

CITY OF JACKSONVILLE BEACH ANNUAL BUDGET



FISCAL YEAR ENDING SEPTEMBER 30, 2016

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
	Bruce Thomason	Seat 4, District 1
	Jeanell Wilson	Seat 5, District 2
	Lee Buck	Seat 6, District 3

City Clerk: Laurie Scott

City Attorney: Susan S. Erdelyi

City Manager: George D. Forbes

Department Directors:

Gary Frazier	Chief, Fire Department
Patrick K. Dooley	Chief, Police Department
Allen Putnam	Director of Beaches Energy Services
Ann Meuse	Director of Human Resources
Gary Meadors	Director of Parks & Recreation
Bill Mann	Director of Planning & Development
William T. Edwards, P.E.	Director of Public Works
Karen Nelson, C.P.A.	Chief Financial Officer

Working Together: Committed to the Citizen

2016 Annual Budget

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Jacksonville Beach

Florida

For the Fiscal Year Beginning

October 1, 2014

A handwritten signature in cursive script, reading "Jeffrey R. Enow".

Executive Director

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, 2014. 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

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September 30, 2015

The 2016 Annual Budget and Capital Improvement Plan adopted on September 14, 2015, reduces the millage rate by 2.5% to \$3.8947 mills. The total adopted budget of \$159.8 million is \$8.2 million less than the 2015 budget. Most of the decrease results from the expected completion of redevelopment projects budgeted in 2015. The General Fund's budget of \$19.9 million is \$467,490 more than this year's budget. The increase reflects additional funding for parks, cemetery, irrigation, and facilities maintenance. Property taxes represent 41% of the General Fund's total revenue.

ECONOMIC AND DEMOGRAPHIC INFLUENCES

The City of Jacksonville Beach's economy and demographics reflect statewide and national trends. While statewide improvements in job prospects, tourism, personal income, and building permit activity indicate some recovery, as of July 2015, 8 of the top 10 highest metro foreclosure rates nationally were in Florida (Jacksonville was number 1)*. The City of Jacksonville Beach's property values increased by 8.7% and 2016 budget projections for some property, sales and gas taxes have increased. However, while many indicators are improving, they have not fully recovered to pre-recession levels.

Another trend with implications for the future is changes in population demographics. Florida's population is projected to grow by 5 million to 24 million by 2030; its older population (age 60+) is expected to account for 56% of the gains*. The City's workforce is reflecting this trend as Baby Boomers become eligible for retirement, making it important to plan for the transition and develop the next generation of the City's workforce leaders. It has also become important to create opportunities for growth and learning through mentorship and training as our workforce changes. (*source: **Florida: An Economic Overview, August 26, 2015**, The Florida Legislature Office of Economic and Demographic Research, <http://edr.state.fl.us>)



BUDGET ISSUES

An improved economy, changes in the way the City will do business in the future and an aging workforce are all impacting staffing. The 2016 budget makes the following changes in authorized positions to address these issues:

- Adds 1 part-time Staff Assistant in the Parks and Recreation Department to focus primarily on special events. In 2015, more than 75 events and festivals required logistical support and permitting by the City.
- Adds 1 Business Analyst to the City's Information Systems Division. The City plans to replace its enterprise resource planning system this year and this position will serve as a liaison between departments and Information Systems to evaluate current business processes to find ways to improve efficiency with the newly selected system. The implementation process is expected to take 2 to 4 years, and then this position will focus on supporting the adopted technology.

Even with the addition of these positions, there are 18 fewer fulltime authorized positions than there were in the 2008 budget.

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 2016 budget provides funding for many programs, projects and events that further these priorities. For the status of programs related to these priorities, please see the Executive and Legislative section of this document, pages 36-37.

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.

Sustainability adjustments to union contracts ratified in 2014 reduced the City's pension costs and its unfunded liabilities. Many people made some difficult decisions in order to improve the long-term health of the pension funds, including the City Council, unions, and a team of staff who worked on the project. By making changes to the City's prescription drug program, utilizing wellness reimbursements, and applying Affordable Care Act rebates, health insurance rate increases were contained at 5.57% for the upcoming year. Our employees are also required to attend periodic safety and accident training to keep accident and workers' comp insurance rates low.

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.

PUBLIC SAFETY

With the addition of a sergeant and three police officers last year, there are now nine members of the Downtown CAPE Policing Initiative, funded by the Community Redevelopment Agency (CRA). The addition helps manage the City's very popular Downtown entertainment district by dedicating police officers to the area, enabling them to interact closely with business people, residents and visitors and focus on issues of public safety and quality-of-life crimes.

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 efforts. Last year, the City Council approved a one-year pilot program to partner with other agencies to assist vagrants through the Chronically Homeless Offender Project (CHOP). The program is designed to reduce crime by providing a residence and resources to homeless members of our community who have the willingness and desire to make a major change in their lives. During the year, 28 individuals were identified as being eligible for this program and 3 are currently participating. The City has elected to continue this program in 2016 and will monitor its effectiveness.

Other public safety programs funded in this budget include firearms and bicycle safety, neighborhood watch and DUI prevention, fire prevention and hurricane preparation.

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 continue to be a great asset to the Police Department and the

community, providing about 13,620 hours of service to the department in 2014, the approximate equivalent of 6.5 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. In 2014, the contract for the management of the downtown parking program was outsourced and the current vendor has improved management of the parking lots and security in them. The Police Department, working with downtown businesses, developed a 2-hour parking program in designated downtown areas. This program is underway, with the goal of moving those seeking long-term parking to the City's parking lots with 2-hour spaces available for downtown visitors seeking short-term parking options. Parking spaces at various locations throughout the City were marked as being specifically reserved for low-speed vehicles last year. In addition, the hours of operation for paid parking were successfully implemented with the consent of the downtown business community. The paid parking program and the additional security it brings to the parking lots have been very successful.

BUSINESS GROWTH

This year, Native Sun, an organic grocery chain, opened an 11,000 square foot store in an existing commercial center on North 3rd Street in Jacksonville Beach. The center's owner completed a renovation of the entire property in conjunction with this new high profile tenant. This year has also seen the approval of several projects in the Beach Boulevard corridor. Construction of an 1,800 square foot square foot Jimmy John's sandwich shop has been approved for the vacant lot at Beach Boulevard and 5th Street South. Another project was approved for construction on the southwest corner of Beach Boulevard and 3rd Street. When completed, the new 5,200 square foot one-story commercial building will be occupied by the *Burrito Gallery* restaurant and another commercial tenant.

Concurrent with the permitting of these and other new projects, staff has been busy refining policies and identifying projects related to the six “pillars” of the City’s adopted Downtown Action Plan:

- Public Spaces
- Commercial Spaces
- Transportation
- Entertainment and Events
- Public Safety
- Quality of Life

The Downtown Action Plan contains both short and long range project and policy recommendations. Many of the short term recommendations from the Action Plan are already under way, building on efforts to revitalize downtown and broaden its appeal, a project that was initiated with the adoption of the Downtown Vision Plan in 2007.

Beaches Energy offers a commercial lighting retrofit/upgrade rebate program. Interior commercial lighting upgrades may be eligible for a rebate of \$150 per kilowatt reduction over its existing lighting up to a maximum of \$2,500. The rebate helps our commercial customers reduce the cost of lighting upgrades that will help reduce their monthly energy costs.

Included in the 2016 budget is \$1.8 million for improvements to the 10th Street South Industrial Park area. Completion of these improvements to the road, stormwater, sanitary sewer, and water distribution systems, in addition to making the infrastructure work better, will also make the area more attractive to new and existing businesses.

COMMUNITY BUILDING

Our residents are engaged in a variety of cultural, social, service and recreational activities. As a local government, part of our business is to provide attractive, inviting spaces that create opportunities for community events and neighbors to gather. Special events are one way we create opportunities for people to connect. The budget funds the City-sponsored Moonlight Movies, the annual Beaches Parade and Fourth of July 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 privately-sponsored events and fundraising/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.

It is also important that we continue to keep all City parks and facilities well maintained. The budget includes funding to inspect City facilities regularly and schedule appropriate maintenance when it is needed. In addition to continued funding for the City's program of infrastructure improvements, the 2016 budget includes funding for major building systems replacement projects, cemetery maintenance, additional tree trimming, and new sidewalks in various parts of the City. The Public Works budget includes funding for beach and downtown cleanup, dumpster enclosures and street sweeping to keep Jacksonville Beach clean and debris-free. Funding to rebuild dune walkovers is also included in the budget.

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. The Downtown Action Plan is a recent example of a process that relied on a great deal of citizen participation.

Each year, following the development of the proposed budget, the City holds 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, residents and business owners who participate in these meetings. We would like to thank everyone who gives of their time in order to improve the outcome of these processes.

Sincerely,

A handwritten signature in blue ink that reads "George D. Forbes". The signature is written in a cursive style.

George Forbes
City Manager

A handwritten signature in blue ink that reads "Karen W. Nelson". The signature is written in a cursive style.

Karen Nelson
Chief Financial Officer

A handwritten signature in blue ink that reads "Ashlie Gossett". The signature is written in a cursive style.

Ashlie Gossett
Budget Officer

Summary of Changes in Fund Balance, Revenues and Expenditures:

Budget Development:

Revenues used to develop the budget were projected (see Funding Sources tab) based on estimates from the State of Florida, Duval County Property Appraiser, current contracts, interlocal agreements, prescribed formulas and five-year cash flow projections. The preliminary estimate for property taxes was based on an assumption of no change in property values and no change in the millage rate (\$3.9947 mills). Subsequent estimates of increased property values led to a 2.5% reduction in the millage rate to \$3.8947.

Once the initial revenue estimates were made, expenses were estimated and instructions to departments were developed.

1. Payroll was projected consistent with recently negotiated union contracts. The projection assumed there would be no vacancy in any authorized positions. Pension cost savings resulting from the union contract agreements and estimated by the pension funds' actuary were incorporated into the payroll projection.
2. The cost of energy was estimated based on historical consumption and consumption patterns and projected pricing from the Florida Municipal Power Agency, from which Beaches Energy purchases all of its power.
3. The cost of all insurance for property, liability, workers comp and health insurance was estimated based on recent rate history and the City's experience rates.
4. Capital outlay for items or projects costing more than \$25,000 was budgeted as shown in the 5-Year Capital Improvement Plan. The development of this plan along with the identification of project funding sources is a separate process completed prior to the development of the

operating budget which streamlines the incorporation of high-cost projects into the proposed budget.

Fund Balance – Unrestricted and All Other:

The City divides its funds into categories of major and nonmajor to comply with criteria established by governmental accounting standards (GASB 34). Almost 80% of 2016 budgeted revenue and expense can be found in the City’s five major funds. Of the City’s fund balance, about two-thirds 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, #1890-2011 and #1934-2014, to specify its fund balance classifications and permitted uses for them in the General Fund and in all capital projects funds. Many other funds have legal limitations on the use of any revenues deposited into the funds, for example, special revenues, grants, forfeiture and seizure funds, and pension funds.

Ending Fund Balance	Unrestricted	All Other	Total Fund Balance	% of Total
General Fund	\$1,029,006	\$9,483,088	\$10,512,094	5.3%
Redevelopment	-	13,517,242	13,517,242	6.8%
General Capital Projects	-	3,048,625	3,048,625	1.5%
Electric	47,402,214	8,224,765	55,626,979	27.8%
Water & Sewer	10,593,044	1,405,420	11,998,464	6.0%
Total Major Funds	59,024,264	35,679,140	94,703,404	47.4%
Nonmajor Governmental	20,000	4,842,551	4,862,551	2.4%
Nonmajor Enterprise	10,735,123	-	10,735,123	5.4%
Nonmajor Internal Service	3,857,505	-	3,857,505	1.9%
Nonmajor Pension	-	85,760,229	85,760,229	42.9%
Total Nonmajor Funds	14,612,628	90,602,780	105,215,407	52.6%
TOTALS	\$73,636,892	\$126,281,920	\$199,918,811	100.0%
Percentage of total Fund Balance	37%	63%	100%	

Budgeted Changes in Fund Balance:

General Fund: Since budgeted revenues are equal to budgeted expenses, the General Fund’s budget anticipates no change in fund balance. Of the \$9.5 million of fund balance classified as “All Other”, about half has been committed for revenue stabilization and half has been assigned for emergencies and unanticipated events as described in Resolution #1887-2011, #1890-2011 and #1934-2014.

Major Fund or Nonmajor Fund Type	Revenues 2016	Expenses 2016	Budgeted Change in Fund Balance	% Change
General Fund	\$19,936,416	\$19,936,416	\$0	0.0%
Redevelopment	9,036,003	1,940,468	7,095,535	110.5%
General Capital Projects	1,026,000	3,070,301	(2,044,301)	-40.1%
Electric	89,033,651	91,461,059	(2,427,408)	-4.2%
Water & Sewer	11,119,891	12,103,925	(984,034)	-7.6%
Total Major Funds	130,151,961	128,512,169	1,639,792	1.8%
Nonmajor Governmental	3,353,387	3,482,715	(129,328)	-2.6%
Nonmajor Enterprise	8,732,150	8,374,143	358,007	3.4%
Nonmajor Internal Service	12,717,544	12,717,544	-	0.0%
Nonmajor Pension	9,735,565	6,754,844	2,980,721	3.6%
Total Nonmajor Funds	34,538,645	31,329,246	3,209,400	3.1%
TOTALS	\$164,690,606	\$159,841,415	\$4,849,192	2.5%

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. Design of Project 1, Phase IIIC of the Downtown Vision Plan (in the area east of 3rd Street between Beach Boulevard and 4th Avenue South) is about 90% complete. Planning estimates for the work remaining in the Downtown Plan are approximately \$30 million. Construction of Phase 1 of the South Beach

Infrastructure Project (in the area of Roberts Drive/13th Avenue South to Osceola) was completed in August. Design of Phase 2 (reuse in the medians from South Beach Park to Jacksonville Drive) is nearing completion and construction is expected to begin in early 2016.

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 grants 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. This fund's primary source of budgeted revenue is a transfer from the General Fund for a fire truck replacement tentatively scheduled for 2017 (\$75,000), the heavy vehicle equipment replacement reserve (\$90,000), the radio system replacement (\$200,000) and major building system replacement projects (\$150,000). Additional funds for the major building system replacement projects will come from the Electric Fund (\$190,000) and Water and Sewer Fund (\$129,000). Part of the cost of computer replacements (\$40,000) included in the information technology master plan will come from the Lease Facilities Fund. Also budgeted are transfers from Utility Billing and Information Systems to accumulate money to pay for future equipment replacements.

Major budgeted capital expenses are for the replacement of the City's business applications (\$1,600,000), reconstruction of some of the City's dune walkovers (\$100,000), annual computer replacements (\$60,301), replacement of major building systems (\$225,000), a portion of the cost the 10th Street South Industrial Park Area Project (\$810,000) and streets heavy equipment (\$150,000). The use of these fund balances is assigned by Resolution #1887-2011, #1890-2011 and #1934-2014 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. On October 1st, Beaches Energy will reduce the residential electric rate for the first 1,000 kilowatt hours of electricity to \$122.91, which is \$15 less than it was in June 2010. 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 2016 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. Descriptions and estimated costs of identified projects are 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 funds resulted from the decision to spend down a portion of the balance that had accumulated in the debt service fund for the ½-Cent Infrastructure Surtax (Better Jax Beach) Bonds. Restrictions on most

governmental funds come from state and federal law, enabling legislation, bond covenants and contractual obligations.

Nonmajor Enterprise Funds: The Stormwater fund balance is projected to grow slightly this year because of a decrease budgeted capital outlay. Projects from the Stormwater master plan were budgeted and designed in the prior year and construction is expected to begin this fall. Stormwater bonds were paid off in 2012, making an additional \$450,000 per year available for system improvements. The Sanitation budget's expenses also exceed 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. The current contract with the City's garbage provider expires in 2016. Estimates of natural gas revenues have been increased slightly and are budgeted to exceed the fund's expenses. The budget includes funding for system expansion (\$100,000) but this funding has been reduced as system growth has slowed.

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, information systems, 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.

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 2015 by about \$3.2 million. All of the pension fund balances are restricted to make payments for current and future retirees.

Revenues by Category:

Revenues	ALL FUNDS			
	Original Budget 2015	Approved Budget 2016	Increase (Decrease)	% Change
Taxes	\$20,039,527	\$21,182,469	\$1,142,942	5.7%
Permits & fees	561,250	562,250	1,000	0.2%
Intergovernmental	3,828,859	3,887,722	58,863	1.5%
Charges for services	116,652,427	120,077,886	3,425,459	2.9%
Fines & forfeitures	204,500	216,000	11,500	5.6%
Interest & other	11,695,488	12,100,736	405,248	3.5%
Transfers in	6,222,032	6,663,544	441,512	7.1%
Total Revenues	\$159,204,083	\$164,690,606	\$5,486,523	3.4%

Taxes: Increases in property value provided an opportunity to reduce the millage rate. The upturn in property tax revenue is split between the General Fund (\$515,893) and the Community Redevelopment Fund (\$507,118).

Permits & fees: Building permits make up the largest part of this revenue. Estimates were based on prior year collections and known major construction projects beginning in this fiscal year.

Intergovernmental: Intergovernmental revenue comes primarily from tax revenues that are collected by the State and distributed to counties and cities. The revenue is budgeted based on estimates from the Florida Department of Revenue's Office of Tax Research and recent receipt history. This revenue is expected to increase slightly. Grant revenues, while not significant in the 2016 budget, are also included in this category. Grant revenues are budgeted based on a formal grant award that has been accepted by the City Council.

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). Beaches Energy Services Fund budget (75% of this category) contains a modest increase 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 the percentage change in CPI on October 1. The CPI rate increase is intended to enable revenues to keep up with increases in the cost of on-going projects to rehabilitate the water and sewer system.

Fines & forfeitures: The budget anticipates an increase in revenue from court fines based on recent history. However, 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: Sustainability adjustments to the City's three pension funds have resulted in a decrease of over \$1.0 million in the City's contribution to the pension funds. The adjustments were made and agreed to as part of the contract negotiations with the General, Police and Fire unions during 2014.

Transfers in: The increase in transfers in was driven by the need for future major building systems replacements at City facilities such as roofs, HVAC systems, and flooring. The General Capital Projects fund will be receiving \$150,000 from the General Fund, \$190,000 from the Electric Fund, and \$129,000 from the Water and Sewer Fund for building systems projects. Reserving these funds eliminates the need to borrow money to pay for them.

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

Expenditures by Category:

Personal Services: The City's payroll budget includes merit increases as well as the addition of two new positions: a part-time Staff Assistant whose focus will be on special events and a Business Analyst in Information Systems. Even after making these changes there will be 18 fewer full time positions than were authorized in the 2008 budget.

Expenditures by Category	ALL FUNDS			
	Original Budget 2015	Approved Budget 2016	Increase (Decrease)	% Change
Personal Services	\$27,668,958	\$28,050,179	\$381,221	1.4%
Operating-Energy	65,157,375	67,742,117	2,584,742	4.0%
Operating-All Other	37,130,166	38,283,684	1,153,518	3.1%
Capital Outlay	25,797,437	13,040,340	(12,757,097)	-49.5%
Debt Service	6,049,313	6,051,195	1,882	0.0%
Grants to Others	10,356	10,356	0	0.0%
Transfers out	6,222,032	6,663,544	441,512	7.1%
Total Expenditures	\$168,035,637	\$159,841,415	(\$8,194,222)	-4.9%

Operating-Energy: The City's utility, Beaches Energy Services, serves about 34,000 electric and 200 natural gas customers in Jacksonville Beach, Neptune Beach, Ponte Vedra, and Palm Valley. This year, the utility's budget includes \$67.7 million for the purchase of electricity from its supplier, Florida Municipal Power Agency whose primary fuel for generation is natural gas. Projected consumption increases for both electricity and natural gas lead to an increase of \$2.6 million in energy costs.

In June 2010, Beaches Energy Services began the construction of a natural gas distribution system. The system, primarily designed to serve commercial customers, began operation in 2011 and currently serves about 200 customers. Budgeted costs for this new service include \$1.2 million for the cost of natural gas, an increase of about \$129,000.

Operating-All Other: 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. Increases are budgeted for the costs of a variety of items primarily:

- Business, employee health and workers comp insurances
- As the City's pension funds mature, there has been an expected increase in the number of retirees, this year resulting in a \$260,000

increase in costs for pension benefits, which are paid out of the pension funds

- Planned maintenance and repair projects at the City's parks and recreation facilities are budgeted at \$412,500

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 2015 budget included about \$13.5 million in construction costs for projects in the Downtown and South Beach redevelopment areas for the construction of Phase 3 of the Downtown Vision Plan Project and the South Beach Infrastructure Project. Although there are a number of Redevelopment projects being designed, there is no budget for these projects included in the 2016 budget. The projects being designed will be budgeted upon completion of design and after the project bids have been awarded by Council. There are decreases in both Electric and Stormwater Funds' capital outlay for the same reason. An itemized list of budgeted 2016 capital outlay can be found in the Budget Summaries section; descriptions of larger projects planned for completion between 2016 and 2020 can be found in the Capital Improvement Plan.

Debt Service: Debt service expense will not change much from the prior year. The remaining Southend Redevelopment bonds will be paid off in 2016. 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, which will be paid off in 2019. The combined Electric/Water & Sewer bonds will be paid off in 2020 at which time the City expects to be completely debt-free. The Budget 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 \$10,356 contribution is unchanged in 2016.

Transfers: The 2016 budget contains transfers totaling \$469,000 from the General, Electric, and Water and Sewer Funds to the General Capital Project Fund for major building systems replacement projects. The Budget Summaries section has a complete list of all transfers included in the 2016 budget.

Expenditures-by Department:

Expenditures by Department	Original Budget 2015	Approved Budget 2016	Increase (Decrease)	% Change
Executive & Legislative	\$1,493,561	\$1,523,364	\$29,803	2.0%
Finance	6,041,176	6,214,481	173,305	2.9%
Planning & Development	836,482	801,510	(34,972)	-4.2%
Community Redevelopment	14,404,197	1,062,493	(13,341,704)	-92.6%
Parks & Recreation	5,057,559	5,437,850	380,291	7.5%
Public Works	18,818,504	18,985,644	167,140	0.9%
Police	9,079,023	9,169,420	90,397	1.0%
Fire	3,562,019	3,810,720	248,701	7.0%
Beaches Energy Services	91,811,389	94,265,985	2,454,596	2.7%
Human Resources	11,284,581	11,716,414	431,833	3.8%
Non-Departmental	5,647,146	6,853,534	1,206,388	21.4%
Total Expenditures	\$168,035,637	\$159,841,415	(\$8,194,222)	-4.9%

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, City Clerk, and Convention Development. The department's budget increase funds Visit Jacksonville's efforts to attract tourists during the Beach's off peak season.

The **Finance Department** provides support services in the areas of accounting, utility billing/customer service, information systems, and purchasing. This department also provides facility management services for the City's buildings and rental properties, shifting the responsibility from Beaches Energy Services which managed this in previous years. The 2016 budget includes the addition of

a Business Analyst in the Information Systems Division. Increasing insurance costs also factor into this budget's increase.

Planning & Development provides planning, building inspections, and code enforcement services. The budget decrease of \$35,000 is attributable to a vehicle purchase in the prior year.

The **Community Redevelopment** Agency is responsible for managing the City's 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 2015 budget. Projects currently being designed have not been included in the 2016 budget. The project budgets will be added following the City Council's award of the construction bid.

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, oceanfront restroom and lifeguard services. The department has eliminated 7 full-time positions since 2008. This year a part time Staff Assistant position has been added to support special events. 85% of the authorized positions in this department are part-time. The Parks & Recreation budget increase supports additional repair and maintenance initiatives such as irrigation system repairs (\$100,000), tree trimming (\$50,000), and other park maintenance (\$95,000) as well as an increase in oceanfront facilities and hours of operations (\$50,000).

Public Works provides water, sewer, stormwater, and sanitation services to the citizens of Jacksonville Beach, along with street maintenance. Transfers out increased by \$129,000 to fund a portion of the major building systems replacement projects.

The **Police Department's** budget increased slightly with insurance and pension estimates. Other police department spending in 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. In 2013, the Department reduced its overtime budget by \$100,000 (72%); a portion was added back in 2015 and an additional \$25,000 is programmed for 2016. The increase in the department's total budget is also due to insurance and pension estimates as well as the purchase of a replacement vehicle (\$35,000).

Beaches Energy Services operates and maintains the City's electric and natural gas distribution systems. Its budget will increase primarily due to expected increases consumption of power and natural gas based on historical trends and customer growth. The City purchases its power through Florida Municipal Power Agency, whose primary generation fuel is natural gas.

Beaches Energy's budget also reflects a reduction in capital outlay spending, as the construction of its natural gas lines slow. 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 26kv. 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, risk management and the operation of the City's three pension funds. The department's budget increase is due to expected increases in insurance costs and increases in pension benefit payments as anticipated with an increasing number of retirees.

The **Nondepartmental** department captures costs that are not directly attributable to any other department for items such as debt service, and capital projects. This department's budget increase is primarily due to the replacement of the City's business enterprise software. The project is estimated at about \$2.5 million, with \$1.6 million being expended in 2016. The Nondepartmental budget is included in the Executive & Legislative section of this document.

A summary of staffing levels by department and division since 2013 can be found in the Budget Summaries section of this book. A discussion of changes in 2016 budgeted revenues is located in the Funding Sources section. More 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.

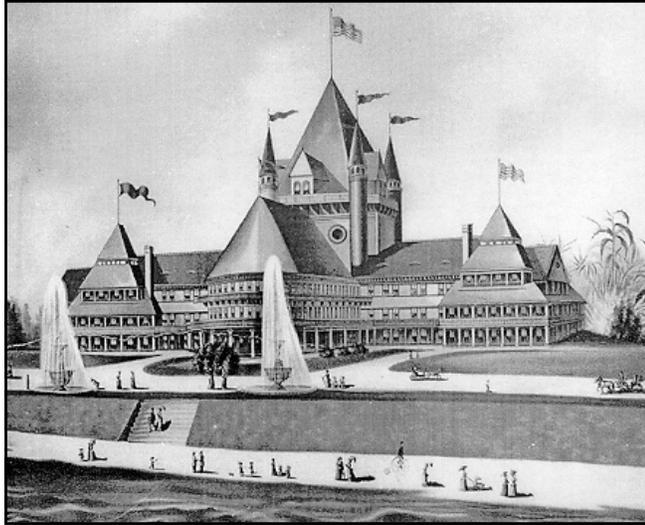
In 1884 William E. Scull, surveyor for the railroad, and his wife Eleanor, moved to the area now known as Jacksonville Beach. There

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 about current events, the City uses Facebook and Twitter. It also publishes a monthly newsletter, *Tidings*, distributed to its electric customers with 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 22,000. 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, 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, 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)	336 / 137
Government Facilities and Services	
Miles of Streets	89.0
Number of Street Lights	5,513
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	100
Number of Patrol Units	54
Beaches Energy Services	
Number of Electric Customers	34,342
Number of Residential Electric Customers	29,589
Average Monthly Consumption-Residential	1,245 kwh
Sewer System (MGD-million gallons per day)	
Number of Sewer Services	9,124
Number of Treatment Plants	1
Daily Average Flow in Gallons	3.1 MGD
Maximum Daily Capacity of Treatment in Gallons	4.5 MGD
Water System (MGD-million gallons per day)	
Number of Water Services	10,780
Number of Residential Customers	8,536
Average Monthly Consumption-Residential	4,169 gallons
Number of Artesian Wells	6
Number of Fire Hydrants	873
Daily Average Flow in Gallons	2.5 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</u>	<u>Duval County</u>	<u>Budgeted Expenditures</u>	
		<u>Rate</u>	<u>Per Capita Income</u>	<u>Original</u>	<u>Final</u>
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%	\$39,858	\$163,959,844	\$190,799,207
2012	21,615	9.3%	\$40,905	\$161,095,934	\$194,129,086
2013	21,713	7.5%	n/a	\$164,854,246	\$184,597,322
2014	22,136	6.5%	n/a	\$153,947,972	\$179,126,172

	<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>	
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
2013	1207	\$53,085,256	443	\$20,132,691	\$73,217,947
2014	1110	\$57,948,210	411	\$19,002,151	\$76,950,361

<u>Principal Taxpayers:</u>	<u>2013 Assessed</u>	<u>2014 Assessed</u>	<u>Percentage of 2014</u>
	<u>Valuation</u>	<u>Valuation</u>	<u>Total Assessed Valuation</u>
Broadstone Beach House at Jax Beach	\$24,133,208	\$26,546,528	1.1%
Ocean Park Partnership, Ltd.	\$18,100,000	\$19,910,000	0.8%
Hampton Inn Oceanfront	\$7,749,363	\$19,023,700	0.8%
Courtyard Marriott	\$15,522,745	\$17,075,019	0.7%
South Beach Regional Shopping Center	\$16,061,980	\$16,231,600	0.7%
Pablo Plaza Shopping Center	\$14,306,400	\$15,338,200	0.6%
Beach Marine	\$11,425,300	\$11,758,300	0.5%
Gordon Bank	\$9,754,400	\$10,095,400	0.4%
Southbeach Parkway Shopping Center	\$9,618,600	\$10,076,600	0.4%
Adventure Landing Amusement Park	\$9,410,719	\$9,378,531	0.4%
	<u>\$136,082,715</u>	<u>\$155,433,878</u>	
Total Real Property Assessed Valuation	\$2,403,105,199	\$2,428,035,702	

<u>Principal Employers 2014:</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 - Full time	336
TPC Sawgrass	320
U.S. Coast Guard	320
Vicar's Landing	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 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 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; Finance (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
- 18-hole professionally staffed golf course
- 2 City Cemeteries
- Electric, Water, Stormwater, Sewer and Sanitation services



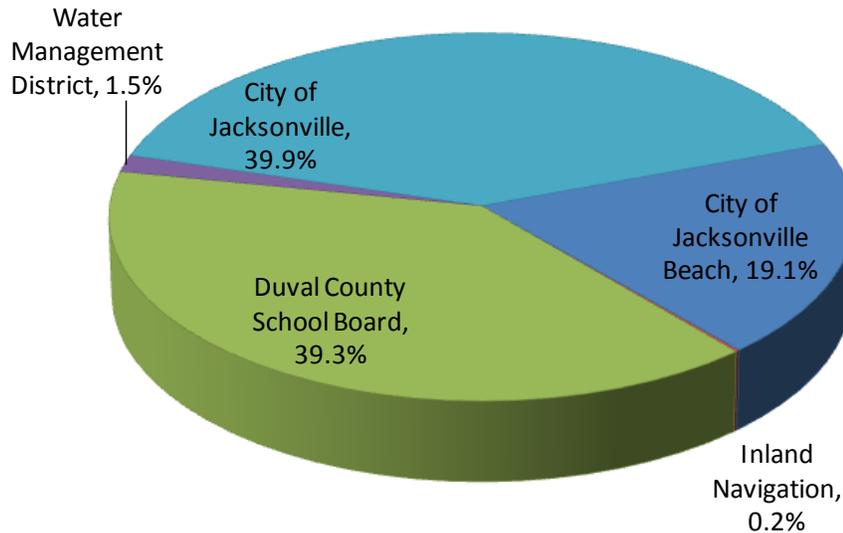
Funding City Services

City services are funded from a variety of sources including property taxes, local option taxes, state shared revenues and utility rates. The adopted ad valorem tax rate is \$3.8947 mills per thousand dollars of property value. The adopted rate is 2.5% less than last year's rate.

Where Your Property Tax Dollars Go

Property Taxes on a home with Homestead Exemption*

Current Millage Rate			Adopted Millage Rate	
Millage Rate	Property Tax		Millage Rate	Property Tax
\$3.9947	\$780		City of Jacksonville Beach	\$3.8947
0.0345	\$7	Inland Navigation	0.0345	\$7
7.3050	\$1,608	Duval County School Board	7.1170	\$1,567
0.3164	\$62	Water Management District	0.3023	\$59
8.1512	\$1,591	City of Jacksonville	8.1512	\$1,591
\$19.8018	\$4,048	TOTAL	\$19.4997	\$3,984



*Based on a median home just value of \$245,190 (Property Appraiser)

A home valued at \$245,190 with a homestead exemption of \$50,000 has a net taxable value of \$195,190 (\$220,190 for schools). Based on 2016 millage rates, that homeowner will pay \$3,984 in property taxes. \$760 of that household's taxes are paid to the City of Jacksonville Beach (about \$63.33 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 updated using 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.

March/April: **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.

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 be 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 and revised on June 16, 2014 (Resolution 1934-2014). 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 is 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.

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	\$19,936,416	\$19,936,416	\$0	12.5%
Community Redevelopment	9,036,003	1,940,468	\$7,095,535	1.2%
General Capital Projects	1,026,000	3,070,301	(\$2,044,301)	1.9%
Electric	89,033,651	91,461,059	(\$2,427,408)	57.2%
Water & Sewer	11,119,891	12,103,925	(\$984,034)	7.6%
	<u>130,151,961</u>	<u>128,512,169</u>	<u>1,639,792</u>	<u>80.4%</u>
Nonmajor Funds:				
Governmental	3,353,387	3,482,715	(129,328)	2.2%
Enterprise	8,732,150	8,374,143	358,007	5.2%
Internal Service	12,717,544	12,717,544	0	8.0%
Trust (pension)	9,735,565	6,754,844	2,980,721	4.2%
	<u>34,538,645</u>	<u>31,329,246</u>	<u>3,209,400</u>	<u>19.6%</u>
TOTAL - All Funds	<u>\$164,690,606</u>	<u>\$159,841,415</u>	<u>\$4,849,192</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
General Fund (major)	\$19,936,416	Police, Fire, Parks & Recreation, Public Works-Street Maintenance, Planning & Development, Executive, Finance-Building Maintenance, Executive, Executive- Nondepartmental	All departments to the left
Special Revenue Funds			
Community Redevelopment (major)	1,940,468	Infrastructure improvements in Downtown and Southend districts; downtown policing initiative	Planning & Development, Police, Public Works
Convention Development	259,598	Tourism and convention development	Parks & Recreation, Executive
Court Cost Training	60,000	Police training	Police
Local Option Gas Tax	726,192	Street and road maintenance	Public Works
Half-Cent Infrastructure Surtax	1,075,680	Infrastructure improvements specified in enabling legislation	Public Works
Community Development Block Grant	144,041	CAPE, Carver Center and Utility Assistance	Police, Finance, Parks & Recreation
Radio Communication	10,000	City's radio system	Fire
Justice Assistance Grant	12,039	Specific law enforcement uses	Police
Tree Protection	3,000	Tree replacement	Parks & Recreation
Law Enforcement Trust Fund	62,819	Specific law enforcement uses	Police
Equitable Sharing Fund	26,000	Specific law enforcement uses	Police
Debt Service Fund			
Half-Cent Infrastructure Surtax	997,146	Principal and interest payments	Executive
Capital Projects Funds			
General Capital Projects (major)	3,070,301	Major capital projects and repair/ replacement of equipment	Executive
Infrastructure Surtax Bond Proceeds	90,000	Infrastructure improvements specified in enabling legislation	Executive
Sunshine Park	0	Maintenance of Sunshine Park	Executive
Dog Park Project	16,200	Maintenance of Dog Park	Executive
TOTAL GOVERNMENTAL FUNDS	\$28,429,900		

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 may 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 Manager	Time allocation estimate
Accounting	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)

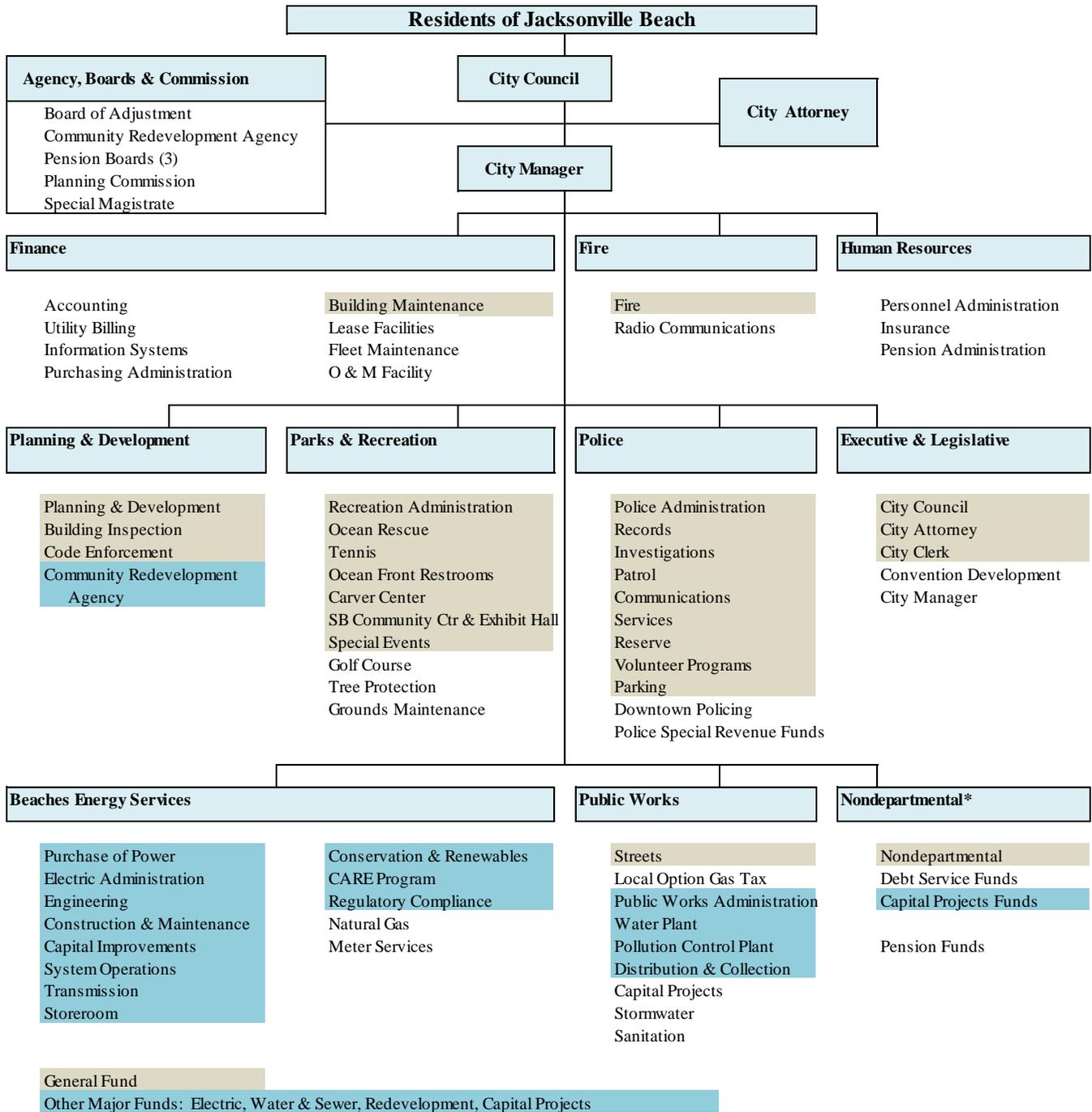
Proprietary Funds	Budget	Primary Uses	Department
Enterprise			
Electric (major)	\$91,461,059	Operations of Beaches Energy Services	Beaches Energy Services
Water & Sewer (major)	12,103,925	Operations of water and sewer system	Public Works
Natural Gas	1,932,919	Operations of natural gas system	Beaches Energy Services
Stormwater	1,104,867	Operations of stormwater system	Public Works
Sanitation	3,484,931	Garbage and sanitation operations	Public Works
Golf Course	1,333,067	Golf course operations	Parks & Recreation
Lease Facilities	518,359	Operations of lease facilities and funding for major projects and replacements	Beaches Energy Services
Internal Service			
City Manger	499,402	City Manager's office operations	Executive
Finance	4,262,813	Utility billing, accounting, purchasing and information systems operations	Finance
Human Resources	560,822	Human resources operations	Human Resources
Fleet Maintenance	592,985	Maintenance on City's vehicle fleet	Finance
Grounds Maintenance	872,007	City grounds maintenance services	Parks & Recreation
Meter Services	0	Meter reading services for electric & water	Beaches Energy Services
Radio Communications	390,178	Costs related to radio system	Fire
Operations & Maintenance Facility	1,138,589	Maintenance costs of O&M buildings	Finance
Insurance & Risk Retention	4,400,748	Premiums and related costs for general, liability, workers comp and employee insurance	Human Resources
TOTAL PROPRIETARY FUNDS	\$124,656,671		

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.

Pension	Budget	Primary Uses	Department
General	\$4,114,098	General employees' pension fund	Executive
Police	1,570,755	Police pension fund	Executive
Fire	1,069,991	Fire pension fund	Executive
TOTAL PENSION FUNDS	\$6,754,844		

City of Jacksonville Beach, Florida Organization Chart



* See Executive & Legislative Department for these divisions.

**Expenditure Summary by Business Plan and Fund
Fiscal Year 2016**

	General Fund	Other Govt. Funds	Enterprise	Internal Service	Trust (Pension)	Total
Executive & Legislative						
Governmental Debt Service		\$997,146				\$997,146
Executive & Legislative	764,364	259,598		499,402		1,523,364
Capital Projects		4,252,181				4,252,181
Nondepartmental	1,604,207					1,604,207
Total Executive & Legislative	2,368,571	5,508,925		499,402		8,376,898
Planning & Development	801,510					801,510
Redevelopment						
Downtown Redevelopment		253,895				253,895
Southend Tax Increment		808,598				808,598
Total Redevelopment		1,062,493				1,062,493
Parks & Recreation						
Recreation Administration	1,630,077					1,630,077
Ocean Rescue	705,476					705,476
Tennis	91,203					91,203
Oceanfront Restrooms	131,000					131,000
Carver Center-CDBG	87,797	144,041				231,838
Special Events	124,000					124,000
Exhibition Hall	49,600					49,600
Golf Course			1,333,067			1,333,067
Tree Protection		3,000				3,000
Grounds Maintenance				1,138,589		1,138,589
Total Parks & Recreation	2,819,153	147,041	1,333,067	1,138,589		5,437,850
Public Works						
Administration			4,122,213			4,122,213
Distribution and Collection			3,539,056			3,539,056
Pollution Control			3,110,290			3,110,290
Water Plant			1,332,366			1,332,366
Streets	1,565,729					1,565,729
Local Option Gas Tax		726,192				726,192
Stormwater Utility			1,104,867			1,104,867
Sanitation			3,484,931			3,484,931
Total Public Works	1,565,729	726,192	16,693,723			18,985,644
Police						
General Fund	8,130,587					8,130,587
Special Revenue Funds		1,038,833				1,038,833
Total Police	8,130,587	1,038,833				9,169,420
Fire	3,800,720	10,000				3,810,720
Beaches Energy Services						
Electric			91,461,059	872,007		92,333,066
Natural Gas			1,932,919			1,932,919
Total Beaches Energy			93,393,978	872,007		94,265,985
Finance	450,146		518,359	5,245,976		6,214,481
Human Resources						
Personnel Administration				560,822		560,822
Insurance & Risk Management				4,400,748		4,400,748
Pension Administration					6,754,844	6,754,844
Total Human Resources				4,961,570	6,754,844	11,716,414
Total Adopted Budget	\$19,936,416	\$8,493,484	\$111,939,127	\$12,717,544	\$6,754,844	\$159,841,414

Executive & Legislative Department

Mission

Improving 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	FY2014	FY2015	FY2016
City Council	7	7	7
City Manager	1	1	1
Deputy City Manager	-	1	1
Assistant to the City Manager	1	1	1
City Clerk	1	1	1
Assistant City Clerk	1	1	1
Administrative Assistant	1	1	1
Staff Assistant-part-time	1	1	1
TOTAL	13	14	14

Goals for FY2016-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 Priorities and Goals	Status
City Council Priorities	
Financially Sound City	
Sustainable pension plans	Adjustments to make City pension plans sustainable were implemented in 2014; however, new State laws adopted in May 2015 will pose additional challenges.
Provide competitive compensation & health care for employees	Adopted new pay plan in 2014.
Develop potential alternate revenue sources to supplement the General Fund	Lease properties continue to be an important source of revenues. City seeks new ways of doing business such as contracting out the Fire Department, which could substantially improve the City's finances. The life of the redevelopment districts was extended by 30 years in 2014.
Ensure capital improvement planning is up to date	The 5-year capital improvement plan is updated annually and included as part of the City's budget and business plan.
Public Safety	
Ensure Downtown CAPE is enhancing citizen safety	Added 4 police positions to Downtown Policing Innovations Program in 2014.
Partner with other agencies to assist vagrants: CHOP Program (Chronically Homeless Offender Project), Mission House Programs	One-year pilot program approved by City Council May 2014. Program effectiveness will be analyzed during 2015.
Work with neighborhood watch programs and other community organizations to prevent and reduce crime	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	Contract with retail consultant approved by City Council January 2014. Ongoing discussions with business owners and developers.
Work with Beaches Chamber of Commerce, Beaches Hospitality Network and Visit Jacksonville to market our City and assist hospitality/tourism businesses	Adding events to Downtown Action Plan, funding effort with Visit Jacksonville to promote off-peak season tourism.
Review City ordinances and develop policies to encourage business activity	Part of the Downtown Action Plan
Parking	
Provide spaces for low speed vehicles	Designated parking for low-speed vehicles implemented in March 2013.
Investigate the feasibility of a paid integrated parking program to encourage long-term parking in the lots and short-term parking on the streets	Development of 2-hour parking in designated downtown areas is underway. Paid parking program was approved in February 2014. Addition of parking facility to be considered as part of the Downtown Action Plan.
Provide security in City-owned parking lots	Contract with vendor approved by City Council in February 2014.
Building Community	
Enhance web and social media presence to keep the public informed and invited to participate in decision making	Website upgrade completed in 2013, including an improved calendar function. Increased use of social media and website to notify citizens and customers about upcoming meetings and events.
Provide spaces, parks and events that create opportunities for friends and neighbors to connect with each other and with the community	Began Downtown Action Plan. Revised and updated special events policies; added and expanded "Deck the Chairs" as part of Christmas festivities.

Executive & Legislative Department

City Manager's Performance Measures	Status
Effectiveness	
Accomplish business plan goals	Yes
Customer Service	
Customer service training and standards for all departments	Yes
Customer service awards program	Gift card awards of either \$10 or \$20 given to employees whose actions go above and beyond their required duties to improve service, reduce costs or to assist coworkers or members of the community.
Quality of Life	
Downtown Action Plan:	
Action Plan for Downtown Jacksonville Beach has been developed based on survey results and citizen comments. Plan links Community Values identified in the 2007 Downtown Vision Plan with community input to create a series of actionable items that will improve the appeal of Downtown Jacksonville Beach	DT Action Plan categories include: Public Spaces, Transportation, Public Safety, Commercial Spaces, Entertainment & Events, and 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	The 5-year capital improvement plan is updated annually and included as part the City's budget and business plans.
Water, Sewer & Stormwater:	
Rebuild Waste Treatment Plant to comply with federal/state limits on nitrogen	Complete
Water-consumptive use permit	Received 2-15-2013; Next renewal 4-9-2033
Sewer & Stormwater-NPDES permits	Received 12-1-2011; Next renewal 11-30-2016
Parks & Facilities:	
All parks and facilities in good condition; properly maintained and free of trash	Yes
Install bus shelters at selected locations as funding is available	Underway
Public Safety:	
Emergency Management	On-going
Redevelopment	
30-year redevelopment district renewal	The life of the Redevelopment Districts was extended by 30 years in 2014.
Projects:	
Downtown Redevelopment-Glatting Jackson, Phase 3-C & 3-D (1st & 2nd Sts from Beach Blvd. to 16th S.), additional restroom facilities, possible facility (either surface lot or parking garage, depending on long-term financial feasibility). (see 5-year Capital Improvement Plan)	First and Second Streets and related Avenues south of Beach Boulevard from Beach Blvd to 16th Ave S currently being designed.
10th Street South Industrial Park Area construction	Design 2015
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
Website management	On-going
Special Events: Jazz Concert Series, Moonlight Movies and others (see Parks & Recreation)	On-going

Executive & Legislative Department

City Clerk's Performance Measures	2014	2015	Target 2016
# surveys sent out / # responses received	509 / 116	535 / 93	560 / 100
Customer survey satisfaction rating: Target is 95% Satisfactory, with at least 80% Exceeds Expectations:			
Internal Customer Service Survey - Satisfaction with service provided	97%	99%	95%
Local Business Tax Customer Service Survey - Satisfaction with responsiveness of Clerk's office	99%	99%	95%
Lien Certificate Customer Service Survey - Satisfaction with responsiveness of Clerk's office	99%	99%	95%
Other performance measures:			
Assemble and distribute Council agenda packets 4 days prior to meeting and post on website	100%	100%	100%
Transcribe Council meeting minutes within 3 days	100%	100%	100%
Research, prepare and issue lien certificates within 7-10 business days of request	75%	75%	95%
After receiving a completed application, process and issue Local Business Tax Receipt within 5 business days	95%	95%	95%

Goals for FY2016-City Clerk's Office

- Identify, protect, and preserve essential and historic City records.
- Ensure that all City Council and Board meetings are attended and minutes are transcribed in a timely manner.
- Continue training and maintenance of document imaging program "Opti-View".
- Successfully coordinate and manage the 2016 Municipal Election.
- Conduct annual Public Records Laws, Records Management, and Sunshine Law training.
- Ensure that Local Business Tax Renewal Notices are sent to existing businesses by August 1, 2015.
- Examine the possibility of relocating records stored at the archive facility to a facility located at a higher elevation.

Executive & Legislative Department

Funding Sources:

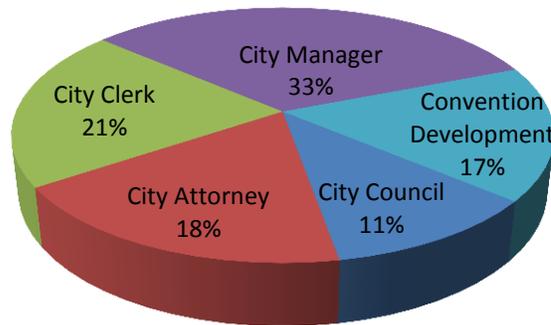
The General Fund Executive and Non-Departmental Divisions are supported by taxes, intergovernmental revenues, and transfers from other funds. **The City Manager Division** is funded by allocation of charges to departments served by the division. **The Convention Development Fund** receives half of the 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	FY2015 Budget	FY2016 Budget	Increase (Decrease)
City Council	\$182,883	\$169,064	-\$13,819
City Attorney	280,621	280,755	134
City Clerk	302,705	314,545	11,840
City Manager	492,126	499,402	7,276
Convention Development	235,226	259,598	24,372
TOTAL	\$1,493,561	\$1,523,364	\$29,803

Executive & Legislative Department

Funding Uses (continued)

City Council

This division's expenses are essentially level in comparison to previous years. Total budget is \$169,064. The City Council budget includes funding assistance for:

Dial-a-Ride \$2,500

Beaches Resource Center \$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 \$280,755.

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 tax program. The total budget is \$314,545.

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 \$499,402.

Convention Development

The expenses of this division cover the maintenance and upkeep of the SeaWalk amphitheater and downtown entertainment center. This includes \$37,000 for SeaWalk maintenance, and \$85,098 for the Grounds Maintenance division to maintain landscaping in the SeaWalk Pavilion and downtown entertainment center. The 2016 budget adds \$22,500 in funding for Visit Jacksonville to promote the beaches in the off-season. 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 \$259,598.

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)	FY2015	FY2016
Professional Services	\$7,500	\$7,500
Professional Services-retail recruitment	-	\$20,000
Contract Services: Christmas lights	22,000	12,000
Contract Services: bank charges	35,000	40,000
Utilities (Downtown area)	21,600	18,000
Rental of South Beach Recreation Center	10,000	10,000
Liability Insurance	429,863	389,109
Printing and reproduction (Jax Beach Briefs)	2,000	2,000
Unanticipated:		
Unallocated	399,693	370,325
Customer Service Rewards	15,000	15,000
Emergency Management (if needed)	0	0
Internal Service Charges	180,448	194,917
Uncollectible Accounts	0	0
Minimum monthly retiree benefits	10,356	10,356
Subtotal - operating	1,133,460	1,089,207
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	80,000	90,000
Replace radio system equipment & radios	-	200,000
Building systems replacements	-	150,000
Roads and drainage projects	617,053	-
Subtotal - transfers	772,053	515,000
TOTAL Non-departmental	\$1,905,513	\$1,604,207

Additional funding for projects that modernize and improve major systems such as roads and drainage, City information systems and facilities (roofs, heating and air conditioning) will be considered for inclusion in the year-end budget adjustment if funds are available.

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 Avalon and Duval Drive projects. The remaining bond proceeds have been designated to fund downtown road and infrastructure improvements in the area east of A1A, between 13th and 16th Avenues South.

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. **Paws Dog Park** funds use memberships and donations to help maintain the facilities.

Funding Source	Projects budgeted	Budget
½ Cent Sales Surtax Fund (Better Jax Beach)	Sidewalks	\$170,000
	Bank service charges	\$1,500
	Transfer to debt service fund	\$904,180
Total 1/2 Cent Sales Surtax		\$1,075,680
1/2 Cent Sales Surtax Bond Proceeds Fund	Design-Roads and drainage portion of Downtown Improvements Phase 3-D (13th to 16th Aves South)	\$90,000
General Capital Projects	Professional engineering services	\$30,000
	Bank service charges	\$20,000
	Dune walkover maintenance	\$100,000
	Building maintenance, painting and misc.	\$50,000
	Computer-related maintenance	\$25,000
	Building systems replacement-roofs & gate	\$225,000
	10th St. S. Industrial Park Area Improvements	\$810,000
	Replace business applications*	\$1,600,000
	Heavy equipment replacement: Streets	\$150,000
	Replace computers (annual plan)	\$60,301
Total General Capital Projects		\$3,070,301
Paws Dog Park	Park Maintenance	\$16,200
TOTAL CAPITAL PROJECTS		\$4,252,181

* The preliminary estimate of this high priority project cost is \$2.0 to \$2.5 million. Additions to this project’s budget will be made in the year-end budget adjustment, as funds are available.

Executive & Legislative Department

Financial Summaries

Executive and Legislative Department

Resource Allocation	Actual 2014	Budget 2015	Budget 2016	Increase -Decrease	% Change
Personal Services	\$612,775	\$782,708	\$779,788	-\$2,920	-0.4%
Operating	\$372,529	\$595,853	\$628,576	\$32,723	5.5%
Capital Outlay	\$0	\$0	\$0	\$0	-
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$115,000	\$115,000	\$115,000	\$0	0.0%
TOTAL	\$1,100,304	\$1,493,561	\$1,523,364	\$29,803	2.0%

The budget increase funds Visit Jacksonville's efforts to attract tourists during the Beaches' off-peak season.

Nondepartmental Division

Resource Allocation	Actual 2014	Budget 2015	Budget 2016	Increase -Decrease	% Change
Operating	\$819,675	\$1,133,460	\$1,089,207	-\$44,253	-3.9%
Capital Outlay	\$0	\$0	\$0	\$0	-
Transfers	\$1,318,799	\$772,053	\$515,000	-\$257,053	-33.3%
TOTAL	\$2,138,474	\$1,905,513	\$1,604,207	-\$301,306	-15.8%

The budget decreased in the transfers to the General Capital Projects Fund. A detail of Non-departmental expenditures is on page 7.

Governmental Debt Service Funds

Resource Allocation	Actual 2014	Budget 2015	Budget 2016	Increase -Decrease	% Change
Principal	\$900,000	\$925,000	\$935,000	\$10,000	1.1%
Interest & other charges	\$89,060	\$77,641	\$62,146	-\$15,495	-20.0%
TOTAL	\$989,060	\$1,002,641	\$997,146	-\$5,495	-0.5%

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

Capital Projects Funds

Resource Allocation	Actual 2014	Budget 2015	Budget 2016	Increase -Decrease	% Change
Operating	\$272,753	\$310,284	\$242,700	-\$67,584	-21.8%
Capital Outlay	\$463,202	\$1,950,988	\$3,105,301	\$1,154,313	59.2%
Transfers	\$986,797	\$477,720	\$904,180	\$426,460	89.3%
TOTAL	\$1,722,752	\$2,738,992	\$4,252,181	\$1,513,189	55.2%

An itemized listing of projects budgeted in this fund is shown on page 8.

Executive & Legislative Department

Budget Issues for 2016

- Keeping a strong, well trained and highly motivated workforce while adjusting employee share of pension and health insurance costs will be an ongoing challenge.
- The wage article for the LIUNA (General Employees) contract will re-open for negotiation on October 1, 2016. The wage articles for FOP (Police) and IAFF (Firefighters) will re-open in May, 2016 and June, 2016, respectively.
- New State legislation will increase the City's pension costs by requiring the use of mortality tables used in the two most recent Florida Retirement System valuation reports. The legislation will also significantly limit the City's flexibility in the use of insurance premium tax revenues to pay for benefits, significantly intrude on collective bargaining authority and mandate increases in minimum pension benefit levels.
- Budget pressure will come from costs associated with increasing federal and state water resource environmental oversight such as statutory minimum flows and levels for lakes and springs, numeric nutrient criteria, pollutants and other contaminants entering the fresh and marine waters of the state.
- 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 buildings, parks and dune walkovers along with replacement of its business applications are included in the 2016 budget. The improvements are being done over the next 3-5 years, to help minimize the budget impact. Budgeted facilities improvements include:
 - Dune walkovers: \$100,000 to continue work on these structures. 31 of 49 walkovers have been rebuilt since 2012.
 - Business applications: \$2,500,000 is needed to replace the City's 28-year old business enterprise software.
 - Roof replacements: \$200,000 for several large buildings throughout the city. Roof, HVAC and other building systems are scheduled for replacement over the next 5 years at an estimated cost of \$1,225,000.
 - Parks improvements are scheduled for Ocean Front Park, boardwalk at Huguenot and Cradle Creek, A1A landscape islands and Tall Pines Park over the next 4 years.

Community Redevelopment Agency

The Jacksonville Beach Community Redevelopment Agency (CRA) is responsible for managing the City's two redevelopment districts: Downtown and South Beach. The Agency receives administrative, engineering and project management support from the City's Planning & Development and Public Works departments. Work in the two redevelopment districts is carried out in coordination with the appointed Community Redevelopment Agency board.

Authorized Positions	FY2014	FY2015	FY2016
Community Redevelopment Specialist	-	1	1
City Engineer*	-	-	-
Redevelopment Project Engineer*	-	-	-
TOTAL	-	1	1

*The budget includes a part-time Community Redevelopment Specialist position, anticipated to be funded for 1-2 years. Also included is 25% of the City Engineer's and 75% of the Redevelopment Project Engineer's salary and benefits. These two positions are included in the authorized positions for the Public Works 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 \$5,062,043 for FY 2015 and the South Beach District generated \$3,310,446 for the same period.

Both districts are expected to continue fully funding their operations and planned projects for the foreseeable future. The Downtown District was debt-free as of FY 2014 and the South Beach TIF revenue bonds will be retired in FY 2016.

Community Redevelopment Program Management

In FY 2015, to meet the increased workload, staffing for the management of the City's redevelopment programs was reorganized with a part-time administrator working out of the Planning and Development Division; and adding in-house engineering services to be provided by the City Engineer (25%) and Project Engineer (75%). In addition, the CRA continues to provide funding for operating expenses related to carrying out our community redevelopment efforts, including a proportionate share of internal services such as city Administration, Human

Community Redevelopment Agency

Resources, Finance, Information Technology, and Purchasing. Funding for the redevelopment program administration provided by the City is further divided between the Downtown (62%) and South Beach (38%) Tax Increment Trust Funds. This division is roughly comparable to percentages of the total annual appropriations to the trust funds for each of the two districts.

This mutually beneficial cooperative arrangement will continue with the City supplying administrative and program management support and office space for work that will include, but not be limited to, the following:

- General administrative oversight of the City’s Community Redevelopment programs
- Internal service support – general city administration, finance and accounting, human resource management, and purchasing
- Engineering and planning services to advise and assist the CRA in attaining the objectives of the adopted plans for two Community Redevelopment districts
- Other special services, including legal services provided by the City Attorney or outside counsel in association with the City Attorney, may be required from time to time in managing the CRA activities.

FY 2015-2016 Budget Issues

Significant changes were made in the FY 2014-2015 budget to the manner in which the city and its CRA cooperatively manage the community redevelopment program. Among the factors that generated a need for fundamental changes were:

- The legal finding that the Jacksonville Beach redevelopment trust funds are automatically extended for 30 years from the date of adoption of a plan amendment and may both be extended for a total of 60 years from the date of adoption of the original redevelopment plans.

	Original Plan Adoption	Current Expiration Date	Maximum Expiration Date
Downtown District	January 19, 1987	April 20, 2044	January 18, 2047
South Beach District	June 15, 1987	April 17, 2041	June 14, 2047

- For FY 2015, the CRA agreed to partially fund the addition of a Redevelopment Project Engineer to help manage the heavy ever-increasing community redevelopment workload that had been borne by the Public Works Department at no cost to the Agency for many years. This decision was made after considering the fact that the City and CRA are embarking on one of the largest public infrastructure improvement projects ever undertaken in the City. The project involves the near total reconstruction of the water, sewer, and stormwater systems; and improvements, as needed, to all of the streets, street ends, avenues, and alleyways in the area of the Downtown Community Redevelopment District bounded by Beach Boulevard,

Community Redevelopment Agency

the beach, 13th Avenue South, and South 3rd Street. This and other pending redevelopment projects created a need for expanded in-house engineering support.

- The on-going update of the current Downtown Community Redevelopment Plan (“The Downtown Action Plan”) and other City activities, such as the retail recruitment program, that relate to and involve the CRA are requiring greater involvement by City administrative staff.
- The City and its CRA will be using its legal services team to explore a comprehensive redevelopment agreement for both the Downtown and South Beach Districts to provide for greater flexibility in funding and implementing a broader range of projects.

Financial Summary – Community Redevelopment Agency (both districts, combined)

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$562,113	\$1,042,224	\$977,567	-\$64,657	-6.2%
Operating	\$151,368	\$147,069	\$266,789	\$119,720	81.4%
Capital Outlay	\$3,596,076	\$13,415,810	\$29,750	-\$13,386,060	-99.8%
Debt Service	\$1,043,663	\$665,310	\$666,362	\$1,052	0.2%
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$5,353,220	\$15,270,413	\$1,940,468	-\$13,329,945	-87.3%

The FY 2016 budget for the Department is decreased overall, primarily due to the manner in which tax increment revenues are 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. The decrease in Personal Services results from a decrease in the pay rates of new officers in the Downtown CAPE Program and a one-time payment for accumulated leave that was included in the FY2015 budget. The increase in Operating expenses results from budgeted increases for legal fees and bank service charges in both the Downtown and South Beach Redevelopment Districts.

Financial Summary by District

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Downtown	\$2,210,819	\$10,118,455	\$1,131,870	-\$8,986,585	-88.8%
South Beach	\$3,142,401	\$5,151,958	\$808,598	-\$4,343,360	-84.3%
TOTAL	\$5,353,220	\$15,270,413	\$1,940,468	-\$13,329,945	-87.3%

Community Redevelopment Agency

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 January 1987, following the creation of the TIF District in 1984. In 2007, 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.).

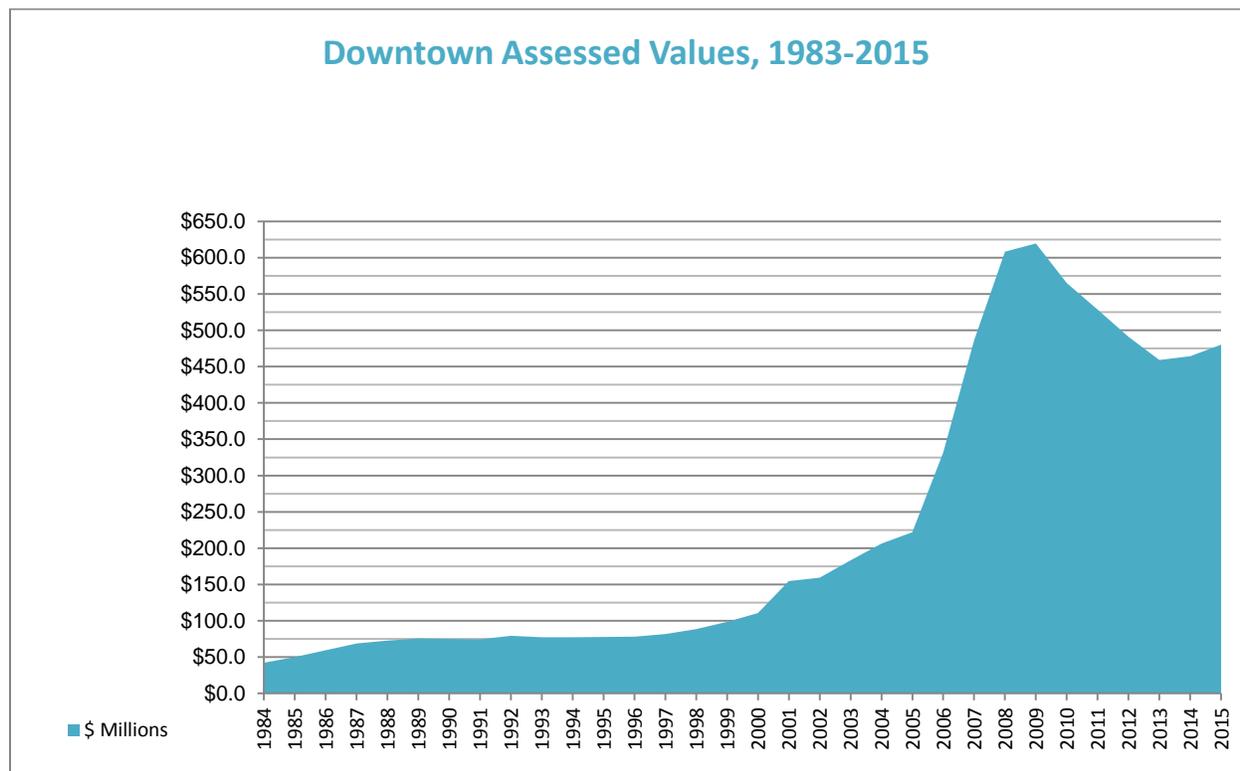
The redevelopment effort to date has been centered on improvements to the public infrastructure: Downtown Vision Plan Utility and Streetscape Project, Latham Plaza and Parking Lot, SeaWalk Pavilion, Oceanfront Park, Jacksonville Beach Fishing Pier, 3rd Street Landscaped Medians, and the SeaWalk Reconstruction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

Community Redevelopment-Recent Program Accomplishments-Downtown

During FY2015 the CRA, with assistance from City staff, continued its involvement in implementing the Vision Plan for the core of the Downtown area.

- Work was completed on the utility and road reconstruction on North 1st Street from 6th Avenue North to 9th Avenue North, and 7th Avenue North between North 1st and North 2nd Streets. With the exception of reconstructing North 2nd Street, this essentially finishes the major elements of the Phases I and II and the part of the Phase III streetscape and infrastructure project north of Beach Boulevard.
- Work has begun by the engineering and design contractor on a major utility and road reconstruction effort for the balance of Phase III which focuses on utility and road reconstruction south of Beach Boulevard. An initial project that includes replacement of the water and sewer systems, connection of the stormwater management system to the Beach Boulevard stormwater vault, and reconstruction of all of the roadways, street ends, and alleys in the area between Beach Boulevard and 4th Avenue South from South 3rd Street to the oceanfront has been targeted for final design and bid award by the start of FY 2016.
- The City's consulting engineers continue to work to resolve stormwater management issues in the remainder of the area south of 4th Avenue South to 13th Avenue South in advance of preparing final designs and phasing plans to complete the infrastructure improvements.
- Work continued under a continuing services agreement for refurbishing/replacing damaged or missing Beach Rules and other Downtown wayfinding signage and maintaining the streetlight banners.
- Amended the Downtown Community Redevelopment Plan to incorporate an expanded Community Policing Initiative. This amendment included approval to add a supervisory sergeant position and three additional patrol officers to the CAPE unit.

Community Redevelopment Agency



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 declined as result of national real estate economic situation. However, this trend has now reversed as there was a slight increase in 2015.

Program Goals for FY 2016 – Downtown

- Begin construction of the roadway and utility improvements in the Phase III-C project area between Beach Boulevard and 4th Avenue South
- Complete the engineering design and permitting for the construction of the remainder of the Phase III area. Develop a phasing plan based on the annual availability of tax increment trust funds to complete the work. This includes all of the streets, alleys and street ends between South 3rd Street and the oceanfront from 4th Avenue South to 13th Avenue South.
- Continue funding for the *Downtown Community Policing Initiative* (Downtown CAPE) to ensure the safety of visitors to the Downtown Community Redevelopment District.
- Complete and secure the adoption of required amendments to the Downtown Vision Plan to include projects and programs rising out of the on-going process to develop an “An Action Plan for Downtown Jacksonville Beach.”

Community Redevelopment Agency

Financial Summary-Downtown Redevelopment

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$523,384	\$945,689	\$895,832	-\$49,857	-5.3%	<i>The 2016 budget will be increased when construction bids are awarded for Phase III Downtown projects.</i>
Operating	\$123,327	\$135,189	\$206,288	\$71,099	52.6%	
Capital Outlay	\$1,381,901	\$9,037,577	\$29,750	-\$9,007,827	-99.7%	
Debt Service	\$182,207	\$0	\$0	\$0	-	
Transfers	\$0	\$0	\$0	\$0	-	
TOTAL	\$2,210,819	\$10,118,455	\$1,131,870	-\$8,986,585	-88.8%	

Downtown Community Policing Innovations

The Downtown Community Policing Initiative, or Downtown CAPE, began a pilot project in November of 2006. The program initially consisted of two officers and was expanded to four officers in FY 2009. A fifth position, a corporal, was included in the FY 2014 budget. The five officers provided a concentrated presence in the Central Business District, but were authorized to provide police services throughout the Downtown Redevelopment District.

During FY 2014, the unit was expanded to nine officers and permanently integrated into the Downtown Community Redevelopment Plan. The unit became fully staffed and operational in FY 2015. This change is being continued in the FY 2016 budget for the Downtown District. Additional information regarding their activities may be found in the Police Department section of this Budget and Business Plan.

Financial Summary-Downtown Community Policing Innovations

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$444,653	\$782,244	\$762,475	-\$19,769	-2.5%	<i>Funding for the nine 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.</i>
Operating	\$52,333	\$83,972	\$85,750	\$1,778	2.1%	
Capital Outlay	\$59,702	\$0	\$29,750	\$29,750	-	
Debt Service	\$0	\$0	\$0	\$0	-	
Grants	\$0	\$0	\$0	\$0	-	
Transfers	\$0	\$0	\$0	\$0	-	
TOTAL	\$556,688	\$866,216	\$877,975	\$11,759	1.4%	

Downtown FY 2016 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

Community Redevelopment Agency

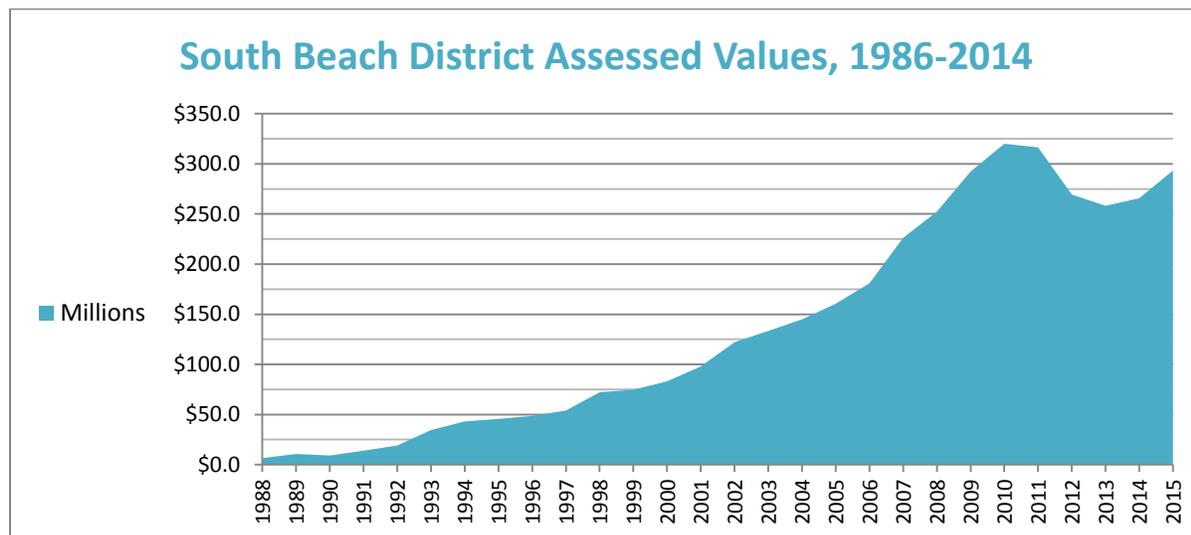
of the Vision Plan work as described in the Downtown Community Redevelopment Plan Capital Improvement Plan that are now in the engineering design stage.

- Planning and programming of available tax increment trust funds to finance any program activities that might arise during the “Re-Visioning” of the redevelopment plan to address on-going quality of life issues and work toward implementation of the “Action Plan for Downtown Jacksonville Beach.”

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 June 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. A listing of the significant public projects is appended at the end of this section. During FY 2015, the last major private development project, Ocean Terrace Single Family Homes, was approved to begin infrastructure construction and by the end of the year, work had begun on model homes.



Public/private partnerships have resulted in projects that have increased the value of property in the South Beach Redevelopment District since its inception. From a peak of \$320.5 million in 2009, the assessed values declined as result of national economic factor, but over the past three years have shown signs of recovery.

Community Redevelopment Agency

Recent Program Accomplishments - South Beach

- ✓ Began construction on the Phase 1 infrastructure project. The project includes water, sewer, wastewater reuse, storm drainage, and paving in the Jacksonville Beach Heights and Williams Coastal Boulevard Heights areas of the District. This project is substantially complete. Several other projects that were originally slated to be completed as part of Phase 2 were advanced and completed as part of Phase 1. These included installation of the reuse water supply line through South Beach Park and along South Beach Parkway and Jacksonville Drive; and construction of a maintenance vault to facilitate access to the ***twin 72" stormwater pipes passing through the South Beach Regional Shopping Center*** property.
- ✓ Authorized the preparation of engineering plans and specifications for the following new capital improvement projects in the South Beach District:
 - Phase 2 of the Capital Improvement Plan including ***planting new, "Florida Friendly" landscaping in the medians on South Beach Parkway and Jacksonville Drive***. During the fiscal year, city staff added rehabilitation of the drainage canal south of Butler Boulevard and upgrading the stormwater pond behind the branch bank property on Marsh Landing Parkway. The project is nearly ready to go to bid.
 - Phase 3 of the Capital Improvement Plan including ***reconstruction of the segment of South Beach Parkway from north of Jacksonville Drive through the intersection of Marsh Landing Parkway south of J. Turner Butler Boulevard***. This congestion management and traffic safety project includes installing a dedicated right turn lane to facilitate the free flow of southbound to westbound motorists entering Sanctuary Parkway and Butler Boulevard. After a detailed traffic engineering analysis, the design of the project is substantially complete and will be bid out for construction later in FY 2015.
 - A smaller project to ***design and construct an interconnection of the stormwater pipes between the Rip Tide subdivision and South Beach Park*** was also authorized. This project, along with reconstruction of large drainage structure in South Beach Parkway and the extension of reuse water supply lines in South Beach Parkway and Jacksonville Drive, was added to the Phase I project. This additional work has been completed.

Community Redevelopment-Program Goals for FY 2016 - South Beach

- Complete the engineering design, award bids, and complete construction of the Phase 2 and 3 projects described in the Accomplishments section above.
- Complete the engineering design, award bids, and complete construction of the enhancements to South Beach Park, including adding a street and bowl type skateboarding

Community Redevelopment Agency

facility, new shade and picnic structures, and installing an artificial turf surface in the open play area on the western side of the park.

- Prepare a scope of work and request for fee proposals to analyze the infrastructure improvement needs in the area that were not redeveloped as part of the Ocean Terrace single family residential project.

Budget Issues-South Beach

- Prepare a scope of services and request for fee proposal to undertake a detailed analysis of the stormwater management issues and other roadway and utility needs in the area of Ocean Terrace that was not redeveloped as part of the on-going single family residential development project.

Financial Summary-South Beach Redevelopment

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$38,729	\$96,535	\$81,735	-\$14,800	-15.3%
Operating	\$28,041	\$11,880	\$60,501	\$48,621	409.3%
Capital Outlay	\$2,214,175	\$4,378,233	\$0	-\$4,378,233	-100.0%
Debt Service	\$861,456	\$665,310	\$666,362	\$1,052	0.2%
Grants	\$0	\$0	\$0	\$0	-
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$3,142,401	\$5,151,958	\$808,598	-\$4,343,360	-84.3%

The 2016 budget will be increased when construction bids are awarded for Phases 4-7 projects described below.

SOUTH BEACH COMMUNITY REDEVELOPMENT DISTRICT PUBLIC INFRASTRUCTURE IMPROVEMENTS, 1987-PRESENT

- Installation of city standard water and sewer trunk lines in the South Beach Parkway corridor that initially brought these services to the land now occupied by the Rip Tide residential development. Ultimately, this helped open up the entire southwestern part of the City for development, including the hotel, offices, medical facilities, and apartments and condominiums in and around the Marsh Landing Business Park project.
- Paving of Williams Street and Osceola Avenue and construction of South Beach Parkway (formerly Coastal Highway Boulevard) and Jacksonville Drive, including the acquisition of the undeveloped lots between Rip Tide and Jacksonville Drive to provide needed right of way and prevent driveway access to South Beach Parkway.
- Construction of the master stormwater management system that is physically located in the South Beach District, but serves a large part of the southern part of the City. Components of the system include:
 - The Osceola retention pond adjacent to Ocean Cay.

Community Redevelopment Agency

- The drainage canal between Osceola Avenue and the Paradise Key development.
 - Securing a permanent public drainage easement through Paradise Key.
 - Realignment of the FDOT drainage ways and installation of twin 72” drain pipes through the South Beach Regional Shopping Center site.
 - The installation of a 36” drain pipe in South Beach Parkway from Rip Tide to the South Beach Parkway retention basin.
- Land acquisition and construction of South Beach Park which includes:
- Providing land for the volunteer designed and built “Sunshine Park for Kids.”
 - Installation of facilities for recreational activities for all ages – tennis courts, beach volleyball, exercise trail, splash pad, basketball court, multi-use playfield, picnic shelters, and restrooms.
 - The South Beach Community Center Building that is available for community events and activities, and provides administrative space for the Parks and Recreation Department.
- Construction of the Fire Station No. 2 providing significantly improved response times for fire and emergency calls in the entire South Jacksonville Beach area, including the South Beach Redevelopment District.
- Construction of a complete sidewalk system on the major roadways within the District.
- Extension of a reuse water supply line from the Wastewater Treatment Plant to provide low cost irrigation water to the South Beach Park, South Parkway, and Jacksonville Drive.
- Reconstruction of the water and sewer systems and repaving of streets in the Williams Coastal Boulevard Heights and Jacksonville Beach Heights areas of the Redevelopment District.
- Acquisition of vacant residential lots between South Beach Park and Rip Tide and the construction of Sunshine Court to prevent direct driveway access onto South Beach Parkway and to allow for the future sale of the lots for residential redevelopment.

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 various 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.

In addition to working with its external customers, the Department also provides administrative support to the Community Redevelopment Agency (CRA) for the City’s Downtown and South Beach Redevelopment Districts, and to the appointed Planning Commission, Board of Adjustment, Community Redevelopment Agency, and the Special Magistrate.

Authorized Positions	FY2014	FY2015	FY2016
Planning Division	2	3*	3*
Building Inspection Division	4	5	5
Code Enforcement Division	2	2	2
TOTAL	8	10	10

*The proposed budget includes a part-time Community Redevelopment Specialist position, to be funded by the Community Redevelopment Agency. It is anticipated that this position will be funded through FY 2016.

Planning & Development Department

Financial Summary - All Divisions

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$459,870	\$653,986	\$650,512	-\$3,474	-0.5%
Operating	\$117,968	\$142,496	\$150,998	\$8,502	6.0%
Capital Outlay	\$19,403	\$40,000	\$0	-\$40,000	-100.0%
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$597,241	\$836,482	\$801,510	-\$34,972	-4.2%

The FY 2016 budget for the Department is decreased slightly due to no identified significant capital outlay for FY 2016. Otherwise, personal services and operating expenses are expected to be comparable to amounts budgeted for 2015.

Financial Summary by Division

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Planning	\$154,619	\$234,506	\$231,204	-\$3,302	-1.4%
Building Inspection Code Enforcement	\$306,265	\$435,520	\$403,503	-\$32,017	-7.4%
	\$136,357	\$166,456	\$166,803	\$347	0.2%
TOTAL	\$597,241	\$836,482	\$801,510	-\$34,972	-4.2%

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 2030 Comprehensive Plan 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).

Planning & Development Department

Authorized Positions	FY2014	FY2015	FY2016
Director of Planning & Development	1	1	1
Senior Planner	1	1	1
Redevelopment Coordinator	-	1	1
TOTAL	2	3	3

Recent Accomplishments

- ✓ Processed 203 separate Land Development Code related applications including two zoning changes, six Development Plan (site plan) approvals, two Concept Plat applications for new residential subdivisions, and two Redevelopment District: RD rezoning applications.
- ✓ Processed 27 Conditional Use applications and 95 Variance applications for public hearings by the Planning Commission or Board of Adjustment.
- ✓ Staff approved 59 Home Occupation applications and nine Temporary Extension of Licensed Premises permits.
- ✓ Continued the Division’s commitment to provide a 10-day turnaround time for the initial review of land development application plan submittals.
- ✓ Researched and prepared amendments to City Code Chapter 12 - Food and Food Products and Chapter 34 - Land Development Code to implement a Mobile Food Vending program.
- ✓ Maintained the City’s representation on the North Florida Transportation Planning Organization (NFTPO) technical coordinating committee.
- ✓ Maintained the City’s representation on the Duval County Local Mitigation Strategy (“Duval Prepares”) steering committee.

Planning & Development Division Goals for FY 2016

- Maintain current standard of distributing development plans to reviewing departments within two working days of receipt and completing the initial review of the submittal within ten working days.
- Continue to explore the feasibility of implementing on-line permit related services and credit card payments for application and permit fees which are the most requested items in the departmental customer surveys.
- Continue working on Beaches transportation issues through participation on the North Florida Transportation Planning Organization (NFTPO) technical coordinating committee.
- Continue representing the City on the Duval County Local Mitigation Strategy steering committee
- Continue to evaluate the City’s Land Development Code in terms of current conditions and trends, and recommend revisions to continue properly managing the future growth and development of the City.
- Encourage the development and redevelopment of the downtown consistent with Vision Plan and Downtown Action Plan goals and objectives.

Planning & Development Department

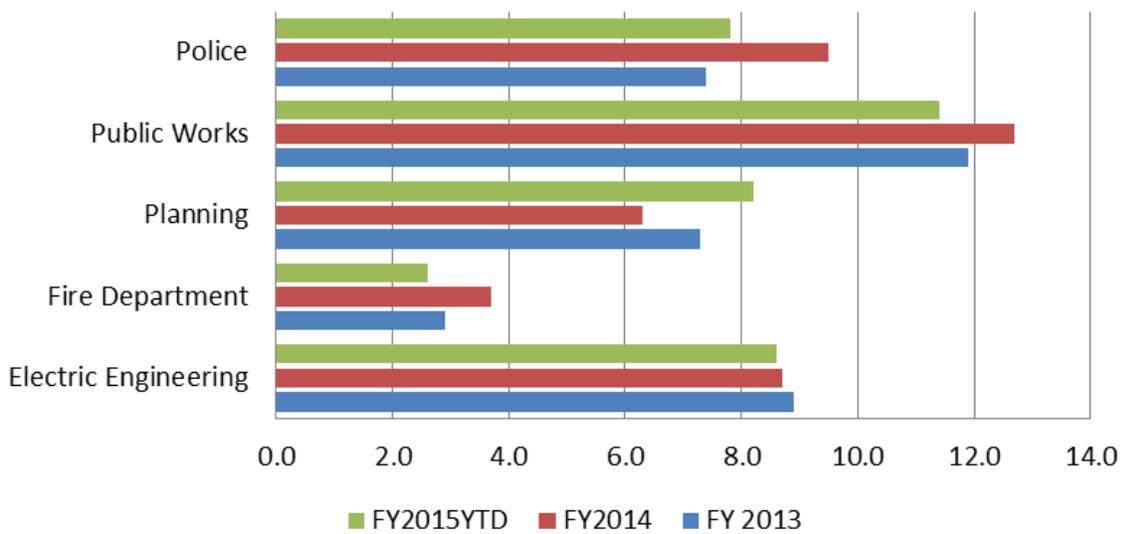
Division Budget Issues for FY 2016

Workload for the Division in FY2016 is not expected to increase dramatically over that of the past year, and current staffing levels are projected to remain adequate. However, there will be an increase in required training as a result of the Director's attainment of Redevelopment Professional certification through the Florida Redevelopment Association (FRA-RP).

Division Performance Measures

It is the goal of the Division to complete the initial review of all Development Plan applications within 10 working days from receipt.

Site Plan Review Processing Days



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 construction 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	FY2014	FY2015	FY2016
Building Official	1	1	1
Building Code Inspector	1	2	2
Permit Specialist	2	2	2
Total, Building Inspection Division	4	5	5
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	7	7

The job description for the Building Code Inspector position now includes general code enforcement duties. All new Building Code Inspectors will be cross-trained to also work in the code enforcement areas.

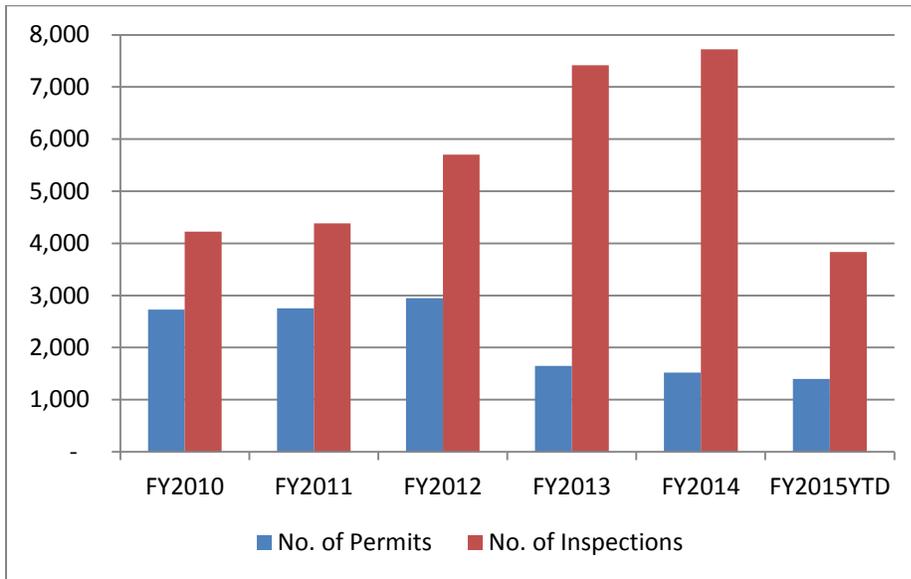
Recent Accomplishments

- ✓ In FY2014, the *Building Inspection Division* issued 2,837 building permits with a total valuation of \$76,950,361. Building inspection personnel carried out 7,725 construction inspections during the fiscal year. Construction activity included 278 new dwelling units, and generated approximately \$563,000 in permit fees. Interestingly, the number of dwelling units and inspections both increased over the last fiscal year, while the overall amount of permits and permit fees collected decreased slightly. This is likely due to an increase in multifamily over single-family construction.
- ✓ *Code enforcement* staff processed 1,521 code cases in FY 2014, compared with 1,078 in 2013. The Special Magistrate is an attorney who hears and decides code violation cases. In FY 2014 the Magistrate heard and decided 37 cases.
- ✓ The *Building Inspection Division* continues to meet its objectives for turnaround times relative to the initial review of construction plans.
- ✓ Both divisions have been diligent in making sure that team members attain and retain the proper licenses and credentials under state law. All *Building Inspection* personnel have maintained their required certifications, and all Department staff have devoted time to elective personal and professional development training.

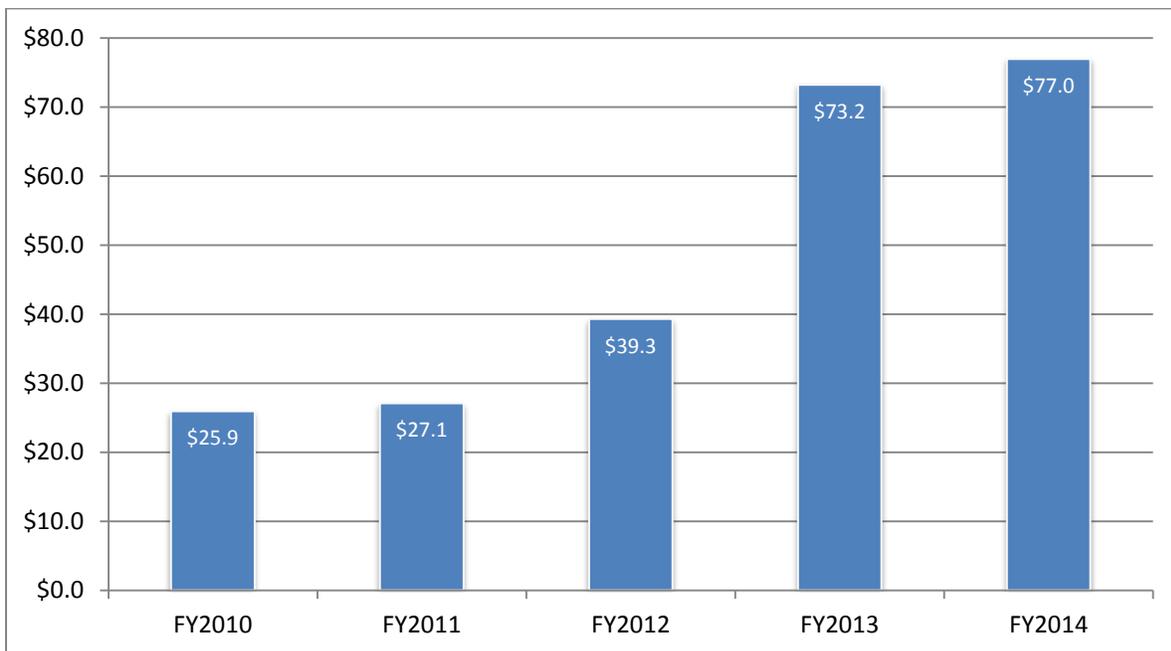
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Building Inspection and Code Enforcement Divisions Performance Measures

Annual Number of Permits Issued and Inspections Made, FY 2010-2015 YTD



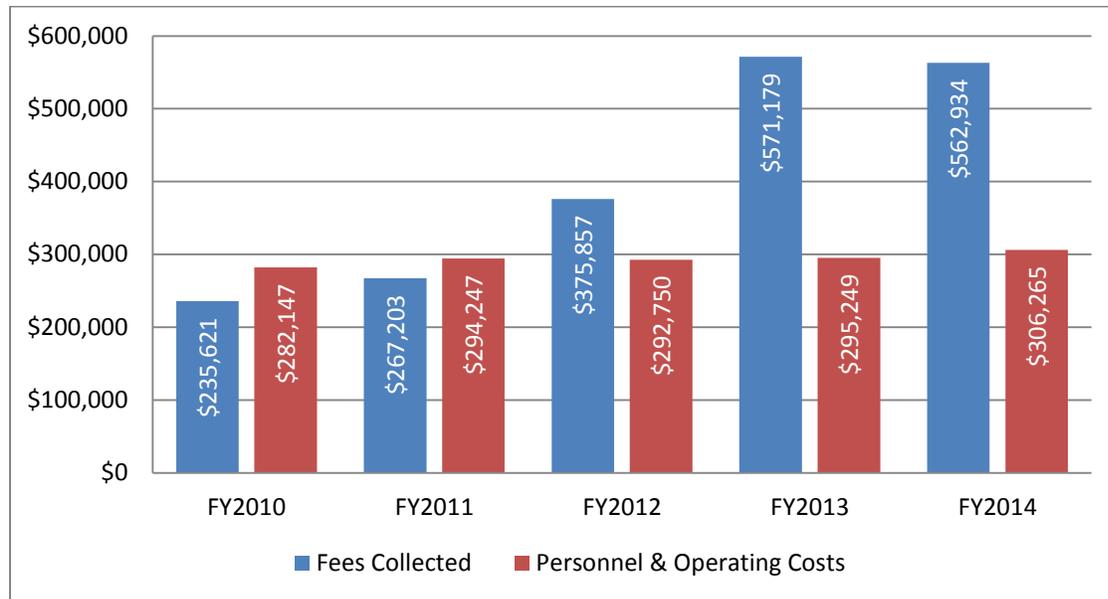
Total Dollar Value of Permits (millions), FY 2010-2014



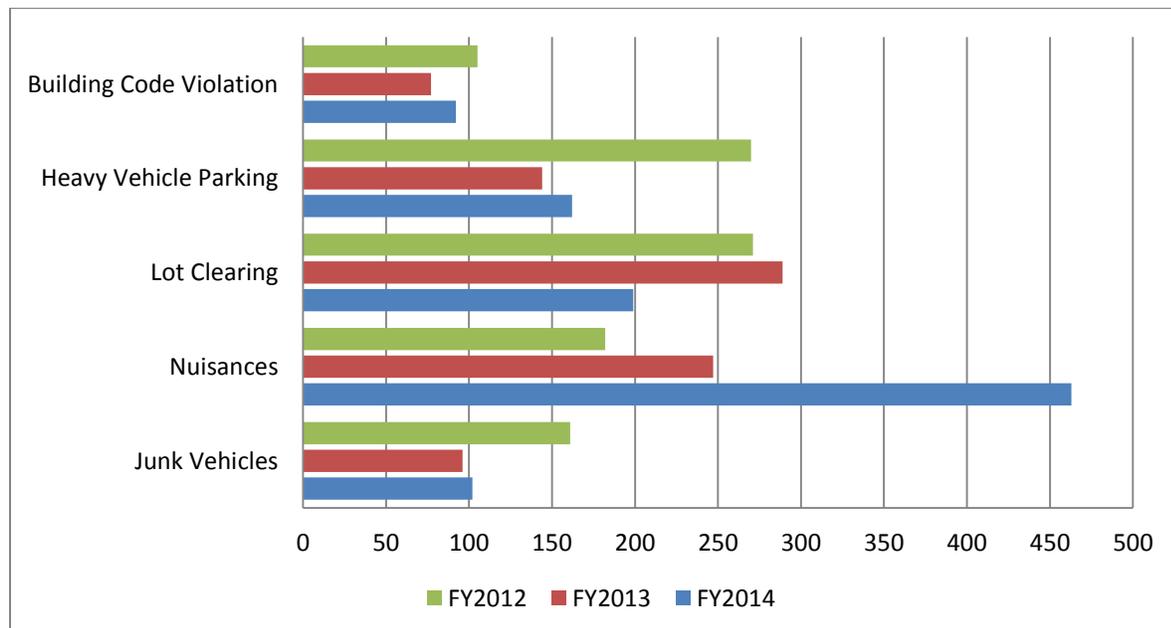
Planning & Development Department

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

Comparison of Permit Fees & Building Inspection Divisions Personnel and Operating Expenses, FY 2010-2014



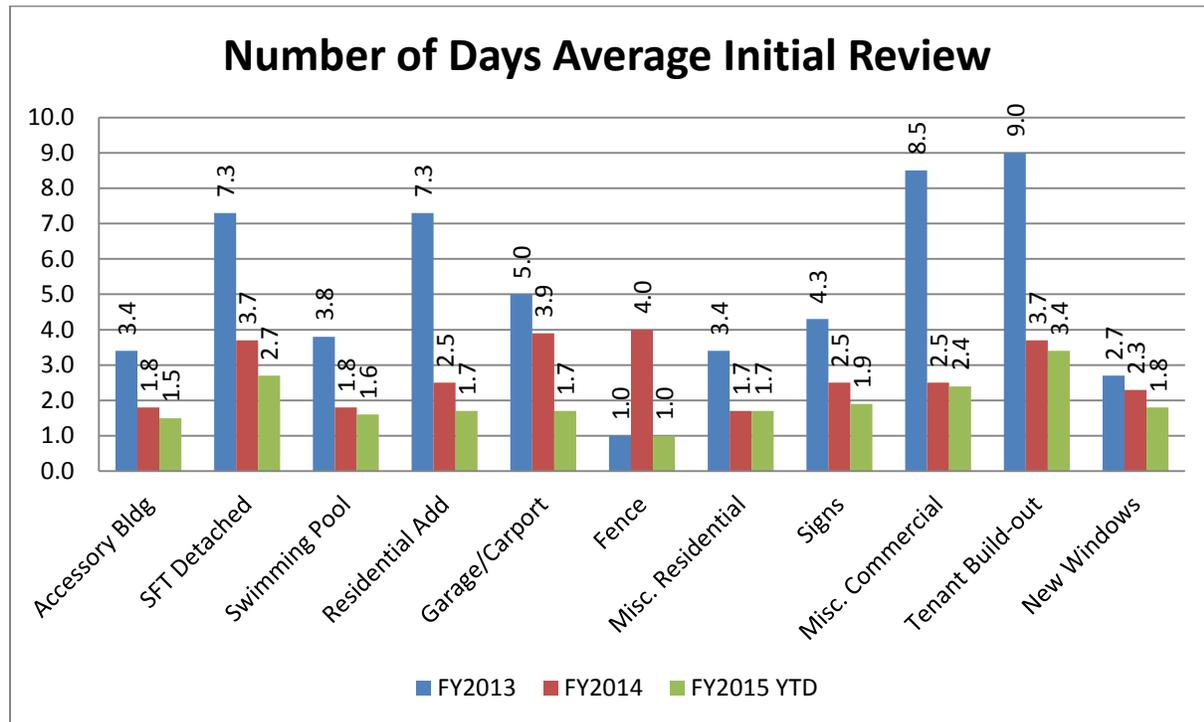
Five Most Frequent Code Enforcement Cases, FY 2012-2014



Planning & Development Department

Building Inspection and Code Enforcement Divisions

Average Initial Review Time for Selected Permit Types, FY 2013-2015 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 **four working days** for single-family residential projects.

Building Inspection and Code Enforcement Division Goals for FY 2016

- Maintain required certifications for all Division personnel.
- Maintain a standard of completing the initial plan review for single-family residential construction permits within four working 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.

Planning & Development Department

Building Inspection and Code Enforcement Divisions Goals (continued)

- Continue studying and providing training opportunities for staff members to effectively manage the challenge of administering and enforcing the Florida Building Code, and providing code enforcement training and certification opportunities for new building inspectors.

PERFORMANCE MEASURES	FY2013	FY2014	2015 FYTD (thru 3/31/15)	FY2016 Target / Estimate
SITE PLAN REVIEWS:				
Number of applications	2	17	8	11
Plans routed within 48 hours of receipt	100%	100%	100%	100%
Average number of work days for initial review:				
Public Works – All Reviewers	11.9	12.7	11.4	10.0
Planning	7.3	6.3	8.2	10.0
Fire Department	2.9	3.7	2.6	10.0
Electric Engineering	8.9	8.7	8.6	10.0
NUMBER OF BUILDING PERMITS				
Building	1,650	1,518	693	1,600
Plumbing	499	379	236	460
Electrical	632	459	248	500
Mechanical	644	481	220	520
COMMON TYPES OF CONSTRUCTION PLAN REVIEWS:				
Single-family Dwellings				
Number of applications	108	91	72	100
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of work days for initial review:				
Code Enforcement	4.5	3.8	7.4	4.0
Inspection Division Plans Reviewer	3.3	3.4	4.2	4.0
Public Works	4.5	5.8	4.7	4.0
Miscellaneous Commercial				
Number of applications	82	78	38	75
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	2.1	2.5	2.4	3.0
Tenant Build-Out				
Number of applications	28	27	16	25
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	3.5	3.7	3.4	4.0
Signs				
Number of applications	130	126	65	115
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	1.6	2.5	1.9	3.0
Residential Additions				
Number of applications	24	23	15	20
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	2.8	2.5	1.7	3.0



Parks & Recreation Department

Mission

Providing safe and enjoyable recreation opportunities for our community.

Organization

Recreation Administration directs the City’s overall recreation functions, including the following divisions: Ocean Rescue, Special Events, Huguenot Tennis Center, Oceanfront 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	2014	2015	2016
Recreation – full-time	4	5	5
Recreation – part-time	7	6	7
Recreation Total	11	11	12
Ocean Rescue – full-time	1	1	1
Ocean Rescue – part-time	86	86	86
Ocean Rescue Total	87	87	87
Golf Course – full-time	8	7	7
Golf Course – part-time	18	18	18
Golf Course Total	26	25	25
Grounds – full-time	7	7	7
Grounds – part-time	1	0	0
Grounds Total	8	7	7
Total full-time	20	20	20
Total part-time	112	110	111
TOTAL	132	130	131

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$2,054,868	\$2,201,737	\$2,205,130	\$3,393	0.2%
Operating	\$2,432,256	\$2,597,733	\$3,025,679	\$427,946	16.5%
Capital Outlay	\$95,893	\$113,600	\$63,000	-\$50,600	-44.5%
Transfers	\$146,856	\$144,489	\$144,041	-\$448	-0.3%
TOTAL	\$4,729,873	\$5,057,559	\$5,437,850	\$380,291	7.5%

Budget increase is attributable to irrigation repairs, tree trimming, cemetery and parks maintenance, oceanfront facilities service level increase, and the addition of a part time Staff Assistant.

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, including the Pablo Beach Community Assisted Policing Effort (CAPE).

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	2014	2015	2016
Director	1	1	1
Recreation Superintendent	1	1	1
Administrative Assistant (fulltime)	0	1	1
Administrative Secretary (part-time)	1	0	0
Staff Assistant (part-time)	1	1	2
Recreation Program Assistant (part-time)	1	1	1
TOTAL	5	5	6

An additional part time Staff Assistant was approved by Council in March of 2015.

Recent Accomplishments

Administered & coordinated:

- Carver Center
- Surf Camps
- Autism Surf Camp
- Opening Day Parade
- Easter Egg Hunt
- 4th of July Celebration
- Adult Softball League (Spring & Fall) – 30 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
- 70 Special Events

Recreation Administration Goals for FY2016

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.

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	450
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 Questions¹	YTD 3-31-15	Target FY2016
% of customers who rated playing fields as being in good condition or better	0% Football 55% Softball	50% Football 50% Softball
% of customers who are satisfied with the way the leagues are run	95% Football 97% Softball	90% Football 90% Softball

¹Survey responses (#returned/#distributed): 2015 (5 teams/5 teams)

Performance Measure	FY2014	YTD 3-31-15	Target FY2016
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	1	1	0
Number of sports programs administered to adult and youth	6	6	6

Parks & Recreation Department

Recreation Administration (continued)

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$374,829	\$360,763	\$390,518	\$29,755	8.2%	<i>Budget changes reflect the addition of a part time Staff Assistant, irrigation repairs throughout the City, maintenance at the Ocean Front and Cradle Creek parks, and continued work at the cemeteries.</i>
Operating	\$877,382	\$978,620	\$1,239,559	\$260,939	26.7%	
Capital Outlay	\$16,876	\$0	\$0	\$0	-	
Transfers	\$146,856	\$144,489	\$144,041	-\$448	-0.3%	
TOTAL	\$1,415,943	\$1,483,872	\$1,774,118	\$290,246	19.6%	

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 Development Block Grant allocation for next fiscal year will once again cover the City’s Community Assisted Policing Effort (CAPE) and Carver Center. We have received preliminary approval to continue these programs subject to budget approval by congress. FY2015 funding request amount and priority for each program is:

<u>Priority</u>	<u>Program</u>	<u>Request</u>
1	Carver Center	\$83,450
2	CAPE	\$60,591
TOTAL		<u><u>\$144,041</u></u>

Additional discussions of the Police (CAPE) programs may be found in the Police business plan.

Budget Issues FY2016

- Funding **\$100,000** for irrigation repairs, **\$50,000** for tree trimming, and **\$20,000** for cemetery maintenance.
- Budgets for the Carver Center and CAPE programs are based on the expectation of continued funding from CDBG.
- At the South Beach Park, the City is considering both the construction of a skate park and a pilot program to convert the multi-use field to artificial turf.
- As part of this year’s budget the Council is being asked to authorize a cemetery maintenance fund for donations and City contributions.

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	2014	2015	2016
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”.
- ✓ Delivered beach safety lectures to elementary students.
- ✓ Completed in-service training for lifeguards.

Goals for FY2016

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 is measured by accident report sheets and customer satisfaction surveys.

Performance Measure	FY2014	YTD 3-31-15	Target FY2016
Number of drownings while Ocean Rescue on duty	1*	1	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:¹			
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%

¹Survey responses (#returned/# distributed): 2015 (5/15)

*In 2014, there was 1 drowning when Ocean Rescue was not on duty.

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$477,490	\$571,199	\$561,148	-\$10,051	-1.8%
Operating	\$129,048	\$137,432	\$144,328	\$6,896	5.0%
Capital Outlay	\$40,582	\$35,100	\$0	-\$35,100	-100.0%
TOTAL	\$647,120	\$743,731	\$705,476	-\$38,255	-5.1%

Budget Issues

- ✓ Tower Guards are budgeted for 23,100 hours per year. It takes roughly 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 will significantly increase costs.

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. The Tennis Center staff is responsible for supervising seven lighted 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	2014	2015	2016
Tennis Professional	1	1	1
Court Attendant (part-time)	2	2	2
TOTAL	3	3	3

Recent Accomplishments

- ✓ The Tennis Center hosted approximately 7,769 players in the first six months of this year.
- ✓ 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 FY2016

- 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.¹

Performance Measure	YTD 3-31-15	Target FY2016
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 or better	85%	85%
Building condition rated good or better	60%	75%
Landscape condition rated good or better	50%	75%

¹Survey responses (#returned/# distributed): 2015 (14/30)

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$79,401	\$74,024	\$74,048	\$24	0.0%
Operating Capital Outlay	\$17,074	\$16,500	\$17,155	\$655	4.0%
	\$0	\$0	\$0	\$0	-
TOTAL	\$96,475	\$90,524	\$91,203	\$679	0.8%

Tennis Center Budget Issues

- ✓ This year's estimated revenue is \$38,500.
- ✓ Current six month revenue is \$21,153
- ✓ Long range plans are to eliminate the full time Tennis Professional position in October 2016 and convert the Tennis Center to club management.

Parks & Recreation Department

Oceanfront Facilities

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.

Goals for FY2016

Maintain clean restroom facilities and operating showers.

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Operating	\$77,047	\$80,500	\$131,000	\$50,500	62.7%
TOTAL	\$77,047	\$80,500	\$131,000	\$50,500	62.7%

Budget increase reflects increased hours of operations and additional facilities at the Oceanfront Park to be opened during the year.

Expenses include cleaning services, utilities, and maintenance costs such as painting, plumbing, fixture replacement, and vandalism repairs.

Performance Measures

- Restrooms and showers should be in good working order; clean and sanitary for the public.

Current 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) keep 2 nd Ave N restroom open during winter months.

Budget Issues

- ✓ Budget includes additional hours of operation as recommended in the Downtown Action Plan.
- ✓ New contract for cleaning and staffing.
- ✓ Additional staff to increase cleaning cycle.
- ✓ Maintenance may include painting inside and outside as well as replacing the fixtures once per year.
- ✓ New restrooms at Oceanfront Park.
- ✓ Add showers at 16th Ave S.

Parks & Recreation Department

Carver Center

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	2014	2015	2016
Recreation Supervisor	1	1	1
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
 - Water Safety class
 - Halloween function

Parks & Recreation Department

Carver Center Program Goals

- 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

	2014	Estimate 2015	Target 2016
Avg. # children attending	45	45	45

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$88,447	\$83,015	\$87,797	\$4,782	5.8%
Operating	\$6,000	\$0	\$0	\$0	-
TOTAL	\$94,447	\$83,015	\$87,797	\$4,782	5.8%

The Community Development Block Grant is expected to provide \$83,450 for this program in 2016.

Budget Issues

Community Development Block Grant funding for this program 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 FY2016

1. Rent building to reduce the facility's operating costs.
2. Maintain a clean and professionally operated facility.

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	-
Operating Capital	\$41,161	\$48,500	\$49,600	\$1,100	2.3%
Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$41,161	\$48,500	\$49,600	\$1,100	2.3%

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	FY2014	YTD 3-31-15	Target FY2016
Customer Survey - % satisfaction with building, equipment and operation ¹	95%	95%	95%
Rental Events	149	88	145

¹Survey responses (# returned/# distributed): 2014 (5/15), 2015 (5/10)

Parks & Recreation Department

Special Events

The Special Events budget includes City-managed events such as the Summer Jazz, Moonlight Movies and July 4th fireworks.

SPECIAL EVENTS	2015	2016	Incr. / (Decr.)	% change
Funding Sources				
Facility rentals and fees	\$ 7,500	\$ 14,000	\$ 6,500	86.7%
Contributions	7,500	15,000	7,500	100.0%
General Fund	-	-	-	0.0%
Convention Development	95,000	95,000	-	0.0%
Total Sources	\$ 110,000	\$ 124,000	\$ 14,000	13%
Funding Uses				
Springing the Blues	8,000	-	(8,000)	-100.0%
4th of July Fireworks	25,000	40,000	15,000	60.0%
Jazz Concerts (2)	57,000	57,000	-	0.0%
Moonlight Movies (3 in FY2015, 4 in FY2016)	12,000	19,000	7,000	58.3%
Opening of the Beaches Parade	7,000	7,000	-	0.0%
Contingency	1,000	1,000	-	0.0%
Total Uses	\$ 110,000	\$ 124,000	\$ 14,000	13%

In addition to City-sponsored events, the City provides in-kind costs for the Air Show. The Parks & Recreation Department provides logistical support for many other 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 (see next page).

Parks & Recreation Department

Special Events (continued)

Other annual events that are scheduled for 2015 include:

- Octoberfest
- Jacksonville Celtic Festival
- Chariots of Fur 5-K Dog Run
- 26.2 with Donna
- St. Paul's Carnival
- Sandcastle Contest
- Easter Sunrise Service
- Kids Fishing Rodeo
- Jax Beach Paddle Challenge
- Jax Beach Surf Camp
- Festival of Chariots
- Pancreatic Cancer Walk
- Winter Beaches Run
- Right Whale
- Buddy Walk
- 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 Sea & Sky Spectacular to be held in October 2015 in the amount of \$60,000 was set aside in the FY2014 Year-end Budget Adjustment.
- Adding an additional movie for the weekend of the Beaches Opening.
- Contract with Jax Beach Festivals, Inc. ends in December 2015.

Parks & Recreation Department

Golf Course

*“A Good Product
at a Good 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	2014	2015	2016
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	4	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	25	25

Recent Accomplishments

- ✓ Hosted the North/South Collegiate Tournament.
- ✓ Hosted Ladies Golf League for third year.
- ✓ Continued program with “Golf Now” to promote play.
- ✓ Reconstruction of green on hole # 1.

Goals for FY2016

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 FY2014	YTD 3-31-15	Target FY2016
Course condition-survey rating of above average	91%	8%	25%
Operating Revenue Per Round	\$25.82	\$25.01	\$26.68
Operating Cost Per Round	\$27.33	\$23.86	\$26.10

Survey Results (May 2015)

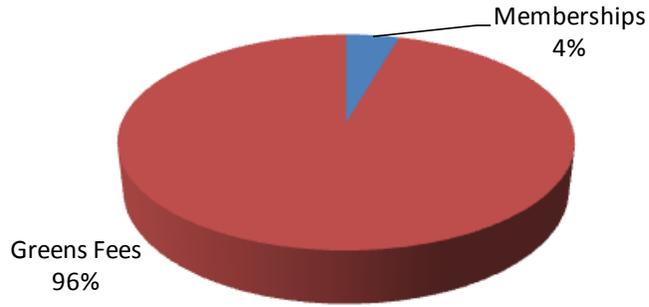
Customer Service Survey ¹	Above Average	Satisfactory	Needs Improvement	No Opinion
Service inside Pro Shop?	79%	18%	3%	-
Service given by our starters?	72%	25%	3%	-
Overall service?	68%	25%	7%	-
Condition of our golf course?	8%	50%	42%	-
Restaurant operation?	8%	47%	11%	34%
Menu selection?	39%	34%	15%	12%

¹Survey results (#returned/#distributed) 2015 (26/50)

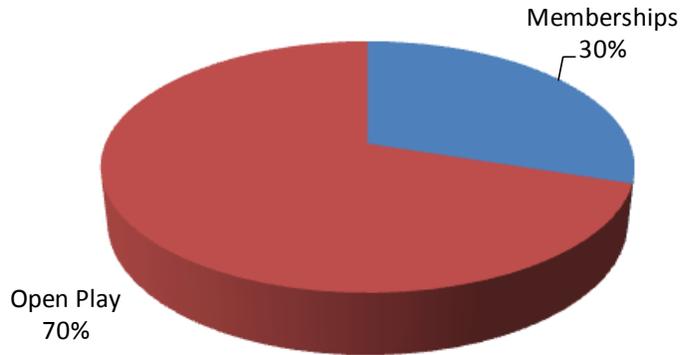
Play Statistics

These charts show the composition of our players.

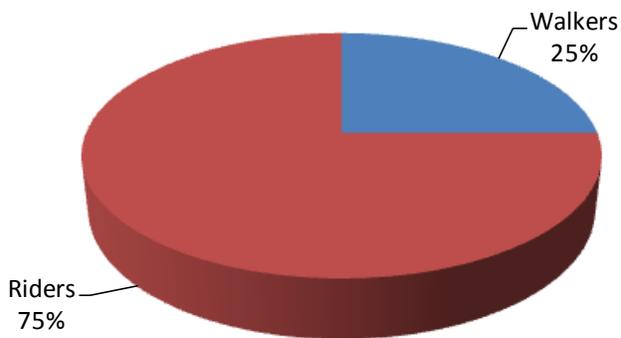
Revenues from Greens Fees & Memberships



Players

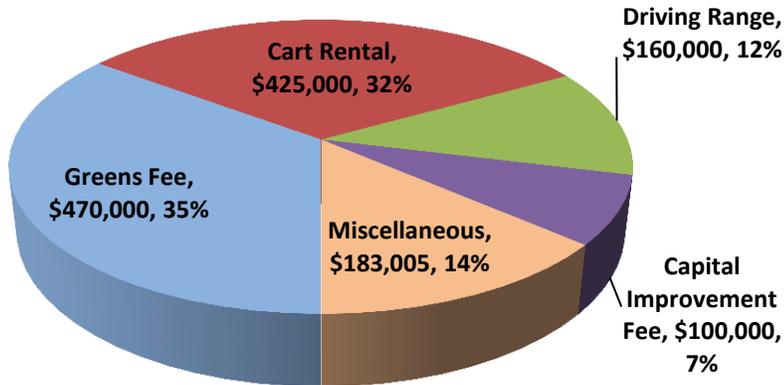


Walkers and Riders



Parks & Recreation Department

Golf Course Revenues: \$1,338,005



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

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$620,520	\$664,811	\$626,989	-\$37,822	-5.7%
Operating Capital Outlay	\$630,419	\$662,694	\$678,078	\$15,384	2.3%
	\$34,625	\$28,000	\$28,000	\$0	0.0%
TOTAL	\$1,285,564	\$1,355,505	\$1,333,067	-\$22,438	-1.7%

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.

Maintenance and Equipment Issues:

- Golf Course Irrigation Main Line - replacement of rusting fittings that fail during the year (\$12,000).
- Golf Course Irrigation main line replacement of failing fitting, this program will replace all of the fitting, gate valves, and irrigation satellite controllers on a multi-year program (\$30,000 per year).
- Replacement of Triplex Mower (\$28,000).

Parks & Recreation Department

Grounds Maintenance

Grounds Maintenance	2014	2015	2016
Maintenance Superintendent	1	1	1
Crew Supervisor	1	2	2
Equipment Operator (FT)	0	0	0
Equipment Operator (PT)	1	0	0
Equipment Mechanic	1	1	1
Maintenance Workers I, II, III (FT)	4	3	3
TOTAL	8	7	7

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

- ✓ Completed Dog Park improvements by adding shade shelters and benches.
- ✓ Huguenot Park fishing pier rebuilt with new deck boards and railings.
- ✓ Instituted annual tree trimming program

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%	\$167,373
Parks & Recreation	City parks: Wingate, Cradle Creek, Tall Pines, Carver, South Beach, Huguenot, Gonzales, Ocean Front, Penman, Seabreeze field, dog parks	72.1%	\$820,922
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%	\$23,569
Police	Police facility	1.1%	\$12,069
Fire	Fire facilities	1.2%	\$13,208
General Fund TOTAL		91.1%	\$1,037,141
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%	\$82,889
Community Service	Community Services Center	0.2%	\$2,391
Penman Park	Penman Park	0.2%	\$2,619
O/M Facility	O&M Facility grounds	1.2%	\$13,549
TOTAL		100.0%	\$1,138,589

Parks & Recreation Department

Financial Summaries

Tree Protection

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Operating	\$676	\$3,000	\$3,000	\$0	0.0%

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

Grounds Maintenance

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$414,181	\$447,925	\$464,630	\$16,705	3.7%
Operating Capital Outlay	\$573,425	\$560,487	\$638,959	\$78,472	14.0%
	\$3,810	\$50,500	\$35,000	-\$15,500	-30.7%
TOTAL	\$991,416	\$1,058,912	\$1,138,589	\$79,677	7.5%

Grounds Maintenance increase is primarily for increased park maintenance and tree replacements as needed.

Goals for FY2016

- ✓ Keep all facilities well maintained and free of trash and debris.
- ✓ Keeping facilities and equipment in good condition.
- ✓ Inspect parks monthly and make any necessary repairs.

Budget Issues for FY2016

- Replacement pesticide application equipment and vehicle (\$35,000).
- Maintenance work on Ocean Front Park (\$30,000).
- Maintenance work on Cradle Creek – replacement of warped boards on handle rails, and wear coating on deck. (\$30,000).
- Replace trees and landscaping in the Downtown area as needed (\$15,000).
- Replacement of rusting and curling fence at sports fields.

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	FY2014	FY2015	FY2016
Distribution & Collection	14	14	14
Pollution Control Plant	15	15	15
Water Plant	13	13	13
Streets	18	18	18
Administration	5	6	6
TOTAL	65	66	66

Recent Accomplishments

- ✓ Rebuilt, improved and enhanced infrastructure supporting our citizens by construction of:
 - Downtown Redevelopment District Master Plan Improvements Program & East of A1A
 - 1st St. N. (6th to 9th Ave.) and 7th & 8th Ave. N. (1st to 2nd St.)
 - Rebuilt 26 Dune Walkovers to the Beach
 - South Beach Redevelopment District Master Plan Improvements Program
 - Williams Coastal – Jax Bch Heights, Reuse Water Main Extension
 - Reuse Project: Reuse system extended to Sunshine Park, S. Bch Parkway & Jax Dr.
 - Linked two City Stormwater System Basins (South & Central) along S. Bch Pkwy
 - Water, Wastewater, Stormwater Infrastructure Improvements Program
 - Wastewater Main Project: 2nd Street North (14th to 20th Avenue North)
 - Water Facility Project: New Utility & Storage Building at Water Plant #2
 - Wastewater Lift Station #1 Project (363 S. 2nd Ave.)
 - Wastewater Lift Station #9 Project (1850 Tanglewood Rd.)

Public Works Department

Recent Accomplishments (continued)

- Roadway Infrastructure Maintenance / Improvements Program
 - Asphalt rejuvenated 25 miles of roads
 - Resurfaced / reconstructed 1.3 miles of roads
- ✓ Cleaned /televised 23,530 feet of storm pipe and 54,900 feet of sanitary pipe
- ✓ Achieved high levels of service in oceanfront cleaning, garbage collection & sweeping
- ✓ Initiated Grease Interceptor Rebate Program
- ✓ Maintained compliance for water state consumptive use permit, and wastewater and stormwater federal pollutant discharge elimination permits

Goals for FY2016

- Design and/or construction underway:
 - Downtown Redevelopment District Improvements Program
 - Roadway/Utilities Project: Beach Blvd. to 4th Ave. S. and 3rd Street S. to the beach
 - Roadway/Utilities Project: 4th Ave. S. to 8th Ave. S. and 3rd St. S. to the beach
 - South Beach Redevelopment District Improvements Program
 - Intersection/Turn Lane Project: South Beach Pkwy (Jax Dr. to Marsh Landing Blvd.)
 - Landscape Project: South Beach Parkway & Jacksonville Drive
 - Stormwater Channel / Pond Project: Jacksonville Drive to South Basin at JTB
 - Roadway/Stormwater Project: Various roadway areas
 - Industrial Area Improvements Program
 - Roadway/Utilities Project: 10th to 9th St. S. and 5th to 12th Ave. S.
 - Water, Wastewater, Stormwater Infrastructure Improvements Program
 - Water Main Project: 3rd St. N. (6th to 20th Ave. N.)
 - Water Main Project: 5th & 7th Sts. S., 11th & 12th Sts. N., & Palm Circle
 - Water Main Project: 8th & 11th Sts. S., 1st Ave. S. & 13th Ave. N.,
Oakwood Court & Rannie Street
 - Wastewater Lift Station #7 Project: Rebuild at old BES site (4th St. N. at 18th Ave.);
demolish existing Lift Stations #7, #8, #20
 - Wastewater Lift Stations #2 (4th St. N. at 6th Ave.) & #10 (Palm Tree at 3rd Ave. N)
 - Stormwater Project: Ocean Forest area
- **Maintain compliance for water state consumptive use permit, and wastewater & stormwater federal pollutant discharge elimination permits.**
- **Keep Jacksonville Beach beautiful** via the downtown & oceanfront cleaning, graffiti abatement, garbage collection, dumpster enclosure and sweeping programs.
- **Maintain performance measures** as shown on the next page.

Public Works Department

Performance Measures

Outcomes	Level of Service	Actual 2014	As of 3/2015	Target 2016
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 10% total produced	13.1% ¹	15.6% ¹	10%
	Replace 2,500 ft. of old 2" & larger galvanized & cast iron water mains	5,979	0 ²	2,500
	Install/replace 150 water services	216	96	150
	Operate (replace) water valves	15	181	663
	Flush all fire hydrants	100%	10%	100%
Wastewater / Stormwater:				
➤ Keep our waterways clean	Achieve wastewater & stormwater permit regulatory compliance for normal operating conditions	Yes	Yes	Yes
➤ Preserve our environment	At the Wastewater Treatment Plant, achieve removal so that:			
	➤ Total Suspended Solids (TSS): < 5mg/l	<2.5mg/L	<2.2mg/L	5 mg/l
	➤ Carbonaceous Biochemical Oxygen Demand (CBOD): < 5mg/l	<1.3mg/L	<1.4mg/L	5 mg/l
	➤ Total Nitrogen (N) Rolling Year Average: < 46,233 lbs	22,996.30	13,538.24	46,233 #
	Clean 20,000 ft. sanitary/storm mains	78,430	8,161	20,000
	Inspect (rehab) sewer manholes	1,114 (35)	62 (45)	400
	Refurbish sewer lift stations numbered: (electric,pumps,pipes,wetwells,concrete, mechanical,generators,fencing,etc.)	2,6,25	1,9	2,7 design
Streets:				
➤ Keep our streets well maintained for driving and free of trash	Seal coat/resurface 7 to 10 road miles	26.3	0.37	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	1,905	2,135	2,000
➤ Keep our drainage system well maintained	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
	Mow/clean 15,000 ft. of ditch	39,300	6,550	15,000
Sanitation:				
➤ Keep our city and beach clean	Recycle/mulch 25% of residential solid waste to reduce landfill impact	29%	25%	25%
	Clean the beach at least once per week by mechanical means (raking)	Yes	Yes	Yes
	Respond to garbage inquiries by 1 day & complete by next scheduled pickup	Yes	Yes	Yes

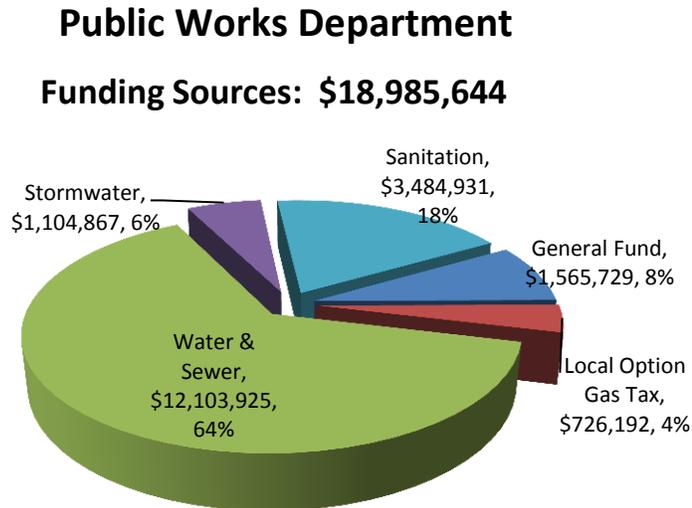
¹ SJRWMD changed accounting procedure. Meter Replacement Program addresses under metering of water used.

² Water Main Project: 3rd St. N. (6th to 20th Ave. N.) delayed to coincide with FDOT Drainage Project.

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 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$3,815,973	\$4,154,265	\$4,178,400	\$24,135	0.6%
Operating	\$7,737,223	\$8,444,692	\$8,513,892	\$69,200	0.8%
Capital Outlay	\$3,142,156	\$4,044,000	\$3,986,000	-\$58,000	-1.4%
Debt Service	\$1,804,300	\$1,803,547	\$1,806,352	\$2,805	0.2%
Transfers	\$372,000	\$372,000	\$501,000	\$129,000	34.7%
TOTAL	\$16,871,652	\$18,818,504	\$18,985,644	\$167,140	0.9%

Budget increase includes additional transfer to the reserve for building system repair & maintenance projects.

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

Public Works Department

Budget Issues and Uncertainties

- Future unfunded mandates related to the:
 - Increasing federal and state restrictive standards for phosphorus and other contaminants entering the fresh and marine waters of the state.
 - Growing regional demands for high quality water from the Floridan Aquifer. The Florida Department of Environmental Protection and Water Management Districts are moving forward in setting minimum flows and levels for lakes and springs.
 - U.S. Environmental Protection Agency being more active in regulatory oversight of Wastewater and Stormwater National Pollutant Discharge Elimination Permits and Drinking Water Consumptive Use Permits.
- Design is underway on the FDOT project to improve drainage for A1A north of Beach Boulevard, with 2017 construction start planned. It is likely that a significant portion of new drainage infrastructure may be designed for City rights-of-way to improve storm runoff flow to the Intra-Coastal Waterway. Staff plans to review City infrastructure along the FDOT planned route, to determine other infrastructure improvements that should be made.
- Design is underway for the infrastructure improvements program in the Downtown Redevelopment District (south of Beach Boulevard) and extending to 16th Ave. S. This reconstruction program will occur in a series of projects and last a minimum of five years.
- Pressure on customer utility rates and taxes due to the ever increasing costs of providing services and operating/maintaining the city's infrastructure systems – water production and distribution; wastewater collection and treatment; stormwater collection and treatment; solid waste collection; oceanfront and downtown cleaning; street sweeping; and roadways, curbing and sidewalks.
 - Stormwater rates were set in 1990 (25 years ago).
 - Garbage rates were set in 1993 (22 years ago).
 - Water & Sewer rates were set in 2012.
 - Local Option Gas Tax extends through 2036.
- Develop and implement a water meter replacement program. 10,780 water meters are installed throughout our community and are currently replaced when a meter fails. By adopting a strategic replacement program, the City expects to reduce the percentage of unaccounted water and help our customers better manage their water consumption.

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, 1,990 sewer manholes, 873 fire hydrants, 2,652 water valves, 10,780 water services, and 9,124 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 400 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	FY2014	FY2015	FY2016
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 FY2016

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

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$748,939	\$846,691	\$861,506	\$14,815	1.7%
Operating	\$374,075	\$543,350	\$562,550	\$19,200	3.5%
Capital Outlay	\$1,062,065	\$2,425,000	\$2,115,000	-\$310,000	-12.8%
TOTAL	\$2,185,079	\$3,815,041	\$3,539,056	-\$275,985	-7.2%

Division Budget Issues

Capital Outlay:

- Water Main Projects:

- Funding **\$1,095,000** for area of 3rd St. N. (6th Ave. N to 20th Ave. N)
- Funding **\$330,000** for area of 11th St. N. (12th Ave. to San Pablo Circle), 12th St. N. (12th Ave. to end), Palm Circle, 5th St S. (16th Ave. to end) & 7th St. S. (16th Ave. to Millie Dr.)
- Funding **\$290,000** for area of 8th St. S. (16th Ave. to end) & 11th St. S. (1st to 2nd Ave.), 1st Ave. S. (10th to 11th St.), 13th Ave. N. (2nd to 3rd St.), Oakwood Court and Rannie St.

- Funding **\$400,000** for Water Meter Replacement Program (phase 1)

Operating:

- Funding **\$43,000** for the **Water Valve Maintenance Program**, which includes exercising water valves and replacing deteriorated/broken valves as necessary.

- Funding **\$220,000** 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

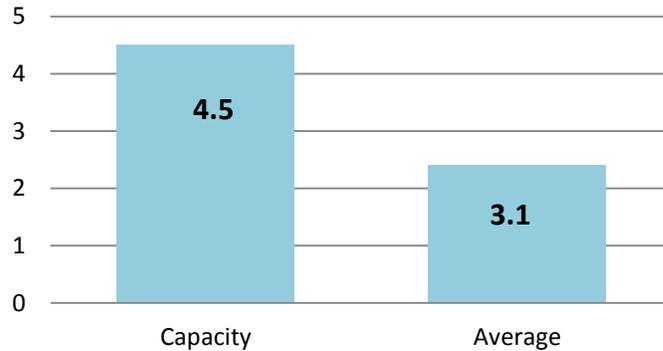
Pollution Control Plant Division

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 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.

Daily Wastewater Treatment
million gallons per day



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, South Penman Road Area, Lee Kirkland & Warren Smith Cemeteries, South Beach Park, Stormwater Central Stilling Basin, within the Wastewater Treatment Facilities and South Beach Parkway, Jacksonville Drive and future extensions of the reclaimed water main system to other areas.
- Achieve less than 5mg/l total suspended solids, less than 5 mg/l carbonaceous biological oxygen demand, and less than 46,233 lbs. of total nitrogen rolling 12-month average (permit requirements).
- Design Lift Station #2 Improvements Project (4th St. N. & 6th Ave.).

Division Organization

Authorized Positions	FY2014	FY2015	FY2016
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 FY2016

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

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$850,309	\$1,007,419	\$988,790	-\$18,629	-1.8%	<i>The budget increase is primarily for capital outlay as itemized below (see budget issues).</i>
Operating	\$1,498,259	\$1,414,200	\$1,434,500	\$20,300	1.4%	
Capital Outlay	\$1,169,534	\$280,000	\$687,000	\$407,000	145.4%	
TOTAL	\$3,518,102	\$2,701,619	\$3,110,290	\$408,671	15.1%	

Division Budget Issues

Capital Outlay:

- Funding **\$27,000** to replace a ½-ton pickup truck (2000)
- Funding **\$100,000** for the design of Wastewater **Lift Station #2 Project** (4th St. N. at 6th Ave.)
- Funding **\$75,000** to install 3rd pump/motor system to **LS #10** (Palm Tree & 3rd Ave. N.)
- Funding **\$25,000** to install **Jacketed Insulation** for exposed Hot Air Piping
- Funding **\$205,000** to replace old 500KW with new **750KW Generator**
- Funding **\$40,000** to install **Sun Canopies** over the Tertiary Final Filters
- Funding **\$185,000** to install **Feed Pumps** for Tertiary Final Filters
- Funding **\$30,000** to purchase actuators, soft starts and variable frequency drives

Other Concerns:

- ⇒ 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

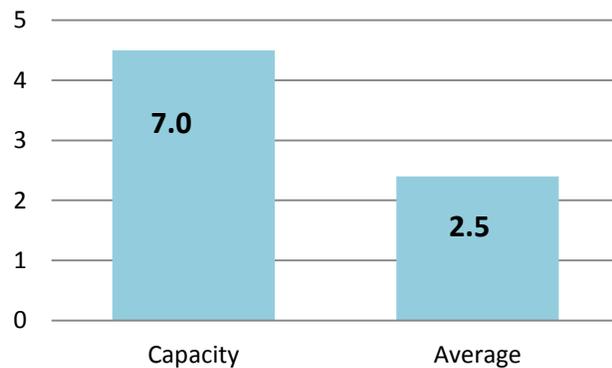
The Water Plant Division operates and maintains the City’s water system that consists of **6 wells, 2 water treatment facilities, and 3 ground and 2 elevated water storage tanks**. The water system has a total capacity to produce 7.0 million gallons of water daily. This division also operates and maintains 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	FY2014	FY2015	FY2016
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 FY2016

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

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$851,140	\$859,705	\$847,216	-\$12,489	-1.5%
Operating	\$381,340	\$524,850	\$485,150	-\$39,700	-7.6%
Capital Outlay	\$510,438	\$109,000	\$0	-\$109,000	-100.0%
TOTAL	\$1,742,918	\$1,493,555	\$1,332,366	-\$161,189	-10.8%

Division Budget Issues

Operating:

- Funding **\$20,000** for annual elevated tank maintenance program.
- Funding **\$20,000** to replace high service pump valves (25 years old) and associated piping at both water plants.

Other Concerns:

- ⇒ Northeast Florida water issues are increasingly more complex and intertwined due to:
 - Decline of Floridan Aquifer resource.
 - Growing State population & businesses, increasing water demands throughout central and north Florida.
 - State setting statutory minimum flows and levels for lakes and springs.
 - Increasing public awareness / involvement in state water resource and related environmental issues.
 - High quality water resources used for non-potable uses (irrigation, agriculture & industry).
 - Capital investment necessary for alternate water sources will be costly.

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 **88.94 road miles** including curbs and gutters, **33.7 miles of sidewalks**, **1,682 street lights**, **1,456 stormwater catch basins**, **558 storm manholes** and **1,680 curb inlets/culverts**, **70 stormwater outfalls** to the adjacent estuaries and ocean, **68.63 miles of stormwater gravity mains**, **2.87 miles of stormwater force mains**, **2.1 miles of drainage channels**. The division also manages **collection of garbage, recycling and yard waste**, and **beach cleaning**.

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 clean and attractive community environment by collecting garbage and picking up litter from our streets and sidewalks.

Division Organization

Authorized Positions	FY2014	FY2015	FY2016
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
Traffic Marking/Signage Supervisor	-	1	1
Sign Maintenance Technician	1	-	-
Maintenance Worker I, II, III	5	5	5
Staff Assistant	1	1	1
TOTAL	18	18	18

Public Works Department

Division Funding Sources and Budget FY2016

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.

General Fund

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$828,495	\$900,402	\$921,249	\$20,847	2.3%
Operating	\$552,448	\$599,395	\$604,480	\$5,085	0.8%
Capital Outlay	\$22,232	\$35,000	\$40,000	\$5,000	14.3%
TOTAL	\$1,403,175	\$1,534,797	\$1,565,729	\$30,932	2.0%

Local Option Gas Tax

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$35,055	\$41,355	\$43,192	\$1,837	4.4%
Operating	\$358,246	\$311,000	\$311,000	\$0	0.0%
Capital Outlay	\$0	\$0	\$0	\$0	-
Transfers	\$372,000	\$372,000	\$372,000	\$0	0.0%
TOTAL	\$765,301	\$724,355	\$726,192	\$1,837	0.3%

Division Budget Issues

General Fund:

- Funding **\$40,000** to replace ¾-ton truck with utility body (2003).

Local Option Gas Tax:

- Funding transfers of **\$372,000** for Streets Division wages.
- Funding **\$250,000** for roadway maintenance program, **\$25,000** for traffic striping, and **\$35,000** for sidewalk repairs.

General Capital Projects Fund (Executive & Legislative Section):

- Funding **\$100,000** for Dune Walkover Rehabilitation Project
- Funding **\$150,000** to replace 2000 model 18-cubic yard dump truck (General Capital Projects)
- Funding construction of 10th Street South Industrial Area Improvements Project: \$640,000 (Water & Sewer), \$380,000 (Stormwater), **\$810,000** (General Capital Projects)

1/2-Cent Infrastructure Surtax Fund (Executive & Legislative Section):

- Funding **\$170,000** for new sidewalk along 15th Ave. N. (3rd St. to Penman Rd) & design for curbing / sidewalk, drainage along Penman Rd. commercial area (12th to 18th Ave. N.)

Public Works Department

Stormwater Utility Program

Program Mission – *Protect the environment and private property by providing funding for operating, maintaining and improving the stormwater collection & treatment system.*

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 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$154,599	\$166,269	\$171,032	\$4,763	2.9%	<i>The change in the budget is due to the reduction in capital outlay in 2016.</i>
Operating	\$442,205	\$618,054	\$539,835	-\$78,219	-12.7%	
Capital Outlay	\$342,561	\$1,195,000	\$394,000	-\$801,000	-67.0%	
TOTAL	\$939,365	\$1,979,323	\$1,104,867	-\$874,456	-44.2%	

Program Budget Issues

Capital Outlay:

- Funding construction of 10th Street South Industrial Area Improvements Project: \$640,000 (Water & Sewer), **\$380,000** (*Stormwater*), \$810,000 (General Capital Projects)
- Funding **\$14,000** for drainage design for **4th St. S.** (15th to 16th Ave.)

Operating:

- Funding **\$95,000** for stormwater pipe and vault cleaning services, **\$20,000** for drainage system repairs and **\$50,000** for erosion control repairs.

Other Concerns:

- ⇒ Stormwater utility rates were set 25 years ago.
- ⇒ Anticipate budget pressures due to increasing federal/state environmental regulation / oversight - Numeric Nutrient Criteria, Pollutant Total Maximum Daily Load limits, statutory minimum flows and levels for lakes and springs, and aging stormwater infrastructure.
- ⇒ **Design** underway on the **FDOT project** to improve the stormwater drainage system for **State Road A1A / U.S. 90** (Beach Boulevard), north of Beach Boulevard.

Public Works Department

Sanitation Utility Program

Program Mission – *Protect the environment and the health of the community by providing funding for the collection, transportation, and disposal of garbage, yard waste, debris, litter 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 & downtown cleaning, graffiti abatement, and street sweeping programs.

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

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$206,684	\$196,698	\$205,846	\$9,148	4.7%	<i>Budget increase is for contracted garbage pickup and additional trash pickups in the Downtown area on the weekends and holidays.</i>
Operating	\$3,003,124	\$3,188,651	\$3,279,085	\$90,434	2.8%	
Capital Outlay	\$157,234	\$0	\$0	\$0	-	
TOTAL	\$3,367,042	\$3,385,349	\$3,484,931	\$99,582	2.9%	

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.
- Funding for additional trash pickups along the beach in the Downtown area on weekends and holidays.

Other Concerns:

⇒ Current term of the city’s garbage collection contract ends December 2016.

Public Works Department

Administration Division

Division Mission

To protect public health, safety & 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	FY2014	FY2015	FY2016
Public Works Director	1	1	1
City Engineer	1	1	1
Project Engineer	-	1	1
Administrative Assistant	1	1	1
Construction Project Manager	1	1	1
Construction Inspector part-time	1	1	1
TOTAL	5	6	6

Division Funding Sources and Budget FY2016

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 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$140,752	\$135,726	\$139,569	\$3,843	2.8%
Operating	\$1,127,526	\$1,245,192	\$1,297,292	\$52,100	4.2%
Capital Outlay	-\$121,908	\$0	\$750,000	\$750,000	-
Debt Service	\$1,804,300	\$1,803,547	\$1,806,352	\$2,805	0.2%
Transfers	\$0	\$0	\$129,000	\$129,000	-
TOTAL	\$2,950,670	\$3,184,465	\$4,122,213	\$937,748	29.4%

Budget increase includes additional transfer for building system repair & maintenance

Division Budget Issues

- Funding construction of 10th Street South Industrial Area Improvements Project: **\$640,000** (Water & Sewer), \$380,000 (Stormwater), \$810,000 (General Capital Projects)
- Funding **\$110,000**, W/S design, **Phase 3D** Project, Downtown Program (14th to 16th Ave. S.)
- Design to **rebuild new LS #7** at vacant BES site & **demolish old LS #7, # 8 & #20**

Police Department

Mission

Working with Citizens for a Safe Community

Organization

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

Authorized Positions	FY2014	FY2015	FY2016
Chief of Police	1	1	1
Commander	3	3	3
Sergeant/Corporal	18	19	19
Patrol Officer/Detective	39	42	42
Police Total	61	65	65
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	84	88	88
Total Part-time	12	12	12
TOTAL POSITIONS	96	100	100

*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, Inc. For twenty years, the department has continued to meet the stringent standards required to maintain accredited status.

Police Department

Police Department Function & Structure

Our success depends on the partnerships between the community and the police. We have worked hard to build and maintain strong community relationships. The focus of the Jacksonville Beach Police Department is to create an environment where our citizens and visitors feel safe. By working closely with our citizens, we are constantly changing to meet the needs and concerns of our customers. Our residents and visitors expect the police to be visible and to proactively work to prevent crimes from occurring. When crimes do occur, citizens expect the police to solve those crimes.

The police are the first responders to crime in our community. However, it is important to understand that there are *many factors that impact crime rates*, such as population demographics, the number of visitors, and socioeconomics. The Police Department is only one part of the criminal justice system. The *police respond* to reported crimes and make arrests; the *State Attorney decides whether to prosecute*, and *judges and juries decide guilt or innocence*. Thus, each part of the criminal justice system influences the other.

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.

Over time, 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 52,010 calls for service in calendar year 2014. Many of those calls required a response by two or more officers (e.g., burglary and robbery alarms, crimes in progress, domestic violence, etc.) In 2014, there were 79,939 officer responses to those 52,010 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.

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 consisting of four or five officers per squad.

Police Department

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.

FY2016 estimated budget for the Patrol Division, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$3,564,369.**

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.

FY2016 estimated budget for the Traffic Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$181,669.**

K-9 Unit

The estimated budget for the K-9 Unit, staffed by two officers with two dogs, including salaries and benefits, overtime, operating costs, supplies etc.: **\$142,280.**

Part-Time Police Officer Program

FY2016 estimated budget for the part-time police officer program, including salaries, operating costs, supplies, etc.: **\$59,925.** There are currently four part-time police officers.

Detective Division Units/Costs

General Investigations Team

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

FY2016 estimated budget for the General Investigations Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$527,652.**

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

FY2016 estimated budget for the Community Response Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$711,912.**

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 FY2016 budgets.

Police Department

Carver Center / 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 FY2016 estimated budget for the CAPE Program, including salaries, benefits, etc.: **\$89,486.**

Downtown CAPE Program

The Jacksonville Beach Community Redevelopment Agency (CRA) provides funding for seven police officers, one corporal, and one sergeant for an innovative community policing program known as Downtown CAPE. Three officers and a sergeant position were added to the pilot program during FY2014. The unit is now fully staffed. 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 officers are trained in crime prevention and assist with code enforcement. The CRA also provides funding for additional officers working in an overtime capacity during peak workload times.

FY2016 estimated budget for the Downtown CAPE Program including salaries and benefits, overtime, equipment, operating costs, supplies, etc.: **\$877,975.**

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. The Services Commander serves as budget officer for the police department, oversees the Records Section, Communications Section, Property/ Evidence, Paid Parking program, Training & Recruiting, Animal Control, as well as grant management. FY2016 estimated budget for salaries, benefits etc.; **\$387,305.**

Communications Section

The Communications Section is comprised of one supervisor and ten public safety communications officers (PSCO). PSCOs are an integral part of the services provided by

Police Department

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.

FY2016 estimated budget for the Communications Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$837,931.**

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.

FY2016 estimated budget for the Records Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$188,211.**

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.

FY2016 estimated budget for the Property/Evidence Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$76,166.**

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, Inc. (CALEA). The Police Department was initially accredited in 1995 and has been successfully re-accredited five times. For twenty years, the Police Department has been in compliance with the CALEA accreditation process which 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.

FY2016 estimated budget for the Accreditation Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$82,646. (\$23,045 in accreditation fees, travel and traveling, etc. will be paid from the Administrative Division budget.)**

Police Department

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.

FY2016 estimated budget for the Animal Control Officer program, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$47,836.**

Paid Parking/Security Unit

The Parking Enforcement Unit is comprised of one supervisor and ten part-time community service officers (CSOII). 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. The unit also includes overtime for one police officer to provide additional security, roving in the three paid parking lots during peak hours. The parking unit is under the supervision of the Services Division Commander. FY2016 estimated budget for the Parking Enforcement Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$132,731. (This program is fully funded through parking revenues.)**

Volunteer Programs

The volunteer program consists of Citizen Police Academy Alumni members and 18 Citizens on Patrol (COP) volunteers. There is one part-time volunteer coordinator who schedules and supervises all of the volunteer programs. The coordinator is paid from the Law Enforcement Trust Fund (**\$15,319**). The unit provided over 13,620 hours of volunteer service for the Police Department in 2014. The uniformed COPs have two vehicles used for patrol. FY2016 estimated budget for operating supplies, vehicle maintenance, fuel, uniforms, etc.: (**\$20,000**) for a combined total of **\$35,319**.

Police Administration

The Police Administrative Division consists of the Chief of Police, one administrative assistant, and two staff assistants. Salaries and benefits: **\$519,500**. The Administrative Division is responsible for all software fees, professional services, internal service charges, utilities, legal fees, etc.: (**\$560,968**). The Court Costs Training Fund is a special revenue that helps pay for training and related costs: **\$60,000**. Total Administration Division costs: **\$1,140,468**.

Police Department

Department Highlights

- ☑ Over the past two years, the police department has implemented a directed traffic enforcement program to reduce traffic crashes focusing in areas where traffic crashes have resulted in injuries. As a result, traffic crashes have been reduced to a level not seen for twenty years. Officers have discretion to issue warnings or traffic citations with the goal always being motorist compliance with traffic laws.
- ☑ Removed **186** intoxicated drivers from the roadways, making Jacksonville Beach safer for vehicles, bicyclists, and pedestrians.
- ☑ Conducted **59** community relations programs directly impacting **5,389** citizens (e.g., firearms safety, bicycle safety, Neighborhood Watch, DUI prevention, etc.)
- ☑ Completed Citizen Police Academy classes **XXXIV** and **XXXV**, achieving high approval ratings. Through 34 academies, **982** 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 **13,620** hours in **2014**, assisting the department in its mission.
- ☑ Continued the Citizens On Patrol (COP) Program. **Eighteen** graduates of the COP Training Academy assisted 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.
- ☑ Hosted the **21th 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 **1,500** children and parents attended the two events.

Note: See performance measures on page 9 for additional accomplishments.

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

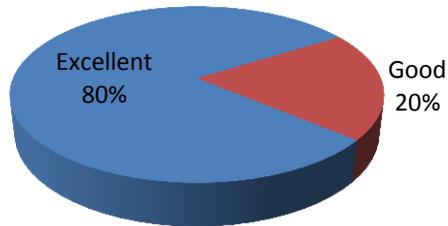


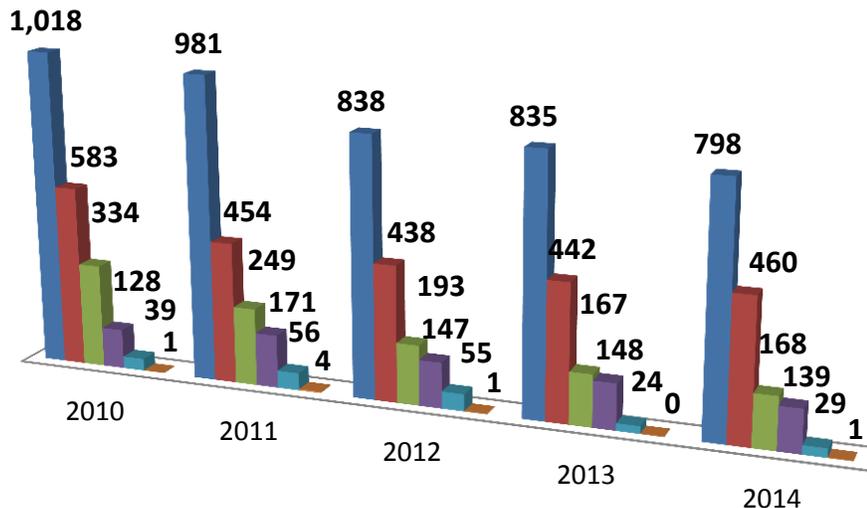
Chart reflects results of 120 random surveys for 2014.

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: 2010-2014

■ Theft ■ Assault/Battery ■ Burglary/Auto ■ Burglary ■ Robbery ■ Homicide



Police Department

Performance Measures

Outcomes	Performance Measure	Actual FY2014	FYTD through 3/15/15	Target FY2016
<i>Continually seek new and better methods to improve citizens' safety.</i>	Maintain four minute or less average response time to emergency calls	2.07 minutes	2.29 minutes	4.00 minutes
	Maintain six minute or less average response time to non-emergency calls	4.37 minutes	5.02 minutes	6.00 minutes
	Continue strict enforcement of DUI laws to improve safety of city roadways	Arrests 186	Arrests 58	Arrests 125
	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	6	4	6
<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 ¹	100%	n/a	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 ²	Yes	n/a	Yes
	Involve CPA Alumni Association members in community relations and crime prevention programs	29	16	20
	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	10,396 hours	3,964 hours	8,000 hours
	Attend five job fairs to expand the pool of exceptional candidates for employment	6	5	4
	Number of consecutive years accredited through the national Commission on Accreditation for Law Enforcement Agencies (CALEA)	19	20	21
<i>Continue the strong commitment to outstanding customer service.</i>	Achieve positive ratings of 90% or higher on quarterly customer service surveys ³	98%	100%	90%

¹ Survey responses (# returned/# distributed): 2014 (51/ 57), 2015 not yet available

² Survey responses (# returned/# distributed): 2014 (24/24), 2015 not yet available

³ Survey responses (# returned/# distributed): 2014 (120/120), 2015(60/60)

Police Department

Financial Summary

General Fund

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$6,123,079	\$6,468,511	\$6,696,064	\$227,553	3.5%
Operating	\$1,150,674	\$1,273,343	\$1,284,523	\$11,180	0.9%
Capital Outlay	\$188,454	\$150,000	\$150,000	\$0	0.0%
TOTAL	\$7,462,207	\$7,891,854	\$8,130,587	\$238,733	3.0%

The increase in personal services reflects contractually required increases for wages, increased pension obligations and rising health insurance costs.

Special Revenue Funds

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$472,249	\$797,158	\$777,794	-\$19,364	-2.4%
Operating	\$167,590	\$249,472	\$219,250	-\$30,222	-12.1%
Capital Outlay	\$100,351	\$70,539	\$41,789	-\$28,750	-40.8%
Transfers	\$74,792	\$70,000	\$0	-\$70,000	-100.0%
TOTAL	\$814,982	\$1,187,169	\$1,038,833	-\$148,336	-12.5%

The primary special revenue funding source is the Community Redevelopment Agency. Other expenses in these funds are budgeted when notice of the grant is received and the expense has been approved by the City Council.

Other Funding Sources

Other Funding Source	Use	2015 Budget	2016 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	Nine (four in 2014) Downtown CAPE officers, operating supplies and overtime	\$866,216	\$877,975
Law Enforcement Trust Fund (State)	Equipment Grant Matches and Crime Prevention Programs	\$60,414	\$62,819
Equitable Sharing Fund (Federal)	Equipment Grant Matches and Crime Prevention Programs	\$115,000	\$26,000
Court Costs Training Fund (State)	Employee Training	\$60,000	\$60,000
Justice Assistance Grant (State)*	Street Crimes Task Force overtime	\$70,000	\$0
Justice Assistance Grant (Local)	Equipment Purchases	\$15,539	\$12,039
TOTAL OTHER FUNDING SOURCES		\$1,187,169	\$1,038,833

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

* Assistance is dependent on continued Federal funding.

Police Department

Budget Issues

Vehicle Replacement: Replacement of **five or six** police vehicles in FY2016. Total cost for vehicles: **\$150,000**.

Downtown CAPE Vehicle Replacement: Replacement of **one** marked patrol vehicle in FY2016: **\$29,750**. Note: This vehicle is funded by the Community Redevelopment Agency.

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, four part-time police officers are employed in this capacity, and efforts are ongoing to increase that number. Recommended funding level for FY2016: **\$60,000**.

Reserve Police Officer Volunteer Program: The Police Department started a new reserve police officer program in 2013. These officers are 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 are not paid, and only have law enforcement powers while in the company of a fully certified full-time police officer. This program is intended to be a cost effective force multiplier for the police department. The program is funded with Federal Equitable Sharing Trust Funds (equipment and uniforms). There are currently no officers in this program. There should be very little recurring costs for the program.

Justice Assistance Grant/Byrne (Local): This grant is earmarked for municipalities and requires no local matching funds. Grant funds have been used in the past to purchase equipment. Grant amount for FY2016 is **\$12,039** 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 provide overtime funds for a downtown Street Crimes Task Force. FY2016 grant will be used to partially fund overtime for Street Crimes Task Force. The JAG Grant amount for FY2016 is unknown at this time but estimated to be approximately **\$50,000** (not budgeted).

Public Safety Radio System Replacement: The City's 800 MHz Motorola radio system is composed of three 9-1-1 dispatch center consoles, radio tower, radio room with controller and repeaters, and approximately 346 radios (citywide). The major components will be 15 years old (purchased January 2001) next year and are approaching the time when the manufacturer will no longer service them. As radios and control equipment age, they eventually lose the support of the manufacturer and have to be replaced (approximate 15-year cycle).

Police Department

In order to be able to communicate with radio systems in neighboring jurisdictions, to remain P-25 compliant, and because the manufacturer will no longer support our current radio components, a new radio system is required. Funding for the replacement of the radio system components can be set aside over several years. The general fund will make a series of transfers to the General Capital Projects Fund to build a reserve to pay for the replacement radios and radio equipment. The initial expenditure is anticipated in FY2018 to be approximately **\$545,000**. In future years, radio replacement program will continue until all radios are replaced.

Note: For details of the radio system replacement, see the capital improvement plan.

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:

- One single serious fire/EMS event.
- Three simultaneous emergency calls.
- A major event 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. The Fire Marshal is responsible for inspections, plans review, public education, and code enforcement and is assisted by the Shift Commanders when available. 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. State certified Auxiliary Firefighters are available on a limited basis to supplement staffing and assist combat personnel.

Authorized Positions	FY2014	FY2015	FY2016
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 Assistant	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, code enforcement, public education programs, and fire safety inspections.
- Emergency disaster management and hurricane preparedness.
- Managing the City's 800 MHz radio system.

The Fire Department normally operates two engines, a quint, and a mobile command vehicle daily. 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 Fire & Rescue, St. Johns County Fire & Rescue, and Mayport Naval Station Fire department.

The City operates its own 800 MHz radio system and radio tower located at the O&M facility. The radio system is an analogue/digital P-25 capable system having encryption for the police department 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.

CY2014 Accomplishments

- Zero fire deaths in 2014, and an average response time of 4 minutes.
- The majority of structure fires responded to were confined to the area involved upon arrival.
- 100% of the 222 customer surveys returned indicated excellent or good service.
- Conducted 810 fire safety surveys, 271 high hazard inspections and updated 1,081 pre-plans.
- Conducted 418 new construction/remodel inspections, reviewed 269 sets of plans, and 148 consultations.
- Conducted 119 fire drills in public and private schools and inspected 912 fire hydrants.
- Installed 129 smoke detectors in homes and checked or installed batteries in 560 smoke detectors.
- Provided education to over 3,633 adults/children in fire safety, prevention, and/or hurricane preparedness.

Fire Department

CY2014 Accomplishments (continued)

- Members conducted over 9,192 hours of in-service training.
- Installed and educated 181 families on the proper installation of child safety seats.
- Conducted city wide training and exercises in hurricane preparedness and terrorism, with this year's focus on an outbreak of Ebola in the area.
- Upgraded Sq-13 to an advanced life support (ALS) unit.
- The department received two Zoll defibrillators for Sq-13 and Q-11 through a Firehouse Sub grant.
- Updated the City's Municipal Comprehensive Emergency Management plan.
- Conducted a Point of Dispensing (POD) exercise simulating an Ebola outbreak.
- The department received and upgraded all MSA SCBA (Air-pacs) units with new Firehawks.
- All front-line units received smart-tablets with Streetwise software for receiving critical CAD information, live mapping, and building pre-plan information while enroute to an emergency.

Goals for FY2015/2016

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. Confine 90 percent of all building fires to the area involved upon arrival by a quick response, effective fire ground tactics, and trained personnel.
3. Maintain excellent fire/EMS/technical rescue capabilities and safety by expanded monthly in-house training, challenging scenarios, and technical rescue training.
4. Continue supporting the Firefighter Auxiliary program.
5. Maintain the city's preparedness capabilities by updating and exercising the City's emergency operational and communication plans.
6. Continue the strong commitment to customer service by receiving 100 % customer survey reports of excellent or good service.

Fire Department

Performance Measures	CY2013	CY2014	* FY14 10-01-14 through 3-1-15	Target for CY2015
			Yes	No fire deaths
Prevent all fire deaths in Jacksonville Beach	Yes	Yes	Yes	No fire deaths
Confine 90% of all building fires in Jax Beach to area involved upon arrival. (35)	100%	100%	100%	90%
Provide Basic or Advanced Life Support service to all calls for Emergency Medical Services (of the 3,045 total calls in 2014, 70% were rescue).	2,121	2,132	872	2,000
Respond to emergencies within 6 minutes (m) for 90%, and within 4 minutes (m) for 70% of all 911 emergency calls.	4m/71% 6m/91%	4m 69% 6m 91%	4m 67% 6m 93%	4m/70% 6m/90%
Complete fire safety surveys and update pre-plans of commercial buildings once every 2 years (718 per year).	882	810	350	718
Conduct high hazard inspections and update pre-plans of daycares, Medical Centers, Private Schools, Group Counseling Centers, Nursing Homes and Assisted Living Facilities.	325	271	123	189
Conduct 80 fire evacuation drills in schools.	104	119	61	80
Educate 3,500 citizens/children in fire safety and/or hurricane preparedness each year.	3,633	4,477	2,460	3,500
Install or replace 80 smoke detectors in unprotected homes of elderly, disabled, or fixed income citizens.	149	129	73	80
Check, test or replace batteries in 375 existing smoke detectors.	549	560	216	375
Inspect all city and private fire hydrants annually.	870	912	874	860
Complete 7,000 in-service training hours.	9,274	9,192	3,702	7,000
Receive a 100% excellent or good evaluation by citizens ¹	100%	100%	100%	100%
Install/inspect/educate families on child safety seats.	207	181	71	NA

¹Survey responses (# returned): 2013 (243), 2014 (222), FYTD 2015(106)

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

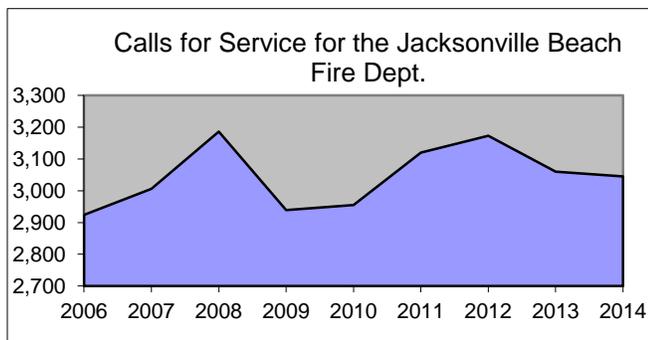
* The first 5 months of FY2015 (Oct-Feb) is indicated in column three (**bold**) on the chart.

Fire Department

Annual Calls for Service

The fire department responded to 3,045 responses in CY2014.

- 2% Structural Fires
- 70% Medical
- 27% Hazardous Conditions



- **In 2014, the Fire Department experienced a slight decrease in call volume over 2013:** 3,045 calls for service in 2014 and 3,060 in 2013.

Funding Sources

Fire Department funding is primarily through the General Fund. Radio services are funded by the Radio Communications Special Revenue Fund, Capital Improvement Fund, and each individual department using the City's 800 MHz radio system.

Firefighter Auxiliary Program

The Fire Department has 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. Due to the economic up-swing we are losing our auxiliary members as they move to paid fire departments or seek alternate professions. \$5,000 is included in the fire department budget for insurance, uniforms, physical, and other associated costs.

2015 Grants

The fire department continues to apply for grant funding as opportunities become available.

- **Assistance to Firefighters Grant (AFG):** A diesel emission removal system for Station 1 was approved in 2014 to remove the potential toxic by-products of diesel exhaust at the station. This should be completed in the fall of 2015.

Fire Department

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$3,016,998	\$3,074,203	\$3,285,322	\$211,119	6.9%	<i>Payroll increased for additional overtime, pension contributions, and leave payouts for two senior members of the department who will retire in 2016.</i>
Operating	\$420,648	\$487,816	\$486,148	-\$1,668	-0.3%	
Capital Outlay	\$38,392	\$0	\$39,250	\$39,250	-	
TOTAL	\$3,476,038	\$3,562,019	\$3,810,720	\$248,701	7.0%	

Budget Issues

Radio System Maintenance/Repairs: In an effort to expedite emergency repairs to the City's 800 MHz radio system not covered by the maintenance contract, \$10,000 in the Radio Fund will be targeted for emergency repairs. The 911 dispatch center consoles, police and fire radios, as well as the repeaters and controller will need to be replaced beginning in 2018. \$200,000 for the next three years will be needed from the General Fund to continue to build an initial reserve for these replacements.

Replacement Vehicle: The Training Lieutenant/Safety Officer's vehicle (2001 Ford Utility truck) is scheduled to be replaced. This vehicle responds to all structure fires and other emergencies. The \$35,000 cost is included in the 2016 budget.

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. While we have two older reserve units, we have replaced the pumps on both units (E-25 and E-14), extending their life.

This schedule can be attained by committing \$75,000 per year. The replacement schedule is included in the 2016 Capital Improvement plan (CIP). E-25 or Sq-13 was scheduled to be replaced in 2016, however the replacement engine was pushed back to 2017.

Fire Department

Fire Apparatus Replacement Program

Engine	Description	Model Year	Age
Q-11	Ferrara Ladder (Quint)	2010	5
E-14	Pierce Pumper (reserve)	1996	19
SQ-13	Freightliner Pumper	2001	14
E-22	E-1 Rescue/Pumper	2006	9
E-25	Pierce Pumper (reserve)	1993	22

Replacement Schedule

Year	Replace Apparatus	Cost	CIP Budget
FY2013			\$75,000
FY2014			\$75,000
FY2015			\$75,000
FY2016			\$75,000
FY2017	E-25 or Sq-13	\$375,000	\$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 updating the municipal comprehensive emergency management plan (MCEMP).
- 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

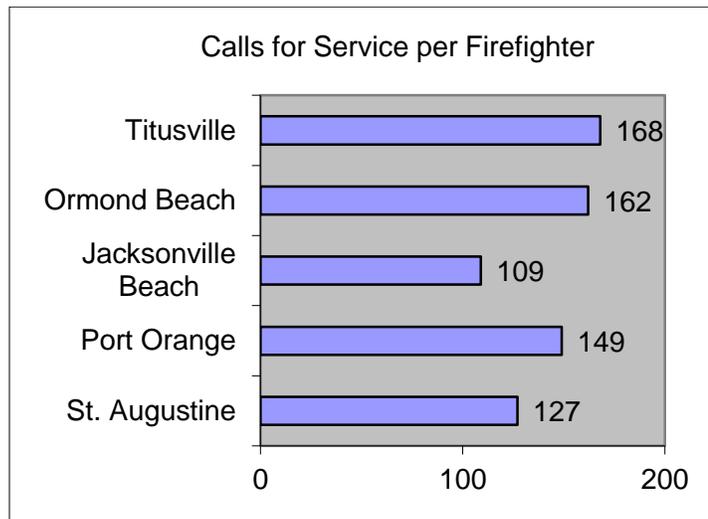
The Jacksonville Beach Fire Department does a comparison survey annually with similar sized cities and fire departments to determine how efficient our department is in comparison to the other departments. Statistics assessed include the assessed valuation of property, fire department budget, number of calls responded to, number of firefighters, and the population. This comparison survey is based on the 2014 calendar year statistics.

This data does not reflect the actual minimum staffing per shift nor the method that each department may use to determine calls. The following graphs illustrate the findings from the data and indicate that the Jacksonville Beach Fire Departments operates efficiently.

Calls for Service CY 2014

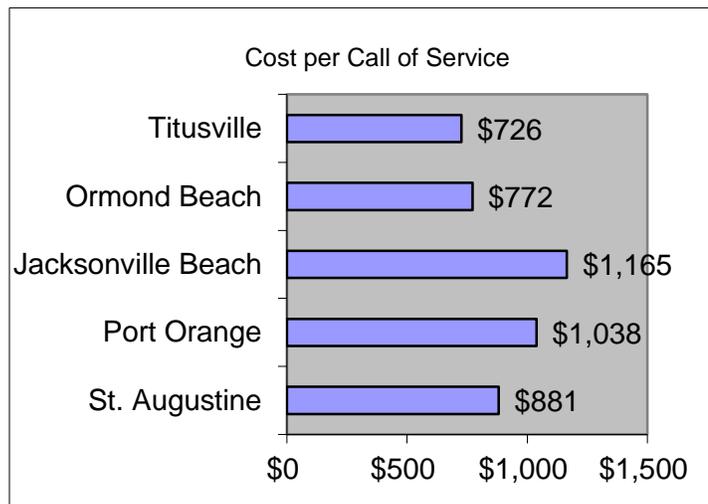
Average number of calls for service per firefighter: = 143

The Jacksonville Beach Fire Department responded to 3,045 calls for service in CY2014.



Cost per Call CY 2014

Average cost per call for service: = \$916

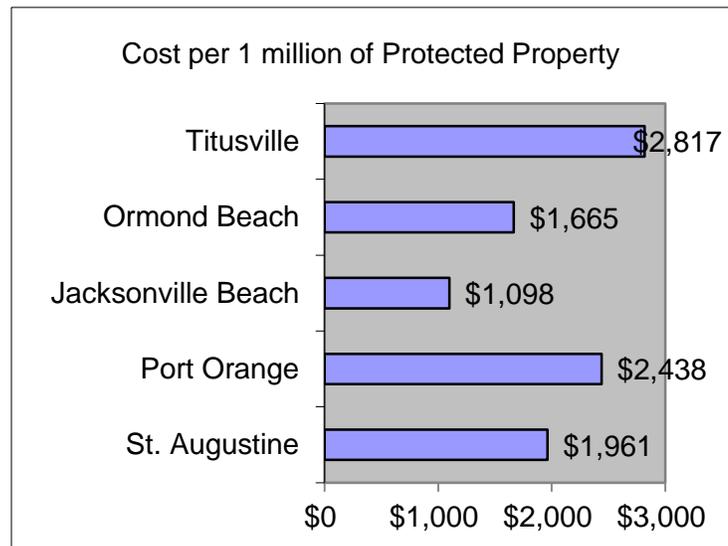


Fire Department

Continued: Comparison Survey

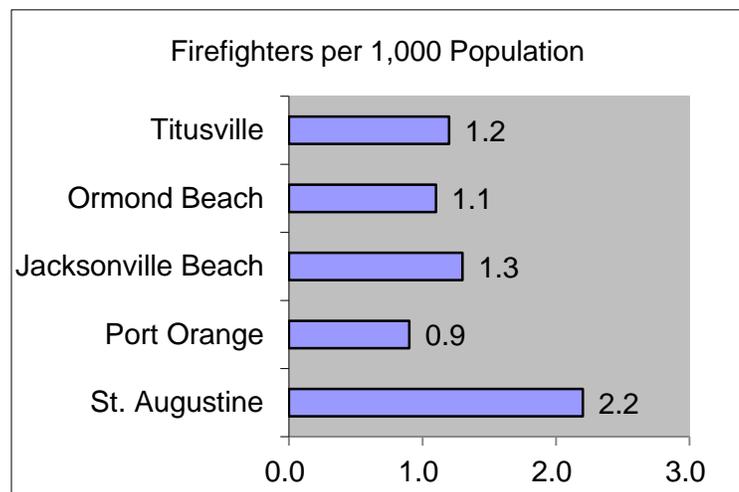
Cost per \$1 million of Protected Property CY 2014

Average cost per \$1 million of protected property = \$1,996



Firefighters per 1,000 Population CY 2014

Average number of firefighters per 1,000 population: = 1.3





Beaches Energy Services

Mission

To provide reliable energy services at a competitive price with superior customer service that is “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.

Authorized Positions	FY2014	FY2015	FY2016
Administration	4	4	4
Engineering	8	7	7
Relay/Substation	6	6	6
Construction & Maintenance	32	32	32
System Operations	10	10	10
Storeroom	3	3	3
Regulatory Compliance	-	1	1
Meter Services	12	12	12
TOTAL	75	75	75

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 and associated protection systems.

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 requirements. Provides a 24-hour dispatch center for emergency response and customer service.

Storeroom Division

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

Regulatory Compliance

Monitors industry developments and measures required for NERC and FRCC compliance.

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.

Recent Accomplishments: FY2014-2015

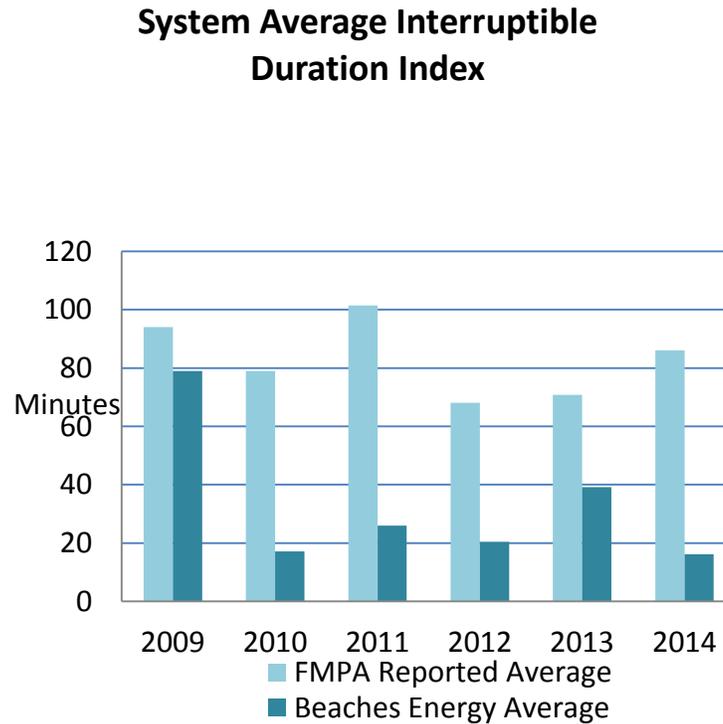
- Received Diamond designation from the American Public Power Association (APPA) for our Reliable Public Power Provider (RP₃) submission.
- Received APPA Community Service Award.
- Designed and installed new 26kV underground systems:
 - Loop feed for A1A South of the Mickler Rd. Feeder
 - Automatic transfer switch for Baptist Hospital
- Designed and installed overhead line rebuilds:
 - Phase 1 – Replace wood poles with concrete poles on 20th Street North
 - Phase 2 – Convert overhead to underground on 19th Street North
- Designed and installed programmed system cable and switchgear replacements to ensure power quality and reliability.
- As a part of the Storm Hardening and Distribution Maintenance Plans, wood poles were replaced with concrete.
- Saved approximately \$125,000 by completing the South Beach Parkway Overhead to Underground Conversion with Beaches Energy Services Personnel instead of a contractor.

Beaches Energy Services

Recent Accomplishments (continued)

System Reliability

Beaches Energy Services maintained a System Average Interruptible Duration Index of 15.14 minutes for each customer from January 2014 to December 2014. Twenty-five cities reported average by FMPA for the same period was 86.11.



Customer Service

Each year, the Billing Office mails out **customer service surveys**. The following represents the customers' ratings. The 2014 surveys were sent to 360 customers and 82 customers responded. The 2015 surveys were sent to 360 customers and 58 customers responded.

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

Customer Service	Actual FY2013	Actual FY2014	FYTD 3/31/15	Target FY2016
The utility bill is easy to understand.	92%	99%	100%	95%
Our service is reliable.	99%	99%	100%	95%
I was treated courteously.	99%	100%	100%	95%
The service was prompt.	99%	99%	100%	95%
The employee was helpful.	100%	100%	100%	95%
The employee was knowledgeable.	99%	100%	100%	95%
The employee referred to me by name.	86%	92%	91%	95%
The employee thanked me for my business.	91%	99%	94%	95%

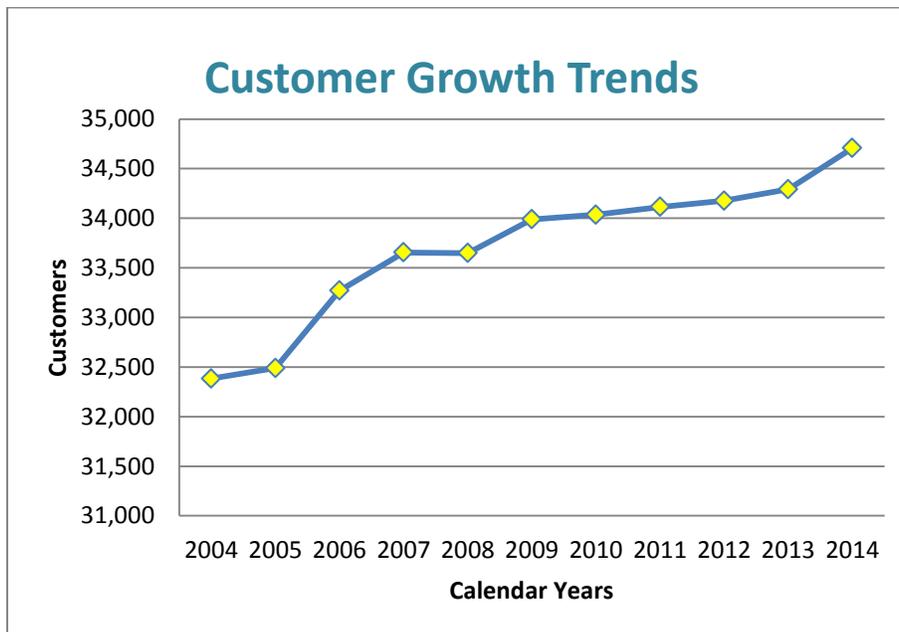
Beaches Energy Services

Customer Service (continued)

Each year, Beaches Energy Services mails **surveys to our energy audit customers**. The 2014 surveys were sent to 220 customers and 39 responded. The 2015 surveys were sent to 190 customers and 99 responded. The following represents the customers' ratings.

Energy Audits	Actual FY2013	Actual FY2014	FYTD 3/31/15	Target FY 2016
Energy Audit Survey	Percent Agree	Percent Agree	Percent Agree	Target Agree
Was the Utility Auditor on time for your scheduled audit?	99%	97%	100%	95%
Was the Utility Auditor polite and courteous?	100%	100%	100%	95%
Was the Utility Auditor knowledgeable and helpful when explaining the results of the audit?	100%	100%	100%	95%
Did the Utility Auditor provide you with tips to conserve energy?	100%	100%	100%	95%
Would you recommend this audit service for other customers?	97%	100%	100%	95%
Did you find the Beaches Energy Gift Bag and DVD useful?	89%	88%	89%	95%

The number of total customers served has grown from 32,383 in 2004 to 34,707 in 2014. 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 432 customers from October 2013 to September 2014.

Goals for FY2016

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 of 50% less than the average annual survey results for participating FMPA cities.
- Complete all facility improvements listed in the Capital Improvement Plan.
- Maintain current energy losses of 4% or better.
- 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

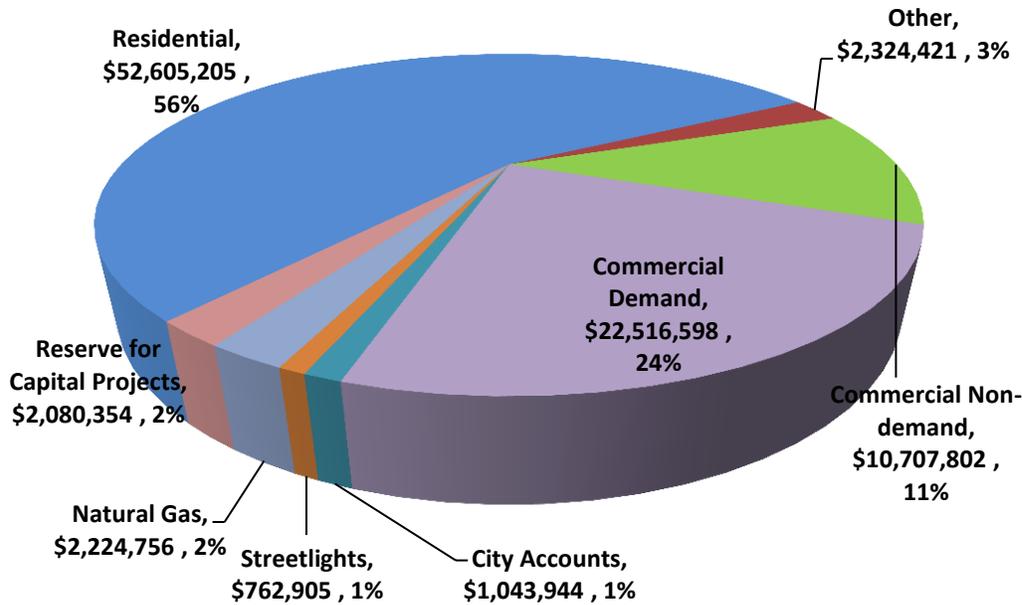
Performance Measures

	Actual FY2013	Actual FY2014	FYTD 3/31/15	Goal FY2016
COST				
Residential rates for 1000 kWh below the State average	Yes	Yes	Yes	Yes
Energy losses not to exceed 4% percent	4%	4%	3%	4%
Retail customers per employee* Reported on a calendar year .	482	507	476	425
Employee lost time accidents	2	4	1	0
SERVICE				
Provide 500 customer energy audits	418	432	343	500
Provide 950 surge protection devices	945	963	946	950
Energy Conservation Program: Rebates Issued	1,288	1,267	293	1,130
Dollar Amount	\$228,737	\$245,468	\$88,143	\$200,000
RELIABILITY				
Annual average outage time per customer. Reported on a calendar year .	39.21	15.14	6.35	Less than 50% of FMPA Average
Apprentices in Training	3	5	9	Progress in program.
Budgeted facility improvements completed for projects.	Yes	Yes	Yes	Yes

* American Public Power Association (APPA) Annual Statistical Report published February 2015; average is 284 Retail Customers per Employee.

Beaches Energy Services

Funding Sources: Total projected revenue for FY2016 is \$94,265,985.



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

Financial Summary

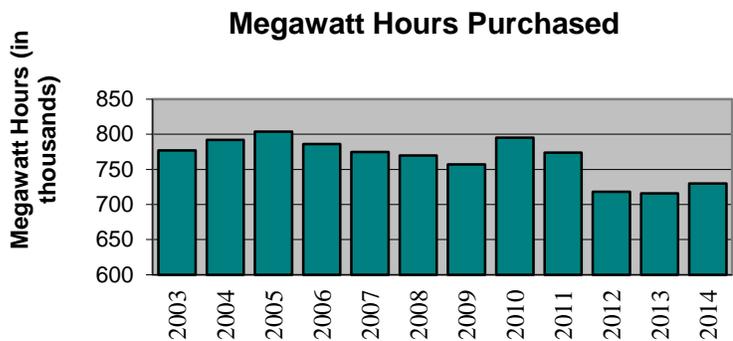
Electric and Natural Gas

Resource Allocation	Actual 2014	Budget 2015	Budget 2016	Increase -Decrease	% Change
Personal Services	\$5,713,366	\$6,274,531	\$6,122,152	-\$152,379	-2.4%
Purchased Power	\$64,651,960	\$65,157,375	\$67,742,117	\$2,584,742	4.0%
Operating	\$5,903,119	\$7,863,398	\$8,020,058	\$156,660	2.0%
Capital Outlay	\$1,333,994	\$6,002,000	\$5,655,000	-\$347,000	-5.8%
Debt Service	\$2,585,892	\$2,580,315	\$2,584,335	\$4,021	0.2%
Transfers	\$3,709,872	\$3,933,770	\$4,142,323	\$208,553	5.3%
TOTAL	\$83,898,204	\$91,811,389	\$94,265,985	\$2,454,596	2.7%

Beaches Energy Services

Budget Issues

Florida Municipal Power Agency and the Cost of Power

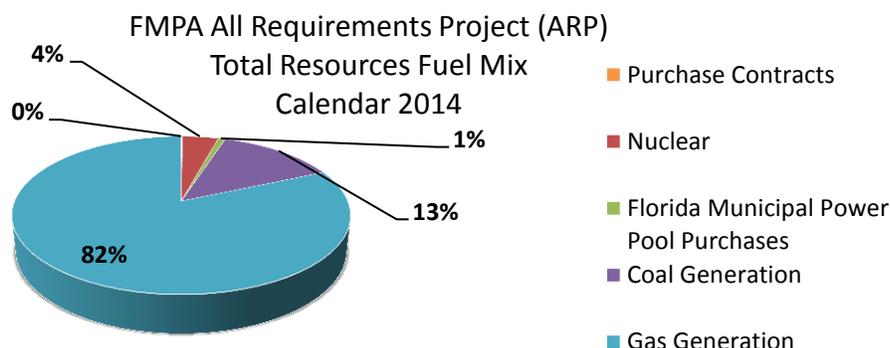


Clean, efficient natural gas is the key cost driver of Beaches Energy's purchase of power. In addition to weather conditions and system growth, energy consumption overall is down due to more energy-efficient appliances and conservation measures.

Florida Municipal Power Agency (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. There are several generating plants that will have to close beginning in 2015 due to more stringent air quality standards. This national trend coupled with uncertainty at the federal level regarding natural gas hydraulic fracturing has resulted in many electric utilities delaying decisions on capital expenditures for generation resources. Though the future of Hydraulic fracturing is uncertain, the Energy Information Administration (EIA) says that the abundance of natural gas being produced domestically will bring the spot price from \$3.73/MBtu in 2013 to \$3.14/MBtu in 2015.

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 and energy efficiency programs have been very successful and continue to benefit customers. We will continue monitoring these programs and investigating new measures that provide value to the customer.



Beaches Energy Services

Regulatory Issues

Reliability Standards

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.

Transmission

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.

Critical Infrastructure Protection

Beginning April 1, 2017, Beaches Energy Services will be responsible for operating its transmission system under the more rigid standards of Critical Infrastructure Protection (CIP) Version 5. This new version has changed the overall philosophy of previous standards in its approach and measurement. Cybersecurity assets must be identified and aligned with the specific risks – threats, vulnerabilities and tolerances of each organization. The framework includes 11 standards required to support reliable operation of the Bulk Electric System.

Regulatory Requirements and Transmission Operations

In order to mitigate the impact of Critical Infrastructure Protection Version 5 (CIP5), Beaches Energy Services has entered into a partnership with the Orlando Utilities Commission (OUC) and Kissimmee Utility Authority (KUA) that allows OUC to provide Transmission Operations Services for Beaches Energy Services.

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

Rates

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

Location	1000 kWh Base Rate	1000 kWh Total *	Add Local Taxes & Fees	Adjusted Total with Taxes & Fees
Gainesville	\$62.51	\$140.51	\$14.05	\$154.56
Florida Public Utilities-NE **	33.60	136.50	16.87	153.37
Florida Public Utilities-NW **	33.60	136.50	16.87	153.37
Leesburg	106.97	138.97	13.90	152.87
Gulf Power **	92.12	135.81	16.79	152.60
Fort Meade	89.56	132.56	13.26	145.82
Bartow	54.70	131.31	13.13	144.44
Bushnell	98.05	128.05	12.81	140.86
Alachua	101.00	125.75	12.58	138.33
Moore Haven	83.30	124.70	12.47	137.17
Vero Beach	54.43	123.93	12.39	136.32
Newberry	107.50	122.50	12.25	134.75
Ocala	93.64	121.22	12.12	133.34
Duke Energy **	75.32	118.55	14.65	133.20
Starke	75.95	120.95	12.10	133.05
Mount Dora	47.35	120.38	12.04	132.42
Homestead	77.60	119.02	11.90	130.92
State Average	82.57	118.70	10.79	129.48
Fort Pierce	116.84	116.84	11.68	128.52
JEA	72.36	115.96	11.60	127.56
Lake Worth	75.73	114.73	11.47	126.20
Tallahassee	75.30	114.55	11.46	126.01
Winter Park	74.20	107.12	17.78	124.90
Blountstown	118.85	118.85	5.94	124.79
Chattahoochee	90.10	124.59	0.00	124.59
Beaches Energy	81.07	123.91	0.00	123.91
Wauchula	87.50	112.50	11.25	123.75
St. Cloud	75.07	113.81	9.10	122.91
Clewiston	93.20	109.91	10.99	120.90
Lakeland	63.82	109.67	10.97	120.64
Orlando	72.18	109.43	10.94	120.37
Williston	89.84	114.14	5.71	119.85
Key West	137.63	118.92	0.00	118.92
Tampa Electric **	61.50	97.09	21.74	118.83
Havana	89.50	117.57	0.00	117.57
Kissimmee	133.27	99.22	18.24	117.46
New Smyrna Beach	82.10	107.06	9.90	116.96
Green Cove Springs	90.50	115.50	0.00	115.50
Florida Power & Light	66.66	94.68	11.70	106.38
Quincy	85.65	95.85	0.00	95.85

Source: May 2015
FMEA Published Rate
Schedule

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

** Local taxes estimated
at 6%.

Source: May 2015 FMEA published rate schedule

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

** Local taxes estimated at 6%

Beaches Energy Services

Capital Projects: 2016

Solana Road Underground Feeder Phase 2 - \$300,000: Additional Feeder along Solana Road from A1A to the transmission line Right of Way to eliminate congestion on the distribution system especially during contingency situations due to increased loading on the south half of the system.

Overhead Line Rebuild (15th Street South) - \$600,000: Replace existing wood pole line with concrete poles from Beach Blvd. to Plantation Oaks Dr. This includes the conversion of overhead wood pole line to underground along the golf course area.

Overhead Line Rebuild (Fairway Lane Phase 1) - \$300,000: Replace existing wood pole line with concrete poles from Plantation Oaks Dr. to Declaration Dr.

Cable Replacement Plan - \$800,000 each year 2016/2017/2018/2019/2020: 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 - \$100,000 each year 2016/2017/2018/2019/2020: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - \$150,000 each year 2016/2017/2018/2019: Install remotely controlled devices to improve sectionalizing of power lines and provide faster power restoration.

Switch Gear Replacement - \$200,000 in each year 2016/2017/2018/2019/2020: Replace existing SF6 pad mounted switchgear at various locations throughout the system with oil filled Vacuum Fault Interrupters (VFI). This project will create uniformity of all switchgear on the distribution system. The top priorities for FY 2016 are the following:

1. Switchgear 5UP159 at South Beach Parkway & Ocean Cay
2. Switchgear 5UP165 at 9th Ave. S & 2nd St.
3. Switchgear 5UP 218 at Preston Tail E & Cove Rd.

Unplanned Projects - \$200,000 each year 2016/2017/2018/2019/2020: This budget provides BES with the flexibility to address unscheduled major repair and replacement projects that arise each year.

Infrastructure to Support System Growth and Maintenance – \$1,200,000 annually: Transformers, streetlights, residential and commercial improvements, electric meters, trouble calls and miscellaneous.

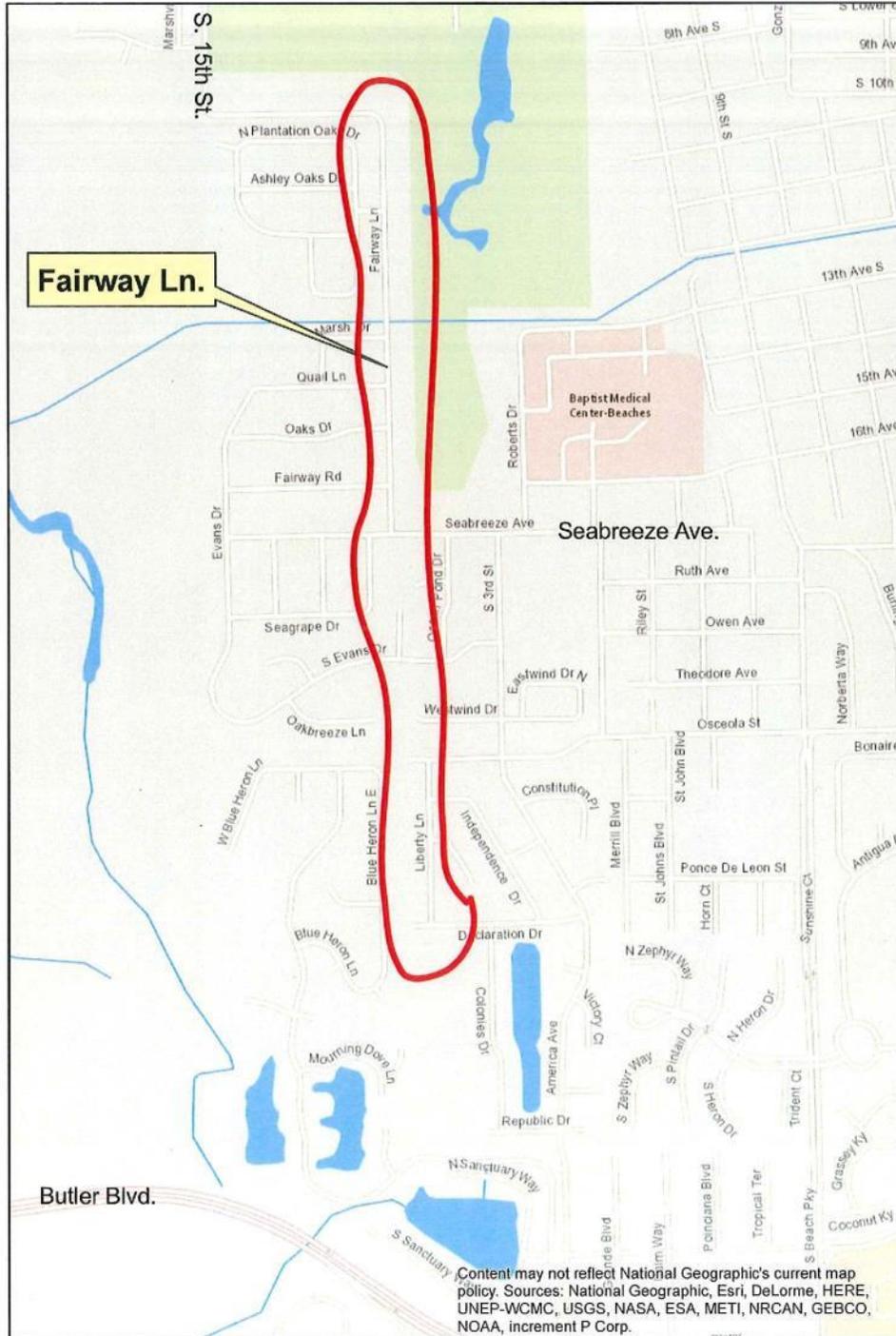
Solana Road Underground Feeder Phase 2



Overhead Feeder Rebuild South 15th Street



Overhead Feeder Rebuild Fairway Lane (Phase 1)



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. Tampa Electric Company (TECO) currently has contracts to provide natural gas management services for Beaches Energy Services. These contracts have a 5 year term with an option to renew. Renewal of the contract was exercised in early 2015 and will be evaluated again in 2020. Beaches Energy Services will continue providing management oversight to these activities as well as marketing, billing and other required services.

Natural Gas Financial Summary

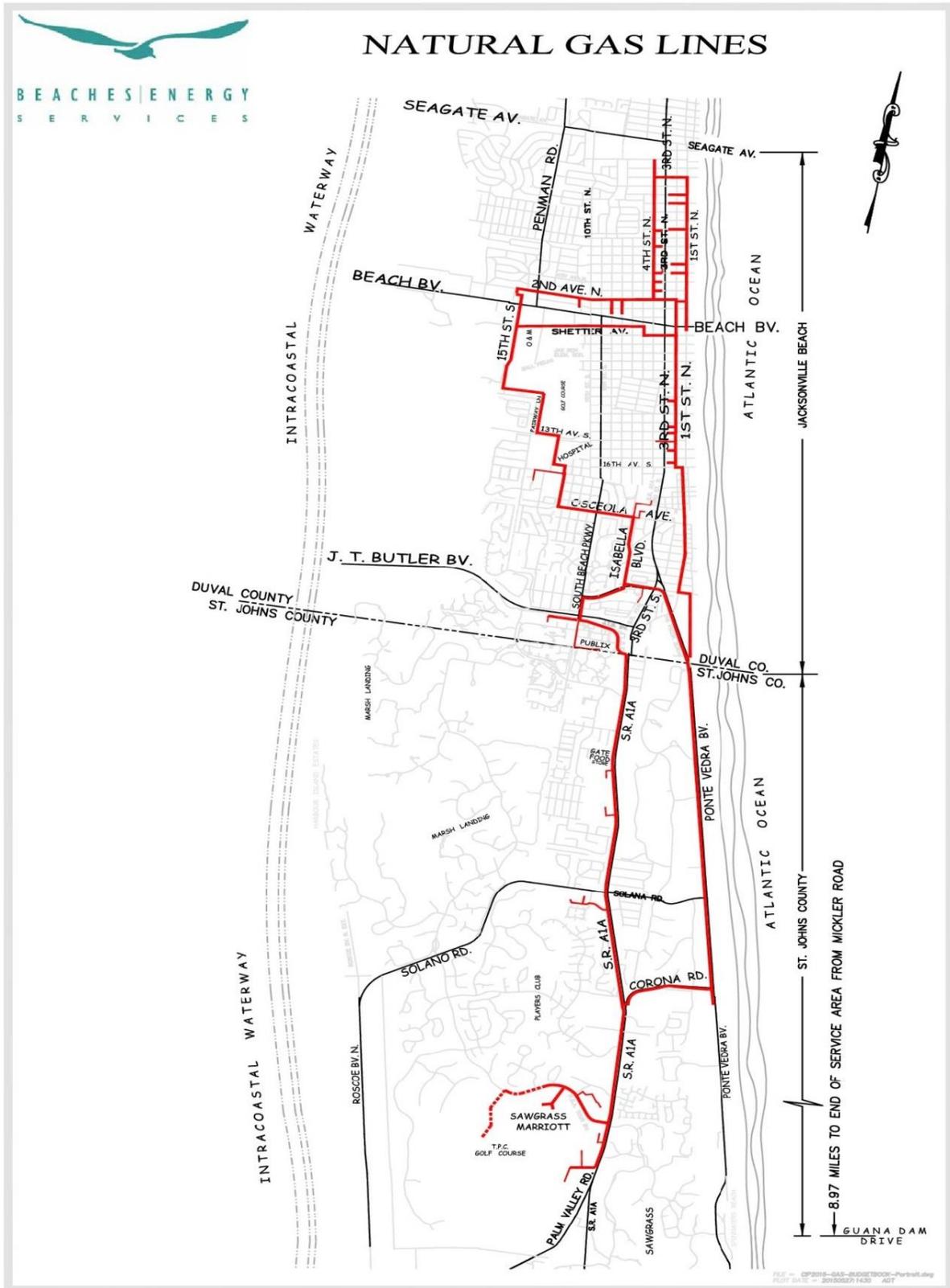
Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$0	\$0	\$0	\$0	-	<i>Budget increase results from an anticipated increase in the consumption of natural gas.</i>
Purchased Gas	\$1,132,401	\$1,086,892	\$1,215,770	\$128,878	11.9%	
Operating	\$288,275	\$334,718	\$353,503	\$18,785	5.6%	
Capital Outlay	\$171,668	\$100,000	\$100,000	\$0	0.0%	
Debt Service	\$0	\$0	\$0	\$0	-	
Transfers	\$101,471	\$263,646	\$263,646	\$0	0.0%	
TOTAL	\$1,693,815	\$1,785,256	\$1,932,919	\$147,664	8.3%	

Infrastructure to support the addition of customers in FY2016, including service lines, main extensions, and meter sets, is budgeted in capital outlay (\$100,000). The natural gas system was designed to provide approximately 3,000,000 therms annually to our customers. As of the calendar year ended December 31, 2014, there were 218 customers who purchased 1,892,690 therms during the year. The 8.3% increase in budgeted expenses is due to increased demand and utilization of our natural gas system.

Beaches Energy Services

2014 DATA FOR FLORIDA PUBLIC GAS SYSTEMS*		
FL Public Gas System Name	Customers 12/31/2014	2014 System Total Throughput (DTh**)
Pensacola Energy	43,224	4,269,205
Okaloosa Gas District	41,036	3,446,724
Tallahassee Gas Utility Department	29,598	3,071,521
Clearwater Gas System	20,895	2,419,411
Gainesville Regional Utilities	33,780	2,096,217
Reedy Creek Improvement District	177	2,015,241
Lake Apopka Natural Gas District	17,291	1,727,793
Leesburg, City of	10,708	1,139,393
Sunrise Gas System	9,454	510,042
Lake City Regional Utilities	2,395	489,663
Fort Pierce Utilities Authority	4,201	456,995
Milton Natural Gas System	4,059	307,346
Marianna, City of	1,521	255,824
Perry Gas Division	1,630	195,912
Beaches Energy Services	218	189,269
Gulf Breeze, City of	3,588	176,135
Palatka Gas Authority	3,443	172,435
Quincy, City of	1,855	166,899
DeFuniak Springs Natural Gas	1,303	151,518
Madison, City of	900	118,800
Live Oak, City of	1,019	100,598
Chattahoochee, City of	469	61,182
Jasper Municipal Utilities	315	53,807
Century, Town of	556	52,824
Blountstown, City of	682	52,329
Starke Natural Gas Department	721	51,444
Williston, City of	589	40,901
Chipley Gas Department	654	40,877
Crescent City Natural Gas	1,345	34,336
Havana Gas System	476	21,245
Jay Utilities	288	18,374
Ft. Meade Municipal Natural Gas Dept. #	-	NA
Total of All FL Public Systems #	238,390	23,904,260

* Data Provided by Florida Municipal Natural Gas Association, Inc.
 ** Dekatherm (equals 1,000,000 Btu)





Finance Department

Mission

To provide financial stewardship, information technology solutions and property management services with an emphasis on accountability and customer service.

Organization

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 provides customer support including billing, receipting of payments, establishing new utility service and meeting the needs of 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 servers, operating software and business computer applications, e-mail services, network and geographic information systems and provide technical support to users citywide.

Property and Procurement ensures that all purchases made by the City comply with State law and City ordinances. This includes processing requisitions through to purchase orders and overseeing the usage of purchasing cards. This division is also responsible for the maintenance and upkeep of City buildings, managing leased facilities and supervising fleet maintenance. Fleet maintenance is provided by a private contractor.

Authorized Positions	FY2014	FY2015	FY2016
Accounting	8	8	8
Utility Billing	17	17	17
Information Systems	5	6	7
Property and Procurement	7	7	7
TOTAL	37	38	39

A Network Engineer position was added in 2015 and a Business Analyst position was added in 2016.

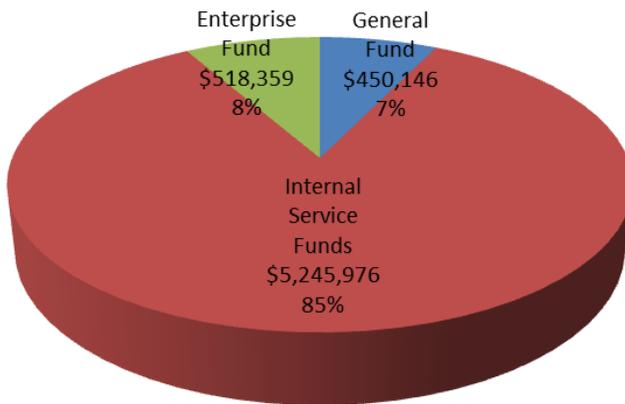
Finance Department

Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$2,312,226	\$2,534,480	\$2,678,620	\$144,140	5.7%
Operating	\$2,793,386	\$3,159,196	\$3,193,861	\$34,665	1.1%
Capital Outlay	\$0	\$10,500	\$0	-\$10,500	-100.0%
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$260,000	\$337,000	\$342,000	\$5,000	1.5%
TOTAL	\$5,365,612	\$6,041,176	\$6,214,481	\$173,305	2.9%

The budget for Personal Services was increased primarily by funding a new Business Analyst position.

Funding Sources: \$6,214,481



Internal Service Funds

Accounting
Utility Billing
Purchasing
Information Systems
Fleet Maintenance
O & M Facility Maintenance

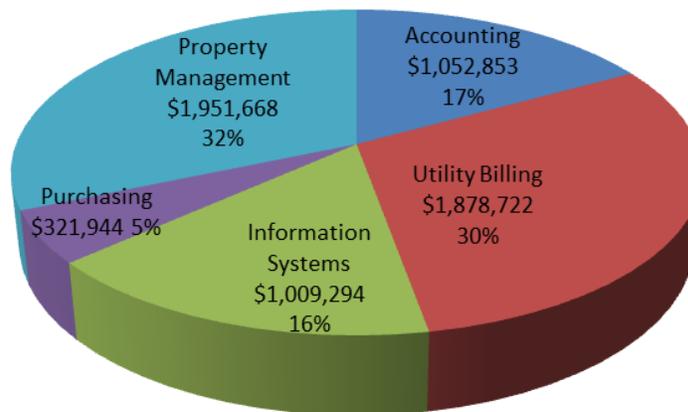
Enterprise Funds

Leased Facilities

General Fund

Building Maintenance

Funding Uses: \$6,214,481



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.
- ❖ Keep up with new technologies and the needs of our customers.
- ❖ Provide training to employees for data processing hardware and software, such as Click2Gov and Geographic Information Systems software.
- ❖ Keep City facilities and equipment in very good condition at all times by providing ongoing maintenance and cleanliness for safety, comfort and appearance.

Recent Accomplishments

- ✓ Received the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and for the Annual Budget.
- ✓ 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 the replacement of the blade center systems. The blade center houses 75% of the City's servers and is a vital component of the City network.
- ✓ Upgraded the City's Internet connection to allow more bandwidth and faster speeds for Internet traffic. This upgrade also provided a direct link to our off-site disaster recovery location ensuring our capability to duplicate our data in a safe location.
- ✓ Replaced the firewall to provide a better line of defense protecting the City's network. This also included a new web filter and e-mail filter which provides for the detection of viruses, malware and inappropriate web surfing, resulting in a reduction in spam e-mail.
- ✓ Purchased a new IBM iSeries server with 4 times the operating memory and 35% more storage capacity than the current server. The cost of the server includes maintenance on the hardware and software for the full life expectancy of the server.

Finance Department

Recent Accomplishments (continued)

- ✓ A rate review was performed which enabled us to decrease the bulk power cost adjustment to customers and increase the base energy rate resulting in a net decrease in a Beaches Energy customer's total electric bill. The change in the base rate will also allow the City to allocate more of its electric revenues to operations and maintenance costs for the purpose of continuing our reliability and maintenance projects.
- ✓ Continued 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 2014, 52,228 customer payments were received through this free service, allowing customers who made payments to avoid about \$260,000 in convenience fees.
- ✓ The new utility bill design provides customers with an updated look emphasizing the utility bill's most important features and highlights new pieces of information such as consumption graphs, an explanation of how to read a meter, bill payment options, and a monthly information section. 100% of customers surveyed responded that the utility bill is easy to understand.
- ✓ Continued the electronic billing (e-bill) program that allows customers to receive their bill in an electronic format that displays the new bill design and provides a link to the Beaches Energy payment site. Customers can choose to pay on-line by check at no cost or pay by credit card for a fee of \$4.95 through a third party credit processor. Currently 8,180 customers receive their utility bill through this program, saving the City \$37,000 a year in postage costs.
- ✓ Received the American Public Power 2014 Community Service Award that recognizes "good neighbor" activities that demonstrate the commitment of the utility and its employees to the community.

Goals for FY2016

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 debt issued for capital improvements is to be funded by tax increment revenues.
2. Receive the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and for the Annual Budget.
3. Develop and implement new technology and customer service programs that provide enhanced services and convenience to our customers.
4. Upgrade the City's internet and intranet websites to provide better information and services to our citizens, customers, and employees.

Finance Department

Goals for FY2016 (continued)

5. Implement the strategic technology information plan to ensure that the City is progressing in its technological advancement in accordance with industry best practices and economic feasibility. This includes selection of a new Enterprise Resource Planning system to replace the current SunGard HTE system.
6. Research and develop a credit/debit card program that allows customers the convenience of making credit/debit card payments at City Hall for all city services.

Performance Measures

Accounting	Actual 2014	FYTD 2015	Target 2016
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	21	22	23
Number of Years GFOA Budget Award received	20	21	22
Unqualified Audit Opinion	Yes	Yes	Expected
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	0.09%	0.25%	0.25%
Purchasing and Procurement	Actual 2014	FYTD 2015	Target 2016
All purchases comply with City Ordinances and State Statutes	Yes	Yes	Yes
Number of published Bids/ RFPS	25	9	24
Number of Successful Bid and RFP Protests	0	0	0
Bid evaluation and acceptance processing time (from date of acceptance to date of Council approval)	21 Days	21 Days	21 Days
Number of Purchase Orders cleared for payment	4,167	2,341	4,175
Number of approved invoices exceeding net 30 days payment	0	0	0
Customer Satisfaction Survey Results:¹			
Overall 90% average or above average ratings on annual internal customer service survey	93%	94%	95%
Prompt response to inquiries from other departments	100%	94%	100%

¹Survey responses (# returned/# distributed): 2014 (31/60), 2015 (33/71)

Finance Department

Performance Measures (continued)

Utility Billing	Actual 2014	FYTD 2015	Target 2016
Customer Service:			
Avg. # monthly payments through Beaches Energy website	3,303	3,974	3,000 or >
Avg. # monthly IVR payments	2,121	2,311	2,000 or >
Avg. # monthly bank draft payments	6,358	6,712	6,000 or >
Avg. # monthly online payments made through customers' bank	6,516	6,653	6,000 or >
Avg. # monthly mail-in payments	8,495	8,124	9,000 or <
Avg. # monthly walk-up or drive-through payments	5,711	5,507	6,500 or <
Number of monthly E-bills	6,518	7,752	8,000 or >
Number of Deposit Errors > \$20	0	0	0
Average telephone calls per month	4,937	4,195	6,000 or <
Average call length (in minutes)	2.23	2.29	2.5 or <
Average answer time (in seconds)	8	8	10 or <
Energy Conservation Programs Offered:			
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	Actual 2014	FYTD 2015	Target 2016
% of departmental customers rating service as satisfactory or better ¹	97%	94%	95%
Percentage of SunGard (HTE) Uptime	99.96%	99.99%	99.9%
Percentage of Network Uptime	99.90%	99.95%	99.0%
Average response time for support requests	.50 Hours	.52 Hours	1.5 Hours or <

¹Survey responses (# returned/# distributed): 2014 (32/60), 2015 (73/392)

Finance Department

Budget Issues

- **Enterprise Resource Planning System (ERP).** In the foreseeable future, it is expected that SunGard will cease support of their legacy business software systems. The City has been setting aside funds for the cost of the migration of the SunGard applications from the IBM iSeries server to a Windows-based server platform. The consulting firm of Sciens has been retained to perform a business process analysis across all City departments to assess software application needs. Once the needs are identified, the consultants will assist in creating a Request for Proposals to select a software vendor. The cost of the system is expected to be approximately \$2.5 million and implementation of the new Enterprise Resource Planning system will take 2 to 4 years.
- **Information Systems Division.** Included in the budget is a new Business Analyst position which will act as a bridge between the IS Division and the end user departments. The Business Analyst will work with departments to develop efficient business processes and with the IS Division to define the technical feasibility of and implementation plan for technology innovations. The cost of the new position is \$98,000 annually. After the implementation of the new Enterprise Resource Planning System, the part-time Computer Operator/Web Administrator position will be eliminated.
- **City-Wide Telephone System Replacement.** The City currently has one or more telephone systems in each of its buildings. The systems do not work the same way or have the same features. Multiple vendors service these telephone systems. Each of these telephone systems has a different city staff point of contact. Managing and coordinating service for these phone systems is difficult and time consuming.

A unified communications system which encompasses all city facilities would simplify management of the system, decrease maintenance costs, improve support speed, and allow employees to be knowledgeable on a standardized telephone instrument throughout the city. It appears that the most cost effective solution expands our largest existing telephone system in Utility Billing, thereby eliminating the need to replace that equipment.

Expanding that system would provide the following benefits:

- Long-term cost savings
- Centralized voicemail system
- City-wide intercom, with 4-digit dialing
- Ability to send voicemail messages as an e-mail
- Capable of tracking phone calls
- Statistical analysis of calls, to include number of calls/day, and time to answer
- State of Florida contract pricing

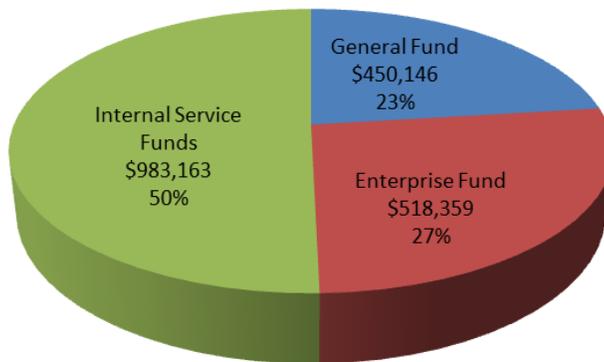
We expect to implement the new system in Fiscal Year 2018 for a cost of approximately \$200,000. A year-end transfer to the Capital Projects Fund may be considered to accumulate sufficient monies to purchase the phone system.

Finance Department

Property Management Financial Summary

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$258,656	\$308,644	\$316,751	\$8,107	2.6%
Operating	\$1,279,663	\$1,449,008	\$1,374,917	-\$74,091	-5.1%
Capital Outlay	\$0	\$0	\$0	\$0	-
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$260,000	\$260,000	\$260,000	\$0	0.0%
TOTAL	\$1,798,319	\$2,017,652	\$1,951,668	-\$65,984	-3.3%

Funding Sources: \$1,951,668

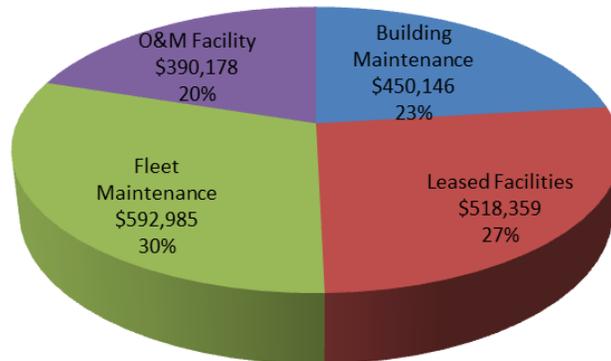


General Fund
Building Maintenance

Enterprise Fund
Leased Facilities

Internal Service Funds
Fleet Maintenance
O & M Facility

Funding Uses: \$1,951,668



Finance Department

Property Management Recent Accomplishments

- ✓ Conducted bi-annual inspections of City facilities and managed extensive maintenance and cleaning services at the O&M Facility, City Hall and Police Department.
- ✓ Completed the replacement of the standby generator at Police Headquarters
- ✓ Completed the conversion of generator operations at City Hall and Police Headquarters from diesel to natural gas.
- ✓ Replaced the flooring in City Hall using carpet squares, which allow for overall easier maintenance and upkeep. Squares can be cleaned or replaced individually or in sections of squares.
- ✓ Upgraded the lease with Florida Irrigation at the Industrial Park to increase the leased area by approximately 3,750 square feet and renegotiated the lease for an additional 5 years.
- ✓ Completed construction of a concrete driveway at the monopole tower on South Beach Parkway and an ADA ramp at the Penman Road building.
- ✓ Replaced the power bollards in Latham Plaza area with an improved design.
- ✓ Provided support throughout the year for the *Deck the Chairs* Annual Event.
- ✓ Secured a new long term lease with Safe Harbor Seafood Restaurant for the old Marine Patrol Building at 2510 North Second Street.

Property Management Goals for FY2016

1. Achieve increased occupancy for all leased facilities and renegotiate lease facility contracts as necessary.
2. Replace roof systems at Police Headquarters, Garage, Meter Shop and Police/Animal Control Buildings.
3. Replace the gate systems at the O&M Facility.
4. Conduct bi-annual inspections of each City facility and implement a program to eliminate deficiencies. Identify potential problems so that corrective action may be planned and completed in a timely manner.
5. Keep our City facilities looking new and in good condition at all times to maintain a positive impression on our citizens.

Finance Department

Property Management Goals for FY2016 (continued)

6. Conserve energy by ensuring maximum operating efficiency of equipment and systems, while maintaining consistent electrical usage based on weather conditions.
7. Maintain customer relations by providing well-maintained facilities, information for employees on planned maintenance activities and prompt responses to customer needs.
8. Install a work-order system to optimize management of facilities, customer response and future budget plans. This will create a program that can minimize administrative costs by maintaining workloads at a more consistent level.

Property Management Performance Measures

Property Management and Building Maintenance	Actual 2014	FYTD 2015	Target 2016
<i>Customer satisfaction surveys with a rating of good or excellent in the following categories:¹</i>			
Overall experience with Property Management and/or Building Maintenance services	93%	95%	95%
Timeliness of staff to service requests	95%	97%	97%
Overall appearance and condition of buildings	95%	97%	97%
Professionalism of staff responding to requests	95%	97%	97%
Conduct on-site inspections of all facilities and grounds twice each year and correct deficiencies.	Yes	Yes	Yes
Except for emergencies, respond to requests for facility maintenance services within 48 hours of request.	Yes	Yes	Yes

Fleet Maintenance	Actual 2014	FYTD 2015	Target 2016
<i>Customer satisfaction surveys with a rating of good or excellent in the following categories:¹</i>			
Overall 95% average or above average ratings on annual Fleet Maintenance Services customer survey	81%	79%	85%
Quality of service provided by Fleet Maintenance	77%	79%	79%
Timeliness of service provided by Fleet Maintenance	88%	90%	90%
Knowledge and competence of Fleet Maintenance Staff	85%	87%	87%

¹Survey responses (# returned/# distributed): 2014 (42/124), 2015 (77/392)

Finance Department

Property Management Performance Measures (continued)

Building Condition Assessment	Actual FY2014	Actual FY2015	Target FY2016
City Hall	2	2	2
Police Station	2	2	2
Operations & Maintenance Facility (O&M)	2	2	2
Community Services Center	2	2	2
Fire Station #1	2	2	2
Fire Station #2	2	2	2
Golf Clubhouse	2	2	2
Oceanfront Restrooms	2	2	2
Carver Center	1	1	1
Sea Walk Pavilion	2	2	2
South Beach Community Center & Exhibition Hall	1	1	1
Wingate Concession North	2	2	2
Wingate Concession South	2	2	2
Archive Building	2	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.

Finance Department

Property Management Performance Measures (continued)

Leased Properties	Actual FY2014	Budget FY2015	Target FY2016
Land Total Square Footage Leased (Avail. 190,037)	142,936	20,192	22,853
Buildings Total Square Footage Leased (Avail. 17,311)	17,311	16,431	16,431
Telecommunications Tower Leased Spaces	7	6	5
Revenue:			
Industrial Park	\$176,386	\$51,138	\$130,031
Community Services Center	\$101,912	\$105,430	\$107,955
Penman Park Building	\$37,916	\$44,768	\$41,559
Marina Building (Safe Harbor Seafood)	\$43,051	\$38,771	\$45,440
Telecommunications Tower	\$240,365	\$245,556	\$232,227
O&M Facility Tower (First Coast Radio)			\$30,000
Total Revenue	\$599,630	\$485,663	\$587,212
Fleet Maintenance	Actual FY2014	Budget FY2015	Target FY2016
Service Statistics:			
Annual Average Maintenance Costs Per Vehicle	\$784	\$739	\$858
Fleet Downtime Percentage (3-5% Acceptable)	1%	1%	1%

Property Management Budget Issues

- We are currently working on new lease revenue potential, and may consider building another telecommunications tower, if we can identify a suitable location that would meet carrier coverage requirements. In addition, we are exploring the microcell market in Distributed Antenna Systems. These systems are deployed primarily on light poles or similar utility infrastructure.
- Industrial Park revenues targeted for FY 2016 include a land lease with that allow the developer to operate a volleyball complex including a sports bar and grill.
- We anticipate an increase in revenues on the Gordon Avenue Water Tank as Verizon is planning to add one additional antenna.

Human Resources Department

Mission

Supporting departments, employees, retirees and their families.

Organization

The Human Resources Department is responsible for recruitment, hiring, training activities, payroll, employee benefits, risk management, labor relations and administration of the City's three retirement systems.

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	FY2014	FY2015	FY2016
Human Resources Director	1	1	1
Administrative Assistant	1	1	1
Payroll/Benefits Administrator	1	1	1
Payroll Specialist	1	1	1
Human Resources Generalist	1	1	1
Staff Assistant part-time	1	2	2
Project/Safety Coordinator part-time	1	0	0
TOTAL	7	7	7

Human Resources Department

Recent Accomplishments

- ✓ Processed 1,199 applications for employment and received the highest possible customer service rating from 99.02% of applicants.
- ✓ Processed 48 new full-time employees within an average of 2.4 business days per hire.
- ✓ Coordinated and/or conducted 20 employee training classes, including general safety, driving safety, drug and alcohol awareness and new employee orientations.
- ✓ Issued 13,089 payroll and pension checks with an accuracy level of 99.99%.
- ✓ Conducted nationwide search for candidates for the Director of Beaches Energy, Director of Planning and Development and City Clerk.
- ✓ Successfully negotiated labor contracts for Police (5/1/2014) and Fire (6/17/2014) and the re-opener for the General Employees labor unions (11/17/2014).
- ✓ Successfully negotiated and implemented changes to the General Employees', Police Officers' and Firefighters' Retirement Systems, maintaining a defined benefit plan and ensuring sustainability in the future.
- ✓ Rewrote ordinances for the three pension plans and removed ambiguities and simplified them so they are easy to navigate and understand pending City Council approval by September 2015.

Goals for FY2016

1. Negotiate labor contract re-openers for Police (5/1/2016), Fire (6/1/2016) and LIUNA (9/30/2016) labor unions.
2. Create opportunities for growth and learning for the City's workforce through mentorship and training programs.
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. Participate in the Enterprise Resource Planning (ERP) process and the selection and implementation of an integrated software system for the City.

Human Resources Department

Performance Measures

Objective	Actual FY2014	FYTD 3-31-15	Target FY2016
Recruiting and Hiring Qualified Employees			
Applicant satisfaction surveys with a rating of satisfactory or above ¹	99.0%	99.5%	95%
Average number of business days to process a new hire	2.4	1.6	3
Providing Affordable Quality Health Benefits			
Number of employees & retirees enrolled in health plans	332	330	330
City contribution for employee health benefit plans	\$1,783,537	\$1,105,533	\$2,309,040
Providing Accurate Payroll Services			
Number of payroll and pension checks processed	13,089	5,912	13,000
Accuracy of payroll and pension checks	99.9%	99.9%	95%
Enhancing Employee Development			
Total number of training classes offered	20	6	24
Percentage of employees successfully completing probation	87.0%	90.1%	90%
Total annual employee separation rate	12.03%	12.4%	N/A
<i>*Bureau of Labor Statistics – Government Industry</i>	<i>16.1%</i>	<i>17.3%</i>	<i>N/A</i>
Maintaining Stable Comprehensive Insurance Coverage			
Total liability premiums and claims paid	\$1,128,574	\$1,097,019	\$1,238,156
Total workers' comp premiums and claims paid	\$296,973	\$194,448	\$289,980
Workers' comp self-insurer experience modification rate	.77	.75	<1.00
Providing Reliable and Accurate Pension Administration Services			
Number of accurate benefit estimates provided	45	17	30
Employee ratings of satisfactory or above ²	91.4%	91.4%	95%

¹Survey responses (# returned/# distributed): 2014 (600/1,199), 2015 (745/790)

²Survey responses (# returned/# distributed): 2014 (28/350), 2015 (24/350)

Human Resources Department

Funding Sources

Personnel Services 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 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$364,891	\$387,417	\$378,546	-\$8,871	-2.3%
Operating	\$149,391	\$178,580	\$182,276	\$3,696	2.1%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$514,282	\$565,997	\$560,822	-\$5,175	-0.9%

Personnel Services Budget Issues for FY2016

Labor Relations – The LIUNA (General Employees), FOP (Police Officers) and IAFF (Firefighters) contracts were negotiated in 2014. The FOP and IAFF contracts have wage openers in 2016. The LIUNA contract had a wage opener on November 1, 2014. The City negotiated with LIUNA and the union ratified the existing pay plan through September 30, 2016.

Financial Summary – Insurance and Risk Management

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change
Personal Services	\$11,734	\$18,484	\$17,110	-\$1,374	-7.4%
Operating	\$3,122,808	\$4,205,450	\$4,383,638	\$178,188	4.2%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$3,134,542	\$4,223,934	\$4,400,748	\$176,814	4.2%

All property, liability, health insurance and workers' compensation insurance costs are paid through this fund. The City is projecting an 8% increase in health insurance costs.

Human Resources Department

Estimated Insurance Premiums & Deductibles			
Coverage/Limits & Deductibles	Budgeted 2015 Premiums	Projected 2016 Premiums	Increase / (Decrease)
Property (\$25,000 deductible/wind separate)	\$687,600	\$687,600	\$0
Liability -\$2,000,000 per occurrence: Deductibles: General Liability: \$10,000 Law Enforcement: \$25,000 Public Officials: \$25,000 Employment Practice: \$25,000	\$288,183	\$288,183	\$0
Auto (\$1,000,000 per occurrence/ \$1,000 deductible)	\$128,070	\$128,070	\$0
Workers' Comp (\$150,000 retention)	\$506,257	\$506,257	\$0
Life, Health & Dental	\$2,217,920	\$2,395,354	\$177,434
Other Insurance: Flood, faithful performance, pollution, pension, fiduciary, fuel tanks, police & fire death benefit	\$134,303	\$134,303	\$0
Other Costs*: Personnel and professional services, deductibles, coinsurance, brokerage fees and consulting services, training, professional dues and publications (increased salary allocation)	\$261,601	\$260,981	(\$620)
TOTAL	\$4,223,934	\$4,400,748	\$176,814

The 2016 Property, Liability and Workers' Comp insurance premiums are projected to be flat in comparison with FY 2015. An 8% increase in health insurance premiums has been budgeted for FY 2016. This estimate is based on industry projections; however, any actual increases in the City's health insurance premiums will be based on the City's claims experience, which could be more or less than the 8% budgeted. The Health Insurance Fund had a fund balance of \$675,075 as of September 30, 2014. This balance may be used to offset City healthcare costs increases in future years.

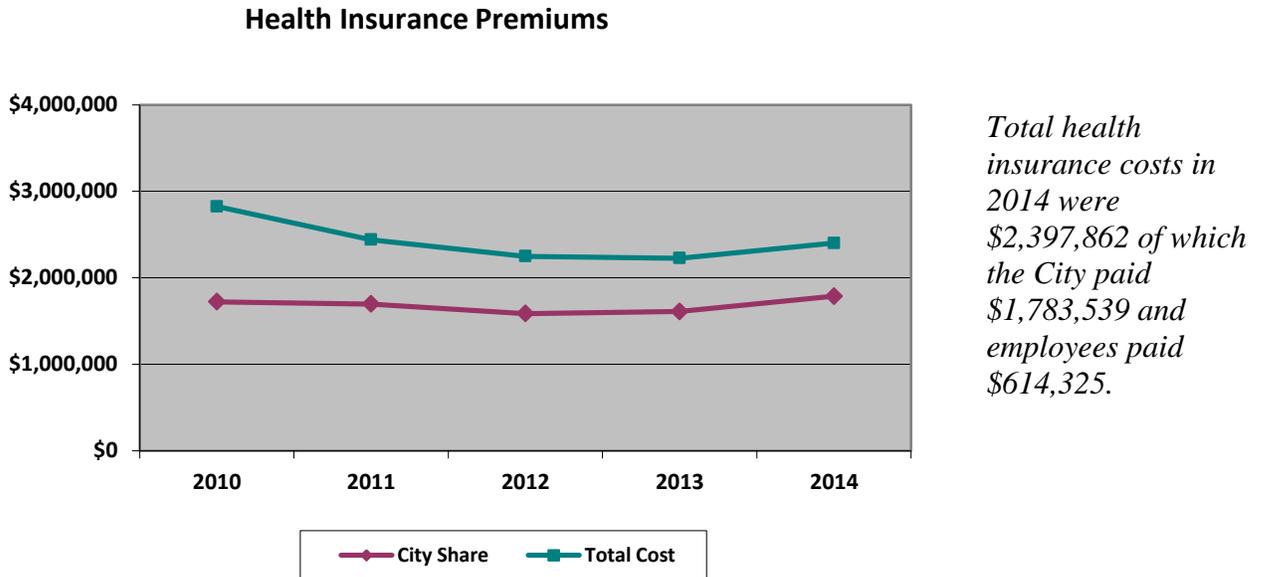
*Includes \$40,000 for wellness programs funded by Florida Blue.

Human Resources Department

Insurance and Risk Management Budget Issues for FY2016

Health Insurance

The City continues to monitor the impact of health care reform. The City has complied with all provisions required as of this date.



The City contracted with Florida Blue to provide healthcare benefits in 2014. Florida Blue offers employees a base HMO Plan and a PPO Plan at an additional cost. The City continues to provide single coverage under the base plan at no cost to employees.

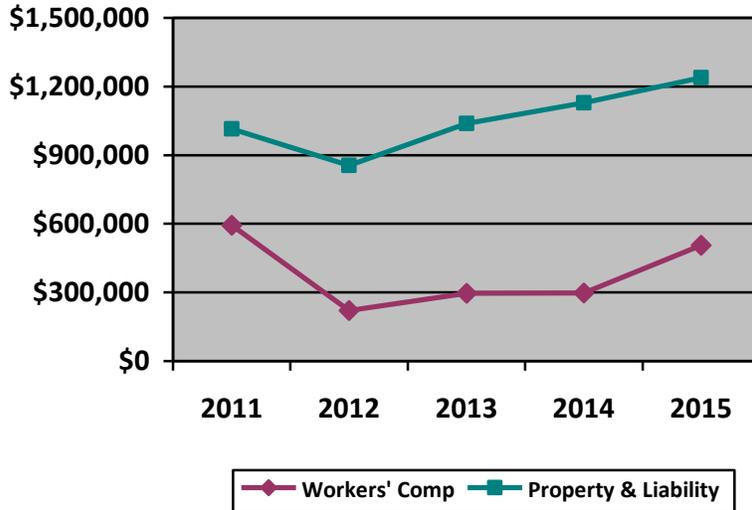
Florida Blue provided the City with \$50,000 for wellness initiatives. These funds have been used for various wellness programs and any unused balance at year end remains in the City's health insurance fund to be carried over into future years. This allows the City to further expand the health fair and wellness passport programs. Currently the unused balance budgeted for FY 2016 is \$40,000.

Business Insurance and Workers' Comp

The City renewed with Preferred Governmental Insurance Trust (PGIT) for general liability, property, crime, police and auto policies in 2015. 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

Workers' Comp and Property & Liability Premiums

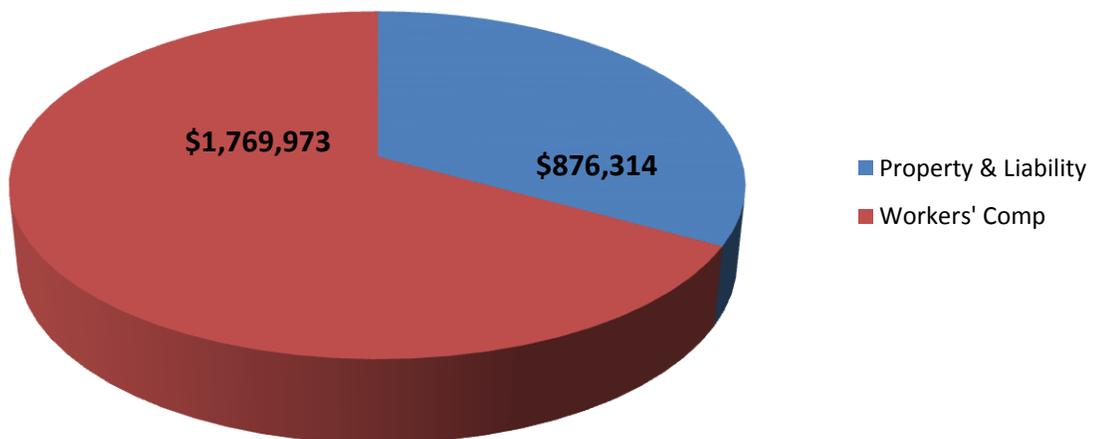


Actual Workers Comp and Property & Liability costs are shown in 2011 through 2014. Budgeted costs are shown in 2015.

Fund Balance

The self-insurance funds, which consist of the Property and Liability Fund and the Workers Compensation Fund, maintain a fund balance to cover future potential claims. A minimum fund balance for these funds is set by City policy. The total fund balance for both funds was \$2,646,287 in 2014.

Self Insurance Fund Balance



Human Resources Department

Performance Measures – Pension Plans

			Actual		
	2010	2011	2012	2013	2014
Percentage funded (historical)¹:					
General	78.7%	74.2%	77.7%	79.1%	81.6%
Police	75.6%	71.5%	84.0%	87.1%	88.4%
Fire	70.4%	66.8%	80.1%	83.5%	85.4%
Accrued unfunded liability (in thousands)¹:					
General	\$11,279	\$14,166	\$12,149	\$11,904	\$10,608
Police	\$5,042	\$6,172	\$3,126	\$2,594	\$2,412
Fire	\$3,553	\$4,149	\$2,213	\$1,918	\$1,785
Net assets held for pension benefits (in thousands)²:					
General	\$39,015	\$37,834	\$42,760	\$47,024	\$49,636
Police	\$14,616	\$14,336	\$16,530	\$18,210	\$19,317
Fire	\$7,875	\$7,759	\$8,979	\$10,098	\$10,946
Market rate of return (all pension funds combined)³:					
All pension funds	8.2%	-0.1%	16.4%	11.9%	10.2%
Number of retirees & beneficiaries receiving benefits²:					
General	142	151	160	170	181
Police	36	40	40	42	42
Fire	23	21	21	23	24
Annual benefits paid (in thousands)²:					
General	\$2,490	\$2,608	\$3,011	\$2,902	\$3,670
Police	\$1,040	\$1,120	\$1,131	\$1,367	\$1,275
Fire	\$724	\$700	\$660	\$670	\$664

¹ Actuarial valuations dated October 1 as amended by Actuarial Impact Statements

² Audited financial statements dated September 30

³ Investment manager report dated September 30

Annual City Contribution ⁴	2012	2013	2014	2015	2016
General	\$1,132,385	\$1,490,902	\$1,216,994	\$1,398,847	\$1,321,320
Police	\$653,602	\$764,988	\$326,017	\$345,079	\$432,758
Fire	\$388,143	\$449,185	\$222,859	\$178,035	\$212,178

⁴ 2012-2014 from audited financial statements, 2015 and 2016 budget.

Human Resources Department

Financial Summary – Pension Plans

Funding Sources

Retirement Systems costs are funded by city and member contributions, investment earnings and through state insurance premium tax dollars for the Police Officers’ and Firefighters’ pension funds.

Resource Allocation	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase -Decrease	% Change	
Personal Services	\$58,207	\$61,498	\$65,649	\$4,151	6.7%	<i>The increase in operating expenses is due to an increase in the projected number of employees that will be retiring in 2016.</i>
Operating Capital Outlay	\$6,500,536	\$6,433,152	\$6,689,195	\$256,043	4.0%	
	\$0	\$0	\$0	\$0	-	
TOTAL	\$6,558,743	\$6,494,650	\$6,754,844	\$260,194	4.0%	

Pension Budget Issues for FY2016

Containing the Cost of City Contributions to the Pension Plans

City contributions to the pension plans are based on an actuarial calculation, which takes into consideration many factors such as the benefits offered in the plans, life expectancy of the members, employee contributions and earnings on the pension investments. Employee pension contributions are based on a percentage of their wages and tend to remain relatively flat. When investment returns or other factors do not meet actuarial assumptions, the City is required to absorb the additional costs.

In FY 2012 and FY 2013 the City experienced significant unsustainable increases in the required contributions to the pension plans. In 2014 the City embarked on a plan to reform the City’s pension plans and was successful in reaching an agreement with all three unions (LIUNA, FOP and IAFF) to increase the employee contributions to the pension plans from 6.45% of wages to 7.95% and to reform existing benefits. This enabled the City to stabilize escalating pension costs and to ensure the financial sustainability of the pension plans into the future.

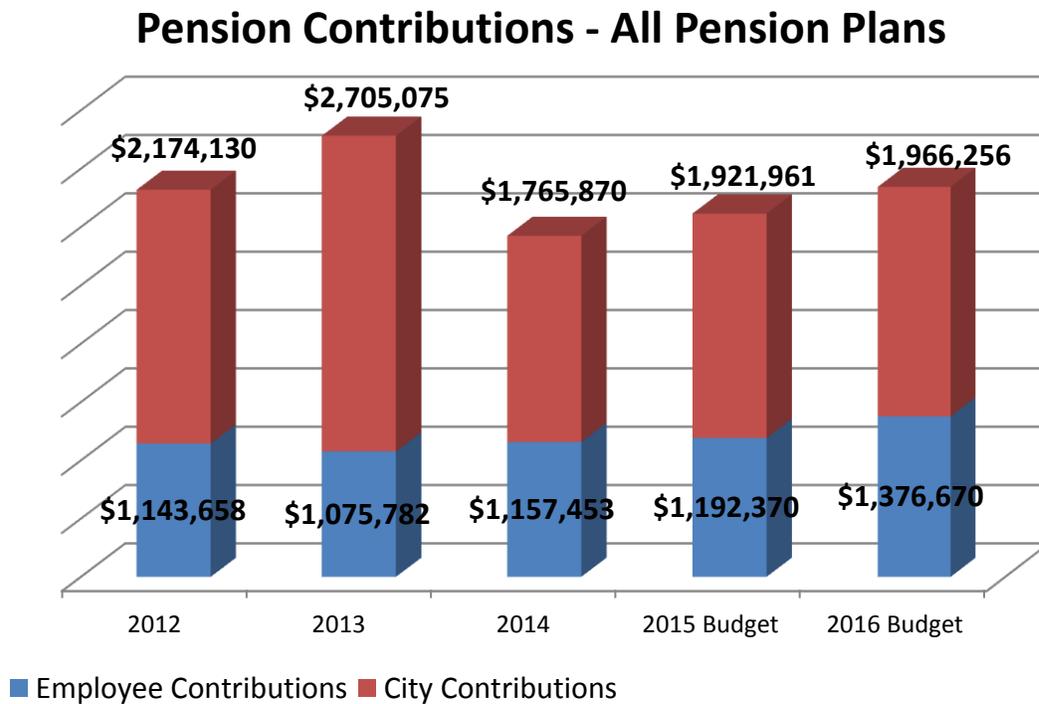
The City was successful in enacting pension reform to maintain the sustainability of the pension plans, however; the Florida legislature continues to propose and potentially adopt amendments to Chapters 175 and 185 and other statutes, which could negatively impact the City’s pension costs in the future.

In the most recent 2015 legislative session, the following two pension bills were passed and signed into law.

Human Resources Department

- **Senate Bill 172** (effective 7/1/2015.) This bill dictates the use of Chapter 175 and 185 excess premium tax monies if the City and the police and fire unions are unable to come to an agreement as to how these monies will be spent. Since the City currently has collective bargaining agreements in place with the police and fire unions, the City will not be impacted by this bill until these agreements expire in 2017.
- **House Bill 1309** (effective 1/1/2016.) This bill requires the City pension plans to adopt the mortality tables used by the Florida Retirement System. Preliminary estimates indicate the adoption of these mortality tables could substantially increase the City's required pension contributions in excess of \$400,000 per year for all three plans combined. The financial impact of this bill will not be felt until the FY 2017/2018 budget year.

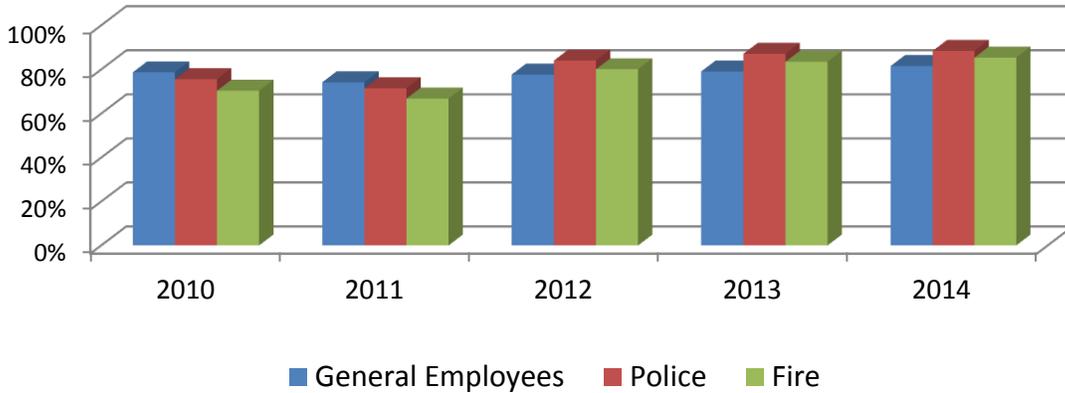
Following are charts which show the City and the employee contributions from FY 2012 to FY 2014 and the amount budgeted for FY 2015 and FY 2016, a comparison of the funding status of each of the plans from FY 2010 to FY 2014 and a comparison of the portfolio growth of the pension plan investment portfolio to the pension plans' assumed 8% rate of return from 1988 to the 1st Quarter of 2015.



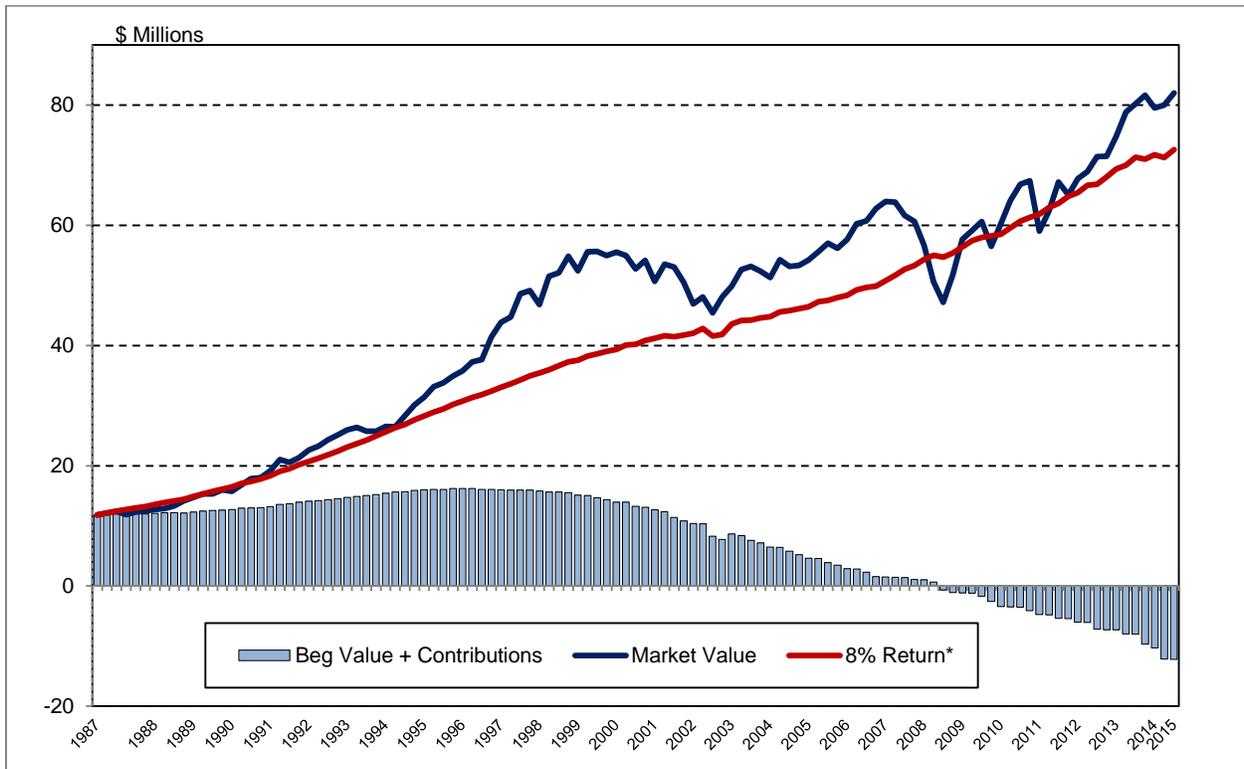
Human Resources Department

General, Police and Fire Pension Plans Percentage Funded

(Actuarial Valuation Reports 2010-2014 as amended by Impact Statements)



City of Jacksonville Beach Retirement Systems Total Portfolio Growth and Cash Flow 1988 to 1st Quarter 2015



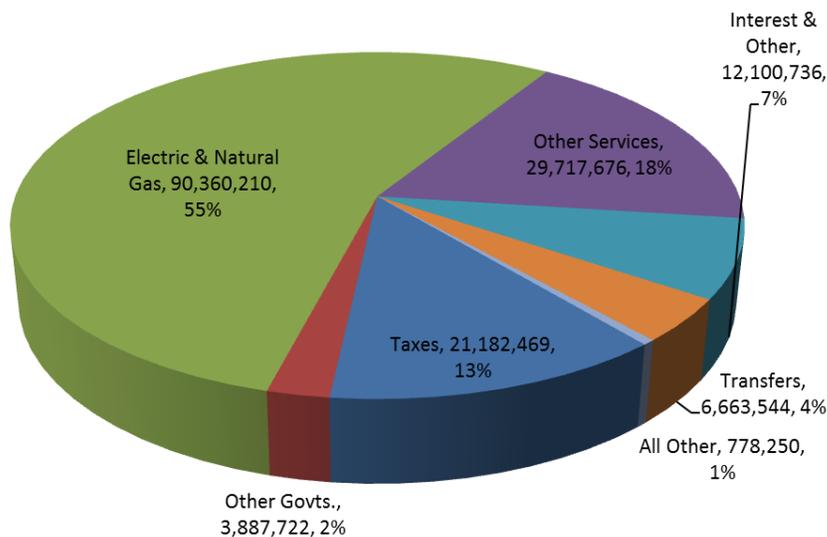
This graph compares the actual portfolio growth for the City's three retirement systems (blue) to the actuarial assumed rate of return of 8% (red.)



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.



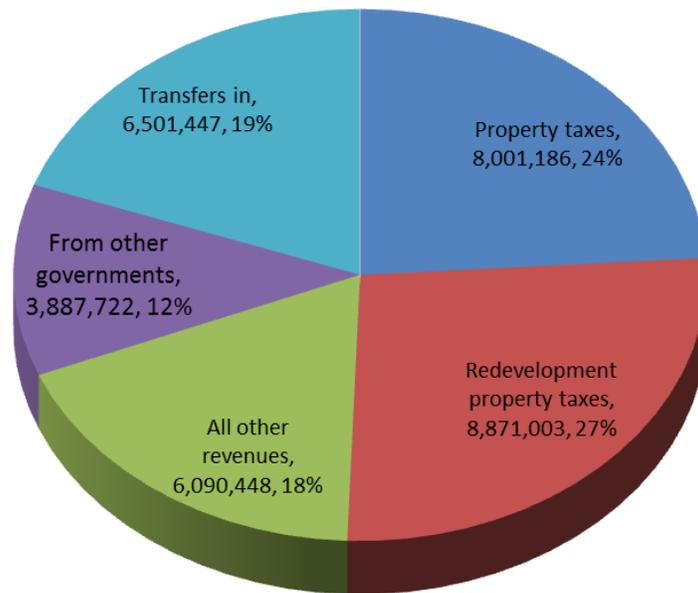
Total Revenues

Total budgeted revenues for fiscal year 2016 are \$164,690,606. 55% 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 \$74 million, 28% comes from taxes (primarily ad valorem, including redevelopment) and 40% from other charges for services: water, sewer, stormwater, garbage, sales at the City’s golf course and internal service charges. Transfers include \$3.8 million paid to the General Fund from Beaches Energy as a return on the City’s investment in the electric and natural gas utilities. 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), and a Community Development Block Grant (support for CAPE and the Carver Center). Investment earnings include \$9.7 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 (\$562,250) and fines and forfeitures (\$216,000).

Revenues Funding Governmental Services:



Total budgeted revenues for fiscal year 2016 in governmental funds are \$33,351,806. Property taxes recorded in the General Fund (\$8 million) account for 40% of its total revenue.

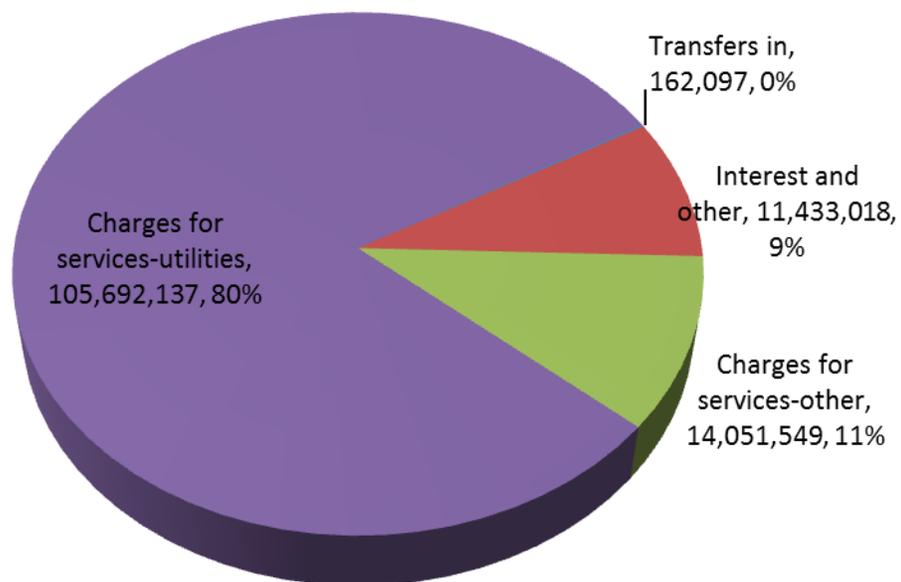
Redevelopment property taxes in the Redevelopment Fund (\$8.9 million) are restricted for use on projects to improve the City's two redevelopment districts: Downtown and South Beach.

Transfers come primarily from Beaches Energy to the General Fund (\$3.8 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 (\$2.8 million), but also include local shared revenues and grants (\$1.1 million).

All other revenues include Communications Services Tax (\$1.2 million), Local Business Tax (\$285,000), Local Option Gas Tax (\$740,000), Convention Development Tax (\$295,000), Half-cent Infrastructure Surtax (\$1,125,000), insurance premium tax (\$440,000-for police and fire pension contributions) fines and forfeitures (\$216,000), building and other permits (\$562,250), recreation registrations for leagues and camps (\$92,700), parking revenue (\$160,000), other charges for service, interest earnings and miscellaneous revenues (\$949,498).

Revenues Funding Proprietary Services:



Total 2016 budgeted revenues in proprietary funds are \$121,603,235. 87% of total revenue is generated by the City's utilities, which provide electric (\$88,135,454), natural gas (\$2,224,756), water & sewer (\$10,808,415), stormwater (\$1,277,500) and garbage services (\$3,246,012). Of the total utility charges for services, 85% is from sales of electricity and natural gas by Beaches Energy Services. Charges for services-other, include internal service charges (\$12.7 million) and sales at the City's golf course (\$1.3 million). Transfers include \$162,097 repaid to the electric utility for the initial construction of the natural gas system.

Revenues in Pension Funds:

Total 2016 budgeted pension revenues are \$9,735,565. Pension fund revenues come from interest and investment earnings (\$6,162,278), city contribution (\$1,728,571), employee contributions (\$1,376,670), state insurance premium tax for police and fire pensions (\$440,000) and other (\$28,046). Last year, the City reached agreement with its three unions to make sustainability adjustments to each of its three pension funds. The adjustments included increasing the vesting period, increasing the employee contribution, capping the retirement benefit, and eliminating overtime and other additional pay amounts from inclusion in pensionable pay. These adjustments and others are expected to make the pension funds sustainable into the future.

Revenue Summary - by Type

	General Fund	Governmental	Proprietary	Pension	Total
Taxes					
Ad Valorem	8,001,186				\$8,001,186
Ad Valorem-Redevelopment		8,871,003			8,871,003
Convention Dev. Tax		295,000			295,000
Local Option Gas Tax		740,000			740,000
Half Cent Infrastructure Tax		1,125,000			1,125,000
Local Communications Tax	1,200,000				1,200,000
Other	950,280	-	-	-	950,280
Total Taxes	10,151,466	11,031,003	-	-	21,182,469
Permits	562,250	-	-	-	562,250
Intergovernmental					
State 1/2 Cent Tax	2,080,000				2,080,000
Sales Tax Distribution	520,000				520,000
8th Cent Motor Fuel Tax	175,000				175,000
Duval Cnty in Lieu of Tax	692,033				692,033
Other	276,200	144,489	-	-	420,689
Total Intergov.	3,743,233	144,489	-	-	3,887,722
Charges for Services					
Electric			88,135,454		88,135,454
Natural Gas			2,224,756		2,224,756
Water / Sewer			10,808,415		10,808,415
Stormwater			1,277,500		1,277,500
Sanitation			3,246,012		3,246,012
Recreation / Golf	92,700		1,334,005		1,426,705
Internal Services			12,717,544		12,717,544
Miscellaneous	216,500	25,000	-	-	241,500
Total Services	309,200	25,000	119,743,686	-	120,077,886
Fines and Forfeitures	170,000	46,000	-	-	216,000
Miscellaneous					
Debt Proceeds		-			-
Interest and Other	359,000	308,718	1,697,453	9,735,565	12,100,736
Total Miscellaneous	359,000	308,718	1,697,453	9,735,565	12,100,736
Transfers	4,641,267	1,860,180	162,097	-	6,663,544
Total Revenues	\$19,936,416	\$13,415,390	\$121,603,235	\$9,735,565	\$164,690,606

Revenue Summary - by Fund
Major Funds are shaded

	Taxes	Permits & Governmental	Charges for Services	Fines and Forfeitures	Interest & Other	Transfers	TOTAL
General Fund	\$ 10,151,466	\$ 4,305,483	\$ 309,200	\$ 170,000	\$ 359,000	\$ 4,641,267	\$ 19,936,416
Special Revenue Funds							
Comm. Redevelopment Agency	8,871,003	-	-	-	165,000	-	9,036,003
Convention Development	295,000	-	-	-	3,500	-	298,500
Court Costs Training	-	-	-	6,000	1,500	-	7,500
Local Option Gas Tax	740,000	-	-	-	3,368	-	743,368
Half-cent Sales Surtax	1,125,000	-	-	-	2,500	-	1,127,500
CDBG	-	144,489	-	-	-	-	144,489
Radio Communication	-	-	-	25,000	1,000	-	26,000
Justice Assistance Grant	-	-	-	-	-	-	-
Tree Protection	-	-	-	-	100	-	100
Law Enforcement Trust	-	-	-	5,000	1,000	-	6,000
Equitable Sharing Trust	-	-	-	10,000	7,000	-	17,000
Total Special Revenue	11,031,003	144,489	-	46,000	184,968	-	11,406,460
Debt Service Fund	-	-	-	-	3,000	904,180	907,180
Capital Projects Funds							
General	-	-	-	-	70,000	956,000	1,026,000
Infrastructure	-	-	-	-	50,000	-	50,000
Other	-	-	25,000	-	750	-	25,750
Total Capital Projects	-	-	25,000	-	120,750	956,000	1,101,750
Enterprise Funds							
Electric	-	-	88,135,454	-	736,100	162,097	89,033,651
Natural Gas	-	-	2,224,756	-	55,217	-	2,279,973
Water & Sewer	-	-	10,808,415	-	311,476	-	11,119,891
Stormwater	-	-	1,277,500	-	35,000	-	1,312,500
Sanitation	-	-	3,246,012	-	65,000	-	3,311,012
Golf Course	-	-	1,334,005	-	4,000	-	1,338,005
Lease Facilities	-	-	-	-	490,660	-	490,660
Total Enterprise	-	-	107,026,142	-	1,697,453	162,097	108,885,692
Internal Service Funds							
City Manager	-	-	499,402	-	-	-	499,402
Finance	-	-	4,262,813	-	-	-	4,262,813
Human Resources	-	-	560,822	-	-	-	560,822
Fleet Maintenance	-	-	592,985	-	-	-	592,985
Meter Services	-	-	872,007	-	-	-	872,007
Operations & Maintenance Facility	-	-	390,178	-	-	-	390,178
Grounds Maintenance	-	-	1,138,589	-	-	-	1,138,589
Insurance-Property & Liability	-	-	1,299,832	-	-	-	1,299,832
Insurance-Workers Comp	-	-	567,762	-	-	-	567,762
Insurance-Health, Life, Dental	-	-	2,533,154	-	-	-	2,533,154
Total Internal Service	-	-	12,717,544	-	-	-	12,717,544
Trust Funds (Pension)							
General Employees	-	-	-	-	5,961,477	-	5,961,477
Police Employees	-	-	-	-	2,388,163	-	2,388,163
Fire Employees	-	-	-	-	1,385,926	-	1,385,926
Total Trust	-	-	-	-	9,735,565	-	9,735,565
Total Revenues	\$ 21,182,469	\$ 4,449,972	\$ 120,077,886	\$ 216,000	\$ 12,100,736	\$ 6,663,544	\$ 164,690,606

Revenue Summary

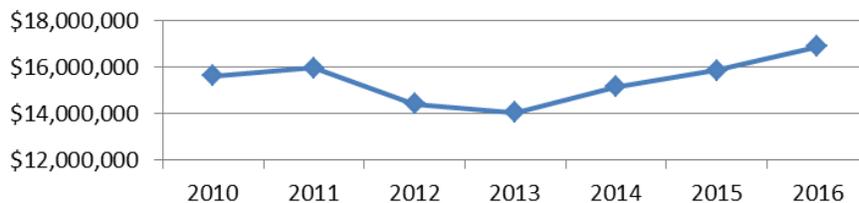
Tax Revenues

The City has two main sources of tax revenue: ad valorem taxes and sales taxes. Although property values citywide increased 8.9% (\$238 million) since last year, they are still 108% (\$330 million) lower than they were at their height prior to the recession. Of the \$16,872,189 in budgeted property taxes, 47% (\$8 million) supports the General Fund and 53% (\$8.9 million) is legally restricted for use in 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 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Ad Valorem	\$15,969,619	\$14,412,386	\$14,029,971	\$15,137,150	\$15,849,178	\$16,872,189
Local Option Gas Tax	742,602	712,396	711,817	717,543	720,000	740,000
Convention Development	221,009	224,402	278,858	296,319	225,000	295,000
Infrastructure	975,611	995,077	1,047,321	1,104,659	1,050,000	1,125,000
Local Communications	1,074,935	1,231,709	1,442,566	1,198,759	1,350,000	1,200,000
Other	607,927	616,461	640,666	724,135	845,349	950,280
Total Taxes	\$19,591,703	\$18,192,431	\$18,151,199	\$19,178,565	\$20,039,527	\$21,182,469

The City's adopted millage rate for 2016 is \$3.8947 mills per \$1,000 of assessed value and will provide approximately \$16,872,189 property tax revenue shared by the General Fund and the Community Redevelopment Fund, representing 10% of total revenues. The City has no debt service millage. Decreasing the millage rate by 2.5% resulted in an increase in property tax revenue of \$515,893 in the General and an increase of \$507,118 in redevelopment property tax revenue due to a rise in property value and the addition of \$77 million in new construction.

Property Taxes



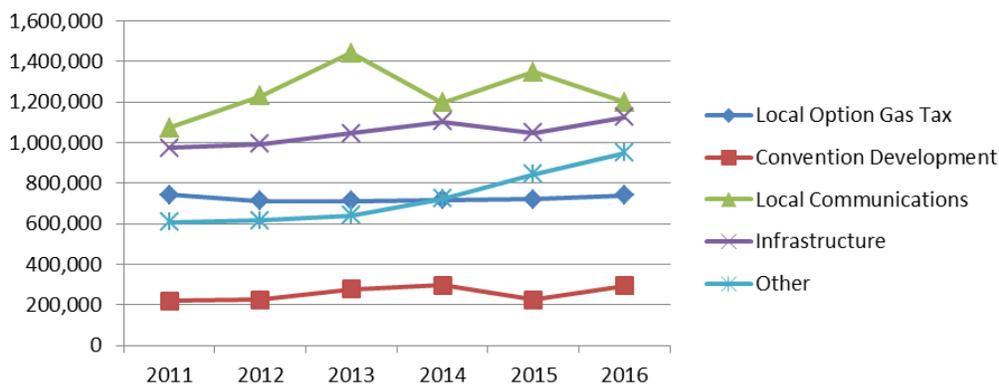
Local Option Gas Tax revenues are used to fund the maintenance of roads, streets and sidewalks. The tax, generated by a \$0.06 tax on sales of diesel or motor fuel sold within Duval County, is distributed monthly by the Florida Department of Revenue. Allocation to the City is based on its

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 \$722,000. Decreases in the Local Option Gas Tax have reduced the amount of street and sidewalk maintenance that can be performed. This revenue source, which was scheduled to end in 2016, was extended this year by Duval County until 2036. It supplements the General Fund by providing about \$700,000 per year to pay for street and sidewalk maintenance 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 rental (lodging less than 6 months) 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 \$300,000. It is budgeted for 2016 at \$295,000.

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 \$1.1 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 2016 has been increased to \$1,125,000.

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 decrease this year based on an average of the past several years. 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 trends. 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 trends.

Permits and Fees

	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Licenses & Permits	\$261,308	\$367,856	\$559,485	\$582,702	\$561,250	\$562,250

Permits are primarily composed of building-related permit revenue, which make up \$516,000 of this category's 2016 revenues. From a 2006 high of \$643,468, fees for building-related permits fell during the recession but have been increasing since 2012. Fees are recorded in the General Fund and represent a fraction (3%) 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 provides 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 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Local 1/2 Cent Tax	\$1,805,663	\$1,815,844	\$1,937,423	\$2,038,304	\$2,000,000	\$2,080,000
Sales Tax Distribution	455,212	466,002	486,316	514,448	486,384	520,000
Duval Cnty in Lieu of Tax	596,955	614,864	633,309	652,308	671,877	692,033
Other	2,759,510	1,470,808	1,095,982	783,697	670,598	595,689
Total Intergovernmental	\$5,617,340	\$4,367,518	\$4,153,030	\$3,988,757	\$3,828,859	\$3,887,722

Through an interlocal agreement, the City also receives a payment in lieu of tax from Duval County to provide partial funding for beach cleanup and lifeguards. 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.

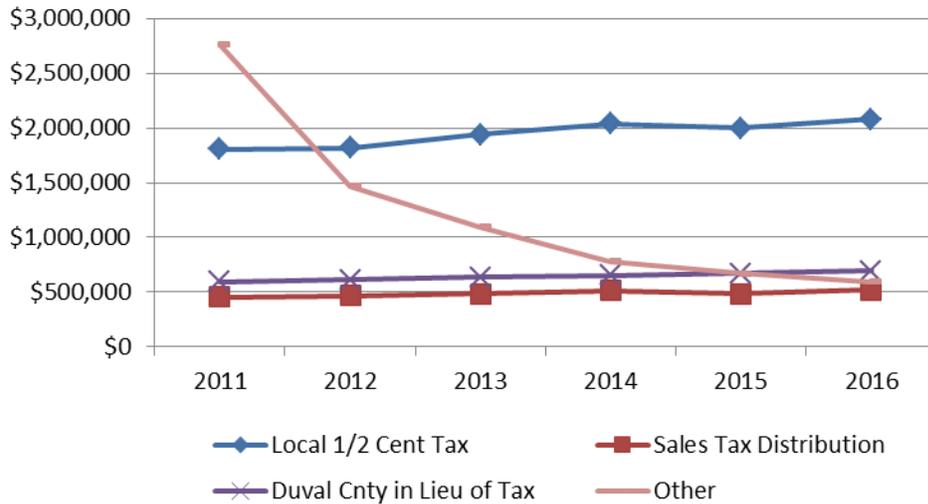
“Other” intergovernmental revenues consist of grants, 8th Cent Motor Fuel Tax, 9-1-1 Emergency Rebate, Alcoholic Beverage License Tax and a variety of small state and county taxes and revenue sharing. The 8th Cent Motor Fuel Tax is a \$0.01 per gallon fuel deposited into the General Fund to be used for roads and road maintenance in accordance with Chapter 206.605(2)-(3), Florida Statutes. The budget for this revenue sources is \$175,000, 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 and is intended to provide funds to local governments to pay for costs associated with their 9-1-1 dispatch system. The 2016 budget for this charge is \$140,000, 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 \$50,000, 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 43% (\$2.9 million) since 2009.

Intergovernmental Revenue



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 \$216,000 and represent only a small portion (0.1%) of total City revenues. The General Fund portion of this total is \$170,000 (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 2016 is less than half of the amount the City received in 2006.

	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Fines and Forfeitures	\$234,427	\$702,393	\$277,193	\$305,076	\$204,500	\$216,000

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 2016 budget, these revenues are estimated to be \$12,100,736, representing 7.3% of the City's budgeted revenues. 80% 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 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Debt Proceeds	0	6,495,000	0	0	0	0
Interest	1,700,686	11,048,321	8,517,652	8,754,858	6,969,695	7,330,558
Other	3,890,025	5,842,850	4,326,817	4,996,228	4,725,792	4,770,178
Total Miscellaneous	\$5,590,711	\$23,386,171	\$12,844,469	\$13,751,086	\$11,695,487	\$12,100,736

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 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Transfers	\$11,556,366	\$5,783,983	\$6,951,297	\$6,984,116	\$6,222,032	\$6,663,544

Total budgeted transfers for 2015 are \$6,663,544 (4% of total revenue); transfers into the General Fund (\$4,641,267) make up 23% 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 programs 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 73.8% of the City's total

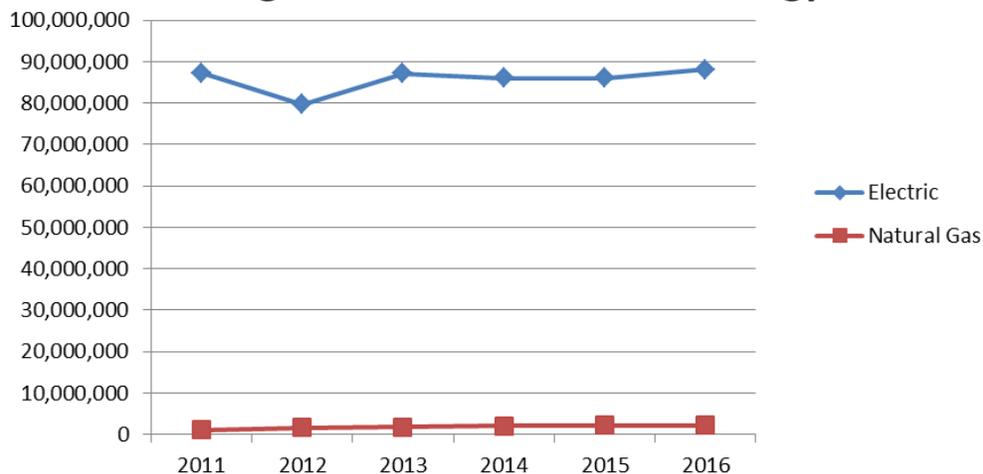
revenues, but only 2% of the General Fund's revenues. Total revenues from charges for services are anticipated to be \$120,077,886 (\$309,200 in the General Fund).

	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Approved Budget 2016
Electric	87,327,368	79,748,437	87,181,601	86,123,701	86,018,545	88,135,454
Natural Gas	1,015,367	1,559,994	1,695,815	2,060,874	2,187,782	2,224,756
Water / Sewer	8,952,816	9,204,727	10,084,347	10,705,820	10,198,219	10,808,415
Stormwater	1,232,484	1,249,583	1,262,660	1,273,790	1,246,333	1,277,500
Sanitation	3,091,841	3,116,900	3,177,369	3,218,670	3,100,529	3,246,012
Recreation / Golf	1,439,711	1,472,675	1,313,852	1,271,495	1,444,505	1,426,705
Internal Services	10,862,103	10,144,036	10,229,774	10,513,122	11,612,615	12,717,544
Miscellaneous	677,050	609,851	465,176	388,582	271,200	241,500
Charges for Services	\$114,598,740	\$107,106,203	\$115,410,594	\$115,556,054	\$116,079,728	\$120,077,886

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 (FMPA), 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. Natural gas prices have recently been stable and are projected to remain stable in the next year.

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 in 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 estimated consumption, historical trends and projected power cost prices from FMPA.

Charges for Service: Beaches Energy



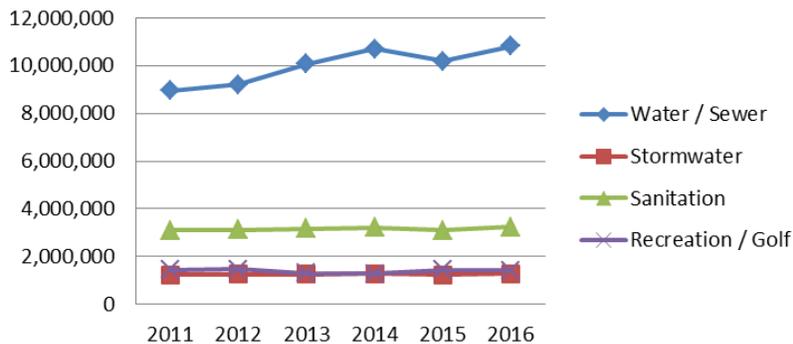
In 2010, the City activated a natural gas distribution system intended to primarily serve commercial customers. The first service was activated in June 2010, with construction continuing and included in the 2016 budget. Revenues for this year’s budget have been estimated by the City’s gas management 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. Two years ago, 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 the charge was enacted in 1991. Commercial customers are charged a based on the percentage of impervious area at their place of business.

Charges for Service: Other Utilities and Golf Course



Sanitation rates have not increased since 1993, although the City may have to consider rate increases or adjustments in the level of service 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.

Five 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 the need for staffing and operating cost decreases in order to balance the budget. 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. Administrative operations providing services through internal service funds and the allocation basis used to distribute their costs are shown above.

Internal Service Fund	Allocation Basis
City Manager	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 (2011-2014) are noticeably lower than revenues in "budgeted" years (2015 and 2016). 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.

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.

	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016
Ending Fund Balance						
Unrestricted/unassigned	\$57,517,495	\$74,407,983	\$75,701,675	\$81,125,292	\$76,780,293	\$73,636,892
All other	108,286,298	114,167,373	114,928,072	122,775,881	118,289,326	126,281,920
Total Fund Balance	\$165,803,793	\$188,575,356	\$190,629,747	\$203,901,173	\$195,069,619	\$199,918,812

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. 63% 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 FY2016, 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 \$4.8 million, shown in the table on the following page, is expected to come from net earnings in redevelopment, enterprise, and pension funds. Except for the General Fund, 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.

Explanation of Budgeted Changes in Fund Balance - Major Funds:

The **General Fund’s** fund balance is budgeted to remain unchanged. The primary cost in this fund is personnel; representing 66% of the 2016 budgeted expenditures. Costs to provide police

and fire services represent 60% of the General Fund’s total budget. Improvements in property value and changes to the City’s pension funds, reducing its funding obligations have improved the outlook for the General Fund.

	Major Funds				
	General Fund	Community Redevelopment	General Cap. Projects	Electric	Water & Sewer
Beg. Fund Balance	\$10,512,094	\$6,421,707	\$5,092,926	\$58,054,387	\$12,982,498
Revenues	19,936,416	9,036,003	1,026,000	89,033,651	11,119,891
Expenditures	19,936,416	1,940,468	3,070,301	91,461,059	12,103,925
Revenues over (under) expenditures	0	7,095,535	(2,044,301)	(2,427,408)	(984,034)
Ending Fund Balance	<u>\$10,512,094</u>	<u>\$13,517,242</u>	<u>\$3,048,625</u>	<u>\$55,626,979</u>	<u>\$11,998,464</u>
Unrestricted/unassigned	1,029,006	0	0	47,402,214	10,593,044
All other	<u>\$9,483,088</u>	<u>\$13,517,242</u>	<u>\$3,048,625</u>	<u>\$8,224,765</u>	<u>\$1,405,420</u>
	<u>\$10,512,094</u>	<u>\$13,517,242</u>	<u>\$3,048,625</u>	<u>\$55,626,979</u>	<u>\$11,998,464</u>
Change in fund balance	0.0%	110.5%	-40.1%	-4.2%	-7.6%

	Nonmajor Funds				
	Governmental	Enterprise	Internal Service	Pension Funds	ALL FUNDS
Beg. Fund Balance	\$4,991,879	\$10,377,116	\$3,857,505	\$82,779,508	\$195,069,620
Revenues	3,353,387	8,732,150	12,717,544	9,735,565	164,690,606
Expenditures	3,482,715	8,374,143	12,717,544	6,754,844	159,841,415
Revenues over (under) expenditures	(129,328)	358,007	0	2,980,721	4,849,192
Ending Fund Balance	<u>\$4,862,551</u>	<u>\$10,735,123</u>	<u>\$3,857,505</u>	<u>\$85,760,229</u>	<u>\$199,918,811</u>
Unrestricted/unassigned	\$20,000	\$10,735,123	\$3,857,505	\$0	\$73,636,892
All other	<u>4,842,551</u>	<u>0</u>	<u>0</u>	<u>85,760,229</u>	<u>126,281,920</u>
	<u>\$4,862,551</u>	<u>\$10,735,123</u>	<u>\$3,857,505</u>	<u>\$85,760,229</u>	<u>\$199,918,811</u>
Change in fund balance	-2.6%	3.4%	0.0%	3.6%	2.5%

Community Redevelopment Fund’s fund balance is expected to grow, due to the timing of capital outlay expenditures. Design for Phases 3C and 3D of the Downtown Vision Plan is about 90% complete. Construction of Phases 3C and 3D will be budgeted when design is complete and the construction bid is awarded. 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 requirements in Chapter 163 of the Florida Statutes.

General Capital Projects Fund’s 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. Projects budgeted are the replacement business application software, street improvements portion of the 10th Street South Infrastructure project, building systems replacements, and various information systems projects. Transfers from the General Fund are this fund’s primary source of revenue.

Electric Fund's fund balance is expected to decrease 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 2016 are 2.66% more than in 2015 because of increases in expected power costs and transfers.

The **Water & Sewer Fund's** fund balance is budgeted to decrease due to the 10th Street South Infrastructure Improvements project. The project's costs are being allocated to the General Capital Projects Fund (street improvements), Water & Sewer (water and sewer improvements) and Stormwater (drainage improvements). Increases in capital outlay are expected for the next several years.

Explanation of Budgeted Changes 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. 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 such 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 overall increase in fund balance is due to the continuing growth of the natural gas utility.

Internal Service Funds recover their costs through charges to internal customers and are budgeted to break even.

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 2016.



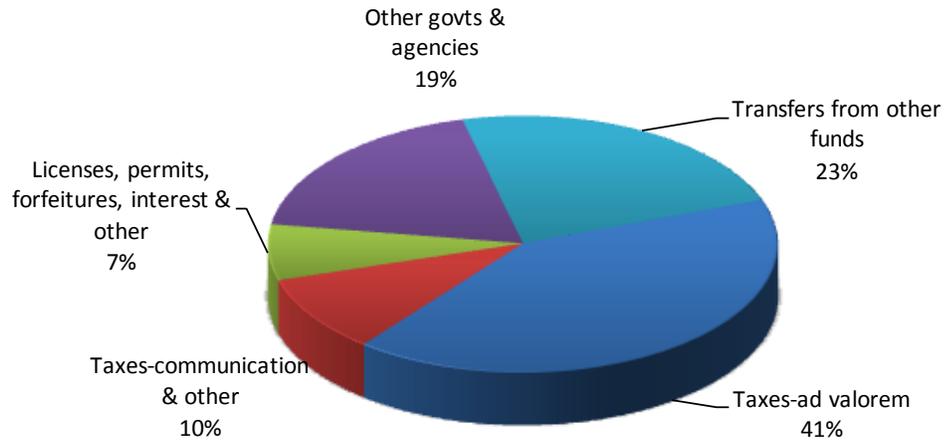
**City of Jacksonville Beach - All Funds
Combined Summary of Revenues and Expenditures**

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 72,279,210	\$ 75,701,675	\$ 81,125,292	\$ 76,780,293	\$ (4,344,999)	-5.4%
All other balances	106,778,439	116,237,432	122,775,881	118,289,326	(4,486,555)	-3.7%
Beginning Fund Balance	179,057,649	191,939,107	203,901,174	195,069,620	(8,831,554)	-4.3%
Revenues						
Taxes	18,151,199	19,178,565	20,039,527	21,182,469	1,142,942	5.7%
Permits & fees	559,485	582,702	561,250	562,250	1,000	0.2%
Intergovernmental	4,153,030	3,988,757	3,828,859	3,887,722	58,863	1.5%
Charges for services	115,410,594	115,556,054	116,652,427	120,077,886	3,425,459	2.9%
Fines & forfeitures	277,193	305,076	204,500	216,000	11,500	5.6%
Interest & other	12,844,469	13,751,086	11,695,488	12,100,736	405,248	3.5%
Transfers in	6,951,297	6,984,116	6,222,032	6,663,544	441,512	7.1%
Total Revenues	158,347,267	160,346,356	159,204,083	164,690,606	5,486,523	3.4%
Other Financing Sources	3,360,782	256,890				
Expenditures						
Personal Services	25,937,414	25,133,696	27,668,958	28,050,179	381,221	1.4%
Operating-Energy	65,957,074	64,651,960	65,157,375	67,742,117	2,584,742	4.0%
Operating-All Other	30,332,445	32,051,317	37,130,166	38,283,684	1,153,518	3.1%
Capital Outlay	13,440,083	8,918,219	25,797,437	13,040,340	(12,757,097)	-49.5%
Debt Service	6,853,475	6,419,652	6,049,313	6,051,195	1,882	0.0%
Grants to Others	11,537	11,537	10,356	10,356	0	0.0%
Transfers	6,948,406	6,984,116	6,222,032	6,663,544	441,512	7.1%
Total Expenditures	149,480,434	144,170,497	168,035,637	159,841,415	(8,194,222)	-4.9%
Other Financing Uses	655,516	4,470,682				
Change in Fund Balance	11,572,098	11,962,067	(8,831,554)	4,849,192	13,680,746	-154.9%
Unrestricted/unassigned	75,701,675	81,125,292	76,780,293	73,636,892	(3,143,401)	-4.1%
All other balances	114,928,072	122,775,881	118,289,326	126,281,920	7,992,593	6.8%
Ending Fund Balance	\$ 190,629,748	\$ 203,901,174	\$ 195,069,620	\$ 199,918,811	\$ 4,849,192	2.5%
Expenditures by Department:						
Executive & Legislative	1,128,389	1,100,304	1,493,561	1,523,364	\$29,803	2.0%
Finance	6,183,840	5,365,612	6,041,176	6,214,481	173,305	2.9%
Planning & Development	578,955	597,241	836,482	801,510	(34,972)	-4.2%
Community Redevelopment	6,552,258	4,796,532	14,404,197	1,062,493	(13,341,704)	-92.6%
Parks & Recreation	4,730,527	4,729,873	5,057,559	5,437,850	380,291	7.5%
Public Works	15,819,624	16,871,652	18,818,504	18,985,644	167,140	0.9%
Police	8,534,854	8,277,189	9,079,023	9,169,420	90,397	1.0%
Fire	3,574,024	3,476,038	3,562,019	3,810,720	248,701	7.0%
Beaches Energy Services	88,584,551	83,898,203	91,811,389	94,265,985	2,454,596	2.7%
Human Resources	9,116,114	10,207,567	11,284,581	11,716,414	431,833	3.8%
Non-Departmental	4,677,298	4,850,286	5,647,146	6,853,534	1,206,388	21.4%
Total Expenditures	\$ 149,480,434	\$ 144,170,497	\$ 168,035,637	\$ 159,841,415	\$ (8,194,222)	-4.9%
Expenditures by Major/Nonmajor Fund:						
General Fund	18,276,105	18,335,898	19,468,926	19,936,416	\$467,490	2.4%
Redevelopment	6,925,780	5,353,220	15,270,413	1,940,468	(13,329,945)	-87.3%
General Capital Projects	343,431	572,049	1,816,554	3,070,301	1,253,747	69.0%
Electric	86,389,659	81,577,809	89,178,388	91,461,059	2,282,671	2.6%
Water & Sewer	8,907,222	10,396,769	11,194,680	12,103,925	909,245	8.1%
Total Major Funds	120,842,197	116,235,745	136,928,961	128,512,169	(8,416,792)	-6.1%
Nonmajor Governmental	4,231,659	3,560,334	3,368,632	3,482,715	114,083	3.4%
Nonmajor Enterprise	8,799,824	7,777,344	9,063,084	8,374,143	(688,941)	-7.6%
Internal Service	10,137,566	10,038,331	12,180,310	12,717,544	537,234	4.4%
Pension	5,469,188	6,558,743	6,494,650	6,754,844	260,194	4.0%
Total Nonmajor Funds	28,638,237	27,934,752	31,106,676	31,329,246	222,570	0.7%
Total Expenditures	\$ 149,480,434	\$ 144,170,497	\$ 168,035,637	\$ 159,841,415	\$ (8,194,222)	-4.9%
Total Expenditures	\$149,480,434	\$144,170,497	\$168,035,637	\$159,841,415	(\$8,194,222)	-4.9%
less: Internal Service Charges	10,137,566	10,038,331	12,180,310	12,717,544	\$537,234	4.4%
less: Transfers	6,948,406	6,984,116	6,222,032	6,663,544	\$441,512	7.1%
Net Budgeted Expenditures	\$ 132,394,462	\$ 127,148,050	\$ 149,633,295	\$ 140,460,327	\$ (9,172,968)	-6.1%

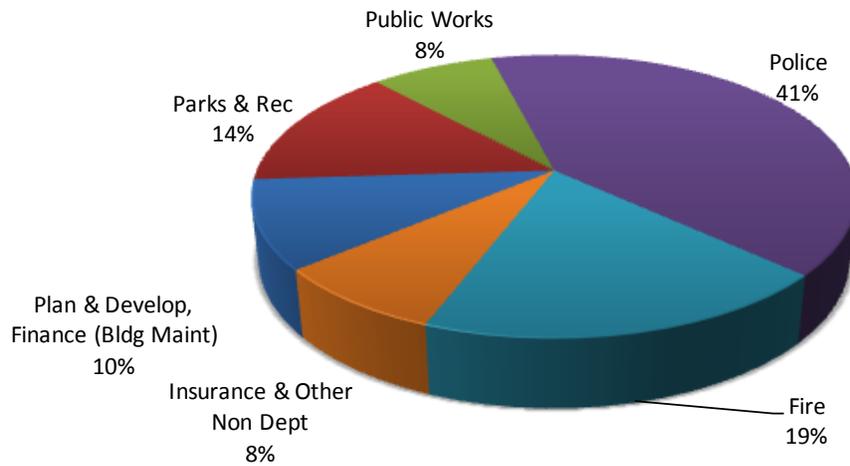
General Fund
Combined Summary of Revenues and Expenditures

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 4,255	\$ 984,114	\$ 1,037,198	\$ 1,029,006	\$ (8,192)	-0.8%
All other balances	9,753,311	9,041,079	9,483,088	9,483,088	-	0.0%
Beginning Fund Balance	\$ 9,757,566	\$ 10,025,193	\$ 10,520,286	\$ 10,512,094	\$ (8,192)	-0.1%
Revenues						
Taxes	9,222,513	9,135,535	9,680,642	10,151,466	470,824	4.9%
Licenses & permits	559,485	568,986	561,250	562,250	1,000	0.2%
Intergovernmental	3,538,261	3,709,348	3,598,977	3,743,233	144,256	4.0%
Charges for services	316,225	315,396	348,203	309,200	(39,003)	-11.2%
Fines & forfeitures	155,340	179,357	168,500	170,000	1,500	0.9%
Interest & other	154,911	332,233	410,000	359,000	(51,000)	-12.4%
Transfers in	4,260,420	4,537,049	4,693,162	4,641,267	(51,895)	-1.1%
Total Revenues	18,207,155	18,777,904	19,460,734	19,936,416	475,682	2.4%
Other Financing Sources	336,577	53,087				
Expenditures						
Personal Services	12,634,773	11,988,410	12,777,043	13,256,682	479,639	3.8%
Operating-All Other	4,496,529	4,729,605	5,649,374	5,925,128	275,754	4.9%
Capital Outlay	308,479	287,547	260,100	229,250	(30,850)	-11.9%
Grants to Others	11,537	11,537	10,356	10,356	-	0.0%
Transfers	824,787	1,318,799	772,053	515,000	(257,053)	-33.3%
Total Expenditures	18,276,105	18,335,898	19,468,926	19,936,416	467,490	2.4%
Other Financing Uses						
Change in Fund Balance	267,627	495,093	(8,192)	-	8,192	-100.0%
Unrestricted/unassigned	984,114	1,037,198	1,029,006	1,029,006	-	0.0%
All other balances	9,041,079	9,483,088	9,483,088	9,483,088	-	0.0%
Ending Fund Balance	\$ 10,025,193	\$ 10,520,286	\$ 10,512,094	\$ 10,512,094	\$ -	0.0%
Expenditures by Department:						
	10,025,193					
Executive & Legislative	\$ 551,290	\$ 576,160	\$ 766,209	\$ 764,364	\$ (1,845)	-0.2%
Finance	378,504	420,004	491,929	450,146	(41,783)	-8.5%
Planning & Development	578,955	597,241	836,482	801,510	(34,972)	-4.2%
Parks & Recreation	2,285,874	2,305,361	2,495,653	2,819,153	323,500	13.0%
Public Works	1,475,566	1,403,175	1,534,797	1,565,729	30,932	2.0%
Police	7,918,820	7,462,207	7,891,854	8,130,587	238,733	3.0%
Fire	3,540,423	3,433,276	3,546,489	3,800,720	254,231	7.2%
Non-Departmental	1,546,673	2,138,474	1,905,513	1,604,207	(301,306)	-15.8%
Total Expenditures	\$ 18,276,105	\$ 18,335,898	\$ 19,468,926	\$ 19,936,416	\$ 467,490	2.4%

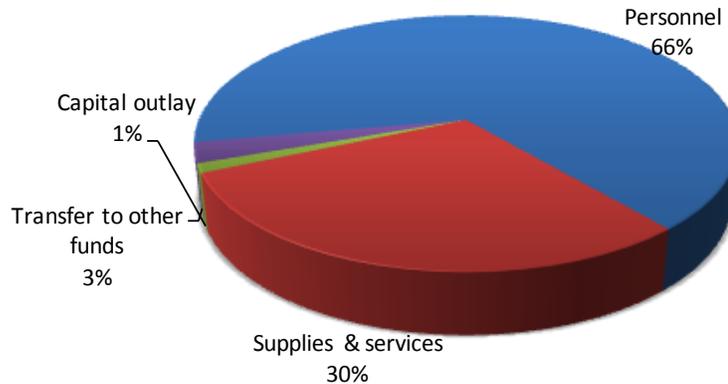
Where the money comes from:



What it pays for-by department:



What it pays for-by category:



**General Fund
Summary of Revenues**

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
<u>Taxes</u>						
Property Tax	\$ 7,145,994	\$ 7,212,642	\$ 7,705,293	\$ 8,221,186	\$ 515,893	6.7%
Local Communications Services	1,442,566	1,198,759	1,350,000	1,200,000	(150,000)	-11.1%
Other taxes	633,953	724,134	625,349	730,280	104,931	16.8%
Total Taxes	9,222,513	9,135,535	9,680,642	10,151,466	470,824	4.9%
<u>Licenses & Permits</u>						
Building permits	410,430	410,346	420,000	420,000	-	0.0%
Other licenses and permits	149,055	158,640	141,250	142,250	1,000	0.7%
Total Licenses and Permits	559,485	568,986	561,250	562,250	1,000	0.2%
<u>Intergovernmental Revenues</u>						
8th cent motor fuel	174,268	176,240	168,660	175,000	6,340	3.8%
Sales tax distribution	486,316	514,448	486,384	520,000	33,616	6.9%
State 1/2 cent tax	1,937,423	2,038,304	2,000,000	2,080,000	80,000	4.0%
Other intergovernmental revenues	98,784	168,692	112,700	136,200	23,500	20.9%
Duval county in Lieu of Taxes	633,309	652,308	671,877	692,033	20,156	3.0%
911 Rebate	208,161	159,356	159,356	140,000	(19,356)	-12.1%
Total Intergovernmental Revenues	3,538,261	3,709,348	3,598,977	3,743,233	144,256	4.0%
<u>Charges for Services</u>						
Lien Certificates	37,880	35,760	30,000	30,000	-	0.0%
Cemetery services	1,995	2,550	1,500	1,500	-	0.0%
Recreation programs	81,038	84,174	82,500	86,200	3,700	4.5%
Contracted services	-	-	1,000	-	(1,000)	-100.0%
Other Charges and Fees	195,312	192,912	233,203	191,500	(41,703)	-17.9%
Total Services	316,225	315,396	348,203	309,200	(39,003)	-11.2%
<u>Fines & Forfeitures</u>						
Court Fines	65,234	70,346	65,000	65,000	-	0.0%
Parking violations	51,265	61,365	50,000	54,500	4,500	9.0%
Code enforcement board	4,700	16,486	12,500	12,500	-	0.0%
Other Fines and Forfeits	34,141	31,160	41,000	38,000	(3,000)	-7.3%
Total Fines & Forfeitures	155,340	179,357	168,500	170,000	1,500	0.9%
<u>Interest & Other Revenue</u>						
Interest on investments	41,108	156,431	200,000	200,000	-	0.0%
Other revenues	113,803	175,802	210,000	159,000	(51,000)	-24.3%
Total Other Revenues	154,911	332,233	410,000	359,000	(51,000)	-12.4%
<u>Transfers In</u>						
Transfer from Electric Utility	3,294,311	3,608,401	3,670,124	3,688,677	18,553	0.5%
Transfer from Gas Tax	372,000	372,000	372,000	372,000	-	0.0%
Transfer from Others Misc.	594,109	556,648	651,038	580,590	(70,448)	-10.8%
Total Transfers	4,260,420	4,537,049	4,693,162	4,641,267	(51,895)	-1.1%
Total Revenue	\$ 18,207,155	\$ 18,777,904	\$ 19,460,734	\$ 19,936,416	\$ 475,682	2.4%

**General Fund
Summary of Expenditures**

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
<u>Executive & Legislative</u>						
City Council	\$ 166,253	\$ 170,637	\$ 182,883	\$ 169,064	\$ (13,819)	-7.6%
City Attorney	160,206	141,925	280,621	280,755	134	0.0%
City Clerk	224,831	263,598	302,705	314,545	11,840	3.9%
Total	<u>551,290</u>	<u>576,160</u>	<u>766,209</u>	<u>764,364</u>	<u>(1,845)</u>	<u>-0.2%</u>
<u>Finance</u>						
Building Maintenance	378,504	420,004	491,929	450,146	(41,783)	-8.5%
<u>Planning & Development</u>						
Planning & Development	159,370	154,619	234,506	231,204	(3,302)	-1.4%
Building Inspections	295,249	306,265	435,520	403,503	(32,017)	-7.4%
Code Enforcement	124,336	136,357	166,456	166,803	347	0.2%
Total	<u>578,955</u>	<u>597,241</u>	<u>836,482</u>	<u>801,510</u>	<u>(34,972)</u>	<u>-4.2%</u>
<u>Parks & Recreation</u>						
Administration	1,198,536	1,269,087	1,339,383	1,630,077	290,694	21.7%
Ocean Rescue	666,025	647,120	743,731	705,476	(38,255)	-5.1%
Tennis	138,947	96,475	90,524	91,203	679	0.8%
Oceanfront Restrooms	72,765	77,047	80,500	131,000	50,500	62.7%
Carver Center	100,392	94,447	83,015	87,797	4,782	5.8%
Special Events	75,306	80,024	110,000	124,000	14,000	12.7%
Exhibition Hall	33,903	41,161	48,500	49,600	1,100	2.3%
Total	<u>2,285,874</u>	<u>2,305,361</u>	<u>2,495,653</u>	<u>2,819,153</u>	<u>323,500</u>	<u>13.0%</u>
<u>Public Works</u>						
Streets	1,475,566	1,403,175	1,534,797	1,565,729	30,932	2.0%
<u>Police</u>						
Administration	900,968	999,915	1,057,380	1,103,513	46,133	4.4%
Records	169,055	175,149	192,235	188,211	(4,024)	-2.1%
Investigative	1,581,078	1,309,828	1,310,796	1,329,049	18,253	1.4%
Patrol	3,868,605	3,646,434	3,780,760	3,888,318	107,558	2.8%
Communications	695,368	709,488	816,898	837,931	21,033	2.6%
Ancillary Services	481,042	450,999	517,029	570,909	53,880	10.4%
Police Reserves	46,952	47,586	60,000	59,925	(75)	-0.1%
Parking	164,074	112,026	136,756	132,731	(4,025)	-2.9%
Volunteer Programs	11,678	10,782	20,000	20,000	-	0.0%
Total	<u>7,918,820</u>	<u>7,462,207</u>	<u>7,891,854</u>	<u>8,130,587</u>	<u>238,733</u>	<u>3.0%</u>
<u>Fire</u>						
Fire Department	3,540,423	3,433,276	3,546,489	3,800,720	254,231	7.2%
<u>Non-departmental</u>						
Non-departmental	1,546,673	2,138,474	1,905,513	1,604,207	(301,306)	-15.8%
Total Expenditures	<u>\$ 18,276,105</u>	<u>\$ 18,335,898</u>	<u>\$ 19,468,926</u>	<u>\$ 19,936,416</u>	<u>\$ 467,490</u>	<u>2.4%</u>
<u>Resource Allocation:</u>						
Personal Services	\$ 12,634,773	\$ 11,988,410	\$ 12,777,043	\$ 13,256,682	\$ 479,639	3.8%
Operating-All Other	4,496,529	4,729,605	5,649,374	5,925,128	275,754	4.9%
Capital Outlay	308,479	287,547	260,100	229,250	(30,850)	-11.9%
Grants to Others	11,537	11,537	10,356	10,356	-	0.0%
Transfers	824,787	1,318,799	772,053	515,000	(257,053)	-33.3%
Total Expenditures	<u>\$ 18,276,105</u>	<u>\$ 18,335,898</u>	<u>\$ 19,468,926</u>	<u>\$ 19,936,416</u>	<u>\$ 467,490</u>	<u>2.4%</u>

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

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Original Budget 2015</u>	<u>Adopted Budget 2016</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	9,387,215	11,081,566	13,163,235	6,421,707	(6,741,528)	-51.2%
Beginning Fund Balance	9,387,215	11,081,566	13,163,235	6,421,707	(6,741,528)	-51.2%
Revenues						
Taxes	6,883,977	7,924,509	8,363,885	8,871,003	507,118	6.1%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	422	422	-	-	-	0.0%
Charges for services	-	1,501	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	135,553	182,366	165,000	165,000	-	0.0%
Transfers in	44,356	-	-	-	-	0.0%
Total Revenues	7,064,308	8,108,798	8,528,885	9,036,003	507,118	5.9%
Other Financing Sources	1,555,823	-				
Expenditures						
Personal Services	452,766	562,113	1,042,224	977,567	(64,657)	-6.2%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	138,933	151,368	147,069	266,789	119,720	81.4%
Capital Outlay	4,837,463	3,596,076	13,415,810	29,750	(13,386,060)	-99.8%
Debt Service-Principal	1,368,580	965,465	620,799	646,881	26,082	4.2%
Debt Service-Interest & Other	128,038	78,198	44,511	19,481	(25,030)	-56.2%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	6,925,780	5,353,220	15,270,413	1,940,468	(13,329,945)	-87.3%
Other Financing Uses	-	673,909				
Change in Fund Balance	1,694,351	2,081,669	(6,741,528)	7,095,535	13,837,063	-205.3%
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	11,081,566	13,163,235	6,421,707	13,517,242	7,095,535	110.5%
Ending Fund Balance	\$ 11,081,566	\$ 13,163,235	\$ 6,421,707	\$ 13,517,242	\$ 7,095,535	110.5%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Community Redevelopment	6,552,258	4,796,532	14,404,197	1,062,493	(13,341,704)	-92.6%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	373,522	556,688	866,216	877,975	11,759	1.4%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 6,925,780	\$ 5,353,220	\$ 15,270,413	\$ 1,940,468	\$ (13,329,945)	-87.3%
Expenditures by Fund:						
Downtown Tax Increment	4,312,016	2,210,819	10,118,455	1,131,870	(8,986,585)	-88.8%
Southend Tax increment	2,613,764	3,142,401	5,151,958	808,598	(4,343,360)	-84.3%
Total Expenditures	\$ 6,925,780	\$ 5,353,220	\$ 15,270,413	\$ 1,940,468	\$ (13,329,945)	-87.3%

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

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	4,102,584	5,443,894	5,970,427	5,092,926	(877,501)	-14.7%
Beginning Fund Balance	4,102,584	5,443,894	5,970,427	5,092,926	(877,501)	-14.7%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	21,548	67,826	50,000	70,000	20,000	40.0%
Transfers in	1,662,137	1,406,471	889,053	956,000	66,947	7.5%
Total Revenues	1,683,685	1,474,297	939,053	1,026,000	86,947	9.3%
Other Financing Sources	1,056					
Expenditures						
Personal Services	-	-	-	-	-	0.0%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	51,606	237,279	288,784	225,000	(63,784)	-22.1%
Capital Outlay	291,825	334,770	1,527,770	2,845,301	1,317,531	86.2%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	343,431	572,049	1,816,554	3,070,301	1,253,747	69.0%
Other Financing Uses		375,715				
Change in Fund Balance	1,341,310	526,533	(877,501)	(2,044,301)	(1,166,800)	133.0%
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	5,443,894	5,970,427	5,092,926	3,048,625	(2,044,301)	-40.1%
Ending Fund Balance	\$ 5,443,894	\$ 5,970,427	\$ 5,092,926	\$ 3,048,625	\$ (2,044,301)	-40.1%
Expenditures by Department:						
Executive & Legislative	-	-	-	-	-	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Community Redevelopment	-	-	-	-	-	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	343,431	572,049	1,816,554	3,070,301	1,253,747	69.0%
Total Expenditures	\$ 343,431	\$ 572,049	\$ 1,816,554	\$ 3,070,301	\$ 1,253,747	69.0%
Expenditures by Fund:						
General Capital Projects	343,431	572,049	1,816,554	3,070,301	\$ 1,253,747	69.0%
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	\$ 343,431	\$ 572,049	\$ 1,816,554	\$ 3,070,301	\$ 1,253,747	69%

Major Fund - Electric Utility
Combined Summary of Revenues and Expenses

	Actual 2013	Actual 2014	Original Budget 2015	Proposed Budget 2016	Increase (Decrease)	% Change
Unrestricted	\$ 48,090,607	\$ 48,642,526	\$ 52,311,105	\$ 49,829,622	\$ (2,481,483)	-4.7%
Restricted	7,936,993	7,936,993	8,074,928	8,224,765	149,837	1.9%
Beginning Fund Balance	56,027,600	56,579,519	60,386,033	58,054,387	(2,331,646)	-3.9%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	87,181,601	86,123,701	86,018,545	88,135,454	2,116,909	2.5%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	318,109	627,987	666,100	736,100	70,000	10.5%
Transfers in	-	-	162,097	162,097	-	0.0%
Total Revenues	87,499,710	86,751,688	86,846,742	89,033,651	2,186,909	2.5%
Other Financing Sources						
Expenses						
Personal Services	5,177,156	5,255,737	5,648,327	5,483,431	(164,896)	-2.9%
Operating-Energy	64,958,264	63,519,559	64,070,483	66,526,347	2,455,864	3.8%
Operating-All Other	5,516,467	5,445,894	7,337,139	7,473,269	136,130	1.9%
Capital Outlay	4,863,120	1,162,326	5,872,000	5,515,000	(357,000)	-6.1%
Debt Service-Principal	1,984,930	2,037,940	2,093,895	2,167,520	73,625	3.5%
Debt Service-Interest & Other	595,411	547,952	486,420	416,815	(69,605)	-14.3%
Grants to Others	-	-	-	-	-	0.0%
Transfers	3,294,311	3,608,401	3,670,124	3,878,677	208,553	5.7%
Total Expenses	86,389,659	81,577,809	89,178,388	91,461,059	2,282,671	2.6%
Other Financing Uses	558,132	1,367,365				
Change in Fund Balance	551,919	3,806,514	(2,331,646)	(2,427,408)	(95,762)	4.1%
Unrestricted	48,642,526	52,311,105	49,829,622	47,402,214	(2,427,408)	-4.9%
Restricted	7,936,993	8,074,928	8,224,765	8,224,765	-	0.0%
Ending Fund Balance	\$ 56,579,519	\$ 60,386,033	\$ 58,054,387	\$ 55,626,979	\$ (2,427,408)	-4.2%
Expenses by Division						
Purchased Power	\$ 64,958,264	\$ 63,519,559	\$ 64,070,483	\$ 66,526,347	\$ 2,455,864	3.8%
Administration	10,093,200	9,956,444	11,195,334	11,126,375	(68,959)	-0.6%
Engineering	858,082	858,134	869,802	868,865	(937)	-0.1%
Relay & Substations	591,325	753,875	1,209,131	813,425	(395,706)	-32.7%
Construction & Maintenance	4,086,181	3,818,109	4,182,769	4,131,014	(51,755)	-1.2%
Capital Projects	3,708,223	720,653	3,643,000	3,850,000	207,000	5.7%
System Operations	1,265,655	1,083,577	1,221,454	1,096,682	(124,772)	-10.2%
Transmission	206,256	345,906	687,500	1,082,500	395,000	57.5%
Conservation & Renewables	276,962	231,038	495,985	496,570	585	0.1%
Storeroom	292,636	214,143	233,234	230,121	(3,113)	-1.3%
CARE	52,875	51,371	70,000	70,000	-	0.0%
Regulatory Compliance	-	25,000	1,299,696	1,169,160	(130,536)	-10.0%
Total Expenses	\$ 86,389,659	\$ 81,577,809	\$ 89,178,388	\$ 91,461,059	\$ 2,282,671	2.6%

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

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted	\$ 11,283,433	\$ 11,709,061	\$ 12,340,210	\$ 11,577,078	\$ (763,132)	-6.2%
Restricted	1,405,492	1,406,715	1,405,420	1,405,420	-	0.0%
Beginning Fund Balance	12,688,925	13,115,776	13,745,630	12,982,498	(763,132)	-5.6%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	344,276	57,339	-	-	-	0.0%
Charges for services	10,084,347	10,705,820	10,198,219	10,808,415	610,196	6.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	(1,113,204)	358,037	233,329	311,476	78,147	33.5%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	9,315,419	11,121,196	10,431,548	11,119,891	688,343	6.6%
Other Financing Sources	18,654					
Expenses						
Personal Services	2,746,156	2,591,140	2,849,541	2,837,081	(12,460)	-0.4%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	3,417,833	3,381,200	3,727,592	3,779,492	51,900	1.4%
Capital Outlay	901,244	2,620,129	2,814,000	3,552,000	738,000	26.2%
Debt Service-Principal	1,385,070	1,422,060	1,461,105	1,512,480	51,375	3.5%
Debt Service-Interest & Other	415,454	382,240	342,442	293,872	(48,570)	-14.2%
Grants to Others	-	-	-	-	-	0.0%
Transfers	41,465	-	-	129,000	129,000	0.0%
Total Expenses	8,907,222	10,396,769	11,194,680	12,103,925	909,245	8.1%
Other Financing Uses		94,573				
Change in Fund Balance	426,851	629,854	(763,132)	(984,034)	(220,902)	28.9%
Unrestricted	11,709,061	12,340,210	11,577,078	10,593,044	(984,034)	-8.5%
Restricted	1,406,715	1,405,420	1,405,420	1,405,420	-	0.0%
Ending Fund Balance	\$ 13,115,776	\$ 13,745,630	\$ 12,982,498	\$ 11,998,464	\$ (984,034)	-7.6%
Expenses by Division						
Administration	\$ 3,090,050	\$ 3,091,001	\$ 3,184,465	\$ 3,372,213	\$ 187,748	5.9%
Water Plant	1,354,069	1,742,918	1,493,555	1,332,366	(161,189)	-10.8%
Pollution Control Plant	2,833,641	3,518,102	2,701,619	3,110,290	408,671	15.1%
Distribution & Collection	1,468,081	2,185,079	3,815,041	3,539,056	(275,985)	-7.2%
Capital Projects	161,381	(140,331)	-	750,000	750,000	0.0%
Total Expenses	\$ 8,907,222	\$ 10,396,769	\$ 11,194,680	\$ 12,103,925	\$ 909,245	8.1%

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

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 628,489	\$ 622,921	\$ 631,887	\$ 109,966	\$ (521,921)	-82.6%
All other balances	4,919,731	4,798,636	4,912,554	4,881,913	(30,641)	-0.6%
Beginning Fund Balance	5,548,220	5,421,557	5,544,441	4,991,879	(552,562)	-10.0%
Revenues						
Taxes	2,037,996	2,118,521	1,995,000	2,160,000	165,000	8.3%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	270,071	221,648	229,882	144,489	(85,393)	-37.1%
Charges for services	148,951	71,685	20,000	25,000	5,000	25.0%
Fines & forfeitures	121,853	125,719	36,000	46,000	10,000	27.8%
Interest & other	96,190	134,070	57,468	73,718	16,250	28.3%
Transfers in	984,384	986,797	477,720	904,180	426,460	89.3%
Total Revenues	3,659,445	3,658,440	2,816,070	3,353,387	537,317	19.1%
Other Financing Sources	477,465	48,804				
Expenditures						
Personal Services	77,616	62,651	56,269	58,511	2,242	4.0%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	521,772	608,968	639,256	622,798	(16,458)	-2.6%
Capital Outlay	978,993	207,473	493,757	272,039	(221,718)	-44.9%
Debt Service-Principal	875,000	900,000	925,000	935,000	10,000	1.1%
Debt Service-Interest & Other	100,992	85,797	75,141	59,146	(15,995)	-21.3%
Transfers	1,677,286	1,695,445	1,179,209	1,535,221	356,012	30.2%
Total Expenditures	4,231,659	3,560,334	3,368,632	3,482,715	114,083	3.4%
Other Financing Uses	31,914	24,026				
Change in Fund Balance	(126,663)	122,884	(552,562)	(129,328)	423,234	-76.6%
Restricted Fund Balance	622,921	631,887	109,966	20,000	(89,966)	-81.8%
Unrestricted Fund Balance	4,798,636	4,912,554	4,881,913	4,842,551	(39,362)	-0.8%
Ending Fund Balance	\$ 5,421,557	\$ 5,544,441	\$ 4,991,879	\$ 4,862,551	\$ (129,328)	-2.6%
Expenditures by Department:						
Executive & Legislative	\$ 264,988	\$ 206,682	\$ 235,226	\$ 259,598	\$ 24,372	10.4%
Finance	10,296	-	-	-	-	0.0%
Parks & Recreation	141,893	147,532	147,489	147,041	(448)	-0.3%
Public Works	751,732	765,301	724,355	726,192	1,837	0.3%
Police	242,512	258,294	320,953	160,858	(160,095)	-49.9%
Fire	33,044	42,762	15,530	10,000	(5,530)	-35.6%
Non-Departmental	2,787,194	2,139,763	1,925,079	2,179,026	253,947	13.2%
Total Expenditures	\$ 4,231,659	\$ 3,560,334	\$ 3,368,632	\$ 3,482,715	\$ 114,083	3.4%
Expenditures by Fund:						
Convention Development	\$ 264,988	\$ 206,682	\$ 235,226	\$ 259,598	\$ 24,372	10.4%
Court Cost Training	25,680	39,714	60,000	60,000	-	0.0%
Local Option Gas Tax	751,732	765,301	724,355	726,192	1,837	0.3%
Half-cent Infrastructure Surtax	972,117	986,797	649,220	1,075,680	426,460	65.7%
Community Develop. Block Grant	152,164	146,856	144,489	144,041	(448)	-0.3%
Radio Communication	33,044	42,762	15,530	10,000	(5,530)	-35.6%
Justice Assistance Grant	114,807	74,792	85,539	12,039	(73,500)	-85.9%
Tree Protection	25	676	3,000	3,000	-	0.0%
Law Enforcement Trust Fund	64,733	42,558	60,414	62,819	2,405	4.0%
Equitable Sharing Fund	37,292	101,230	115,000	26,000	(89,000)	-77.4%
1/2 Cent Sales Surtax Debt Service	979,010	989,060	1,002,641	997,146	(5,495)	-0.5%
Infrastructure Capital Projects	835,584	128,387	195,470	90,000	(105,470)	-54.0%
Beaches Park Project	22	1,372	5,000	-	(5,000)	-100.0%
Dog Park Project	461	34,147	72,748	16,200	(56,548)	-77.7%
Total Expenditures	\$ 4,231,659	\$ 3,560,334	\$ 3,368,632	\$ 3,482,715	\$ 114,083	3.4%

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

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted Fund Balance	\$ 9,352,926	\$ 10,184,255	\$ 10,947,387	\$ 10,377,116	\$ (570,271)	-5.2%
Restricted Fund Balance	1,209,261	-	-	-	-	0.0%
Beginning Fund Balance	10,562,187	10,184,255	10,947,387	10,377,116	(570,271)	-5.2%
<u>Revenues</u>						
Taxes	6,713	-	-	-	-	0.0%
Permits & fees	-	13,716	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	7,449,696	7,824,829	7,887,150	8,082,273	195,123	2.5%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	685,223	832,857	605,663	649,877	44,214	7.3%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	8,141,632	8,671,402	8,492,813	8,732,150	239,337	2.8%
Other Financing Sources	283,291	-	-	-	-	-
<u>Expenditures</u>						
Personal Services	1,050,793	995,016	1,061,080	1,036,312	(24,768)	-2.3%
Operating-Natural Gas	998,810	1,132,401	1,086,892	1,215,770	128,878	11.9%
Operating-All Other	4,456,088	4,582,368	5,068,466	5,076,415	7,949	0.2%
Capital Outlay	1,184,133	706,088	1,323,000	522,000	(801,000)	-60.5%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	1,110,000	361,471	523,646	523,646	-	0.0%
Total Expenditures	8,799,824	7,777,344	9,063,084	8,374,143	(688,941)	-7.6%
Other Financing Uses	3,031	130,926	-	-	-	-
Change in Fund Balance	(377,932)	763,132	(570,271)	358,007	928,278	-163%
Unrestricted Fund Balance	10,184,255	10,947,387	10,377,116	10,735,123	358,007	3.4%
Restricted Fund Balance	-	-	-	-	-	0.0%
Ending Fund Balance	\$ 10,184,255	\$ 10,947,387	\$ 10,377,116	\$ 10,735,123	\$ 358,007	3.4%
<u>Expenditures by Department:</u>						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	1,348,187	491,558	557,651	518,359	(39,292)	-7.0%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,334,766	1,285,564	1,355,505	1,333,067	(22,438)	-1.7%
Public Works	4,685,104	4,306,407	5,364,672	4,589,798	(774,874)	-14.4%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	1,431,767	1,693,815	1,785,256	1,932,919	147,663	8.3%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 8,799,824	\$ 7,777,344	\$ 9,063,084	\$ 8,374,143	\$ (688,941)	-7.6%
<u>Expenditures by Fund:</u>						
Natural Gas Fund	\$ 1,431,767	\$ 1,693,815	\$ 1,785,256	\$ 1,932,919	\$ 147,663	8.3%
Stormwater Fund	1,532,882	939,365	1,979,323	1,104,867	(874,456)	-44.2%
Sanitation Fund	3,152,222	3,367,042	3,385,349	3,484,931	99,582	2.9%
Golf Course Fund	1,334,766	1,285,564	1,355,505	1,333,067	(22,438)	-1.7%
Lease Facilities Fund	1,348,187	491,558	557,651	518,359	(39,292)	-7.0%
Total Expenditures	\$ 8,799,824	\$ 7,777,344	\$ 9,063,084	\$ 8,374,143	\$ (688,941)	-7.6%

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

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 2,919,500	\$ 3,558,798	\$ 3,857,505	\$ 3,857,505	\$ -	0.0%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	10,229,774	10,513,122	12,180,310	12,717,544	537,234	4.4%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	13,711	89,446	-	-	-	0.0%
Transfers in	-	53,799	-	-	-	0.0%
Total Revenues	10,243,485	10,656,367	12,180,310	12,717,544	537,234	4.4%
Other Financing Sources	595,818	75,439				
Expenditures						
Personal Services	3,746,432	3,620,422	4,172,976	4,334,946	161,970	3.9%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	6,315,751	6,414,099	7,839,334	8,225,598	386,264	4.9%
Capital Outlay	74,826	3,810	91,000	75,000	(16,000)	-17.6%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	557	-	77,000	82,000	5,000	6.5%
Total Expenditures	10,137,566	10,038,331	12,180,310	12,717,544	537,234	4.4%
Other Financing Uses	62,439	394,768				
Change in Fund Balance	639,298	298,707	-	-	-	0.0%
Unrestricted/unassigned	\$3,558,798	\$3,857,505	\$3,857,505	\$3,857,505	\$ -	0.0%
Expenditures by Department:						
Executive & Legislative	312,111	317,462	492,126	499,402	\$7,276	1.5%
Finance	4,446,853	4,454,050	4,991,596	5,245,976	254,380	5.1%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	967,994	991,416	1,058,912	1,138,589	79,677	7.5%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	557	-	-	-	-	0.0%
Beaches Energy Services	763,125	626,579	847,745	872,007	24,262	2.9%
Human Resources	3,646,926	3,648,824	4,789,931	4,961,570	171,639	3.6%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 10,137,566	\$ 10,038,331	\$ 12,180,310	\$ 12,717,544	\$ 537,234	4.4%
Expenditure by Fund						
City Manager	312,111	317,462	492,126	499,402	\$ 7,276	1.5%
Finance	3,508,702	3,567,293	4,023,524	4,262,813	239,289	5.9%
Human Resources	524,980	514,282	565,997	560,822	(5,175)	-0.9%
Fleet Maintenance	543,883	545,590	580,792	592,985	12,193	2.1%
Meter Services	763,125	626,579	847,745	872,007	24,262	2.9%
Radio System	557	-	-	-	-	0.0%
Operations & Maintenance Facility	394,268	341,167	387,280	390,178	2,898	0.7%
Grounds Maintenance	967,994	991,416	1,058,912	1,138,589	79,677	7.5%
Insurance & Risk Retention	3,121,946	3,134,542	4,223,934	4,400,748	176,814	4.2%
Total Expenditures	\$ 10,137,566	\$ 10,038,331	\$ 12,180,310	\$ 12,717,544	\$ 537,234	4.4%

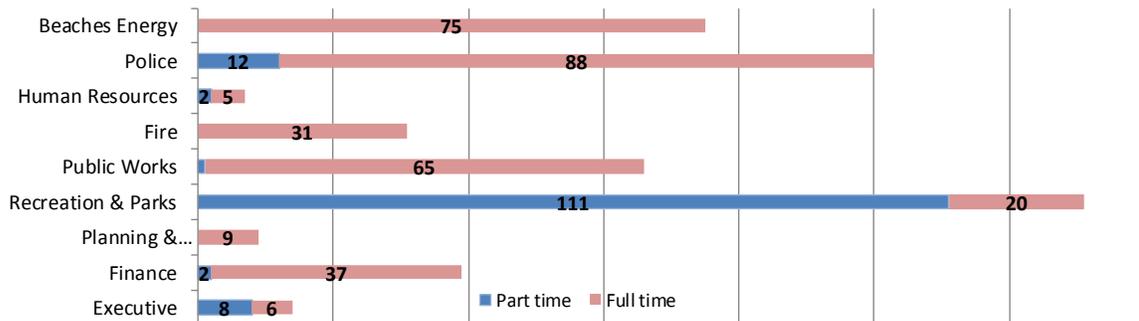
All Pension Funds
Combined Summary of Revenues and Expenses

	Actual 2013	Actual 2014	Original Budget 2015	Adopted Budget 2016	Increase (Decrease)	% Change
Restricted Fund Balance	\$ 68,063,852	\$ 76,528,549	\$ 79,766,230	\$ 82,779,508	\$ 3,013,278	3.8%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	12,532,428	11,126,264	9,507,928	9,735,565	227,637	2.4%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	12,532,428	11,126,264	9,507,928	9,735,565	227,637	2.4%
Other Financing Sources	92,098	79,560				
Expenditures						
Personal Services	51,722	58,207	61,498	65,649	4,151	6.7%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	5,417,466	6,500,536	6,433,152	6,689,195	256,043	4.0%
Capital Outlay	-	-	-	-	-	0.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	5,469,188	6,558,743	6,494,650	6,754,844	260,194	4.0%
Other Financing Uses	-	1,409,400				
Change in Fund Balance	7,155,337	3,237,681	3,013,278	2,980,721	(32,557)	-1.1%
Restricted Fund Balance	\$ 75,219,189	\$ 79,766,230	\$ 82,779,508	\$ 85,760,229	\$ 2,980,721	3.6%
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	5,469,188	6,558,743	6,494,650	6,754,844	260,194	4.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 5,469,188	\$ 6,558,743	\$ 6,494,650	\$ 6,754,844	\$ 260,194	4.0%
Expenditures by Fund:						
Pension Fund-General	\$ 3,192,389	\$ 4,220,478	\$ 4,072,050	\$ 4,114,098	\$ 42,048	1.0%
Pension Fund-Police	1,525,585	1,564,071	1,557,426	1,570,755	13,329	0.9%
Pension Fund-Fire	751,214	774,194	865,174	1,069,991	204,817	23.7%
Total Expenditures	\$ 5,469,188	\$ 6,558,743	\$ 6,494,650	\$ 6,754,844	\$ 260,194	4.0%

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

	Actual	Actual	Actual	Budget 2016			Payroll Budget	
	2013	2014	2015	Part time	Full time	Total		FTEs
Executive								
City Council	7	7	7	7	0	7	0.0	\$124,279
City Manager	2	2	3	0	3	3	3.0	416,525
City Clerk	4	4	4	1	3	4	3.5	238,985
	13	13	14	8	6	14	6.5	779,789
Finance								
Accounting	8	8	8	1	7	8	7.3	685,921
Utility Billing	17	17	17	1	16	17	15.6	824,488
Information Systems	5	5	6	0	7	7	5.8	641,628
Purchasing Admin.	3	3	3	0	3	3	3.0	209,831
Building Maintenance	3	3	3	0	3	3	3.0	226,761
Lease Facilities (Tech.)	0	0	0	0	0	0	1.2	32,446
O & M Facility	1	1	1	0	1	1	1.0	57,545
	37	37	38	2	37	39	36.9	2,678,620
Planning & Development								
Planning and Development	2	2	2	0	2	2	1.7	180,230
Building Inspection	4	4	5	0	5	5	5.0	338,961
Code Enforcement	2	2	2	0	2	2	2.2	131,322
	8	8	9	0	9	9	8.9	650,513
Recreation & Parks								
Administration	5	5	5	3	3	6	5.4	390,519
Ocean Rescue	87	87	87	86	1	87	18.8	561,148
Tennis	3	3	3	2	1	3	1.5	74,047
Carver Center	3	3	3	2	1	3	2.0	87,797
Golf Course	26	25	25	18	7	25	14.9	626,986
Grounds Maintenance	8	7	7	0	7	7	7.0	464,629
	132	130	130	111	20	131	49.6	2,205,126
Public Works								
Administration	4	4	5	0	5	5	1.6	139,570
Water Plant	13	13	13	0	13	13	13.3	847,216
Pollution Control Plant	15	15	15	0	15	15	14.9	988,790
Distribution and Collection	14	14	14	0	14	14	14.3	861,505
Stormwater	0	0	0	0	0	0	2.2	171,031
Sanitation	2	2	2	0	2	2	2.7	205,846
Street Maintenance	16	16	16	0	16	16	14.7	921,248
Local Option Gas Tax	1	1	1	1	0	1	0.8	43,192
	65	65	66	1	65	66	64.5	4,178,398

Employees by Department



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

	Actual	Actual	Actual	Budget 2016			FTEs	Payroll Budget
	2013	2014	2015	Part time	Full time	Total		
Police								
Administration	4	4	4	0	4	4	4.0	519,501
Records	4	4	4	1	3	4	3.5	166,631
Investigations	14	14	14	0	14	14	14.0	1,233,009
Patrol	40	40	40	0	40	40	40.0	3,239,974
Communications	11	11	11	0	11	11	11.0	806,102
Ancillary	16	16	16	10	6	16	9.2	543,192
Part-time Officers	0	0	0	0	0	0	0.5	59,926
Parking	1	1	1	0	1	1	2.2	127,732
Downtown Policing	4	5	9	0	9	9	9.0	762,474
Law Enforcement Trust Fund	1	1	1	1	0	1	0.5	15,319
	95	96	100	12	88	100	93.9	7,473,860
Beaches Energy								
Administration	4	4	4	0	4	4	4.0	360,361
Engineering	8	8	8	0	7	7	7.0	635,566
Relay & Substations	6	6	6	0	6	6	6.0	493,547
Construct. & Maint.	34	32	32	0	32	32	32.0	2,756,896
System Operations	10	10	10	0	10	10	10.0	880,233
Storeroom	3	3	3	0	3	3	3.0	193,756
Conservation & Renewables	0	0	0	0	0	0	1.0	60,620
Regulatory Compliance	0	0	0	0	1	1	1.0	102,461
Meter Services	12	12	12	0	12	12	12.0	638,722
	77	75	75	0	75	75	76	6,122,162
Fire								
Fire / Rescue, Safety Services	31	31	31	0	31	31	42.6	3,285,323
Human Resources								
Personnel Administration	7	7	7	2	5	7	5.4	378,545
Insurance	0	0	0	0	0	0	0.2	17,108
Pension Administration	0	0	0	0	0	0	0.6	65,645
	7	7	7	2	5	7	6.2	461,298
Redevelopment	0	0	1	1	0	1	1.8	215,090
Total Authorized Positions	465	462	471	137	336	473	387	28,050,179
Total Authorized Positions FY2015				136	335	471		
Add Staff Assistant (Parks/Special Events)				1		1		
Add Business Analyst (Finance/Information Systems)					1	1		
Total Authorized Positions FY2016				137	336	473		
Change in positions since 2008				-1	-18	-19		

Denotes divisions operating in the General Fund

**Capital Outlay Detail by Department
Fiscal Year 2016**

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
<u>Executive & Legislative</u>					
Non-Departmental					
1/2-cent Sales Surtax Fund (Better Jacksonville Beach)					
New sidewalks	\$ 170,000				\$ 170,000
General Capital Projects					
Major building systems replacements-roof	225,000				225,000
Annual computer replacement plan				60,301	60,301
IT Master Plan-replace business applications (Sungard)				1,600,000	1,600,000
Heavy equipment replacement			150,000		150,000
Road & infrastructure improvements-10th Street South Commercial District	810,000				810,000
1/2-cent Infrastructure Surtax Bond Proceeds (BJB)					
Design Downtown impr.phase 3-D (45%)	90,000				90,000
Total Non-Departmental	1,295,000	-	150,000	1,660,301	3,105,301
<u>Community Redevelopment</u>					
Downtown Redevelopment					
Downtown CAPE vehicle replacement			29,750		29,750
Total Redevelopment	-	-	29,750	-	29,750
<u>Beaches Energy Services</u>					
Engineering					
Cellular power quality recorder		30,000			30,000
Relay & Substations					
Substation capacitor bank upgrades	50,000				50,000
Construction & Maintenance					
Replace 2005 1-ton utility truck			40,000		40,000
Replace 2005 4x4 pickup truck			30,000		30,000
Replace 2005 pickup truck			25,000		25,000
Replace 2003 aerial bucket truck			220,000		220,000
Capital Improvements					
Projects for System Growth/Maintenance	1,200,000				1,200,000
Major Replacement Projects	2,650,000				2,650,000
Transmission					
Substation 230kV and 130kV relay upgrades	230,000				230,000
230kV lines wave trap upgrades	180,000				180,000
Substation 230kV transmission circuit breaker upgrades	250,000				250,000
Substation test equipment	50,000				50,000
Motor switch replacement	100,000				100,000
Transmission line hardware renew/replace	50,000				50,000
Regulatory Compliance					
Annual projects-NERC required	410,000				410,000
Total Electric Fund	5,170,000	30,000	315,000	-	5,515,000
Natural Gas					
Natural Gas Distribution System	100,000				100,000
Meter Services					
Replace 2 pickup trucks: #294, #247			40,000		40,000
Total Beaches Energy Services	5,270,000	30,000	355,000	-	5,655,000
<u>Police</u>					
Patrol					
Replace patrol vehicles			150,000		150,000
Justice Assistance Grant					
Purchase equipment		12,039			12,039
Total Police	-	12,039	150,000	-	162,039

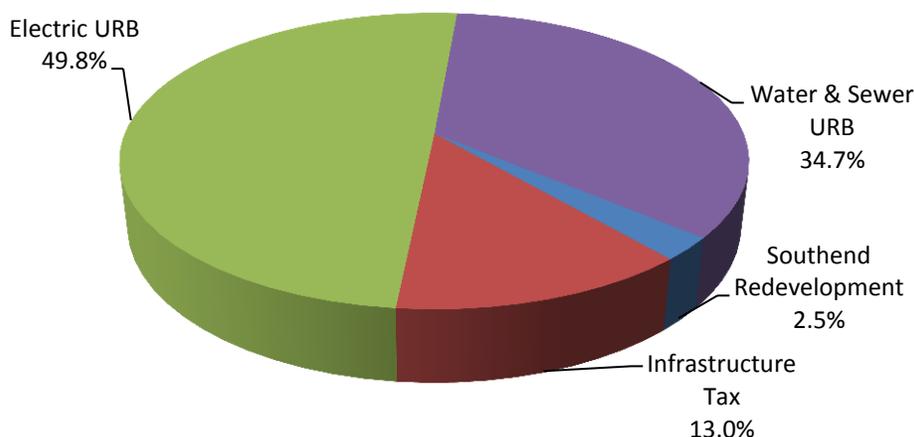
**Capital Outlay Detail by Department
Fiscal Year 2016**

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
<u>Parks and Recreation</u>					
Golf Course					
Triplex Riding Mower		28,000			28,000
Walking Greens Mower					-
Grounds Maintenance					
Replace 24-h.p. truckster & 150-gal pesticide sprayer	35,000				35,000
Total Parks & Recreation	35,000	28,000	-	-	63,000
<u>Fire</u>					
Replace 2001 Ford F150 utility//crew truck			35,000		35,000
Rescue rope replacement				3,000	3,000
Saw replacement				1,250	1,250
Total Fire	-	-	35,000	4,250	39,250
<u>Public Works</u>					
Streets					
Replace 2003 Ford F-250 truck with utility body			40,000		40,000
Distribution and Collection					
Water distribution improvements	2,115,000				2,115,000
Road & infrastructure improvements-10th Street South Commercial District	640,000				640,000
Pollution Control					
Replace 2000 Dodge 1/2 ton pickup truck			27,000		27,000
Sewer rehab improvements-lift stations	175,000				175,000
Actuators, soft starts and variable frequency drives		30,000			30,000
Wastewater treatment facility improvements	455,000				455,000
Capital Projects					
Design Downtown impr.phase 3-D (55%)	110,000				110,000
Total Water & Sewer	3,495,000	30,000	27,000	-	3,552,000
Stormwater					
Stormwater collection & treatment improvements	14,000				14,000
Road & infrastructure improvements-10th Street South Commercial District	380,000				380,000
Total Stormwater	394,000	-	-	-	394,000
Total Public Works	3,889,000	30,000	67,000	-	3,986,000
Total Projects Funded:	\$ 10,489,000	\$ 100,039	\$ 786,750	\$ 1,664,551	\$ 13,040,340

Debt 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 funds. The use of debt financing more fairly distributes 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.

Outstanding Debt: 9-30-2015



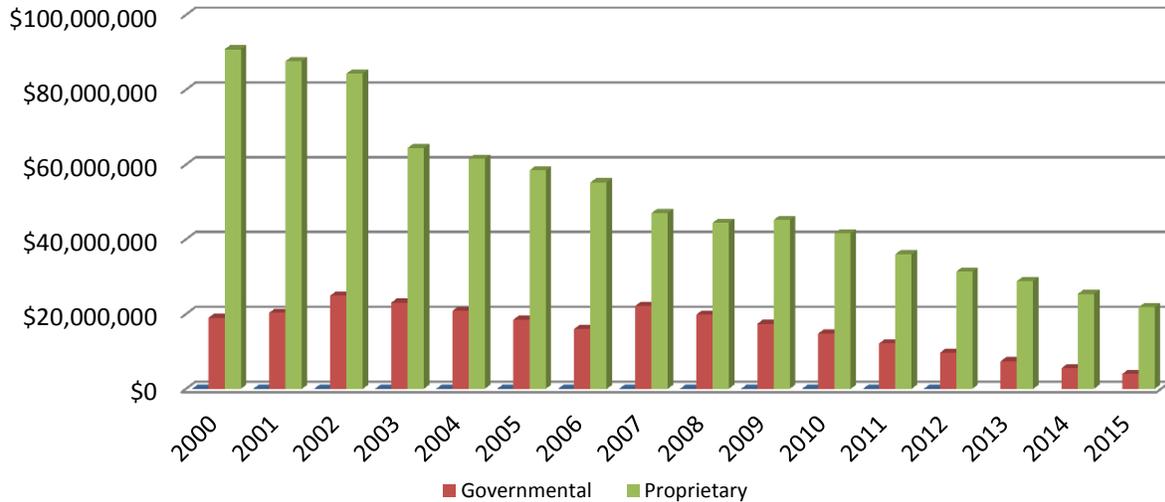
The City of Jacksonville Beach minimizes the need for future debt through long-term planning and capital budgeting. Consistent with this policy, the City established and maintains capital projects funds whose purpose is to accumulate funds to pay for expenditures on governmental capital projects, including 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. 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. 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. There are no plans to issue additional debt in the near future.

	2011	2012	2013	2014	2015	2016
Principal paid	\$6,388,082	\$6,275,715	\$5,613,580	\$5,325,465	\$5,100,799	\$5,261,881
Interest paid	\$2,154,907	\$1,566,742	\$1,230,576	\$1,087,507	\$923,512	\$764,313
Outstanding Debt	\$48,177,439	\$40,992,022	\$36,258,145	\$30,932,680	\$25,831,881	\$20,570,000

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 75% since 2002. The City expects to be debt-free in 2020. 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) located in the back of this document.

Outstanding Debt History



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.

2012 ½ 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. The bonds were refinanced in 2012 to obtain more favorable interest rates.

DEBT SERVICE REQUIREMENTS: ½ Cent Infrastructure Surtax Revenue Bonds			
	Principal	Interest	Total
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	\$3,360,000	\$117,401	\$3,477,401

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.

Revenues from this tax have previously been used to fund the 11th Street North rebuild project, Wingate Park parking and road improvements, Duval Drive 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 Districts under Chapter 163, Florida Statutes. The statute specifically grants cities the power to issue redevelopment revenue bonds to finance community redevelopment projects. The Community Redevelopment Fund is reported as a major fund for financial statement purposes.

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). Phase 3B of the Downtown Vision Plan, focusing on the area north of Beach Boulevard, is expected to be complete in the fall. Phase 3C and 3D, focused on the area south of Beach Boulevard is being designed. These projects consist largely of making improvements to the roads, drainage, water and sewer systems in the Downtown area. Completion of these projects will continue to bring commercial

activity to the downtown area.

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. Projects to improve the infrastructure in the South Beach redevelopment district are currently being designed.

Construction of Phase 1 of the Jax Beach Heights-South Beach Infrastructure Improvements project will be complete in the fall. This project consists of new landscaping, irrigation and reuse systems and roadway improvements to accommodate residential development in the area. Design of Phase 2 of this project is nearing completion. Planned future projects will focus on road and drainage improvements.

DEBT SERVICE REQUIREMENTS: Redevelopment Bonds						
	Downtown		Southend		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	0	0	646,881	19,479	646,881	19,479
2017	0	0	0	0	0	0
2018	0	0	0	0	0	0
2019	0	0	0	0	0	0
	\$0	\$0	\$646,881	\$19,479	\$646,881	\$19,479

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. All Downtown revenue bonds were paid off in 2014. Debt service is shown in the Redevelopment section of the budget.

ALL OUTSTANDING GOVERNMENTAL BONDS

	Interest Rate	Year of Maturity	Original Issue	Outstanding
2003 Downtown	3.28%	2014	\$1,697,411	\$0
2003B&C Downtown	3.05%	2013	\$3,892,515	\$0
2003 Southend (AMT)	4.53%	2016	\$1,543,022	\$154,692
2003-1 Southend	3.83%	2016	\$4,986,347	\$492,189
2003-2 Southend	3.70%	2014	\$1,698,749	\$0
2012 Infrastructure	1.73%	2019	\$6,495,000	\$3,360,000
Total Governmental Bonds				\$4,006,881

Capital Projects in Governmental Funds

A detailed listing of budgeted projects and purchases in governmental capital projects funds can be found in the Executive and Legislative section. The 5-Year Capital Improvement Plan also has information about planned capital projects in all funds for the next 5 years. A summary of the capital projects funds follows:

Capital Projects Fund	Sources	Uses	2016 Budget
General	Transfers from operating funds; grants; interest	Major repairs and replacements.	\$3,070,301
½ Cent Infrastructure Surtax	Receipts from 1/2-Cent Infrastructure Surtax	Debt service payments on bonds; new roads and sidewalks (when funds are available).	\$1,075,680
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.	\$90,000
Sunshine Park	Donations, proceeds from community fundraisers	Maintenance of large play structure in South Beach Park	\$0
Paws Dog Park	Donations, proceeds from community fundraisers	Small maintenance projects and purchase of supplies for the park	\$16,200
			\$4,252,181

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 low interest rates. 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 will be paid off 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
2016	2,167,520	416,815	1,512,480	293,872	3,680,000	710,687
2017	2,238,200	373,732	1,561,800	260,857	3,800,000	634,589
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
	\$12,854,925	\$1,450,960	\$8,970,075	\$1,015,560	\$21,825,000	\$2,466,520

2003 Stormwater Revenue 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, 2015 is:

OUTSTANDING PROPRIETARY BONDS			
	Year of Maturity	Original Issue	Outstanding
2012 Utility Revenue Bonds – varies 2.0-4.0%	2020	\$37,285,000	\$21,825,000
Total Proprietary Bonds			\$21,825,000

Debt service requirements to maturity on all of the City's bonds at September 30, 2015 are as follows:

	DEBT SERVICE REQUIREMENTS TO MATURITY					
	Governmental		Proprietary		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	1,581,881	73,625	\$3,680,000	\$710,687	5,261,881	784,312
2017	955,000	37,804	\$3,800,000	\$634,589	4,755,000	672,393
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	0	0	\$4,210,000	\$213,100	4,210,000	213,100
2021	0	0	\$2,150,000	\$43,000	2,150,000	43,000
	\$4,006,881	\$136,880	\$21,825,000	\$2,466,520	\$25,831,881	\$2,603,400

Budgeted debt service for the current and next budget years is:

Summary of Budgeted Debt Payments	Principal	Interest & Other	FY2016 Total	% of total	Current Year Budget	Incr / (Decr)	% change	Date Paid Off
Sales Surtax (Better Jax Beach)	935,000	59,146	994,146	16.4%	1,000,141	(5,995)	-0.6%	3/31/2019
SE Redevelopment	646,881	19,481	666,362	11.0%	665,310	1,052	0.2%	9/30/2016
TOTAL GOVERNMENTAL	1,581,881	78,627	1,660,508	27.4%	1,665,451	(4,943)	-0.3%	
Electric	2,167,520	416,815	2,584,335	42.7%	2,580,315	4,020	0.2%	10/1/2020
Water & Sewer	1,512,480	293,872	1,806,352	29.9%	1,803,547	2,805	0.2%	10/1/2020
TOTAL PROPRIETARY	3,680,000	710,687	4,390,687	72.6%	4,383,862	6,825	0.2%	
TOTAL DEBT SERVICE	5,261,881	789,314	6,051,195	100.0%	6,049,313	1,882	0.0%	

Transfers to/from Other Funds

Transfers are used to 1) move revenues from the fund where they are collected to the appropriate 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, 4) move restricted special revenues to the fund from which the related expenditures will be paid or 5) to move returns on investment from City enterprise funds to the General Fund

Schedule of Transfers In and Transfers Out-FY2016 From:	To:					Total
	General Fund	Infrastructure Surtax Debt Svc.	General Capital Projects	Beaches Energy Services	Water & Sewer	
General Fund						
Deposits to reserves for fire truck replacement, street maintenance heavy equipment replacement, major building maintenance, and radio system replacement			\$515,000			\$515,000
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		\$904,180				\$904,180
Community Development Block Grant						
Funding for CAPE officer, Carver Center and utility assistance programs	144,041					\$144,041
JAG Grant						
Partial funding for overtime for task force						\$0
Beaches Energy Services						
Payment in lieu of taxes	3,688,677					3,688,677
Partial funding for building system replacements			190,000			\$190,000
Natural Gas Fund						
Payment in lieu of taxes	101,549					\$101,549
Repay advance for construction of natural gas system				162,097		\$162,097
Water & Sewer Fund						
Partial funding for building system replacements			\$129,000			\$129,000
Lease Facilities						
Funding for General Fund capital outlay	220,000		40,000			\$260,000
Finance Internal Service Fund						
Funding for Utility Billing equipment replacement (remittance processor and bill folder/insertor)			32,000			\$32,000
Funding for City-wide telephone system (replacement of various current systems)			50,000			\$50,000
	\$4,641,267	\$904,180	\$956,000	\$162,097	\$0	\$6,663,544



Capital Improvement Plan: FY2016-2020

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, Chief Financial 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: FY2016-2020

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 211
Beaches Energy Services	Page 212
Finance	Page 239
Police & Fire	Page 252
Parks & Recreation	Page 257
Community Redevelopment Agency	Page 264
Public Works	Page 271

Capital Improvement Plan: FY2016-2020

CIP Summary, All Departments							
Funding Sources:		2016	2017	2018	2019	2020	Total
Beaches Energy Services Operating Revenues	410	\$6,135,000	\$5,505,000	\$6,370,000	\$5,930,000	\$4,415,000	\$ 28,355,000
Downtown Redevelopment Tax Increment Fund	182	5,829,750	5,000,000	5,041,750	5,029,750	5,000,000	25,901,250
Finance/Information Systems Internal Service Charges	511	-	-	200,000	-	-	200,000
General Capital Projects Fund	315	2,895,301	992,116	1,434,139	1,000,705	898,051	7,220,312
General Fund Operating Revenues	001	275,000	304,000	272,000	354,000	205,000	1,410,000
Golf Course Fund	440	30,000	65,000	95,000	70,000	30,000	290,000
Grants	-	-	-	-	-	-	-
Grounds Maintenance Internal Service Charges	526	35,000	-	-	-	-	35,000
1/2 Cent Infrastructure Surtax	151	170,000	70,000	70,000	70,000	70,000	450,000
1/2 Cent Infrastructure Surtax Bond Proceeds	317	90,000	-	-	-	5,000,000	5,090,000
Local Option Gas Tax Revenues	150	310,000	310,000	310,000	310,000	310,000	1,550,000
Meter Division-Internal Service Charges	541	40,000	40,000	-	-	-	80,000
Natural Gas Fund	411	100,000	100,000	100,000	100,000	100,000	500,000
Sanitation Fund	430	-	-	-	-	230,000	230,000
Southend Redevelopment Tax Increment Fund	182	3,045,000	1,750,000	300,000	2,250,000	-	7,345,000
Stormwater Operating Revenues	423	489,000	470,000	435,000	95,000	95,000	1,584,000
Unfunded	-	-	-	-	-	-	-
Water & Sewer Utility Operating Revenues	420	3,767,000	5,098,000	2,415,000	780,000	962,000	13,022,000
Total CIP Funding Sources - All Departments		\$23,211,051	\$19,704,116	\$17,042,889	\$15,989,455	\$17,315,051	\$93,262,562
Expenses:		2016	2017	2018	2019	2020	Total
Beaches Energy Services		\$6,275,000	\$5,645,000	\$6,470,000	\$6,030,000	\$4,515,000	\$28,935,000
Finance Department		1,935,301	532,116	759,139	790,705	415,301	4,432,562
Police & Fire Departments		185,000	557,000	733,000	360,000	312,750	2,147,750
Parks & Recreation Department		115,000	149,000	179,000	189,000	300,000	932,000
Community Redevelopment Agency		8,774,750	6,750,000	5,341,750	7,279,750	10,000,000	38,146,250
Public Works Department		5,926,000	6,071,000	3,560,000	1,340,000	1,772,000	18,669,000
Total CIP - All Departments		\$23,211,051	\$19,704,116	\$17,042,889	\$15,989,455	\$17,315,051	\$93,262,562

Capital Improvement Plan: FY2016-2020

Beaches Energy Services							
Funding Sources:		2016	2017	2018	2019	2020	Total
Beaches Energy Services Operating Revenues	410	6,135,000	5,505,000	6,370,000	5,930,000	4,415,000	28,355,000
Meter Division-Internal Service Charges	541	40,000	40,000	0	0	0	80,000
Natural Gas Fund	411	100,000	100,000	100,000	100,000	100,000	500,000
Total CIP Funding Sources		6,275,000	5,645,000	6,470,000	6,030,000	4,515,000	28,935,000
Expenses:							
	Fund						
Engineering:							
Vehicle Replacement Program	410	0	20,000	40,000	20,000	0	80,000
System Planning (not capital)	410	25,000	25,000	50,000	50,000	50,000	200,000
Cellular Power Quality Recorder	410	30,000	0	0	0	0	30,000
		<u>55,000</u>	<u>45,000</u>	<u>90,000</u>	<u>70,000</u>	<u>50,000</u>	<u>310,000</u>
Relay / Substations:							
Vehicle Replacement Program	410	0	90,000	0	0	0	90,000
Substation 26kV Breaker Upgrades	410	0	200,000	200,000	200,000	200,000	800,000
Substation 26kV Relay Upgrades	410	0	100,000	100,000	100,000	100,000	400,000
Substation Capacitor Bank Relay Upgrades	410	50,000	50,000	0	0	0	100,000
Substation Capacitor Bank Upgrades	410	0	0	0	100,000	0	100,000
		<u>50,000</u>	<u>440,000</u>	<u>300,000</u>	<u>400,000</u>	<u>300,000</u>	<u>1,490,000</u>
Construction & Maintenance:							
Vehicle Replacement Program	410	315,000	210,000	380,000	380,000	0	1,285,000
		<u>315,000</u>	<u>210,000</u>	<u>380,000</u>	<u>380,000</u>	<u>0</u>	<u>1,285,000</u>
Electric Capital Projects:							
Infrastructure to Support System Growth	410	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Major Replacement Projects	410	2,650,000	2,250,000	2,350,000	2,350,000	2,300,000	11,900,000
Subtotal		<u>3,850,000</u>	<u>3,450,000</u>	<u>3,550,000</u>	<u>3,550,000</u>	<u>3,500,000</u>	<u>17,900,000</u>
Automated Meter Reading	410	0	0	685,000	675,000	0	1,360,000
		<u>3,850,000</u>	<u>3,450,000</u>	<u>4,235,000</u>	<u>4,225,000</u>	<u>3,500,000</u>	<u>19,260,000</u>
System Operations:							
Vehicle Replacement Program	410	0	0	15,000	0	0	15,000
Outage Management System	410	0	0	200,000	0	0	200,000
		<u>0</u>	<u>0</u>	<u>215,000</u>	<u>0</u>	<u>0</u>	<u>215,000</u>
Transmission:							
Substation 230kV and 130kV Relay Upgrades	410	230,000	230,000	230,000	230,000	0	920,000
230kV Lines Wave Trap Upgrades	410	180,000	0	0	0	0	180,000
230kV Transmission Circuit Breaker Upgrades	410	250,000	250,000	0	0	0	500,000
Install Fiber & Equipment: Sampson to Ft. Diego	410	0	100,000	60,000	60,000	0	220,000
Substation Test Equipment	410	50,000	0	0	0	0	50,000
Motor Switch Replacement	410	100,000	0	100,000	0	0	200,000
Transmission Line Hardware Renewal & Replacement	410	50,000	50,000	50,000	50,000	50,000	250,000
		<u>860,000</u>	<u>630,000</u>	<u>440,000</u>	<u>340,000</u>	<u>50,000</u>	<u>2,320,000</u>
Conservation:							
Vehicle Replacement Program	410	0	20,000	0	0	0	20,000
Regulatory Compliance:							
Regulatory Compliance Plan	410	410,000	215,000	215,000	20,000	20,000	880,000
Regulatory Compliance Plan (not capital)	410	595,000	495,000	495,000	495,000	495,000	2,575,000
		<u>1,005,000</u>	<u>710,000</u>	<u>710,000</u>	<u>515,000</u>	<u>515,000</u>	<u>3,455,000</u>
Total CIP - Electric		6,135,000	5,505,000	6,370,000	5,930,000	4,415,000	28,355,000
Natural Gas Fund:							
Natural Gas Distribution System	411	100,000	100,000	100,000	100,000	100,000	500,000
Meter Division Internal Service Fund:							
Vehicle Replacement Program	541	40,000	40,000	0	0	0	80,000
Total CIP - Meter Division		40,000	40,000	0	0	0	80,000
Total CIP - Beaches Energy Services		6,275,000	5,645,000	6,470,000	6,030,000	4,515,000	28,935,000

Capital Improvement Plan: FY2016-2020

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</u> (FY Replacement)	<u>Truck#</u>	<u>Model</u> <u>Year</u>	<u>Description</u>	<u>Mileage/hours</u> <u>2/23/2015</u>	<u>Estimated</u> <u>Replacement</u> <u>Cost</u>
C&M (2016)	212	2005	Utility One Ton Truck	130,922	\$40,000
C&M (2016)	205	2005	Pickup 4x4	115,152	\$30,000
C&M (2016)	219	2005	Pickup	105,934	\$25,000
C&M (2016)	237	2003	Aerial Bucket Truck 4x4	85,918	\$220,000
Meter (2016)	294	2001	Truck	89,171	\$20,000
Meter (2016)	247	2004	Pickup	91,698	\$20,000
Engineering (2017)	220	2002	Pickup	61,879	\$20,000
Relay (2017)	217	2006	Van	71,861	\$20,000
Relay (2017)	271	2004	Utility Truck	79,396	\$35,000
Relay (2017)	291	2005	Utility Truck	80,506	\$35,000
C&M (2017)	223	2006	Aerial Bucket Truck 4x4	49,463	\$210,000
Conservation (2017)	208	2000	Pickup	67,135	\$20,000
Meter (2017)	280	2007	Pickup	95,788	\$20,000
Meter (2017)	287	2002	Pickup	82,929	\$20,000
Engineering (2018)	209	2004	Pickup	69,596	\$20,000
Engineering (2018)	210	2004	Pickup	52,056	\$20,000
C&M (2018)	229	1988	High Aerial Bucket Truck	60,382	\$300,000
C&M (2018)	265	2008	Pickup 4x4	97,308	\$35,000
C&M (2018)	277	2008	Utility Truck	58,372	\$45,000
System Operations	257	2000	Small Car (Replace W/Truck)	83,188	\$15,000
Engineering (2019)	207	2005	Pickup	21,777	\$20,000
C&M (2019)	202	2008	High Aerial Bucket Truck	43,781	\$150,000
C&M (2019)	216	2008	Pickup 4x4 ½ Ton	98,663	\$30,000
C&M (2019)	236	2004	Flatbed Utility Truck	25,140	\$60,000
C&M (2019)	255	2008	Digger Derrick Truck	26,316	\$140,000
Total					\$1,570,000

Capital Improvement Plan: FY2016-2020

Vehicle Replacement Summary:

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Engineering		\$20,000	\$40,000	\$20,000		\$80,000
Relay		\$90,000				\$90,000
Construction & Maintenance	\$315,000	\$210,000	\$380,000	\$380,000		\$1,285,000
System Operations			\$15,000			\$15,000
Conservation		\$20,000				\$20,000
Total Electric Fund	\$315,000	\$340,000	\$435,000	\$400,000		\$1,490,000
Total Meter Fund	\$40,000	\$40,000				\$80,000
Total	\$355,000	\$380,000	\$435,000	\$400,000		\$1,570,000

Capital Improvement Plan: FY2016-2020

Project Title: System Planning

Department/Division: Beaches Energy Services / Engineering

Project Description and Reason Necessary:

In order to provide reliable service to our customers, Beaches Energy Services (BES) has developed a System Planning Program to support the System Improvement Plan. This program is composed of several activities/steps that produce a long range road map for the distribution master plan. The activities are prioritized according to the current needs of BES.

Funding Source: Beaches Energy Services Operating Revenues

2016

Determine the Need/Placement for Additional Feeder Circuits - \$25,000: This project will evaluate existing system loading at the substation level and identify alternatives for optimal locations of additional feeder circuits.

2017

Determine the Need for Additional Substation Transformers - \$25,000: Substation transformers are major capital budget items. BES needs to identify when a new/additional substation transformer may be needed to provide capacity for normal and emergency operating conditions.

2018

Conduct Single-Contingency Analysis for Reliability - \$50,000: As the regulators' and customers' demand for better and more reliable electric service escalate, monitoring and analyzing system conditions will become critical. An assessment of system configuration, protection schemes and design criteria provides the detail required for engineering to develop recommendations for improvement.

2019

Develop Computer Model of System - \$50,000: To further enhance the system planning and engineering analysis efforts, computer programs will be utilized to model and analyze the electric system.

2020

Perform Distribution Circuit Analysis - \$50,000: Changes in technology, customer demand/load patterns and distributed generation will require BES to adapt and analyze the effects to the

Capital Improvement Plan: FY2016-2020

distribution system. Circuit Analysis will have to be performed to ensure that new equipment and load patterns will not cause disturbance to the operation of the distribution system.

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Determine the Need/Placement for Additional Feeder Circuits	\$25,000					\$25,000
Determine the Need for Additional Substation Transformers		\$25,000				\$25,000
Conduct Single-Contingency Analysis for Reliability			\$50,000			\$50,000
Develop Computer Model of System				\$50,000		\$50,000
Perform Distribution Circuit Analysis					\$50,000	\$50,000
TOTAL (not capital)	\$25,000	\$25,000	\$50,000	\$50,000	\$50,000	\$200,000

Capital Improvement Plan: FY2016-2020

Project Title: Power Quality Monitor / Recorder

Department/Division: Beaches Energy Services / Engineering

Project Description and Reason Necessary:

In order to support Substation and Engineering & Operations and investigate / analyze system disturbances, Beaches Energy Services (BES) needs to purchase two cellular power quality monitors / recorders. BES engineering has recently been tasked with identifying and analyzing power quality events that may have caused nuisance operations of distribution pad-mounted switchgears. With newer technology and newer customer equipment and loads, BES needs to be able to monitor different effects and disturbances that may contribute to problems in the operation of the electric distribution system.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY20 20	Total
Cellular Power Quality Recorder with Transient Capture	\$30,000					\$30,000

Capital Improvement Plan: FY2016-2020

Project Title: Substation 26kV Breaker Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

Circuit breakers 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 electromechanical relays are over 20 years old and will be replaced with vacuum breakers and microprocessor relays as follows:

FY 2017 Circuit Numbers Butler: 531, 5C1, 5C2, and 536

FY 2018 Circuit Numbers Butler: 533 and 539 and Ft. Diego: 518 and 517

FY 2019 Circuit Numbers Ft. Diego: 514, 512, 511, and 509

FY 2020 Circuit Numbers Ft. Diego: 508, 5C1, and 5C2

This will be a multiple year project that is coordinated with the relay upgrades project (next page).

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Engineering and Testing		\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
26kV Circuit Breakers		\$150,000	\$150,000	\$150,000	\$150,000	\$600,000
Total	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000

Capital Improvement Plan: FY2016-2020

Project Title: Substation 26kV Relay Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

Line relays provide protection from incipient faults such as lightning strikes, equipment malfunctions, and cable failures on the 26 kV distribution system. The existing electromechanical relays are over 20 years old and need to be upgraded to the more reliable microprocessor relays. As the industry has moved toward microprocessor relays, they have proven to be more versatile given the ability to customize the functionality to a specific operational application.

FY 2017 Circuit Numbers Butler: 531, 5C1, 5C2, and 536

FY 2018 Circuit Numbers Butler: 533 and 539 and Ft. Diego: 518 and 517

FY 2019 Circuit Numbers Ft. Diego: 514, 512, 511, and 509

FY 2020 Circuit Numbers Ft. Diego: 508, 5C1, and 5C2

This will be a multiple year project that is coordinated with the breaker upgrade project (previous page).

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Relay Upgrades		\$100,000	\$100,000	\$100,000	\$100,000	\$400,000

Capital Improvement Plan: FY2016-2020

Project Title: Substation Capacitor Bank Relay Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

The relays associated with the control and protection of our substation capacitor banks have passed their expected life span of 20 years. Parts are obsolete and service is nonexistent. We currently have six (6) relays at three (3) substation controlling capacitor banks. This project will be to replace all of them (two (2) at Ft, Diego substation, two (2) at Jacksonville Beach substation and two (2) at Butler substation). Upgrading and replacement is necessary to continue reliable control of our capacitor banks for proper system power factor control.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Relay Upgrades	\$50,000	\$50,000				\$100,000

Capital Improvement Plan: FY2016-2020

Project Title: Substation Capacitor Bank Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

Utilities utilize capacitor banks to control the efficiency of power flow within their electric system. The Florida Municipal Power Agency requires Beaches Energy Services (BES) to maintain a system power factor according to the transmission agreement with Florida Power & Light. In order to comply with this, BES has installed capacitor banks located in our substations that are connected to the distribution system. The banks are composed of several single capacitors connected in parallel aggregating to a specific size as determined by engineering. These individual units fail and lose capacitance over time resulting in poor performance of the capacitor bank. In order to maintain the required system power factor, these units must be replaced.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Relay Upgrades				\$100,000		\$100,000

Capital Improvement Plan: FY2016-2020

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, 2014 there were 5,499 rental and public streetlights located in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, and the Municipal Service District. Public streetlights total 2,081 and rental streetlights total 3,418.

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	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Transformers	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$2,750,000
Electric Meters	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Streetlights	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
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	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,000,000

Capital Improvement Plan: FY2016-2020

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, Beaches Energy Services (BES) annually assesses its capacity to sustain increased load requirements. BES strives to maintain and upgrade its substations, transmission facilities, and distribution facilities.

Funding Source: Beaches Energy Services Operating Revenues

2016

Solana Road Underground Feeder Phase 2 - \$300,000: Additional Feeder along Solana Road from A1A to the transmission line Right of Way to eliminate congestion on the distribution system especially during contingency situations due to increased loading on the south half of the system.

Overhead Line Rebuild (15th Street South) - \$600,000: Replace existing wood pole line with concrete poles from Beach Blvd. to Plantation Oaks Dr. This includes the conversion of overhead wood pole line to underground along the golf course area.

Overhead Line Rebuild (Fairway Lane Phase 1) - \$300,000: Replace existing wood pole line with concrete poles from Plantation Oaks Dr. to Declaration Dr.

2017

Overhead Line Rebuild (Fairway Lane Phase 2) - \$300,000: Replace existing wood pole line with concrete poles from Declaration Dr. to Jacksonville Dr.

Overhead Line Rebuild (10th Avenue South) - \$100,000: Replace existing wood pole line with concrete poles from 4th Street South to 9th Street South.

Overhead Line Rebuild (Canal Blvd and Roscoe Blvd South) - \$400,000: Replace existing wood pole line along Canal Blvd. from Palmetto Landing to Palm Valley Rd. with concrete poles. This will also include replacing existing wood pole line along Roscoe Blvd. South from #15 Roscoe Blvd. South to Canal Blvd. to concrete poles.

2018

Overhead Line Rebuild (Roscoe Blvd North Phase 1) – \$600,000: Replace existing wood pole line with concrete poles from Solana Road to Ft. Diego S/S Entrance.

Capital Improvement Plan: FY2016-2020

Overhead Line Rebuild (Roscoe Blvd North Phase 2) - \$300,000: Replace existing wood pole line with concrete poles from Ft. Diego S/S Entrance to #54 Roscoe Blvd. North.

2019

Overhead Line Rebuild (Roscoe Blvd North Phase 3) - \$300,000: Replace existing wood pole line with concrete poles from #54 Roscoe Blvd. North to Canal Blvd.

Overhead Line Rebuild (Landrum Lane) - \$350,000: Replace existing wood pole line along Landrum Lane from South Roscoe Blvd. to Palm Valley Rd. with concrete poles.

Overhead Line Rebuild (Isabella Blvd.) - \$250,000: Replace existing wood pole line along Isabella Blvd. with concrete poles from Osceola Ave. to Jacksonville Drive.

2020

Overhead Line Rebuild (Jacksonville Drive) - \$350,000: Replace existing wood pole line along Jacksonville Drive with concrete poles from America Avenue to 3rd Street South.

Overhead Line Rebuild (Solana Road) - \$350,000: Replace existing wood pole line along Solana Road with concrete poles from Powerline Road to SR A1A.

Overhead Line Rebuild (Roscoe Blvd. North Extension) - \$150,000: Replace existing wood pole line along Roscoe Blvd. North Extension with concrete poles from Solana Road to Harbourmaster Court.

Annual Projects

Cable Replacement Plan - \$800,000 each year 2016/2017/2018/2019/2020: 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 - \$100,000 each year 2016/2017/2018/2019/2020: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - \$150,000 each year 2016/2017/2018/2019/2020: Install remote controlled motor operated gang switches to improve sectionalizing of power lines and provide faster power restoration.

Capital Improvement Plan: FY2016-2020

Switch Gear Replacement - \$200,000 in each year 2016/2017/2018/2019/2020: Replace existing SF6 pad mounted switchgear at various locations throughout the system with oil filled Vacuum Fault Interrupters (VFI). This project will create uniformity of all switchgear on the distribution system.

The top priorities for FY 2016 are the following:

1. Switchgear 5UP159 at South Beach Parkway & Ocean Cay
2. Switchgear 5UP165 at 9th Ave. S & 2nd St.
3. Switchgear 5UP 218 at Preston Tail E & Cove Rd.

Unplanned Projects - \$200,000 each year 2016/2017/2018/2019/2020: This budget provides BES with the flexibility to address unscheduled major repair and replacement projects that arise each year.

Infrastructure to Support System Growth and Maintenance (from page 15) – Transformers, streetlights, residential and commercial improvements, electric meters, trouble call and miscellaneous.

Capital Improvement Plan: FY2016-2020

Summary of Major Replacement Projects:

	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Storm Hardening Plan						
Solana Road Underground Feeder Phase 2	300,000					300,000
Overhead Line Rebuild (15 th Street South)	600,000					600,000
Overhead Line Rebuild (Fairway Lane Phase 1)	300,000					300,000
Overhead Line Rebuild (Fairway Lane Phase 2)		300,000				300,000
Overhead Line Rebuild (10 th Avenue South)		100,000				100,000
Overhead Line Rebuild (Canal Blvd and Roscoe Blvd. South)		400,000				400,000
Overhead Line Rebuild (Roscoe Blvd. North Phase 1)			600,000			600,000
Overhead Line Rebuild (Roscoe Blvd. North Phase 2)			300,000			300,000
Overhead Line Rebuild (Roscoe Blvd. North Phase 3)				300,000		300,000
Overhead Line Rebuild (Landrum Lane)				350,000		350,000
Overhead Line Rebuild (Isabella Blvd.)				250,000		250,000
Overhead Line Rebuild (Jacksonville Drive)					350,000	350,000
Overhead Line Rebuild (Solana Road)					350,000	350,000
Overhead Line Rebuild (Roscoe Blvd. North Extension)					150,000	150,000
Subtotal - Storm Hardening Plan	1,200,000	800,000	900,000	900,000	850,000	4,650,000
Cable Replacement Plan	800,000	800,000	800,000	800,000	800,000	4,000,000
Distribution Renewal and Replacement Plan	100,000	100,000	100,000	100,000	100,000	500,000
Distribution Automation Plan	150,000	150,000	150,000	150,000	150,000	750,000
Switchgear Replacement Program	200,000	200,000	200,000	200,000	200,000	1,000,000
Unplanned Projects	200,000	200,000	200,000	200,000	200,000	1,000,000
Total Major Replacement Projects	2,650,000	2,250,000	2,350,000	2,350,000	2,300,000	11,900,000
Total Infrastructure to Support System Growth and Maintenance	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Total	3,850,000	3,450,000	3,550,000	3,550,000	3,500,000	17,900,000

Capital Improvement Plan: FY2016-2020

Project Title: Automated Meter Reading

Department/Division: Beaches Energy Services / Capital Improvements

Project Description and Reason Necessary:

Automated Meter Reading (AMR) enables Beaches Energy Services (BES) to remotely read its electric meters monthly without deploying an employee to each meter location. This meter replacement project will be combined with Public Works water meter upgrade program, enabling BES to eliminate the necessity for routine site visits by meter readers.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	Total
AMR			\$675,000	\$675,000		\$1,350,000
Surge Protection			\$10,000			\$10,000
Total	\$0	\$0	\$685,000	\$675,000	\$0	\$1,360,000

Capital Improvement Plan: FY2016-2020

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 geographic information system (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 North American Electric Reliability Corporation (NERC) / Florida Reliability Coordinating Council (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	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Map Integration	\$0	\$0	\$0	\$0	\$0	\$0
OMS	\$0	\$0	\$200,000	\$0	\$0	\$200,000
Total	\$0	\$0	\$200,000	\$0	\$0	\$200,000

Future Operating Budget Impact:

	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Annual Support Maintenance	\$0	\$0	\$0	\$10,000	\$10,000	\$50,000

Capital Improvement Plan: FY2016-2020

Project Title: Substation 230kV and 138kV Relay Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Line relays provide protection from incipient faults such as lightning strikes and equipment malfunctions on the transmission system. The existing electromechanical relays are over 30 years old and need to be upgraded to the more reliable microprocessor relays. As the industry has moved toward microprocessor relays, they have proven to be more versatile given the ability to customize the functionality to a specific operational application.

This will be a multiple year project that is coordinated with the breaker replacement project. Beaches Energy Services (BES) as a transmission owner/operator is regulated by North American Electric Reliability Corporation (NERC) and Florida Reliability Coordinating Council (FRCC). Given the regulatory standards that transmission providers must comply with to secure the operation of the bulk electric system, the existing electromechanical relays must be replaced.

FY 2016 Sampson to Milcreek Line
FY 2017 Sampson to Ft. Diego Line 805
FY 2018 Jacksonville Beach to Butler Line 802
FY 2019 Butler to Ft. Diego Line 803

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Relay Upgrades	\$230,000	\$230,000	\$230,000	\$230,000		\$920,000

Capital Improvement Plan: FY2016-2020

Project Title: 230kV Lines Wave Trap Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

In FY2016 the existing transmission 230kV wave traps for relay communications and system protection will be approximately 25 years old, outdated, and will require upgrading to support modern technology. Wave traps for the 230kV bus will be budgeted in FY2016 for both 230kV circuits at Sampson substation.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Engineering	\$40,000					\$40,000
230kV Lines Wave Traps	\$140,000					\$140,000
Total	\$180,000	\$0	\$0	\$0	\$0	\$180,000

Capital Improvement Plan: FY2016-2020

Project Title: 230kV Transmission Circuit Breaker Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

There are four (4) 230kV transmission line oil circuit breakers located at Sampson Substation that are over 30 years old and are at the end of their useful life. If a catastrophic failure were to occur rendering the breaker inoperable, replacement parts for these breakers are no longer manufactured. These breakers will be upgraded to gas circuit breakers 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 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	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Engineering and Testing	\$50,000	\$50,000				\$100,000
Four 230 kV Circuit Breakers	\$200,000	\$200,000				\$400,000
Total	\$250,000	\$250,000	\$0	\$0	\$0	\$500,000

Capital Improvement Plan: FY2016-2020

Project Title: Install Fiber & Equipment: Sampson to Diego

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Wave traps, tuners, and tone equipment are used for relay communications and system protection. They are currently used on the 805,802 and 803 transmission lines. This equipment is 25 to 30 years old and is scheduled to be replaced in FY2017, FY2018 and FY2019. Parts and service for Tone equipment is unavailable and obsolete. Fiber has proven to be a more reliable means of communications.

Fiber will be installed from Sampson substation to Ft. Diego substation in FY2017. Conversion from the wave traps, tuners and tone equipment to the fiber will be conducted in FY2018 and FY2019 at Sampson, Ft. Diego, Butler and Jax Beach substations. This will ensure proper system protection, relay communication and system reliability. This project will be coordinated with the 138KV Relay Upgrade project for transmission lines 805,802 and 803 scheduled in FY2017, FY2018 and FY2019.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Install Fiber and Equipment		\$100,000	\$60,000	\$60,000		\$220,000
Total	\$0	\$100,000	\$60,000	\$60,000	\$0	\$220,000

Capital Improvement Plan: FY2016-2020

Project Title: Substation Test Equipment

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Substations require multiple test equipment needed to ensure the substation assets are in proper and reliable working order. Three of the current test equipment has outlived its usefulness and need to be replaced. Due to new NERC/FRCC requirements, two testers are needed to maintain the new standards.

The equipment consists of:

- Battery impedance tester: measures the internal impedance, DC terminal voltage and inter-cell connection resistance of each cell in a substation battery bank while still on-line
- Batter ground fault tracer: identifies, traces and locates ground faults in an ungrounded DC system; can be used while still on-line
- Insulation resistance: tests the resistance of the insulation on substation equipment; one of the most commonly used testers, mainly used for preventative maintenance
- Micro-Ohmmeter: test the contact resistance of circuit breakers
- Transformer turns ration (TTR) tester: tests turns ratio, windings resistance, excitation and other smaller preventative maintenance testing of substation transformers

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Substation Test Equipment	\$50,000					\$50,000
Total	\$50,000	\$0	\$0	\$0	\$0	\$50,000

Capital Improvement Plan: FY2016-2020

Project Title: Motor Switch Replacement

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Motor operated switches are used for substation power transformer isolation. The 14 currently in service are 20 to 30 years old. Due to high maintenance and service issues, replacement is necessary to ensure reliability of the Beaches Energy System.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Motor Switch Replacement	\$100,000		\$100,000			\$200,000
Total	\$100,000	\$0	\$100,000	\$0	\$0	\$200,000

Capital Improvement Plan: FY2016-2020

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.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Transmission Line Hardware Renewal and Replacement	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Capital Improvement Plan: FY2016-2020

Project Title: Regulatory Compliance Plan

Department/Division: Beaches Energy Services / Regulatory Compliance

Project Description and Reason Necessary:

In order to be compliant with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) standards which in turn will help us provide reliable service to our customers and maintain our system.

Funding Source: Beaches Energy Services Operating Revenues

Annual Projects

Cyber Security \$200,000 in FY 2016, \$15,000 in FY 2017, \$15,000 in FY 2018, \$15,000 in FY 2019, and \$15,000 in FY2020: NERC standards CIP 002 through CIP 011 “Cyber Security” are expected to become effective starting in 2015. The standards require additional security measures for critical assets including control centers and substations. Beaches Energy Services (BES) and Florida Municipal Power Agency (FMPA) are currently working on an assessment of the critical elements necessary to meet these requirements such as a “high tech” locks with difficult to impossible 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.

Physical Security \$15,000 in FY 2016, \$5,000 in FY 2017, \$5,000 in FY 2018, \$5,000 in FY 2019 and \$5,000 in FY 2020: The NERC definition for a “critical” facility is defined as any facility or combination of facilities, that, if severely damaged or destroyed, would have a significant impact on the ability to serve large quantities of customers for an extended period of time, would have a detrimental impact on the reliability or operability of the electric grid, or would cause significant risk to public health and safety. NERC cyber security standards specifically address many of the physical security needs of attended facilities in the following sections: Physical Security Perimeter[s], Physical Access Controls, Personnel, Monitoring Physical Access, Systems Management and Physical Incident Response Actions. Installation of hardware for security appliances to manage electronic Relay Access and Security Monitoring systems are required to become compliant.

Consulting Fees \$125,000 in FY 2016, \$25,000 in FY 2017-FY2020: NERC continues to develop and modify the bulk electric system requirements. Consulting services would help aid in the process of development of policies and procedures, risk assessments, CIP administration and evidence preparations and document classification policy development. These services include: inventory assessment, policy and procedure development, physical security review, electronic security and network design review, information protection review, asset ownership review, low impact facilities

Capital Improvement Plan: FY2016-2020

NERC CIP compliance gap analysis, and medium impact facilities NERC CIP compliance gap analysis.

Centralized TOP (Transmission Operator): \$195,000 in FY 2016-FY2018: In preparation for the enforcement of NERC CIP version 5, BES has been working with FMPA on developing a response to satisfy these requirements. As a transmission owner/operator that has critical assets that impact the bulk electric system, BES must initiate measures that are mandated by NERC and FRCC.

Annual operating costs of these measures is \$470,000.

Cost Item	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Cyber Security	\$200,000	\$15,000	\$15,000	\$15,000	\$15,000	\$260,000
Centralized TOP	\$195,000	\$195,000	\$195,000	-	-	\$585,000
Physical Security	\$15,000	\$5,000	\$5,000	\$5,000	\$5,000	\$35,000
Total (capital)	\$410,000	\$215,000	\$215,000	\$20,000	\$20,000	\$880,000
Centralized TOP (<i>not capital</i>)	\$470,000	\$470,000	\$470,000	\$470,000	\$470,000	\$2,350,000
Consulting Fees (<i>not capital</i>)	\$125,000	\$25,000	\$25,000	\$25,000	\$25,000	\$225,000
Total (not capital)	\$595,000	\$495,000	\$495,000	\$495,000	\$495,000	\$2,575,000
Total	\$1,005,000	\$710,000	\$710,000	\$515,000	\$515,000	\$3,455,000

Capital Improvement Plan: FY2016-2020

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 Operating Revenues

Cost Item	FY2016	FY2017	FY2018	FY2019	FY20 20	Total
Capital Improvements	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Capital Improvement Plan: FY2016-2020

Finance Department							
Funding Sources:		2016	2017	2018	2019	2020	Total
Finance/Information Systems Internal Service Charges	511	0	0	200,000	0	0	200,000
General Capital Projects Fund Building Systems Reserve	315	275,000	300,000	300,000	240,000	210,000	1,325,000
General Capital Projects Fund IT Reserve	315	1,660,301	109,341	259,139	550,705	205,301	2,784,787
General Capital Projects Fund Utility Billing Reserve	315	0	122,775	0	0	0	122,775
Total CIP Funding Sources		1,935,301	532,116	759,139	790,705	415,301	4,432,562
Expenses:							
Information Systems:		Fund					
Information Systems Master Plan, Phase 2	315	1,600,000	50,000	200,000	490,000	145,000	2,485,000
Annual Computer Replacement Plan	315	60,301	59,341	59,139	60,705	60,301	299,787
City-wide Telephone System Replacement	511	0	0	200,000	0	0	200,000
		1,660,301	109,341	459,139	550,705	205,301	2,984,787
Utility Billing:							
Bill Folder/Insert/Printer and Planet Press Printer	315		80,343				80,343
Remittance Processor Replacement	315		42,432				42,432
		0	122,775	0	0	0	122,775
Property & Procurement							
Major Bldg Systems repairs/replacements (not capital)		50,000	50,000	50,000	50,000	50,000	250,000
Major Bldg Systems repairs/replacements	315	225,000	250,000	250,000	190,000	160,000	1,075,000
		275,000	300,000	300,000	240,000	210,000	1,325,000
Total CIP - Finance		1,935,301	532,116	759,139	790,705	415,301	4,432,562

Capital Improvement Plan: FY2016-2020

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:

2016

Upgrade Enterprise Resource Planning (ERP) software application systems: Project estimate = \$2,000,000 - \$2,500,000: This project will replace the current, aging IBM iSeries server platform with a Windows-based platform that is more efficient and user-friendly. A consultant firm has been retained to perform a business process analysis across all City departments to assess software application needs. Once the needs are identified, the consultants will assist in creating an RFP to select a software vendor. Implementation of the new ERP system is expected to take at least two years. Funding for the project is being accumulated via transfers from the General Fund. The project is budgeted in 2016 at \$1.6 million, which represents the amount accumulated at the time this capital improvements plan is being prepared.

2017

Replace Switches - \$50,000: 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: FY2016-2020

2019

Replace Blade Center - \$350,000: Blade centers provide consolidated power and network connections to servers (blades) housed inside a chassis. The current blade center was purchased in 2014. With a 5-year life expectancy, it will need to be replaced in 2019. 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 2014. 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 2019. There are no current or expected future budget impacts, as the equipment is purchased with a 5-year warranty.

2020

Replace Core Routers - \$100,000: Routers control the flow and volume of data traffic between intersection points (nodes). The City's primary nodes are City Hall, O&M Facility, Police Department, and Parks Department. The current four core routers were purchased in 2015. With a 5 to 6-year life expectancy, they will need to be replaced in 2020. Annual maintenance costs are expected to increase by \$200 to \$300 per year.

Replace Firewalls - \$45,000: 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 2015. The current models will be considered end-of-life in 2020 and will need to be replaced/updated. 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.

Anticipated 10-year replacement cycle:

Project	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Replace Blade Center				X					X	
Replace Core Routers					X					X
Replace EIS Servers (Police Department)				X					X	
Replace SANs			X					X		
Replace Firewalls					X					X
Upgrade Operating Apps & Servers	X					X				
Replace Switches		X					X			

Capital Improvement Plan: FY2016-2020

Funding Source: For equipment and software purchases and replacements: Governmental Capital Projects Fund via transfers from General Fund, Electric and Water/Sewer Funds; for operating costs: Finance Department Internal Service Fund.

Project	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Replace Blade Center				\$350,000		\$350,000
Replace Core Routers					\$45,000	\$45,000
Replace EIS Server/SAN at Police Department				\$140,000		\$140,000
Replace SANs			\$200,000			\$200,000
Replace Firewalls					\$100,000	\$100,000
Upgrade Enterprise Resource Planning (ERP) software application systems	\$1,600,000					\$1,600,000
Replace Switches		\$50,000				\$50,000
Totals	\$1,600,000	\$50,000	\$200,000	\$490,000	\$145,000	\$2,485,000

Increase (decrease) in future operating budget:

Project	2016	2017	2018	2019	2020	TOTAL
Core Routers	-	-	-	-	-	-
Firewalls	-	-	-	-	-	-
SunGard Applications	-	-	(\$51,500)	(\$51,500)	(\$51,500)	(\$154,500)
Switches	-	-	-	-	-	-
Blade Center	-	-	-	(\$11,712)	(\$11,712)	(\$23,424)
EIS Server/SAN	-	-	-	-	-	-
	-	-	-			-
Net Operating Cost (Savings)	-	-	(\$51,200)	(\$62,912)	(\$62,912)	(\$177,024)

Capital Improvement Plan: FY2016-2020

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.

Prior years’ versions of this plan anticipated spending approximately \$100,000 per year to replace computers; however, changing police laptops to a different product has enabled the plan’s annual cost to be reduced by roughly \$40,000 per year. All costs are based on FY2015 quoted/actual pricing.

Funding Source: General Capital Projects Fund via transfers from Lease Facilities Fund

By Department:	2016		2017		2018		2019		2020		TOTAL	
	Qty.	Cost	Qty.	Cost								
BES	17	\$16,857	10	\$8,627	15	\$12,376	18	\$16,371	17	\$16,857	77	\$71,088
City Manager	-	\$0	1	\$763	1	\$1,150	1	\$995	-	\$0	3	\$2,908
City Clerk	2	\$1,758	-	\$0	1	\$995	4	\$3,671	2	\$1,758	9	\$8,182
Finance	13	\$12,097	16	\$12,219	12	\$9,157	1	\$763	13	\$12,097	55	\$46,333
Fire	7	\$7,494	-	\$0	3	\$3,136	4	\$4,283	7	\$7,494	21	\$22,407
HR	4	\$3,052	1	\$763	-	\$0	1	\$1,150	4	\$3,052	10	\$8,017
Parks	7	\$5,342	2	\$1,526	4	\$3,825	4	\$3,517	7	\$5,342	24	\$19,552
Planning	-	\$0	2	\$1,526	6	\$4,965	-	\$0	-	\$0	8	\$6,491
Police	2	\$2,141	29	\$27,050	20	\$18,261	31	\$29,192	2	\$2,141	84	\$78,785
PW	12	\$11,560	9	\$6,868	6	\$5,274	1	\$763	12	\$11,560	40	\$36,025
TOTAL	64	\$60,301	70	\$59,341	68	\$59,139	65	\$60,705	64	\$60,301	331	\$299,788

Capital Improvement Plan: FY2016-2020

By Device Type:	2016		2017		2018		2019		2020		TOTAL	
	Qty.	Cost	Qty.	Cost								
Enhanced Desktop	6	\$6,470	-	\$0	-	\$0	1	\$1,079	6	\$6,470	13	\$14,019
Laptop	21	\$20,896	1	\$995	10	\$9,951	14	\$13,931	21	\$20,896	67	\$66,669
Laptop w/dock	5	\$5,748	2	\$2,300	4	\$4,599	2	\$2,300	5	\$5,748	18	\$20,695
Police Laptop	9	\$9,636	16	\$17,130	11	\$11,777	22	\$23,554	9	\$9,636	57	\$71,733
Standard Desktop	23	\$17,551	51	\$38,917	43	\$32,812	26	\$19,841	23	\$17,551	166	\$126,672
TOTAL	64	\$60,301	70	\$59,342	68	\$59,139	65	\$60,705	64	\$60,301	331	\$299,788

Capital Improvement Plan: FY2016-2020

Project Title: City-Wide Telephone System Replacement

Department/Division: Finance/Information Systems

Project Description: Acquire a single telephone system encompassing all City of Jacksonville Beach facilities and employees.

Problem: The City currently has one or more telephone systems in each of its buildings. The systems do not work the same way or have the same features. Multiple vendors service these telephone systems. Each of these telephone systems has a different city staff point of contact. Telephone systems that may be from the same vendor, do not always have the same representative from that vendor. Managing and coordinating service for these phone systems is difficult and time consuming, as staff members don't know who the city or vendor points of contact are for their telephone system, on either end. A unified communications system which encompasses all city facilities will simplify management of the system, decrease maintenance costs, improve support speed, and allow employees to be knowledgeable on a standardized telephone instrument throughout the city. It will also allow for one city point of contact and one vendor point of contact.

Recommended Solution: Expand the current Avaya telephone system in use by the Utility Billing division. When the Utility Billing Avaya system was recently upgraded, the vendor, Converged Communications, was instructed to create a system that would be expandable to meet future needs. This solution expands our largest existing telephone system (Utility Billing), thereby eliminating the need to replace that equipment. Expanding that system will provide the following benefits:

- Long-term cost savings (see future operating budget impact, below);
- Centralized voicemail, with indicators on the telephone instrument signifying waiting messages;
- City-wide intercom, with 4-digit dialing;
- Ability for calls to roll to an available extension on busy;
- Voicemail messages can be sent to users as an e-mail;
- Ability to track phone calls;
- Statistical analysis of calls, to include number of calls/day, and time to answer;
- State of Florida contract pricing.

Funding Source: Annual transfers of \$50,000 from the Information Systems Division in the Finance Department Internal Service Fund to the General Capital Projects Fund

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Unified Communication System	\$0	\$0	\$200,000	\$0	\$0	\$200,000

Capital Improvement Plan: FY2016-2020

Future Operating Budget Impact: Over a five year period, estimated total savings are \$201,000.

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Maint. Costs-existing/month	-	-	-	(\$6,650)	(\$6,650)	(\$13,300)
Maint. Costs-new/month	-	-	-	\$3,300	\$3,300	\$6,600
(Savings)/month	-	-	-	(\$3,350)	(\$3,350)	(\$6,700)
Savings/year	-	-	-	(\$40,200)	(\$40,200)	(\$80,200)

Capital Improvement Plan: FY2016-2020

Project Title: Utility Bill Folder/Inserters/Printer (Pitney Bowes DI950 Smart-Mailer and Planet Press printer) Zip+4)

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The Folder/inserter and printing machines are necessary to print and mail utility bills, 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 2017. By then, approximately 2,500,000 utility bills and delinquent notices will have been folded and inserted.

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, e-bills and other documents. The ability to e-bill customers through the Planet Press software is currently saving the City approximately \$37,000 per year in postage.

Funding Source: General Capital Project Fund Utility Billing Reserves

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Pitney D1950 and Printer		\$80,343				\$80,343

Future Operating Budget Impact:

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Pitney D1950 maint. agreement	\$2,957	\$2,957	\$2,957	\$2,957	\$2,957	\$14,785
Rizo Printer	\$4,251	\$4,251	\$4,251	\$4,251	\$4,251	\$21,255
Total/(Savings)	\$7,208	\$7,208	\$7,208	\$7,208	\$7,208	\$36,040

Capital Improvement Plan: FY2016-2020

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 250,000 checks & stubs yearly). The processor reads payment and account information from the stub, endorses the check, encodes, and 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 2017, approximately 3,000,000 documents will have been processed utilizing the present equipment.

To replace the current equipment with the identical remittance processing system, the cost would be approximately \$100,000. We are recommending replacing the current equipment with newer technology that scans checks into digital images and transmits the scanned images to the financial institution for electronic posting and clearing. The Canon scanner and ItemAge Express software is an image-based payment processing solution that provides batch editing, audit trails on checks, check endorsement, invoice sorting, MICR and OCR reading, on-line editing, statistics and reporting.

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

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Remittance Processing Hardware and Software		\$42,432				\$42,432

Future Operating Budget Impact:

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Maintenance	\$0	\$3,125	\$3,125	\$3,125	\$3,125	\$12,500

Capital Improvement Plan: FY2016-2020

Project Title: Major Building Systems – Repair/Replacement/Maintenance Projects

Department/Division: Finance/Property & Procurement

Project Description and Reason Necessary: The Property and Procurement Division is responsible for the management and maintenance of the following City-owned properties:

	Location	Address
1	City Hall	11 North Third St
2	Police Headquarters	101 Penman Rd
3	O&M Building	1460-A Shetter Avenue
4	Animal Control-Police Bldg.	1460-B Shetter Avenue
5	Meter Shop	1460-C Shetter Avenue
6	Garage	1460-D Shetter Avenue
7	Fire Station 1	396 1st Avenue South
8	Fire Station 2	2500 South Beach Pkwy
9	Community Services Center	850 6th Avenue South
10	ARC Building	321 Penman Rd
11	Old Florida Fish Camp	2510 2nd Avenue North
12	Archive Building	337 1st Avenue South
13	Seawalk Pavilion	75 North First Street

Each building is inspected by City staff bi-annually to achieve desired maintenance and safety standards. Inspection includes thorough examination of the major components of each building. Those components are: the roofing system; the heating ventilation and air conditioning (HVAC) system; the floor covering; the interior and exterior wall surfaces; the plumbing system and the electrical system. The first four components require replacement over time as each of these components has a limited useful life. Roofing systems and HVAC systems typically have useful lives between fifteen (15) years and twenty (20) years, whereas wall and floor surfaces can last between twenty (20) to twenty-five (25) years. Plumbing and electrical components have longer lifespans and typically do not require replacement over time. These are maintained through periodic inspection.

The following capital improvements are projected over the next five years:

Roofing Systems:

The Police Headquarters building was constructed in 1998. It is an asphalt shingle roof with a life expectancy of about twenty (20) years. This roof system has undergone several repairs during the past few years. The shingles have deteriorated due to extreme weather and UV exposure, and the roof will need replacement in 2016. Estimated cost to replace is approximately \$50,000.

Capital Improvement Plan: FY2016-2020

The four (4) buildings at the O&M Facility on Shetter Avenue were constructed in 1995. Part of each roof has a Modified Bitumen Roofing System. This system is used for flat roof surfaces and consists of a membrane that is reinforced with a combination of fiberglass and polyester to provide strength, puncture resistance and overall system integrity. The asphalt (bitumen) is the waterproofing element, which has been modified (or improved) with Polymers. Modified Bitumen is often referred to as rubber or rubberized roof and generally has a lifespan of about twenty (20) years. These roofs have reached the end of their useful lives and are in need of replacement. The estimated replacements costs for each roof are: O&M Building \$500,000; Garage \$80,000; Animal Control-Police Building \$40,000 and Meter Shop \$30,000.

The roofs on Police Headquarters, the Garage, Animal Control/Police Building and Meter Shop are planned for replacement in 2016. Due to the large capital investment required for the O&M Building, replacement is deferred to coincide with the ending of fiscal year 2017 and the beginning of fiscal year 2018.

Roofing systems on all other City-owned buildings have useful lives that are greater than five (5) years and therefore not included in this 5-year plan.

HVAC Systems:

Effective regular HVAC system maintenance programs can extend the life of the system beyond the typical fifteen (15) to twenty (20) years lifespan. Although all of our current systems are operating effectively, many of our systems have exceeded their expected useful lifespans. The systems at City Hall, the O&M Facility, Police Headquarters, Animal Control and the Meter Shop will need to be replaced within the next three (3) to five (5) years. Combined estimated replacement cost for these systems is \$350,000 and replacement is planned for 2019.

Floor Coverings:

Depending on the type of floor covering, useful life can range from twenty (20) to twenty-five (25) years. City buildings have a combination of commercial grade carpet and/or VCT tile. Due to the age and condition of the floor coverings in these buildings, no replacements are projected within the next five years.

Interior and Exterior Wall Surfaces:

The combined area of the interior and exterior wall surfaces of the above-listed buildings exceeds 200,000 square feet. The City intends to paint approximately 20,000 square feet each year for the succeeding ten years. Approximate combined total cost to paint all buildings is estimated at \$250,000. Annual improvement would therefore cost approximately \$25,000 each year.

Capital Improvement Plan: FY2016-2020

Security Gates at Police and O&M Facilities:

The security gates at the O&M Facility have surpassed their useful lifespans. The current gate systems require ongoing maintenance and do not have safety sensors that provide protection against gate accidents on pedestrians. Combined estimated replacement cost \$25,000. Replacement is planned for 2016.

Funding Sources: General Capital Projects Fund with the funds to be accumulated via transfers from the General Fund, Lease Facilities, Electric and Water/Sewer Funds.

Project	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Major Building Maintenance Repair/Replacement Projects						
Roof Replacement - Police Headquarters	\$50,000					\$50,000
Roof Replacement – Animal Control-Police Bldg.	\$40,000					\$40,000
Roof Replacement - Garage at O&M	\$80,000					\$80,000
Roof Replacement - Meter Shop at O&M	\$30,000					\$30,000
Roof Replacement - O&M Building		\$250,000	\$250,000			\$500,000
HVAC Replacement – City Hall				\$90,000		\$90,000
HVAC Replacement – Police Station				\$60,000		\$60,000
HVAC Replacement – Police-Animal Control				\$18,000		\$18,000
HVAC Replacement – Meter Shop				\$14,000		\$14,000
HVAC Replacement – Garage at O&M				\$8,000		\$8,000
HVAC Replacement – O&M Building					\$160,000	\$160,000
Interior and Exterior Wall Surface Painting	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Gate Replacement at O&M Building	\$25,000					\$25,000
SUB-TOTAL	\$250,000	\$275,000	\$275,000	\$215,000	\$185,000	\$1,200,000
Ongoing Maintenance Projects						
Painting, Plumbing, Electrical and HVAC repairs	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
SUB-TOTAL	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000

Capital Improvement Plan: FY2016-2020

Police & Fire Departments							
Funding Sources:		2016	2017	2018	2019	2020	Total
General Fund	001	185,000	182,000	188,000	150,000	150,000	855,000
General Capital Projects Fire Apparatus Reserve	315	0	375,000	0	0	0	375,000
General Capital Projects Radio Reserve	315	0	0	545,000	210,000	162,750	917,750
Total CIP Funding Sources		185,000	557,000	733,000	360,000	312,750	2,147,750
<hr/>							
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	35,000	32,000	38,000	0	0	105,000
Fire Apparatus Replacement/Maintenance	315		375,000				375,000
Radio System Upgrade	315			545,000	210,000	162,750	917,750
		35,000	407,000	583,000	210,000	162,750	1,397,750
Total CIP - Police & Fire		185,000	557,000	733,000	360,000	312,750	2,147,750

Capital Improvement Plan: FY2016-2020

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 and to maintain adequate and cost-effective fleet performance. Vehicles included are those that cost at least \$25,000 each. Vehicles to be replaced each year are identified for replacement based on a combination of mileage, condition and cost-effective performance.

Division (FY Replacement)	Vehicle #	Model Year	Description	Mileage (Hours) 2/1/13	Estimated Replacement Cost
Police-General Fund	various	various	Replace 4-6 patrol vehicles	-	\$150,000 annual; \$750,000 five years
Police-Downtown CAPE	See Community Redevelopment Agency section of this plan for details				
Fire Training / Safety (2016)	#716	2001	Ford F150 utility/ crew truck	84,450	\$35,000
Fire Inspector (2017)	#718	2002	Dodge Dakota crew cab	67,978	\$32,000
Fire Shift Commander (2018)	#709	2011	Chevy Tahoe	14,054	\$38,000
Fire Marshal (2019)	#708	2003	Ford Excursion 4x4	66,528	\$38,000*

*Current Fire Shift Commander vehicle being replaced in 2018 (2011 Chevy Tahoe) will be transferred to Fire Marshal; current Fire Marshal vehicle (2003 Ford Excursion) will be removed from the fleet at that time.

Funding Sources: General Fund via transfer from Lease Facilities Fund.

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Police	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Fire	\$35,000	\$32,000	\$38,000	\$0*	\$0	\$105,000
Police-DT CAPE (Downtown Redevelopment)	See Community Redevelopment Agency section of this plan for details					
TOTAL General Fund	\$185,000	\$182,000	\$188,000	\$150,000	\$150,000	\$855,000

Future Operating Budget Impact: No significant operating budget impact will occur.

Capital Improvement Plan: FY2016-2020

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 2016, 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 22 years, but recently had the pump replaced. 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.

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Fire Apparatus Replacement		\$375,000				\$375,000

	FY2016	FY2017	FY2018	FY2019	FY2020	5-Year Total
Beginning balance:	\$407,004	\$482,004	\$182,004	\$257,004	\$332,004	\$407,004
Deposits, from General Fund	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Balance, prior to withdrawals	\$482,004	\$557,004	\$257,004	\$332,004	\$407,004	
Withdrawals:						
Rescue / pumper E-25/Sq-13		\$375,000				\$375,000
Ending balance	\$482,004	\$182,004	\$257,004	\$332,004	\$407,004	\$407,004

Future Operating Budget Impact: No significant operating budget impact will occur.

Capital Improvement Plan: FY2016-2020

Project Title: Public Safety Radio System Replacement

Department/Division: Police & Fire

Project Description and Reason Necessary:

The City's 800 MHz Motorola radio system is composed of three significant parts: the 9-1-1 dispatch center consoles, radio tower, radio room with controller and repeaters, and approximately 346 radios utilizing a 5-channel trunked digital/analog system. The City's 800 MHz Motorola radio system is composed of: three 9-1-1 dispatch center consoles, radio tower, radio room with controller and repeaters, and approximately 346 radios (citywide). The major components are 15 years old and are approaching the time when the manufacturer will no longer service them. As radios and control equipment age, they eventually lose the support of the manufacturer and have to be replaced (approximately 15-year cycle). In order to be able to communicate with radio systems in neighboring jurisdictions, to remain P-25 compliant, and because the manufacturer will no longer support our current radio components, a new radio system is required. Funding for the replacement of the radio system components can be set aside over several years.

Components required to update the City's radio system to comply with current standards and estimated pricing are:

Required Components:	P-25 Master site
3 consoles	\$285,000
ASR backup controller and repeaters	\$235,000
Microwave (or T-1 line)	\$25,000
Possible access fee with St. Johns or Duval County	TBD
	\$545,000

The Police Department has 89 radios that must also be replaced. Public Safety, which includes the police and fire department and 9-1-1 Communications, has 161 radios distributed as follows:

- Police: 108 radios (40 to be replaced in 2018)
- 9-1-1 Dispatch: 6
- Fire: 45 (20 radios to be replaced in 2019)
- Emergency Operations Center: 2

Not included in the table above is the cost of replacing radios, which can be done over a number of years, perhaps 5 years initially. The 9-1-1 dispatch consoles will be replaced and the controller and repeaters will be upgraded to an ASR 5-channel system in 2018. This will require a communication link to either Jacksonville's (COJ) or St. Johns County's (SJC) "master site" via a microwave or T-1 line. A Memorandum of Understanding (MOU) from either COJ or SJC would be required to connect. This connection would provide regional P-25 communication abilities, a system back up,

Capital Improvement Plan: FY2016-2020

and interoperability. Other City departments' radios were recently replaced and will continue to be replaced by each department in their budget as needed.

General Fund will make a series of annual transfers to the General Capital Projects Fund to build a reserve to pay for the replacement radios and radio system equipment in order to avoid borrowing to fund the purchase. After the replacement of the controllers, repeaters and the first two years of radio replacements (2018 and 2019), the annual transfer amount will be reduced to support a smaller number of future radio replacements as needed.

Funding Source: General Capital Projects Fund (GCP); Community Redevelopment Agency (CRA) and possible grants.

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
911 Dispatch Consoles (3) MCC7500			\$285,000			\$285,000
ASR (controller and repeater)			\$235,000			\$235,000
APX Radios (Police-40 in 2018; 22 in 2019)				\$210,000	\$57,750	\$267,750
Microwave*			\$25,000			\$25,000
APX Radios (fire 20 in FY2020)					\$105,000	\$105,000
Total			\$545,000	\$210,000	\$162,750	\$917,750

*For connectivity to the P-25 master site, either a T-1 line could be used, with a monthly charge (\$600), or a microwave from our tower to Jacksonville or St. Johns County with a fixed cost (\$25,000).

Future Operating Budget Impact:

A maintenance contract with Motorola is in place for repair to the consoles, controller and radio equipment; the cost of the maintenance contract for the new equipment is not expected to change. Radios, except base units are not part of the maintenance contract.

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
New consoles	\$0	\$0	\$0	\$22,000	\$0	\$22,000
Existing consoles	\$22,000	\$22,000	\$0	\$0	\$22,000	\$66,000
Total Cost	\$22,000	\$22,000	\$0	\$22,000	\$22,000	\$88,000

Capital Improvement Plan: FY2016-2020

Parks & Recreation							
Funding Sources:		2016	2017	2018	2019	2020	Total
General Fund	001	50,000	84,000	84,000	119,000	20,000	357,000
General Capital Projects Fund	315					250,000	250,000
Golf Course Fund	440	30,000	65,000	95,000	70,000	30,000	290,000
Grounds Maintenance Internal Service Charges	526	35,000					35,000
Total CIP Funding Sources		115,000	149,000	179,000	189,000	300,000	932,000
Expenses:		Fund					
Vehicle/Equipment Replacement Program	001 & 526	35,000	34,000	34,000	34,000	0	137,000
Playground & Parks Equipment Replacement	001				65,000	250,000	315,000
Playground & Parks Repairs (not capital)	001	50,000	50,000	50,000	20,000	20,000	190,000
Point of Sale and Telephone Tee Time Software	440		35,000				35,000
Golf Course Sand Bunker Renovation	440				40,000		40,000
Golf Course & Grounds Irrigation Control System (not capital)	440	30,000	30,000	95,000	30,000	30,000	215,000
Total CIP - Parks & Recreation		115,000	149,000	179,000	189,000	300,000	932,000

Capital Improvement Plan: FY2016-2020

Project Title: Vehicle Replacement Program

Department/Division: Parks & Recreation / All Divisions

Project Description and Reason Necessary:

This is a program to replace vehicles due to annual operating expense, age, and condition.

Funding Source: General Fund, Golf Course Operating Revenues and Fund Balance, Grounds Maintenance Internal Service Charges

Division (FY Replacement)	Fund. Source	Truck#	Model Year	Mileage / (Hours)	Description	Estimated Replace. Cost
Ocean Rescue (2017)	001	609	2006	48,295	Chevy Colorado	\$34,000
Ocean Rescue (2018)	001	611	2010	15,613	Chevy Silverado	\$34,000
Ocean Rescue (2019)	001	610	2011	10,071	Chevy Silverado	\$34,000
Grounds Maintenance (2016)	526	G-9	2002	(1,600)	24-h.p. Truckster and 150 gal. pesticide sprayer	\$35,000
						\$137,000

Because of the beach environment in which they are used, Ocean Rescue trucks do not normally last long enough to meet the City's 10-years or 100,000 mile replacement test. Vehicles are evaluated annually for replacement and replacements are postponed for as long as the truck continues to operate in a cost-effective manner.

The 24-hp diesel truckster and a 150-gallon pesticide sprayer carries two pesticide application units that can be used on sports fields, fairways, greens, and tees. The hours of use on this equipment are extreme because of the weight hauled of carrying 150 gallons of water at average weight of 8.34 lbs. per gallon for a total weight hauled of 1,251 pounds.

Vehicle Replacement Summary:

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
General Fund		\$34,000	\$34,000	\$34,000		\$102,000
Grounds Maintenance Fund	\$35,000					\$35,000
Total	\$35,000	\$34,000	\$34,000	\$34,000	\$0	\$137,000

Capital Improvement Plan: FY2016-2020

Project Title: **Playgrounds, Parks and Grounds: Equipment and Facilities Repair & Replacement**

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

This is a program to periodically add to, replace and improve equipment, structures and grounds for which Parks and Recreation is responsible throughout and the City. The decision to add new equipment, or replace, repair and/or refurbish existing equipment and grounds is made after considering safety, demand for the equipment and its current condition, age and amount of use.

2016, 2017 and 2018

A1A South Landscape Islands Refurbishment (\$30,000 in each year, 2016 through 2018):

This is a program to rebuild and refurbish the landscape islands on South A1A. These islands were planted in 1999 and the islands are in need of an upgrade. The upgrade of the landscape islands will include: concrete shoulders around the outside of the landscape, new irrigation, xeriscaping (appropriate planting design and soil grading and mulching takes full advantage of rainfall retention and weather conditions). The existing date palms will not be removed.

2019

Tall Pines Park – addition of playground system and swing set (\$65,000):

Tall Pines Park is located at corner of 9th Avenue North and 17th Street North. This neighborhood is adding new houses and families. The Tall Pines Park is becoming a popular play site for neighborhood children and also the Montessori school that is located on Penman Road. This project would add a playground system and swing set to the existing playground equipment.

2020

Skateboard Park - 10th Street North and Seagate (\$250,000):

This project is the construction of a safe facility for the large and growing population of people who skateboard. The location and design of this facility are currently in the planning stages. Cost is a soft estimate pending design completion and determination of location.

Capital Improvement Plan: FY2016-2020

Annual Maintenance

Cemetery Maintenance (\$20,000 per year): The capital improvement plan includes funding for work to manage the City's two cemeteries, H. Warren Smith and Lee Kirkland. Annual work will be prioritized and managed to make the best use of available funds. Work may include tree trimming, applications of fertilizer and insecticide, vegetation management, leveling of headstones where necessary, and fencing replacement and/or extensions.

Funding Sources: General Fund, General Capital Projects Fund, and Grounds Maintenance Internal Service Fund.

Description (funding source)	FY2016	FY2017	FY2018	FY2019	FY2020	Total
AIA Landscape Islands (General Fund-not capital)	\$30,000	\$30,000	\$30,000			\$90,000
Cemetery Maintenance (General Fund-not capital)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
Tall Pines Park-playground equipment (General Fund)				\$65,000		\$65,000
Skateboard Park (General Capital Projects Fund)					\$250,000	\$250,000
	\$50,000	\$50,000	\$50,000	\$85,000	\$270,000	\$505,000

Capital Improvement Plan: FY2016-2020

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 a very popular eighteen-hole golf course that is used by an estimated 50,000 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: General Fund

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Point of Sale Software		\$35,000				\$35,000

Future Operating Budget Impact: No impact

Capital Improvement Plan: FY2016-2020

Project Title: Golf Course Sand Bunker Renovation

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

The golf course has twenty sand bunkers that are an important part of the design of the course. The bunkers are spaced out over the eighteen golf holes and provide the golfers with a visual picture of the golf hole and also are a way to direct the golfer to the location of the fairway and green. The bunkers define the hole and give the golfer an indication of where to hit the golf ball. Each year, the sand bunkers are damaged by wind that blows the sand out of the bunkers and contamination when rain washes the sand out and washes in debris. Rain also causes erosion of the bunker faces from the water that runs off the green into the bunkers.

This project will remove the sand from twenty existing bunkers, reshape the edges of the bunkers and replace the sand.

Funding Source: General Fund

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Sand Bunker Renovation				\$ 40,000		\$ 40,000

Future Operating Budget Impact: No additional impact on operation costs.

Capital Improvement Plan: FY2016-2020

Project Title: Golf Course & Grounds Irrigation Control System

Department/Division: Parks / Golf Course

Project Description and Reason Necessary:

The grounds at City facilities, parks and the golf course cover an estimated 135 acres, of which an estimated 80 acres have irrigation sprinklers. The current system of irrigation has sprinklers at the golf course, Wingate Park, landscape at O/M and Police, and both cemeteries. These sprinklers are controlled and activated by a central computer that relays signals to the sixteen satellites. The satellites activate electric valves in the field that the supply water to the sprinkler heads. These electric valves are supplied water from a steel fitting connected to pvc pipe beneath the ground. These steel fitting are also in need of replacement.

The existing system is a Toro “Osmac” was purchased about twelve years ago and have deteriorated where the circuit boards and connection are corroded and are in need of replacement.

The existing steel fitting connecting the control valves to the pvc were installed in 1987 and have rusted to the point of failure. There are an estimated two hundred control valves that need to be replaced. There are also twelve gate valves that separate off different zones of the golf course irrigation.

Funding Source: General Fund

	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Golf Course Irrigation System	\$30,000	\$30,000	\$95,000	\$30,000	\$30,000	\$215,000

Future Operating Budget Impact: No anticipated operating budget increase.

Capital Improvement Plan: FY2016-2020

Community Redevelopment Agency							
Funding Sources:		2016	2017	2018	2019	2020	Total
Downtown Redevelopment Tax Increment Fund	181	5,529,750	5,000,000	5,041,750	5,029,750	5,000,000	25,601,250
Southend Tax Increment Fund	182	3,045,000	1,750,000	300,000	2,250,000	0	7,345,000
1/2 Cent Infrastructure Surtax Bond Proceeds	317	90,000				5,000,000	5,090,000
Water & Sewer Fund	420	110,000					110,000
Total CIP Funding Sources		8,774,750	6,750,000	5,341,750	7,279,750	10,000,000	38,146,250
Expenses:		Fund					
Road & Associated Infrastructure Improvements							
Downtown Redevelopment District	181	5,700,000	5,000,000	5,000,000	5,000,000	10,000,000	30,700,000
Downtown CAPE Vehicle Replacement Program	181	29,750		41,750	29,750		101,250
South Beach Redevelopment District	182	2,050,000	1,750,000	300,000	2,250,000	0	6,350,000
South Beach Park Improvements	182	995,000					995,000
Total CIP - Community Redevelopment Agency		8,774,750	6,750,000	5,341,750	7,279,750	10,000,000	38,146,250

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.

Community Redevelopment Agency (CRA) is responsible for managing the City's two redevelopment districts: Downtown and South Beach. The Agency receives administrative, engineering and project management support from the City's Planning & Development and Public Works departments. Work in the two redevelopment districts is carried out in coordination with the appointed Planning Commission, the Board of Adjustment, and the Special Magistrate.

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. Unless otherwise noted, the recommended funding source for these projects is from the Downtown or South Beach Tax Increment Fund. Other projects may be added in the future from the master plans for the Downtown/Southend Redevelopment Districts. In the future, listed projects may be deleted and/or shifted on time-line due to budgetary constraints.

Capital Improvement Plan: FY2016-2020

Project Title: *Community Redevelopment Agency – Downtown Redevelopment District Road & Associated Infrastructure Improvements*

Program Focus Area: Downtown District Public Infrastructure Improvements:

The initial focus of the CRA was the rejuvenation of the Downtown District. The redevelopment effort to date has been centered on improvements to the public infrastructure to facilitate private investments in the area. These projects are managed primarily by the Public Works Department.

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. 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. Estimated planning costs are variable until project scope, design, bid advertisement and bid award are complete.

Recommended Funding Source – Downtown Redevelopment Tax Increment Fund (DT TIF) with Water / Sewer & ½ 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 (<i>Fund Source</i>)	PRIOR	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL	
Downtown Redevelopment District Improvements Program								
Phase 3A (DT TIF) + 6 th Avenue North <i>Design</i>	\$152,454							
<i>Construct</i>	\$1,919,683							
Phase 3B (DT TIF) <i>Design</i>	\$155,061							
<i>Construct</i>	\$867,403							
<i>Const. Admin.</i>	\$110,808							
Phase 3C (DT TIF) <i>Project 1 Design</i>	\$411,946							
<i>Project 1 Const.</i>	\$300,000	\$5,000,000						
<i>Projects 2-3 Design</i>		\$500,000						
<i>Projects 2-3 Const.</i>			\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000 (FY2020-22 \$15,000,000)	\$25,500,000	
Phase 3D <i>Design (W/S)</i>		\$200,000					\$5,200,000	
<i>Construct (BJB)</i>						\$5,000,000		
TOTAL	<i>DT TIF W/S</i>	\$3,917,356	\$5,700,000	\$5,000,000	\$5,000,000	\$5,000,000	\$10,000,000	\$30,700,000

- **Phase 3A Project:** Limits are 1st St. N. from 4th Ave. N. to 6th Ave. N., 5th Ave. N. from 1st to 3rd Sts. and 6th Ave. N. from 1st St. N. to 3rd St. N. *Construction complete.*

Capital Improvement Plan: FY2016-2020

- 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. *Construction completed.* NOTE: Another project on 2nd St. N. from Beach Boulevard to 6th Ave. N. will be designed and constructed at a future date.
- Phase 3C Projects 1, 2, and 3:** Limits include 3rd Street, Beach Boulevard, Street Ends, and 13th Avenue South. The scope of work for these phases include improvements to sanitary sewer, water distribution, stormwater, roadways, alleys, street ends, stormwater modeling, permitting, and reconstruction of the existing receiving stormwater pumping station, stilling basins/ponds and downstream channels at the Beach Boulevard vault and at the Central Basin (12th Ave. S. at 9th St.) as necessary and other identified ancillary public improvements throughout the area. Due to funding and construction constraints, Phase 3C will be constructed in phases. Design phasing boundaries are currently:

<u>Approximate Design Boundaries</u>				
	<u>North</u>	<u>South</u>	<u>West</u>	<u>East</u>
<u>Project 1:</u>	Beach Blvd.	4 th Ave. S.	3 rd St.	Beach Street End
<u>Project 2:</u>	4 th Ave. S.	8 th Ave. S.	3 rd St.	Beach Street End
<u>Project 3:</u>	8 th Ave. S.	13 th Ave. S.	3 rd St.	Beach Street End
¹ The design of <u>Project 1</u> also includes a new restroom at Ocean Front Park and the addition of a bathroom and renovations at Latham Plaza Pavilion.				
² The scope of downstream improvements that will be necessary are to be identified once the ongoing consultant stormwater modeling & analysis is completed. The design and construction work may be incorporated into Projects 2 & 3 or may be done as separate projects.				

- Phase 3D Project:** Approximate design boundary consists of 3rd Street, 13th Avenue South, Street Ends, and 16th Avenue South (outside of, and 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, roadways, alleys, and street ends throughout the area plus other identified ancillary public improvements throughout the area.

NOTES:

- The above estimated planning costs are variable until project scope, design, bid advertisement and bid award are complete.
- 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.
- Other projects may be added in the future for other necessary road reconstruction. Listed projects may be deleted and/or shifted on time-line due to budgetary constraints.

Capital Improvement Plan: FY2016-2020

**Project Title: *Community Redevelopment Agency – Downtown Redevelopment District
Downtown Community Policing Initiative***

The Downtown Community Policing Initiative, or Downtown CAPE, began a pilot project in November of 2006. It was subsequently expanded to nine officers and permanently integrated into the Downtown Community Redevelopment Plan. The officers provide a concentrated presence in the Central Business District, but are authorized to provide police services throughout the Downtown Redevelopment District. Funding for this program is managed by the Police Department.

Vehicles dedicated to the Downtown CAPE (DT CAPE) program are tentatively scheduled for replacement every six years unless vehicle condition requires replacement sooner. Funding for these vehicles is provided by the Community Redevelopment Agency.

Division (FY Replacement)	Vehicle #	Model Year	Description	Mileage (Hours) 2/1/15	Estimated Replacement Cost
Police-DT CAPE (2016)	69	2007	Chevrolet Impala		\$29,750
Police-DT CAPE (2018)	0953	2009	Chevrolet Impala		\$29,750
Police-DT CAPE (2018)	-	2018	ATV		\$12,000
Police-DT CAPE (2019)	1052	2010	Chevrolet Impala		\$29,750
Police-DT CAPE (future year)	1343	2013	Chevrolet Impala		-
TOTAL					\$101,250

Fund	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Vehicles	\$29,750	\$0	\$29,750	\$29,750	\$0	\$89,250
ATV			\$12,000			\$12,000
TOTAL	\$29,750	\$0	\$41,750	\$29,750	\$0	\$101,250

Capital Improvement Plan: FY2016-2020

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.

- **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). Construction to be underway in FY 2015. Project consists of constructing new landscaping, reuse irrigation system, stormwater access vault on existing stormsewer in South Beach Regional Shopping Center, televising and cleaning of existing storm sewer system from Jacksonville Drive to South Basin, construction of sheet pile along ditch north of Marsh Landing Parkway and south of JTB Boulevard. Also includes milling and overlay along Jacksonville Drive.
- **Roadway Improvements Project (Phase 3):** Limits include South Beach Parkway from Marsh Landing Parkway to Jacksonville Drive. Construction to be underway in FY 2015. Project includes a traffic study and follow-on design for widening South Beach Parkway between Jacksonville Drive and J. Turner Butler Boulevard overpass to add a dedicated southbound to westbound turn lane and other related work. Project estimate includes \$650,000 for Beaches Energy Services to install two underground distribution circuits along South Beach Parkway. Construction of underground BES electrical system is complete except for removal of the existing poles and pulling cable.

The design of improvements to the South Beach Parkway Stormwater Pond (at Marsh Landing Parkway) that receives Ocean Terrace stormwater is underway and is scheduled to be under construction in FY2015. Design fee was paid by the Ocean Terrace developer.

- **Stormwater Piping and Roadway Improvements Project (Phase 4):** Drainage and roadway study, drainage easement and stormwater improvements for north of Jacksonville Drive from Palm Way to Grande Boulevard, milling and resurfacing Jacksonville Drive from South Beach Parkway to Sanctuary Boulevard, roadway reconstruction and drainage improvements on America Avenue from Jacksonville Drive to Republic Drive, roadway reconstruction on Grande Boulevard from Sanctuary Parkway to north end, and roadway reconstruction on Palm Way from Sanctuary Parkway to north end.
- **Stormwater/Roadway Improvements (Phase 5):** Roadway improvements include Marsh Landing Parkway, Isabella Boulevard from Jacksonville Drive to Osceola Avenue, and 34th Avenue South from Isabella Boulevard to dead end. Stormwater Improvements include South Basin Canal modifications and outfall ditch improvements from Osceola Avenue to Jacksonville Drive.
- **Stormwater/Reuse Improvements (Phase 6):** Stormwater system improvements include Osceola Avenue from South Beach Parkway east to Sandra Drive, and Osceola Regional Pond modifications and reconstruction necessary at the JTB Basin pumping station and pond. Reuse improvements include Osceola Avenue from South Beach Parkway to east of Sandra Drive and South Beach Parkway from Jacksonville Drive to St. Johns County Line.

Capital Improvement Plan: FY2016-2020

Project Title: *Community Redevelopment Agency – South Beach Redevelopment District*
South Beach Park Infrastructure Improvements

This facility originated with the land acquisition, and construction of a neighborhood recreation facility included in the South Beach Redevelopment Plan.

Shade Structure: The South Beach Park playground is a popular destination for children throughout the North Florida area. The recent improvements to the park and playground have increased its popularity. However, during the summer the open areas of the playground can become hot, making play during certain times of the day uncomfortable. This new shade structure will provide shade over the swings and tire swings.

Skateboard Facility: This project is the construction of a safe facility for the large and growing population of people who skateboard. The CRA approved a concept plan, which includes a street course and a skate bowl, at its February 2015 meeting. The location and design of this facility are currently in the planning stages. Cost is a planning estimate pending design completion and final determination of location.

	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
South Beach Park-shade structure	\$45,000					\$45,000
Skatepark - design and construction administration	\$130,000					\$130,000
Skatepark – construction	\$500,000					\$500,000
Skatepark - landscaping, shade shelters, sidewalks, fencing and gate system	\$320,000					\$320,000
South Beach Park Recreational Facility TOTAL	\$995,000					\$995,000

Future Operating Budget Impact:

	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Maintenance		\$4,000	\$4,000	\$4,000	\$4,000	\$16,000

NOTES:

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 for other necessary road reconstruction. Listed projects may be deleted and/or shifted on time-line due to budgetary constraints.

Capital Improvement Plan: FY2016-2020

Public Works							
Funding Sources:		2016	2017	2018	2019	2020	Total
Downtown Redevelopment Tax Increment Fund	181	300,000	0	0	0	0	300,000
General Capital Projects Heavy Vehicle Reserve	315	150,000	85,000	330,000	0	70,000	635,000
General Capital Projects Streets Reserve	315	810,000	0	0	0	0	810,000
General Fund Operating Revenues	001	40,000	38,000	0	85,000	35,000	198,000
Local Option Gas Tax Revenues	150	310,000	310,000	310,000	310,000	310,000	1,550,000
1/2 Cent Infrastructure Surtax	151	170,000	70,000	70,000	70,000	70,000	450,000
Southend Redevelopment Tax Increment Fund	182	0	0	0	0	0	0
Stormwater Operating Revenues	423	489,000	470,000	435,000	95,000	95,000	1,584,000
Water & Sewer Utility Operating Revenues	420	3,657,000	5,098,000	2,415,000	780,000	962,000	12,912,000
Total CIP Funding Sources		5,926,000	6,071,000	3,560,000	1,340,000	1,772,000	18,669,000
Expenses:		Fund					
Streets:							
Vehicle Replacement Program	001	40,000	38,000	0	85,000	35,000	198,000
Heavy Vehicle Replacement Program	315	150,000	85,000	330,000	0	70,000	635,000
Pavement and Sidewalk Maintenance (not capital)	150	310,000	310,000	310,000	310,000	310,000	1,550,000
New Sidewalks	151	170,000	70,000	70,000	70,000	70,000	450,000
Road & Infrastructure Improvements: 10th Street South							
Water & Sewer	420	640,000	0	0	0	0	640,000
Stormwater	423	380,000	0	0	0	0	380,000
Roads	315	810,000	0	0	0	0	810,000
10th Street South Total		1,830,000	0	0	0	0	1,830,000
Total CIP - Roads & Streets		2,500,000	503,000	710,000	465,000	485,000	4,663,000
Distribution & Collection:							
Vehicle Replacement	420	0	62,000	135,000	50,000	32,000	279,000
Water Distribution & Sanitary Sewer Collection Systems Improvements							
Water Distribution Improvements	181, 420	2,415,000	400,000	400,000	400,000	400,000	4,015,000
Sewer Collection Improvements	420	0	0	0	0	0	0
Multi-Infrastructure Improvements	420/315	0	0	0	0	0	0
Subtotal, capital outlay		2,415,000	400,000	400,000	400,000	400,000	4,015,000
Water Valve & Sewer Maint Programs (not capital)	420	245,000	245,000	245,000	245,000	245,000	1,225,000
Subtotal-D&C Systems Improvements		2,660,000	645,000	645,000	645,000	645,000	5,240,000
Reuse Implementation Program	420/182						0
		2,660,000	707,000	780,000	695,000	677,000	5,519,000
Pollution Control Plant:							
Vehicle Replacement Program	420	27,000	74,000	0	35,000	35,000	171,000
Sewer Rehabilitation Program-Lift Stations	420	175,000	50,000	1,250,000	50,000	250,000	1,775,000
Wastewater Treatment Facility Improvements	420	455,000	35,000	0	0	0	490,000
		657,000	159,000	1,250,000	85,000	285,000	2,436,000
Water Plant							
Vehicle Replacement Program	420	0	32,000	25,000	0	0	57,000
Water Treatment Facilities Improvements	420	0	0	0	0	0	0
Raw Water Wells Improvement Program	420	0	500,000	0	0	0	500,000
Water Plant #2 Improvements	420	0	0	360,000	0	0	360,000
		0	532,000	385,000	0	0	917,000
Capital Projects							
Relocate/Rebuild Lift Station #7 in order to Demolish existing lift stations #7, #8 & #20	420	0	3,700,000	0	0	0	3,700,000
Total CIP - Water & Sewer		3,317,000	5,098,000	2,415,000	780,000	962,000	12,572,000
Stormwater							
Vehicle Replacement Program	423	0	0	35,000	0	0	35,000
Stormwater Collection & Treatment Improvements	423	14,000	375,000	305,000	0	0	694,000
Stormwater Collection & Treatment Impr-Southend	182	0	0	0	0	0	0
Stormwater Master Plan-clean pipe (not capital)	423	95,000	95,000	95,000	95,000	95,000	475,000
Total CIP - Stormwater		109,000	470,000	435,000	95,000	95,000	1,204,000
Sanitation							
Vehicle Replacement Program	430	0	0	0	0	230,000	230,000
Total CIP - Public Works		5,926,000	6,071,000	3,560,000	1,340,000	1,772,000	18,669,000

Capital Improvement Plan: FY2016-2020

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 2/2014	Estimated Replacement Cost
Streets 2016	001	533	2003	Ford 250 ¾-ton Truck with utility body	162,200	\$40,000
Streets 2017	001	503	2003	Ford 250 4X4	102,000	\$38,000
Streets 2019	001	505	2003	Dodge, Durango 4X4	42,200	\$40,000
Streets 2019	001	ST-88	2005	John Deere, 4320 4X4 Tractor with Box Blade	790 hrs	\$45,000
Streets 2020	001	511	2010	Ford F-150	89,000	\$35,000
Sanitation 2020	430	546	2015	Schwarze A7 Tornado Street Sweeper	1,800	\$230,000
D&C 2017	420	504	2006	Ford F-250 ¾-ton Truck w/utility body	68,126	\$31,000
D&C 2017	420	572	2006	Ford F-250 ¾-ton Truck w/utility body	89,125	\$31,000
D&C 2018	420	DC28	2008	Caterpillar Backhoe	1,212 Hrs	\$100,000
D&C 2018	420	522	1994	Chevy 1-Ton Van: Truck \$25,000 Equipment \$10,000	5,232	\$35,000
D&C 2019	420	502	2006	Ford F-150 1/2- ton Pickup truck	61,322	\$25,000
D&C 2019	420	523	2007	Ford F-150 ½-ton Pickup Truck	56,790	\$25,000
D&C 2020	420	506	2008	Ford F-250 ¾-ton Truck w/utility body	38,974	\$32,000
PCP 2016	420	517	2000	Dodge ½ -ton Pickup Truck	72,198	\$27,000
PCP 2017	420	520	2008	Ford F-350 w/Knapheide Body and 5005 Autocrane	45,185	\$74,000
PCP 2018	420			No Scheduled Truck Replacement		\$0
PCP 2019	420	507	2000	Ford F250 ¾-ton Pickup Truck	77,347	\$35,000
PCP 2020	420	508	2005	Ford F150 ½ ton Pickup Truck	39,573	\$35,000

Capital Improvement Plan: FY2016-2020

Stormwater 2018	423	591	2004	Ford F550 with flat bed	48,860	\$35,000
Water 2017	420	594	2004	Ford F250 ¾ ton utility body	63,180	\$32,000
Water 2018	420	596	2004	Chevy Blazer	27,300	\$25,000
TOTAL:						\$970,000

Vehicle Replacement Summary:

DIVISION (<i>Fund Source</i>)	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
STREETS DIVISION						
General Fund:	\$40,000	\$38,000	\$0	\$85,000	\$35,000	\$198,000
Stormwater Fund:	\$0	\$0	\$35,000	\$0	\$0	\$35,000
Sanitation Fund:	\$0	\$0	\$0	\$0	\$230,000	\$230,000
Streets Division Subtotal:	\$40,000	\$38,000	\$35,000	\$85,000	\$265,000	\$463,000
WATER & SEWER FUND						
D&C Division:	\$0	\$62,000	\$135,000	\$50,000	\$32,000	\$279,000
PCP Division:	\$27,000	\$74,000	\$0	\$35,000	\$35,000	\$171,000
WP Division:	\$0	\$32,000	\$25,000	\$0	\$0	\$57,000
Water & Sewer Fund Subtotal:	\$27,000	\$168,000	\$160,000	\$85,000	\$67,000	\$507,000
TOTAL:	\$67,000	\$206,000	\$195,000	\$170,000	\$332,000	\$970,000

Capital Improvement Plan: FY2016-2020

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 2/2015	Estimated Replacement Cost	Estimated Trade-in Value	Net Est. Cost
Kenworth 18yd Dump Truck	545	2000	2016	144,186	\$180,000	\$30,000	\$150,000
International 4700 Flatbed	569	2000	2017	52,500	\$85,000	-	\$85,000
International 4200 Flatbed	551	2003	2018	44,000	\$85,000	-	\$85,000
Caterpillar 4x4 Backhoe	527	2013	2018	(940)	\$125,000	\$35,000	\$90,000
Caterpillar Excavator	534	2013	2018	(160)	\$230,000	\$75,000	\$155,000
John Deere Tractor & Bushhog	ST-32	2005	2020	(875)	\$70,000	-	\$70,000
				TOTAL	\$775,000	\$140,000	\$635,000

Capital Improvement Plan: FY2016-2020

	2016	2017	2018	2019	2020	SUMMARY TOTAL
Balance, beginning of year	\$353,476	\$283,476	\$288,476	\$38,476	\$118,476	<i>Begin:</i> \$353,476
Deposits (from General Fund into Streets Cap. Proj. Reserve)	\$80,000	\$90,000	\$90,000	\$90,000	\$90,000	<i>Total:</i> \$440,000
Est. Available Balance	\$433,476	\$373,476	\$368,476	\$118,476	\$198,476	
Withdrawals:						
• International 4700 Flatbed		\$85,000				
• International 4200 Flatbed			\$85,000			
• Kenworth 18yd Dump Truck	\$150,000					
• Caterpillar 4x4 Backhoe			\$90,000			
• Caterpillar Excavator			\$155,000			
• John Deere 5520 Tractor & Bushhog					\$70,000	<i>Total:</i> \$665,000
Balance, end of year	\$283,476	\$288,476	\$38,476	\$118,476	\$128,476	<i>End:</i> \$128,476

Capital Improvement Plan: FY2016-2020

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. Locations being considered include:
 - 15th Avenue N. (3rd Street N. to Penman Rd) Recommend delaying to coincide with Penman Intersection curbing design and FDOT drainage project design.

Current 5-year projection is based on the assumption that the Local Option Gas Tax will be extended by Duval County. The City's interlocal agreement with the County expires on 8/31/2016.

Funding Source: Local Option Gas Tax (LOGT) and ½-cent Infrastructure Surtax (BJB). See next page for other road improvements.

	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
<u>LOGT (Not Capital)</u> Street Maintenance	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$1,375,000
<u>LOGT (Not Capital)</u> Sidewalk Maintenance	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
BJB/LOGT (Capital) New Sidewalks	\$170,000	\$70,000	\$70,000	\$70,000	\$70,000	\$450,000
TOTAL	\$480,000	\$380,000	\$380,000	\$380,000	\$380,000	\$2,000,000

Capital Improvement Plan: FY2016-2020

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.

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 Beach Boulevard to 12th Avenues and the avenues connecting 9th and 10th Streets. NOTE: There is an area of contaminated soil that must be addressed for which it is difficult to estimate cost.

10 th Street South Industrial Park Area	PRIOR	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Design (W/S)	\$121,070						
(SW)	\$87,670						
(GCP)	\$170,000						
Construction (W/S)		\$640,000					\$640,000
(SW)		\$380,000					\$380,000
(GCP)		\$810,000					\$810,000
TOTAL	\$378,740	\$1,830,000					\$1,830,000

NOTES:

4. The above estimated planning costs are variable until project scope, design, bid advertisement and bid award are complete.
5. 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.
6. Other projects may be added in the future for other necessary road reconstruction. Listed projects may be deleted and/or shifted on time-line due to budgetary constraints.

Capital Improvement Plan: FY2016-2020

Project Title: Relocate / Rebuild Sanitary Sewage Lift Station # 7
In order to Demolish Existing Lift Stations #7, #8 and #20

Department/Division: Public Works / Capital Projects

Project Description and Reason Necessary:

The City's wastewater collection system, consisting of 1,990 sewer manholes, 85 miles of sewer mains, 18 miles of force mains, and 40 sewage lift stations, endures a harsh/corrosive environment due to hydrogen sulfide gas.

- Sewer 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. Sewer mains and services are also subject to tree/shrub root penetrations, especially those in backyard alleys / easements.
- Sewage lift stations are programmed for periodic rehabilitation which includes wet wells, electrical, mechanical and pumping systems, force main piping and other site improvements.

Existing Lift Stations #7, #8 and #20 are in the 5-year window for rehabilitation. Staff determined that a viable alternative is to invest the rehabilitation funding into merging the 3 lift stations into one station with a generator, at a nearby vacant BES site. The locations of these lift station sites are:

<u>Lift Station Sites</u>	<u>General Location</u>
• Existing LS #7	N. 18 th Ave. and 3 rd St.
• Existing LS #8	N. 18 th Ave. at San Pablo Elementary School
• Existing LS #20	N. 15 th Ave. and 4 th St.
• Vacant BES Site	N. 18 th Ave. and 4 th St.

Merging 3 old sites into one (1) new site with a generator will result in more cost effective long term maintenance and continuing service during power outages. Currently, it is planned to construct the project in 2 phases. The following chart gives an overview of the scope in each phase:

Capital Improvement Plan: FY2016-2020

<u>PHASE</u>	<u>OVERVIEW</u>
Phase A: <ul style="list-style-type: none"> • Build New LS #7 • Demolish Old LS #7 and Old LS #20 	<i>Design Start FY2015; Construction Start scheduled FY2017; budget estimate \$1.7M</i> <ul style="list-style-type: none"> ○ Build New LS 7 with generator on Vacant BES Site ○ Install new Gravity Sewer Main on N. 18th Ave. (N. 3rd St. to 4th St.) to manhole next to New LS 7 ○ Replace/Reverse Sewer Main (so that flow is south to north) on N. 4th St. (15th to 18th Ave.) to manhole adjacent to New LS 7 ○ Build new Sewer Force main (flowing south from New LS 7) on N. 4th St. (18th to 13th Ave.) ○ Replace old water main in right-of-way ○ Demolish Old LS 7 and Old LS 20 ○ Rebuild roadway and install new curbing
Phase B: <ul style="list-style-type: none"> • Demolish Old LS #8 	<i>Design Start FY2015; Construction Start scheduled FY2017; budget estimate \$2.0M</i> <ul style="list-style-type: none"> ○ Install new Gravity Sewer Main on N. 18th Ave. from manhole near Old LS 8 east to new manhole adjacent to New LS 7 ○ Demolish Old LS 8 ○ Rebuild roadway and curbing
NOTE: <i>Phasing is necessary so that project is flexible to integrate with possible route(s) for FDOT AIA Drainage Improvement Project. Design survey data collection is underway. Staff design start begins after survey complete.</i>	

Funding Source: Water & Sewer Fund

PROJECT (Fund Source)	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Phase A		\$1,700,000				\$1,700,000
Phase B		\$2,000,000				\$2,000,000
TOTAL CAPITAL:		\$3,700,000				\$3,700,000

Capital Improvement Plan: FY2016-2020

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, 10,722 water service laterals, 873 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 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	2” galvanized	4,625 ft	<i>Completed</i>		
Phase B D (2013) & C (2017)	2” galvanized 6”/8” cast iron	11,200 ft	• A1A	6 th Ave. N.	20 th Ave. N.
<i>Delayed to coincide with FDOT Drainage Project</i>					
Phase C D (2014) & C (2016)	2” galvanized	3,700 ft	• 12 th St. N.	12 th Ave. N.	12 th St. dead end
			• 5 th St. S.	16 th Ave. S.	5 th St. dead end
			• Palm Circle	Holly Dr.	Palm Tree
			• 11 th St. N.	12 th Ave. N.	San Pablo Circle
			• 7 th St. S.	16 th Ave. S.	Millie Dr.
Phase D D (2015) & C (2016)	2” galvanized	3,000 ft	• Rannie St.	9 th Ave. N.	11 th Ave. N.
			• Oakwood Ct.	Oakwood Rd.	Cul-de-sac
			• 8 th St. S.	16 th Ave. S.	8 th St. dead end
			• 1 st Ave. S.	10 th St. S.	11 th St. S.
			• 11 th St. S.	1 st Ave. S.	2 nd Ave. S.
			• 13 th Ave. N.	2 nd St. N.	3 rd St. N.

Water Meter Replacement Program: To increase efficiency / accuracy in reading and billing of water & sewer utility services and to reduce unaccounted water loss, the City intends to upgrade its inventory of 10,000 (+/-) water meters and implement a city-wide water meter replacement program.

Capital Improvement Plan: FY2016-2020

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 1,698 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.**

- **Repairs to the effluent outfall at the St. Johns River.** *Recommended funding source – Water & Sewer Fund.* The Cities of Atlantic Beach, Neptune Beach and Jacksonville Beach discharge treated effluent to the St. Johns River via a common effluent force main. This force main is both singly and jointly owned by the three cities. The singly-owned portion is the segments which carry only treated wastewater generated by that city; the jointly-owned portions are those segments that are common to two or more of the respective cities. The common 24" diameter portion carries effluent from all three beaches communities and discharges to the St. Johns River at Sherman's Point near the village of Mayport.

The original 12" and 24" outfall force mains have been in service since the late-1980s. At the river's edge there is an existing wood pile structure that supports both the 12" and 24" outfall pipes. This outfall is in dire need of repair and a recent consultant report recommends replacement. Design is underway. Estimated total replacement cost is approximately \$400,000 +/- and the City's portion (41.3%) is \$165,200. Construction scheduled in FY 2015/2016.

Capital Improvement Plan: FY2016-2020

Project (<i>Fund Source</i>)	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Water Main Replacement						
Phase B (W/S-78.5%, DT TIF-21.5%), <i>W/S Construct</i> <i>DT TIF Construct</i>	\$1,095,000 \$300,000					\$1,395,000
Phase C (W/S) <i>Construct</i> <i>Can be constructed in FY 2015</i>	\$330,000					\$330,000
Phase D (W/S) <i>Design</i> <i>Construct</i>	\$290,000					\$290,000
Water Meter Replacement Program <i>W/S</i>	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Water SUB-TOTAL <i>W/S</i> <i>DT TIF</i>	\$2,115,000 \$300,000	\$400,000	\$400,000	\$400,000	\$400,000	\$3,715,000 \$300,000
Effluent Outfall Modifications <i>Design</i> <i>Construct</i>						-
Sewer SUB-TOTAL <i>W/S</i>						-
Other W/S Mains (W/S)						-
TOTAL CAPITAL <i>W/S</i> <i>DT TIF</i>	\$2,115,000 \$300,000	\$1,600,000	\$1,600,000	\$400,000	\$400,000	\$3,715,000 \$300,000

The above planning costs are variable until project scope, design, bid advertisement & bid award are complete.

Funding Sources: Water & Sewer Fund (W/S); General Capital Projects Fund (GCP)

NOT CAPITAL	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Water Valve Maintenance Program ¹ (WS)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Sanitary Sewer System Maintenance Program ² (W/S)	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000	\$1,100,000
TOTAL NOT CAPITAL	\$245,000	\$245,000	\$245,000	\$245,000	\$245,000	\$1,225,000

¹ The annual **Water Valve Maintenance Program** consists of exercising approximately 25% of the valve inventory and subsequently replacing damaged/broken valves as necessary.

² The annual **Sanitary Sewer System Maintenance Program** consists of inspecting approximately 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: FY2016-2020

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 40 sewage lift stations and about 1,990 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 such as 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 or maintained as necessary. The current program strategy is to rehabilitate lift stations on an average of every 10 years.

- **LS # 2:** *Design start scheduled for FY2016; construction start rescheduled for FY2018.* 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: modifications to the existing generator building; demolition of the existing lift station building; construction of new wet well with spectra shield coating; new flow meter; new piping and valves; new electrical controls; and new generator (generator needs to be relocated). City has recently installed new variable frequency drives and a used/refurbished generator. Also, we will consider extending the New LS force main from 13th to 6th Ave., manifolding it with LS #2 discharge force main.
- **LS #10:** The existing Master Lift Station #10 submersible sewage pumping station was originally designed to be a triplex pump station (3 each pump/motor assemblies). LS #10, located at the intersection of Palm Tree & 3rd Ave. N., is one of the City's 3 master sewage pumping stations that re-pump from other lift stations to the wastewater treatment plant. LS #10 receives sewage from the entire area north of Beach Boulevard. It was reconstructed in 2004 as a duplex station with capacity for upgrading to a triplex station with the addition of a 3rd submersible pump/motor and associated equipment (piping, valves, electrical, etc.) at a later time. The LS #10's service / maintenance experience of the past 6 years strongly suggests it is prudent to add the 3rd submersible pump/motor assembly at this time. Also, we will consider extending the LS #2 /New LS force main, manifolding it with the LS #10 discharge force main. (It currently discharges into the manhole flowing into LS #10.)
- **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. There is no proper access to this station. In a case of heavy rains the station cannot be accessed by truck. 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. This station is in poor shape and

Capital Improvement Plan: FY2016-2020

needs a total rehabilitation including wet well, piping, pumps, valves, controls, and vehicular access.

- **LS #19:** This station is located at 33 Rosewood Drive. It is a duplex submersible station which was converted in 2001. It has Hydromatic pumps that are prone to clogging due to low flow conditions. The wet well has been coated with Spectrashield and valve box is in good condition. The existing submersible pumps and motors, pump rail system, piping, valves, and control panel need to be replaced. The existing Dataflow PCU also needs to be replaced with a new TacPac. Add a new pump-out connection outside of the valve vault and a new light pole needs to be added for maintenance at night.

FUTURE LIFT STATION PROJECTS:

- **LS #23:** located at 1290 N. 12th Street
- **LS #27:** located 3780 Sanctuary Lane
- **LS #5:** located at 50 S. 37th Avenue
- **LS #24:** located at 3750 South Third Street
- **LS #25:** located at 1781 The Greens
- **LS #28:** located at 1241 Blue Heron Lane
- **LS # 21:** located at 4235-50 Marsh Landing Boulevard
- **LS # 33:** located at Ocean Cay Unit 2 SD (at Isabella Boulevard)
- **LS #30:** located at existing BES building at the substation at 4400 South Beach Parkway
- **LS #34:** located at 323 Lions Club Road
- **LS #35:** located at Jardin de Mer

Funding Source: Water & Sewer Fund

PROJECT (Fund Source)	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
LS #2 <i>Design</i> <i>Construct</i>	\$100,000		\$1,000,000			\$1,100,000
LS #10 <i>Design</i> <i>Construct</i>	\$0 \$75,000					\$75,000
LS #17 <i>Design</i> <i>Construct</i>		\$50,000	\$250,000			\$300,000
LS #19 <i>Design</i> <i>Construct</i>				\$50,000	\$250,000	\$300,000
TOTAL CAPITAL:	\$175,000	\$50,000	\$1,250,000	\$50,000	\$250,000	\$1,775,000

Capital Improvement Plan: FY2016-2020

Project Title: Wastewater Treatment Facility Improvements Program

Department/Division: Public Works / Pollution Control Plant

Project Description and Reason Necessary: The design of the new Advanced Wastewater Treatment (AWT) Plant incorporated the existing chlorine contact tanks and chlorination system which had been in use in the old plant. The effluent from the treatment process flows to the contact tank for chlorination and the wasted sludge flows to the digesters for further reduction. The waste sludge and effluent flowed in a fairly low, continuous manner from the treatment processes of the old plant. However, the waste sludge and effluent flow in higher surges from sequential batch reactor tanks of the new plant. Subsequently, modifications are necessary to these two systems.

- **Modifications to the Chlorine Contact Tanks and Chlorination System:** *Rescheduled for design and possibly construction start in FY2015. Reviewing possible alternatives to the existing tank modifications to more narrowly focus design scope.* 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. Also, the flow inside the square tank is circular and does not efficiently mix the chlorine with the effluent. 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.
- **Jacketed Insulation for Air Piping:** *Scheduled FY2016.* It is proposed to jacket and insulate the extremely hot to the touch exposed pipes in order to protect the operations/maintenance personnel from being burned and to minimize excessive heat gain within the blower buildings. The existing above ground air piping located throughout the plant, inside and outside of facilities, is currently not insulated. Heat gain is significant with the external piping temperatures in the range of 110 degrees F in the winter to 180 degrees F in the summer. The plants turbo blowers' variable frequency drive controllers are heat sensitive and will not operate when temperatures rise above 140 degrees F.
- **Replace existing 500 KW Generator with a 750 KW Generator at the Effluent Pumping Station Building:** *Scheduled FY2016.* Existing 500 KW generator set was originally installed in 1987, has been moved twice, and has provided solid service for 28 years. Currently, the generator is at max load capacity and has significant maintenance issues. These issues include low fuel pressure with oil analysis showing fuel in the oil; numerous exhaust leaks & deteriorated exhaust manifold; oil leaks; governor mechanism problems; continual engine block heat problems; deterioration of radiator guards & electrical junction box; replacement parts scarce, not available and unacceptable long order lead time. Additional load is projected to be added to the generator in the near future with the project titled Duplex Pump Station to Feed Filters (see following). At a minimum, a major overhaul and upgrade is a must. The prudent alternative is to replace this old 500KW generator with a new 750KW generator.

Capital Improvement Plan: FY2016-2020

- New Duplex Pump Station to Regulate Effluent Flow to Tertiary Filter Units:** *Scheduled FY2016.* There are four (4) tertiary disk filter units, with fine mesh media screens. Three (3) serve in operational mode and one (1) serves as standby. The filter units receive treated effluent as a surge when the SBR decanter units empty by flowing through a gravity piping system, with a flow range of 6,000-10,000 GPM. Periodically when a SBR sludge blanket upsets, the effluent surge becomes non-reuse quality, impacting the filters' fine mesh screens (clogs, becoming brittle, tears). Maintaining these filter units has become a full time job and requires the filters to be off line. Subsequently, valves are operated to have the effluent surge bypass the filters and the reclaimed water storage ponds at the Golf Course. When this happens, the City's needs for its reclaimed water irrigated public space (750,000 to 1,250,000 gallons per day) cannot be met by the reuse water alone.

The new duplex pump station and ancillary equipment will provide an alternate method of regulating the non-reuse quality effluent flow to the tertiary filters at a constant lower rate (about 3,125 GPM). The non-reuse quality effluent surge will be bypassed into the North Contact Basin and will be able to settle out particulates. Then, the settled effluent is pumped through the tertiary filters at the constant lower rate with 2 filters operational and 2 standby. It is anticipated that this alternative will improve the tertiary treatment quality and reduce needed maintenance on the filter mesh media screens, extending life expectancy of the filter media (estimated 300% by the manufacturer's representative.)

- Filter Sun Canopies:** *Scheduled FY2016.* Each of the four (4) tertiary disk filter units with fine mesh screens (discussed above) is enclosed in a large stainless steel enclosure mounted on top of a concrete platform, exposed directly to weather conditions. As explained previously, these filter units require continuous and periodic maintenance by our personnel. During the summer, the units heat up to 110 degrees F, making it unbearable for our people performing filter unit maintenance. Sun canopies over the filter units will reduce the risk of possible heat related impacts to our people. The canopies should be sufficiently robust to withstand anticipated wind loads.

Funding Source: Water & Sewer Fund

Project (Fund Source)	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Modifications to Chlorine Contact Tanks & Chlorination System (W/S)						
Modifications to Digesters						
Replace PCP Garage Roof (W/S)		\$35,000				\$35,000
Install Jacketed Insulation for Air Piping	\$25,000					\$25,000
Replace 500 KW to 750 KW Generator	\$205,000					\$205,000
Install Filter Sun Canopies	\$40,000					\$40,000
Install Filter Feed Pumps	\$185,000					\$185,000
TOTAL:	W/S	\$455,000	\$35,000			\$490,000

Capital Improvement Plan: FY2016-2020

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

Raw Water Well #11 Improvements Project

Each of the City's two (2) water treatment plants is supplied with raw water from three (3) wells. Constructed in the late 1950s, Well #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 #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 #11 averaged 51 milligrams per liter (mg/l) in year 2000, while the other wells averaged 13 mg/l. Well #11's chlorides have increased to an average of 155 mg/l in 2011 while the remaining wells averaged 14.5 mg/l. Well #11 is being infiltrated by chlorides, from salt water intrusion, and is approaching the maximum contaminant level (MCL) of 250 mg/l.

Replacing Well #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 is approximately \$500,000.

Funding Source: Water & Sewer Fund

PROJECT <i>(Fund Source)</i>	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Well #11 Improvements (W/S)		\$500,000				\$500,000
TOTAL	\$0	\$500,000	\$0	\$0	\$0	\$500,000

Future Operating Budget Impact:

Fund	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Water & Sewer	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvement Plan: FY2016-2020

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: Water & Sewer Fund (W/S).

PROJECT (<i>Fund Source</i>)	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Interior Roofs Upgrade, Ground Storage Tanks (W/S)		\$360,000				\$360,000
TOTAL	\$0	\$360,000	\$0	\$0	\$0	\$360,000

Future Operating Budget Impact: For utilities and phone.

Fund	FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
TOTAL	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$18,000

Capital Improvement Plan: FY2016-2020

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.

Stormwater Improvements at Various Locations:

- **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. May be constructed with proposed Downtown Drainage Improvements project.
- **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.

Funding Sources: Stormwater Fund (SW) or Southend Redevelopment District Fund (SE TIF).

Capital Improvement Plan: FY2016-2020

PROJECT (Fund Source)		FY2016	FY2017	FY2018	FY2019	FY2020	TOTAL
Stormwater Improvements Various Locations							
○ Lake Sanctuary north to Republic Dr. & east to Constitution Cove Pond	<i>Design (prior year) Construct</i>		\$250,000				\$250,000
○ 4 th Street S., 10 th to 12 th Ave. (SW)	<i>Design Construct</i>						
○ 4 th Street S., 15 th to 16 th Ave. (SW)	<i>Design Construct</i>	\$14,000	\$95,000				\$109,000
○ Isabella Blvd, 35 th S Ave. to Jax Dr (SW)	<i>Design Construct</i>		\$30,000	\$200,000			\$230,000
○ 4 th Street S., 1 st to 6 th Ave. (SW)	<i>Design Construct</i>			\$105,000	TBD		\$105,000
TOTAL CAPITAL		\$14,000	\$375,000	\$305,000	TBD		\$694,000

Pipe Cleaning (Not Capital)	\$95,000	\$95,000	\$95,000	\$95,000		\$475,000
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Capital Improvement Plan: FY2016-2020



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

AICPA – American Institute of Certified Public Accountants

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.

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

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

Glossary and list of acronyms

Credit Rating - an independent rating service's evaluation of the credit worthiness of notes and bonds. Such ratings influence the cost of borrowing.

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

Glossary and list of acronyms

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 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

Fiduciary Fund – used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government’s own programs. The City of Jacksonville Beach’s pension funds are accounted for and budgeted as fiduciary funds.

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

Glossary and list of acronyms

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

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

Major Funds – Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments* sets forth minimum criteria (percentage of assets, liabilities, revenue or expenditures/expenses) for the determination of major funds. Based on that criteria, the City reports the following major funds: General Fund, General Capital Projects Fund, Community Redevelopment Fund and Electric Fund. The City has elected to report the Water & Sewer Fund as a major fund.

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

Glossary and list of acronyms

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

Nonmajor Funds – any fund that does not meet Governmental Accounting Standards Board (GASB) criteria (percentage of assets, liabilities, revenue or expenditures/expenses) for classification as a major fund or that the City does not elect to report as a major fund.

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.

Glossary and list of acronyms

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

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.

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