway / Jacksonville Dr.)
 - *South Beach* Stormwater & Roadway Improvements Project - Phase 3
 - Water Main Improvements Project – Phase C (11th-12th Sts. N., Palm Circle & 5th-7th Sts. S.)
 - 4th St. N. Sewer Main Improvements Project
 - Stormwater Improvements Project (Ocean Forest – Phase 1)
 - Stormwater Improvements Project (on 9th Ave. N. to Penman Rd.)
- Complete construction of:
 - Lift Station Rehabilitation Projects – LS #1 (363 2nd Ave. S.) & LS #7 (1850 Tanglewood Rd.)
 - New Storage & Utility Building Project (at Water Plant #2 in South Beach Park)
 - Stormwater Improvements Project (9th Ave. N. & Penman Rd.)
 - Reuse Main Improvements Projects (to South Beach Park & Central Stilling Basin)
 - Water Main Improvements Project – Phase B (along A1A from 6th to 20th Ave. N.)
 - Community Redevelopment Districts
 - *Downtown* Improvements Project (5th – 6th Ave. N., 7th Ave., 1st St. north of 6th Ave.)
 - *South Beach* Area Improvements (Phase 1) Project (Williams Coastal - Jax Beach Heights)
- **Maintain compliance for water state consumptive use permit, and wastewater & stormwater federal permits.**
- **Keep Jacksonville Beach beautiful** via the downtown & oceanfront cleaning, garbage collection, dumpster enclosure & sweeping programs.
- **Maintain performance measures** as shown on the next page.

Public Works Department

Performance Measures

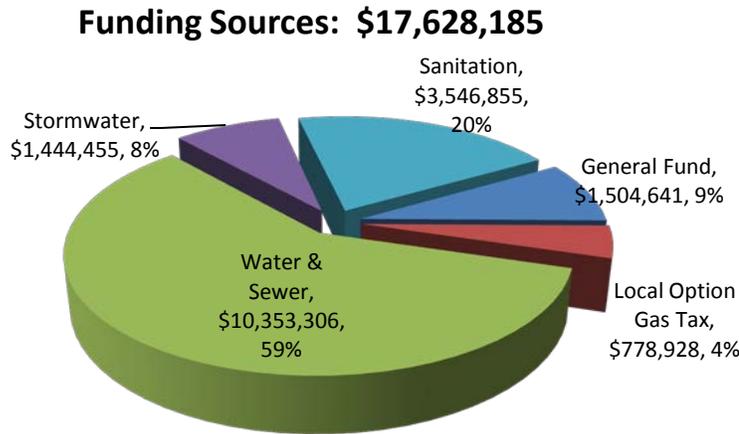
Outcomes	Level of Service	Actual 2012	As of 3/2013	Target 2014
Drinking Water:				
➤ Water safe for drinking	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
➤ Water volume & hydrants available for fire protection	Maintain unaccounted water usage below 15% of total produced	7.9%	10.7%	15%
	Replace 2,500 ft. of old 2" & larger galvanized & cast iron water mains	3,675	0	2,500
	Install/replace 150 water services	160	44*	150
	Flush all fire hydrants	100%	10%	100%
Wastewater:				
➤ Keep our waterways clean	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
➤ Preserve our environment	Achieve minimum 85% removal of:			
	➤ Total Suspended Solids (TSS)	96%	98%	85%
	➤ Carbonaceous Biochemical Oxygen Demand (CBOD)	91%	98%	85%
	Clean 20,000 ft. sanitary/storm mains	55,020	14,333	20,000
	Rehab/replace/install sewer manholes	19	0	10
	Refurbish sewer lift stations numbered: (electric,pumps,pipes,wetwells,concrete, mechanical,generators,fencing,etc.)	3, 11, 14, 20	15	1, 7
Streets:				
➤ Keep our streets well maintained for driving and free of trash	Seal coat/resurface 7 to 10 road miles	8.1	0.5	7-10
	Sweep the downtown streets an average of 4 times per month	Yes	Yes	Yes
➤ Keep our sidewalks well maintained for walking	Repair/construct 2,000 ft. of sidewalk	5,427	575	2,000
➤ Keep our drainage system well maintained	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
	Mow/clean 5,000 ft. of ditch	21,140	5,285	10,000
Sanitation:				
➤ Keep our city and beach clean	Recycle/mulch 25% of residential solid waste to reduce landfill impact	35%	26%	25%
	Clean the beach at least once per week by mechanical means (raking)	Yes	Yes	Yes
	Respond to garbage inquiries by 2 days & complete by next scheduled pickup	Yes	Yes	Yes

* We expect to meet the target of installing or replacing 150 water services by the end of the fiscal year.

Public Works Department

Funding Sources

The Department of Public Works is funded by the operation of three enterprise utilities: Sanitation, Water & Sewer, and Stormwater. Funding also comes from the Local Option Gas Tax and the General Fund (Streets).



Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$3,887,591	\$4,106,702	\$4,185,784	\$79,082	1.9%
Operating Capital Outlay	\$7,467,152	\$8,303,084	\$8,190,795	-\$112,289	-1.4%
Debt Service	\$1,917,253	\$6,254,283	\$3,068,013	-\$3,186,270	-50.9%
Transfers	\$1,838,814	\$1,809,887	\$1,811,593	\$1,706	0.1%
TOTAL	\$15,482,810	\$20,845,956	\$17,628,185	-\$3,217,771	-15.4%

Budget decrease is due to the completion of the Wastewater Treatment Plant improvements in FY2013.

- CPI/fuel adjustments for sanitation & other continuing contracts may cause increase later in the year.

Public Works Department

Budget Issues and Uncertainties

- Mandated costs to upgrade/maintain/inspect wastewater/stormwater facilities to meet stricter standards for federal EPA/FDEP Total Maximum Daily Load limits for nitrogen in the Lower St. Johns River and fecal coliform in Hopkins Creek.
- Future unanticipated unfunded mandates are likely, related to increasing federal and state restrictive standards for nutrients and other contaminants entering the fresh and marine waters of the state,
- Water resources related unfunded mandates are anticipated in the future due to the growing regional demands for high quality water from the Floridan Aquifer and the State of Florida moving forward in setting minimum flow levels for lakes.
- Stormwater rates were set in 1990 (23 years ago). Garbage rates were set in 1993 (20 years ago). Water & Sewer rates were set in 2012.
- Gas tax sunsets in 2016 unless renewed by state legislature and City of Jacksonville. Losing this funding will dramatically impact road maintenance and Streets personnel costs.

Public Works Department

Distribution & Collection Division

The Distribution & Collection Division operates and maintains **109 miles of water mains, 85 miles of sewer mains, 18 miles of force mains, 1,698 sewer manholes, 867 fire hydrants, 2,652 water valves, 10,502 water services, and 8,915 sewer services.**

Division Mission

To protect the public health by providing clean drinking water with adequate pressure and volume, and to maintain sewer lines.

Division Objectives

- Replace 2,500 feet of old deteriorated water mains.
- Clean 20,000 feet of sanitary and storm mains.
- Inspect an average 170 sewer manholes per year. Reline or reconstruct as necessary.
- Flush 100% of fire hydrants annually.
- Exercise an average of 663 valves in the water distribution system per year. Repair by replacement as necessary.

Division Organization

Authorized Positions	FY2012	FY2013	FY2014
Distribution & Collection Superintendent	1	1	1
General Supervisor	1	1	1
Crew Supervisor	3	3	3
Equipment Operator	1	1	1
Utility Service Worker I, II, III	8	8	8
TOTAL	14	14	14

Public Works Department

Division Funding Sources and Budget FY2014

The operations and programs of the Distribution & Collection Division are funded by the Water & Sewer Enterprise Utility.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change	
Personal Services	\$793,840	\$835,206	\$861,455	\$26,249	3.1%	<i>Capital decreased with construction start of the N. 2nd St. Sewer & Related Improvements Project.</i>
Operating Capital	\$276,145	\$355,100	\$437,324	\$82,224	23.2%	
Outlay	\$259,572	\$3,164,588	\$1,357,270	-\$1,807,318	-57.1%	
TOTAL	\$1,329,557	\$4,354,894	\$2,656,049	-\$1,698,845	-39.0%	

Division Budget Issues

Capital Outlay:

- Funding Water Main Replacement Projects at Various Locations:
 - \$1,395,000 to construct **Phase B** (along A1A from 6th to 20th Ave. N), with funding of **\$1,145,000 (Water & Sewer Fund)** and \$300,000 (Downtown Tax Increment Fund).
 - o **\$46,000** to design **Phase C** (11th-12th Streets N., Palm Circle & 5th-7th Sts. S.)
- Funding **\$66,000** to design the Sewer Main Improvements Project (4th St. N.)
- Funding **\$27,000** to replace ¾ ton truck with utility body.
- Funding design of 10th Street South Commercial Area Improvements Project: Funding **\$73,270 (Water & Sewer)**, \$42,338 (Stormwater), \$91,609 (General Capital Projects Fund).

Operating:

- Funding **\$25,000** for the **Water Valve Maintenance Program**, which includes exercising water valves and replacing deteriorated/broken valves as necessary.
- Funding **\$120,000** for the **Sanitary Sewer System Maintenance Program**, which includes inspecting sewer manholes and cleaning/televising sewer mains/services. It also includes subsequent manhole relining/reconstructing and system point repairs as necessary.

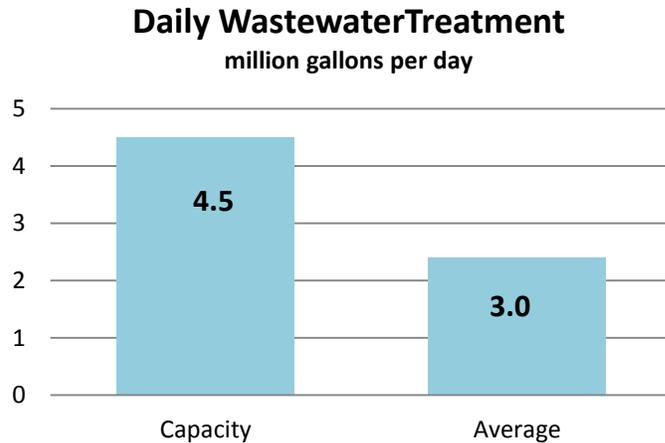
Public Works Department

Pollution Control Plant Division

The Pollution Control Plant Division operates and maintains the wastewater transmission system of **38 sewage pump stations** and the **4.5 million gallons per day (MGD)** capacity new sewage treatment facility with reuse quality effluent.

Division Mission

To protect public health and the environment through the proper treatment, disposal, and reclamation of wastewater.



Division Objectives

- Maintain local, state, and federal regulatory compliance.
- Conserve drinking water by providing quality reclaimed water for irrigation of the Golf Course, the Wingate Sports Complex, the Operations and Maintenance Facility, the Police Station, Penman Alignment Area, Lee Kirkland & Warren Smith Cemeteries, within the Wastewater Treatment Facilities and future extensions of the reclaimed water main system to other areas.
- Achieve a minimum 85% removal of total suspended solids and biochemical oxygen demand.
- Complete construction of Rehabilitation Projects for Lift Station #1 (363 S. 2nd Ave.) and Lift Station #7 (301 N. 18th Ave.).

Division Organization

Authorized Positions	FY2012	FY2013	FY2014
Utility Plant Supervisor	1	1	1
Utility Plant Maintenance Supervisor	1	1	1
Operations/Training Specialist	1	1	1
Utility Plant Operator/Senior Operator	6	6	6
Senior Lift Station Mechanic	1	1	1
Lift Station Mechanic	2	2	2
Utility Plant Mechanic	2	2	2
Instrumentation Technician	1	1	1
TOTAL	15	15	15

Public Works Department

Division Funding Sources and Budget FY2014

The operations and programs of the Pollution Control Division are funded by the Water & Sewer Enterprise Utility.

Operating increased with higher estimated charges (related to new advance wastewater treatment process).

Capital decreased with construction start of Lift Station #1 Rehab Project.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$830,783	\$991,149	\$1,001,042	\$9,893	1.0%
Operating Capital Outlay	\$1,444,980	\$1,403,900	\$1,385,500	-\$18,400	-1.3%
TOTAL	\$2,394,741	\$4,210,724	\$3,124,692	-\$1,086,032	-25.8%

Division Budget Issues

Capital Outlay:

- Funding **\$348,150** to construct the Lift Station No. 7 Rehabilitation Project (301 N. 18th Ave.).
- Funding **\$360,000** for Operational Improvements to Sludge Digesters, Chlorine Contact Tanks and Chlorination System at the Wastewater Treatment Facility (910 S. 10th Street).
- Funding **\$30,000** to purchase actuators, soft starts and variable frequency drives.

Operating:

- Funding **\$24,000** for technical support on Software/Human Machine Interface/Operations Control.

Uncertainty

- ⇒ Operating costs for the new wastewater treatment plant may increase for utilities and chemicals. Closely monitoring/adjusting operations for efficiency to minimize cost impact.
- ⇒ Uncertainty about increasing unfunded mandates due to changes and increased restrictions from the U.S. Environmental Protection Agency (EPA).

Public Works Department

Water Plant Division

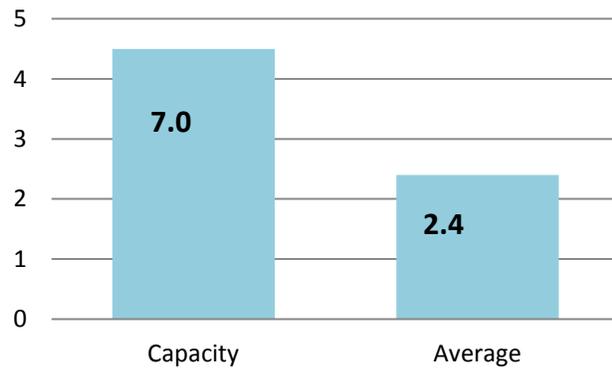
The Water Plant Division operates and maintains the City’s water system that consists of **6 wells, 2 water treatment facilities, and 3 ground and 2 elevated water storage tanks**. The water system has a total capacity to produce 7.0 million gallons of water daily. This division also operates and maintains the stormwater treatment facilities for the City consisting of **21 ponds, 2 stilling basins** each with a weir, the **downtown underground stormwater collection vault** with 2 sand traps, **8 stormwater pump stations**, and the **water play feature** at Sunshine Park.

Division Mission

To provide safe drinking water in volumes and pressures sufficient for effective fire suppression; and to improve the quality of receiving waters by effective treatment of stormwater.

Daily Water Production

million gallons per day



Division Objectives

- Maintain local, state, and federal regulatory compliance.
- Treat, store, and protect nearly 1 billion gallons of drinking water annually. Make available quantities of water needed for fire protection.
- Operate and maintain the system of stormwater treatment facilities, pumping stations and ponds.

Division Organization

Authorized Positions	FY2012	FY2013	FY2014
Utility Plant Supervisor	1	1	1
Utility Plant Maintenance Supervisor	1	1	1
Operations/Training Specialist	1	1	1
Utility Plant Operator/Senior Operator	6	6	6
Utility Plant Mechanic	2	2	2
Plant Maintenance Helper	2	2	2
TOTAL	13	13	13

Public Works Department

Division Funding Sources and Budget FY2014

The operations and programs of the Water Plant Division are funded by the Water & Sewer Enterprise Utility.

▪ *Operating reduced with decrease in estimated charges for lab, building maint. & elevated tank maint. services.*

▪ *Capital decreased with construction start of the storage & utility bldg., Water Plant #2.*

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$848,607	\$863,563	\$882,050	\$18,487	2.1%
Operating Capital Outlay	\$441,183	\$587,270	\$532,860	-\$54,410	-9.3%
	\$36,966	\$610,770	\$62,155	-\$548,615	-89.8%
TOTAL	\$1,326,756	\$2,061,603	\$1,477,065	-\$584,538	-28.4%

Division Budget Issues

Capital Outlay:

- Funding **\$33,000** for 2nd of 3 programmed years for the Raw Water Well Flow Meter Upgrade Project.
- Funding **\$29,155** to replace ¾ ton pickup truck (Dodge).

Operating:

- Funding **\$51,150** for annual elevated tank maintenance program.

Uncertainty

- ⇒ Northeast Florida water issues are increasingly more complex and intertwined due to:
- Decline of Floridan Aquifer resource.
 - Long term rainfall shortages.
 - State setting statutory minimum flow levels for lakes.
 - High quality water resources used for non-potable uses (irrigation, agriculture & industry).

The outcomes and their impact on the City are very uncertain. Water resources unfunded mandates are likely to be in our future.

Public Works Department

Streets Division

The Streets Division of Public Works maintains the City's roadways, traffic control signage and markings, sidewalks, and stormwater collection system. These networks consist of **88 road miles** including curbs and gutters, **33.7 miles** of sidewalks, **1,640 street lights**, **3,081 stormwater inlets/catch basins/grates**, **70 stormwater outfalls** to the adjacent estuaries and ocean, **71.3 miles** of stormwater **gravity mains**, **4.0 miles** of stormwater **force mains**, and **2.1 miles** of **drainage channels**. The division also manages **collection of garbage, recycling and yard waste**.

Division Mission

To provide safe, well maintained road systems and an effective stormwater drainage system.

Division Objectives

- Seal coat or resurface 7 to 10 miles of roads annually.
- Repair and maintain stormwater drainage system.
- Install and maintain traffic and pedestrian control signage and markings.
- Maintain pedestrian safe sidewalks. Repair 2,000 feet of sidewalk.
- Maintain community environment by collecting garbage.

Division Organization

Authorized Positions	FY2012	FY2013	FY2014
Streets Superintendent	1	1	1
General Supervisor	1	1	1
Sanitation Supervisor	1	1	1
Crew Supervisor	2	2	2
Heavy Equipment Operator	1	1	1
Equipment Operator	4	4	4
Engineering Technician	1	1	1
Sign Maintenance Technician	1	1	1
Maintenance Worker I, II, III	5	5	5
Senior Secretary	1	1	1
TOTAL	18	18	18

Public Works Department

Division Funding Sources and Budget FY2014

The operations and programs of the Streets Division are funded by the General Fund, the Local Option Gas Tax, the Stormwater Utility, and the Sanitation Utility.

<u>General Fund:</u>	Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
<ul style="list-style-type: none"> Slight budget increase due to scheduled capital outlay. 	Personal Services	\$858,680	\$887,466	\$895,269	\$7,803	0.9%
	Operating Capital	\$572,754	\$597,790	\$587,372	-\$10,418	-1.7%
	Outlay	\$9,604	\$0	\$22,000	\$22,000	0.0%
	TOTAL	\$1,441,038	\$1,485,256	\$1,504,641	\$19,385	1.3%

<u>Local Option Gas Tax:</u>	Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
<ul style="list-style-type: none"> Operating reduced for roadway maintenance due to decreasing revenues. Funding from General Capital Projects Fund will be necessary for milling and repaving program. 	Personal Services	\$34,982	\$45,545	\$45,928	\$383	0.8%
	Operating Capital	\$323,840	\$401,000	\$361,000	-\$40,000	-10.0%
	Outlay	\$0	\$0	\$0	\$0	0.0%
	Transfers	\$372,000	\$372,000	\$372,000	\$0	0.0%
	TOTAL	\$730,822	\$818,545	\$778,928	-\$39,617	-4.8%

Division Budget Issues

General Fund

- Funding **\$22,000** to replace pickup truck (2001 Dodge 1500).
- Funding **\$100,000** for Dune Walkover repair project.
(see Executive & Legislative - General Capital Projects)

Local Option Gas Tax

- Local Option Gas tax revenues have decreased by about **\$90,000** per year in recent years. from less driving due to the rising cost of gasoline and fuel.
- Funding transfers of **\$372,000** for Streets Division wages.
- Funding **\$280,000** for roadway maintenance program, **\$30,000** for traffic striping, and **\$50,000** for sidewalk repairs.

Uncertainty

⇒ **Local Option Gas Tax sunsets in 2016.** Anticipate dramatic budget reductions severely impacting core missions supported by the Gas Tax Fund and the General Fund. It is crucial that the Gas Tax be extended or an alternate funding source be identified.

Public Works Department

Stormwater Utility Program

Program Mission – *To provide funding to operate, maintain and improve the stormwater collection & treatment infrastructure.*

Program Objectives

- Operate and maintain the stormwater collection and treatment infrastructure. Reduce localized flooding. Protect environmentally sensitive estuary and ocean waters by performing effective stormwater management.
- Construct localized drainage improvement projects.

Program Funding Source & Budget - Stormwater utility fees fund the program.

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$143,804	\$173,935	\$178,807	\$4,872	2.8%
Operating Capital	\$475,594	\$597,137	\$577,210	-\$19,927	-3.3%
Outlay	\$114,545	\$663,250	\$688,438	\$25,188	3.8%
TOTAL	\$733,943	\$1,434,322	\$1,444,455	\$10,133	0.7%

Program Budget Issues

Capital Outlay

- Funding **\$523,000** to construct Stormwater Improvements Project (Ocean Forest - Phase I).
- Funding **\$50,000** to design Stormwater Improvements Project (Ocean Forest - Phase II).
- Funding **\$73,100** to design and construct Stormwater Improvements Project (on 9th Ave. N. to Penman Rd.).
- Funding design of 10th Street South Commercial Area Improvements Project: Funding \$73,270 (Water & Sewer), **\$42,338 (Stormwater)**, \$91,609 (General Capital Projects Fund).

Operating

- Funding **\$95,000** for stormwater pipe and vault cleaning services, **\$20,000** for drainage system repairs and **\$50,000** for erosion control repairs.
- Funding **\$16,000** for stormwater analysis for the NPDES Monitoring Plan & Lower St. Johns River Tributaries BMAP 2 (Hopkins Creek sampling).

Uncertainty

- ⇒ Stormwater utility rates were set 23 years ago.
- ⇒ Anticipate significant budget pressures due to increasing federal/state environmental regulation (Numeric Nutrient Criteria, Pollutant Total Maximum Daily Load limits, Basin Management Action Plans, state mandated minimum flows and levels for lakes, increasing federal oversight of Stormwater NPDES permit) and aging stormwater infrastructure.

Public Works Department

Sanitation Utility Program

Program Mission – *To provide funding for the collection, transportation, and disposal of garbage, yard waste, debris and recyclables.*

Program Objectives

- Collect garbage, yard waste, and recyclables from residential and small commercial customers via weekly curbside service.
- Collect garbage from commercial customers via dumpster and compactor service on a weekly routine basis.
- Collect recyclables from commercial multiplex dwelling units on voluntary basis.
- Keep Jacksonville Beach beautiful through the oceanfront and downtown cleaning and street sweeping programs.

Program Funding Source & Budget - Sanitation utility fees fund the program.

	Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
▪ <i>Operating decreased due to reduction in estimated dumpster collection charges.</i>	Personal Services	\$218,805	\$206,888	\$217,147	\$10,259	5.0%
	Operating Capital	\$2,878,188	\$3,177,712	\$3,129,708	-\$48,004	-1.5%
▪ <i>Capital increased with budgeting to replace the street sweeper.</i>	Outlay	\$115,849	\$0	\$200,000	\$200,000	0.0%
	TOTAL	\$3,212,842	\$3,384,600	\$3,546,855	\$162,255	4.8%

Program Budget Issues

Operating

- Anticipate annual CPI increase and bi-annual fuel cost adjustments, which are included in mid-year and year-end budget adjustments.

Capital

- Funding **\$200,000** to replace the Street Sweeper.

Uncertainty

⇒ Potential City of Jacksonville/Duval County landfill costs.

Public Works Department

Administration Division

Division Mission

To protect public health, safety and quality of life through the delivery of Public Works services.

Division Objectives

- Implement departmental business plan.
- Implement departmental capital projects as scheduled by each division.
- Implement capital master plans for the 2 redevelopment districts.
- Effectively address all customer service requests.

Division Organization

Authorized Positions	FY2012	FY2013	FY2014
Public Works Director	1	1	1
City Engineer	1	1	1
Administrative Secretary	1	1	1
Construction Project Manager	1	1	1
Construction Inspector part-time	1	1	1
TOTAL	5	5	5

Division Funding Sources and Budget FY2014

The operations and programs administered by the Administration Division are funded by the Water & Sewer Enterprise Utility, the Stormwater Enterprise Utility, the Sanitation Enterprise Utility, the Local Option Gas Tax, and the General Fund (Streets).

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$158,090	\$102,950	\$104,086	\$1,136	1.1%
Operating	\$1,054,468	\$1,183,175	\$1,179,821	-\$3,354	-0.3%
Capital Outlay	\$1,261,739	\$0	\$0	\$0	n/a
Debt Service	\$1,838,814	\$1,809,887	\$1,811,593	\$1,706	0.1%
TOTAL	\$4,313,111	\$3,096,012	\$3,095,500	-\$512	0.0%

Capital projects are listed under each responsible division.

Police Department

Mission

Working with Citizens for a Safe Community

Organization

The police department provides law enforcement services to all citizens who live, work, or visit in Jacksonville Beach.

Authorized Positions	FY2012	FY2013	FY2014
Chief of Police	1	1	1
Commander	3	3	3
Sergeant/Corporal	17	17	18
Patrol Officer/Detective	39	39	39
Police Total	60	60	61
Accreditation Manager	1	1	1
Communications Supervisor	1	1	1
Communications Officer	10	10	10
Records Supervisor	1	1	1
Records Specialist	2	2	2
Records Specialist part-time	1	1	1
Parking Enforcement Coordinator	1	1	1
Community Service Officer	1	1	1
Secretary	4	4	4
Property/Evidence Officer	1	1	1
Property/Evidence Officer part-time	1	1	1
Animal Control Officer	1	1	1
School Crossing Guard part-time	9	9	9
Volunteer Coordinator part-time	1	1	1
Civilian Total	35	35	35
Total Full-time	83	83	84
Total Part-time	11	12	12
TOTAL POSITIONS	95	95	96

*See the section entitled "Budget Issues" for more information on authorized positions.

Professional Standing

The police department was initially accredited in 1995 by the national Commission on Accreditation for Law Enforcement Agencies. Since then, the department has continued to meet the stringent standards required to maintain accredited status.

Police Department

Police Department Function & Structure

The Police Department has two primary duties to the citizens of Jacksonville Beach:

- Implement enforcement and crime prevention strategies designed to reduce criminal activities and thus make the city safer for all citizens who live, work, or visit in Jacksonville Beach; and
- Implement strategies that will make citizens feel safe in the community.

A low crime rate is not enough; citizens must believe they can move about the city freely without fear of becoming victims of crime. When crimes occur, citizens expect the Police Department to solve them and thus prevent additional criminal activities.

However, the Police Department is only one part of the criminal justice system. Many factors impact the crime rate in a city. For instance, while the Police respond to reported crimes and make arrests, the State Attorney decides whether to prosecute, and judges and juries decide guilt or innocence. Population demographics, the unemployment rate, and the state of the economy also contribute significantly to the level of criminal activity in the community.

Because of its easy accessibility and substantial parking, Jacksonville Beach is the primary beach community in the Jacksonville metropolitan area. Consequently, it becomes more difficult for the Police Department to keep citizens safe, especially on weekends, holidays, and during special events when the city is overflowing with visitors. In addition, homeless people who commit crimes and are arrested multiple times create a strain on the resources of the Police Department.

To address these problems, the Police Department has responded with many innovative programs. Those include both the Downtown CAPE and South Pablo Beach CAPE community policing programs, the Community Response Team, and specialized DUI and traffic enforcement programs. Details of these and other policing programs created specifically for the community are provided in this business plan.

Patrol Division/Costs

Patrol Division

The Patrol Division responded to **44,539** calls for service in calendar year 2012. Many of those calls require a response by two or more officers; e.g., burglary and robbery alarms, crimes in progress, domestic violence, etc. In 2012, there were **71,780** officer responses to those 44,539 calls; all this in a city with a permanent population of approximately 23,000 citizens. Many service calls are generated by non-residents who come to Jacksonville Beach to visit the beach, shops, restaurants, and nightclubs.

Police Department

The Patrol Division has the largest complement of police personnel (40 full-time positions), since most calls for service are handled at that level. Officers are split evenly into two patrol groups and six squads of four or five officers per squad.

Each group alternates working five 10-hour shifts followed by four days off. The groups overlap four days each month, allowing time for ongoing professional development and training.

FY2014 estimated budget for the Patrol Division, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$3,806,135.**

Traffic Unit

The unit is staffed by three patrol officers who conduct both routine and directed traffic enforcement, traffic surveys, and participate in special details such as DUI checkpoints and the selective traffic enforcement program.

FY2013 estimated budget for the Traffic Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$307,069.**

K-9 Unit

The estimated budget for the K-9 Unit (two officers), including salaries and benefits, overtime, operating costs, and supplies: **\$204,713.** [NOTE: Funding for the K-9 Unit is included in the Patrol Division total.]

Part-Time Police Officer Program

FY2013 estimated budget for the Part-time Police Officer program, including salaries, operating costs, supplies, etc.: **\$88,645**

Detective Division Units/Costs

General Investigations Team

The General Investigations Team is comprised of one sergeant, one corporal, three detectives, and a senior secretary. Detectives assigned to this team investigate crimes that require substantial commitments of time to complete, including theft, burglary, robbery, and murder. The senior secretary performs typical secretarial duties as well as crime analysis.

FY2014 estimated budget for the General Investigations Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$627,415.**

Community Response Team

The Community Response Team is comprised of one sergeant, one corporal, and four detectives. This team of detectives addresses special problems such as illegal drugs, vice,

Police Department

aggressive panhandling, and serial crimes like armed robberies, smash-and-grab burglaries, etc. that fall outside the realm of traditional investigative and patrol duties.

FY2014 estimated budget for the Community Response Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$704,194.**

NOTE: A pro rata share of the division commander's salary and benefits is included in the General Investigations Team and Community Response Team proposed FY2014 budgets.

Community Assisted Policing Effort (CAPE) Program

CAPE is a community policing project located in the Pablo Beach, South neighborhood. One officer assigned to CAPE patrols the neighborhood in a marked patrol vehicle as well as on bicycle and on foot. Working closely with employees at the City's Carver Center, the officer addresses crime problems and quality-of-life issues within the accepted practices of the community policing model. Also, a part-time CAPE Community Service Officer works with Carver Center personnel to provide crime prevention and community relations services for parents and children living in the Pablo Beach, South neighborhood. The Community Development Block Grant has reimbursed the City a substantial portion of the cost of operating the program in past years.

The FY2014 estimated budget for the CAPE Program, including salaries, benefits: **\$62,046.**

Downtown CAPE Program

The Jacksonville Beach Community Redevelopment Agency (CRA) provides funding for four police officers and one corporal for a community policing program known as Downtown CAPE. The Corporal position was added during FY2013 to provide assistance. The officers patrol the core downtown area, pier parking lot, and the beachfront on foot, bicycles, Segways, and in vehicles. They interact closely with business people, residents of the downtown area, and visitors, as they focus on issues of public safety and quality-of-life crimes. The CRA also provides funding for additional officers working in an overtime capacity during peak workload times.

FY2014 estimated budget for the Downtown CAPE Program including salaries and benefits, overtime, equipment, operating costs, supplies, etc.: **\$629,807.**

Services Division Units/Costs

Ancillary Services Section

The Ancillary Services section consists of one Commander, a Sergeant, a Community Service Officer and nine part-time school crossing guards that are assigned to elementary schools and Fletcher Middle School to assist children in safely crossing busy roadways. FY2014 estimated budget for salaries and benefits; **\$352,513.**

Police Department

Communications Section

The Communications Section is comprised of one supervisor and ten Public Safety Communications Officers (PSCO). PCSOs are an integral part of the services provided by the Police Department. Their primary duties include answering emergency 9-1-1 and non-emergency telephone calls from citizens and then dispatching police officers or civilian employees to handle the calls for service. They check vehicle and license registrations and also query county, state, and federal databases for wanted persons, stolen vehicles, and property, etc.

FY2014 estimated budget for the Communications Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$754,871.**

Records Section

The Records Section is comprised of one supervisor, two full-time Records Specialists, and one part-time Records Specialist. Records Specialists process and file the large volume of reports generated daily by employees of the Police Department. They also compile documents in response to public records requests from citizens, media, and other criminal justice agencies.

FY2014 estimated budget for the Records Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$194,180.**

Property/Evidence Section

The Property/Evidence Section is comprised of one full-time and one part-time Property/Evidence officer. Property/Evidence Officers are responsible for ensuring the protection of all property and evidence seized by the Police Department until statutory time limits are met or the legal system has determined there is no longer a need to hold such items.

FY2013 estimated budget for the Property/Evidence Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$79,695.**

Accreditation Unit

The Accreditation Unit is comprised of one civilian Accreditation Manager. The employee is responsible for managing the accreditation process as established by the national Commission on Accreditation for Law Enforcement Agencies (CALEA). The Police Department was initially accredited in 1995 and has been successfully re-accredited five times. Compliance with the CALEA accreditation process ensures the Police Department is following best practices as established by the International Association of Chiefs of Police, National Sheriffs Association, National Organization of Black Law Enforcement Executives, and the Police Executive Research Forum.

Police Department

FY2014 estimated budget for the Accreditation Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$80,705. (\$23,045 in accreditation fees, travel and traveling, etc. will be paid from the Administrative Division budget.)**

Animal Control Officer

The Animal Control Officer is responsible for enforcing all animal control ordinances in the City. This includes patrolling the beachfront during daytime hours to enforce a ban on dogs. The Animal Control Officer also responds to citizen complaints of wild animals, reptiles, and stray animals. The animals are held in pens at the Animal Control Office until a City of Jacksonville Animal Control officer responds to take custody of them.

FY2014 estimated budget for the Animal Control Officer program, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$47,955**

Paid Parking/Security Unit

The Parking Enforcement Unit is comprised of one supervisor and ten part-time Community Service Officer II. The unit is responsible for parking enforcement throughout the City, with particular emphasis on parking issues in the downtown business district. The supervisor oversees the City's parking enforcement program in three city-owned parking lots downtown. The CSOII provide security and informational services to the visitors in the paid parking lots. This also includes overtime for one police officer to provide additional security, roving in the three paid parking lots during peak hours. The parking division is under the supervision of the Services Division Commander. FY2014 estimated budget for the Parking Enforcement Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$143,056.**

Volunteer Programs

The volunteer program consists of Citizen Police Academy Alumni members and 18 Citizen on Patrol (COP) volunteers. There is one part-time volunteer coordinator who schedules and supervises all of the volunteer programs. The coordinator is paid out the Law Enforcement Trust Fund (**\$14,559.**)The unit provided over 12,300 hours of volunteer service for the Police Department in 2012. The uniformed COPs have two vehicles they use for patrol. FY2014 the unit estimated budget for operating supplies, vehicle maintenance, fuel, uniforms, etc.: (**\$20,000**) for a combined total of **\$34,559.**

Police Administration

The Police Administrative Division consists of the Chief of Police, one Administrative Secretary, and two Senior Secretaries. Salaries and benefits: **\$468,252.**

The Administrative Division is responsible for all software fees, professional services, internal service charges, utilities, legal fees, etc.: **\$567,352.**

Police Department

Recent Accomplishments

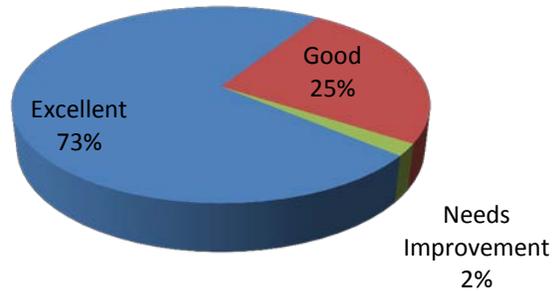
- ☑ Conducted **12** community relations programs directly impacting **583** citizens; e.g., firearms safety, bicycle safety, Neighborhood Watch, DUI prevention, etc.
- ☑ Removed **147** intoxicated drivers from the roadways, making Jacksonville Beach safer for vehicles, bicyclists, and pedestrians.
- ☑ Completed Citizen Police Academy classes XXIX and XXX, achieving high approval ratings. Through 30 academies, **863** citizens have gained a better understanding of law enforcement and the Jacksonville Beach Police Department.
- ☑ Benefited from Citizen Police Academy Alumni Association members, who volunteered **12,380** hours in **2012** assisting the department in its mission.
- ☑ Continued the Citizens On Patrol (COP) Program. **Eighteen** graduates of the COP Training Academy assist the Patrol Division with traffic direction, property checks, neighborhood notifications of sex offenders, and completing reports of minor offenses such as gas drive offs, etc.
- ☑ Participated for the first time in the Annual **National Night Out** event. Sponsored by Target, National Night Out is an annual event designed to strengthen communities by encouraging neighborhoods to engage in stronger relationships with each other and with their local law enforcement partners.
- ☑ Hosted the **18th Annual Kids Fishing Rodeo** at the Huguenot Park Lagoon. Approximately **700** children and parents attended the event.
- ☑ Hosted the annual **Kids Halloween Party** and **Kids Christmas Party**. Approximately **600** children and parents attended the two events.
- ☑ Completed four Drug Abuse Resistance Education courses with **97%** overall approval ratings from students, parents, and teachers.

Police Department

Customer Service Surveys

Each quarter, the police department conducts a random survey of 30 citizens who have encountered a member of the department within the preceding three months. The survey asks respondents to rate the employee's professionalism and helpfulness to the citizen during the encounter.

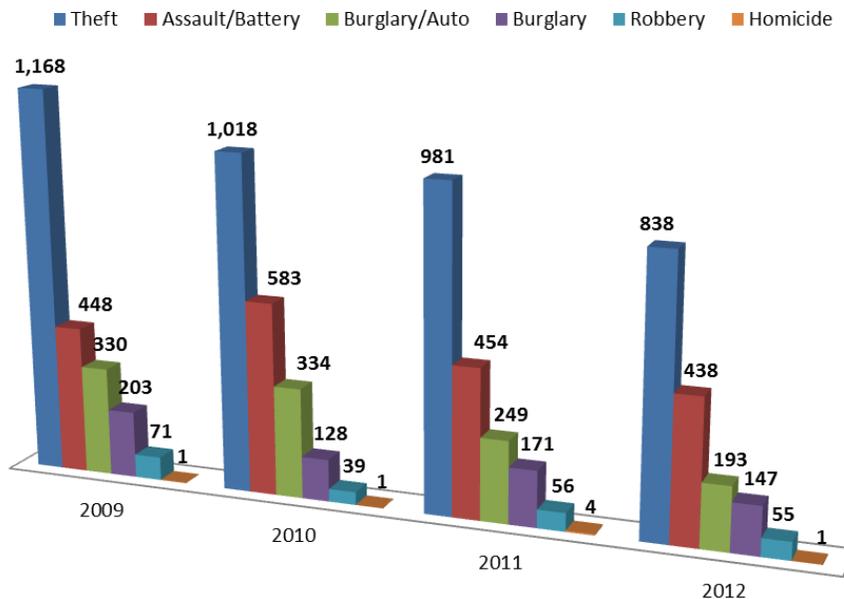
Quarterly Customer Service Survey



Crime Prevention Services

The Police Department provides crime prevention services designed to make the community safer. Those services include Neighborhood Watch, sex offender and sexual predator neighborhood notifications, robbery prevention seminars, and personal, business, and home safety classes, among many others.

Selected Crime Statistics: 2009-2012



Police Department

Performance Measures

Outcomes	Performance Measure	Actual FY2012	FYTD through 3/15/13	Target FY2014
<i>Continually seek new and better methods to improve citizens' safety.</i>	Maintain four minute or less average response time to emergency calls	2.55 minutes	2.41 minutes	4.00 minutes
	Maintain six minute or less average response time to non-emergency calls	4.42 minutes	4.35 minutes	6.00 minutes
	Continue strict enforcement of DUI laws to improve safety of city roadways	147 arrests	131 arrests	150 arrests
	Conduct quarterly neighborhood notifications of sex offenders and sexual predators living in the city	4	2	4
	Notify local residents, schools, and day care facilities within 48 hours of a sexual predator moving into a neighborhood	Yes	Yes	Yes
	Conduct strict enforcement task forces in the CAPE neighborhood	11	7	8
<i>Maintain strong partnerships with citizens to improve public safety.</i>	Complete two Citizen Police Academy classes with a positive rating of 95% or higher	100%	100%	95%
	Continue crime prevention and youth-oriented services offered through the CAPE program	Yes	Yes	Yes
	Complete one Youth Police Academy with a positive participant rating of 95% or higher	Yes	Yes	Yes
	Involve CPA Alumni Association members in community relations and crime prevention programs	16	8	10
	Use Citizens On Patrol (COP) volunteers to enhance services	Yes	Yes	Yes
<i>Develop professional employees through competent hiring practices, ongoing training and career development.</i>	Continue emphasis on career development through training	11,496 hours	3,964 hours	9,500 hours
	Attend four job fairs to expand the pool of exceptional candidates for employment	2	1	4
	Number of consecutive years accredited through the national Commission on Accreditation for Law Enforcement Agencies (CALEA)	17	18	19
<i>Continue the strong commitment to outstanding customer service.</i>	Achieve positive ratings of 90% or higher on quarterly customer service surveys	98%	100%	90%
	Conduct triennial citywide customer service survey; Achieve overall positive rating of 90% or higher	95%	NA	NA

Police Department

Financial Summary

Reductions in operating and capital outlay costs were made to offset increases in payroll. See Budget Issues for more information.

General Fund

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$6,434,732	\$6,787,842	\$6,905,906	\$118,064	1.7%
Operating	\$1,200,319	\$1,274,269	\$1,223,177	-\$51,092	-4.0%
Capital Outlay	\$192,346	\$142,500	\$175,000	\$32,500	22.8%
TOTAL	\$7,827,397	\$8,204,611	\$8,304,083	\$99,472	1.2%

Special Revenue Funds

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$335,777	\$467,334	\$567,810	\$100,476	21.5%
Operating	\$169,385	\$243,872	\$263,456	\$19,584	8.0%
Capital Outlay	\$61,365	\$13,214	\$14,588	\$1,374	10.4%
Transfers	\$116,548	\$78,440	\$70,805	-\$7,635	-9.7%
TOTAL	\$683,075	\$802,860	\$916,659	\$113,799	14.2%

The primary special revenue funding source for FY2014 is the Community Redevelopment Agency. One Corporal position was added to Downtown CAPE during FY2013.

Other Funding Sources

Additional funding sources are from grants, contractual agreements and dedicated funding sources established by Florida Statutes.

Other Funding Source	Use	2013 Budget	2014 Budget
Community Development Block Grant (Federal)*	CAPE Program in Pablo Beach, South Neighborhood	\$79,310	\$63,982
Total-General Fund		\$79,310	\$63,982
Community Redevelopment Agency	Five (four in 2013) Downtown CAPE officers, operating supplies and overtime	\$509,877	\$629,807
Law Enforcement Trust Fund (State)	Equipment Grant Matches and Crime Prevention Programs	\$60,929	\$60,059
Equitable Sharing Fund (Federal)	Equipment Grant Matches and Crime Prevention Programs	\$65,000	\$66,000
Court Costs Training Fund (State)	Employee Training	\$60,400	\$60,400
Justice Assistance Grant (State)*	Street Crimes Task Force overtime	\$78,440	\$70,805
Justice Assistance Grant (Local)	Equipment Purchases	\$13,214	\$14,588
Lease Facilities	Security Cameras	\$15,000	\$15,000
TOTAL OTHER FUNDING SOURCES		\$802,860	\$916,659

* Assistance is dependent on continued Federal funding.

Police Department

Budget Issues

Vehicle Replacement: Unit price increases and budget adjustments will limit the replacement complement of vehicles to **five or six** in FY2014. Total cost for vehicles: **\$175,000**.

Part-time Police Program: Part-time fully certified police officers augment services of the Patrol Division and are an excellent resource at a relatively low cost. Currently, three part-time police officers are employed in this capacity, and efforts are ongoing to increase that number. Recommended funding level for FY2014: **\$88,645**.

Reserve Police Officer Volunteer Program:

The Police Department is starting a new Reserve Police Officer program. These officers will be required to be certified by the State of Florida as Reserve Police Officers. The required training currently consists of 319 hours at a certified academy. These officers will not be paid, and will only have law enforcement powers while in the company of a fully certified police officer. This program is intended to be a cost effective force multiplier for the police department. The program can be funded with Federal Equitable Sharing Trust Funds. There should be very little reoccurring costs for the program. The startup cost will include uniforms, equipment and training: **\$125,000**. **This cost is not included in the proposed budget.**

Justice Assistance Grant/Byrne (Local): This grant is earmarked for municipalities and requires no local matching funds. Grant funds have been used in past to purchase equipment. Grant amount for FY2014 is **\$14,588** and will also be used to pay for equipment.

Justice Assistance Grants (State): This grant is earmarked for municipalities and routed through the state. Appropriations from this grant must be approved by a minimum of 51% of the law enforcement agencies in Duval County (Jacksonville Sheriff's Office, Jacksonville Beach Police Department, Atlantic Beach Police Department, and Neptune Beach Police Department). In past fiscal years, the Police Department has used this grant to offset a portion of the salary costs for the Community Response Team and to provide overtime funds for a downtown Street Crimes Task Force. FY2014 grant will be used to partially fund overtime for Street Crimes Task Force. Grant amount for FY2014 is **\$70,805**.



Fire Department

Mission

To protect the lives and property of citizens, by providing professional fire and life safety services to people in need.

Fire Department Priorities

- Emergency Response
- Training
- Fire Prevention and Inspections
- Public Education

Emergency Response

The Fire Department is staffed and equipped to respond to:

- A single serious fire/EMS event.
- Two simultaneous emergency calls except when additional staffing is available.
- A major disaster utilizing all fire department and city resources.
- Auto/mutual aid is necessary and normally available for major events.

Organization

The Fire Department is responsible for providing emergency services, administering prevention and inspection programs, overseeing disaster management, and handling the City's radio system. Three shifts comprised of a Shift Commander, two Lieutenants, and six Firefighter/Engineers provide fire/medical/rescue and other services. 8 State certified Auxiliary Firefighters supplement staffing and assist combat personnel. The Fire Marshal is responsible for inspections, plans review, public education, and code enforcement and is assisted by the Shift Commanders. The Training/Safety Lieutenant is responsible for coordinating training activities, serves as the safety officer during major emergencies, maintains medical quality control, and coordinates the safety program.

Authorized Positions	FY2012	FY2013	FY2014
Fire Chief	1	1	1
Fire Captain	3	3	3
Fire Marshal	1	1	1
Fire Lieutenant	7	7	7
Firefighter/Engineer	18	18	18
Administrative Secretary	1	1	1
TOTAL	31	31	31

Fire Department

Primary Services

- Mitigating fires, medical emergencies response, vehicle accidents, technical rescue, and other 911 emergencies.
- Fire prevention and safety through plans review, public education programs, and fire safety inspections.
- Emergency disaster management and hurricane preparedness.
- Managing the City's 800 MHz radio system.

Normally the Fire Department operates three engines and a mobile command vehicle daily. Due to economic issues, on-duty staffing may be reduced to two engines and a mobile command vehicle. Supplemental staffing may be available from the Auxiliary Firefighter Program. The fire department provides basic and advanced life-support with medical transport provided by the City of Jacksonville as part of an inter-local agreement. Automatic/mutual aid is available from Jacksonville or St. Johns County Fire & Rescue.

The City operates its own 800 MHz radio system and radio tower. The City has just completed the upgrade of the system to an analogue/digital P-25 capable system. This allows encryption and communication abilities with Jacksonville and surrounding counties. The First Coast Radio system and the State's mutual aid frequencies are used as a back-up system. Satellite phones are available for communication during a disaster when other means of communication are unavailable.

CY2012 Accomplishments

- Zero fire deaths in 2012, a 2% reduction in property loss, and an average response time of 4 minutes.
- 100% of the 26 structure fires responded to were confined to the area involved upon arrival.
- 100% of the customer surveys returned indicated excellent or good service.
- Conducted 916 fire safety surveys, 268 high hazard inspections and updated 1,184 pre-plans.
- Conducted 278 new construction/remodel inspections, reviewed 201 sets of plans, and 163 consultations.
- Conducted 105 fire drills in public and private schools and inspected 860 fire hydrants.
- Installed 214 smoke detectors in homes and checked or installed batteries in 583 smoke detectors.

Fire Department

CY2012 Accomplishments (continued)

- Provided education to over 3,283 adults/children in fire safety, prevention, and/or hurricane preparedness.
- Members conducted over 9,534 hours of in-service training.
- Installed and educated 150 families on the proper use and installation of child safety seats.
- Conducted city wide training and exercises in hurricane preparedness and terrorism.

Other Fire Department Accomplishments:

- Coordinated operational plans for the City's special events.
- Put into service a new decontamination trailer supported by UASI grants.
- Updated the City's Municipal Comp. Emergency Management plan.
- Upgraded the City's 800 MHz radio system to an analogue/digital P-25 system.
- Conducted hurricane training for City employees and a multi-agency terrorism exercise.
- Developed a Firefighter Auxiliary program.

Goals for FY2013

1. Prevent fire related deaths in Jacksonville Beach by a quick response, commitment to inspections and code enforcement, and an aggressive smoke detector program.
2. Continue the strong commitment to customer service by receiving 100 % customer survey reports of excellent or good service.
3. Confine 90 percent of all building fires to the area involved upon arrival by a quick response and effective fire ground tactics.
4. Maintain excellent fire/EMS capabilities and safety by expanded monthly in-house training, challenging scenarios, and technical rescue training.
5. Continue supporting the Firefighter Auxiliary program.
6. Maintain the city's preparedness capabilities by updating operational plans, annual training and practical exercises.

Fire Department

Performance Measures	CY2011	CY2012	* FY12 10-01-11 through 3-1-13	Target for CY2014
			Yes	Yes
Prevent all fire deaths in Jacksonville Beach	Yes	Yes	Yes	No fire deaths
Confine 90% of all building fires to area involved upon arrival.	100%	100%	100%	90%
Provide Basic or Advanced Life Support service to all calls for Emergency Medical Services (of the 3, 173 total calls in 2012, 71% were rescue).	2,189	2,250	914	2,000
Respond to emergencies within 6 minutes (m) for 90%, and within 4 minutes (m) for 70% of all 911 emergency calls.	4m/75% 6m/91%	4m/72% 6m/90%	4m 75% 6m 90%	4m/70% 6m/90%
Complete fire safety surveys and update pre-plans of commercial buildings once every 2 years (718 per year).	899	916	402	718
Conduct high hazard inspections and update pre-plans of schools, churches, hotels, restaurants, and high rise buildings every 2 years (189 per year).	300	268	114	189
Conduct 80 fire evacuation drills in schools.	139	105	50	80
Educate 3,500 citizens/children in fire safety and/or hurricane preparedness each year.	3,866	3,283	1,873	3,500
Install or replace 80 smoke detectors in unprotected homes of elderly, disabled, or fixed income citizens.	142	214	81	80
Check, test or replace batteries in 375 existing smoke detectors.	595	583	265	375
Inspect all city and private fire hydrants annually.	836	860	859	835
Complete 7,000 in-service training hours.	9,103	9,534	4,404	7,000
Receive a 100% excellent or good evaluation by citizens.	100%	100%	100%	100%
Install/inspect/educate families on child safety seats.	203	105	58	NA
Successfully resuscitated 35% of cardiac arrest patients.	47%	44%	37.5%	35%

The Fire Department measures its effectiveness by tracking alarms, inspections, survey cards returned, and training records on a monthly and calendar year (CY).

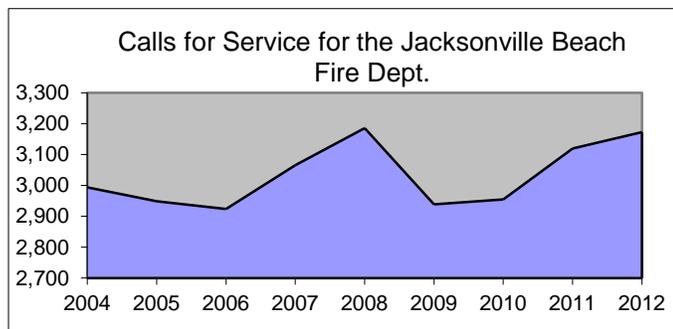
* The first 5 months of FY2013 is indicated in column three (bold) on the chart.

Fire Department

Annual Calls for Service

The fire department responded to 3,173 responses in CY2012.

- 2% Structural Fires
- 71% Rescue
- 27% Hazardous Conditions



- **In 2012, the Fire Department experienced a 2% increase in call volume over 2011:** 3,120 calls for service in 2011; 3,173 calls for service in 2012.

Funding Sources

Fire Department funding is primarily through the General Fund. Radio services are funded by the Radio Communications Special Revenue Fund and each individual department using radio equipment.

Firefighter Auxiliary Program

The Fire Department has developed a Firefighter Auxiliary program to supplement staffing needs. We utilize a maximum of 8 Auxiliary personnel who are State of Florida certified firefighters and EMTs or Paramedics. \$5,000 is included in the fire department budget for insurance and uniforms and other associated costs.

2013/14 Grants

Assistance to Firefighters Grant (AFG): The fire department continues to apply for grant funding as opportunities become available. Due to the current economic conditions, it is unknown if the Assistance to Firefighters Grant will be available for funding in the future.

Financial Summary

Resource Allocation	Actual 2012	Original Budget	Adopted Budget	Increase	%
		2013	2014	-Decrease	Change
Personal Services	\$3,131,267	\$3,165,628	\$3,181,521	\$15,893	0.5%
Operating	\$451,930	\$480,525	\$462,488	-\$18,037	-3.8%
Capital Outlay	\$27,415	\$45,000	\$0	-\$45,000	-100.0%
TOTAL	\$3,610,612	\$3,691,153	\$3,644,009	-\$47,144	-1.3%

Fire Department

Budget Issues

SCBA Replacement: As the age of the Fire department's self-contained breathing apparatus (SCBA) reach 12 years of service, a replacement plan has been established to upgrade the units to NFPA standards by 2014. 22 SCBA w/mask and cylinder and 32 extra cylinders: **\$175,000**. This purchase is budgeted in the General Capital Projects Fund and may utilize grants where available.

Firehouse Software cloud system: This will update the current Firehouse Data Software system to the Firehouse Web/Cloud system. It is secure, utilizes automated back-ups, HIPPA compliant, and cost effective. In lieu of paying for annual software support (\$2,880), there is an annual cost of \$5,900 which is a \$3,200 increase from the current Firehouse support.

Fire Apparatus Replacement Program

In order to maintain an efficient fleet of fire apparatus, a planned capital improvement program is required. This replacement program has been funded annually by the City Council. Because of the cost of new apparatus and the economic conditions, the goal of this program and the life of apparatus has had to be extended. The goal of the program is to keep apparatus in front-line service for approximately 12-14 years and then place them in reserve for approximately 4-5 years.

This schedule can be attained by committing \$75,000 per year. The replacement schedule is included in the 2014 Capital Improvement plan (CIP). E-25 or Sq-13 is scheduled to be replaced in 2014, with one of the units unit placed in a reserve status.

Engine	Description	Model Year	Age
Q-11	Ferrara Ladder (Quint)	2010	3
E-14	Pierce Pumper (reserve)	1996	17
SQ-13	Freightliner Pumper	2001	12
E-22	E-1 Rescue/Pumper	2006	7
E-25	Pierce Pumper (reserve)	1993	20

Fire Department

Fire Apparatus Replacement Program (continued)

Year	Replace Apparatus	Cost	CIP Budget
FY2013			\$75,000
FY2014			\$75,000
FY2015	E-25 or Sq-13	\$331,902	\$75,000
FY2016			\$75,000
FY2017			\$75,000

Emergency Preparedness

A pro-active approach is taken to emergency preparedness activities that potentially could impact the city. Key preparedness activities include:

- Annual hurricane training with employees.
- Annually update the municipal comprehensive emergency management plan.
- Conducting annual city exercises on hurricane preparedness/planning and terrorism.
- Ensuring all National Incident Management System training requirements and criteria are met.

In the event of a major storm or other similar emergency, the City Manager may authorize the use of the General Fund's unanticipated budget to fund purchases such as:

- Rental equipment: Trucks/trailers, portable shelters, generators, and port-a-lets.
- Supplies: Fuel, food, water, and medical supplies.
- Staffing and Communications equipment.

Fire Department

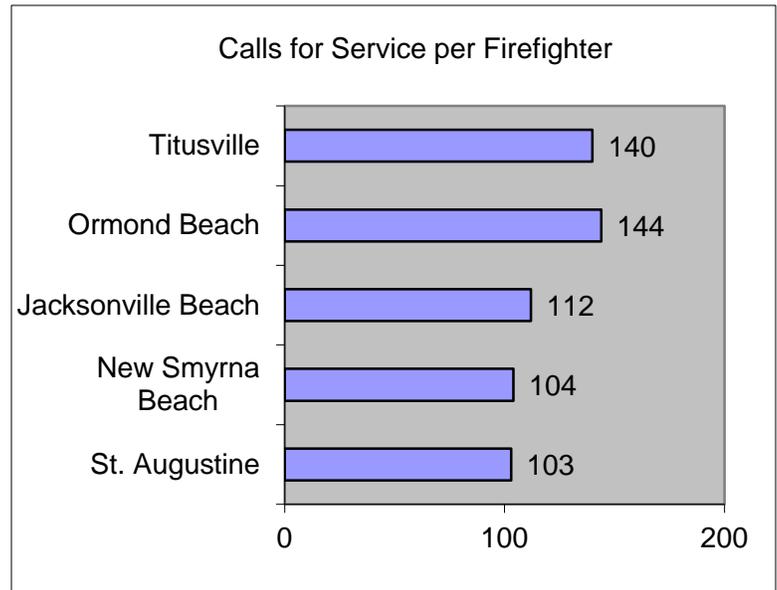
Comparison Survey

The Jacksonville Beach Fire Department does a comparison survey annually with similar sized cities and fire departments to determine how efficient and effective our department is in comparison to the other departments. Statistics assessed include the assessed valuation of property, fire department budget, number of calls responded to, number of firefighters, and the population. The data does not reflect the actual minimum staffing per shift. The following graphs illustrate the findings:

Calls for Service FY2012

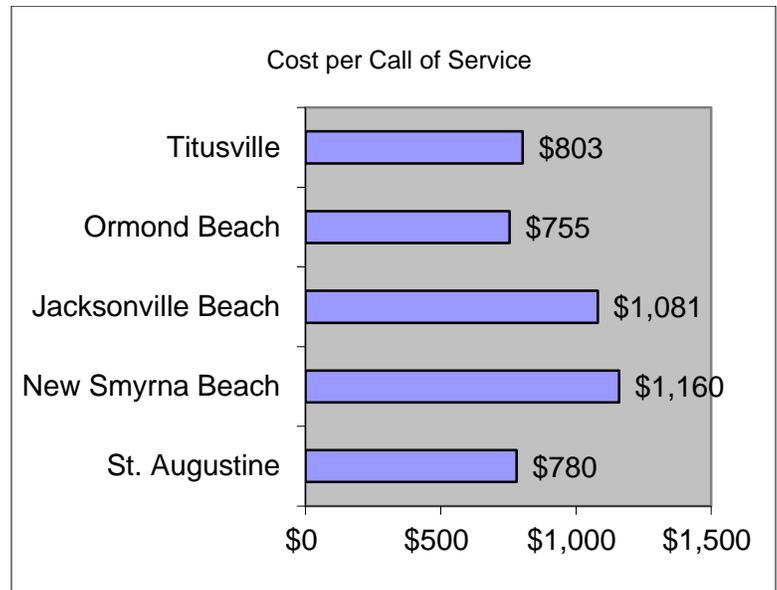
Median number of calls for service per firefighter: = 120.6

The Jacksonville Beach Fire Department responded to 3,173 calls for service in CY2012.



Cost per Call FY2012

Median cost per call for service: = \$915.80

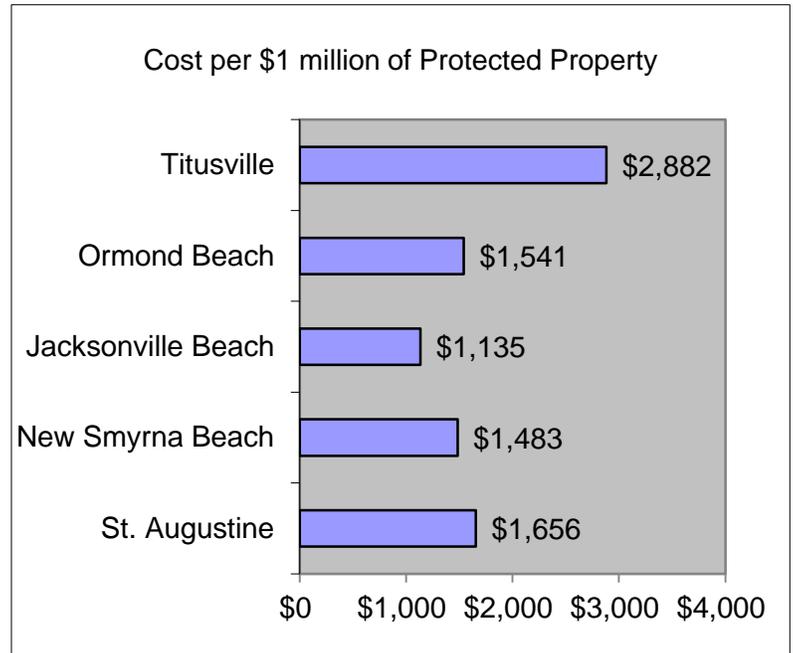


Fire Department

Comparison Survey (continued)

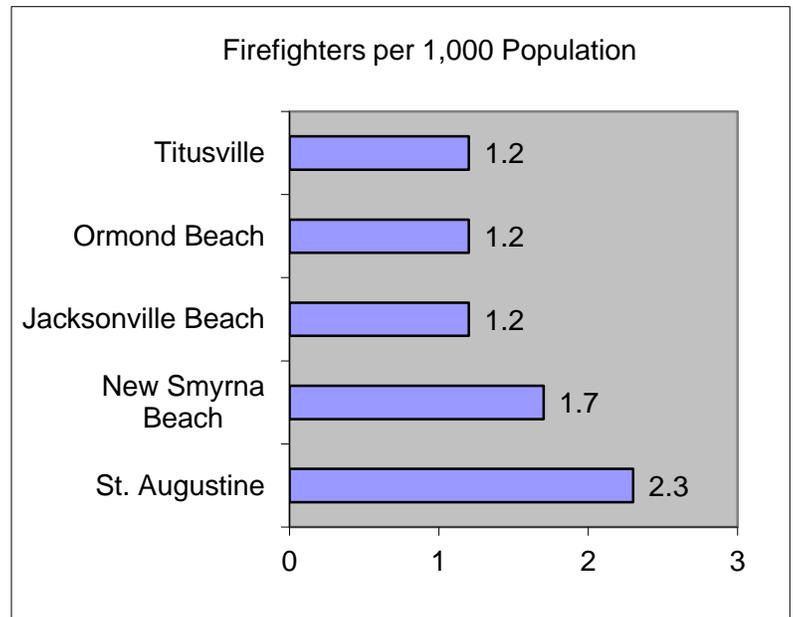
Cost per \$1 million of Protected Property FY2012

Median cost per \$1 million of protected property = \$1,739.40



Firefighters per 1,000 Population FY2012

Median number of firefighters per 1,000 population: = 1.5



The Benchmark Survey shows the Jacksonville Beach Fire Department continues to be efficient and cost effective in comparison to other similar sized fire departments.



Beaches Energy Services

Mission

To provide reliable energy services at a competitive price with superior customer service. "Above and Beyond the Expected."

Organization

Beaches Energy Services provides electric service to more than 34,000 customers and 24-hour customer service outage restoration. The Department is responsible for designing, constructing, operating, and maintaining electric service facilities and managing natural gas service in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, Palm Valley and other areas as designated by our service territory. The Department is also responsible for the Property Management Division.

Beaches Energy Services has nine Divisions which are funded by the Enterprise Fund, the Internal Service Fund, and the General Fund.

Authorized Positions	FY2012	FY2013	FY2014
Administration	5	4**	4**
Engineering	8	8	8
Relay/Substation	6*	6*	6*
Construction & Maintenance	34	34	32***
System Operations	10*	10*	10*
Storeroom	3	3	3
Meter Services	12	12	12
TOTAL	78	77	75

* One temporary over-hire in Relay/Substation and one in System Operations in anticipation of the retirement of a NERC Certified System Operator and continuity of skills within Relay/Substation.

** One Administration position was eliminated.

*** Two Construction & Maintenance positions eliminated.

Administration Division

Ensures Department's compliance with accounting and budgetary policies and controls concerning disbursements, purchasing, payroll, and other financial matters. The Division provides overall direction and policy for the daily operations of the Department.

Engineering Division

Plans and designs the electric transmission, substation, and distribution systems. Monitors and administers regulatory compliance activities.

Relay/Substation Division

Maintains the electric substations.

Construction & Maintenance Division

Constructs and maintains the overhead and underground facilities in transmission and distribution systems.

Beaches Energy Services

Organization (continued)

System Operations

Monitors and operates the electric system according to industry standards and regulatory mandates. Provides 24-hour dispatch center for emergency response and customer service.

Storeroom Division

Provides supplies, materials, and services to all City Departments.

Natural Gas Division

Provides contract management administration and oversight for all activities in the delivery of natural gas.

Meter Services Division

Provides support services for all meter reading and meter service functions.

Property Management Division

Provides all City Departments with building maintenance, leased properties management, and fleet maintenance.

Recent Accomplishments: FY2012-2013

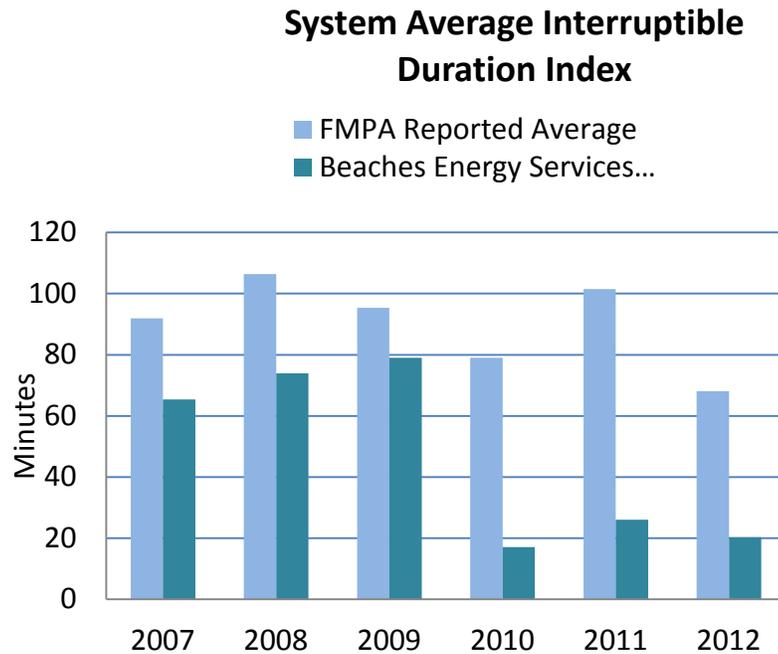
- Designed and installed new 26kV underground systems:
 - Underground Feeder Circuit #528
 - Sawgrass Feeder.
- Designed and installed overhead line rebuilds:
 - Palm Valley Road Phase 3 in St. Johns County
 - A1A Phase 2 in St. Johns County.
- Designed and installed system improvement projects:
 - Cable Replacements
 - Switchgear Replacements.
- Completed a North American Electric Reliability Corporation (NERC) and Florida Reliability Coordinating Council (FRCC) Audit for regulatory compliance.
- Completed Storm Hardening and Distribution Maintenance Plans.
- Completed transmission system protective relay coordination study.
- Completed 138kV transmission line evaluation for NERC Compliance.

Beaches Energy Services

Recent Accomplishments (continued)

System Reliability

Beaches Energy Services maintained a System Average Interruptible Duration Index of 20.35 minutes for each customer from January 2012 to December 2012. Twenty-five cities reported average by FMPA for the same period was 68.06 minutes.



Customer Service

Each year, the Billing Office mails out customer service surveys. The following represents the customers' ratings. The 2012 surveys were sent to 720 customers and 120 customers responded. The 2013 surveys were sent to 360 customers and 74 customers responded.

Beaches Energy Services employees are committed to serving our customers and exceeding their expectations.

Customer Service	Actual FY2012	FYTD 3/31/13	Target FY2014
The utility bill is easy to understand.	98%	91%	95%
Our service is reliable.	98%	99%	95%
I was treated courteously.	100%	100%	95%
The service was prompt.	99%	99%	95%
The employee was helpful.	98%	100%	95%
The employee was knowledgeable.	99%	99%	95%
The employee referred to me by name.	85%	79%	95%
The employee thanked me for my business.	95%	90%	95%

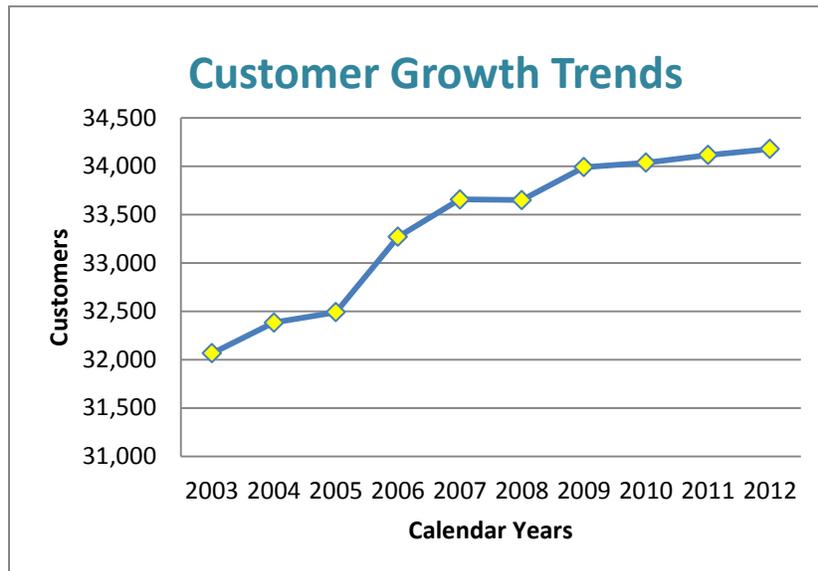
Beaches Energy Services

Customer Service (continued)

Each year, Beaches Energy Services mails surveys to our energy audit customers. The following represents the customers' ratings. The 2012 surveys were sent to 550 customers and 128 responded. The 2013 surveys were sent to 189 customers and 63 responded.

Energy Audits	Actual FY2012	FYTD 3/31/13	Target FY 2014
Energy Audit Survey	Percent Agree	Percent Agree	Target Agree
Was the Utility Auditor on time for your scheduled audit?	98%	97%	95%
Was the Utility Auditor polite and courteous?	100%	100%	95%
Was the Utility Auditor knowledgeable and helpful when explaining the results of the audit?	100%	100%	95%
Did the Utility Auditor provide you with tips to conserve energy?	99%	97%	95%
Would you recommend this audit service for other customers?	88%	85%	95%

The number of total customers served has grown from 31,814 in 2002 to 34,177 in 2012. This increase represents a seven percent increase over the past ten years.



Beaches Energy Services

Cost

- Beaches Energy Services residential rate for 1,000 kWh remains below the State average (see rate schedule, page 10).
- Beaches Energy Services provides a monthly credit for customers on the demand rate. Customers receive a monthly credit on demand charges which ranges from \$2.00/kW for a 75 percent load factor to \$0.50/kW for a 60 percent load factor.

Energy Efficiency and Conservation

- Electric conservation and informing customers on how to conserve has become an important part of our business. Beaches Energy Services is working on conservation, energy efficiency, demand-side management and renewable energy initiatives so that all programs are coordinated to achieve optimal results and benefits.
- Conservation tips can be found on Beaches Energy Services website at www.beachesenergy.com and in the monthly Tidings newsletter.
- Energy saving rebates are offered for residential energy-efficient improvements. For more details about available rebates, visit our website (shown above).
- Our Energy Auditors provide specific suggestions customized to the homeowners audit results.
- Energy Toolkits and Energy Conservation DVDs were provided to 506 customers from October 2011 to September 2012.
- As of December 31, 2012 there were 26 solar net-metering customers who delivered over 84,000 kWh to the electric grid during the 2012 calendar year.
- During FY2012 voltage optimization and distributed generation shaved peak energy demands resulting in power and cost savings of over 50 MW and \$1 million respectively.

Goals for FY2014

Investments in infrastructure improvements are made to ensure the highest level of system reliability and customer service.

- Maintain Residential Rate for 1,000 kWh below the State Average.
- Maintain an average outage time less than the average annual survey results for participating FMPA cities.
- Complete all facility improvements listed in the Capital Improvement Plan.
- Limit energy losses to less than 6 percent.
- Attain a zero employee loss time accident rate by implementing an intensive safety training program.
- Continue to add and improve customer service programs that provide enhanced services and more convenience to our customers.

Beaches Energy Services

Performance Measures

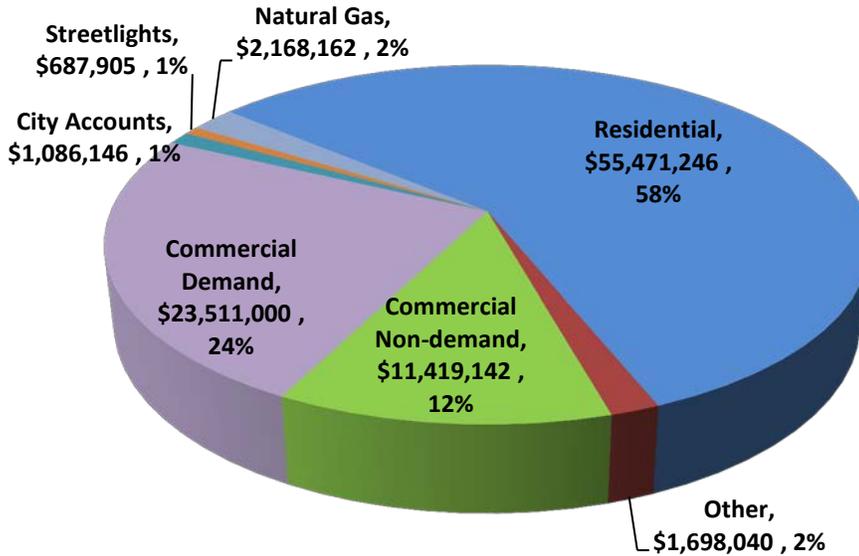
	Actual FY2011	Actual FY2012	FYTD 3/31/13	Goal FY2014
COST				
Residential rates for 1000 kWh below the State average	Yes	Yes	Yes	Yes
Energy losses not to exceed 6 percent (see below)	Yes	Yes	Yes	Yes
298 Retail customers per employee-excluding business office employees*	467	488	488	425
Zero employee lost time accidents	1	0	1	0
SERVICE				
Reviewed commercial engineering plans.	43	51	51	Review all plans.
Provide 600 customer energy audits	645	558	189	600
Provide 950 surge protection devices	922	938	921	950
Energy Conservation Program: Rebates Issued	1,790	1,243	502	1,000
Dollar Amount	\$338,997	\$228,956	\$89,509	\$296,724
RELIABILITY				
Annual average outage time per customer.	26.01	20.35	6.26	Less than FMPA Average
Apprentices in Training Programs.	2	3	3	Progress in program.
Budgeted facility improvements completed for projects.	Yes	Yes	Yes	Yes

* American Public Power Association (APPA) Annual Statistical Report published January 2013; average is 298 Retail Customers per Employee.

Energy losses represent the difference between megawatt hours purchased and megawatt hours sold. Industry system losses range between 3 percent and 6 percent, depending upon the service voltage provided and the geographical location in the United States. Beaches Energy Services' two year average energy loss is 4%.

Beaches Energy Services

Funding Sources: Total projected revenue for FY2014 is \$96,041,641.



*Other includes internal service charges for meter reading, interest, primary fees and streetlight maintenance charges.

Financial Summary

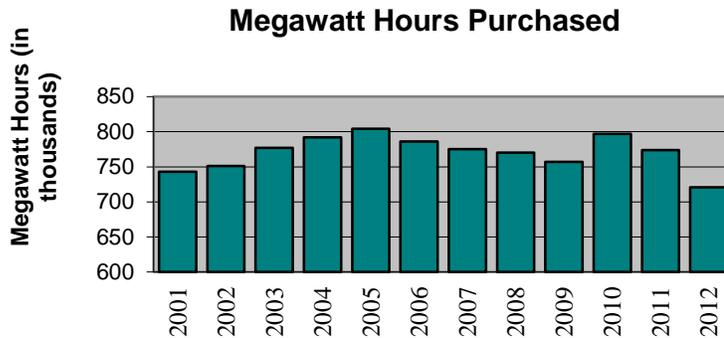
Electric and Natural Gas

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$5,992,661	\$6,466,584	\$6,410,016	-\$56,568	-0.9%
Purchased Power	\$60,612,740	\$74,630,823	\$72,184,977	-\$2,445,846	-3.3%
Operating	\$6,110,131	\$7,284,724	\$7,175,457	-\$109,267	-1.5%
Capital Outlay	\$3,015,104	\$6,007,323	\$5,987,000	-\$20,323	-0.3%
Debt Service	\$2,635,468	\$2,589,400	\$2,591,845	\$2,446	0.1%
Transfers	\$3,530,758	\$3,272,548	\$3,608,401	\$335,853	10.3%
TOTAL	\$81,896,863	\$100,251,402	\$97,957,696	-\$2,293,706	-2.3%

Beaches Energy Services

Budget Issues

Florida Municipal Power Agency and the Cost of Power

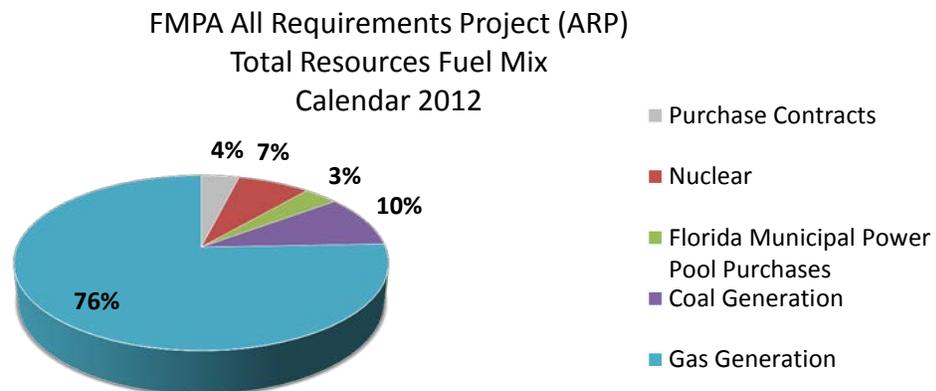


The variation in Beaches Energy's purchase of power from year to year occurs largely as a result of weather conditions and the state of the economy.

FMPA is a wholesale power agency owned by municipal electric utilities. FMPA provides economies of scale in power generation and related services to support community-owned electric utilities. The City of Jacksonville Beach joined the FMPA May 1, 1986 and is one of the 14 all-requirements members. Current long range load projection studies indicate FMPA has adequate generation resources for the next 10 years.

Providing reliable electric services is a continuous activity that requires long-term vision. Pending governmental regulations regarding CO2 and mercury could have a major impact on deciding future power supply options. The uncertainty at the federal level has resulted in many electric utilities delaying decisions on capital expenditures for generation resources.

Beaches Energy Services is doing everything possible to keep our electric rates below the state average and provide reliable, excellent services to our customers. Conservation, energy efficiency and demand response programs have been very successful and continue to benefit customers. We will continue monitoring these programs and investigate new measures that provide value to the customer.



Beaches Energy Services

Regulatory Issues

Beaches Energy Services has undergone dramatic regulatory changes that continue to evolve. Regulatory mandates to improve the reliability of the bulk power system are placing more requirements on our resources.

NERC (North American Electric Reliability Corporation) and FRCC (Florida Reliability Coordinating Council) work in concert for the purpose of proposing and enforcing reliability standards that impact the operations of transmission providers in Florida. As a transmission owner, Beaches Energy Services is obligated to comply with these standards or be subjected to financial penalties. In order to achieve zero-defect compliance to NERC and FRCC reliability standards, Beaches Energy Services must develop a comprehensive process that will continually monitor industry developments and implement cost effective measures responding to actions required by regulatory agencies.

The next major issue is cyber security. NERC standards CIP 001 through CIP 011 provide a cyber- security framework for the identification and protection of Critical Cyber Assets to support reliable operation of the Bulk Electric System.

Modernizing Electric System Infrastructure

Ensuring the reliability and security of electric service to our customers is essential to Beaches Energy Services operations. A field inventory of assets has been completed that provides an accurate assessment of age, condition, and configuration of the existing distribution system. Programs have been developed to systematically address maintenance and underground cable replacement. These programs provided the details and processes required to address our aging infrastructure and improve service reliability.

Beaches Energy Services will continue strengthening its infrastructure and evaluating the application of new technology that supports improved electric operations and customer service today and in the future. Expanding SCADA (System Control and Data Acquisition) intelligence into the distribution system will be methodical, focusing on installing field devices that improve system reliability and delivery of electric service.

Beaches Energy Services

Rates

Beaches Energy Services continues to meet its goal of keeping its rates below the state average.

FMPA's All Requirements Project members are highlighted in yellow.

Electric Utility	1000 kWh Total *	Local Taxes & Fees	Total Cost
Newberry	\$ 142.50	\$ 14.25	\$ 156.75
Bartow	138.69	13.87	152.56
Fort Meade	136.56	13.66	150.22
Chattahoochee	148.80	0.00	148.80
Glades *	139.95	8.40	148.35
FL Public Utilities SW	130.41	16.11	146.52
Escambia River *	138.00	8.28	146.28
Tri-County *	137.50	8.25	145.75
FL Public Utilities NE	129.44	16.00	145.44
Peace River *	134.12	8.05	142.17
Bushnell	129.05	12.91	141.96
Vero Beach	128.43	12.84	141.27
Gainesville	127.67	12.77	140.44
West Florida *	132.40	7.94	140.34
Gulf Coast *	130.60	7.84	138.44
Suwannee Valley *	130.30	7.82	138.12
Winter Park	117.99	19.59	137.58
Mount Dora	124.73	12.47	137.20
Leesburg	123.53	12.35	135.88
Choctawhatchee *	127.91	7.67	135.58
Talquin *	126.90	7.61	134.51
Havana	134.37	0.00	134.37
Starke	120.95	12.10	133.05
Williston	126.24	6.31	132.55
State Average	121.72	9.94	131.86
Fort Pierce	119.84	11.98	131.82
Lake Worth	119.55	11.96	131.51
Central Florida *	123.80	7.43	131.23
Homestead	119.02	11.90	130.92
Ocala	118.64	11.86	130.50
Alachua	118.50	11.85	130.35
Moore Haven	118.40	11.84	130.24
Gulf Power *	115.91	14.32	130.23
Sumter *	122.55	7.35	129.90
Key West	128.93	0.00	128.93
Florida Keys *	121.53	7.29	128.82
JEA	115.96	11.60	127.56
Withlacoochee *	119.98	7.20	127.18
Progress Energy *	113.16	13.99	127.15
Tallahassee	114.84	11.48	126.32
Beaches Energy	124.91	0.00	124.91
Blountstown	118.85	5.94	124.79
Clewiston	112.40	11.24	123.64
St. Cloud	113.81	9.10	122.91
Lee County *	114.16	6.85	121.01
Orlando	109.43	10.94	120.37
Quincy	118.75	0.00	118.75
Wauchula	107.62	10.76	118.38
New Smyrna Beach	107.06	9.90	116.96
Clay *	109.00	6.54	115.54
Kissimmee	105.26	8.42	113.68
Tampa Electric *	89.14	23.24	112.38
Green Cove Springs	112.00	0.00	112.00
Lakeland	100.66	10.07	110.73
FPL * **	93.07	11.50	104.57

Source: April 2013 FMEA Published Rate Schedule.

* Local taxes estimated at 6%.

** FPL uses an inclining block rate over 1,000 kWh.

Beaches Energy Services

Capital Projects: 2014

Overhead Line Rebuild A1A (St. Johns County) - \$480,000: Replace existing wood pole line with a 9,000 foot concrete pole line from Palm Valley Road to 1050 A1A North. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles and is the last phase of a three year project.

Underground Cable Replacement 2nd Street North (Jacksonville Beach) - \$300,000: Replace existing 350 KCM 26kV cable on 2nd Street North between 5th Avenue North and 17th Avenue North. This cable was installed in 1982, and has reached the end of its useful service life.

Underground Upgrade Ocean Forest (Jacksonville Beach) - \$250,000: Install new underground conduit and cable to create loop feeds. This project will enhance reliability by replacing direct buried cable that is at the end of its useful life.

Underground Feeder Upgrade Odom's Mill (St. John's County) - \$150,000: Upgrade the underground feeder in Odom's Mill subdivision. All direct connect taps will be removed from the main underground feeder and rerouted behind protective devices providing greater sectionalizing ability.

Underground Feeder Circuit 528 (St. John's County) - \$600,000: Complete a new underground feeder from Guana Substation to Mickler Road started in FY 2013. New 1000 kcm primary cable and switchgear will be installed. This project will serve a significant portion of Ponte Vedra Boulevard with a direct underground feeder from the Guana substation. This feeder will split heavily loaded circuit 512 out of Ft. Diego Substation.

Storm Hardening Plan - \$50,000 in FY 2014, \$50,000 in FY 2015, \$50,000 in FY 2016, \$50,000 in FY 2017 and \$300,000 in FY 2018: Install concrete poles on all distribution overhead feeder circuits to replace wood poles, convert existing overhead non-feeder rated circuits to underground, strengthen infrastructure for critical customers, replace existing hardware on overhead distribution structures that corrosion has compromised the integrity of the metal, and install fiberglass poles to replace existing wood poles that are not readily accessible from the street or pavement.

Cable Replacement Plan - \$750,000 in FY 2014, \$750,000 in FY 2015, \$750,000 in FY 2016, \$750,000 in FY 2017 and \$750,000 in FY 2018: Replace existing primary cable that has reached the end of service life. An underground circuit assessment has identified the age and condition of all primary cable. The cable is prioritized and will be changed out proactively. This will enhance the overall reliability of the electric system.

Distribution Renewal and Replacement Plan - \$50,000 in FY 2014, \$150,000 in FY 2015, \$200,000 in FY 2016, \$250,000 in FY 2017 and \$400,000 in FY 2018: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Beaches Energy Services

Distribution Automation Plan - \$200,000 in FY 2014, \$200,000 in FY 2015, \$200,000 in FY 2016, \$200,000 in FY 2017 and \$400,000 in FY 2018: Install remote controlled motor operated gang switches to improve sectionalizing of power lines and provide faster power restoration. The automated switches will provide data for voltage optimization.

2014/2015/2016/2017/2018 Switch Gear Replacement - \$300,000 each year: Replace existing “live front” or SF6 pad mounted switchgear at various locations throughout system with oil filled Vacuum Fault Interrupters (VFI). This project will create uniformity of all switchgear on the distribution system and eliminate the remaining “live front” terminals on the underground system. VFI units have more programming capabilities than fuses and will coordinate better with other protective devices increasing system reliability.

2014/2015/2016/2017/2018 -Unplanned Projects-\$250,000 each year: This budget provides the Department with the flexibility to address unscheduled major repair and replacement projects that arise each year.

Infrastructure to Support System Growth and Maintenance – Transformers, streetlights, residential and commercial improvements, electric meters, trouble call and miscellaneous.

Beaches Energy Services

2014 Electric Capital Improvement Projects



Beaches Energy Services

Natural Gas

Beaches Energy Services owns the natural gas distribution system in select locations within Beaches Energy Services' territory. The system is primarily for commercial customers along the main gas line route. Natural gas service began in June 2010 and customers will continue to be connected as the system expands. Beaches Energy Services has contracted with Tampa Electric Company (TECO) to provide engineering design, construction management, operations and maintenance of the natural gas system. Beaches Energy Services will continue providing management oversight to these activities as well as marketing, billing and other required services.

Natural Gas Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	0.0%
Purchased Gas	\$865,145	\$1,562,832	\$1,331,659	-\$231,173	-14.8%
Operating	\$226,822	\$290,436	\$321,899	\$31,463	10.8%
Capital Outlay	\$144,402	\$100,000	\$200,000	\$100,000	100.0%
Debt Service	\$0	\$0	\$0	\$0	0.0%
Transfers	\$0	\$0	\$0	\$0	0.0%
TOTAL	\$1,236,369	\$1,953,268	\$1,853,558	-\$99,710	-5.1%

Infrastructure to support the addition of customers in FY2014, including service lines, main extensions, and meter sets, is budgeted in capital outlay (\$200,000). The natural gas system was designed to provide approximately 3,000,000 therms annually to our customers. As of the fiscal year ended September 30, 2012, there were 148 customers who purchased 1,844,925 therms during the year.

Beaches Energy Services

2012 DATA FOR FLORIDA PUBLIC GAS SYSTEMS*		
Florida Public Gas System Name	Customers 12/31/2012	2012 System Total Throughput (DTh**)
Pensacola Energy	43,210	3,252,288
Okaloosa Gas District	38,792	2,894,964
Tallahassee Gas Utility Department	28,334	2,582,848
Clearwater Gas System	20,114	2,261,394
Gainesville Regional Utilities	33,260	1,973,766
Reedy Creek Improvement District	155	1,968,108
Leesburg, City of	10,767	1,456,003
Lake Apopka Natural Gas District	15,021	1,051,090
Sunrise Gas System	9,611	497,144
Lake City Regional Utilities	2,498	411,904
Fort Pierce Utilities Authority	4,146	320,627
Milton Natural Gas System	4,016	248,047
Beaches Energy Services	154	179,643
Marianna, City of	1,505	176,449
Perry Gas Division	1,874	174,026
Palatka Gas Authority	3,439	160,266
Quincy, City of	1,895	128,122
DeFuniak Springs Natural Gas	1,175	126,349
Gulf Breeze, City of	3,651	111,972
Live Oak, City of	1,040	98,512
Madison, City of	949	94,273
Century, Town of	573	61,086
Chattahoochee, City of	511	50,840
Starke Natural Gas Department	746	49,462
Blountstown, City of	712	47,821
Jasper Municipal Utilities	329	46,727
Chipley Gas Department	732	37,586
Williston, City of	589	33,998
Crescent City Natural Gas	1,370	32,135
Fort Meade Municipal Natural Gas Dept.	1,006	17,779
Jay Utilities	264	16,739
Havana Gas System	505	16,593
Total of All Florida Public Systems	232,943	20,578,561
*Data provided by Florida Municipal Natural Gas Association, Inc.		
** Decatherm		

Beaches Energy Services

Property Management

Mission

To provide building maintenance services to our customers.

Objective

City facilities are kept in very good condition at all times.

Organization

The Property Management Division is responsible for the maintenance and upkeep of City buildings. It is also responsible for keeping the City's leased facilities fully occupied and for supervising the contracted services for fleet maintenance.

Authorized Positions	FY2011	FY2012	FY2013
Property Management Supervisor	1	1	1
Building Maintenance Supervisor	1	1	1
Building Maintenance Mechanic	1	1	1
Building Attendant	1	1	1
TOTAL	4	4	4

Recent Accomplishments

- Conducted bi-annual inspections of City facilities and managed extensive maintenance and cleaning services at the O&M Facility, City Hall, Police Department, Police Property/Animal Control, Archive, and Fire Stations #1 and #2.
- Contractor completed the replacement of the vehicle wash water recycle system at the O&M Facility. The previous system was 18 years old, not energy efficient and required extensive maintenance and repair costs.
- Contractor completed the replacement of the fuel dispensers and computer dispensing system at the O&M Facility. The previous system was approximately 40 years old.
- Contractor completed the replacement of the roof systems at the Community Services Center, Ft. Diego Substation, Guano Substation, Sampson Substation, Butler Substation and the Pollution Control Plant.

Beaches Energy Services

Recent Accomplishments (continued)

- Annual Internal Customer Service Survey:
This year the Property Management Division revised the internal customer service survey in order to be more specific in targeting the division’s responsibilities. The following represents the respondents’ ratings of good or excellent for each division. The March 2013 survey was sent to 104 employees and 56 employees responded, which represents a 54 percent response rate.

<i>% Respondents rating Property Management and Fleet Maintenance services GOOD or EXCELLENT</i>	2012	2013	2014 Target
PROPERTY MANAGEMENT			
How would you rate your overall experience with Property Management?	-	93%	95%
Timeliness of Property Management staff to your request?	-	93%	95%
Overall appearance and condition of your building?	-	89%	95%
Professionalism of Property Management staff responding to your request?	-	94%	95%
FLEET MAINTENANCE			
Quality of service provided by Fleet Maintenance?	-	76%	95%
Did Fleet Maintenance personnel explain the necessary repairs?	-	75%	95%
Timeliness of service provided by Fleet Maintenance?	-	79%	95%
Knowledge and competence of Fleet Maintenance Staff?	-	79%	95%

Property Management Goals FY2014

1. Achieve increased occupancy for all leased facilities and renegotiate lease facility contracts as necessary. Actively promoting this facility to attract new tenants and extend the contract of existing tenants.
2. Evaluate HVAC systems at Police Department and Fire Stations 1 and 2 for replacement due to repair expenses.
3. Conduct bi-annual inspections of each City facility and implement program to eliminate deficiencies.
4. Evaluate roof systems at O&M Facility (5 buildings) due to age of buildings and repair costs.
5. Monitor electrical usage for City facilities and maintain a consistent usage based on weather conditions and potential maintenance issues.
6. Monitor additional quality controls that have been implemented to improve perceived performance of Fleet Maintenance staff.

Beaches Energy Services

Property Management Financial Summary

Funding Sources: \$1,488,328

Internal Service Fund

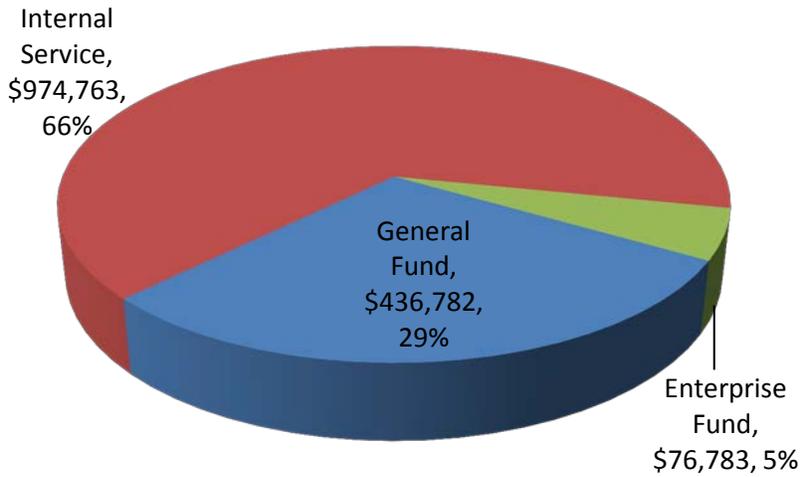
*Fleet Maintenance
O&M Facility*

General Fund

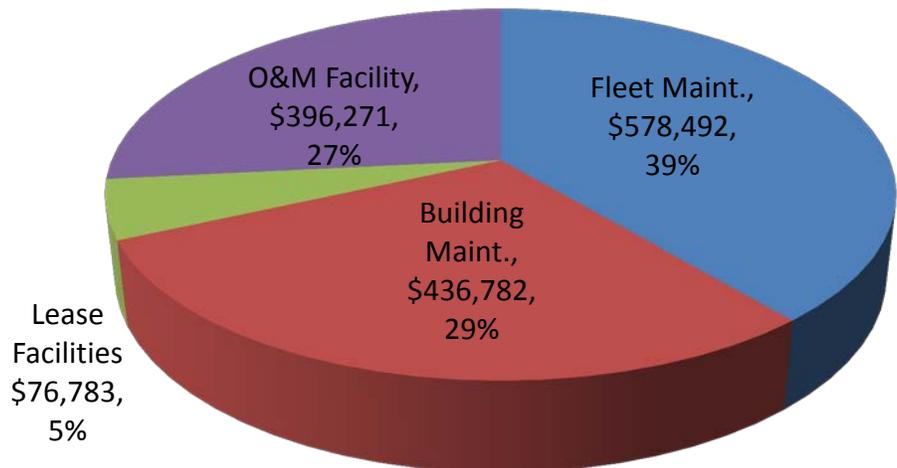
Building Maintenance

Enterprise Fund (Lease Facilities)

*Industrial Park
Community Services
Center
Penman Park Building
Marina Building (Crazy
Fish)
Communications Tower*



Budget: \$1,488,328



Beaches Energy Services

Property Management Cost Allocation:

Property Management costs are allocated to its divisions based primarily on usage. Building Maintenance costs are allocated to the General Fund; Lease Facilities costs to businesses leasing these facilities; and O&M Facility and Fleet Maintenance costs are charged to City Departments based on their usage (per square foot).

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$248,204	\$275,127	\$275,644	\$516	\$0
Operating	\$1,124,721	\$1,267,906	\$1,207,684	-\$60,222	\$0
Capital Outlay	\$24,569	\$5,000	\$5,000	\$0	\$0
TOTAL	\$1,397,494	\$1,548,033	\$1,488,328	-\$59,705	\$0

Performance Measures

Measurement	Actual FY2012	Budget 3/31/13	Target FY2014
LEASED PROPERTIES			
Industrial Park, Community Services Center, Penman Park Building, Marina Building (Fish Camp) and Communication Tower			
Land Total Square Footage Leased (Avail. 190,037)	135,361	161,306	143,154
*Buildings Total Square Footage Leased (Avail. 17,311)	17,311	17,311	17,311
Telecommunications Tower Leased Spaces	7	7	6
REVENUE			
Industrial Park	\$169,633	\$192,111	\$192,067
Community Services Center	\$90,927	\$95,830	\$101,357
Penman Park Building	\$35,284	\$35,563	\$38,801
Marina Building (Fish Camp)	\$40,864	\$41,392	\$43,040
Telecommunications Tower	\$207,558	\$227,031	\$236,112
TOTAL REVENUE	\$544,266	\$591,927	\$611,377
FLEET MAINTENANCE			
Service Statistics:			
Annual Average Maintenance Costs Per Vehicle	\$ 1,064	\$774	\$784
Fleet Downtime Percentage (3-5% Acceptable)	1%	0.5%	1%

* Demolished building at Industrial Park 4,154 sf.

Beaches Energy Services

Performance Measures (continued)

Building Condition Assessment	Actual FY2013	Target FY2014
City Hall	2	2
Police Station	2	2
Operations & Maintenance Facility (O&M)	2	2
Community Services Center	2	2
Fire Station #1	2	2
Fire Station #2	2	2
Golf Clubhouse	2	2
Oceanfront Restrooms	2	2
Carver Center	1	1
SeaWalk Pavilion	2	2
South Beach Community Center & Exhibition Hall	1	1
Wingate Concession North	2	2
Wingate Concession South	2	2
Archive Building	2	2

Building Condition Codes

1. **Like New Condition:** All maintenance items performed and all systems and equipment functioning properly. Landscaping in excellent condition.
2. **Very Good Condition:** May need minor cleaning, painting, or maintenance items performed; systems and equipment functioning properly. Landscaping in very good condition.
3. **Good Condition:** Needs cleaning, painting, or maintenance items performed; some systems or equipment need repair. Landscaping in good condition.
4. **Poor Condition:** Needs painting throughout interior areas; may need new carpeting, electrical, HVAC, or plumbing work; maintenance items are behind schedule. Landscaping in poor condition.

Measurement	FYTD 3/31/13	Target FY2014
Overall 95% average or above ratings on annual customer survey for Building Maintenance Services.	92%	95%
Overall 95% average or above average ratings on annual Fleet Maintenance Services customer survey.	77%	95%
Conduct on-site inspections of all facilities and grounds twice each year and correct deficiencies.	Yes	Yes
Except for emergencies, respond to requests for facility maintenance services within 48 hours of request.	Yes	Yes
Zero employee lost time accidents.	-0-	-0-



Finance Department

Mission

To maintain long-term financial stability for the City by managing its financial operations in a fiscally sound manner and to provide accurate financial information to all customers.

Organization

The Finance Department is comprised of four divisions: Accounting, Utility Billing, Information Systems and Purchasing and Procurement. The Divisions operate as an Internal Service Fund and provide services to all City departments.

Accounting is responsible for the administration of all financial affairs of the City. This includes the processing of accounts payable, payroll, and financial reporting. Other responsibilities include cash and investment management functions as well as internal audit.

Utility Billing employees provide customer support, including collection, billing and related services for the City's approximately 34,000 utility customers. Utility Billing also receipts items such as: building permits, occupational licenses, recreation fees, dog tags, and other payments made to the City.

Information Systems provides the overall management of information and data processing for all City departments. Its employees maintain the City's i-520 IBM computer, operating software and HTE computer applications, e-mail services, network and geographic information system administration as well as provide technical support to users citywide. Long range information system planning and maintenance of services are the primary concerns of this division.

Purchasing and Procurement ensures that all purchases made by the City comply with State law, City ordinances and purchasing procedures. This division processes requisitions and purchase orders from their creation through approving them for payment. Managing the use of purchasing cards is also a function of this division.

Authorized Positions	FY2012	FY2013	FY2014
Accounting	8	8	8
Utility Billing	17	17	17
Information Systems	5	5	5
Purchasing	3	3	3
TOTAL	33	33	33

Finance Department

Objectives

- ❖ Maintain the City's accounting records in accordance with generally accepted governmental accounting principles.
- ❖ Provide management with accurate and reliable budgetary and financial information.
- ❖ Minimize the need for future debt through long-term financial planning and capital budgeting for major capital improvements.
- ❖ Comply with federal, state, and local laws and regulations related to purchasing and grant activities.
- ❖ Further develop the City's ability to measure the cost of providing services.
- ❖ Acquire new equipment or software that can provide higher levels of customer service through automation.
- ❖ Assess and plan for technological improvements with regard to the City's overall data processing capabilities and needs.
- ❖ Provide training to employees for current or new data processing hardware or software improvements.

Recent Accomplishments

- ✓ Received the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and for the Annual Budget.
- ✓ Refunded the outstanding 2006 and 2007 Infrastructure Surtax Revenue Bonds which had a combined outstanding principal balance of \$6.5 million and interest rates of 3.88% and 3.98% with one 2012 Infrastructure Surtax Bond at a rate of 1.73% and a present value savings of about \$526,000.
- ✓ Received an A-1 rating from Moody's Investor Services and an AA- rating from Fitch Investor Services for the 2010 Utility Revenue Bonds
- ✓ Completed a water and sewer rate study at a minimal cost and subsequently implemented new rates which will generate sufficient revenues necessary to fund operational costs and future capital and maintenance projects.
- ✓ Completed Phase I of the City's strategic technology plan close the gap with current technology and move the City forward with industry best practices. Phase I included

Finance Department

replacing switches, upgrading personal computers, replacing storage area network device, upgrading geographic information system, implementing information technology work order system, establishing a disaster recovery site, changed internet connection provider, and acquired and installed new web monitoring software.

- ✓ Implemented a free e-check program, allowing customers to pay by check, electronically and through the IVR automated phone system. This program has been highly successful. In 2012, 28,236 customer payments were received through e-check, allowing customers who made payments avoid about \$140,000 in convenience fees.
- ✓ Re-designed the utility bill to provide customers with a new look that emphasizes the bill's most important information and highlights new pieces of information such as consumption graphs, an explanation of how to read your meter, bill payment options, and a monthly information section. With the new design, E-bill customers view the bill in a PDF format with a link to an on-line payment site where they can choose to pay by E-check at no cost or pay by credit card for a fee of \$4.95 through a third party credit card processor.
- ✓ Revised procedures for sale of surplus tangible personal property wherein the entire auction can be conducted by utilizing a company that provides an online auction website and services.

Goals for FY2014

1. Maintain adequate cash reserves to fund emergencies and capital purchases in order to minimize the issuance of new debt. The exception to this goal is when the debt issued for capital improvements is to be funded by Better Jacksonville Beach or tax increment revenues.
2. Continue to receive the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and for the Annual Budget.
3. Continue the development and implementation of new technology and customer service programs that provide enhanced services and convenience to our customers.
4. Continue to upgrade the City's Internet and Intranet websites to provide better information and services to our citizens, customers, and employees.
5. Continue to implement the City's strategic technology information plan ensuring that the City is progressing in its technological advancement in accordance with industry best practices and with goals which are achievable and economically feasible.

Finance Department

Performance Measures

Accounting	Actual FY2012	FYTD 3-31-13	Target FY2014
Percent of monthly financial reports delivered to City Council by 2 nd meeting in each month	100%	100%	100%
Number of Years CAFR Awards received	19	20	21
Number of Years GFOA Budget Award received	18	19	20
Unqualified Audit Opinion	Yes	Expected	Expected
Grant and other financial reports submitted to other government agencies accurately and on time	100%	100%	100%
Cash working capital reserves are 25% or greater as a percentage of budgeted operating expenses	Yes	Yes	Expected
Bad debt expense as a percentage of utility revenues	0.17%	0.25%	0.25%

Purchasing and Procurement	Actual FY2012	FYTD 3-31-13	Target FY2014
All purchases comply with City Ordinances and State Statutes	Yes	Yes	Yes
Number of errors on Bid and RFP Evaluations	0	0	0
Number of Bid and RFP Protests	0	0	0
Bid evaluation and acceptance processing time (from date of acceptance to date of Council approval)	100% 21 Days	100% 21 Days	100% 21 Days
Purchasing card users do not exceed \$2,500 monthly purchasing limit	Yes	Yes	Yes
No single card purchase exceeds \$1,000	Yes	Yes	Yes
All purchasing card transactions are for a legitimate City purpose	Yes	Yes	Yes
SURVEY RESULTS:			
<ul style="list-style-type: none"> Overall 90% average or above average ratings on annual internal customer service survey 	92%	87%	90%
<ul style="list-style-type: none"> Effectiveness of the Purchasing Card Program 	100%	90%	95%
<ul style="list-style-type: none"> Accuracy and ease of use of purchasing processes 	100%	88%	95%
<ul style="list-style-type: none"> Prompt response to inquiries from other departments 	96%	83%	95%

Finance Department

Performance Measures (continued)

Utility Billing	Actual FY2012	FYTD 3-31-13	Target FY2014
<i>Customer Payment Options:</i>			
Avg. # monthly payments through Beaches Energy website	1,965	2,467	1,500 or >
Avg. # monthly IVR payments	1,494	1,765	1,200 or >
Avg. # monthly bank draft payments	5,894	6,100	6,000 or >
Avg. # monthly online payments made through customer's bank	5,862	6,325	6,000 or >
Avg. # monthly mail-in payments	9,437	9,135	9,000 or <
Avg. # monthly walk-up or drive-through payments	7,121	6,465	6,500 or <
Number of monthly E-bills	4,877	5,143	5,000 or >
Number of Deposit Errors > \$20	1	0	0
<i>Average telephone calls per month:</i>	5,668	5,174	6,000 or <
Average call length (in minutes)	2.08	2.08	2.5 or <
Average answer time (in seconds)	10	10	10 or <
<i>Energy Conservation Programs Offered:</i>			
Online energy audits	Yes	Yes	Yes
In-person energy audits	Yes	Yes	Yes
Rebates for energy efficiency improvements to residences	Yes	Yes	Yes
Distribute CFLs	Yes	Yes	Yes
Distribute energy conservation toolkits	Yes	Yes	Yes
Information Systems			
% of departmental customers rating service as satisfactory and better	97%	97%	95%
Major occurrences of unscheduled downtime for e-mail, internet, and server access (more than 4 hours)	0	0	0

Finance Department

Funding Sources

The cost of the Finance Department divisions is charged to other City departments based on their estimated use of each division's services. Repair and maintenance expenditures for the annual renewal of the Microsoft programs and server licenses, GIS (mapping) and API (scanning and data storage) licenses are supplemented from the Lease Facilities Fund. In addition, Utility Billing manages a utility payment assistance program for those utility customers experiencing a serious financial emergency. It is funded by donations from other customers; customer donations are matched dollar for dollar by Beaches Energy Services.

Financial Summary

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change	
Personal Services	\$1,909,326	\$2,149,190	\$2,170,577	\$21,387	1.0%	<i>Operating budget was reduced for reductions in contract services and savings on communication costs.</i>
Operating	\$1,605,670	\$1,890,403	\$1,821,914	-\$68,489	-3.6%	
Capital Outlay	\$10,338	\$10,900	\$0	-\$10,900	-100.0%	
Debt Service	\$0	\$0	\$0	\$0	0.0%	
Transfers	\$260,000	\$1,110,000	\$260,000	-\$850,000	-76.6%	
TOTAL	\$3,785,334	\$5,160,493	\$4,252,491	-\$908,002	-17.6%	

- The increase in personal services was due to increases in insurance and pension costs.
- The decrease in operating expenses is mostly due to decreases in contract services for off-site relocation of our network computer system and a decrease in communications expenses related to our internet connections.
- The transfers are to fund capital outlay purchases in the General Fund and the Capital Projects Fund. The decrease in transfers are related to monies budgeted in the prior year to fund the improvements in the strategic technology plan.

Budget Issues

1. **Information Systems Division.** The workload in this division has increased incrementally over the years because of the implementation and growing reliance on information technology systems by the City. The information systems division staff is stretched thin because of the various and complex technology infrastructure they now maintain. We are looking to determine if there are other opportunities to improve efficiency by cross training employees or contracting parts of the information technology operations to outside vendors.
2. **Business Applications on I-520.** In the foreseeable future it is expected that SunGard (formerly HTE) will cease support of their legacy systems (green screen and Naviline). The

Finance Department

City needs to plan for and set aside adequate funds now for the cost of the migration of the SunGard applications from the IBM iSeries server to a Windows-based server platform. By 2016 SunGard will have completed their project to have all their modules on a Windows-based server platform and will have completed beta site testing them to eliminate and correct any initial coding problems.

- 3. Wi-Fi/Canopy Coverage for BES Service Area.** The Information Technology Capital Improvement Program includes a consultant study to determine the feasibility of installing a wireless network canopy throughout the entire Beaches Energy Services service area and further refine the cost estimate. Such a system will provide Beaches Energy with system infrastructure that will allow its System Operations personnel to remotely control devices and collect data such as voltage on the line, load information, and, eventually, meter readings. In addition, a wireless canopy will improve service restoration times by enabling crews to identify and isolate system operational problems and to limit the extent of an outage, in terms of both the number of customers affected and the geographic area. This wireless network would also be available to other City departments and operations including Police and Fire Departments, Wastewater Treatment Plant, Water Plant, Building Inspection and Code Enforcement. The total cost of the consultant studies for the wireless canopy project will be funded by Beaches Energy Services and is estimated to be approximately \$50,000.



Human Resources Department

Mission

Supporting departments, employees, and their families.

Organization

The Human Resources Department is responsible for city-wide training services, employee benefit programs, payroll, risk management and labor relations activities.

Objectives:

- ❖ Recruiting and hiring qualified employees.
- ❖ Providing affordable, quality health, dental, vision and voluntary benefits.
- ❖ Providing accurate payroll services.
- ❖ Enhancing professional development of all employees.
- ❖ Maintaining stable comprehensive property, liability and workers' compensation insurance coverage.
- ❖ Developing and maintaining personnel policies and classification and pay plans.
- ❖ Negotiating union contracts and managing labor relations.
- ❖ Providing effective administration of the City's three retirement systems.

Authorized Positions	FY2012	FY2013	FY2014
Human Resources Director	1	1	1
Administrative Secretary	1	1	1
Payroll/Benefits Administrator	0	0	1
Personnel/Payroll Specialist	1	0	1
Personnel/Payroll Technician	1	1	0
Human Resources Generalist	0	0	1
Senior Secretary	2	1	0
Secretary part-time	0	1	1
Compliance Administrator part-time	0	1	0
Project/Safety Coordinator part-time	1	1	1
TOTAL	7	7	7

Human Resources Department

Recent Accomplishments

- ✓ Coordinated and/or conducted 14 safety-related training classes, 7 Equal Employment Opportunity classes, 2 customer service classes and 1 new employee orientation.
- ✓ Processed 1,555 applications for employment and tested 460 applicants.
- ✓ Received the highest possible customer service rating from 99.03% of applicants.
- ✓ Issued 12,734 payroll and pension checks with an accuracy level of 99.93%.
- ✓ Processed 39 new hires within an average of 2.7 business days.
- ✓ Conducted a nationwide search for candidates for Chief of Police and coordinated the assessment process.
- ✓ Conducted a regional salary survey to ensure that the City remains competitive for purposes of recruitment and retention of highly qualified employees.
- ✓ Transferred the pension administration duties to the Human Resources Department.
- ✓ Reclassified 3 positions to better align job titles and classification with areas of responsibility.
- ✓ Contracted with a benefits administration firm to provide agent/broker services and automated enrollment and billing services with no increase in cost.

Goals for FY2014

1. Negotiate new labor contracts for Police, Fire and General Employees labor unions.
2. Assess and make adjustments to address the impact of health care reform.
3. Implement wellness initiatives to improve the health of employees and dependents and lower the overall cost of health care plans.
4. Secure quality insurance coverage for property, liability and employee benefits at an affordable cost.
5. Hire a qualified Payroll/Benefits Administrator.

Human Resources Department

Performance Measures

Objective	Actual FY2012	FYTD 3-31-13	Target FY2014
Recruiting and Hiring Qualified Employees			
Number of contacts with potential applicants through job fairs and festivals	10,723	2,000	5,000
Applicant satisfaction surveys with a rating of "satisfactory" or above	99.03%	99.00%	95%
Average number of qualified applicants sent to departments (<i>per position</i>)	30	18.5	20
Average number of business days to process a new hire	2.7	2.4	4
Providing Affordable Quality Benefits			
City contribution for employee benefit plans	\$1,577,714	\$804,808	\$1,994,794
City-funded health reimbursement account	\$134,188	\$62,959	\$162,000
Providing Accurate Payroll Services			
Accuracy of payroll and pension checks	99.98%	99.93%	95.00%
Enhancing Employee Development			
Total number of classes offered	24	8	20
Employee participation in the following classes:			
EEO Training (<i>biennial</i>)	94.00%	N/A	100%
Customer Service Classes	97.00%	0.00%	100%
DOT Drug and Alcohol Training	100.00%	0.00%	100%
Coaching the Experienced Driver (<i>biennial</i>)	100.00%	N/A	100%
Total annual employee separation rate	9.30%	3.60%	N/A
* <i>Industry standard average</i>	16.56%	16.05%	N/A
Percentage of employees successfully completing probation	78.00%	92.00%	90.00%
Maintaining Stable Comprehensive Insurance Coverage			
Total liability premiums and claims paid	\$855,383	\$1,023,782	NA
Total workers' comp premiums and claims paid	\$126,504	\$184,704	NA
Workers' comp self-insurer experience modification rate	.93	.88	<1.00
Rate of workers' comp cases with no lost time involved	96.00%	99.00%	90.00%

Human Resources Department

Funding Sources

Department costs are funded through internal service charges to all departments. Insurance costs are charged directly to each department based on insurable interests.

Financial Summary – Personnel Services

Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
Personal Services	\$363,135	\$366,186	\$372,176	\$5,990	1.6%
Operating	\$154,254	\$179,437	\$174,474	-\$4,963	-2.8%
Capital Outlay	\$0	\$0	\$0	\$0	0.0%
TOTAL	\$517,389	\$545,623	\$546,650	\$1,027	0.2%

The increase in personal services is due to reclassifying two full-time positions, eliminating one part-time position, and adding a full-time administrator position.

Personnel Services Budget Issues for FY2014

Labor Relations – The wage article for FOP (Police Officers) and the entire contract for IAFF (Firefighters) are open for negotiation. The entire LIUNA (General Employees) contract is currently under negotiation.

Financial Summary – Insurance and Risk Management

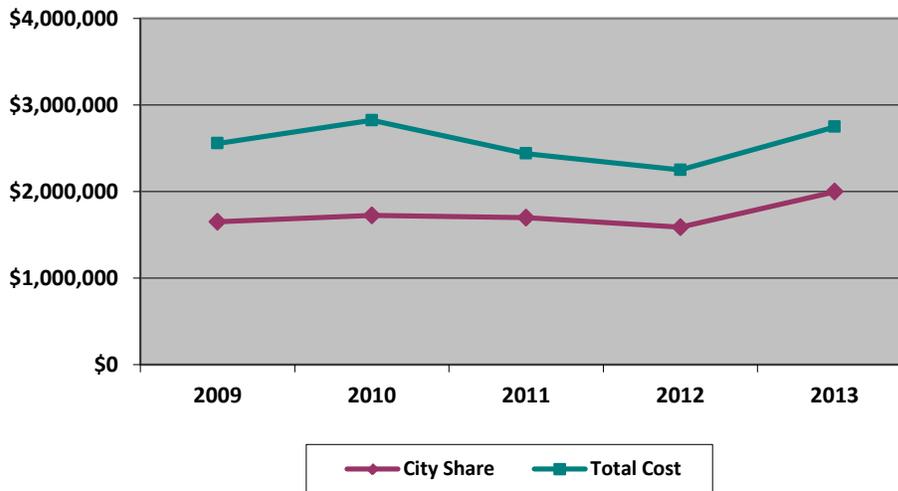
<i>All property, liability, health insurance and workers' compensation insurance costs are paid through this fund.</i>	Resource Allocation	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase -Decrease	% Change
	Personal Services	\$13,755	\$17,642	\$16,184	-\$1,458	-8.3%
Operating	\$2,591,553	\$3,731,301	\$4,031,246	\$299,945	8.0%	
Capital Outlay	\$0	\$0	\$0	\$0	0.0%	
TOTAL	\$2,605,308	\$3,748,943	\$4,047,430	\$298,487	8.0%	

Human Resources Department

Insurance and Risk Management Budget Issues for FY2014

Health Insurance - We are still monitoring the impact of health care reform. The City has complied with all provisions required as of this date.

Health Insurance Premiums



Total health insurance costs in 2012 were \$2,248,818, of which the City paid \$1,586,611 and employees paid \$662,206.

Under the minimum premium plan, the City is responsible for paying health claims up to a maximum liability amount, while CIGNA pays any claims incurred over the maximum liability. The total cost for health insurance claims in 2012 was slightly below the projected liability, creating a margin of \$40,991 for the fiscal year. Any margin remaining at the end of the plan year will be used to reduce the liability for previous year deficits.

The current health benefits contract requires that the City maintain a reserve of \$263,927, payable to CIGNA should we terminate the policy. The reserve amount was established in 2010 and is adjusted each year according to the agreement. The required reserve amount did not change from 2011 to 2012, thus no additional reserve expense was incurred during the fiscal year.

The City continues to fund a health reimbursement account (HRA) for employees to help pay for out-of-pocket expenses. The total cost for this benefit was \$134,188 in fiscal year 2012.

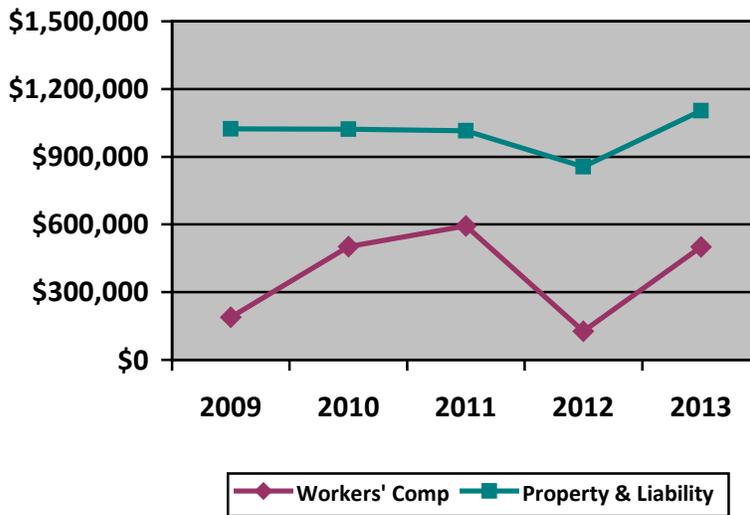
CIGNA funded 100% of the City's wellness programs again for 2013. This allowed the City to further expand the health fair and wellness passport programs.

Human Resources Department

Business Insurance

The City renewed with Preferred Governmental Insurance Trust (PGIT) for general liability, property, crime, police and auto policies in 2012. This renewal expires on September 30, 2013.

Workers' Comp and Property & Liability Premiums

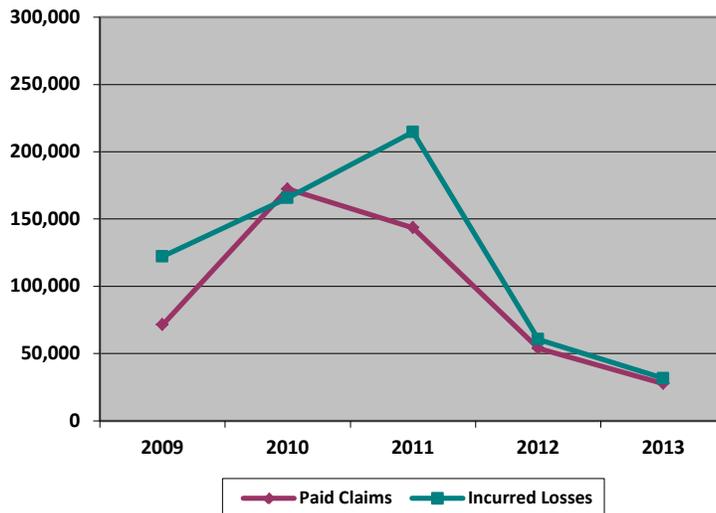


Actual costs are shown in 2009 through 2012. Budgeted costs are shown in 2013 and include an estimated cost increase of 8%.

Workers' Compensation

Workers' compensation claims and incurred losses have decreased over the past two years, having a positive effect on the experience modification rate. A reduction in the experience mod affects state assessment and policy costs.

Workers' Comp Claims Paid



Human Resources Department

Estimated Insurance Premiums & Deductibles			
Coverage/Limits & Deductibles	Budgeted 2013 Premiums	Projected 2014 Premiums	Increase / (Decrease)
Property (\$25,000 deductible/wind separate)	\$530,000	\$572,400	\$42,400
Liability -\$2,000,000 per occurrence: Deductibles: General Liability: \$10,000 Law Enforcement: \$25,000 Public Officials: \$25,000 Employment Practice: \$25,000	\$330,000	\$356,400	\$26,400
Auto (\$1,000,000 per occurrence/ \$1,000 deductible)	\$111,000	\$119,880	\$8,880
Workers' Comp (\$150,000 retention)	\$500,978	\$526,027	\$25,049
Life, Health & Dental	\$2,055,550	\$2,240,794	\$185,244
Other Insurance: Flood, faithful performance, pollution, pension, fiduciary, fuel tanks, police & fire death benefit.	\$133,400	\$144,072	\$10,672
Other Costs: Personnel and professional services, deductibles, coinsurance, brokerage fees and consulting services, training, professional dues and publications (increased salary allocation).	\$88,015	\$87,857	(\$158)
TOTAL	\$3,748,943	\$4,047,430	\$298,487

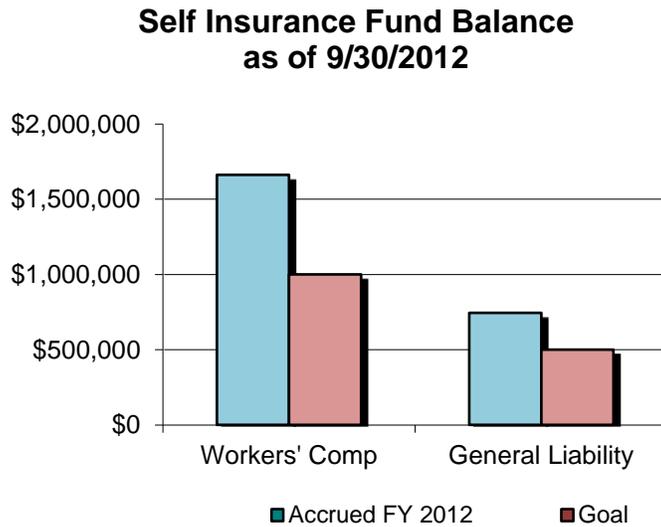
The increase in projected costs for employee benefits is due in part to the uncertainty of health care reform. The City is continuing efforts to mitigate costs through wellness initiatives and other programs.

The increase in projected costs for property insurance is due to an increase in estimated values of City properties.

We continue to budget for professional services to assist with workers' compensation safety and risk issues. \$5,000 is currently budgeted for this purpose.

Human Resources Department

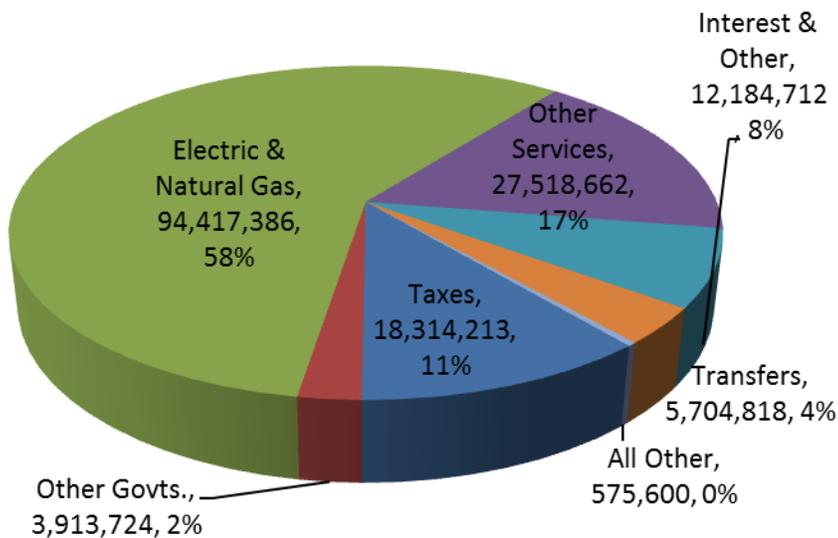
Fund Balance – The self-insurance fund maintains a balance that exceeds the goal of \$500,000 for general liability and \$1,000,000 for workers’ compensation.



Funding Sources

The City's revenues come from a wide variety of sources. Revenues and expenses are categorized according to the State of Florida Uniform Accounting System chart of accounts. These standard classifications help facilitate comparability with other local governments. Revenues are classified by fund and source to provide information necessary to prepare and control the budget, to record the collection of revenues, and to prepare financial statements and statistics. Major revenue categories, assumptions, estimation methods and trends are described below. Because revenues are budgeted with only about 6 months of current year history, the estimates for the next budget year may not reflect significant increases or decreases in a particular revenue source that occur before the end of the current year.

Funds used to pay for the obligations and services provided by the City of Jacksonville Beach come from three main sources: current year revenues, transfers from other funds and beginning fund balance. Some revenues and fund balances are available only for specific purposes and may not be available to pay for general services.



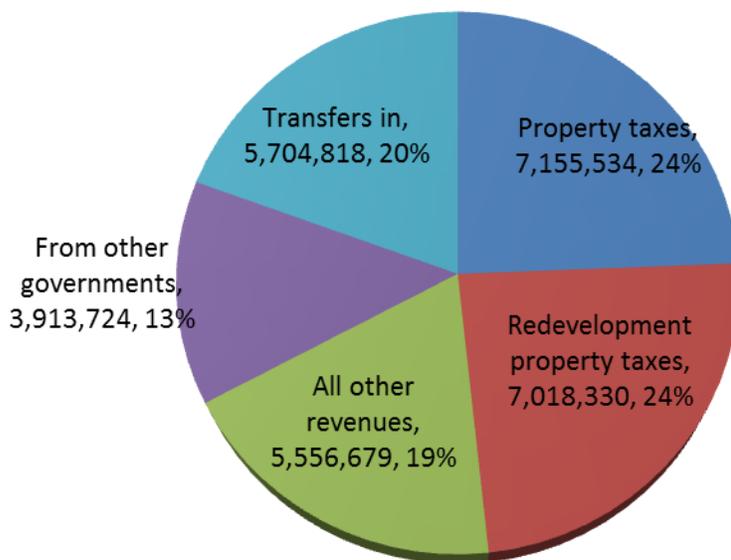
Total Revenues

Total budgeted revenues for fiscal year 2014 are \$162,629,115. 58% of total revenue is generated by Beaches Energy Services, the City's electric utility, through sales of electricity and natural gas. Beaches Energy Services provides electricity to approximately 34,000 customers in Jacksonville Beach, Neptune Beach, Ponte Vedra and Palm Valley.

Of the remaining \$68 million, 27% comes from taxes (primarily ad valorem) and 40% from other charges for services: water, sewer, stormwater, garbage, sales at the City's golf course and internal service charges. Transfers include \$3.6 million paid to the General Fund from Beaches Energy as a return on the City's investment in the electric utility. Other amounts transferred are from Convention Development (support for tourism, parks and special events), Local Option Gas

Tax (support for street and sidewalk maintenance), Half-cent Infrastructure Surtax (supporting infrastructure projects), Community Development Block Grant (support for CAPE and the Carver Center), and a Justice Assistance Grant (supporting the Police Department). Investment earnings include \$5.5 million of pension earnings that are restricted for use exclusively by the pension funds. Revenue from other governments includes state and county shared sales tax revenues. All other revenues include building-related permits (\$358,600) and fines and forfeitures (\$217,000).

Revenues Funding Governmental Services:



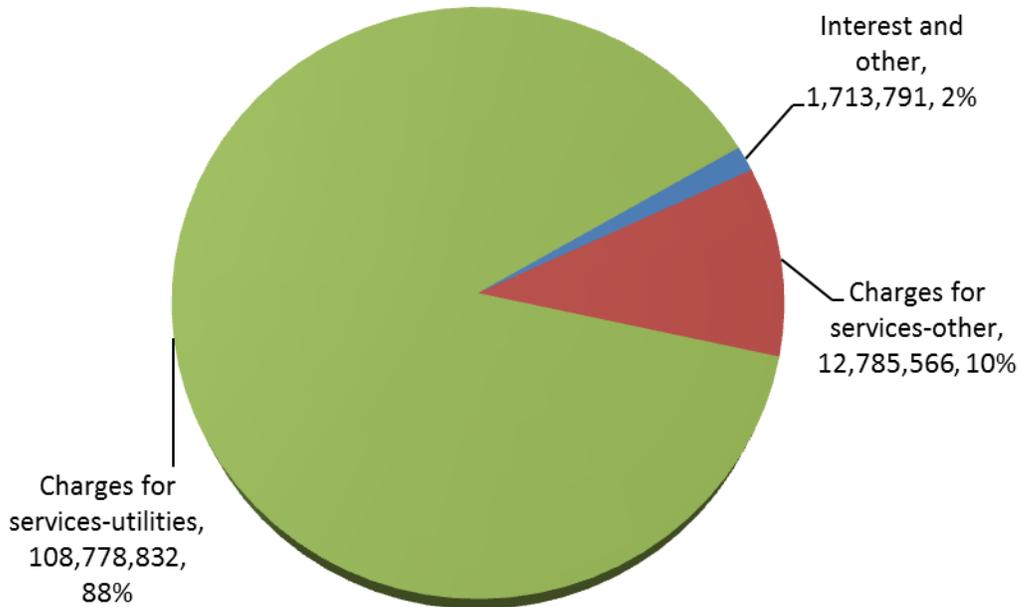
Total budgeted revenues for fiscal year 2014 in governmental funds are \$29,349,085. Property taxes recorded in the General Fund (\$7.2 million) account for 39% of its total revenue. Redevelopment property taxes in the Redevelopment Fund (\$7.0 million) are restricted for use on projects to improve the City’s two redevelopment districts: Downtown and South Beach. Transfers come primarily from Beaches Energy to the General Fund (\$3.6 million) as a return on the City’s investment in the utility.

Revenues from other governments (\$3.9 million) consist mainly of state shared sales taxes (\$2.4 million), but also include local shared revenues and grants (\$1.4 million).

All other revenues include Communications Services Tax (\$1.3 million), Local Business Tax (\$270,000), Local Option Gas Tax (\$720,000), Convention Development Tax (\$225,000), Half-cent Infrastructure Surtax (\$1,050,000), insurance premium tax (\$350,069-for police and fire pension contributions) fines and forfeitures (\$217,000), building and other permits (\$358,600),

recreation registrations for leagues and camps (\$110,690), other charges for service, interest earnings and miscellaneous revenues (\$955,320).

Revenues Funding Proprietary Services:



Total 2014 budgeted revenues in proprietary funds are \$123,278,189. 82% of total revenue is generated by the City’s utilities, which provide electric (\$92,249,224), natural gas (\$2,168,162), water & sewer (\$10,030,599), stormwater (\$1,246,333) and garbage services (\$3,084,514). Of the total utility charges for services, 78% is from sales of electricity and natural gas by Beaches Energy Services. Charges for services-other, include internal service charges (\$11.4 million) and sales at the City’s golf course (\$1.4 million).

Revenues in Pension Funds:

Total 2014 budgeted pension revenues are \$10,001,841. Pension fund revenues come from interest and investment earnings (\$5,520,122), city contribution (\$2,952,873), employee contributions (\$1,150,240), state insurance premium tax for police and fire pensions (\$350,069) and other (\$28,537). The City is considering options for increasing pension revenues (and reducing costs) that may include: changing retirement criteria, increasing employee contributions and reducing benefits for future retirees, among others.

Revenue Summary - by Type

	General Fund	Governmental	Proprietary	Pension	Total
Taxes					
Ad Valorem	7,155,534				\$7,155,534
Ad Valorem-Redevelopment		7,018,330			7,018,330
Convention Dev. Tax		225,000			225,000
Local Option Gas Tax		720,000			720,000
Half Cent Infrastructure Tax		1,050,000			1,050,000
Local Communications Tax	1,300,000				1,300,000
Other	845,349	-	-	-	845,349
Total Taxes	9,300,883	9,013,330	-	-	18,314,213
Permits	358,600	-	-	-	358,600
Intergovernmental					
State 1/2 Cent Tax	1,903,202				1,903,202
Sales Tax Distribution	640,071				640,071
.8th Cent Motor Fuel Tax	184,000				184,000
Duval Cnty in Lieu of Tax	652,308				652,308
Other	313,750	220,393	-	-	534,143
Total Intergov.	3,693,331	220,393	-	-	3,913,724
Charges for Services					
Electric			92,249,224		92,249,224
Natural Gas			2,168,162		2,168,162
Water / Sewer			10,030,599		10,030,599
Stormwater			1,246,333		1,246,333
Sanitation			3,084,514		3,084,514
Recreation / Golf	110,690		1,388,225		1,498,915
Internal Services			11,397,341		11,397,341
Miscellaneous	260,960	-	-	-	260,960
Total Services	371,650	-	121,564,398	-	121,936,048
Fines and Forfeitures	188,000	29,000	-	-	217,000
Miscellaneous					
Debt Proceeds		-			-
Interest and Other	360,000	109,080	1,713,790.77	10,001,841	12,184,712
Total Miscellaneous	360,000	109,080	1,713,791	10,001,841	12,184,712
Transfers	4,513,021	1,191,797	-	-	5,704,818
Total Revenues	\$18,785,485	\$10,563,600	123,278,189	\$10,001,841	162,629,115

Revenue Summary - by Fund
Major Funds are shaded

	Taxes	Permits & Governmental	Charges for Services	Fines and Forfeitures	Interest & Other	Transfers	TOTAL
General Fund	\$ 9,300,883	\$ 4,051,931	\$ 371,650	\$ 188,000	\$ 360,000	\$ 4,513,021	\$ 18,785,485
Special Revenue Funds							
Comm. Redevelopment Agency	7,018,330	-	-	-	45,000	-	7,063,330
Convention Development	225,000	-	-	-	2,580	-	227,580
Court Costs Training	-	-	-	5,000	1,000	-	6,000
Local Option Gas Tax	720,000	-	-	-	1,700	-	721,700
Half-cent Sales Surtax	1,050,000	-	-	-	500	-	1,050,500
CDBG	-	135,000	-	-	-	-	135,000
Radio Communication	-	-	-	14,000	1,000	-	15,000
Justice Assistance Grant	-	85,393	-	-	-	-	85,393
Tree Protection	-	-	-	1,000	100	-	1,100
Law Enforcement Trust	-	-	-	4,000	1,000	-	5,000
Equitable Sharing Trust	-	-	-	5,000	2,700	-	7,700
Total Special Revenue	9,013,330	220,393	-	29,000	55,580	-	9,318,303
Debt Service Fund	-	-	-	-	4,000	986,797	990,797
Capital Projects Funds							
General	-	-	-	-	30,000	205,000	235,000
Infrastructure	-	-	-	-	15,000	-	15,000
Other	-	-	-	-	4,500	-	4,500
Total Capital Projects	-	-	-	-	49,500	205,000	254,500
Enterprise Funds							
Electric	-	-	92,249,224	-	790,285	-	93,039,509
Natural Gas	-	-	2,168,162	-	-	-	2,168,162
Water & Sewer	-	-	10,030,599	-	203,329	-	10,233,928
Stormwater	-	-	1,246,333	-	30,000	-	1,276,333
Sanitation	-	-	3,084,514	-	41,000	-	3,125,514
Golf Course	-	-	1,388,225	-	2,500	-	1,390,725
Lease Facilities	-	-	-	-	626,677	-	626,677
Total Enterprise	-	-	110,167,057	-	1,693,791	-	111,860,848
Internal Service Funds							
City Manager	-	-	344,942	-	-	-	344,942
Finance	-	-	3,782,417	-	-	-	3,782,417
Human Resources	-	-	546,650	-	-	-	546,650
Fleet Maintenance	-	-	578,492	-	-	-	578,492
Meter Services	-	-	833,970	-	-	-	833,970
Operations & Maintenance Facility	-	-	396,271	-	-	-	396,271
Grounds Maintenance	-	-	1,031,698	-	-	-	1,031,698
Insurance & Risk Retention-Property & Liability	-	-	1,253,217	-	-	-	1,253,217
Insurance & Risk Retention-Workers Comp	-	-	388,890	-	20,000	-	408,890
Insurance & Risk Retention-Health, Life, Dental	-	-	2,240,794	-	-	-	2,240,794
Total Internal Service	-	-	11,397,341	-	20,000	-	11,417,341
Trust Funds (Pension)							
General Employees	-	-	-	-	5,930,617	-	5,930,617
Police Employees	-	-	-	-	2,566,044	-	2,566,044
Fire Employees	-	-	-	-	1,505,180	-	1,505,180
Total Trust	-	-	-	-	10,001,841	-	10,001,841
Total Revenues	\$ 18,314,213	\$ 4,272,324	\$ 121,936,048	\$ 217,000	\$ 12,184,712	\$ 5,704,818	\$ 162,629,115

Revenue Summary

Tax Revenues

The City has two main sources of tax revenue: ad valorem taxes and sales taxes. The continued economic downturn and decline in the housing market have contributed to an 8.5% decrease in total tax revenues since 2009. Assessed property value in the City showed an increase of 0.8% this year; in the past four years, taxable property value in Jacksonville Beach has fallen by \$712 million (22%). During the same time period, assessed values in the Downtown and South Beach areas fell by 32.4% and 17.3%, respectively. Of the \$14,173,864 in budgeted property taxes, 50% (\$7.2 million) supports the General Fund and 50% (\$7.0 million) is legally restricted for use by the City's two redevelopment districts. Ad valorem taxes are budgeted based on the certification of taxable value provided each year by the Duval County Property Appraiser and are calculated as a percentage of the value of real or personal property expressed in mills (dollars per \$1,000 of value). Chapters 192-197 and 200, Florida Statutes govern the property tax process and require municipalities to budget at least 95% of this anticipated revenue.

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Approved Budget 2014
Ad Valorem	\$16,020,875	\$15,625,045	\$15,969,619	\$14,412,386	\$14,209,969	\$14,173,864
Local Option Gas Tax	733,730	747,903	742,602	712,396	750,000	720,000
Convention Development	209,957	220,694	221,009	224,402	150,000	225,000
Telephone/Communications	1,387,210	1,287,419	1,074,935	1,231,709	1,300,000	1,300,000
Infrastructure	985,627	950,140	975,611	995,077	960,000	1,050,000
Other	687,076	700,561	607,927	616,461	610,349	845,349
Total Taxes	\$20,024,475	\$19,531,762	\$19,591,703	\$18,192,431	\$17,980,318	\$18,314,213

The City's adopted millage rate for 2014 is \$4.0947 mills per \$1,000 of assessed value and will provide approximately \$14,173,864 representing 8.7% of total revenues. The City has no debt service millage. Use of the same millage rate as last year's resulted in an increase in property tax revenue of \$51,563 in the General and an increase of \$132,632 in redevelopment property tax revenue due to a slight rise in property value and the addition of \$12.8 million in new construction.



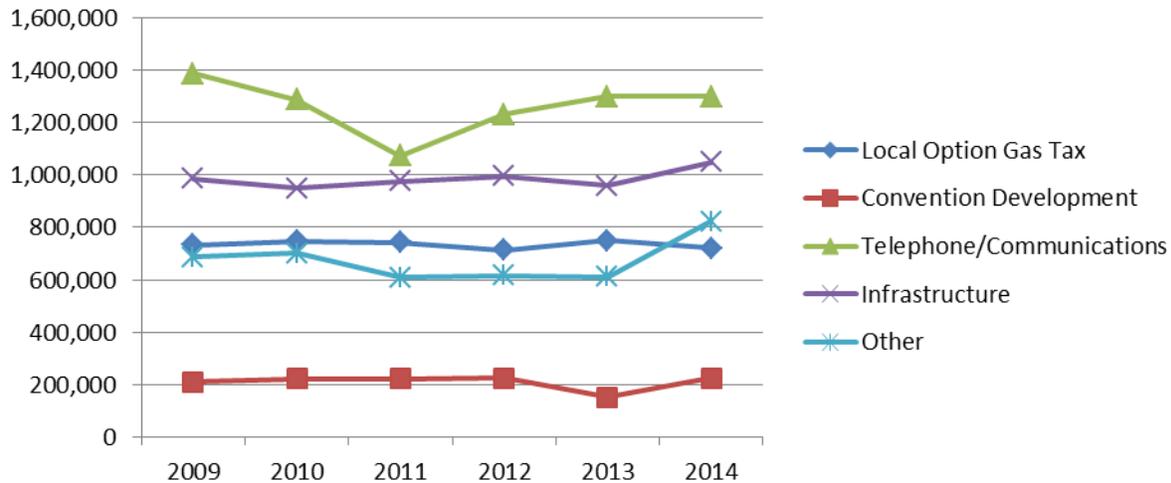
In calculating property tax revenue, the rolled-back rate is the millage rate that will provide the same amount of property taxes the City received in the previous year. The rolled-back rate is intended to levelize property taxes received by local governments, whether property values rise or fall. In general, if property values fall, the rolled-back rate will rise by a similar percentage; likewise, when property values rise, the rolled-back rate falls. Even when the millage rate increases due to falling property values, the City gets no more property tax revenue than it did in the previous year. The adopted millage rate has been lower than the rolled-back rate in five of the seven most recent budgets, resulting in a cumulative decrease in property tax revenues of \$1.7 million since 2008.

Local Option Gas Tax revenues are used to fund the maintenance of roads, streets and sidewalks. The tax, generated by a \$0.06 tax on sales of diesel or motor fuel sold within Duval County, is distributed monthly by the Florida Department of Revenue. Allocation to the City is based on its proportionate share of the county's population, as specified in an interlocal agreement with Duval County. From a high of \$836,717 in 2006, it has fallen to a 4-year annual average of about \$734,000. Decreases in the Local Option Gas Tax have reduced the amount of street and sidewalk maintenance that can be performed. This revenue source, which will end in 2016, unless it is extended by Duval County, supplements the General Fund by providing about \$700,000 per year to pay for wages and street and sidewalk projects. Local Option Gas Tax is budgeted based on estimates from the State of Florida Office of Economics and Demographic Research (EDR), historical trends and variance analysis. (Motor Fuel and Diesel Fuel Taxes: Sections 206.41(1)(d)-(e), 206.87(1)(b)-(c), 336.021 and 336.025 Florida Statutes.)

Duval County collects Convention Development Tax revenues resulting from a 2% tax on transient (lodging less than 6 months) rental transactions. One-half of the proceeds collected within Jacksonville Beach's municipal boundaries are remitted to it by the county to be used to promote tourism and to fund the maintenance and upkeep of the SeaWalk and Amphitheater area, in accordance with Florida Statutes (Section 212.0305(4)(a)). This revenue is estimated based on historical trends as influenced by economic forecasts. In recent years, this revenue has fluctuated between \$220,000 and \$175,000. It is budgeted for 2014 at \$225,000.

The Half-Cent Local Discretionary Sales (Infrastructure) Surtax is specifically restricted to be used for: street reconstruction, water, sewer and stormwater improvements, school sidewalks, capital improvements to recreational facilities and the purchase of property for preservation and recreational purposes. 1.5% of the gas tax collected by the county is distributed to Jacksonville Beach as stated in an interlocal agreement. These revenues are budgeted using information from the Florida Office of Economic and Demographic Research (EDR) and historical trends. Both the Local Option Gas Tax and the Half-Cent Sales Surtax have decreased with the economic downturn. See Sections 212.054-.055, Florida Statutes. In years prior to 2008, the Infrastructure Surtax was generating about \$1.2 million per year. However, decreases in this revenue due to the economy have been significant enough that in recent years, it has only paid for debt service (about \$980,000 per year) on the revenue bonds it is pledged against, leaving no additional funds for infrastructure projects. Information from EDR showed an upturn in this expected revenue and the budget for 2014 has been increased to \$1,050,000.

Other Taxes



The Communications Services Tax (Chapter 202, Florida Statutes) simplified the way communications (telecommunications, cable, direct-to-home satellite and related services) taxes are collected and distributed by combining seven different types of communications taxes and fees into a two-tiered tax composed of a state tax and a local tax on communications services. The tax of 5.22% on retail telecommunications sales which originate and terminate within the state of Florida and/or are billed to an address within the state is collected and distributed by the Florida Department of Revenue. Revenues are budgeted to increase this year, after having fallen in 2009 through 2012. Economic and Demographic Research also provides estimates for this revenue source.

All sales and use taxes are estimated based on projections made by the State of Florida, economic forecasts and historical trends. State shared revenues from sales taxes are discussed under intergovernmental revenues. Changes in both sales taxes and state shared revenues tend to mirror changes in the economy.

The category of “Other” taxes is primarily the Local Business Tax and the Insurance Premium Tax. The Local Business Tax (formerly called occupational license fee) is a charge by a local government to businesses operating within its jurisdiction. This revenue source is considered general revenue and is deposited into the General Fund. The Local Business Tax is budgeted based on historical trend. There are two Insurance Premium Taxes. The first imposes an excise tax of 1.85 percent on property insurance policies on property within the city limits. Proceeds are deposited into the General Fund and then transferred to the firefighters’ pension trust fund. The second imposes an excise tax of 0.85 percent of premiums on casualty insurance policies; proceeds are deposited into the General Fund and then transferred to police officers’ pension trust fund. This revenue is budgeted based on the most recently received revenue and historical trend.

Permits and Fees

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Approved Budget 2014
Licenses & Permits	\$349,571	\$229,565	\$261,308	\$367,856	\$303,800	\$358,600

Permits are primarily composed of building-related permit revenue, which make up \$325,000 of this category's 2014 revenues. From a 2006 high of \$643,468, fees for building-related permits while still half of their previous high, have been increasing since 2012. Because the City is nearing build-out, revenue is not expected to return to its 2006 levels. Fees are recorded in the General Fund and represent a fraction of its revenues. Budgets for permits and fees are based on historical trends and construction estimates from the Planning and Development Department. (Chapter 7, City of Jacksonville Beach Code of Ordinances)

Intergovernmental Revenues

This category includes all revenues received from federal, state and local governmental units in the form of shared sales and fuel tax revenues, grants and payments in lieu of taxes. The state collects and distributes a portion of the taxes for half-cent sales taxes, municipal revenue sharing and alcoholic beverage licenses to the City. The Local Government Half-Cent Sales Tax Program combined with the Municipal Revenue Sharing Program provide over two-thirds of the General Fund's intergovernmental revenue. Both revenues are administered by the state Department of Revenue (DOR) and are estimated based on information from the Florida Office of Economics and Demographic Research (EDR), and historical trends. These revenues have begun to trend upward in the last two years.

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Approved Budget 2014
Local 1/2 Cent Tax	\$1,794,068	\$1,736,711	\$1,805,663	\$1,815,844	\$1,787,718	\$1,903,202
Sales Tax Distribution	452,671	450,897	455,212	466,002	620,000	640,071
Duval Cnty in Lieu of Tax	563,076	579,968	596,955	614,864	633,309	652,308
Other	3,720,951	9,278,149	2,759,510	1,470,808	744,480	718,143
Total Intergovernmental	\$6,530,766	\$12,045,725	\$5,617,340	\$4,367,518	\$3,785,507	\$3,913,724

The City also receives a payment in lieu of tax from Duval County to provide partial funding assistance for beach cleanup and lifeguards through an interlocal agreement. The City makes a request for these funds based on its actual eligible program expenses. The amount budgeted is equal to the amount of the request.

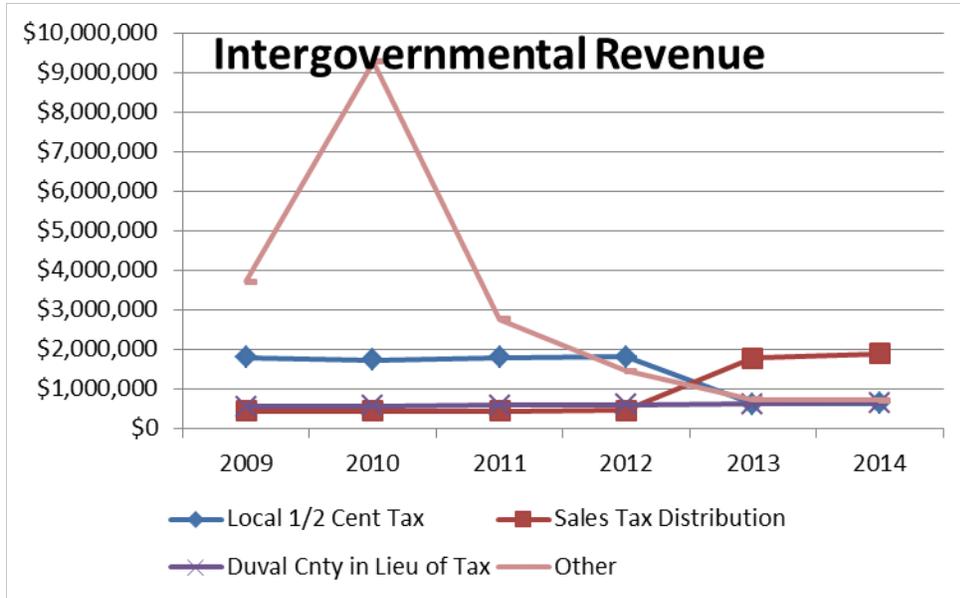
“Other” intergovernmental revenues consist of grants, 8th Cent Motor Fuel Tax, 9-1-1 Emergency Rebate, Alcoholic Beverage License Tax and a variety of small state and county taxes and revenue sharing. The 8th Cent Motor Fuel Tax is a \$0.01 per gallon fuel deposited into the General Fund to be used for roads and road maintenance in accordance with

Chapter 206.605(2)-(3), Florida Statutes. The budget for this revenue sources is \$184,000, based on historical trends. The Florida Department of Revenue administers and distributes this tax.

The 9-1-1 Rebate is a charge billed to communications (phone) subscribers by their providers intended to provide funds to local governments to pay for costs associated with their 9-1-1 dispatch system. The 2014 budget for this charge is \$205,000 based on historical trends.

The Alcoholic Beverage License Tax is levied on manufacturers, distributors, vendors, brokers, sales agents and importers of alcoholic beverages within a county or municipality (Section 561.342, Florida Statutes). Thirty-eight percent of eligible taxes collected within Jacksonville Beach are returned to it by the Division of Alcoholic Beverages and Tobacco within the Department of Business and Professional Regulation. The revenue estimated from this source is \$45,000, based on historical trends.

In recent years, the City has aggressively sought grant revenue to offset part of the cost of major construction projects. After peaking in 2010 when the City received \$11 million in grants to help fund the construction of a new waste treatment facility, grant revenues have fallen sharply and are not expected to increase in the near future. Intergovernmental revenues have decreased by 40% since 2009.



The City does not normally budget grant revenue until the amount is known and the grant expenditure has been approved by the City Council. In many cases, due to the timing of grant award notifications, grant revenue is budgeted in the mid-year or year-end budget adjustment. Large grant amounts received for multi-year projects are budgeted based on estimates of the completion dates for the projects. Other grants are budgeted based on the amount requested (Community Development Block Grant) or received.

Intergovernmental revenues are budgeted based on estimates provided by the State of Florida Office of Economic and Demographic Research (EDR), interlocal agreements, grant contracts and historical trends. Most of these revenues have been flat to decreasing and are budgeted accordingly.

Fines and Forfeitures

Fines and penalties imposed for the commission of statutory offenses and violations of lawful administrative rules and regulations are included in this revenue category along with revenues from the sale of confiscated money and property and service charges on bad checks. The total revenues for this category are \$217,000 and represent only a small portion (0.1%) of total City revenues. The General Fund portion of this total is \$188,000 (0.9% of total General Fund revenues). Fines and forfeitures are budgeted based on historical trends and have been decreasing for many years due to changes in state law related to how the fines are allocated between state and local governments. Budgeted revenue for 2014 is less than half of the amount the City received in 2005.

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014
Fines and Forfeitures	\$298,613	\$510,579	\$234,427	\$702,393	\$204,500	\$217,000

Miscellaneous Revenues

Miscellaneous revenues are those that do not fit any of the above categories and include items such as interest on investments, City and employee pension contributions, rental of City property, sale of City assets, donations and debt proceeds. In the 2014 budget, these revenues are estimated to be \$12,184,712, representing 7.5% of the City's budgeted revenues. 82% of this revenue is interest, investment earnings and pension contributions belonging to the pension funds. These revenues have been decreased due to historic low interest rates, decreases in earnings on pension fund investments and rental of City property. Miscellaneous revenues are budgeted based on historical trends, rental contracts and current or estimated future interest rates and cash balances.

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Approved Budget 2014
Debt Proceeds	0	0	0	6,495,000	0	0
Interest	4,906,252	6,375,974	1,700,686	11,048,321	5,326,721	6,519,778
Other	4,101,139	4,018,785	3,890,025	5,842,850	5,546,680	5,664,934
Total Miscellaneous	\$9,007,391	\$10,394,759	\$5,590,711	\$23,386,171	\$10,873,401	\$12,184,712

Transfers

This category represents transfers between individual funds, which are not repayable and are not considered charges for goods or services. Transfers from enterprise funds are based on a fixed formula and availability of funds. Other transfers are made to move required funds to

pay for debt service and capital projects, provide matching funds for grants or to allocate the fund balance of a discontinued fund. Because interfund transfers are revenues to one fund and expenditures to another fund, they are considered to be "paper revenue". Like internal service charges, in determining the net budget, these transfers are deducted from total expenditures.

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Approved Budget 2014
Transfers	\$14,533,120	\$9,792,787	\$11,556,366	\$5,783,983	\$6,495,133	\$5,704,818

Total budgeted transfers for 2014 are \$5,704,818 (3.5% of total revenue); transfers into the General Fund (\$4,513,021) make up 24% of its total revenue. Transfers to the General Fund include contributions from enterprise funds and special revenue (grant) funds used to provide partial funding for its operations as specified in grant agreements.

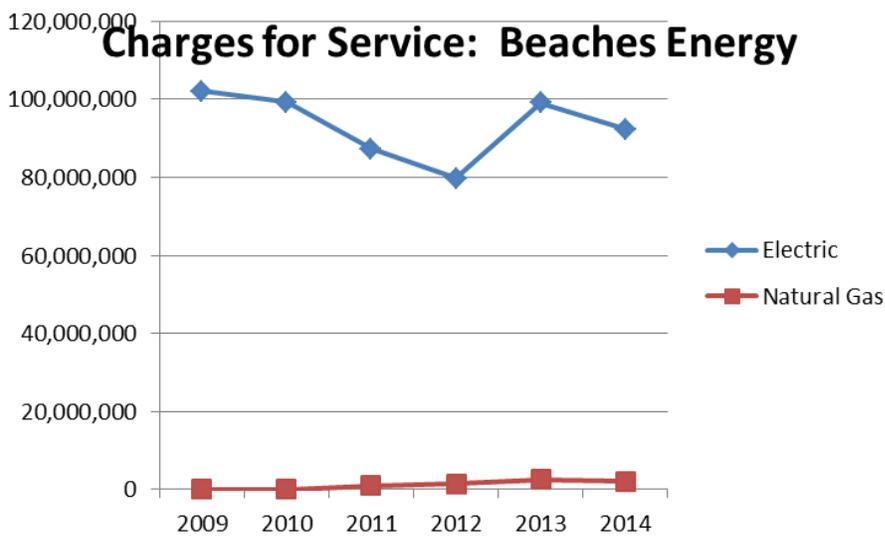
Charges for Services

Charges for services are generated primarily by the operation of the City's enterprise funds: electric, water & sewer, natural gas, stormwater and sanitation and represent charges for utility services provided to customers. Charges for use of the City's tennis and golf facilities are also included in this category. Charges for services revenues represent 75.0% of the City's total revenues, but only 2.0% of the General Fund's revenues. Total revenues from charges for services are anticipated to be \$121,936,048 (\$371,650 in the General Fund).

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Approved Budget 2014
Electric	102,024,227	99,205,550	87,327,368	79,748,437	99,060,909	92,249,224
Natural Gas	0	62,801	1,015,367	1,539,440	2,567,199	2,168,162
Water / Sewer	8,221,031	8,724,409	8,952,816	9,204,727	10,020,362	10,030,599
Stormwater	1,240,510	1,242,265	1,232,484	1,249,583	1,238,316	1,246,333
Sanitation	3,156,520	3,141,500	3,091,841	3,116,900	3,147,666	3,084,514
Recreation / Golf	1,308,467	1,336,437	1,439,711	1,472,675	1,514,668	1,498,915
Internal Services	9,227,037	13,587,812	10,862,103	10,144,036	11,306,211	11,397,341
Miscellaneous	123,090	289,680	677,050	609,851	326,100	260,960
Charges for Services	\$125,300,882	\$127,590,454	\$114,598,740	\$107,085,649	\$129,181,431	\$121,936,048

The City's electric utility, Beaches Energy Services, provides power to more than 34,000 customers in Neptune Beach, Jacksonville Beach, Ponte Vedra and Palm Valley. Beaches Energy is a member of and obtains its power through Florida Municipal Power Agency (FMPPA), a consortium of municipal utilities located throughout the state. Because its primary fuel source is natural gas, changes in the cost of natural gas significantly affect electric rates. These price changes are reflected as increases in the power cost portion of a customer's electric bill. As the demand for power throughout the state creates the need for new generation, the cost of building additional plants will be reflected in future electric rates.

To counter the upward price pressure, Beaches Energy has implemented energy efficiency rebates, conservation programs, demand management and renewable resource programs in order to keep its rates below the state average and to help its customers manage their electric bills. Recently, natural gas prices have been low resulting reductions in power costs and savings to Beaches Energy’s residential customers of about \$200-\$300 per year. At this point, it is difficult to tell whether flattening consumption is a result of trends in energy conservation or the relatively mild winters and summers of recent years. Revenue estimates are based on consumption, historical trends and projected power cost prices from Beaches Energy’s supplier, FMPA.



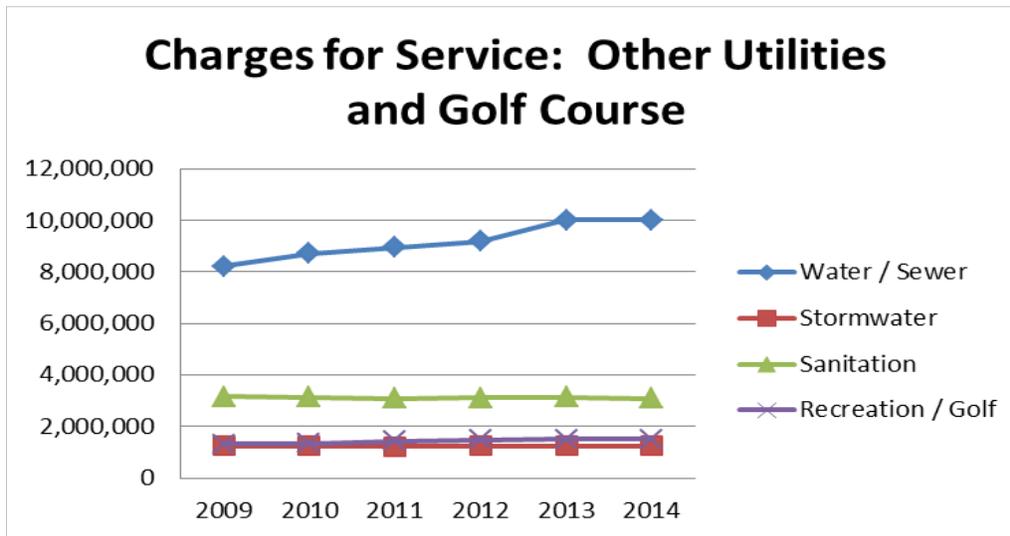
In 2010, the City activated a natural gas distribution system intended to primarily serve commercial customers. The first service was activated in June, 2010, with construction continuing and included in the 2014 budget. Revenues for this year’s budget have been estimated by the City’s gas management consultant, reviewed and adjusted by the City.

In 1995, the City adopted an inclining block rate structure for its water and sewer rates. The intent behind these rates is to encourage conservation by charging a higher rate for customers who use higher amounts of water. Since 1995, the total number of gallons billed has decreased, despite increases in the number of customers.

In 2007, water and sewer rates were increased by 5% for the first time in 10 years. Additional 5% rate increases were approved through 2010, with increases equal to the percentage increase in the CPI after that. This year, an additional 7.5% rate increase was approved through 2014 with CPI rate adjustments after that. The rate increases were necessary to pay for needed maintenance and improvements to the system. Water and sewer revenues have been estimated based on historical trends, with adjustments made for this year’s rate increase and the effects of water conservation.

Stormwater results when an impervious surface covers the ground (roads and parking lots, for

example), preventing it from absorbing rain or other water from storms. The stormwater system drains excess water to prevent flooding. Stormwater charges, which fund maintenance and improvements to the stormwater system, are based on the amount of each customer’s impervious area. The rate of \$5.00 per equivalent residential unit (ERU) has remained constant since it was enacted in 1991. Commercial customers are charged a based on the percentage of impervious area at their place of business.



Sanitation rates have not increased since 1993, although the City may have to consider rate increases when the next garbage contract is awarded. Stormwater and sanitation revenues are budgeted based on rates expected to be in effect in the coming year and historical consumption trends.

Four years ago, concurrent with a major drainage project, the Golf Course was improved and greens rebuilt. During that time, the combination of construction, national trends and economic conditions, have caused a decrease in the number of rounds played, resulting in staffing and operating cost decreases. The City has had to transfer funds to the Golf Course to provide cash flow for operations (\$185,000 in 2010; \$210,000 in 2011). At this time, revenues appear to have stabilized and with careful cost management, the golf course is breaking even. Golf revenues are estimated based on the expected number of rounds to be played and historical trends.

Revenues in the internal service funds are budgeted to cover the costs of operations and therefore are equal to the approved expenditure budget. Internal service fund expenses are allocated to other City departments based on each department’s proportionate share of those costs. The allocation basis is shown in the table below.

Internal Service Fund	Allocation Basis
City Manger	Time estimate
Accounting	Department/division operating budgets
Utility Billing	Number of meters in each utility & degree of difficulty (time)
Information Systems	Time and difficulty estimate
Purchasing	Number and value of purchase orders
Human Resources	Number of employees
Fleet Maintenance	Specific vehicle maintenance costs and overhead allocation based on number of vehicles
Grounds Maintenance	Time estimate and acreage
Meter Services	Number of meters read
Operations & Maintenance Facility	Square footage allocated to each department
Insurance Funds	Property value (general/liability); payroll costs and cost per \$1,000 (worker's comp); specific charges (employee life, health & dental insurance)

Because internal service funds usually do not spend all authorized budget, revenues in "actual" years (2009-2012) are noticeably lower than revenues in "budgeted" years (2013 and 2014). Because internal service charges, like transfers, are revenues to one fund and expenditures to another fund, they are considered to be "paper revenue". In determining the net budget, these transfers are deducted from the total expenditures. Administrative operations providing services through internal service funds and the allocation basis used to distribute their costs are shown above.

Fund Balance

Fund Balance refers to the excess of assets over liabilities and, therefore, is considered to be available for appropriation to the extent that it is not reserved. Another way of describing fund balance is the difference between all the revenue the fund has received and all the expenditures made from the fund since its inception.

The City implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011, as required. The statement establishes fund balance classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in governmental funds can be spent. Under this standard, fund balance is reported in five classifications – nonspendable, restricted, committed, assigned and unassigned. A discussion of GASB 54 and its effect on fund balance classifications can be found at: <http://www.gasb.org/st/summary/gstsm54.html>. For simplification of presentation in the budget, beginning and ending fund balances are shown in the financial summaries as either “unrestricted/unassigned” or “all other balances”. Fund balances shown as “all other balances” have conditions attached to their use, either by federal, state or local law, grant or bond agreements or interlocal contract.

Unrestricted/unassigned fund balance represents an amount available to be budgeted. When utilized in this fashion, the unreserved portion of the fund balance is considered revenue for purposes of balancing the budget. For example, because the City does not receive property tax until about a third of the way through the year, the revenue is unavailable to fund general fund operations for the first 3-4 months of the year. Unrestricted fund balance can be used to cover this temporary revenue shortage and to pay for costs for major, unexpected events, like tropical storms and hurricanes, without having to borrow money or wait for FEMA reimbursement.

Ending Fund Balance	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014
Unrestricted/unassigned	\$53,007,710	\$58,185,708	\$61,063,137	\$75,838,781	\$74,192,760	\$71,429,058
All other	88,434,939	87,045,981	96,140,967	104,117,824	96,230,568	100,109,816
Total Fund Balance	\$141,442,649	\$145,231,689	\$157,204,104	\$179,956,605	\$170,423,328	\$171,538,874

The “all other balances” shown on the budget summaries are set aside for identified, specific purposes, such as special revenue, debt service, contractual and grant requirements, bond requirements, redevelopment and retiree pensions. 58% of the City's fund balance is set aside for such purposes. All of the nonmajor governmental funds have spending restrictions attached to their revenue sources. Also, many grant revenues are received on a reimbursement basis, after the City has paid for the grant-related item or project. In such instances, beginning fund balance is used to cover cash shortages due to differences in the timing of grant-funded expenses and the related grant reimbursement.

In FY2014, total budgeted revenues are more than total budgeted expenditures, meaning that the City expects its total fund balance to increase. Fund balance is not normally used to pay for routine, recurring operating expenditures. The budgeted fund balance increase of \$1.1 million shown in the table, below, is expected to come from net earnings in redevelopment and pension funds. All other funds are expected to have reductions in their fund balances. The percentage change in fund balance is calculated as the amount of revenues over (under) expenditures, divided by the beginning fund balance. An explanation of the primary reasons for the change in fund balance follows the table.

	Major Funds				
	General Fund	Community Redevel.	General Cap. Projects	Electric	Water & Sewer
Beg. Fund Balance	\$9,512,836	\$801,168	\$4,643,784	\$58,542,609	\$9,470,156
Revenues	18,785,485	7,063,330	235,000	93,039,509	10,233,928
Expenditures	18,885,485	6,112,239	1,061,056	95,270,168	10,353,306
Revenues over (under) expenditures	(100,000)	951,091	(826,056)	(2,230,659)	(119,378)
Ending Fund Balance	<u>\$9,412,836</u>	<u>\$1,752,259</u>	<u>\$3,817,728</u>	<u>\$56,311,949</u>	<u>\$9,350,778</u>
Unrestricted/unassigned	1,141,170	0	0	48,374,955	7,914,995
All other	<u>\$8,271,666</u>	<u>\$1,752,259</u>	<u>\$3,817,728</u>	<u>\$7,936,994</u>	<u>\$1,435,783</u>
	<u>\$9,412,836</u>	<u>\$1,752,259</u>	<u>\$3,817,728</u>	<u>\$56,311,949</u>	<u>\$9,350,778</u>
Change in fund balance	-1.1%	118.7%	-17.8%	-3.8%	-1.3%

	Nonmajor Funds				
	Govt.	Enterprise	Internal Service	Pension Funds	ALL FUNDS
Beg. Fund Balance	\$4,209,432	\$10,048,236	\$3,640,137	\$69,554,971	\$170,423,328
Revenues	3,265,270	8,587,411	11,417,341	10,001,841	162,629,115
Expenditures	3,577,359	8,756,547	11,561,870	5,935,539	161,513,569
Revenues over (under) expenditures	(312,089)	(169,136)	(144,529)	4,066,302	1,115,546
Ending Fund Balance	<u>\$3,897,343</u>	<u>\$9,879,100</u>	<u>\$3,495,608</u>	<u>\$73,621,273</u>	<u>\$171,538,874</u>
Unrestricted/unassigned	\$623,230	\$9,879,100	\$3,495,608	\$0	\$71,429,058
All other	<u>3,274,113</u>	0	0	<u>73,621,273</u>	<u>100,109,816</u>
	<u>\$3,897,343</u>	<u>\$9,879,100</u>	<u>\$3,495,608</u>	<u>\$73,621,273</u>	<u>\$171,538,874</u>
Change in fund balance	-7.4%	-1.7%	-4.0%	5.8%	0.7%

Change in Fund Balance - Major Funds:

The **General Fund** fund balance is budgeted to decrease by \$100,000. The primary cost in this fund is personnel; representing 69% of the 2014 budgeted expenditures. Costs to provide police and fire services represent 63% of the General Fund's total budget. The recent history of falling property tax and sales tax revenue, combined with rising costs for employee benefits have made it more challenging to balance the fund's budget.

Community Redevelopment Fund fund balance is expected to grow, due to the timing of capital outlay expenditures. Construction of Phase IIIA of the Downtown Vision Plan is expected to be completed in the fall. Design for Phases IIIB-IIID is underway. Fund balance in this fund is designated for projects that will have a long-term benefit in the City's two redevelopment districts and for other allowed costs that are consistent with the redevelopment plan and statutory requirements.

General Capital Projects Fund fund balance is budgeted to decrease due to the timing of major expenditures and projects paid for from this fund. All budgeted projects in this fund were funded in previous years. Two of the projects budgeted are the replacement of a blade center and a server at the Police Department. Other budgeted projects include rebuilding a bulkhead at the

golf course, construction of bus stops, a project to stabilize a stormwater pond at Wingate Park and annual replacements of city computers. Transfers from the General Fund are this fund's primary source of revenue.

Electric Fund fund balance is expected to increase due to decreases in revenues. The decrease is largely related to a timing difference between billed power costs and paid power costs and is expected to be temporary. Budgeted expenses for 2014 are 2% less than in 2013 because of decrease in expected power costs.

The **Water & Sewer Fund** fund balance is budgeted to decrease due to Phase B of the Downtown Vision Plan. The project, which extends along A1A from 6th Avenue North to 20th Avenue North will be partially (21.5%) funded by the Redevelopment Fund for the portion of the projects that is within the Downtown Redevelopment District. This is the third year of water and sewer rate increases that were necessary to pay for increasingly expensive projects that maintain the water and sewer system. Increases in capital outlay are expected for the next several years. A \$21 million waste treatment facility was paid for through a combination of grants, bond proceeds, and Redevelopment Agency funding; portions of these one-time revenues were included in the 2010 and 2011 budgets.

Change in Fund Balance - Nonmajor Funds:

Governmental Funds will show a decrease in fund balance due to the use of accumulated fund balance to pay for allowed expenses or projects and the uncertainty associated with revenue budgeting. Included in the budgets for these funds are things such as police training, special events, road and street maintenance and equipment purchases. Grant revenues are not budgeted until formal notice is received from the grantor. This notice often does not arrive in time for the funds to be included in the original budget. In these cases, the budget is adjusted at mid-year or at the end of the year.

Nonmajor Enterprise Funds consist of the Natural Gas, Stormwater, Sanitation, Golf Course and Lease Facilities Funds. These funds recover their costs through user charges and are not expected to have a major change in their fund balances from year-to-year. The substantial completion of the natural gas distribution system means that capital outlay in that fund will decrease significantly. The decrease in fund balance is due to the replacement of a street sweeper in the Sanitation Fund, greens mowers at the Golf Course, and stormwater projects.

Internal Service Funds recover their costs through charges to internal customers and are budgeted to break even. The fund balance decrease is a consequence of using interest earnings in the Workers' Comp Insurance Fund to reduce the cost of workers comp insurance charged to City departments.

Pension (trust) Funds account for three employee pension systems: General, Police and Fire. The City uses its annual actuarial report to determine the level of funding it needs to meet in order to keep the balance in its pension funds adequately funded and able to meet obligations to current and future retirees. The budget anticipates an increase in investment earnings in 2014.

**City of Jacksonville Beach - All Funds
Combined Summary of Revenues and Expenditures**

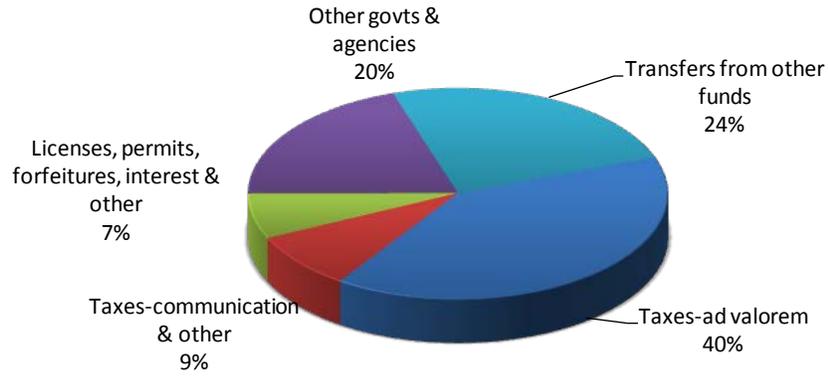
	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 43,556,521	\$ 57,517,496	\$ 72,061,035	\$ 70,552,623	\$ (1,508,412)	-2.1%
All other balances	101,482,779	99,686,608	107,895,570	99,870,705	(8,024,865)	-7.4%
Beginning Fund Balance	145,039,300	157,204,104	179,956,605	170,423,328	(9,533,277)	-5.3%
Revenues						
Taxes	19,241,634	18,192,431	17,980,318	18,314,213	333,895	1.9%
Permits & fees	261,308	367,856	303,800	358,600	54,800	18.0%
Intergovernmental	5,617,340	4,367,518	3,785,507	3,913,724	128,217	3.4%
Charges for services	114,598,740	107,085,649	129,181,431	121,936,048	(7,245,383)	-5.6%
Fines & forfeitures	234,427	702,393	204,500	217,000	12,500	6.1%
Interest & other	5,940,780	23,386,171	10,873,401	12,184,712	1,311,311	12.1%
Transfers in	11,556,366	5,783,983	6,495,133	5,704,818	(790,315)	-12.2%
Total Revenues	157,450,596	159,886,001	168,824,090	162,629,115	(6,194,975)	-3.7%
Other Financing Sources	12,840,008	11,660,783				
Expenditures						
Personal Services	25,693,725	25,621,501	27,130,863	27,461,462	330,599	1.2%
Operating-Energy	65,999,862	60,612,740	74,630,823	72,184,977	(2,445,846)	-3.3%
Operating-All Other	31,550,299	30,884,751	36,209,313	35,020,516	(1,188,797)	-3.3%
Capital Outlay	14,559,223	9,994,826	27,005,304	14,687,285	(12,318,019)	-45.6%
Debt Service	8,132,333	13,844,494	6,874,394	6,442,974	(431,420)	-6.3%
Grants to Others	16,412	111,537	11,537	11,537	0	0.0%
Transfers	11,556,366	5,783,983	6,495,133	5,704,818	(790,315)	-12.2%
Total Expenditures	157,508,219	146,853,832	178,357,367	161,513,569	(16,843,798)	-9.4%
Other Financing Uses	617,580	1,940,451				
Change in Fund Balance	12,164,804	22,752,501	(9,533,277)	1,115,546	10,648,823	-111.7%
Unrestricted/unassigned	61,063,137	75,838,781	74,192,760	71,429,058	(2,763,702)	-3.7%
All other balances	96,140,967	104,117,824	96,230,568	100,109,816	3,879,248	4.0%
Ending Fund Balance	\$ 157,204,104	\$ 179,956,605	\$ 170,423,328	\$ 171,538,874	\$ 1,115,546	0.7%
Expenditures by Department:						
Executive & Legislative	1,175,061	1,230,263	1,324,111	1,316,896	(\$7,215)	-0.5%
Finance	4,065,631	3,785,334	5,160,493	4,252,491	(908,002)	-17.6%
Planning & Development	7,666,187	6,433,579	15,639,307	6,115,504	(9,523,803)	-60.9%
Parks & Recreation	5,051,629	4,813,101	4,822,187	4,841,556	19,369	0.4%
Public Works	19,041,430	15,482,810	20,845,956	17,628,185	(3,217,771)	-15.4%
Police	8,723,896	8,510,472	9,007,471	9,220,742	213,271	2.4%
Fire	3,431,089	3,610,612	3,691,153	3,644,009	(47,144)	-1.3%
Beaches Energy Services	92,411,219	83,294,356	101,799,435	99,446,024	(2,353,411)	-2.3%
Human Resources	4,154,514	3,122,697	4,294,566	4,594,080	299,514	7.0%
Non-Departmental	11,787,562	16,570,608	11,772,688	10,454,082	(1,318,607)	-11.2%
Total Expenditures	\$ 157,508,218	\$ 146,853,832	\$ 178,357,367	\$ 161,513,569	\$ (16,843,799)	-9.4%
Expenditures by Major/Nonmajor Fund:						
General Fund	18,219,881	17,517,038	18,407,781	18,885,485	\$477,704	2.6%
Redevelopment	7,466,179	6,194,544	15,526,744	6,112,239	(9,414,505)	-60.6%
General Capital Projects	1,002,319	1,379,711	520,000	1,061,056	541,056	104.0%
Electric	87,823,420	79,931,439	97,416,539	95,270,168	(2,146,371)	-2.2%
Water & Sewer	12,351,400	9,364,165	13,723,233	10,353,306	(3,369,927)	-24.6%
Total Major Funds	126,863,199	114,386,897	145,594,297	131,682,254	(13,912,043)	-9.6%
Nonmajor Governmental	5,693,572	10,575,285	4,508,101	3,577,359	(930,742)	-20.6%
Nonmajor Enterprise	8,850,523	7,070,630	9,553,744	8,756,547	(797,197)	-8.3%
Internal Service	10,912,602	9,482,321	11,471,320	11,561,870	90,550	0.8%
Pension	5,188,323	5,338,699	7,229,905	5,935,539	(1,294,366)	-17.9%
Total Nonmajor Funds	30,645,020	32,466,935	32,763,070	29,831,315	(2,931,755)	-8.9%
Total Expenditures	\$ 157,508,219	\$ 146,853,832	\$ 178,357,367	\$ 161,513,569	\$ (16,843,798)	-9.4%
Total Expenditures	\$157,508,219	\$146,853,832	\$178,357,367	\$161,513,569	(\$16,843,798)	-9.4%
less: Internal Service Charges	10,912,602	9,482,321	11,471,320	11,561,870	\$90,550	0.8%
less: Transfers	11,556,366	5,783,983	6,495,133	5,704,818	(\$790,315)	-12.2%
Net Budgeted Expenditures	\$135,039,251	\$131,587,528	\$160,390,914	\$144,246,881	(\$16,144,033)	-10.1%

General Fund
Combined Summary of Revenues and Expenditures

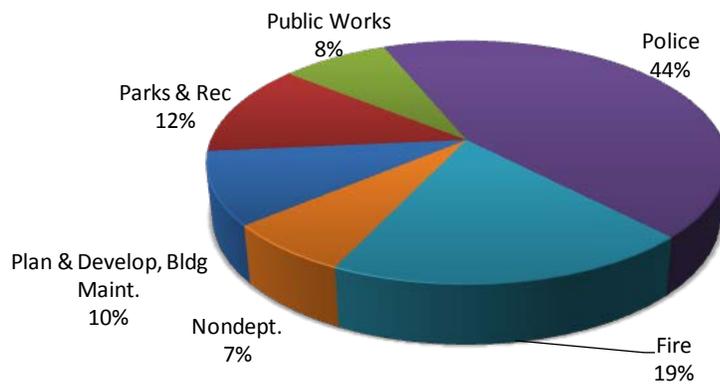
	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 583,727	\$ 781,230	\$ 1,485,900	\$ 1,241,170	\$ (244,730)	-16.5%
All other balances	8,372,963	8,271,666	8,271,666	8,271,666	-	0.0%
Beginning Fund Balance	\$ 8,956,690	\$ 9,052,896	\$ 9,757,566	\$ 9,512,836	\$ (244,730)	-2.5%
Revenues						
Taxes	9,155,576	9,068,880	9,234,620	9,300,883	66,263	0.7%
Licenses & permits	261,308	367,856	303,800	358,600	54,800	18.0%
Intergovernmental	3,397,053	3,411,784	3,537,277	3,693,331	156,054	4.4%
Charges for services	368,801	366,278	425,290	371,650	(53,640)	-12.6%
Fines & forfeitures	181,584	182,646	170,000	188,000	18,000	10.6%
Interest & other	237,896	417,927	282,500	360,000	77,500	27.4%
Transfers in	4,406,484	4,526,543	4,209,564	4,513,021	303,457	7.2%
Total Revenues	18,008,702	18,341,914	18,163,051	18,785,485	622,434	3.4%
Other Financing Sources	307,385					
Expenditures						
Personal Services	12,135,501	12,361,966	12,789,893	13,007,326	217,433	1.7%
Operating-All Other	4,995,289	4,735,490	5,259,951	5,450,622	190,671	3.6%
Capital Outlay	296,354	219,685	175,200	251,000	75,800	43.3%
Grants to Others	11,537	11,537	11,537	11,537	-	0.0%
Transfers	781,200	188,360	171,200	165,000	(6,200)	-3.6%
Total Expenditures	18,219,881	17,517,038	18,407,781	18,885,485	477,704	2.6%
Other Financing Uses	-	120,206				
Change in Fund Balance	96,206	704,670	(244,730)	(100,000)	144,730	-59.1%
Unrestricted/unassigned	781,230	1,485,900	1,241,170	1,141,170	(100,000)	-8.1%
All other balances	8,271,666	8,271,666	8,271,666	8,271,666	-	0.0%
Ending Fund Balance	\$ 9,052,896	\$ 9,757,566	\$ 9,512,836	\$ 9,412,836	\$ (100,000)	-1.1%
Expenditures by Department:						
Executive & Legislative	\$ 690,070	\$ 615,025	\$ 692,965	\$ 750,285	\$ 57,320	8.3%
Planning & Development	597,855	591,021	622,440	633,072	10,632	1.7%
Parks & Recreation	2,384,706	2,228,140	2,253,703	2,323,240	69,537	3.1%
Public Works	1,516,799	1,441,038	1,485,256	1,504,641	19,385	1.3%
Police	7,696,317	7,827,397	8,204,611	8,304,083	99,472	1.2%
Fire	3,377,039	3,553,899	3,615,440	3,644,009	28,569	0.8%
Beaches Energy Services	455,978	419,357	439,810	436,782	(3,028)	-0.7%
Non-Departmental	1,501,117	841,161	1,093,556	1,289,373	195,817	17.9%
Total Expenditures	\$ 18,219,881	\$ 17,517,038	\$ 18,407,781	\$ 18,885,485	\$ 477,704	2.6%

General Fund Revenues & Expenditures:

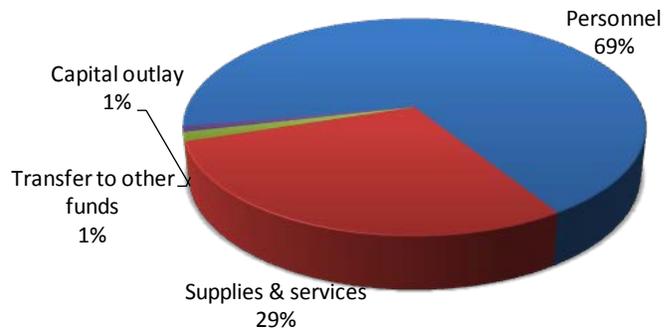
Where the money comes from:



What it pays for-by department:



What it pays for-by category:



**General Fund
Summary of Revenues**

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
<u>Taxes</u>						
Property Tax	\$ 7,822,783	\$ 7,220,710	\$ 7,324,271	\$ 7,375,534	\$ 51,263	0.7%
Local Communications Services	1,074,935	1,231,709	1,300,000	1,300,000	-	0.0%
Other taxes	257,858	616,461	610,349	625,349	15,000	2.5%
Total Taxes	9,155,576	9,068,880	9,234,620	9,300,883	66,263	0.7%
<u>Licenses & Permits</u>						
Building permits	165,767	259,307	200,000	250,000	50,000	25.0%
Other licenses and permits	95,541	108,549	103,800	108,600	4,800	4.6%
Total Licenses and Permits	261,308	367,856	303,800	358,600	54,800	18.0%
<u>Intergovernmental Revenues</u>						
8th cent motor fuel	183,515	178,808	184,000	184,000	-	0.0%
Sales tax distribution	455,212	466,002	620,000	640,071	20,071	3.2%
State 1/2 cent tax	1,805,663	1,815,844	1,787,718	1,903,202	115,484	6.5%
Other intergovernmental revenues	153,266	130,243	107,250	108,750	1,500	1.4%
Duval county in Lieu of Taxes	596,955	614,864	633,309	652,308	18,999	3.0%
911 Rebate	202,442	206,023	205,000	205,000	-	0.0%
Total Intergovernmental Revenues	3,397,053	3,411,784	3,537,277	3,693,331	156,054	4.4%
<u>Charges for Services</u>						
Lien Certificates	14,565	27,760	15,000	15,000	-	0.0%
Cemetery services	4,135	1,950	10,000	10,000	-	0.0%
Recreation programs	86,787	86,462	110,690	110,690	-	0.0%
Contracted services	-	-	5,000	1,360	(3,640)	-72.8%
Other Charges and Fees	263,314	250,106	284,600	234,600	(50,000)	-17.6%
Total Services	368,801	366,278	425,290	371,650	(53,640)	-12.6%
<u>Fines & Forfeitures</u>						
Court Fines	45,002	45,653	48,000	48,000	-	0.0%
Parking violations	86,301	86,784	64,500	84,500	20,000	31.0%
Code enforcement board	10,635	9,856	17,000	12,500	(4,500)	-26.5%
Other Fines and Forfeits	39,646	40,353	40,500	43,000	2,500	6.2%
Total Fines & Forfeitures	181,584	182,646	170,000	188,000	18,000	10.6%
<u>Interest & Other Revenue</u>						
Interest on investments	120,806	198,082	150,000	200,000	50,000	33.3%
Other revenues	117,090	219,845	132,500	160,000	27,500	20.8%
Total Other Revenues	237,896	417,927	282,500	360,000	77,500	27.4%
<u>Transfers In</u>						
Transfer from Electric Utility	3,517,915	3,518,258	3,272,548	3,608,401	335,853	10.3%
Transfer from Gas Tax	372,000	372,000	372,000	372,000	-	0.0%
Transfer from Others Misc.	516,569	636,285	565,016	532,620	(32,396)	-5.7%
Total Transfers	4,406,484	4,526,543	4,209,564	4,513,021	303,457	7.2%
Total Revenue	\$ 18,008,702	\$ 18,341,914	\$ 18,163,051	\$ 18,785,485	\$ 622,434	3.4%

**General Fund
Summary of Expenditures**

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
<u>Executive & Legislative</u>						
City Council	\$ 168,925	\$ 164,566	\$ 175,750	\$ 179,535	\$ 3,785	2.2%
City Attorney	269,102	236,748	282,690	280,547	(2,143)	-0.8%
City Clerk	252,043	213,711	234,525	290,203	55,678	23.7%
Total	690,070	615,025	692,965	750,285	57,320	8.3%
<u>Beaches Energy Services</u>						
Building Maintenance	455,978	419,357	439,810	436,782	(3,028)	-0.7%
<u>Planning & Development</u>						
Planning & Development	157,747	159,260	161,576	159,838	(1,738)	-1.1%
Building Inspections	294,253	292,749	299,440	319,235	19,795	6.6%
Code Enforcement	145,855	139,012	161,424	153,999	(7,425)	-4.6%
Total	597,855	591,021	622,440	633,072	10,632	1.7%
<u>Parks & Recreation</u>						
Administration	1,229,526	1,232,203	1,233,303	1,295,259	61,956	5.0%
Ocean Rescue	653,542	611,190	611,603	621,760	10,157	1.7%
Tennis	108,034	103,528	97,430	91,081	(6,349)	-6.5%
Oceanfront Restrooms	66,483	58,522	80,500	80,500	-	0.0%
Carver Center	100,884	94,909	79,867	83,640	3,773	4.7%
Special Events	191,023	96,147	110,000	110,000	-	0.0%
Exhibition Hall	35,214	31,641	41,000	41,000	-	0.0%
Total	2,384,706	2,228,140	2,253,703	2,323,240	69,537	3.1%
<u>Public Works</u>						
Streets	1,516,799	1,441,038	1,485,256	1,504,641	19,385	1.3%
<u>Police</u>						
Administration	876,674	940,557	1,023,958	1,058,649	34,691	3.4%
Records	182,999	192,435	192,241	194,181	1,940	1.0%
Investigative	1,637,557	1,572,365	1,404,420	1,393,654	(10,766)	-0.8%
Patrol	3,700,331	3,789,414	4,065,924	4,113,204	47,280	1.2%
Communications	651,192	633,697	757,188	754,872	(2,316)	-0.3%
Ancillary Services	491,305	506,922	533,530	537,823	4,293	0.8%
Police Reserves	67,900	53,719	88,405	88,645	240	0.3%
Parking	76,767	120,248	113,945	143,055	29,110	25.5%
Volunteer Programs	11,592	18,040	25,000	20,000	(5,000)	-20.0%
Total	7,696,317	7,827,397	8,204,611	8,304,083	99,472	1.2%
<u>Fire</u>						
Fire Department	3,377,039	3,553,899	3,615,440	3,644,009	28,569	0.8%
<u>Non-departmental</u>						
Non-departmental	1,501,117	841,161	1,093,556	1,289,373	195,817	17.9%
Total Expenditures	\$ 18,219,881	\$ 17,517,038	\$ 18,407,781	\$ 18,885,485	\$ 477,704	2.6%
<u>Resource Allocation:</u>						
Personal Services	\$ 12,135,501	\$ 12,361,966	\$ 12,789,893	\$ 13,007,326	\$ 217,433	1.7%
Operating-All Other	4,995,289	4,735,490	5,259,951	5,450,622	190,671	3.6%
Capital Outlay	296,354	219,685	175,200	251,000	75,800	43.3%
Grants to Others	11,537	11,537	11,537	11,537	-	0.0%
Transfers	781,200	188,360	171,200	165,000	(6,200)	-3.6%
Total Expenditures	\$ 18,219,881	\$ 17,517,038	\$ 18,407,781	\$ 18,885,485	\$ 477,704	2.6%

**Major Fund - Community Redevelopment
Combined Summary of Revenues and Expenditures**

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	6,976,089	7,752,727	9,387,214	801,168	(8,586,046)	-91.5%
Beginning Fund Balance	6,976,089	7,752,727	9,387,214	801,168	(8,586,046)	-91.5%
Revenues						
Taxes	8,146,836	7,191,676	6,885,698	7,018,330	132,632	1.9%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	298	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	107,654	235,502	55,000	45,000	(10,000)	-18.2%
Transfers in	-	17,160	-	-	-	0.0%
Total Revenues	8,254,788	7,444,338	6,940,698	7,063,330	122,632	1.8%
Other Financing Sources	59	384,693				
Expenditures						
Personal Services	463,349	419,251	577,703	669,885	92,182	16.0%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	159,162	167,726	120,408	137,007	16,599	13.8%
Capital Outlay	2,528,704	3,732,185	13,041,884	4,256,608	(8,785,276)	-67.4%
Debt Service-Principal	1,895,155	1,654,675	1,368,580	965,465	(403,115)	-29.5%
Debt Service-Interest & Other	241,336	179,242	125,534	83,274	(42,260)	-33.7%
Grants to Others	4,875	-	-	-	-	0.0%
Transfers	2,173,598	41,465	292,635	-	(292,635)	-100.0%
Total Expenditures	7,466,179	6,194,544	15,526,744	6,112,239	(9,414,505)	-60.6%
Other Financing Uses	12,030	-				
Change in Fund Balance	776,638	1,634,487	(8,586,046)	951,091	9,537,137	-111.1%
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	7,752,727	9,387,214	801,168	1,752,259	951,091	118.7%
Ending Fund Balance	\$ 7,752,727	\$ 9,387,214	\$ 801,168	\$ 1,752,259	\$ 951,091	118.7%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	7,068,332	5,842,558	15,016,867	5,482,432	(9,534,435)	-63.5%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	397,847	351,986	509,877	629,807	119,930	23.5%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 7,466,179	\$ 6,194,544	\$ 15,526,744	\$ 6,112,239	\$ (9,414,505)	-60.6%
Expenditures by Fund:						
Downtown Tax Increment	4,476,606	5,038,391	10,951,472	2,239,361	(8,712,111)	-79.6%
Southend Tax increment	2,989,573	1,156,153	4,575,272	3,872,878	(702,394)	-15.4%
Total Expenditures	\$ 7,466,179	\$ 6,194,544	\$ 15,526,744	\$ 6,112,239	\$ (9,414,505)	-60.6%

Major Fund: General Capital Projects
Combined Summary of Revenues and Expenditures

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	%
						Change
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	5,381,206	5,209,106	4,102,584	4,643,784	541,200	13.2%
Beginning Fund Balance	5,384,937	5,209,106	4,102,584	4,643,784	541,200	13.2%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	250,000	40,000	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	48,246	75,726	40,000	30,000	(10,000)	-25.0%
Transfers in	571,200	171,200	1,021,200	205,000	(816,200)	-79.9%
Total Revenues	869,446	286,926	1,061,200	235,000	(826,200)	-77.9%
Other Financing Sources						
Expenditures						
Personal Services	-	-	-	-	-	0.0%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	136,046	851,945	155,000	155,000	-	0.0%
Capital Outlay	866,273	527,766	365,000	906,056	541,056	148.2%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	1,002,319	1,379,711	520,000	1,061,056	541,056	104.0%
Other Financing Uses	39,227	13,737				
Change in Fund Balance	(172,100)	(1,106,522)	541,200	(826,056)	(1,367,256)	-252.6%
Unrestricted/unassigned					-	0.0%
All other balances	5,209,106	4,102,584	4,643,784	3,817,728	(826,056)	-17.8%
Ending Fund Balance	\$ 5,209,106	\$ 4,102,584	\$ 4,643,784	\$ 3,817,728	\$ (826,056)	-17.8%
Expenditures by Department:						
Executive & Legislative	-	-	-	-	-	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Personnel	-	-	-	-	-	0.0%
Non-Departmental	1,002,319	1,379,711	520,000	1,061,056	541,056	104.0%
Total Expenditures	\$ 1,002,319	\$ 1,379,711	\$ 520,000	\$ 1,061,056	\$ 541,056	104.0%
EXPENDITURES BY FUND						
General Capital Projects	1,002,319	1,379,711	520,000	1,061,056	\$541,056	104.0%
Downtown Capital Projects					0	0.0%
Infrastructure Capital Projects					0	0.0%
Parks Capital Projects					0	0.0%
Beaches Park Project for Kids					0	0.0%
Dog Park					0	0.0%
TOTAL	\$ 1,002,319	\$ 1,379,711	\$ 520,000	\$ 1,061,056	\$ 541,056	104%

Major Fund - Electric Utility
Combined Summary of Revenues and Expenses

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted	\$ 24,845,178	\$ 36,556,025	\$ 48,090,607	\$ 50,605,615	\$ 2,515,008	5.2%
Restricted	7,657,904	7,709,221	7,936,994	7,936,994	-	0.0%
Beginning Fund Balance	32,503,082	44,265,246	56,027,601	58,542,609	2,515,008	4.5%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	87,327,368	79,748,437	99,060,909	92,249,224	(6,811,685)	-6.9%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	874,034	1,009,632	870,638	790,285	(80,353)	-9.2%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	88,201,402	80,758,069	99,931,547	93,039,509	(6,892,038)	-6.9%
Other Financing Sources	11,384,182	10,935,724				
Expenses						
Personal Services	5,461,137	5,419,372	5,821,587	5,771,004	(50,583)	-0.9%
Operating-Energy	65,342,246	59,747,595	73,067,991	70,853,318	(2,214,673)	-3.0%
Operating-All Other	5,705,858	5,727,544	6,797,690	6,658,600	(139,090)	-2.0%
Capital Outlay	4,156,906	2,870,702	5,867,323	5,787,000	(80,323)	-1.4%
Debt Service-Principal	1,934,865	1,984,930	1,984,930	2,037,940	53,010	2.7%
Debt Service-Interest & Other	704,493	650,538	604,470	553,905	(50,565)	-8.4%
Grants to Others	-	-	-	-	-	0.0%
Transfers	4,517,915	3,530,758	3,272,548	3,608,401	335,853	10.3%
Total Expenses	87,823,420	79,931,439	97,416,539	95,270,168	(2,146,371)	-2.2%
Other Financing Uses						
Change in Fund Balance	11,762,164	11,762,354	2,515,008	(2,230,659)	(4,745,667)	-188.7%
Unrestricted	36,556,025	48,090,607	50,605,615	48,374,955	(2,230,659)	-4.4%
Restricted	7,709,221	7,936,994	7,936,994	7,936,994	-	0.0%
Ending Fund Balance	\$ 44,265,246	\$ 56,027,601	\$ 58,542,609	\$ 56,311,949	\$ (2,230,659)	-3.8%
Expenses by Division						
Purchased Power	\$ 65,342,246	\$ 59,747,595	\$ 73,067,991	\$ 70,853,318	\$ (2,214,673)	-3.0%
Administration	11,451,696	10,886,852	10,719,209	10,720,472	1,263	0.0%
Engineering	880,315	895,116	1,021,492	1,000,867	(20,625)	-2.0%
Relay & Substations	708,795	774,111	761,115	706,833	(54,282)	-7.1%
Construction & Maintenance	3,926,461	3,899,465	4,404,402	4,336,413	(67,989)	-1.5%
Capital Projects	3,835,273	1,926,662	4,930,000	4,730,000	(200,000)	-4.1%
System Operations	923,335	1,046,016	1,133,041	1,196,071	63,030	5.6%
Transmission	170,541	270,441	472,500	872,500	400,000	84.7%
Conservation & Renewables	286,520	269,509	495,749	495,647	(102)	0.0%
Storeroom	228,480	172,653	291,040	238,047	(52,993)	-18.2%
CARE	69,758	43,019	120,000	120,000	-	0.0%
Total Expenses	\$ 87,823,420	\$ 79,931,439	\$ 97,416,539	\$ 95,270,168	\$ (2,146,371)	-2.2%

Major Fund - Water & Sewer Utility
Combined Summary of Revenues and Expenses

	<u>Actual 2011</u>	<u>Actual 2012</u>	<u>Original Budget 2013</u>	<u>Adopted Budget 2014</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Unrestricted	\$ 8,920,933	\$ 10,789,531	\$ 11,253,140	\$ 8,034,373	\$(3,218,767)	-28.6%
Restricted	1,496,575	1,435,783	1,435,783	1,435,783	-	0.0%
Beginning Fund Balance	10,417,508	12,225,314	12,688,923	9,470,156	(3,218,767)	-25.4%
<u>Revenues</u>						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	1,647,181	647,701	-	-	-	0.0%
Charges for services	8,952,816	9,204,727	10,020,362	10,030,599	10,237	0.1%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	276,282	531,553	191,469	203,329	11,860	6.2%
Transfers in	3,448,323	41,465	292,635	-	(292,635)	-100.0%
Total Revenues	14,324,602	10,425,446	10,504,466	10,233,928	(270,538)	-2.6%
Other Financing Sources						
<u>Expenses</u>						
Personal Services	2,692,303	2,631,320	2,792,868	2,848,633	55,765	2.0%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	3,476,476	3,216,776	3,529,445	3,535,505	6,060	0.2%
Capital Outlay	4,340,934	1,677,255	5,591,033	2,157,575	(3,433,458)	-61.4%
Debt Service-Principal	1,350,135	1,385,070	1,385,070	1,422,060	36,990	2.7%
Debt Service-Interest & Other	491,552	453,744	424,817	389,533	(35,284)	-8.3%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenses	12,351,400	9,364,165	13,723,233	10,353,306	(3,369,927)	-24.6%
Other Financing Uses	165,396	597,672				
Change in Fund Balance	1,807,806	463,609	(3,218,767)	(119,378)	3,099,389	-96.3%
Unrestricted	10,789,531	11,253,140	8,034,373	7,914,995	(119,378)	-1.5%
Restricted	1,435,783	1,435,783	1,435,783	1,435,783	-	0.0%
Ending Fund Balance	\$ 12,225,314	\$ 12,688,923	\$ 9,470,156	\$ 9,350,778	\$ (119,378)	-1.3%
<u>Expenses by Division</u>						
Administration	\$ 3,125,934	\$ 3,051,372	\$ 3,096,012	\$ 3,095,500	\$ (512)	0.0%
Water Plant	1,627,187	1,326,756	2,061,603	1,477,065	(584,538)	-28.4%
Pollution Control Plant	2,254,145	2,394,741	4,210,724	3,124,692	(1,086,032)	-25.8%
Distribution & Collection	1,828,090	1,329,557	4,354,894	2,656,049	(1,698,845)	-39.0%
Capital Projects	3,516,044	1,261,739	-	-	-	0.0%
Total Expenses	\$ 12,351,400	\$ 9,364,165	\$ 13,723,233	\$ 10,353,306	\$ (3,369,927)	-24.6%

All Nonmajor Governmental Funds
Combined Summary of Revenues and Expenditures

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 54,227	\$ 642,191	\$ 628,489	\$ 623,230	\$ (5,259)	-0.8%
All other balances	6,618,948	4,921,006	4,919,730	3,586,202	(1,333,528)	-27.1%
Beginning Fund Balance	6,673,175	5,563,197	5,548,219	4,209,432	(1,338,787)	-24.1%
Revenues						
Taxes	1,939,222	1,931,875	1,860,000	1,995,000	135,000	7.3%
Intergovernmental	323,106	268,033	248,230	220,393	(27,837)	-11.2%
Charges for services	394,738	330,035	20,000	-	(20,000)	-100.0%
Fines & forfeitures	52,843	519,747	34,500	29,000	(5,500)	-15.9%
Interest & other	85,454	6,656,973	34,850	34,080	(770)	-2.2%
Transfers in	1,920,359	1,015,115	971,734	986,797	15,063	1.6%
Total Revenues	4,715,722	10,721,778	3,169,314	3,265,270	95,956	3.0%
Other Financing Sources	40,728	2,777				
Expenditures						
Personal Services	68,860	71,176	61,274	60,487	(787)	-1.3%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	433,492	573,977	703,870	656,050	(47,820)	-6.8%
Capital Outlay	286,604	530,437	1,113,214	198,608	(914,606)	-82.2%
Debt Service-Principal	770,000	7,325,000	875,000	900,000	25,000	2.9%
Debt Service-Interest & Other	293,563	211,295	105,993	90,797	(15,196)	-14.3%
Transfers	3,841,053	1,763,400	1,648,750	1,671,417	22,667	1.4%
Total Expenditures	5,693,572	10,575,285	4,508,101	3,577,359	(930,742)	-20.6%
Other Financing Uses	172,856	164,248				
Change in Fund Balance	(1,109,978)	(14,978)	(1,338,787)	(312,089)	1,026,698	-76.7%
Restricted Fund Balance	642,191	628,489	623,230	623,230	-	0.0%
Unrestricted Fund Balance	4,921,006	4,919,730	3,586,202	3,274,113	(312,089)	-8.7%
Ending Fund Balance	\$ 5,563,197	\$ 5,548,219	\$ 4,209,432	\$ 3,897,343	\$ (312,089)	-7.4%
Expenditures by Department:						
Executive & Legislative	\$ 150,402	\$ 302,539	\$ 277,270	\$ 221,669	\$ (55,601)	-20.1%
Finance	20,000	20,000	20,000	6,981	(13,019)	-65.1%
Parks & Recreation	134,684	158,350	139,576	129,815	(9,761)	-7.0%
Public Works	633,392	730,822	818,545	778,928	(39,617)	-4.8%
Police	629,732	323,470	277,983	271,852	(6,131)	-2.2%
Fire	29,558	29,067	45,500	-	(45,500)	-100.0%
Non-Departmental	4,095,804	9,011,037	2,929,227	2,168,114	(761,113)	-26.0%
Total Expenditures	\$ 5,693,572	\$10,575,285	\$ 4,508,101	\$ 3,577,359	\$ (930,742)	-20.6%
Expenditures by Fund:						
Convention Development	\$ 150,402	\$ 302,539	\$ 277,270	\$ 221,669	\$ (55,601)	-20.1%
Court Cost Training	40,054	50,680	60,400	60,400	-	0.0%
Local Option Gas Tax	633,392	730,822	818,545	778,928	(39,617)	-4.8%
Half-cent Infrastructure Surtax	1,186,530	1,082,858	971,734	986,797	15,063	1.6%
Community Develop. Block Grant	146,308	171,485	156,576	133,796	(22,780)	-14.5%
Radio Communication	29,558	29,067	45,500	-	(45,500)	-100.0%
Justice Assistance Grant	139,860	96,548	91,654	85,393	(6,261)	-6.8%
Tree Protection	8,376	6,865	3,000	3,000	-	0.0%
Law Enforcement Trust Fund	136,322	72,977	60,929	60,059	(870)	-1.4%
Equitable Sharing Fund	313,496	103,265	65,000	66,000	1,000	1.5%
1/2 Cent Sales Surtax Debt Service	1,064,594	7,538,928	980,993	990,797	9,804	1.0%
Infrastructure Capital Projects	1,834,930	380,540	971,000	184,020	(786,980)	-81.0%
Beaches Park Project	14	19	2,500	3,500	1,000	40.0%
Dog Park Project	9,736	8,692	3,000	3,000	-	0.0%
Total Expenditures	\$ 5,693,572	\$10,575,285	\$ 4,508,101	\$ 3,577,359	\$ (930,742)	-20.6%

**All Nonmajor Enterprise Funds
Combined Summary of Revenues and Expenditures**

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted Fund Balance	\$ 9,152,456	\$ 8,748,519	\$ 10,602,900	\$ 10,048,236	\$ (554,664)	-5.2%
Restricted Fund Balance	1,022,886	1,209,260	-	-	-	0.0%
Beginning Fund Balance	10,175,342	9,957,779	10,602,900	10,048,236	(554,664)	-5.2%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	6,692,616	7,292,136	8,348,659	7,887,234	(461,425)	-5.5%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	666,218	726,084	650,421	700,177	49,756	7.6%
Transfers in	1,210,000	-	-	-	-	0.0%
Total Revenues	8,568,834	8,018,220	8,999,080	8,587,411	(411,669)	-4.6%
Other Financing Sources	93,002	220,261				
Expenditures						
Personal Services	1,033,263	1,042,387	1,084,802	1,088,756	3,954	0.4%
Operating-Natural Gas	657,616	865,145	1,562,832	1,331,659	(231,173)	-14.8%
Operating-All Other	4,426,359	4,476,640	5,014,860	4,950,694	(64,166)	-1.3%
Capital Outlay	2,039,451	426,458	781,250	1,125,438	344,188	44.1%
Debt Service-Principal	437,928	-	-	-	-	0.0%
Debt Service-Interest & Other	13,306	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	242,600	260,000	1,110,000	260,000	(850,000)	-76.6%
Total Expenditures	8,850,523	7,070,630	9,553,744	8,756,547	(797,197)	-8.3%
Other Financing Uses	28,876	522,730				
Change in Fund Balance	(217,563)	645,121	(554,664)	(169,136)	385,528	-69.5%
Unrestricted Fund Balance	8,748,519	10,602,900	10,048,236	9,879,100	(169,136)	-1.7%
Restricted Fund Balance	1,209,260	-	-	-	-	0.0%
Ending Fund Balance	\$ 9,957,779	\$ 10,602,900	\$ 10,048,236	\$ 9,879,100	\$ (169,136)	-1.7%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	409,169	425,402	1,316,046	463,093	(852,953)	-64.8%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,476,944	1,400,158	1,379,468	1,356,803	(22,665)	-1.6%
Public Works	4,539,839	3,946,785	4,818,922	4,991,310	172,388	3.6%
Police	-	7,619	15,000	15,000	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	2,424,571	1,290,666	2,024,308	1,930,341	(93,967)	-4.6%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 8,850,523	\$ 7,070,630	\$ 9,553,744	\$ 8,756,547	\$ (797,197)	-8.3%
Expenditures by Fund:						
Natural Gas Fund	\$ 2,373,436	\$ 1,236,369	\$ 1,953,268	\$ 1,853,558	\$ (99,710)	-5.1%
Stormwater Fund	1,567,070	733,943	1,434,322	1,444,455	10,133	0.7%
Sanitation Fund	2,972,769	3,212,842	3,384,600	3,546,855	162,255	4.8%
Golf Course Fund	1,476,944	1,400,158	1,379,468	1,356,803	(22,665)	-1.6%
Lease Facilities Fund	460,304	487,318	1,402,086	554,876	(847,210)	-60.4%
Total Expenditures	\$ 8,850,523	\$ 7,070,630	\$ 9,553,744	\$ 8,756,547	\$ (797,197)	-8.3%

**All Internal Service Funds
Combined Summary of Revenues and Expenses**

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 2,800,460	\$ 3,545,641	\$ 3,777,746	\$ 3,640,137	\$ (137,609)	-3.6%
<u>REVENUES</u>						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	10,862,103	10,144,036	11,306,211	11,397,341	91,130	0.8%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	33,638	54,099	27,500	20,000	(7,500)	-27.3%
Transfers in	-	12,500	-	-	-	0.0%
Total Revenues	10,895,741	10,210,635	11,333,711	11,417,341	83,630	0.7%
Other Financing Sources	961,237	25,649				
<u>EXPENDITURES</u>						
Personal Services	3,798,673	3,625,108	3,946,196	3,954,797	8,601	0.2%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	7,069,932	5,846,875	7,454,724	7,602,073	147,349	2.0%
Capital Outlay	43,997	10,338	70,400	5,000	(65,400)	-92.9%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	10,912,602	9,482,321	11,471,320	11,561,870	90,550	0.8%
Other Financing Uses	199,195	521,858				
Change in Fund Balance	745,181	232,105	(137,609)	(144,529)	(6,920)	5.0%
Unrestricted/unassigned	\$3,545,641	\$3,777,746	\$3,640,137	\$3,495,608	\$ (144,529)	-4.0%
<u>Expenditures by Department:</u>						
Executive & Legislative	334,589	312,699	353,876	344,942	(\$8,934)	-2.5%
Finance	3,636,462	3,339,932	3,824,447	3,782,417	(42,030)	-1.1%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,055,295	1,026,453	1,049,440	1,031,698	(17,742)	-1.7%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	24,492	27,646	30,213	-	(30,213)	-100.0%
Beaches Energy Services	1,707,250	1,652,894	1,918,778	1,808,733	(110,045)	-5.7%
Human Resources	4,154,514	3,122,697	4,294,566	4,594,080	299,514	7.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 10,912,602	\$ 9,482,321	\$ 11,471,320	\$ 11,561,870	\$ 90,550	0.8%
<u>EXPENDITURES BY FUND:</u>						
City Manager	334,589	312,699	353,876	344,942	\$ (8,934)	-2.5%
Finance	3,636,462	3,339,932	3,824,447	3,782,417	(42,030)	-1.1%
Human Resources	557,167	517,389	545,623	546,650	1,027	0.2%
Fleet Maintenance	519,202	561,965	582,340	578,492	(3,848)	-0.7%
Meter Services	778,945	729,054	881,595	833,970	(47,625)	-5.4%
Radio System	24,492	27,646	30,213	-	(30,213)	-100.0%
Operations & Maintenance Facility	409,103	361,875	454,843	396,271	(58,572)	-12.9%
Grounds Maintenance	1,055,295	1,026,453	1,049,440	1,031,698	(17,742)	-1.7%
Insurance & Risk Retention	3,597,347	2,605,308	3,748,943	4,047,430	298,487	8.0%
Total Expenditures	\$ 10,912,602	\$ 9,482,321	\$ 11,471,320	\$ 11,561,870	\$ 90,550	0.8%

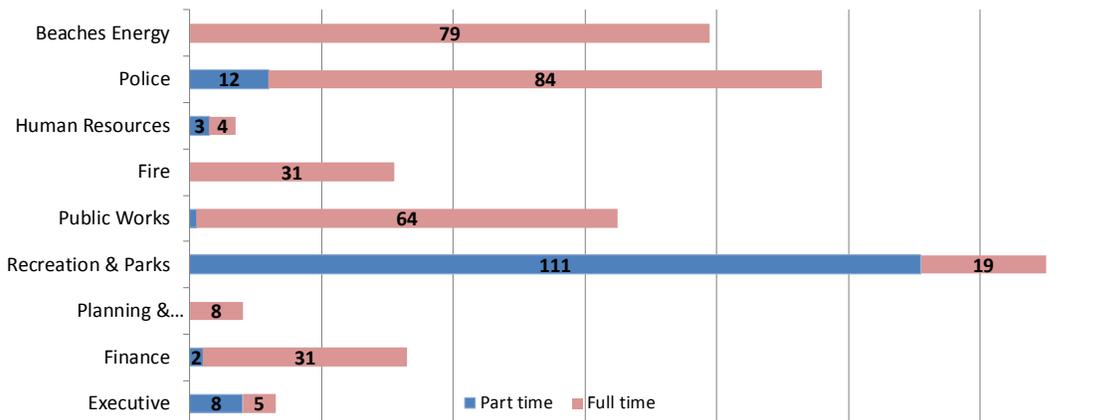
All Pension Funds
Combined Summary of Revenues and Expenses

	Actual 2011	Actual 2012	Original Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
Restricted Fund Balance	\$ 61,155,748	\$ 59,632,198	\$ 68,063,853	\$ 69,554,971	\$ 1,491,118	2.2%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	3,611,358	13,678,675	8,721,023	10,001,841	1,280,818	14.7%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	3,611,358	13,678,675	8,721,023	10,001,841	1,280,818	14.7%
Other Financing Sources	53,415	91,679				
Expenditures						
Personal Services	40,639	50,921	56,540	60,574	4,034	7.1%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	5,147,684	5,287,778	7,173,365	5,874,965	(1,298,400)	(0)
Capital Outlay	-	-	-	-	-	0.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	5,188,323	5,338,699	7,229,905	5,935,539	(1,294,366)	-17.9%
Other Financing Uses	-	-				
Change in Fund Balance	(1,523,550)	8,431,655	1,491,118	4,066,302	2,575,184	172.7%
Restricted Fund Balance	\$ 59,632,198	\$ 68,063,853	\$ 69,554,971	\$ 73,621,273	\$ 4,066,302	5.8%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	-	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	5,188,322	5,338,699	7,229,905	5,935,539	(1,294,367)	-17.9%
Total Expenditures	\$ 5,188,322	\$ 5,338,699	\$ 7,229,905	\$ 5,935,539	\$ (1,294,367)	-17.9%
Expenditures by Fund:						
Pension Fund-General	\$ 3,039,651	\$ 3,301,314	\$ 4,672,627	\$ 3,474,456	\$ (1,198,171)	-25.6%
Pension Fund-Police	1,342,234	1,255,794	1,486,284	1,492,649	6,365	0.4%
Pension Fund-Fire	806,437	781,591	1,070,994	968,434	(102,560)	-9.6%
Total Expenditures	\$ 5,188,322	\$ 5,338,699	\$ 7,229,905	\$ 5,935,539	\$ (1,294,367)	-17.9%

**City of Jacksonville Beach
Four Year Summary of Authorized Positions by Department**

	Actual	Actual	Actual	Budget 2014			FTEs	Payroll Budget
	2011	2012	2013	Part time	Full time	Total		
Executive								
City Council	7	7	7	7	0	7	0.0	\$138,237
City Manager	3	2	2	0	2	2	2.0	269,681
City Clerk	5	5	4	1	3	4	3.2	214,200
	15	14	13	8	5	13	5.2	622,118
Finance								
Accounting	8	8	8	1	7	8	7.4	653,983
Utility Billing	17	17	17	1	16	17	15.6	823,435
Data Processing	5	5	5	0	5	5	5.0	470,921
Purchasing Admin.	3	3	3	0	3	3	3.0	190,200
Lease Facilities (Tech.)	0	0	0	0	0	0	1.2	32,038
	33	33	33	2	31	33	32.2	2,170,577
Planning & Development								
Planning and Development	2	2	2	0	2	2	1.2	116,078
Building Inspection	4	4	4	0	4	4	3.5	244,621
Code Enforcement	2	2	2	0	2	2	1.9	113,452
Redevelopment	0	0	0	0	0	0	1.4	116,634
	8	8	8	0	8	8	8.0	590,785
Recreation & Parks								
Administration	5	5	5	3	2	5	4.8	362,486
Ocean Rescue	87	87	87	86	1	87	14.5	458,083
Tennis	4	4	3	2	1	3	1.5	74,581
Carver Center	3	3	3	2	1	3	2.0	83,640
Special Events	0	0	0	0	0	0	0.0	0
Golf Course	27	26	26	18	7	25	15.4	660,763
Grounds Maintenance	9	8	8	0	7	7	7.0	462,812
	135	133	132	111	19	130	45.2	2,102,365
Public Works								
Administration	4	4	4	0	4	4	1.4	104,087
Water Plant	13	13	13	0	13	13	13.3	882,051
Pollution Control Plant	15	15	15	0	15	15	14.9	1,001,041
Distribution and Collection	14	14	14	0	14	14	14.3	861,454
Stormwater	0	0	0	0	0	0	2.2	178,807
Sanitation	1	2	2	0	2	2	2.9	217,148
Street Maintenance	17	16	16	0	16	16	14.7	895,269
Local Option Gas Tax	1	1	1	1	0	1	0.8	45,927
	65	65	65	1	64	65	64.4	4,185,784

Employees by Department



**City of Jacksonville Beach
Four Year Summary of Positions Authorized by Department**

	Actual 2011	Actual 2012	Actual 2013	Budget 2014			FTEs	Payroll Budget
				Part time	Full time	Total		
Police								
Administration	4	4	4	0	4	4	4.0	491,296
Records	4	4	4	1	3	4	3.5	160,100
Investigations	15	14	14	0	14	14	14.0	1,296,950
Patrol	40	40	40	0	40	40	40.0	3,485,020
Communications	11	11	11	0	11	11	11.0	736,731
Ancillary	15	16	16	10	6	16	9.2	510,108
Part-time Officers	0	0	0	0	0	0	1.2	88,646
Parking	0	1	1	0	1	1	1.0	137,055
Downtown Policing	4	4	4	0	5	5	4.0	553,251
Law Enforcement Trust Fund	1	1	1	1	0	1	0.5	14,559
	94	95	95	12	84	96	88.4	7,473,716
Beaches Energy								
Administration	5	5	4	0	4	4	4.0	374,435
Engineering	8	8	8	0	8	8	8.0	774,367
Relay & Substations	5	6	6	0	6	6	6.0	454,956
Construct. & Maint.	34	34	34	0	32	32	32.0	3,015,413
System Operations	9	10	10	0	10	10	10.0	900,355
Storeroom	3	3	3	0	3	3	3.0	191,780
Conservation & Renewables	0	0	0	0	0	0	1.0	59,697
Meter Services	12	12	12	0	12	12	12.0	639,012
	76	78	77	0	75	75	76.0	6,410,015
<u>Central Services Division:</u>								
Building Maintenance	3	3	3	0	3	3	3.0	219,252
O & M Facility	1	1	1	0	1	1	1.0	56,392
	4	4	4	0	4	4	4.0	275,644
	80	82	81	0	79	79	80.0	6,685,659
Fire								
Fire / Rescue, Safety Services	31	31	31	0	31	31	40.6	3,181,521
Human Resources								
Personnel Administration	7	8	7	3	4	7	5.6	372,176
Insurance	0	0	0	0	0	0	0.4	16,184
	7	8	7	3	4	7	6.0	388,360
Pension Funds	0	0	0	0	0	0	0.6	60,572
Total Authorized Positions	468	469	465	137	325	462	371	\$27,461,462

Denotes divisions operating in the General Fund

Reconciliation of Changes in Authorized Positions

	Part-time	Full-time	Total
Total Authorized Positions FY2013	138	327	465
Eliminate equipment mechanic (golf maintenance)		-1	-1
Eliminate equipment operator (grounds maintenance)		-1	-1
Change maintenance worker from part-time to full-time	-1	1	0
Add one corporal to Downtown CAPE		1	1
Electric safety and training (BES)		-1	-1
Line truck operator (BES)		-1	-1
Total Authorized Positions FY2014	137	325	462
Change in positions since 2008	-1	-29	-30

**Capital Outlay Detail by Department
Fiscal Year 2014**

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
Executive & Legislative					
Non-Departmental					
General Capital Projects					
Rebuild bulkhead at Golf Course hole #14	100,000				100,000
Annual computer replacement plan				99,447	99,447
IT Master Plan-replace blade center & Police Department server				440,000	440,000
Replace SCBAs (self-contained breathing apparatus)		175,000			175,000
Road & infrastructure improvements-10th Street South Commercial District	91,609				91,609
1/2-cent Infrastructure Surtax Bond Proceeds (BJB) Bus Stops	99,020				99,020
Install sidewalk and replace fencing at Paws Park	85,000				85,000
Total Non-Departmental	375,629	175,000	-	539,447	1,090,076
Planning & Development					
Building Inspection					
Replace 1998 Mercury Sable			20,000		20,000
Downtown Redevelopment					
Road & infrastructure improvements-Downtown phase 3B construction	1,000,000				1,000,000
Water distribution improvements phase B	300,000				300,000
Southend Redevelopment					
Road & infrastructure improvements (including reuse, landscaping, irrigation and stormwater)	2,956,608				2,956,608
Total Planning & Development	4,256,608	-	20,000	-	4,276,608
Beaches Energy Services					
Administration					
Wi-fi canopy coverage				50,000	50,000
Construction & Maintenance					
Bushhog platform		8,500			8,500
Composite mats		24,000			24,000
Replace 2003 1-ton utility truck			35,000		35,000
Replace 2002 4x4 aerial bucket truck			180,000		180,000
Capital Improvements					
Projects for System Growth/Maintenance	1,350,000				1,350,000
Major Replacement Projects	3,380,000				3,380,000
System Operations					
Training program-design and simulator		74,500			74,500
Outage management system		35,000			35,000
Transmission					
Substation 138kV circuit breaker replacements	380,000				380,000
Relay test set		70,000			70,000
Cyber-security	150,000				150,000
Transmission line hardware renewal & replacement	50,000				50,000
Total Electric Fund	5,310,000	212,000	215,000	50,000	5,787,000
Natural Gas					
Natural Gas Distribution System	200,000				200,000
Meter Services					
					-
Fleet Maintenance					
Shop equipment contingency		5,000			5,000
Total Beaches Energy Services	5,510,000	217,000	215,000	50,000	5,992,000

**Capital Outlay Detail by Department
Fiscal Year 2014**

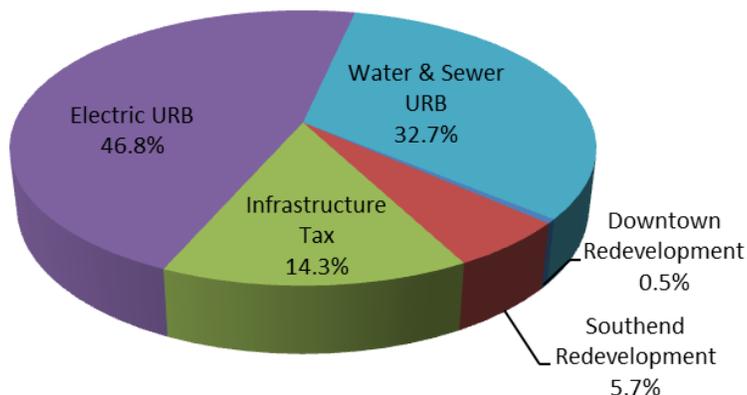
	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
<u>Parks and Recreation</u>					
Ocean Rescue					
Kabota Truckster			12,000		12,000
Replace 4 x 4 pickup truck			22,000		22,000
Golf Course					
Triplex riding Greens Mower		27,000			27,000
Walking Greens Mower		10,000			10,000
Total Parks & Recreation	-	37,000	34,000	-	71,000
<u>Police</u>					
Administration					
Replace unmarked vehicle			25,000		25,000
Patrol					
Replace patrol vehicles			150,000		150,000
Justice Assistance Grant					
Equipment purchases		14,588			14,588
Total Police	-	14,588	175,000	-	189,588
<u>Public Works</u>					
Streets					
Replace 2001 Dodge 1500 pickup truck			22,000		22,000
Distribution and Collection					
Replace 2004 Ford F250 3/4-ton truck w/utility body			27,000		27,000
Water distribution improvements	1,191,000				1,191,000
Sewer collection improvements	66,000				66,000
Road & infrastructure improvements-10th Street South Commercial District	73,270				73,270
Pollution Control					
Rehab sewer lift stations-construct #7	348,150				348,150
Actuators, soft starts and variable frequency drives	30,000				30,000
Wastewater treatment facility improvements (sludge digesters)	360,000				360,000
Water Plant					
Raw water (well) flow meter upgrade	33,000				33,000
Replace 1999 Dodge 3/4-ton pickup truck			29,155		29,155
Total Water & Sewer	2,101,420	-	56,155	-	2,157,575
Stormwater					
Ocean Forest	573,000				573,000
Penman Road	73,100				73,100
Road & infrastructure improvements-10th Street South Commercial District	42,338				42,338
Total Stormwater	688,438	-	-	-	688,438
Sanitation					
Replace street sweeper			200,000		200,000
Total Public Works	2,789,858	-	278,155	-	3,068,013
Total Projects Funded:	\$ 12,932,095	\$ 443,588	\$ 722,155	\$ 589,447	\$ 14,687,285

Debt Service and Capital Projects

Like other municipal governments, the City of Jacksonville Beach periodically uses debt financing to construct improvements that will provide services or benefits for many years. Debt financing allows the City to construct improvements when the need arises rather than delaying the projects until it has accumulated adequate revenue. By using debt financing, the City will more fairly distribute the costs of the improvements to the users of those improvements over the expected life of both the improvements and the debt.

In addition to debt financing, communities may choose to use *pay-as-you-go* financing and public-private ventures. Determining the appropriate combination of financing techniques to meet the City's needs is an on-going challenge for decision makers.

Outstanding Debt: 9-30-2013



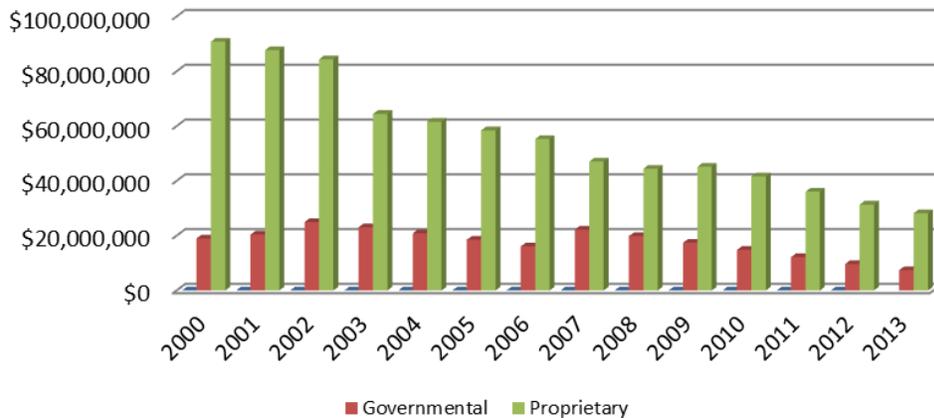
Jacksonville Beach's debt policy since 1995 has been to minimize the need for future debt through long-term planning and capital budgeting. Consistent with this policy, the City established and maintains capital projects funds whose purpose is to accumulate funds to pay for expenditures on governmental capital projects, including major equipment purchases, major repairs and renovations. Funds are accumulated through a series of annual transfers into the fund until a sufficient balance is accumulated to pay for budgeted items or projects. In addition, pay-as-you-go financing is the preferred financing method and is used where possible.

Authority to borrow funds is granted to municipalities in the Florida Statutes. There are no plans to issue additional debt in the near future. Issuance of general obligation bonds requires an affirmative vote of the municipality's electorate; the City has no outstanding general obligation debt. Neither City Charter/Code nor Florida Statutes limit the amount of debt the City can issue.

Explanations for budgeted capital projects, their expected or committed funding source and the expected purchase or construction year are included in the City's five-year Capital Improvement Plan (CIP).

The City continues to refinance existing debt and pay down principal when it is economically advantageous. As a result, the outstanding debt balance and interest expenditures on both governmental and proprietary debt have decreased by more than half since 2002.

Outstanding Debt History



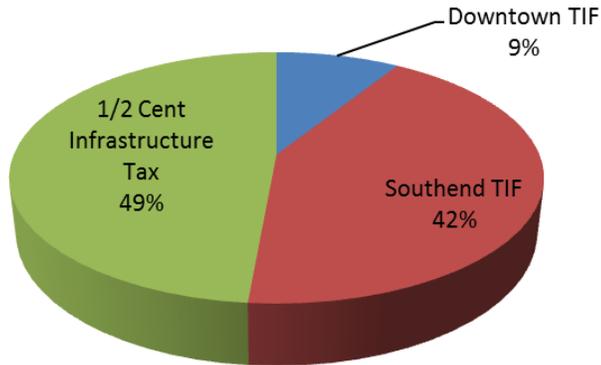
	2008	2009	2010	2011	2012	2013
Principal paid	\$5,677,694	\$5,889,227	\$6,107,244	\$6,388,082	\$6,275,715	\$5,613,580
Interest paid	\$3,512,299	\$3,269,817	\$3,035,024	\$2,154,907	\$1,566,742	\$1,230,576
Outstanding Debt	\$64,227,168	\$62,507,765	\$56,400,520	\$48,177,439	\$40,992,022	\$35,583,927

Governmental Debt and Major Capital Projects

Governments frequently incur long-term debt that they intend to repay from the financial resources of the general government rather than from those of proprietary funds. The City of Jacksonville Beach has pledged its ½ Cent Infrastructure Tax, Downtown Tax Increment and South End Tax Increment to pay principal and interest on the related long-term debt used for governmental purposes.

ALL OUTSTANDING GOVERNMENTAL BONDS				
	Interest Rate	Year of Maturity	Original Issue	Outstanding
2003 Downtown	3.28%	2014	\$1,697,411	\$177,825
2003B&C Downtown	3.05%	2013	\$3,892,515	\$0
2003 Southend (AMT)	4.53%	2016	\$1,543,022	\$441,116
2003-1 Southend	3.83%	2016	\$4,986,347	\$1,422,329
2003-2 Southend	3.70%	2014	\$1,698,749	\$191,875
2012 Infrastructure	1.73%	2019	\$6,495,000	\$5,185,000
Total Governmental Bonds				\$7,418,145

Funding Sources: Governmental Debt



2012 1/2 Cent Infrastructure Surtax Revenue Bonds

Debt proceeds totaling \$10,000,000 were borrowed in 2007 to partially fund the planned upgrades for the waste treatment plant required to meet the federally mandated nutrient allocation requirements for the St. Johns River (total maximum daily load, or TMDL). The project, budgeted at over \$21 million, used about \$4.9 million of the bond proceeds in combination with St. Johns River Water Management District and State grants (\$11 million) and redevelopment funds (\$5.5 million). This combination of funds enabled the City to pay for these mandated improvements to its wastewater treatment system without having to increase sewer rates due to the project's cost. Without the grants, if the City had to finance the project, water and sewer customers could have faced sewer rate increases of \$6-\$8 per month for the next 20-30 years to pay debt service.

DEBT SERVICE REQUIREMENTS: 1/2 Cent Infrastructure Surtax Revenue Bonds			
	Principal	Interest	Total
2014	900,000	85,797	985,797
2015	925,000	70,140	995,140
2016	935,000	54,146	989,146
2017	955,000	37,804	992,804
2018	980,000	21,224	1,001,224
2019	490,000	4,227	494,227
Total	\$5,185,000	\$273,338	\$5,458,338

About \$700,000 of the Infrastructure Surtax debt was used to pay for the City's portion of the 9th Street South Improvement Project, with the bulk of the economic stimulus funding coming through the Florida Department of Transportation (\$5.1 million). A separate portion of the 9th Street Project was funded by the Community Redevelopment Agency. The project dramatically improved road condition, appearance and drainage along the City's alternate north/south corridor.

Projects previously funded include the 11th Street North rebuild project, Wingate Park parking

and road improvements, construction of school sidewalks and a new cart storage facility for the Golf Course. The debt service is reported in the Executive and Legislative section of this document.

Community Redevelopment Bonds

The City of Jacksonville Beach has two areas designated as Community Redevelopment Areas under Chapter 163, Florida Statutes. The statute specifically grants cities the power to issue redevelopment revenue bonds to finance community redevelopment projects.

The Downtown and South Beach redevelopment districts have benefited from the funding provided by redevelopment bonds. Downtown, the primary focus of projects continues to be the rebuilding and improvement of infrastructure. In 1994, a \$7.4 million infrastructure improvement project replaced the public water, sewer, storm drainage and electric systems in a fifteen square block area of the central city. This project was the catalyst for many other projects, both public and private. Also downtown, an amphitheatre, parking facility and public plaza were completed in 2001.

Land for an Oceanfront Park was purchased in 2001 and the completed park was dedicated in 2003. Aided by a grant from the State of Florida, the City has built dune walkovers to preserve the dunes and prevent beach erosion. A new oceanfront parking lot was completed following the construction of a new Pier by the City of Jacksonville in 2004. The 4th Avenue South Streetscape Improvement Project was completed in 2008.

Projects recently completed include the 2nd Street North Drainage Project and the A1A Improvements project (medians, landscaping and signal relocation). The second phase of the Downtown Vision Plan was completed last year. Construction of phase IIIA of the Downtown Visioning Project is nearing completion. Phases IIIB, C and D are currently being designed. Completion of these projects will make downtown more attractive for commercial activity.

South Beach redevelopment activities to date include five major public-private projects: Riptide, South Beach Regional Shopping Center, South Beach Parkway Shopping Center, Ocean Cay and the South Beach Mixed Use Development. Paradise Key was completed early in FY2007. In addition to these projects, numerous public infrastructure projects supporting the redevelopment activity in the district have been constructed. A second fire station adjacent to the South Beach Park was completed in 2005.

A new Community Center was completed in late 2007. Improvements to South Beach Park, consisting of a practice field, restroom facility and volleyball facility were constructed in 2008. An engineering study has identified priority infrastructure projects that will be engineered starting in 2010. A water feature at South Beach Park and improvements to the park's play structure, Sunshine Park were completed in 2011. The Agency provided funding for improvements to the section of 9th Street that runs through the tax increment district. The South Beach Infrastructure Project is currently being designed.

Payment of debt service is funded by pledged tax increment funds (TIF). These revenues are calculated as 95% of the difference between ad valorem taxes levied in a given year on taxable

real property within the redevelopment area and the amount of ad valorem taxes which would have been levied on the same property in the year prior to its designation as a redevelopment area. Maturity dates for these bonds range between 2011 and 2019. Debt service is shown in the Community Redevelopment Program reported in the Planning and Development Department's section of the budget.

DEBT SERVICE REQUIREMENTS: Redevelopment Bonds						
	Downtown		Southend		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$177,825	\$4,382	\$787,640	\$73,892	\$965,465	\$78,274
2014	0	0	620,799	44,510	620,799	44,510
2015	0	0	646,881	19,479	646,881	19,479
2016	0	0	0	0	0	0
2017	0	0	0	0	0	0
	\$177,825	\$4,382	\$2,055,320	\$137,881	\$2,233,145	\$142,263

Capital Projects in Governmental Funds

A brief discussion of budgeted projects and purchases in other capital projects funds can be found in the Executive and Legislative section of this book. A summary of the funds follows:

Capital Projects Fund	Sources	Uses	2014 Budget
General	Transfers from operating funds; grants; interest	Major repairs and replacements.	\$1,061,056
½ Cent Infrastructure Surtax	Receipts from 1/2-Cent Infrastructure Surtax	Debt service payments on bonds; new roads and sidewalks (when funds are available).	\$986,797
½ Cent Infrastructure Surtax Bond Proceeds	Bond proceeds; interest	Governed by interlocal agreement; pays for projects to improve public facilities, roads, infrastructure, environment, quality of life and economic development.	\$184,020
Sunshine Park	Donations, proceeds from community fundraisers	Maintenance of large play structure in South Beach Park	\$3,500
Paws Dog Park	Donations, proceeds from community fundraisers	Small maintenance projects and purchase of supplies for the park	\$3,000
			\$2,238,373

Proprietary Debt

Proprietary debt includes debt that has been issued by operations that are accounted for in enterprise or internal service funds. Such operations are financed and operated in a manner similar to private business enterprises - the costs of providing goods and services to the public on a continuing basis are financed or recovered primarily through user charges. The City operates Beaches Energy Services (electric and natural gas), a Water & Sewer Utility and a Stormwater Utility, any of which may choose issue bonds to fund major system improvements.

Historically, Beaches Energy Services and the Water & Sewer Utility have issued bonds as a combined entity and therefore, their outstanding utility revenue bonds contain a pledge of the combined water and sewer system and electric system revenues. The debt obligation is allocated to the Electric and Water & Sewer funds based on the distribution of debt proceeds to each utility. Stormwater debt was paid off in 2012. There are no plans to issue additional debt at this time. Each of the proprietary debt issues is accounted for in the operating fund of the obligated enterprise.

2010 Utility Revenue Bonds

The City refinanced the 2002 Utility Revenue Bonds in late 2010 to take advantage of historic low interest rates. The refinancing is expected to save the City between \$280,000 and \$320,000 over the life of the bonds. The bonds were issued with pledged revenues of the combined Electric and Water & Sewer utilities to defease and refinance previous debt issues. Proceeds from the previous issues were used to construct major system additions and improvements including a 17-mile electric transmission line, improvements to the electric system, new water treatment plant and well field, additional water transmission mains and refurbished wastewater pumping stations and sewer mains. The debt matures in 2021. Each of the two utilities operates as a major fund for financial statement purposes.

DEBT SERVICE REQUIREMENTS: 2010 Utility Revenue Bonds						
	Electric		Water & Sewer		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	2,037,940	569,320	1,422,060	397,268	3,460,000	966,588
2015	2,093,895	512,982	1,461,105	357,955	3,555,000	870,937
2016	2,167,520	439,151	1,512,480	306,437	3,680,000	745,588
2017	2,238,200	373,831	1,561,800	260,857	3,800,000	634,688
2018	2,311,825	293,451	1,613,175	204,768	3,925,000	498,219
2019	2,391,340	216,119	1,668,660	150,806	4,060,000	366,925
2020	2,479,690	125,516	1,730,310	87,584	4,210,000	213,100
2021	1,266,350	25,327	883,650	17,673	2,150,000	43,000
	\$16,986,760	\$2,555,697	\$11,853,240	\$1,783,348	\$28,840,000	\$4,339,045

2003 Stormwater Revenue Bonds

These bonds refinanced debt previously issued to fund improvements to the City's stormwater system including a stormwater drainage collection system and pump system. The bonds were

paid off on October 1, 2011, freeing about \$450,000 per year to use for improvements to the system.

The City's outstanding proprietary debt at September 30, 2012 is:

OUTSTANDING PROPRIETARY BONDS			
	Year of Maturity	Original Issue	Outstanding
2012 Utility Revenue Bonds – varies 2.0-4.0%	2020	\$37,285,000	\$28,840,000
Total Proprietary Bonds			<u>\$28,840,000</u>

Debt service requirements to maturity on all of the City's bonds at September 30, 2012 are as follows:

DEBT SERVICE REQUIREMENTS TO MATURITY						
	Governmental		Proprietary		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$1,865,465	\$164,071	\$3,460,000	\$966,588	\$5,325,465	\$1,130,659
2015	1,545,799	114,650	\$3,555,000	\$870,937	5,100,799	985,587
2016	1,581,881	73,625	\$3,680,000	\$745,588	5,261,881	819,213
2017	955,000	37,804	\$3,800,000	\$634,688	4,755,000	672,492
2018	980,000	21,224	\$3,925,000	\$498,219	4,905,000	519,443
2019	490,000	4,227	\$4,060,000	\$366,925	4,550,000	371,152
2020			\$4,210,000	\$213,100	4,210,000	213,100
2021			\$2,150,000	\$43,000	2,150,000	43,000
	\$7,418,145	\$415,601	\$28,840,000	\$4,339,045	\$36,258,145	\$4,754,648

Budgeted debt service for the current and next budget years is:

Summary of Budgeted Debt Payments								
	Principal	Interest & Other	FY2014 Total	% of total	Current Year Budget	Incr / (Decr)	% change	Date Paid Off
Sales Surtax (Better Jax Beach)	900,000	90,797	990,797	15.4%	980,993	9,804	1.0%	3/31/2019
DT Redevelopment	177,825	4,382	182,207	2.8%	633,539	(451,332)	-71.2%	9/30/2014
SE Redevelopment	787,640	78,892	866,532	13.4%	860,575	5,957	0.7%	9/30/2016
TOTAL GOVERNMENTAL	1,865,465	174,071	2,039,536	31.7%	2,475,107	(435,571)	-17.6%	
Electric	2,037,940	553,905	2,591,845	40.2%	2,589,400	2,445	0.1%	10/1/2020
Water & Sewer	1,422,060	389,533	1,811,593	28.1%	1,809,887	1,706	0.1%	10/1/2020
TOTAL PROPRIETARY	3,460,000	943,438	4,403,438	68.3%	4,399,287	4,151	0.1%	
TOTAL DEBT SERVICE	5,325,465	1,117,509	6,442,974	100.0%	6,874,394	(431,420)	-6.3%	

Transfers to/from Other Funds

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts related to debt in order to establish mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs or 4) move restricted special revenues to the fund from which the related expenditures will be paid.

Schedule of Transfers In and Transfers Out-FY2014 From:	To:				Total
	General Fund	Infrastructure Surtax Debt Svc.	General Capital Projects	Water & Sewer	
General Fund Deposits to reserves for fire truck replacement and street maintenance heavy equipment replacement			\$165,000		\$165,000
Convention Development Funding for special events and partial funding for maintenance of the Community Center	\$115,000				\$115,000
Local Option Gas Tax Partial funding for street maintenance	372,000				\$372,000
Half-cent Infrastructure Surtax Payment of principal and interest on bonds		\$986,797			\$986,797
Community Development Block Grant Funding for CAPE officer, Carver Center and utility assistance programs	126,815				\$126,815
JAG Grant Partial funding for overtime for task force	70,805				\$70,805
Beaches Energy Services Payment in lieu of taxes	3,608,401				\$3,608,401
Lease Facilities Funding for General Fund capital outlay	220,000		40,000		\$260,000
Equitable Sharing Partial funding for Police Department volunteer program costs					\$0
	\$4,513,021	\$986,797	\$205,000	\$0	\$5,704,818



Capital Improvement Plan: FY2014-2018

The Capital Improvement Plan (CIP) is a tentative, five-year outline of capital needs matched to the most likely funding source. It contains the requests of all departments for purchases of land, buildings, improvements, equipment and vehicles that are expected to cost at least \$25,000. In some cases, non-capital items are included in the CIP when the amount of the dollars requested are significant (greater than \$100,000), or are for major on-going programs (such as street resurfacing and sidewalk repair). The CIP includes five years of estimates as of the time the plan is adopted. This plan is revised on an annual basis to reflect the changing needs and resources of the City.

The benefits of having a five-year plan include:

- Advance identification of capital needs in order to arrange funding
- Promotion of priority setting in the decision making process
- Replacement of facilities and equipment according to an orderly plan
- Education of the City Council and the public as to upcoming capital needs

The development of the Capital Improvement Plan begins each year in late January when preliminary 5-year budget projections are prepared. Departments use the budget projections to determine the timing and affordability of projects in their 5-year capital improvement requests. In March, capital improvement requests are reviewed with each department by the City Manager. Budget projections are then revised to incorporate projects approved through this process and the projects are incorporated into each department's annual budget request.

Significant projects are discussed on the annual budget tour in late July / early August and the plan is included in the proposed budget considered for adoption by the City Council. The City's Capital Projects Team, consisting of the City Manager, Public Works Director, Planning & Development Director, Parks & Recreation Director, Finance Officer, City Engineer and Budget Officer meet monthly to monitor the progress of each ongoing project, identify possible future projects, and to resolve early any problems that may arise.

Capital Improvement Plan: FY2014-2018

When considering items for inclusion into the Capital Improvement Program, requested purchases are prioritized after answering the following questions:

1. Will it be needed to protect public health and safety, fulfill legal obligations, provide facilities and services, or achieve full use of existing facilities?
2. Will it increase efficiency of use of existing facilities, prevent or reduce the need for future capital outlay or promote development?
3. Will the project be necessary to maintain the current level of service or to aid in the implementation of any other policy set forth in the Comprehensive Plan?
4. Is the cost of the purchase reasonable in light of the questions above and will adequate funding be available at the time of purchase?

The following schedules are configured to show the annual and total costs of projects and the cost of capital items that have been identified for purchase in future years. Expenditures are summarized by department and descriptions of projects or purchases included in the plan follow each departmental summary. Although projects listed have a currently identified funding source, over the passage of time, the nature, amount and source of funding may change.

Summary by Department	Page 205
Beaches Energy Services	Page 206
Finance	Page 226
Police & Fire	Page 237
Parks & Recreation	Page 241
Public Works	Page 246

Capital Improvement Plan: FY2014-2018

CIP Summary, All Departments

Funding Sources:	2014	2015	2016	2017	2018	Total
Beaches Energy Services Operating Revenues	5,754,500	6,150,000	6,235,000	6,140,000	5,575,000	29,854,500
Convention Development Fund						0
Downtown Redevelopment Tax Increment Fund	1,300,000	2,750,000	2,750,000	2,750,000	0	9,550,000
General Capital Projects Fund	906,056	1,272,358	617,725	554,900	624,447	3,975,486
General Fund Operating Revenues	172,000	215,000	206,000	176,000	150,000	919,000
General Fund (Fire Department Donations Account)	0	14,500	5,700	5,700	5,700	31,600
Golf Course Fund	0	0	35,000	0	0	35,000
Grants						0
Grounds Maintenance Internal Service Charges	0	0	0	0	0	0
1/2 Cent Infrastructure Surtax	0	0	0	0	0	0
1/2 Cent Infrastructure Surtax Bond Proceeds	184,020	0	0	0	0	184,020
Lease Facilities Reserve	0	0	0	0	0	0
Local Option Gas Tax Revenues	360,000	360,000	134,451	0	0	854,451
Meter Division-Internal Service Charges	0	30,000	55,000	20,000	0	105,000
Natural Gas Fund	200,000	200,000	200,000	200,000	200,000	1,000,000
Sanitation Fund	200,000	0	0	0	0	200,000
Southend Redevelopment Tax Increment Fund	207,217	1,519,590	180,000	0	0	1,906,807
Stormwater Operating Revenues	783,438	1,038,476	311,500	374,500	385,000	2,892,914
Utility Billing Capital Projects Reserve	0	168,120	0	0	0	168,120
Water & Sewer Utility Operating Revenues	5,021,966	3,131,307	2,806,484	4,023,755	3,319,272	18,302,784
Total CIP Funding Sources - All Departments	\$15,089,197	\$16,849,351	\$13,536,860	\$14,244,855	\$10,259,419	\$69,979,682

Expenses:	2014	2015	2016	2017	2018	Total
Beaches Energy Services	\$5,904,500	\$6,130,000	\$6,070,000	\$6,110,000	\$5,525,000	\$29,739,500
Finance Department	589,447	630,278	973,425	375,600	355,147	2,923,897
Police & Fire Departments	325,000	511,902	180,000	150,000	150,000	1,316,902
Parks & Recreation Department	284,020	0	35,000	0	0	319,020
Public Works Department	7,986,230	9,577,171	6,278,435	7,609,255	4,229,272	35,680,363
Total CIP - All Departments	\$15,089,197	\$16,849,351	\$13,536,860	\$14,244,855	\$10,259,419	\$69,979,682

Capital Improvement Plan: FY2014-2018

Beaches Energy Services							
Funding Sources:		2014	2015	2016	2017	2018	Total
Beaches Energy Services Operating Revenues		\$5,704,500	\$5,900,000	\$5,815,000	\$5,890,000	\$5,325,000	\$28,634,500
Meter Division-Internal Service Charges		0	30,000	55,000	20,000	0	105,000
Natural Gas Fund		200,000	200,000	200,000	200,000	200,000	1,000,000
Total CIP Funding Sources		\$5,904,500	\$6,130,000	\$6,070,000	\$6,110,000	\$5,525,000	\$29,739,500
<hr/>							
Expenses:	Fund						
Engineering:							
Vehicle Replacement Program	410	0	0	0	20,000	40,000	60,000
		0	0	0	20,000	40,000	60,000
Relay / Substations:							
Vehicle Replacement Program	410	0	0	0	90,000	0	90,000
Substation 27kV Breaker Upgrades	410	0	300,000	300,000	300,000	300,000	1,200,000
		0	300,000	300,000	390,000	300,000	1,290,000
Construction & Maintenance:							
Vehicle Replacement Program	410	215,000	245,000	225,000	180,000	310,000	1,175,000
		215,000	245,000	225,000	180,000	310,000	1,175,000
Electric Capital Projects:							
Infrastructure to Support System Growth	410	1,350,000	1,300,000	1,200,000	1,200,000	1,200,000	6,250,000
Major Replacement Projects	410	3,380,000	3,400,000	3,450,000	3,500,000	3,250,000	16,980,000
		4,730,000	4,700,000	4,650,000	4,700,000	4,450,000	23,230,000
System Operations:							
Vehicle Replacement Program	410	0	0	0	0	15,000	15,000
Training Program Design & Simulator	410	74,500	25,000				99,500
Outage Management System	410	35,000	100,000	190,000			325,000
		109,500	125,000	190,000	0	15,000	439,500
Transmission:							
Substation 138kV Circuit Breaker Upgrades	410	380,000	380,000				760,000
Relay Test Set	410	70,000					70,000
Cyber Security	410	150,000	100,000	50,000	50,000	50,000	400,000
Substation 230 kV Circuit Breaker Upgrades	410			350,000	350,000		700,000
138kV Line 805 Relay and Wave Trap Upgrades	410				130,000		130,000
Existing 138kV Line 802 and 803 Relay and Tone Carrier Upgrades	410					110,000	110,000
Transmission Line Hardware Renewal & Replacement	410	50,000	50,000	50,000	50,000	50,000	250,000
		650,000	530,000	450,000	580,000	210,000	2,420,000
Conservation:							
Vehicle Replacement Program	410	0	0	0	20,000	0	20,000
Total CIP - Electric		5,704,500	5,900,000	5,815,000	5,890,000	5,325,000	28,634,500
Natural Gas Fund:							
Natural Gas Distribution System	411	200,000	200,000	200,000	200,000	200,000	1,000,000
Meter Division Internal Service Fund:							
Vehicle Replacement Program	541	0	30,000	55,000	20,000	0	105,000
Total CIP - Beaches Energy Services		\$5,904,500	\$6,130,000	\$6,070,000	\$6,110,000	\$5,525,000	\$29,739,500

Capital Improvement Plan: FY2014-2018

Project Title: Vehicle Replacement Program

Department/Division: Beaches Energy Services / All Divisions

Project Description and Reason Necessary: This is a program to replace vehicles due to annual operating expense, age, and condition.

Funding Source: Beaches Energy Services Operating Revenues

<u>Division (FY Replacement)</u>	<u>Truck#</u>	<u>Model Year</u>	<u>Description</u>	<u>Mileage/ hours 1/02/13</u>	<u>Estimated Replacement Cost</u>
C&M (2014)	214	2003	Utility One Ton Truck	88,437	\$35,000
C&M (2014)	218	2002	Aerial Bucket Truck 4x4	60,369/ 7,111	\$180,000
C&M (2015)	212	2005	Utility One Ton Truck	107,573	\$35,000
C&M (2015)	254	2003	Digger Derrick Truck	50,466/ 7,931	\$190,000
C&M (2015)	284	2008	Pickup	112,056	\$20,000
Meter (2015)	293	2001	Small Car	76,457	\$15,000
Meter (2015)	295	2001	Small Car	79,698	\$15,000
C&M (2016)	205	2005	Pickup 4x4	79,633	\$25,000
C&M (2016)	219	2005	Pickup	84,642	\$20,000
C&M (2016)	237	2003	Aerial Bucket Truck 4x4	70,043/ 6,273	\$180,000
Meter (2016)	294	2001	Small Car	76,094	\$15,000
Meter (2016)	247	2004	Pickup	77,311	\$20,000
Meter (2016)	287	2002	Pickup	68,002	\$20,000
Engineering (2017)	220	2002	Pickup	52,304	\$20,000
Relay (2017)	217	2006	Van	55,095	\$20,000
Relay (2017)	271	2004	Utility Truck	61,955	\$35,000
Relay (2017)	291	2005	Utility Truck	52,494	\$35,000
C&M (2017)	223	2006	Aerial Bucket Truck 4x4	39,602/ 4,373	\$180,000

Capital Improvement Plan: FY2014-2018

Conservation (2017)	208	2000	Pickup	56,011	\$20,000
Meter (2017)	280	2007	Pickup	72,463	\$20,000
Engineering (2018)	209	2004	Pickup	57,258	\$20,000
Engineering (2018)	210	2004	Pickup	40,440	\$20,000
C&M (2018)	229	1988	High Aerial Bucket Truck	60,380/ 1,944	\$250,000
C&M (2018)	265	2008	Pickup 4x4	67,376	\$25,000
C&M (2018)	277	2008	Utility Truck	48,684	\$35,000
System Operations	257	2000	Small Car	71,698	\$15,000
Total					\$1,465,000

Vehicle Replacement Summary:

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Engineering				\$20,000	\$40,000	\$60,000
Relay				\$90,000		\$90,000
Construction & Maintenance	\$215,000	\$245,000	\$225,000	\$180,000	\$310,000	\$1,175,000
System Operations					\$15,000	\$15,000
Conservation				\$20,000		\$20,000
Total Electric Fund	\$215,000	\$245,000	\$225,000	\$310,000	\$365,000	\$1,360,000
Total Meter Fund	\$0	\$30,000	\$55,000	\$20,000	\$0	\$105,000
Total	\$215,000	\$275,000	\$280,000	\$330,000	\$365,000	\$1,465,000

Capital Improvement Plan: FY2014-2018

Project Title: Substation 26kV Breaker and Relay Upgrades

Department/Division: Beaches Energy Services /Relay

Project Description and Reason Necessary:

Circuit breakers and relays are required to provide system protection at the distribution circuit level. The existing nineteen (19) 26kV circuit breakers are SF6 breakers that require a special interrupter located inside these units. The current interrupters can no longer be produced or rebuilt by the manufacturer. Currently three (3) spare interrupters are in inventory available for replacement until the breakers with associated relays will be replaced. The existing nineteen (19) circuit breakers with electro mechanical relays are over 20 years old and will be replaced with vacuum breakers and microprocessor relays as follows:

- FY 2015 Circuit Numbers Butler: 541, 540, 534, and 532
- FY 2016 Circuit Numbers Butler: 531, 5C1, 5C2, and 536
- FY 2017 Circuit Numbers Butler: 533 and 539 and Ft. Diego 518 and 517
- FY 2018 Circuit Numbers Ft. Diego: 514, 512, 511, and 509
- FY 2019 Circuit Numbers Ft. Diego: 508, 5C1, and 5C2

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Engineering and Testing		\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
26kV Circuit Breakers and Relays		\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000
Total	\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000

Capital Improvement Plan: FY2014-2018

Project Title: Infrastructure to Support System Growth and Maintenance

Department/Division: Beaches Energy Services / Capital Improvements

Project Description and Reason Necessary:

Transformers: Transformers necessary for replacement or expansions to facilities.

Streetlights (New and replacement materials): As of September 30, 2012 there were 5,433 rental and public streetlights located in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, and the Municipal Service District. Public streetlights total 2,045 and rental streetlights total 3,388.

Residential and Commercial Improvements: Materials for the installation of new or upgraded residential or commercial improvements.

Electric Meters: (New and replacement): Meters for residential and commercial customers.

Trouble Call and Miscellaneous: Materials such as wire, cable, poles, switchgear, enclosures, etc. necessary for the replacement of failed equipment or small capital improvements.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Transformers	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$2,750,000
Electric Meters	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000	\$300,000
Streetlights	\$350,000	\$350,000	\$250,000	\$250,000	\$250,000	\$1,450,000
Residential and Commercial	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Trouble Calls and Miscellaneous	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Total	\$1,350,000	\$1,300,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,250,000

Capital Improvement Plan: FY2014-2018

Project Title: Major Replacement Projects

Department/Division: Beaches Energy Services / Capital Improvements

Project Description and Reason Necessary: In order to provide reliable service to our customers, the Department annually assesses its capacity to sustain increased load requirements. The Department strives to maintain and upgrade its substations, transmission facilities, and distribution facilities.

Funding Source: Beaches Energy Services Operating Revenues.

2014

Overhead Line Rebuild A1A (St. Johns County) - \$480,000: Replace existing wood pole line with a 9,000 foot concrete pole line from Palm Valley Road to 1050 A1A North. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles and is the last phase of a three year project.

Underground Cable Replacement 2nd Street North (Jacksonville Beach) - \$300,000: Replace existing 350 KCM 26kV cable on 2nd Street North between 5th Avenue North and 17th Avenue North. This cable was installed in 1982, and has reached the end of its useful service life.

Underground Upgrade Ocean Forest (Jacksonville Beach) - \$250,000: Install new underground conduit and cable to create loop feeds. This project will enhance reliability by replacing direct buried cable that is at the end of its useful life.

Underground Feeder Upgrade Odom's Mill (St. John's County) - \$150,000: Upgrade the underground feeder in Odom's Mill subdivision. All direct connect taps will be removed from the main underground feeder and rerouted behind protective devices providing greater sectionalizing ability.

Underground Feeder Circuit 528 (St. John's County) - \$600,000: Complete a new underground feeder from Guana Substation to Mickler Road started in FY 2013. New 1000 kcm primary cable and switchgear will be installed. This project will serve a significant portion of Ponte Vedra Boulevard with a direct underground feeder from the Guana substation. This feeder will split heavily loaded circuit 512 out of Ft. Diego Substation.

2015

Overhead Line Rebuild Solana Road (St. Johns County) - \$250,000: Replace existing 2,600 feet of wood pole line with a concrete pole line from A1A to the transmission line easement. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

Capital Improvement Plan: FY2014-2018

Overhead Line Rebuild Canal Blvd. (St Johns County) - \$100,000: Replace existing 1,500 feet of wood pole line with a concrete pole line from Palm Valley Road to the Palmetto Landing. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

Circuit 501 Rebuild (Jacksonville Beach) - \$800,000 in FY 2015 and \$400,000 in FY 2016: Convert the existing overhead feeder starting at the Jacksonville Beach Substation, across the Jacksonville Beach Golf Course, and ending at 15th Street South into an underground feeder. This project will install new underground conduit, cable, manholes, switchgear and also replace wood poles with concrete. Replace existing 11,000 foot wood pole overhead line with concrete pole line starting at 15th Street South and Beach Boulevard and ending at Sanctuary Boulevard. This project is part of a storm hardening plan.

FY 2015 Convert overhead feeder to underground feeder across Jacksonville Beach Golf Course and replace existing 5,000 feet of wood pole line with a concrete pole line on 15th Street South from Beach Boulevard to Seabreeze Avenue.

FY 2016: Complete the remaining 6,000 feet of wood pole line with a concrete pole line from Seabreeze Avenue to Sanctuary Boulevard.

Underground Feeder Upgrade Plantation (St. Johns County) - \$300,000: Upgrade the underground feeder in Plantation subdivision. All direct connect taps will be removed from the main underground feeder and rerouted behind protective devices.

Underground Feeder Upgrade Marsh Landing (St. Johns County) - \$250,000 in FY2015, \$250,000 in FY 2016, \$250,000 in FY 2017 and \$250,000 in FY 2018: Upgrade the underground feeder in Marsh Landing due to the age of the cable. All direct connect taps will be removed from the main underground feeder and rerouted behind protective devices providing greater sectionalizing ability.

FY 2015 Harbour View Drive from Marsh Landing Parkway to Harbour Master Court.

FY 2016 Harbour View Drive from Harbour Master Ct. to the end of Harbour View Drive.

FY 2017 Marsh Landing Parkway from Ponte Vedra Lakes to Bridle Way.

FY 2018 Marsh Landing Parkway from Bridle Way to Merganser Drive.

2016

Overhead Line Rebuild Jacksonville Drive (Jacksonville Beach) - \$300,000: Replace existing 4,000 feet of wood pole line with a concrete pole line. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

Capital Improvement Plan: FY2014-2018

Underground 19th Street and Circuit 558 rebuild. (Jacksonville Beach) - \$250,000 in FY 2016 and \$250,000 in 2017: Replace existing 19th Street North overhead wood pole line between 2nd Avenue North and Azalea Drive to underground cable due to tree problems. The remaining project replaces the wood pole line with a concrete pole line beginning at Azalea Drive and ending at Lakeside Drive and Oakwood Road. This project is part of a storm hardening plan.

FY 2016 will underground 19th Street North from 2nd Avenue to Azalea Drive
FY 2017 will replace wood poles to concrete on Circuit 558

Overhead Line Rebuild (Roscoe Blvd.) - \$300,000 in FY 2016 and \$1,100,000 in FY 2017: Replace existing wood pole line with a concrete pole line. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

FY 2016 will rebuild 7,000 feet from Marsh Landing to Ft Diego Substation.
FY 2017 will rebuild 12,000 feet from Ft Diego Substation to Landrum Lane.

Underground Upgrade Seaside (St. Johns County) - \$200,000: Install new 1/0 primary cable and complete loop feeds in Seaside subdivision.

2017

Overhead Line Rebuild 10th Avenue S (Jacksonville Beach) - \$100,000: Replace existing 1,800 feet of wood pole line with a concrete pole line. This line runs on 10th Avenue South from 4th Street to 9th Street. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

2018

Overhead Line Rebuild Landrum Lane (St. Johns County) - \$350,000: Replace existing 4,000 feet of 26kV wood pole line with a 26kV concrete pole line. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

Overhead Line Rebuild Isabella Drive (Jacksonville Beach) - \$250,000: Replace existing 2,800 feet of wood pole line with a concrete pole line. This line runs on Isabella Drive from Osceola Avenue to Jacksonville Drive. This project is part of a storm hardening plan to install all overhead distribution feeders on concrete poles.

Capital Improvement Plan: FY2014-2018

Annual Projects

Storm Hardening Plan - \$50,000 in FY 2014, \$50,000 in FY 2015, \$50,000 in FY 2016, \$50,000 in FY 2017 and \$300,000 in FY 2018: Install concrete poles on all distribution overhead circuits to replace wood poles, convert existing overhead non-feeder rated circuits to underground, strengthen infrastructure for critical customers, replace existing hardware on overhead distribution structures that corrosion has compromised the integrity of the metal, and install fiberglass poles to replace existing wood poles that are not readily accessible from the street or pavement.

Cable Replacement Plan - \$750,000 in FY 2014, \$750,000 in FY 2015, \$750,000 in FY 2016, \$750,000 in FY 2017 and \$750,000 in FY 2018: Replace existing primary cable that has reached the end of service life. An underground circuit assessment has identified the age and condition of all primary cable. The cable is prioritized and will be changed out proactively. This will enhance the overall reliability of the electric system.

Distribution Renewal and Replacement Plan - \$50,000 in FY 2014, \$150,000 in FY 2015, \$200,000 in FY 2016, \$250,000 in FY 2017 and \$400,000 in FY 2018: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - \$200,000 in FY 2014, \$200,000 in FY 2015, \$200,000 in FY 2016, \$200,000 in FY 2017 and \$400,000 in FY 2018: Install remote controlled motor operated gang switches to improve sectionalizing of power lines and provide faster power restoration. The automated switches will provide data for voltage optimization.

2014/2015/2016/2017/2018 Switch Gear Replacement - \$300,000 each year: Replace existing “live front” or SF6 pad mounted switchgear at various locations throughout system with oil filled Vacuum Fault Interrupters (VFI). This project will create uniformity of all switchgear on the distribution system and eliminate the remaining “live front” terminals on the underground system. VFI units have more programming capabilities than fuses and will coordinate better with other protective devices increasing system reliability.

2014/2015/2016/2017/2018 -Unplanned Projects-\$250,000 each year: This budget provides the Department with the flexibility to address unscheduled major repair and replacement projects that arise each year.

Infrastructure to Support System Growth and Maintenance – Transformers, streetlights, residential and commercial improvements, electric meters, trouble call and miscellaneous. See page 8.

Capital Improvement Plan: FY2014-2018

	FY-2014	FY-2015	FY-2016	FY-2017	FY-2018	TOTAL
Storm Hardening Plan						
Overhead Line Rebuild (A1A - SJC)	480,000					480,000
Overhead Line Rebuild (Solana Rd)		250,000				250,000
Overhead Line (Canal Blvd.)		100,000				100,000
Circuit 501 Rebuild (15th Street S.)		800,000	400,000			1,200,000
Overhead Line Rebuild (Jacksonville Dr.)			300,000			300,000
Overhead Line Rebuild (19th St. and Circuit 558)			250,000	250,000		500,000
Overhead Line Rebuild (Roscoe Blvd.)			300,000	1,100,000		1,400,000
Overhead Line Rebuild (10th Ave. S.)				100,000		100,000
Overhead Line Rebuild (Landrum Ln)					350,000	350,000
Overhead Line Rebuild (Isabella Dr.)					250,000	250,000
Annual Minor Scheduled Storm Hardening Projects	50,000	50,000	50,000	50,000	300,000	500,000
Subtotal - Storm Hardening Plan	530,000	1,200,000	1,300,000	1,500,000	900,000	5,430,000
Cable Replacement Plan						
Underground Cable Upgrade (2nd St. North)	300,000					300,000
Underground Upgrade (Ocean Forest)	250,000					250,000
Underground Feeder Upgrade (Odom's Mill)	150,000					150,000
Underground Feeder Upgrade (Plantation)		300,000				300,000
Underground Feeder Upgrade (Marsh Landing)		250,000	250,000	250,000	250,000	1,000,000
Underground Upgrade (Seaside - SJC)			200,000			200,000
Annual Scheduled Cable Replacement Projects	750,000	750,000	750,000	750,000	750,000	3,750,000
Subtotal - Cable Replacement Plan	1,450,000	1,300,000	1,200,000	1,000,000	1,000,000	5,950,000
System Improvement Plan - Feeder (Circuit 528 – SJC)	600,000					600,000
Distribution Renewal and Replacement Plan	50,000	150,000	200,000	250,000	400,000	1,050,000
Distribution Automation Plan	200,000	200,000	200,000	200,000	400,000	1,200,000
Switchgear Replacement Program	300,000	300,000	300,000	300,000	300,000	1,500,000
Unplanned Projects	250,000	250,000	250,000	250,000	250,000	1,250,000
Major Replacement Projects	3,380,000	3,400,000	3,450,000	3,500,000	3,250,000	16,980,000
Infrastructure to Support System Growth & Maintenance	1,350,000	1,300,000	1,200,000	1,200,000	1,200,000	6,250,000
Total	4,730,000	4,700,000	4,650,000	4,700,000	4,450,000	23,230,000

Capital Improvement Plan: FY2014-2018

Project Title: System Operations Training Program Design and Simulator

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

North American Electric Reliability Corporation (NERC) Standard PER-005-1 “System Personnel Training” became effective April 1, 2013. This standard requires each company to develop company specific training for the Certified System Operators who have the primary responsibility, either directly or through communication with others, for the real-time operation of the interconnected North American Bulk Electric System. NERC requires that every company must use a systematic approach to establish a training program that is specific to related tasks performed by the System Operators. External training expertise is needed for the design and development stage to provide the learning objectives and training materials based on the job task analysis created. Each System Operator must be provided with emergency operations training using simulation technology such as a simulator, virtual technology, or other technology that replicates the operational behavior of the Bulk Electric System during normal and emergency conditions.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Training Design & Development	\$50,000	\$25,000				\$75,000
Simulator	\$24,500					\$24,500
Total	\$74,500	\$25,000	\$0	\$0	\$0	\$99,500

Future Operating Budget Impact:

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Annual Support Maintenance	\$0	\$500	\$500	\$500	\$500	\$2,000

Capital Improvement Plan: FY2014-2018

Project Title: Outage Management System

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

Currently outage notification relies on calls from customers. Major feeder outages are displayed by Supervisory Control and Data Acquisition System (SCADA) at System Operations. At that time crews are physically dispatched to identify and locate the problem. Given the technical complexity and proprietary nature of the computer systems, additional engineering expertise is necessary to review legacy systems and develop the interoperability requirements to integrate the existing GIS with the SCADA system. With an outage management application this roadmap is critical to integrate the systems, providing real-time information for service restoration and system control. The real-time automation and analysis will satisfy NERC/FRCC regulatory standards and enhance call center operations by providing system status indication instantaneously to system operators.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Engineering Study	\$35,000					\$35,000
Map Integration		\$100,000				\$100,000
OMS			\$190,000			\$190,000
Total	\$35,000	\$100,000	\$190,000	\$0	\$0	\$325,000

Future Operating Budget Impact:

	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Annual Support Maintenance	\$0	\$0	\$10,000	\$10,000	\$10,000	\$30,000

Capital Improvement Plan: FY2014-2018

Project Title: Substation 138kV Circuit Breaker and Relay Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Three (3) 138kV transmission line gas circuit breakers with relays were installed at Sampson Substation in FY 2013. There are eight (8) remaining 138kV transmission line oil circuit breakers and electromechanical relays that are approximately 30 years old that need to be upgraded to gas circuit breakers with associated microprocessor relays. These circuit breakers are used on the transmission system for line protection and replacement parts are no longer manufactured. The reliability of these breakers must not be compromised. Given the regulatory standards that transmission owners must comply with to secure the operation of the transmission grid, the breakers and relays must be replaced.

FY 2014 Circuit Numbers Ft. Diego: 804W, 80304, 803E, and 805T1

FY 2015 Circuit Numbers Jacksonville Beach: 802S, 80102, 801N, and 8T1T2

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Engineering and Testing	\$100,000	\$100,000				\$200,000
Eleven 138kV Circuit Breakers and Relays	\$280,000	\$280,000				\$560,000
Total	\$380,000	\$380,000	\$0	\$0	\$0	\$760,000

Capital Improvement Plan: FY2014-2018

Project Title: Substation Relay Test Set

Department/Division: Beaches Energy Services /Transmission

Project Description and Reason Necessary:

Electric utilities are required to test protective relaying equipment on a regular basis as mandated by regulatory compliance oversight agencies. The standard that provides direction to the testing is North American Electric Reliability Corporation (NERC) Standard PRC-005-1b "Transmission Protection System Maintenance and Testing" which states a full simulation test must be performed on all relays and protection schemes. The existing relay test set does not have the functionality to satisfy the standard. In order to comply with the standard a new test set is required that has the functionality to perform tests on electromechanical and microprocessor relays.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Relay Test Set	\$70,000	\$0	\$0	\$0	\$0	\$70,000

Capital Improvement Plan: FY2014-2018

Project Title: Cyber Security

Department/Division: Beaches Energy Services /Transmission

Project Description and Reason Necessary:

North American Electric Reliability Corporation (NERC) Standards CIP 002 through CIP 011 “Cyber Security” are expected to become effective starting in 2015 and require additional security measures for critical assets including control centers and substations. Florida Municipal Power Agency (FMPA) is currently working on an assessment of the critical elements necessary to meet these requirements such as a “high tech” locks with impossible to difficult to copy keys, a “card reader” security access to substations control room doors and control center doors along with data recording, logging, and associated security systems with an electronic security perimeter in and around the substation properties.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Cyber Security	\$150,000	\$100,000	\$50,000	\$50,000	\$50,000	\$400,000

Future Operating Budget Impact:

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Maintenance Costs	\$0	\$4,000	\$4,000	\$4,000	\$4,000	\$12,000

Capital Improvement Plan: FY2014-2018

Project Title: Substation 230kV Circuit Breaker and Relay Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

There are four (4) 230kV transmission line oil circuit breakers and their associated electromechanical relays located at Sampson Substation that are approximately 30 years old and are at the end of their useful life. Should a catastrophic failure occur rendering the breaker inoperable, replacement parts for these breakers are no longer manufactured. These breakers and relays will be upgraded to gas circuit breakers and microprocessor relays and are used on the transmission system for line protection. The reliability of these breakers must not be compromised. Given the regulatory standards that transmission owners must comply with to secure the operation of the transmission grid, the breakers and relays must be replaced.

FY 2016 Circuit Numbers Sampson: 8W138 and 8W143

FY 2017 Circuit Numbers Sampson: 8W40 and 8W71

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Engineering and Testing			\$50,000	\$50,000		\$100,000
Four 230 kV Circuit Breakers			\$300,000	\$300,000		\$600,000
Total	\$0	\$0	\$350,000	\$350,000	\$0	\$700,000

Capital Improvement Plan: FY2014-2018

Project Title: 138kV Line 805 Relay and Wave Trap Upgrades

Department/Division: Beaches Energy Services/ Transmission

Project Description and Reason Necessary: In FY 2017 the existing transmission line 805 electromechanical relays and wave traps will be approximately 25 years old, outdated and require upgrading to support modern technology. Four microprocessor relays with associated wave traps for the bus are budgeted in FY 2017 for circuit 805 from Sampson to Ft. Diego substations.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Engineering				\$30,000		\$30,000
138kV Line 805 Relay and Wave Trap				\$100,000		\$100,000
Total	\$0	\$0	\$0	\$130,000	\$0	\$130,000

Capital Improvement Plan: FY2014-2018

Project Title: Existing 138kV Line 802 and 803 Relay and Tone Carrier Upgrade

Department/Division: Beaches Energy Services/ Transmission

Project Description and Reason Necessary: In FY 2018 the existing transmission lines 802 and 803 electromechanical relays will be approximately 25 years old, outdated and require upgrading to support modern technology. Eight microprocessor relays with associated tone carriers are budgeted in FY 2018 for the transmission lines: 802 from Butler to Jacksonville Beach substations and 803 from Butler to Ft Diego substation.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Engineering					\$30,000	\$30,000
138kV Line Relays and Tone Carriers					\$80,000	\$80,000
Total	\$0	\$0	\$0	\$0	\$110,00	\$110,000

Capital Improvement Plan: FY2014-2018

Project Title: Transmission Line Hardware Renewal and Replacement

Department/Division: Beaches Energy Services/ Transmission

Project Description and Reason Necessary: Some line sections of the transmission system are 30 years old and need to be inspected for rusted/loose bolts, brackets, guy wires, and other equipment and the identified deteriorated items replaced. Due to regulatory compliance, these line sections must have a clearance order secured from the FRCC six months in advance prior to construction as scheduled below:

FY 2014: 138kV Line Number 804
FY 2015: 138kV Line Number 803
FY 2016: 138kV Line Number 802
FY 2017: 138kV Line Number 801
FY 2018: 138kV Line Number 800

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Transmission Line Renewal and Replacement	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Capital Improvement Plan: FY2014-2018

Project Title: Natural Gas Distribution System

Department/Division: Beaches Energy Services/ Natural Gas

Project Description and Reason Necessary:

The infrastructure for the natural gas distribution system's growth may include service lines, main extensions, meter sets, and conversions of equipment if determined feasible.

Funding Source: Beaches Energy Services Revenues

Cost Item	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Capital Improvements	\$ 200,000	\$200,000	\$ 200,000	\$200,000	\$200,000	\$1,000,000

Capital Improvement Plan: FY2014-2018

Finance Department

Funding Sources:		2014	2015	2016	2017	2018	Total
General Capital Projects Fund IT Reserve		539,447	197,658	547,725	119,900	99,447	1,504,177
Lease Facilities Fund		0	0	0	0	0	0
Utility Billing Capital Projects Reserve		0	168,120	0	0	0	168,120
Beaches Energy Services		50,000	250,000	420,000	250,000	250,000	1,220,000
General Fund (Fire Department Donations Account)			14,500	5,700	5,700	5,700	31,600
Total CIP Funding Sources		\$589,447	\$630,278	\$973,425	\$375,600	\$355,147	\$2,923,897

Expenses:	Fund	2014	2015	2016	2017	2018	Total
Information Systems:							
Information Systems Master Plan, Phase 2	315	\$440,000	\$100,000	\$450,000	\$20,000		\$1,010,000
Annual Computer Replacement Plan	315	99,447	97,658	97,725	99,900	99,447	494,177
Work Order Interface with GIS	410			170,000			170,000
Wi-Fi Canopy Coverage for BES Service Area	410	50,000	250,000	250,000	250,000	250,000	1,050,000
Wi-Fi Canopy Coverage-FireHouse software & tablets	001		14,500	5,700	5,700	5,700	31,600
		589,447	462,158	973,425	375,600	355,147	2,755,777
Utility Billing:							
Replace Utility Bill Folder/Insertor	315		68,120				68,120
Remittance Processor Replacement	315		100,000				100,000
		0	168,120	0	0	0	168,120
Total CIP - Finance		\$589,447	\$630,278	\$973,425	\$375,600	\$355,147	\$2,923,897

Capital Improvement Plan: FY2014-2018

Project Title: Information Systems Master Plan, Phase 2

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: In 2011, the City completed a master plan to guide the purchase and replacement of its information systems. Phase 1 of this plan includes the implementation of a disaster recovery solution involving the purchase and installation of equipment at an offsite location that permits the City to continue to operate its information systems following the occurrence of a hurricane or other similar significant event. The equipment has been purchased and the City is currently in negotiation with vendors for an offsite location.

Phase 2 of the plan consists of the following equipment upgrades and replacements:

2014

Replace Blade Center - \$300,000: Blade centers provide consolidated power and network connections to servers (blades) housed inside a chassis. The current blade center was purchased in 2009. With a 5-year life expectancy, it will need to be replaced in 2014. The blade centers house operational servers and data, over and above what is housed on the Storage Area Network (SAN). *As the equipment will be purchased with a 5-year support agreement, annual maintenance costs of \$11,712 per year will be eliminated.*

Replace EIS Server/SAN at Police Department - \$140,000: *The current EIS Server and storage area network (SAN) were purchased in 2010. The EIS server houses the Police Department's report generating, evidence tracking and operational software. With a 5-year life expectancy, they will need to be replaced in 2015. There are no current or expected future budget impacts, as the equipment is purchased with a 5-year warranty.*

2015

Replace Core Routers - \$75,000: Routers control the flow and volume of data traffic between intersection points (nodes). The City's primary nodes are City Hall, O&M Facility, and Parks Department. The current three core routers were purchased in 2008. With a 5 to 6-year life expectancy, they will need to be replaced in 2014. *Annual maintenance costs are expected to increase by \$200 to \$300 per year.*

Replace Firewalls - \$25,000: Firewalls are physical appliances containing software that protects data and data systems from outside intrusions such as viruses, hackers, and other destructive actions. The current firewalls were purchased in 2009. The current models will be considered end-of-life in 2015 and will need to be replaced/upgraded. The current/future budget impact is for LiveSecurity service, which allows us to maintain the latest security and anti-virus signatures. *Annual maintenance costs of \$5,900 are expected to remain unchanged.*

Capital Improvement Plan: FY2014-2018

2016

Upgrade SunGard Applications (\$400,000) and Servers (\$50,000): This project migrates the SunGard applications from the IBM iSeries server to a Windows based server platform. By 2016 SunGard will have completed their OneSolution Windows-based project and have all their modules operational. OneSolution will have been deployed other SunGard customers long enough to identify and make any corrections to the application. *The move to the OneSolution Windows-based platform is expected to reduce current annual maintenance costs (approximately \$100,000 per year) by more than half (to \$48,500 per year).*

2017

Replace Switches - \$20,000: A switch is used to move data traffic between locations within the confines of the city network. Based on recommendations from the eGov study, seven switches throughout the city were replaced at the beginning of the 2011/2012 fiscal year. The new switches have a 10 Gbps (giga-bit per second) capacity, and replaced switches with a 1Gbps capacity. The higher capacity ensures data traffic can travel between locations in a more efficient manner, without causing bottlenecks. Switches should always have a higher capacity rating than the devices connected to them. The desktop computers are rated at a 1Gbps capacity. With an average lifespan of 5-6 years, the switches we recently purchased will need periodic replacement in 2017 to ensure the city maintains currency in technology within the network architecture structure. *This purchase will not produce any future operating budget impact for annual maintenance because the equipment will be purchased with a 5-year warranty.*

Capital Improvement Plan: FY2014-2018

Funding Source: For equipment and software purchases and replacements: Governmental Capital Projects Fund; for operating costs: Finance Department Internal Service Fund.

Project	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Replace Blade Center	\$300,000					\$300,000
Replace Core Routers		\$75,000				\$75,000
Replace EIS Server/SAN at Police Department	\$140,000					\$140,000
Replace Firewalls		\$25,000				\$25,000
Upgrade Operating Applications and Servers			\$400,000			\$400,000
Applications Servers			\$50,000			\$50,000
Replace Switches				\$20,000		\$20,000
Totals	\$440,000	\$100,000	\$450,000	\$20,000		\$1,010,000

Anticipated 10-year replacement cycle:

Project	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Replace Blade Center	X					X				
Replace Core Routers		X					X			
Replace EIS Server/SAN (Police Department)		X					X			
Replace Firewalls		X					X			
Upgrade Operating Apps & Servers			X					X		
Replace Switches				X					X	

Capital Improvement Plan: FY2014-2018

Project Title: Annual Computer Replacement Plan

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: The City's 2011 eGov study recommended a 4-year replacement cycle for computers in order to maintain currency in technology throughout the city.

Maintaining current technology assures the interoperability of the City's software and operating systems with those of other federal, state and local agencies with whom the City exchanges information. By implementing a 4-year replacement plan, computers can be purchased with a 4-year warranty, ensuring none of the city computers are ever out of warranty, reducing repair costs. This also helps eliminate the need to replace computers on an emergency basis and minimizes staff downtime caused by unplanned, emergency computer replacements or repairs.

Due to financial constraints, the following plan anticipates spending approximately \$100,000 per year to replace computers, which will only support a 5-year replacement cycle. With some help from future price reductions for computers and conversion to tablet-type devices, in the future, it may be possible to shift to a 4-year replacement cycle, as recommended by the City's technology consultant. All costs are based on FY2013 quoted/actual pricing.

Funding Source: General Capital Projects Fund

By Department:	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Beaches Energy	\$28,222	\$1,910	\$15,699	\$23,402	\$28,222	\$97,455
City Manager	-	\$788	\$2,046	\$1,687	-	\$4,521
City Clerk	-	-	\$4,521	\$2,046	-	\$6,567
Finance	\$2,834	\$10,719	-	\$14,191	\$2,834	\$30,578
Fire	\$4,939	\$3,362	\$13,447	\$6,137	\$4,939	\$32,824
Human Resources	-	\$788	\$1,687	\$3,264	-	\$5,739
Parks & Recreation	-	\$7,096	\$2,514	\$2,834	-	\$12,444
Planning & Development	\$3,623	\$2,365	-	-	\$3,623	\$9,611
Police	\$54,891	\$64,003	\$57,023	\$29,370	\$54,891	\$260,178
Public Works	\$4,938	\$6,627	\$788	\$16,969	\$4,938	\$34,260
TOTAL	\$99,447	\$97,658	\$97,725	\$99,900	\$99,447	\$494,177

Capital Improvement Plan: FY2014-2018

By Type:	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Laptops	\$8,800	\$1,257	\$8,800	\$22,628	\$8,800	\$50,285
Rugged Laptops	\$67,236	\$63,874	\$73,959	\$30,256	\$67,236	\$302,561
Standard desktop	\$18,923	\$25,231	\$7,096	\$14,981	\$18,923	\$85,154
Enhanced desktop	\$4,488	\$5,609	\$1,122	\$6,731	\$4,488	\$22,438
Laptop w/docking station	-	\$1,687	\$6,748	\$25,304	-	\$33,739
TOTAL	\$99,447	\$97,658	\$97,725	\$99,900	\$99,447	\$494,177

Capital Improvement Plan: FY2014-2018

Project Title: Work Order Interface with Geographic Information System (GIS)

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: Assembly units are groups of parts that fit together to form a replaceable unit. Beaches Energy currently uses Autocad to design/draw/draft electric system assembly units. Beaches Energy Services staff must then enter the completed components specified in the Autocad drawings into the GIS system. In addition, the drawings must also be entered into the HTE Work Order application in order to capture the costs (labor, materials, overhead) of system additions or disposals and transmit that information to the City's financial records. Once the assembly units are installed or removed from the electric system, the as-builts are drawn in the GIS in order to specify their locations on system maps. The ESRI system is completely separate from the HTE Work Order application, therefore, data must currently be entered and updated separately in the two systems. The two systems are not integrated and are unable to communicate with each other.

This project will eliminate the need for duplicate data entry by creating an interface between Beaches Energy's GIS/mapping system and the City's work order and financial systems, providing better data entry accuracy, as well as considerable time savings. This project is critical as the utility moves toward future system automation.

Telvent/Schneider Designer software is a component that will link the utility side of the GIS system and maps to the HTE Work Order application. The software will allow a user in the GIS system to enter a work order requesting the installation or removal of an assembly unit through the mapping system which will interface with the HTE system, automating the creation of a work order, and populating data necessary to record additions and disposals to the fixed asset subsidiary ledger. Similarly, an HTE work order would feed data to the GIS/mapping system through the interface, updating the map for as-built information, upon completion of the construction work order. The HTE work order system is already integrated with payroll, purchasing/inventory and financial applications.

Although this application will be ultimately administered by Information Systems, the primary users of the system will be Beaches Energy.

Funding Source: Beaches Energy Services Operating Revenues

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Configure & Implement			\$170,000			\$170,000
Operating budget impact:			\$0	\$8,000	\$8,000	\$16,000
Maintenance & training						

Capital Improvement Plan: FY2014-2018

Project Title: Wi-Fi/Canopy Coverage for BES Service Area

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: A wireless communications network throughout the Beaches Energy Services service area is required in order to advance toward a remotely controlled/automated distribution system. Such a communications system will provide Beaches Energy with the system infrastructure that will allow it to remotely control devices and gather system information such as voltage on the line, load information, and, eventually, meter readings. In addition, a wireless canopy will improve service restoration times by enabling crews to identify and isolate a faulted line and partial restore electric service prior to dispatching any personnel and to limit the extent of an outage, in terms of both the number of customer affected and the geographic area. Once dispatched, crews can access real-time maps of the Beaches Energy electric system, identify and correct the problem. The wireless network system will include encryption and segregation in order to meet NERC and FRCC cyber-security standards.

This wireless network would also be available to other City departments to support operations including Police and Fire, Water Plant, Wastewater Treatment Plant, Building Inspection and Code Enforcement by providing benefits such as:

- Access geographic information system (GIS) data in real-time from any part of the City in order to perform building and fire inspections and notify property owners of inspection results, and complete incident reports at the scene, without having to return to an office to do so;
- Eliminate the need for current stand-alone systems at the waste treatment and water plants that are used to control those systems through a Wi-Fi hotspot on their cellular telephones;
- Give Fire Department personnel access to FireHouse software system while out in the field, enabling them to complete medical, fire inspection, building pre-plan and incident reports on-scene;
- Interface with the proposed city-wide (voice-over-internet-protocol, or VOIP) telephone system, allowing a City employee to use a City-issued cordless phone to answer their office telephone number anywhere in the coverage area.

The project would be completed over a four year period. Year 1 will include a study and site survey, conducted by a Motorola representative, to precisely identify how many access points will be required, and to specify the other hardware and software requirements of the system. Year 2 funding will pay for installation beginning in Jacksonville Beach, extending the wireless network to cover the Neptune Beach area of the Beaches Energy service area, with the completion of the southern service area (St. Johns County) in later years.

In order to be compatible with the existing radio equipment and service agreements in use throughout the city, Motorola equipment will be purchased from the state contract. Services and engineering will be provided by the local Motorola designated service provider.

Capital Improvement Plan: FY2014-2018

Funding Source: (1) Beaches Energy Services; (2) General Fund (Fire Department donations account)

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Wi-Fi Implementation (1)	\$50,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,050,000
Upgrade FireHouse Software (2)		\$5,700	\$5,700	\$5,700	\$5,700	\$22,800
Replace laptops with tablets (2)		\$8,800				\$8,800
Savings from server replacement and Firehouse annual maintenance fees (2)		(\$12,680)	(\$4,680)	(\$4,680)	(\$4,680)	(\$26,720)
TOTAL	\$50,000	\$251,820	\$251,020	\$251,020	\$251,020	\$1,054,880

Operating costs: Until a site survey and quote are completed, operating and maintenance costs cannot be determined. No additional staffing is anticipated for this project.

Capital Improvement Plan: FY2014-2018

Project Title: Utility Bill Folder/Inserters (Pitney Bowes DI950 Smart-Mailer Zip+4)

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The Folder/insert machines are necessary to mail utility bills and delinquent notices, miscellaneous billings, and bulk mail from other City Departments.

The Pitney Bowes DI950 was purchased in 2008. It prints, folds and inserts utility bills, and inserts newsletters & return envelopes. Utilization of the DI950 mailer has a postal cost savings of approximately \$25,000 yearly. Based on the life expectancy for equipment of this kind the Pitney DI950 will require replacement in 2014. By then, approximately 2,000,000 bills, return envelopes, and fliers will have been folded and inserted.

The DI600 Folder/Inserter used for miscellaneous mail and back-up postal mailings was surplused January 2010 (saving \$2,300 in annual maintenance). The Pitney DI950 has been programmed to process all types of bulk mailings for the City and with the addition of the Planet Press Software and printing solution, we are now able to customize utility bills and other documents.

Funding Source: General Capital Project Fund Utility Billing Reserves

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Pitney D1950		\$68,120				\$68,120

Future Operating Budget Impact:

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Pitney D1950 maint. agreement	\$2,442	\$2,442	\$2,442	\$2,442	\$2,442	\$12,210
Total/(Savings)	\$2,442	\$2,442	\$2,442	\$2,442	\$2,442	\$12,210

Capital Improvement Plan: FY2014-2018

Project Title: Remittance Processor Replacement

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The remittance processor was purchased in 2006. It automates the processing of mail-in payments (approximately 400,000 checks & stubs yearly). The processor reads payment and account information from the stub, endorses the check, encodes then verifies amount of the check, sorts the stubs and checks into separate pockets, and images each document. It provides reports and imaged records on all documents. This is an essential utility billing process that helps reduce bank fees, improves accuracy and reduces labor costs. By 2014, approximately 2,000,000 documents will have been processed utilizing the present equipment.

There would be no future impact on the operating budget as this would be a replacement machine and monies are already included in the operating budget for maintenance.

Funding Source: General Capital Project Fund Utility Billing Reserves

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Remittance Processor		100,000				\$100,000

Future Operating Budget Impact:

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Maintenance	\$13,300	\$13,300	\$13,300	\$13,300	\$13,300	\$53,200
Total/(Savings)	\$13,300	\$13,300	\$13,300	\$13,300	\$13,300	\$53,200

Capital Improvement Plan: FY2014-2018

Police & Fire Departments

Funding Sources:		2014	2015	2016	2017	2018	Total
General Fund		150,000	180,000	180,000	150,000	150,000	810,000
General Capital Projects Reserve		175,000	331,902	0	0	0	506,902
Total CIP Funding Sources		\$325,000	\$511,902	\$180,000	\$150,000	\$150,000	\$1,316,902

Expenses:		Fund					
Police:							
Vehicle Replacement Program-Police	001	150,000	150,000	150,000	150,000	150,000	750,000
Fire:							
Vehicle Replacement Program-Fire	001		30,000	30,000			60,000
Fire Apparatus Replacement/Maintenance	315		331,902				331,902
SCBA replacement	315	175,000					175,000
Total CIP - Police & Fire		175,000	361,902	30,000	0	0	566,902
		\$325,000	\$511,902	\$180,000	\$150,000	\$150,000	\$1,316,902

Capital Improvement Plan: FY2014-2018

Project Title: Vehicle Replacement Program

Department/Division: Police & Fire

Project Description and Reason Necessary: This is a program to replace vehicles due to age and condition or to maintain adequate and cost-effective fleet performance. Vehicles included are those that cost at least \$25,000 each.

Division (FY Replacement)	Truck #	Model Year	Description	Mileage (Hours) 2/1/13	Estimated Replacement Cost
Police (annual)	various	various	Replace 4-6 patrol vehicles	-	\$150,000
Fire Training / Safety (2015)	#716	2001	Ford F150 utility/crew truck	66,272	\$30,000
Fire Inspector (2016)	#718	2002	Dodge Dakota crew cab/cb	64,885	\$30,000

Funding Source: General Fund via transfer from Lease Facilities Fund

	FY2014	FY2015	FY2016	FY2017	FY2017	Total
Police	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Fire		\$30,000	\$30,000			\$60,000
TOTAL	\$150,000	\$180,000	\$180,000	\$150,000	\$150,000	\$810,000

Capital Improvement Plan: FY2014-2018

Project Title: Fire Apparatus Replacement/Maintenance

Department/Division: Fire

Project Description and Reason Necessary: In order to maintain an efficient fleet of fire apparatus, a planned replacement program is essential to minimize budgetary impact. Since 1998, the Fire Department has submitted and the City Council has approved an annual vehicle replacement plan as part of its business plan in order to distribute the cost of replacement at approximately \$75,000 per year. Normally each apparatus is used in front-line status for 11-12 years and then used as a reserve apparatus for approximately 4-5 years. After approximately 15-17 years, units are considered for replacement. This timetable has been extended using maintenance upgrades due to the high cost of replacement apparatus.

In 2014, a new rescue/pumper will be purchased and placed in front line service. It will replace either E-25 or Sq-13 and one of the two apparatus will be moved to reserve status. Sq-13, a 2001 rear-mount pumper, which has a much shorter life span due to the commercial chassis, will have been in service 13 years. E-25, a 1993 pumper, will have been in service 21 years. One of the two units will be used for a trade-in.

Funding Source: General Capital Projects Fund – reserve cash on hand and annual transfers from the General Fund.

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Fire Apparatus Replacement		\$331,902				\$331,902

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Beginning balance:	\$257,004	\$332,004	\$75,102	\$150,102	\$225,102	\$257,004
Deposits, from General Fund	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Balance, prior to withdrawals	\$332,004	\$407,004	\$150,102	\$225,102	\$300,102	\$632,004
Withdrawals:						
Rescue / pumper E-25		\$331,902				\$331,902
Ending balance	\$332,004	\$75,102	\$150,102	\$225,102	\$300,102	\$300,102

Future Operating Budget Impact: No significant operating budget impact will occur.

Capital Improvement Plan: FY2014-2018

Project Title: Self-Contained Breathing Apparatus replacement

Department/Division: Fire

Project Description and Reason Necessary: The Fire Department's current self-contained breathing apparatus (SCBA), designed to the 2002 National Fire Prevention Association (NFPA) standards were purchased in December 2001. New standards came out in 2007 and major changes are expected in 2013. The SCBAs are used for structural firefighting and entry into any hazardous atmospheres. NFPA and the manufacturer recommend maintaining the units to current standards and/or replacing the units after approximately every 10 years. The life span of composite cylinders is 15 years. It is necessary to replace all of the SCBA units at the same time to maintain uniformity. The units will be 13 years old in 2014 and will be at least two upgrades behind NFPA standards. The City may receive a trade-in on the current models or may qualify for an AFG Grant.

Funding Source: Possible Assistance to Firefighters Grant (AFG) and General Capital Projects Fund.

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
SCBA w/ cylinder (22)	\$149,800					\$149,800
Spare Cylinders (32)	\$25,200					\$25,200
Total	\$175,000					\$175,000

Future Operating Budget Impact: The only impact on future budgets is routine maintenance, 5 year hydrostatic testing on the cylinders (\$1,500 every 5 years), and the annual flow test for each unit. These maintenance costs will remain essentially unchanged when the new SCBAs are purchased.

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
5-year hydrostatic testing	-	-	-	-	-	-
Annual flow test	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
Total	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500

Capital Improvement Plan: FY2014-2018

Parks & Recreation						
Funding Sources:	2014	2015	2016	2017	2018	Total
1/2 Cent Infrastructure Surtax Bond Proceeds	184,020	0	0	0	0	184,020
General Capital Projects Fund	100,000	0	0	0	0	100,000
Golf Course Fund	0	0	35,000	0	0	35,000
Grounds Maintenance Internal Service Charges						0
Total CIP Funding Sources	\$284,020	\$0	\$35,000	\$0	\$0	\$319,020

Expenses:	Fund					
Install sidewalk and replace fencing at Paws Park	317	85,000				85,000
Golf Course Hole #14 Bulkhead	315	100,000				100,000
Point of sale and telephone tee time software	440		35,000			35,000
Bus Stops	317	99,020				99,020
Total CIP - Parks & Recreation		\$284,020	\$0	\$35,000	\$0	\$319,020

Capital Improvement Plan: FY2014-2018

Project Title: Install Sidewalk and Replace Fence at Paws Park

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

Paws Park is the City's dog park located at Wingate Park. Since the dog park opened in 2004 it has been a popular and well used. The park has an area for large dogs and a separate area for small dogs. The large dog area surrounds a retention pond and is configured in a circle pattern. The area around the pond was originally planted with grass, however, usage over the years has rutted and worn down the area surrounding the retention pond to potholes. This project will grade and level the area, install a concrete walk path around the circle of the pond, and new fencing to keep people and dogs out of the pond. This project will have the added benefit of providing a flat handicap-accessible area for people to walk around the pond while their dogs are off leash.

Funding Source: ½ Cent Infrastructure Bond Proceeds (sidewalk) and General Capital Projects (fencing).

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Dog Park Sidewalk and Fence	\$ 85,000					\$85,000

Future Operating Budget Impact: No impact

Capital Improvement Plan: FY2014-2018

Project Title: Golf Course Hole # 14 Bulkhead

Department/Division: Parks & Recreation / Golf Course

Project Description and Reason Necessary:

The bulkhead on the golf hole #14 was constructed in 1987 and is now showing signs of failing. There are holes that are developing in several areas along the bulkhead and the ends of the bulkhead are washing out. This project will remove the old bulkhead, replace it, and add additional length to reduce washouts. The project will need to be performed in several phases to reduce impact to customers and the greens surface. Construction of this project will depend on golf course funding availability.

Funding Source: General Capital Projects

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Replace existing bulkhead # 14 green	\$100,000					\$100,000

Future Operating Budget Impact: No impact on operating budget

Capital Improvement Plan: FY2014-2018

Project Title: Golf Course Point of Sale Software & Telephone Tee Times

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

The City of Jacksonville Beach has an eighteen hole golf course that is very popular municipal course. The golf course pro shop checks in an estimated fifty thousand golfers each year. The technology wave of people using smart phones, iPads, and other electronic devices is moving into the golf business.

The new software point of sale system will allow customers to book tee times online using mobile devices. It will also allow customers to check in and pay using these same mobile devices, improving customer service and reducing labor costs. In addition the software will interface with the 3rd party tee time sales services that are a popular method used to sell last minute tee times. The software system will download and interface with the City's current business applications.

Funding Source: Golf Course Fund Balance.

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Point of Sale Software			\$ 35,000			\$35,000

Future Operating Budget Impact: No impact

Capital Improvement Plan: FY2014-2018

Project Title: Bus Stops

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

There are 109 bus stops located throughout the City. This project is intended to replace existing shelters or add new ones at selected locations with low-maintenance shelters that will provide overhead cover from the elements. Bus stop locations with the highest usage will be given priority over those with less usage.

The City is currently identifying the shelter options available. Pending specific identification of the location of structures to be added, funding has been tentatively identified in the ½ Cent Infrastructure Bond Proceeds Fund but may also be from both the Downtown and Southend Tax Increment Funds, upon identification and prioritization of specific shelters to be built/replaced.

As a pilot project, the City installed a bus shelter on Penman Road, adjacent to Beaches Energy Services' Penman Road Substation.

Funding Source: Anticipated funding sources are ½ Cent Infrastructure Bond Proceeds, Downtown Redevelopment and Southend Redevelopment, **however, until a final determination of specific bus stop types and the locations where they will be constructed, this project will remain unfunded in 2015 and later years.**

Funding Source: Half-cent Infrastructure Surtax Bond Proceeds

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Bus Stops - unfunded	\$99,020	-	-	-	-	\$99,020

Future Operating Budget Impact: As specific types of stops have not been identified, operating costs for routine maintenance also have not been quantified.

Capital Improvement Plan: FY2014-2018

Public Works

Funding Sources:		2014	2015	2016	2017	2018	Total
Downtown Redevelopment Tax Increment Fund	181	1,300,000	2,750,000	2,750,000	2,750,000	0	9,550,000
General Capital Projects Streets Reserve	315	91,609	742,798	70,000	435,000	525,000	1,864,407
General Fund Operating Revenues	001	22,000	35,000	26,000	26,000	0	109,000
Local Option Gas Tax Revenues	150	360,000	360,000	134,451	0	0	854,451
1/2 Cent Infrastructure Surtax	151	0	0	0	0	0	0
1/2 Cent Infrastructure Surtax Bond Proceeds	317						0
Sanitation Fund	430	200,000	0	0	0	0	200,000
Southend Redevelopment Tax Increment Fund	182	207,217	1,519,590	180,000	0	0	1,906,807
Stormwater Operating Revenues	423	783,438	1,038,476	311,500	374,500	385,000	2,892,914
Water & Sewer Utility Operating Revenues	420	5,021,966	3,131,307	2,806,484	4,023,755	3,319,272	18,302,784
Total CIP Funding Sources		\$7,986,230	\$9,577,171	\$6,278,435	\$7,609,255	\$4,229,272	\$35,680,363

Expenses:	Fund	2014	2015	2016	2017	2018	Total
Streets:							
Vehicle Replacement Program	001	\$22,000	\$35,000	\$26,000	\$26,000	\$0	\$109,000
Heavy Vehicle Replacement Program	315	-	70,000	70,000	135,000	225,000	500,000
Pavement and Sidewalk Maintenance (not capital)	150	360,000	360,000	134,451	0	0	854,451
New Sidewalks	151	0	0	0	0	0	0
Road & Infrastructure Improvements: Downtown	181	1,000,000	2,750,000	2,750,000	2,750,000	0	9,250,000
Road & Infrastructure Improvements: Southend	182	2,956,608	1,847,706	1,321,234	1,358,905	1,673,222	9,157,675
Road & Infrastructure Improvements: 10th Street South	420/423/315	207,217	1,519,590	0	0	0	1,726,807
Total CIP - Roads & Streets		4,545,825	6,582,296	4,301,685	4,269,905	1,898,222	21,597,933
Distribution & Collection:							
Vehicle Replacement	420	27,000	305,000	31,000	31,000	55,000	449,000
Water Distribution & Sanitary Sewer Collection Systems Improvements							
Water Distribution Improvements	420/181/315	1,491,000	305,000	0	0	0	1,796,000
Sewer Collection Improvements	420	66,000	464,200	0	0	0	530,200
Multi-Infrastructure Improvements	420/317	0	418,000	0	1,500,000	1,500,000	3,418,000
Subtotal, capital outlay		1,557,000	1,187,200	0	1,500,000	1,500,000	5,744,200
Water Valve and Sanitary Sewer System Maintenance Program (not capital)	420	145,000	245,000	245,000	245,000	245,000	1,125,000
Subtotal-D&C Systems Improvements		1,702,000	1,432,200	245,000	1,745,000	1,745,000	6,869,200
Reuse Implementation Program	420/182						0
		1,729,000	1,737,200	276,000	1,776,000	1,800,000	7,318,200
Pollution Control Plant:							
Vehicle Replacement Program	420	0	19,000	30,000	0	0	49,000
Sewer Rehabilitation Program-Lift Stations	420	348,150	488,675	657,250	828,850	146,050	2,468,975
Wastewater Treatment Facility Improvements	420	360,000	0	22,000	0	0	382,000
		708,150	507,675	709,250	828,850	146,050	2,899,975
Water Plant							
Vehicle Replacement Program	420	29,155	0	0	0	0	29,155
Raw Water Wells Improvement Program	420	33,000	22,000	500,000	0	0	555,000
Water Plant #2 Improvements	420	0	0	0	360,000	0	360,000
		62,155	22,000	500,000	360,000	0	944,155
Total CIP - Water & Sewer Fund		2,499,305	2,266,875	1,485,250	2,964,850	1,946,050	11,162,330
Stormwater							
Vehicle Replacement Program	423	0	110,000	0	0	0	110,000
Stormwater Collection & Treatment Improvements	423	646,100	523,000	396,500	279,500	290,000	2,135,100
Stormwater Master Plan-clean pipe (not capital)	423	95,000	95,000	95,000	95,000	95,000	475,000
Total CIP - Stormwater		741,100	728,000	491,500	374,500	385,000	2,720,100
Sanitation							
Vehicle Replacement Program	430	200,000	0	0	0	0	200,000
Total CIP - Public Works		\$7,986,230	\$9,577,171	\$6,278,435	\$7,609,255	\$4,229,272	\$35,680,363

Capital Improvement Plan: FY2014-2018

Project Title: Vehicle Replacement Program

Department/Division: Public Works / All Divisions

Project Description and Reason Necessary: This is a program to replace vehicles due to increasing annual operating expenses, age, and condition.

Division FY Replacement	Fund Source	Truck #	Model Yr.	Description	Mileage (Hours) at 2/2013	Estimated Replacement Cost
Streets 2014	001	524	2001	Dodge 1500 Pickup Truck	98,700	\$22,000
Streets 2015	001	533	2003	Ford 250 ¾-ton Truck with utility body	135,200	\$35,000
Streets 2016	001	526	2001	Dodge 2500 4X4 Pickup Truck	73,300	\$26,000
Streets 2017	001	503	2003	Ford 250 4 X4	82,000	\$26,000
Stormwater 2015	423	535	2001	John Deere Boom Arm Mower	1,330	\$110,000
Sanitation 2014	430	546	2009	Tymco Street Sweeper	21,700 (3,936 hrs.)	\$200,000
D&C 2014	420	572	2004	Ford F250 ¾-ton Truck w/utility body	74,079	\$27,000
D&C 2015	420	542	2002	L7501 Ford (Vac-con): Truck \$95,300 Equipment \$209,700	9,140 (2,685 hrs.)	\$305,000
D&C 2016	420	504	2006	Ford F-250 ¾-ton Truck w/utility body	50,608	\$31,000
D&C 2017	420	541	2006	Ford F-250 ¾-ton Truck w/utility body	50,741	\$31,000
D&C 2018	420	502	2006	Ford F-150 1/2- ton Pickup truck	46,726	\$20,000
D&C 2018	420	522	1994	Chevy 1-Ton Van: Truck \$25,000 Equipment \$10,000	5057	\$35,000
PCP 2015	420	517	2000	Dodge ½ -ton Pickup Truck	63,133	\$19,000
PCP 2016	420	507	2000	Ford F250 ¾-ton Pickup Truck	66,420	\$30,000
WP 2014	420	598	1999	Dodge ¾-ton 4X4 Pickup Truck	75,931	\$29,155
TOTAL:						\$946,155

Capital Improvement Plan: FY2014-2018

Vehicle Replacement Summary:

DIVISION (<i>Fund Source</i>)	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
STREETS DIVISION						
General Fund:	\$22,000	\$35,000	\$26,000	\$26,000	\$0	\$109,000
Stormwater Fund:	\$0	\$110,000	\$0	\$0	\$0	\$110,000
Sanitation Fund:	\$200,000	\$0	\$0	\$0	\$0	\$200,000
Streets Division Subtotal:	\$222,000	\$145,000	\$26,000	\$26,000	\$0	\$419,000
WATER & SEWER FUND						
D&C Division:	\$27,000	\$305,000	\$31,000	\$31,000	\$55,000	\$449,000
PCP Division:	\$0	\$19,000	\$30,000	\$0	\$0	\$49,000
WP Division:	\$29,155	\$0	\$0	\$0	\$0	\$29,155
Water & Sewer Fund Subtotal:	\$56,155	\$324,000	\$61,000	\$31,000	\$55,000	\$527,155
TOTAL:	\$278,155	\$469,000	\$87,000	\$57,000	\$55,000	\$946,155

Capital Improvement Plan: FY2014-2018

Project Title: Heavy Vehicle Replacement/Maintenance and Funding Program

Department/Division: Public Works / Streets

Project Description and Reason Necessary: The Streets Division of the Public Works Department operates a number of specialized vehicles that are necessary to move debris and to maintain the City's roads and utility systems. The cost of these vehicles makes it important to plan for their replacement by reserving a portion of their replacement cost on an annual basis until the vehicle's replacement cost has been accumulated. The estimated life for each of these vehicles is approximately 5-10 years. Vehicles included in this program are those costing more than **\$50,000**. Due to their cost, the City only owns and operates one of each kind of vehicle. The plan below estimates most replacements on a 10-year cycle. However, in order to make the most economical use of the vehicle, its life may be extended, depending on its annual repair and maintenance costs. This planned replacement program also minimizes the need to borrow money to replace expensive vehicles. Estimated replacement costs are updated annually and it is prudent to plan for an average annual cost increase of three percent (3%) when determining annual reserves. No significant operating budget impact will occur.

Description	Truck #	Year	Replacement Yr.	Mileage (hours) at 2/2013	Estimated Replacement Cost	Estimated Trade-in Value	Net Est. Cost
International 4700 Flatbed	569	2000	2015	47,600	\$70,000		\$70,000
Caterpillar 4x4 Backhoe	527	2013	2018	(17)	\$110,000	\$35,000	\$75,000
Caterpillar Excavator	534	2013	2018	(5)	\$225,000	\$75,000	\$150,000
International 4200 Flatbed	551	2003	2016	35,500	\$70,000		\$70,000
Kenworth 18yd Dump Truck	545	2000	2017	124,600	\$135,000		\$135,000
				TOTAL	\$610,000	\$110,000	\$500,000

	2014	2015	2016	2017	2018	SUMMARY TOTAL
Balance, beginning of year	\$183,476	\$273,476	\$293,476	\$313,476	\$268,476	<i>Begin:</i> \$183,476
Deposits (from General Fund into Streets Cap. Proj. Reserve)	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	<i>Total:</i> \$450,000
Est. Available Balance	\$273,476	\$363,476	\$383,476	\$403,476	\$358,476	
Withdrawals:						
• International 4700 Flatbed		\$70,000				
• International 4200 Flatbed			\$70,000			
• Kenworth 18yd Dump Truck				\$135,000		
• Caterpillar 4x4 Backhoe					\$75,000	
• Caterpillar Excavator					\$150,000	
						<i>Total:</i> \$500,000
Balance, end of year	\$273,476	\$293,476	\$313,476	\$268,476	\$133,476	<i>End:</i> \$133,476

Capital Improvement Plan: FY2014-2018

Project Title: Pavement Maintenance, Striping, and Sidewalk Program

Department/Division: Public Works / Streets

Project Description and Reason Necessary: The City has an inventory of about 88 miles of road and 33.7 miles of sidewalk. The City programs annual maintenance on a portion of its public pavement (streets, parking lots, and sidewalks).

- Street Maintenance:
 - Roadway: Over the past decade or so, this program has consisted of a combination of hot-in-place recycling, mill & overlay, overlay, resurfacing or sealing, and asphalt rejuvenation. In the past, maintenance was programmed for an average of approximately 10% to 15 % of the inventory. The continuous rise in costs of petroleum related products (such as asphaltic concrete) in the past years, and as markedly experiencing now, has caused this percentage to decline due to budget constraints. On the short to intermediate term, staff anticipates that mill & overlay, overlay and asphalt rejuvenation approaches will be the primary focus.
 - Traffic Striping: The City restripes streets that are resurfaced or overlaid, and restripes existing striping on streets as necessary.
- Sidewalk Maintenance: The sidewalk maintenance program consists of repairing existing sidewalks, based on the severity of deterioration.
- New Sidewalk: In the past, the City annually funded programs to construct new sidewalks for the City's Safety Sidewalk Master Plan and other key sections that connect to the master plan or that prudently connect existing sidewalk sections. **Currently due to budget constraints, the City only plans one year out for new sidewalk construction.**

Funding Source: Local Option Gas Tax (LOGT), **without action by the Florida Legislature, the LOGT expires 6-30-2016 (Jax-City interlocal agreement expires 8-31-2016).** See next page for other road improvements.

	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
<u>LOGT (Not Capital)</u> Street Maintenance	\$310,000	\$310,000	\$130,000	\$0	\$0	\$750,000
<u>LOGT (Not Capital)</u> Sidewalk Maintenance	\$50,000	\$50,000	\$4,451	\$0	\$0	\$104,451
BJB/LOGT (Capital) New Sidewalks	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$360,000	\$360,000	\$134,451	\$0	\$0	\$854,451

Capital Improvement Plan: FY2014-2018

Project Title: Road & Associated Infrastructure Improvements

Department/Division: Public Works / Streets

Project Description and Reason Necessary: Within the City there are roads which need to be rebuilt because of deterioration caused by aging, compromise of the base and excess elevation due to many overlays. The degree of required rebuilding differs with the condition of each road. It is recommended that rebuilding of roads be accomplished in conjunction with improvements to underground utilities when possible.

Downtown Redevelopment Infrastructure Improvements Program: *Recommended Funding Source – Downtown Redevelopment Tax Increment Fund (DT TIF) with Water / Sewer & 1/2 Cent Infrastructure Surtax (BJB) Bonds funding work adjacent to the district's south boundary. See the summary project limits / descriptions that begin following the table below.*

PROJECT (Fund Source)	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL	
Downtown Redevelopment District Improvements Program								
Phase 3A (DT TIF) + 6 th Avenue North Design Construct	\$152,454 \$1,919,683						-	
Phase 3B (DT TIF) Design Construct	\$155,061	\$1,000,000					\$1,000,000	
Phase 3C (DT TIF) Design Construct	\$405,846		\$2,750,000	\$2,750,000	\$2,750,000		\$8,250,000	
Phase 3D (W/S, BJB) Design Construct (W/S-55%) (BJB-45%)	\$137,560					(FY2020) \$1,100,000 \$900,000	-	
TOTAL	DT TIF W/S	\$2,663,044 \$137,560	\$1,000,000	\$2,750,000	\$2,750,000	\$2,750,000	\$0	\$9,250,000

- **Phase 3A Project:** Limits are 1st St. N. from 4th Ave. N. to 6th Ave. N. and 5th Ave. N. from 1st to 3rd Sts. Another project was added with project limits on 6th Ave. N. from 1st St. N. to 3rd St. N. Completion scheduled in FY 2013.
- **Phase 3B Project:** Limits are 1st St. N. from 6th Ave. N. to 9th Ave. N. and 7th Ave. N. from 1st St. to 2nd St. N. This project will be designed, bid out and constructed separately (Under Design). Another project on 2nd St. N. from Beach Boulevard to 6th Ave. N. will be designed and constructed at a future date.

Capital Improvement Plan: FY2014-2018

- **Phase 3C Project:** Limits include 3rd Street, Beach Boulevard, the beach, and 13th Avenue South. The scope of work for these phases include improvements to sanitary sewer, water distribution, stormwater and road systems throughout the area plus other identified ancillary public improvements throughout the area. Due to funding constraints, the construction of Phase 3C may be divided into several (3-4) phases.
- **Phase 3D Project:** Limits include 3rd Street, 13th Avenue South, the beach, and 16th Avenue South (adjacent to the south boundary of the Downtown Redevelopment District). The scope of work for these phases include improvements to sanitary sewer, water distribution, stormwater and road systems throughout the area plus other identified ancillary public improvements throughout the area.

South Beach Redevelopment Infrastructure Improvements Program: *Recommended Funding Source – Southend Tax Increment Fund (SE TIF).* Foundation for project scoping is the South Beach Redevelopment Master Plan (also incorporating appropriate portions of the City’s Reuse Master Plan Study). Scope includes improvements to sanitary sewer, water distribution, reuse, stormwater and road systems throughout the area plus other identified ancillary public improvements. See summary project limits / descriptions that begin after the following table.

PROJECT (<i>Fund Source</i>)	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
South Beach Redevelopment District (SED) Improvements Program (SE-TIF, W/S)							
SBRD Area Imps (Phase 1) (<i>SE TIF, W/S</i>)	<i>Design</i>	\$218,817					
	<i>Construct</i>	\$3,302,694					-
Div. Maint Facility (SE TIF-50%, W/S-50%)	<i>Design</i>	\$82,930					
	<i>Construct</i>	\$854,700					-
Reuse/Landscape/Irrigate Imps (Ph 2) (SE TIF)	<i>Design</i>	\$238,059					
	<i>Construct</i>		\$1,745,766				\$1,745,766
Road Imps (Concept B) (<i>SE TIF</i>)	<i>Design</i>		\$93,000				
	<i>Construct</i>		\$814,627				\$907,627
Stormwater/ Road Imps (Phase 3) (SE TIF)	<i>Design</i>		\$303,215				
	<i>Construct</i>			\$1,694,574			\$1,997,789
Stormwater/Road Imps (Phase 4) (SE TIF)	<i>Design</i>			\$153,132			
	<i>Construct</i>				\$1,197,473		\$1,350,605
Stormwater/Reuse Imps (Phase 5) (SE TIF)	<i>Design</i>			\$123,761			
	<i>Construct</i>				\$1,173,044		\$1,296,805
Sewer/Reuse Imps (Phase 6) (SE TIF)	<i>Design</i>				\$185,861		
	<i>Construct</i>					\$1,673,222	\$1,859,083
TOTAL		\$4,697,200	\$2,956,608	\$1,847,706	\$1,321,234	\$1,358,905	\$1,673,222
							\$9,157,675

Capital Improvement Plan: FY2014-2018

- **Reuse, Landscaping and Irrigation Improvements Project (Phase 2):** Limits include South Beach Parkway (Osceola Avenue to Jacksonville Drive) and Jacksonville Drive (South Beach Parkway to A1A). Project consists of constructing new landscaping, irrigation system, reuse system. Also includes milling and overlay and new sidewalk along Jacksonville Drive.
- **Roadway Improvements Project (Concept B):** Limits include South Beach Parkway & Jacksonville Drive. Project includes restriping South Beach Parkway and Jacksonville Drive intersection, new entrance on west side of South Beach Parkway across from shopping center entrance, relocation of traffic signalization from Sanctuary Parkway at JTB to new entrance to residential development.
- **Stormwater Piping and Roadway Improvements Project (Phase 3):** South Beach Regional Shopping Center, easement acquisition, stormwater piping, roadway reconstruction along America Ave. from Jacksonville Drive to Republic Drive, Grande Blvd. from Sanctuary Parkway to north end, Palm Way from Sanctuary Parkway to north end, and milling and resurfacing Jacksonville Drive from south Beach Parkway to Sanctuary Blvd. and Sanctuary Parkway from Sanctuary Boulevard to South Beach Parkway.
- **Stormwater/Roadway Improvements (Phase 4):** Limits include Marsh Landing Parkway (South Beach Parkway to 3rd Street), Isabella Boulevard (Jax Drive to Osceola Ave.) and 34th Ave. S. from Isabella Boulevard west to deadend.
- **Stormwater/Reuse Improvements (Phase 5):** Limits include Osceola Avenue (South Beach Parkway east to Sandra Drive), Osceola Regional Pond, and South Beach Parkway (at Riptide Subdivision)

10th Street South Industrial Park Area Improvements: *Project funding will be from the General Capital Projects Fund road reserve, Water & Sewer Fund and Stormwater Fund.* The scope of work for this project includes improvements to the road, stormwater, sanitary sewer and water distribution systems plus other ancillary public improvements throughout and nearby the project area. Project area encompasses 10th Street South from 5th to 12th Avenues and the avenues connecting 9th and 10th Streets

10 th Street South Industrial Park Area		FY2014	FY2015	FY2016	FY2017	FY2018	Total
Design	(W/S)	\$73,270					\$73,270
	(SW)	\$42,338					\$42,338
	(GCP)	\$91,609					\$91,609
Construction	(W/S)		\$537,316				\$537,316
	(SW)		\$310,476				\$310,476
	(GCP)		\$672,798				\$672,798
TOTAL		\$207,217	\$1,519,590				\$1,726,807

Capital Improvement Plan: FY2014-2018

Summary of Road & Associated Infrastructure Improvements:

	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Downtown Redevelopment District	\$1,000,000	\$2,750,000	\$2,750,000	\$2,750,000	*	\$9,250,000
South Beach Redevelopment District	\$2,956,608	\$1,847,706	\$1,321,234	\$1,358,905	\$1,673,222	\$9,157,675
10 th Street South Industrial Park Area	\$207,217	\$1,519,590				\$1,726,807
TOTAL	\$4,163,825	\$6,117,296	\$4,071,234	\$4,108,905	\$1,673,222	\$20,134,482

**Phase 3D of Downtown Infrastructure Improvements Program is currently scheduled for FY2020 with an estimated cost of \$2,000,000)*

NOTES:

(These following notes are applicable to the Downtown Redevelopment District Program, the South Beach Redevelopment District Program and other Road & Associated Improvements projects.)

1. The above estimated planning costs are variable until project scope, design, bid advertisement and bid award are complete.
2. When roads are identified for reconstruction, Public Works reviews other utility and traffic systems (water, wastewater, stormwater, pavement and road base, sidewalk, etc.) in the right-of-way for prudent upgrades and repairs to maximize return on investment.
3. Other projects may be added in the future from the master plans for the Downtown/Southend Redevelopment Districts and other necessary road reconstruction, and in the future, listed projects may be deleted and/or shifted on time-line due to budgetary constraints.

Capital Improvement Plan: FY2014-2018

Project Title: Water Distribution & Sanitary Sewer Collection Systems Improvements

Department/Division: Public Works / Distribution & Collection

Project Description and Reason Necessary:

Water Distribution System Improvements: *Recommended Funding Source – Water/Sewer.* The City’s water distribution system consists of approximately 109 miles of water mains, 2,652 water valves, 10,490 water service laterals, 866 fire hydrants and two (2) elevated water tanks. Various existing water mains in some areas require replacement because they are old, tuberculated, galvanized 2”and/or unlined/deteriorated cast iron 4” or larger in size. Tuberculation is the development of small mounds of corrosion products (rust) on the inside of galvanized or unlined cast iron pipes, decreasing the diameter. This causes significant loss of water pressure and volume. The water lines are to be replaced with varied sizes of PVC pipes (6” or larger when needed for firefighting requirements). Subject to available time and funding resources, the City programs a major water main replacement project to be contracted and one or two small water line replacement projects for City or contract forces to accomplish. **The City has made great strides over the past years in replacing old tuberculated, galvanized and unlined cast iron lines. This is an ongoing, multi-year program.**

Water Main Replacement Projects at Various Locations: *Recommended funding source – Water & Sewer Fund.* Each project includes replacing old galvanized, old cast iron, and asbestos cement (AC) water mains with new 6” or greater PVC water mains and valves. New fire hydrants as installed as necessary. Ancillary sidewalk and asphalt road crossing work as necessary.

Project	Water Main Replacement		Project Area		
	Old Type	Est. Length	ALONG	FROM	TO
Phase A (2013)	2” galvanized	4,625 feet	• Mills Lane	cul-de-sac	Ponte Vedra Blvd.
			• St. Augustine Blvd	A1A	Isabella Blvd.
			• Sandra Drive	cul-de-sac	23 rd Ave. S.
			• 6 th Street S.	16 th Ave. S.	Lake Mildred
			north of lake bank	6 th St. dead end	Sandra Dr. cul-de-sac
			• Ocean Drive S.	dead end	22 nd Ave. S.
			• Rannie Street	9 th Ave. N.	11 th Ave. N.
			• 12 th Avenue S.	4 th St. S.	6 th St. S.
		7 th St. S.	9 th St. S.		
Phase B (2013 & 2014)	2” galvanized & 6”/8” cast iron	11,200 feet	• A1A	6 th Ave. N.	20 th Ave. N.
Phase C (2014 & 2015)	2” galvanized	3,700 feet	• 12 th Street N.	12 th Ave. N.	12 th St. dead end
			• 5 th Street S.	16 th Ave. S.	5 th St. dead end
			• 6 th Street S.	Sandra Dr.	cul-de-sac
			• Palm Circle	Holly Dr.	Palm Tree
			• 11 th Street N.	12 th Ave. N.	San Pablo Circle
• 7 th Street S.	16 th Ave. S.	Millie Dr.			

Capital Improvement Plan: FY2014-2018

Automated Meter Reading (AMR) Meter Upgrade Program: To increase efficiency and accuracy in reading and billing of utility services, the City intends to upgrade its inventory of meters and transition to automated meter reading over the next several years. In 2014, Beaches Energy Services (BES) anticipates executing a study that is to result in a meter upgrade and automation implementation plan. Subsequently, BES will budget the portion for electric and gas meters. Public Works will budget the portion for the 10,000 +/- inventory of water meters.

Sanitary Sewer Collection System Improvements: *Recommended Funding Source – Water/Sewer.* The City's wastewater collection system consists of approximately 85 miles of sewer mains and 2,126 manholes, 38 sewage lift stations with 18 miles of force mains. Manholes are routinely being identified for rehabilitation. Sewer mains identified in previous studies (1989 Water & Wastewater Study, 1992 & 1995 Infiltration & Inflow Studies, and 2004 Hydraulic Study) are deteriorated, cracked and leaking clay / cast iron pipes, constructed many decades ago, and are well beyond the normal life cycle. **Relining and replacing as necessary reduces sewer backups and infiltration and inflow from groundwater and rains, which in turn reduces the operational load and long-term wear and tear on the sewage lift stations and the city's wastewater treatment facility.** This places less pollution load upon the environment. **This is an ongoing, multi-year program.**

- **4th Street North Sewer Improvements (13th Ave. N. to 18th Ave. N.):** *Recommended funding source – Water & Sewer Fund.* Project is estimated to consist of removal/ replacement of 500 LF of 8" gravity sewer main; removal/replacement of 1,300 LF of 12" sewer main; manholes; sewer services; removal/replacement of 200 LF of curb and gutter; removal/replacement of 4,500 SY of asphalt pavement.

Multi-Infrastructure Improvements Projects: In the past, priority has been to upsize/replace/ rehabilitate water & sewer mains and services as needed in conjunction with programmed stormwater and roadway projects for cost effectiveness.

- **LS 8 Area Water / Sewer Improvements:** Project consists of: abandon/removal of 11,000 LF of 8" sewer main; abandon 4,500 LF of 2" water main; construct 3,800 LF of 2"/6" water main; construct 13,500 LF of 8"/12" sewer main; construct 100 LF 2" force main; construct 200 LF of 15" storm sewer; construct 37,500 LF of 6" sewer services; valves, manholes, and inlets; remove/replace 35,000 SY of asphalt pavement.

Capital Improvement Plan: FY2014-2018

Funding Sources: Water & Sewer Fund (W/S); General Capital Projects Fund (GCP)

Project (Fund Source)	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Water Distribution System Improvements							
Water Main Replacement							
Phase A (W/S)							
<i>Design</i>	\$48,950						
<i>Construct</i>	\$400,000						-
Phase B (W/S-78.5%, DT TIF-21.5%,)	\$180,380						
<i>Design</i>		\$1,095,000					\$1,095,000
<i>Construct</i>		\$300,000					\$300,000
Phase C (W/S)		\$46,000					
<i>Design</i>			\$305,000				\$351,000
<i>Construct</i>							
AMR Water Meter Upgrade (W/S)			TBD	TBD	TBD	TBD	TBD
Water SUB-TOTAL			TBD	TBD	TBD	TBD	TBD
<i>W/S</i>	\$629,330	\$1,141,000	\$305,000				\$1,446,000
<i>DT TIF</i>		\$300,000					\$300,000
Sanitary Sewer Collection Improvements							
N. 4th St. Sewer Impr. (13th - 18th Ave.) (W/S)							
<i>Design</i>		\$66,000					
<i>Construct</i>			\$464,200				\$530,200
Sewer SUB-TOTAL		\$66,000	\$464,200				\$530,200
<i>W/S</i>							
Multi-Infrastructure Improvements							
N. 2nd St. Sewer /Water/ Road Imps (BJB, W/S, Fed Grant)							
<i>Design</i>	\$150,508						
<i>Construct</i>	\$2,221,742						
LS #8 Area Water/Sewer Imps							
<i>(W/S) Design</i>			\$418,000				
<i>Construct (W/S- 80%)</i>					\$1,200,000	\$1,200,000	\$2,818,000
<i>(GCP-20%)</i>					\$300,000	\$300,000	\$600,000
Other W/S Mains (W/S)	\$100,000						
Multi SUB-TOTAL (W/S)	\$2,472,250	\$0	\$418,000		\$1,200,000	\$1,200,000	\$2,818,000
<i>(BJB)</i>					\$300,000	\$300,000	\$600,000
TOTAL CAPITAL			TBD	TBD	TBD	TBD	TBD
<i>W/S</i>	\$3,101,580	\$1,207,000	\$1,187,200		\$1,200,000	\$1,200,000	\$4,794,200
<i>GCP</i>					\$300,000	\$300,000	\$600,000
<i>DT TIF</i>		\$300,000					\$300,000

¹ The above estimated planning costs are variable until project scope, design, bid advertisement & bid award are complete.

Capital Improvement Plan: FY2014-2018

NOT CAPITAL	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	FY2015
Water Valve Maintenance Program ¹ (WS)	\$170,685	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Sanitary Sewer System Maintenance Program ² (W/S)	\$40,000	\$120,000	\$220,000	\$220,000	\$220,000	\$220,000	\$1,000,000
TOTAL NOT CAPITAL	\$210,685	\$145,000	\$245,000	\$245,000	\$245,000	\$245,000	\$1,125,000

¹ This year, the Distribution & Collection Division began ramping up its **Water Valve Maintenance Program** with a project to repair by replacement a backlog inventory of 40 or so damaged/broken valves in the City's water distribution system. Going forward, this program is to include annually exercising 25% of the valve inventory and subsequently replacing damaged/broken valves as necessary.

² Since 1997, the Distribution & Collection Division's annual budget for the **Sanitary Sewer System Maintenance Program** has included \$20,000 for cleaning sewer pipe and \$20,000 for lining manholes. Going forward, the division is ramping up its program towards an **annual budget of \$220,000 by 2015**. Next year is a transition year and is budgeted at \$120,000. Going forward, this program is to include annually inspecting 10% of the manhole inventory and subsequently relining/reconstructing manholes as necessary. It also includes cleaning/televising sewer mains/services and making point repairs as necessary.

Capital Improvement Plan: FY2014-2018

Project Title: Sanitary Sewer Lift Stations Rehabilitation Program

Department/Division: Public Works / Pollution Control Plant

Project Description and Reason Necessary: *Recommended Funding Source – Water/Sewer.* The City has an inventory of 38 sewage lift stations and about 2,126 manholes. Sewage lift stations and manholes endure a harsh/corrosive environment due to hydrogen sulfide gas. Periodic rehabilitation of lift station wet wells and manholes are necessary to maintain structural integrity. Rehabilitation includes, but is not limited to, structural and surface repair and coating of the wet wells and manholes with the corrosion resistant product Spectrashield, having a 10-yr warranty, (or similar product). In addition, pumps, piping, controls, fencing, & surface improvements at the lift stations are to be replaced/maintained as necessary. The current program strategy is to rehabilitate lift stations on an average of every 10 years.

- **LS #7:** *Design start scheduled for FY2013; construction start scheduled for FY2014.* This station is located at 301 N. 18th Avenue on the corner of 3rd Street and 18th Avenue. The station was commissioned in 1984. It is a Smith and Loveless duplex lift station utilizing old vacuum assist technology which is very problematic and labor intensive. The flow enters the station through a manhole in 3rd Street and discharges to a manhole in 18th Avenue that gravity flows to Lift Station #20. The control cabinet, piping and structure are corroded and deteriorating and it is difficult to get replacement parts. The wet well is 6' X 16' concrete coated with Spectrashield. This station is literally located in the Fletcher Middle School parking lot. The station should be replaced with a duplex submersible lift station.
- **LS #9:** *Design start scheduled for FY2013; construction start scheduled for FY2014.* This station is located at 1850 Tanglewood Road and discharges into a manhole on 10th Street North at 13th Avenue and gravity flows to lift station #2. It is one of two above grade duplex self-priming lift stations left in our system. It is equipped with 2 Gorman Rupp pumps installed in 2000/2001. This lift station is seriously impacted and very problematic during rain events. The pumps have great difficulty keeping up with the flows during these high demand periods. The pumps are noisy and we have received numerous complaints from the neighborhood about the racket. Over the past couple of years the station has required more and more attention and repair just to keep the pumps operational. This station should be replaced with a duplex submersible lift station.
- **LS #8:** *Design start scheduled for FY2014; construction start scheduled for FY2015.* This station is located at 825 18th Avenue North. The force main discharges into a manhole and into lift station #20. This station is impacted by infiltration and inflow issues. This station should be replaced with a duplex submersible lift station in conjunction with the lift station #8 Sewer Improvements project.
- **LS #2:** *Design start scheduled for FY2015; construction start rescheduled for FY2016.* This lift station is located at 6th Ave. N. at 4th St. N. It is a dry-pit submersible lift station below grade. This station needs to be replaced with a submersible type station including: 1) modifying the

Capital Improvement Plan: FY2014-2018

existing generator building, 2) demolishing the existing lift station building, 3) construct a new wet well with spectra shield coating, 4) new flow meter. City has recently installed new variable frequency drives and a used/refurbished generator.

- **LS #17:** *Design start scheduled for FY2018.* The station is a duplex submersible pump station with two Gorman-Rupp submersible pumps located at 3351 Anhinga Court. The force main discharges to a manhole, which is located on Osceola Avenue at Merrill Boulevard, and then flows by gravity to Lift Station # 14. The lift station has an 8-foot diameter wet well, which has been coated with Spectrashield and appears to be in reasonably good condition. The control cabinet is deteriorated. Discharge piping is PVC with the exception of the discharge elbows, which are ductile/cast iron, and show signs of rust. Replace existing storm sewer pipe with larger piping and provide access and gate to lift station site.

Funding Source: Water & Sewer Fund

PROJECT (Fund Source)	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
LS #15 <i>Design</i>	\$33,000						
(W/S) <i>Construct</i>	\$278,499						
LS #1 <i>Design</i>	\$86,054						
(W/S) <i>Construct</i>	\$870,375						
LS #7 <i>Design</i>	\$33,000						
(W/S) <i>Construct</i>		\$348,150					\$348,150
LS #9 <i>Design</i>	\$57,750						
(W/S) <i>Construct</i>			\$406,175				\$406,175
LS #8 <i>Design</i>			\$82,500				
(W/S) <i>Construct</i>				\$580,250			\$662,750
LS #2 <i>Design</i>				\$77,000			
(W/S) <i>Construct</i>					\$812,350		\$889,350
LS #17 <i>Design</i>					\$16,500		
(W/S) <i>Construct</i>						\$116,050	\$132,550
LS #19 <i>Design</i>						\$30,000	\$30,000
(W/S) <i>Construct</i>							
TOTAL CAPITAL:	\$1,358,678	\$348,150	\$488,675	\$657,250	\$828,850	\$146,050	\$2,468,975

¹ The above planning estimated costs are variable until project scope, design, bid advertisement and bid award are complete.

Capital Improvement Plan: FY2014-2018

Project Title: Reuse Implementation Program

Department / Division: Parks and Recreation & Public Works / Distribution & Collection

Project Description and Reason Necessary: In the Master Plan to Upgrade the Wastewater Treatment Facility (previous page) all plant effluent will be reuse quality. Under the provisions of Amendment 1 to the SJRWMD Cost-Share Agreement for the Wastewater Treatment Plant Improvements Project the City agreed to construct projects to utilize more plant effluent as reuse. The schedule in the agreement had all Short-Term and Mid-Term projects completed by end 2014. Amendment 1 also states that that the initial milestones and projected project activity descriptions may be updated/revised/added to as the project progresses. Subsequently, staff revised / updated reuse projects as shown below.

Mid-Term Reuse (agreement suspense end 2014):

- Warren Smith Cemetery Connection, Kirkland Cemetery (new part), WWTF Reuse Related – Completed.
- Extend Reuse to Stormwater Central Basin at 12th Ave S. & 9th St. (replaces Beach Blvd. Medians). *Recommended funding source – Water & Sewer*
- Extend Reuse to South Beach Park (replaces Additional Golf Course Area). *Recommended funding source – Southend Redevelopment District.*

Long-Term Reuse (revised as shown):

- Extend Reuse to Penman Park and Gonzales Park (replaces South Beach Park, which moved to Mid-Term Project) - **Not scheduled at this time due to budget constraints.**

Funding Sources: Water/Sewer (W/S); Southend Redevelopment Tax Increment Fund (SE TIF)

PROJECT (Fund Source)	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Near Term							
○ Golf Course (west side)	\$39,770						
○ Golf Course (east side)	\$67,273						
○ Beach Blvd. to Warren Smith Cemetery	\$26,696						
○ Kirkland Cemetery (old part)	\$2,465						
Mid Term							
○ New WWTF Reuse Related	\$8,036,443						
○ Warren Smith	\$10,000						
○ Kirkland Cemetery (new part)	\$2,564						
○ Reuse Main to Stormwater Central Basin ¹ (W/S)	<i>Design</i> \$25,000 <i>Construct</i> \$150,000						
○ Reuse Main to S Bch Park ¹ (SE TIF)	<i>Design</i> \$75,000 <i>Construct</i> \$500,000						
Long Term (beyond FY2018)							
○ Gonzales Park & Penman Park (?)							
TOTAL	\$8,935,211						

¹ These estimated costs are incorporated into the estimates for the Southend Redevelopment District Infrastructure Improvements Project currently under design and previously described under the Roads & Associated Infrastructure Program.

² The above estimated costs are variable until project design, bid advertisement and bid award are complete.

Capital Improvement Plan: FY2014-2018

Project Title: Wastewater Treatment Facility Improvements Program

Department/Division: Public Works / Pollution Control Plant

Project Description and Reason Necessary: Operational Improvements for Sludge Digesters, Chlorine Contact Tanks and Chlorination System critical to the successful operation and permit compliance of the wastewater treatment plant. The design of the new Advanced Waste Treatment (AWT) plant incorporated the existing digesters to be operated in series. The digesters were in use with the old plant during construction of the new plant.

Digesters: The waste activated sludge (WAS) from the treatment process is pumped into Digester No. 1 for initial thickening. Sludge is then transferred into Digester No. 2 for additional thickening and finally to Digester No. 3 for final thickening. The thickened sludge from Digester No. 3 is pumped to the existing Belt Filter Press for dewatering and ultimately for final landfill disposal. In the thickening process in each digester tank, liquid rises to the top of the tank and is decanted from the tank and flows to the head of the plant to enter the SBR treatment process again.

The activated sludge pumping rate from the old treatment tanks to the sludge digester process tanks was fairly uniform. Minimal valve adjustments between the digester tanks were necessary on a regular basis to achieve compliance standard for the digester liquid and thickened sludge. However, the activated sludge pumping rate from the new Sequential Batch Reactor (SBR) tanks to the sludge digester process tanks fluctuates regularly. 24-hours a day, significant valve adjustments between the digester tanks are required in order to achieve compliance standard for the digester end products.

In an effort to optimize the effectiveness of the sludge digestion process and reduce chemical and disposal costs, it is recommended that the following and other modifications be considered for implementation to automate to an appropriate level the operation of the digesters, improving the integration of the digester process with the SBR treatment process:

- Additional 6-inch piping, fittings, and automatic/manual valves, for WAS and yard pump station discharge into Digester No. 3 for operational flexibility.
- Additional 6" piping, automatic valve w/actuator and fittings to connect into transfer pump suction piping from Digester No. 3 for operational flexibility.
- Add Automatic Telescopic Sludge Valve for Digester #3 for operational flexibility.
- Add decant flow meters for Digesters Nos. 1, 2 and 3.
- Add Thermal Mass Air Flow Meter Digester 1, 2 & 3 including power & control wiring.
- Add pH probes including power and control wiring for each digester. Add power and control wiring to existing DO probes.
- Add Redox Analyzer to Digesters Nos. 1, 2 and 3 including power & control wiring.
- Add Turbidity Analyzers to Digesters Nos. 1, 2 and 3 including power & control wiring.

Capital Improvement Plan: FY2014-2018

- Reprogram sludge digestion system including blower operation to respond to DO and pH control commands and operation of air distribution valves to allow aeration to multiple tanks simultaneously at different levels.

Chlorine Contact Tanks and Chlorination System: The existing chlorination system was sized for the lower, continuous flow of the old plant. The new plant releases effluent in larger volumes, which must be chlorinated immediately, causing inefficient overuse of chlorine and thus a higher rate of deterioration of the chlorination system and contact tanks. Planned improvements to the chlorination system and contact tanks will improve the efficiency of disinfection of the treated effluent, reducing chemical, repair and maintenance costs.

Funding Source: Water & Sewer Fund

Project (Fund Source)		PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	Total
WWTF Upgrade:	(W/S)	\$1,452,830						
	(Various)	\$21,435,542						
Fuel Storage Tank (W/S)		\$41,629						
Digester Manways (W/S)		\$26,400						
Operational Imps- Sludge Digesters, Chlorine Contact Tanks & Chlorination System (W/S)	<i>Design Program Install</i>		\$360,000					\$360,000
Replace PCP Garage Roof (W/S)					\$22,000			\$22,000
TOTAL:		W/S	\$23,005,642	\$360,000		\$22,000		\$382,000

The above estimated costs are variable until project investigation analysis, design, bid advertisement and bid award are complete.

Future Operating Budget Impact:

New WWTF	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Utilities	Utility costs may increase 30% to 40% at full plant operational capacity.						
Staffing	The City's NPDES WWTF permit authorizes wastewater operator staffing at the WWTF of 8 hours per day. However, to ensure permit compliance, currently we must have wastewater operator on duty 24-hours per day until the Operational Improvements Project is completed. This project automates the operation of the digesters, integrating smoothly the sludge digester process with the SBR treatment process.						
Software /HMI Tech Support (Not Capital)	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$120,000
TOTAL	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$120,000

Capital Improvement Plan: FY2014-2018

Project Title: Raw Water Wells Improvements Program

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

Raw Water Wells Flow Meter Upgrade Project

In an effort to improve reporting of finished water flow, the Division has purchased and installed Magnetic Flow Meters (mag-meters). This increased the accuracy of the plant effluent numbers that are used in the Water Management District Consumptive Use Permit Audit as well as other reports. The units have no moving parts resulting in low maintenance and minimal usage of low voltage electricity, reducing damaging heat as well as lowering operational costs.

The Division plans to implement a flow meter replacement program at its other locations. Replacement of existing, old pressure differential and paddle wheel meters with magnetic meters will be incremental and based on budget year. The plan is to address the influent (raw) water source first, hopefully reducing the perceived losses between raw and finished water.

The City has 2 raw water wellfields comprised of 3 wells each. Each well has a meter and a fourth meter is located where the well flows combine. Thus, the 2 wellfields have a total of 8 meters. Over the next three years, it is planned to replace all 8 meters.

Raw Water Well No.11 Improvements Project

Each of the City's two (2) water treatment plants are supplied with raw water from three (3) wells. Constructed in the late 1950s, Well No. 11 is the deepest of the City's wells at a depth of 1,204 feet. The five (5) other wells average 900 feet in depth. Well No. 11 has become a target of concern for the Health Department, St. Johns River Water Management District and the City. Water quality has declined and is continuing to decline significantly. Chlorides are salts that are monitored as a standard for quality. The chloride levels in Well No. 11 averaged 51 milligrams per liter (mg/l) in year 2000, while the other wells averaged 13 mg/l. Well No. 11's chlorides have increased to an average of 155 mg/l in 2011 while the remaining wells averaged 14.5 mg/l. Well No. 11 is being infiltrated by chlorides, from salt water intrusion, and is approaching the maximum contaminant level (MCL) of 250 mg/l.

Replacing Well No.11 with a new 900-foot depth well and its appurtenances, land acquisition, additions to the raw water transmission main, and abandonment of the existing well is estimated to cost over \$1.5 million. A cost-effective alternative would be to modify the existing well by sand/grout filling to a depth of 900 feet, replacing the motor controls, and install a deep well submersible pump and motor assembly. The projected cost for design and construction would be approximately \$500,000.

Capital Improvement Plan: FY2014-2018

Funding Source: Water & Sewer Fund

PROJECT <i>(Fund Source)</i>	PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	Total
Flow Meter Upgrade (W/S)	\$25,500	\$33,000	\$22,000				\$55,000
Well 11 Imps. (W/S)				\$500,000			\$500,000
TOTAL	\$25,000	\$33,000	\$22,000	\$500,000			\$555,000

Future Operating Budget Impact:

<u>Fund</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>TOTAL</u>
Water & Sewer	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvement Plan: FY2014-2018

Project Title: Water Plant #2 Improvements Program (Osceola Ave.)

Department/Division: Public Works/Water Plant

Project Description and Reason Necessary:

Upgrade Interior Roofs of the Two (2) Above Ground Storage Tanks

Three (3) 900-foot deep artesian wells supply raw water from the Floridan Aquifer to two (2) 500,000 gallon concrete ground storage tanks for treatment at Water Plant #2. The raw water has high contents of hydrogen sulfide as well as other sulfides and sulfates. To remove these compounds, each tank is equipped with an aerator to allow suspended gases to escape. This is supplemented with retention time and chlorination. The residual compounds accumulate in the form of acids on the interior surfaces of the tanks' dome roofs. Even with cleaning and recoating, the acid has had a deleterious effect on the dome's cement. The long term effect results in erosion of the reinforcement steel and at some point the roof may fail. This has been reported to have occurred on two (2) tanks operated by a neighboring utility, which also removed 2 additional tanks from service to prevent the catastrophic failure of the tank roofs.

Water Plant #2's storage tanks are exhibiting this type of erosion and are in need of advanced maintenance. All deteriorated cement and steel must be removed, repairs made, and an advanced coating system installed.

Funding Source: Southend Redevelopment District Tax Increment Fund (*SE TIF*); Water & Sewer Fund (*W/S*).

PROJECT (<i>Fund Source</i>)		PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Water Plant #2 Improvements Program								
o Division Maintenance Facility ¹ (<i>SE-TIF, W/S</i>)	<i>Design Construct</i>	\$82,930						
		\$854,700						
o Interior Roofs Upgrade, Grd Storage Tanks (<i>W/S</i>)						\$360,000		\$360,000
TOTAL		\$937,630				\$360,000		\$360,000

¹ These estimated costs are incorporated into the estimates for the Southend Redevelopment District Infrastructure Improvements Project previously described under the Roads & Associated Infrastructure Program.

² The above estimated planning costs are variable until project scope, design, bid advertisement & bid award are complete.

Future Operating Budget Impact: For utilities and phone.

Fund	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
TOTAL	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$18,000

Capital Improvement Plan: FY2014-2018

Project Title: Stormwater Collection & Treatment System Improvements Program

Department / Division: Public Works / Stormwater

Project Description and Reason Necessary:

For over a decade, the City has been steadily improving its stormwater collection systems through a program of study, design, and construction under the auspices of Phases 1, 2 & 3 of its Stormwater Master Plan and staff field experiences and history. Project priorities and design approaches may be adjusted based on field-collected data, funding availability, and estimated project costs. Projects are funded one at a time as funds are available. Project costs have continually been increasing over the past several years. Fund cash balance is carefully monitored. Some major projects are anticipated to be deferred / delayed due to funding constraints.

Central/South Stormwater Basins Improvements: This is a multi-year program to rehabilitate & improve these two primary stormwater retention facilities & conveyance systems to the west for stormwater collected south of Beach Blvd. The Central Basin facilities are located at 9th St. S. & 12th Ave. The South Basin facilities are located at JT Butler Blvd. & South Beach Parkway.

- **Central/South Basins Facilities Operational Improvements:** Construction of valve operator deck and installation of valves at the Central facility; installation of level controls at the Central & South facilities, fabrication & installation of safety/maintenance catwalk at the South facility weir, fabrication & installation of sampling platform & access at the South facility, and fabrication & installation of debris collection & removal system at the South facility, eastside of South Beach Parkway.

Stormwater Improvements at Various Locations

- **Penman Road – 8th Avenue North to 9th Avenue North:** Project consists of installation of approximately 350 linear feet of 15-inch PVC storm sewer piping, three (3) inlets, filling in of existing swale, and driveway and sodding removal and replacement.
- **4th Street South - 10th Avenue South to 12th Avenue South:** Project consists of installation of approximately 525 linear feet of 24-inch PVC storm sewer piping, 175 linear feet of 15-inch PVC storm sewer piping, nine (9) inlets, filling in of existing ditches, and driveway and sodding removal and replacement.
- **4th Street South - 15th Avenue South to 16th Avenue South:** Project consists of installation of approximately 175 linear feet of 48-inch RCP storm sewer piping, two (2) inlets, filling in of existing ditch, and sodding removal and replacement.
- **Isabella Boulevard - 35th Avenue South to Jacksonville Drive:** Project consists of installation of approximately 450 linear feet of 42-inch RCP storm sewer piping, three (3) manholes, filling in of existing ditch, and sodding removal and replacement.

Capital Improvement Plan: FY2014-2018

Funding Sources: Stormwater Fund (SW) or Southend Redevelopment Fund (SE TIF)

PROJECT (Fund Source)		PRIOR	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Ocean Forest Stormwater Improvements								
○ Study (SW)		\$167,000						
○ Phase 1 Imps. (SW)	Design Construct	\$50,000	\$523,000					\$523,000
○ Phase 2 Imps. (SW)	Design Construct		\$50,000	\$523,000				\$573,000
Central/South Basins Improvements								
○ Central/South Basin Combined Permit		\$68,018						
○ Central Basin Erosion Cntrl Imps (SW)	Design Construct	\$31,228 \$506,145						
○ Basins Opn. Imps. (SW-50% SE TIF-50%)					\$180,000 \$180,000			\$180,000 \$180,000
Stormwater Improvements Various Locations								
○ Penman Rd. (SW)	Design Construct		\$11,100 \$62,000					\$73,100
○ 4 th Street S., 10 th to 12 th Ave. (SW)	Design Construct				\$23,500	\$166,000		\$189,500
○ 4 th Street S., 15 th to 16 th Ave. (SW)	Design Construct				\$13,000	\$87,000		\$100,000
○ Isabella Blvd, 35 th S Ave. to Jax Dr (SW)	Design Construct					\$26,500	\$190,000	\$216,500
○ 4 th Street S., 1 st to 6 th Ave. (SW)	Design Construct						\$100,000	\$100,000
TOTAL CAPITAL	SW SE TIF	\$822,391	\$646,100	\$523,000	\$216,500 \$180,000	\$279,500	\$290,000	\$1,955,100 \$180,000

¹The above estimated planning costs are variable until project scope, design, bid advertisement and bid award are complete.

Pipe Cleaning (Not Capital)		\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$475,000
------------------------------------	--	----------	----------	----------	----------	----------	-----------



Glossary of Budgetary and Financial Terminology and Acronyms

The City's operating budget contains specialized and technical terminology and acronyms that are unique to government and to public finance and budgeting. This glossary has been included in the budget to assist the reader in understanding the more unique terms.

Accrual basis of accounting - method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of the related cash flows.

Ad valorem Tax - a tax assessed on the value of real and personal property.

Adopted (approved) budget - the financial plan of revenues and expenditures for a fiscal year, as approved by the City Council.

AFG – Aid to Firefighters Grant

ALS — Advanced Life Support

Amendment - a change to the adopted budget which may increase or decrease a fund's total appropriation.

Amortization - gradual reduction of an amount over time. An example is amortized principal and interest payments on debt. An asset or liability with a limited life is usually amortized over the period benefitted (i.e., the life of the loan).

APPA — American Public Power Association

Appropriation - a specific amount of funds authorized by the City Council with which financial obligations may be made.

ARP – All Requirements Project

ARRA – American Recovery and Reinvestment Act

Assessed Valuation - the value placed on property for the purpose of taxation. The City of Jacksonville Beach accepts the assessment of real and personal property as determined by the Duval County Property Appraiser.

Glossary and list of acronyms

AWT – Advanced Waste Treatment

Balanced budget - total anticipated revenues plus available fund balance in excess of authorized reserves equals total budgeted expenditures plus required reserves for each fund.

BLS — Basic Life Support

BMAP – Basin Management Action Plan

Bond - a written promise to pay a specific sum of money (called principal or face value) at a specific future date along with periodic interest paid at a percentage of the principal. Bonds are used to finance capital projects.

Bond Covenant - an agreement between the City and its lenders which specifies a payment schedule, terms and reserves to be held.

Budget Calendar - the schedule of key dates or goals which the City follows through the budget process.

Budgetary Control - the control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limits of revenues and approved appropriations.

Budget Message - a brief written statement presented by the City Manager to the City Council and incorporated into the budget document which highlights budget issues and policy recommendations.

Budget Process - the established procedures and calendar for the tasks which are to be completed prior to the adoption of the annual operating budget.

Budget Resolution - the official enactment by the City Council legally authorizing City officials to obligate and expend City resources.

Budgetary Solvency - a governmental unit's ability to generate sufficient cash revenues to pay its bills over a thirty to sixty day time frame.

CAD — Computer-Aided Dispatch

CAFR — Comprehensive Annual Financial Report

CALEA — Commission on Accreditation for Law Enforcement Agencies

CAPE – Community Assisted Policing Effort

Glossary and list of acronyms

Capital (Fixed) Asset – Land, improvements to land, easements buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure and all other tangible or intangible assets costing \$1,000 or more that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Expenditure/Capital Outlay - an expenditure for the acquisition of, or addition to a fixed asset. Items acquired for less than \$1,000 are not considered to be capital expenditures.

Capital Improvement Plan (CIP) - a plan for capital expenditures to be incurred each year over a fixed period of several years. The plan sets forth each capital project and identifies the expected beginning and ending date for each project, the amount to be expended in each year and the method of financing for those expenditures.

Capital Project - Projects which result in the acquisition or construction of fixed assets which are of long term and permanent nature. Such assets include land, buildings and related improvements.

Cash Balance Forward - funds on hand at the end of a fiscal year resulting from collections of revenues in excess of expenditures or unexpended appropriations which are included as a revenue source in the budget of the following fiscal year.

CDBG — Community Development Block Grant

CFL – Compact Florescent Light

CIP — Capital Improvement Plan

CIS – Customer Information System

Contingency - a budgetary reserve to provide for emergency or unanticipated expenditures during the fiscal year.

COP — Citizens on Patrol

COPS – Community Oriented Policing Services

CPI — Consumer Price Index

CRA - Community Redevelopment Agency

Credit Rating - an independent rating service's evaluation of the credit worthiness of notes and bonds. Such ratings influence the cost of borrowing.

Glossary and list of acronyms

CRT - Community Response Team

CUP – Consumptive Use Permit

DARE - Drug Abuse Resistance Education

Debt - funds owed as a result of borrowing.

Debt Service - the payment of principal and interest on borrowed funds, such as bonds.

Debt Service Fund - the fund used to account for the accumulation of resources for the payment of principal and interest on long term debt, specifically, bond issues.

Deficit - the excess of expenditures over revenues during a fiscal year.

Department - a major administrative division of the City with overall management responsibility for an operation or a group of related operations within a related program area.

Depreciation - the periodic expiration of an asset's useful life. Depreciation is a requirement in proprietary funds such as internal service and enterprise funds.

EAR – Evaluation and Appraisal Report

EMS — Emergency Medical Services

EMT – Emergency Medical Technician

EPA – Environmental Protection Agency

EVOC – Emergency Vehicle Operators Course

Encumbrance/encumbered - a commitment of funds through appropriation in which the expenditure has not actually been made at the time of recording. It may be represented by a purchase order, purchase requisition or contract for goods and services.

Enterprise Fund - a fund in which the activities are supported wholly or primarily by charges and fees paid by the users of the services.

ESCO – Electric Service Corporation

Expenditure/Expense - the outflow of funds paid or to be paid for an asset obtained or for goods and services provided regardless of when the expense is actually paid. The term

Glossary and list of acronyms

expenditure applies to governmental funds and the term expense applies to proprietary funds.

FCC – Federal Communications Commission

FDEP — Florida Department of Environmental Protection

FDOT – Florida Department of Transportation

FERC — Federal Energy Regulatory Commission

FMPA - Florida Municipal Power Agency

Fiscal Year - the time period designated by the City signifying the beginning and ending of its annual period for recording financial transactions. The City of Jacksonville Beach's fiscal year is October 1 through September 30.

Fixed Asset – a financial resource that is tangible, has an expected life of more than one year, costs more than \$750 and is not a repair or supply item. Items meeting the fixed asset criteria are classified by major categories: land, building, improvements other than building, equipment and vehicles and construction-in-progress.

FOP — Fraternal Order of Police

Franchise - an agreement between the City and a provider of public services, such as cable television or garbage collection, which imparts certain standards on the provider and is a contract which requires payments to the City.

FRCC — Florida Reliability Coordinating Council

FRDAP – Florida Recreation Development Assistance Program

FS - Florida Statutes

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts. These accounts record cash and other assets together with all related liabilities, obligations, reserves and equities. Funds are segregated so that revenues will be used only for the purpose of carrying out specific activities in accordance with special regulations, restrictions or limitations.

Fund Balance - refers to the excess of assets over liabilities and, therefore, is generally known as the amount available for appropriation to the extent that it is not reserved.

GAAP - Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

General Fund - the governmental accounting fund supported by ad valorem property taxes, licenses and permits, service charges and other general revenues to provide City-wide operating services. This may be referred to as the Operating Fund.

General Obligation Bonds (GOB) - bonds whose principal and interest are paid from property tax for debt service and are backed by the City's full faith and credit. Approval by referendum vote is required for GOBs to be issued.

GFOA - Government Finance Officers' Association

GIS — Geographic Information System

Governmental Funds - funds used to account for the acquisition, use and balances of expendable financial resources and related liabilities. Governmental funds include the General Fund, Special Revenue Fund(s), Debt Service Fund(s) and Capital Projects Fund(s).

GPS — Geographic Positioning System

Homestead Exemption - pursuant to the Florida State Constitution, the first \$25,000 of assessed value of a home which the owner occupies as principal residence is exempt from property tax.

HTE – The name of the City of Jacksonville Beach's operating software for general ledger, utility billing, building permit, occupational license and other applications.

IAFF — International Association of Firefighters

Impact Fees - monetary payments made by developers or builders to defray the public costs of providing infrastructure capital to a development.

Infrastructure - public support structures such as roads, street lighting, water and sewer lines.

Intergovernmental Revenue - Revenue received from another governmental unit in the form of entitlements, shared revenues or payment in lieu of taxes.

IRB – Inflatable Rescue Boat

JAG – Justice Assistance Grant

JTA — Jacksonville Transportation Authority

Glossary and list of acronyms

Kw, Kwh — Kilowatt, kilowatt hour, respectively

LAN — Local Area Network

Levy - to impose taxes, special assessments or service charges. Another term used for millage rates.

LIUNA — Laborers International Union of North America

LOGT – Local Option Gas Tax

Mandate - any responsibility, action or procedure that is imposed by one sphere of government on another through constitutional, legislative, administrative, executive or judicial action as a direct order or that which is required as a condition of aid.

Matching Requirement - a contribution to a project or program required by a funding source as a basis for the grantor's contribution. Matching requirements are frequently imposed as a proportionate share of the overall contribution.

MCP – Mobile Command Post

MGD — Million Gallons per Day

MHz — Megahertz

Mill – amount per \$1,000 of value

Millage Rate - The ad valorem tax rate expressed in the amount levied per \$1,000 of assessed taxable value of the property, or 1 mill = \$1.00 per \$1,000 of assessed value.

MPO — Metropolitan Planning Organization

Mw, Mwh — Megawatt (1,000 kilowatts), Megawatt hour (1,000 kilowatt hours)

NERC — North American Electric Reliability Corporation

NFPA – National Fire Prevention Association

NFTPO – North Florida Transportation Planning Organization

NPDES — National Pollutant Discharge Elimination System

O&M Facility – Operations and Maintenance Facility.

Operating Expenditures - also known as operating and maintenance costs, these are day-to-day expenses excluding capital outlay, debt service and transfers.

Performance Indicators - special qualitative and quantitative measures of work performed as an objective of a department.

Proprietary Funds - used to account for a government's ongoing organizations and activities that are similar to those found in the private sector. Proprietary funds include Enterprise and Internal Service Funds.

PUD – Planned Unit Development

PWRCA – Priority Water Resource Caution Area

Reserve - an account used to indicate that a portion of funds has been legally restricted for a specific purpose or not available for appropriation and subsequent spending. A reserve for working capital is a budgetary reserve set aside for cash flow needs, emergencies, unforeseen expenditures or revenue shortfalls.

Retained Earnings - a fund equity account which reflects accumulated net earnings (or losses) of a proprietary fund. As in the case of fund balance, retained earnings may include certain fund balance reserves.

RFP - Request for Proposal

RFQ — Request for Qualifications

Rolled-back Millage Rate – The millage rate calculated to provide the same amount of property taxes as the previous year, excluding new taxable value (new construction/additions) and amounts paid as the result of obligations measured by dedicated tax increment value.

Revenue - funds which the City receives as income. Revenue categories include taxes, licenses, user fees, service charges, fines and penalties, interest, loan proceeds and grants.

SAN — Storage Area Network

SCBA – Self-contained Breathing Apparatus

Sinking Fund - a reserve fund accumulated over a period of time used for the periodic retirement of debt.

SLEP - Service Life Extension Program

Glossary and list of acronyms

Special Assessment - a compulsory levy imposed on certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund - a governmental fund in which the revenues are designated for use for a specific purpose or activity.

STAG – State and Tribal Assistance Grant

SWAT — Special Weapons and Tactics

Taxes - compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Tax Year - the calendar year in which ad valorem taxes are levied to finance the ending fiscal year budget. For example, the tax roll for the 2009 calendar year would be used to compute the ad valorem taxes levied for the 2009-2010 budget.

TCEA – Transportation Concurrency Exception Area

TECO – Tampa Electric Company

Tentative Millage - the tax rate adopted in the first public hearing of a taxing authority. Under state law, the agency may reduce, but not increase, the millage during the final budget hearing without extensive re-advertising and property owner notification.

TIF — Tax Increment Fund(s)

TMDL – Total Maximum Daily Load. TMDL refers to the maximum amount of a pollutant such as nitrogen, copper, phosphorous or other specified nutrient that a water body can receive and still meet water quality standards, and an allocation of that amount is made to the pollutant's sources, such as wastewater plants.

Transfers – are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

TRIM – Truth in Millage Act - a 1980 law enacted by the Florida legislature which changed the budget process for local taxing authorities. It was designed to keep the public informed about the taxing intentions of the various authorities.

Glossary and list of acronyms

Uniform Accounting System - the chart of accounts prescribed by the State of Florida, Office of the Comptroller which is designed to standardize financial information to facilitate comparison and evaluation of various reports.

User Charges/Fees - fees charged for the direct receipt of public service.

VECHS — Volunteer Employee Criminal History System

Voted Millage - property tax levies authorized by voters within a taxing authority. Bond issues that are backed by property taxes are a common form of voted millage in the State of Florida. Such issues are called general obligation bonds.

WQBEL – Water Quality Based Effluent Limit

WTP – Waste Treatment Plant

WWTP – Waste Water Treatment Plant