

City of Jacksonville Beach Annual Budget



Fiscal Year ending September 30, 2018

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:**

David Whitmill Chief, Fire Department
Patrick K. Dooley Chief, Police Department
Allen Putnam Director of Beaches Energy Services

Ann Meuse Director of Human Resources
Jason Phitides 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

2018 Annual Budget

Table of Contents

<i>City Officials</i>	
<i>Table of Contents</i>	
<i>Distinguished Budget Award: 2016-2017</i>	
Budget Message and Summaries of Changes in Revenues and Expenditures	i
Community Profile	1
Budget Overview:	
Form of Government	11
Goals	12
City Services	14
Budget Process	16
Budget, Accounting & Financial Policies	19
Fund Accounting	26
Organization Chart	33
Expenditure Summary by Business Plan and Fund	34
Business Plans:	
Executive and Legislative	35
Community Redevelopment Agency	47
Planning & Development	59
Parks & Recreation	67
Public Works	87
Police	103
Fire	115
Beaches Energy Services	125
Finance	143
Human Resources	155
Funding Sources	167
Budget Summaries	185
Major Funds	186
Other Funds	194
Authorized Positions	198
Capital Outlay Detail	200
Debt and Capital Projects	202
Transfers to/from Other Funds	208
Capital Improvement Plan 2018-2022	209
Beaches Energy Services	212
Finance	240
Police & Fire	253
Parks & Recreation	258
Community Redevelopment Agency	265
Public Works	274
Glossary	299



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Jacksonville Beach

Florida

For the Fiscal Year Beginning

October 1, 2016

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, 2016. 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.

December 5, 2017

City of

Jacksonville Beach

City Hall

11 North Third Street

Jacksonville Beach

FL 32250

Phone: 904.247.6268

Fax: 904.270.1642

www.jacksonvillebeach.org

We are pleased to present the 2018 Annual Budget and Capital Improvement Plan adopted by City Council on September 18, 2017. The City's annual budget determines the manner in which services will be provided to the community during the coming year, and its adoption is one of the most important actions the Council considers. The total budget of \$164,505,457, and millage rate of \$3.9947 fund a range of services important to our community's quality of life.

Major items budgeted include:

- ✓ Replacement of the City's business application software
- ✓ Infrastructure improvements – Rebuild sewer lift station and replace water and sewer lines
- ✓ Electric improvements – Add substation transformer; upgrade transmission and distribution system to continually improve reliability
- ✓ Facilities maintenance and roof replacement program that keeps City buildings in good condition and maintains a positive impression with our citizens
- ✓ Enhanced maintenance programs in the highly utilized Downtown redevelopment district and South Beach Park areas to preserve family friendly, well-kept gathering places.

ECONOMIC AND DEMOGRAPHIC INFLUENCES

Both state and local economic outlooks indicate continuing recovery. In fact, Florida's economy grew above the national average in 2016. Improvements are noted in job prospects, tourism, and personal income. Rising home values in 2016 contributed to a 40% decrease in Florida's active foreclosure inventory. While the foreclosure inventory is expected to normalize in 2018, home ownership rates continue to decline.

This year Jacksonville Beach property values increased by \$223 million or 7.1%; which includes new construction of \$44.7 million. In 2008, our property tax



values were \$3.2 billion; in 2017, they are \$3.35 billion. It has taken 10 years for the City's property tax values to recover from the Great Recession.

Another trend with implications for the future is changes in population demographics. By 2030, Florida's population is projected to grow by 5.4 million; its older population (age 60+) is expected to account for 55% 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, July 28, 2017**, The Florida Legislature Office of Economic and Demographic Research, <http://edr.state.fl.us>)

BUDGET CONCERNS AND UNCERTAINTIES

- After three years of reducing its millage rate, the City made the difficult decision to adopt a millage rate of \$3.9947, 0.2 mills over the prior year. This millage increase is necessary so that the City can be competitive and continue to recruit and retain the highest caliber Police and Fire personnel.
- The state has proposed legislation to increase the homestead exemption from \$50,000 to \$75,000. Should this amendment be approved by the voters, it would reduce taxable values in Jacksonville Beach by roughly \$142 million, resulting in the loss of more than \$500,000 in revenue each year.
- The City has weathered two major hurricanes in less than one year, Hurricane Matthew in October 2016 and Irma in September 2017. The cost of debris cleanup alone was in excess of \$1 million after each storm. While the City has applied for FEMA Public Assistance, it is uncertain when reimbursement monies will be received.



Because the City has been careful with its spending and maintains adequate fund balances, we are able to react quickly without the added stress of worrying how to pay for the cleanup and restoration. We will continue to be thoughtful and fiscally disciplined in the management of our City's resources so that there will always be some funding available to pay for unforeseen emergencies and events.

CITY COUNCIL PRIORITIES

The City Council has five areas that they have chosen as priorities:

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

The 2018 budget continues to provide funding for 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 with the 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. 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% 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 economic downturns by limiting the rate of increases in spending and hiring, by maintaining adequate reserves, and by acting early to reduce spending and authorized positions before the recession began.

PUBLIC SAFETY

The Downtown CAPE, funded by the Community Redevelopment Agency (CRA), is an innovative community policing program comprised of eleven officers dedicated to the City's popular Downtown entertainment district, which enables them to interact closely with business people, residents and visitors and focus on issues of public safety and quality-of-life crimes. This group also provides "responsible vendor training" to businesses in the downtown area that serve alcoholic beverages.



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 13,225 hours of service to the department in 2016, the approximate equivalent of 6 full time positions.

The City's Fire Department is the only fire service agency in the county that provides child safety seat installation, inspection, and education. The department holds general inspections every 1st and 3rd Saturday of the month, or anyone may make an appointment free of charge.



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

PARKING

Issues related to parking in the downtown and adjacent residential areas have been the subject of discussion for a number of years. In 2014, the management of the downtown parking program was outsourced and the current contractor, Lanier Parking, has improved management of the parking lots and security within them. The Police Department, working with downtown businesses, developed a 2-hour parking program in designated downtown areas. This program is ongoing, 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 are marked as being specifically reserved for low-speed vehicles. In addition, the hours of operation for paid parking were successfully implemented with the input of the downtown business community. The paid parking program continues to be successful along with the additional security it brings to the parking lots.

Construction of a new surface public parking lot on the CRA owned property at 2nd Street North between 3rd and 4th Avenues North is complete. The facility will provide 92 vehicle and 3 low speed vehicle parking spaces as well as 23 public dual bike racks.

BUSINESS GROWTH

Because the City is largely built out, business growth is predominately seen in the redevelopment of existing commercial properties. This year a \$19 million addition and renovation project is under way at *Baptist Medical Center Beaches* that will add square footage and upgrade existing facilities in the hospital's

existing surgery center. A vacated fast food restaurant at the intersection of Beach Boulevard and 6th Street South was renovated and reopened as a new *Jimmy Hula's* restaurant. Other new restaurant openings include *Spicy & Juicy Crawfish* at 1704 North 3rd Street, *Another Broken Egg* at the former location of *Jason's Deli*, and *Pieology* in the former location of *Ellen's Kitchen*. An office building on The Greens Way was converted into the *Beaches Recovery Center*, an auto repair shop was converted into *Jet Set Pets* on 12th Avenue South, and a *Rip Curl* retail store opened in the building shared with *Surfer the Bar* on North 1st Street. A new accounting office was built at 1692 Penman Road on one of the City's few remaining undeveloped land parcels.

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

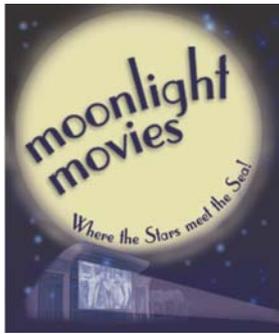
The Downtown Action Plan contains both short and long range project and policy recommendations. Many of the short term recommendations from the Action Plan are already under way, building on efforts to revitalize downtown and broaden its appeal, a project that was initiated with the adoption of the Downtown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

Beaches Energy continues to offer 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.

Design work for improvements to the 10th Street South Industrial Park area is substantially complete and \$1.8 million has been set aside for construction in the coming year. 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 2018 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.



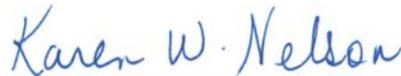
Another way the City is working to build community is by encouraging more community participation. We are holding more workshops, using a variety of techniques designed to make participants more comfortable discussing sometimes politically divisive issues with the goal of obtaining as much thoughtful 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 their time in order to improve the outcome of these processes.

Sincerely,



George Forbes
City Manager



Karen Nelson
Chief Financial Officer



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 estimate for property taxes was based on an assumption of a small increase in property values and an adjustment in the millage rate to \$3.9947 mills.

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

1. Payroll was projected consistent with negotiated union contracts. The projection assumed there would be no vacancy in any authorized positions. Pension costs estimated by the pension funds' actuary were incorporated into the payroll projection.
2. The cost of energy was estimated based on historical 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 2018 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	\$564,934	\$10,220,838	\$10,785,772	4.3%
Redevelopment	-	38,524,106	38,524,106	15.3%
General Capital Projects	-	4,333,306	4,333,306	1.7%
Electric	63,552,745	8,224,765	71,777,510	28.4%
Water & Sewer	16,994,901	1,404,608	18,399,509	7.3%
Total Major Funds	81,112,580	62,707,623	143,820,203	57.0%
Nonmajor Governmental	7,169	5,861,759	5,868,928	2.3%
Nonmajor Enterprise	12,321,310	-	12,321,310	4.9%
Nonmajor Internal Service	3,337,865	-	3,337,865	1.3%
Nonmajor Pension	-	87,024,206	87,024,206	34.5%
Total Nonmajor Funds	15,666,344	92,885,965	108,552,309	43.0%
TOTALS	\$96,778,925	\$155,593,588	\$252,372,513	100.0%
Percentage of total Fund Balance	38%	62%	100%	

Budgeted Changes in Fund Balance:

General Fund: Since budgeted revenues are equal to budgeted expenses, the General Fund's budget anticipates a very small change in fund balance. Of the \$10.2 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.

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 the design is complete and the City has a construction estimate based on the design. The use of fund balance is restricted by Florida Statutes to be spent

in the redevelopment district for purposes specified in its adopted redevelopment plan. Construction of Phase 3C, Project 1 of the Downtown Vision Plan to improve public infrastructure began after the 2017 budget was adopted and is expected to complete in late 2017 at a total cost of \$5.8 million. Design of Phase 3C, Project 2 (11th Ave S to 13th Ave S from 3rd Street to the beach street ends) is complete and the project will be bid out in late 2017. The budget will be adjusted after the construction bid is awarded. Current budget estimates for this project are \$7.7 million.

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 \$285,000 transfer from the General Fund for the following:

- Fire truck replacement tentatively scheduled for 2018 (\$75,000)
- Heavy vehicle equipment replacement reserve (\$90,000)
- Major building system replacement projects (\$42,000)
- Information technology improvements (\$78,000)

Additional funds for the major building system and information technology replacement projects will come from the Electric Fund (\$130,000) and Water and Sewer Fund (\$95,000). 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 (\$594,265), fire truck (\$375,000), city-wide telephone system (\$162,100), computers (\$70,228), major building systems (\$349,000), dune walkover repairs and maintenance (\$100,000), and streets heavy equipment (\$332,000). 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. Since March 2010, Beaches Energy has steadily reduced the residential electric rate for the first 1,000 kilowatt hours of electricity to \$116.91, \$21 less than the rate at that time. Beaches Energy continues to meet its goal of keeping its rates below the State average. The decrease in fund balance is primarily due to a capital project to add a new 50 MVA transformer for increased reliability and load management (\$2.4 million). 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 2018 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.

Major Fund or Nonmajor Fund Type	Revenues 2018	Expenses 2018	Budgeted Change in Fund Balance	
			Change	%
General Fund	\$21,520,576	\$21,520,576	\$0	0.0%
Redevelopment	10,581,258	2,021,278	8,559,980	28.6%
General Capital Projects	790,000	2,159,593	(1,369,593)	-24.0%
Electric	86,831,459	93,001,906	(6,170,447)	-7.9%
Water & Sewer	13,310,978	13,893,298	(582,320)	-3.1%
Total Major Funds	133,034,271	132,596,651	437,620	0.3%
Nonmajor Governmental	3,635,200	3,417,131	218,069	3.9%
Nonmajor Enterprise	8,776,079	9,064,238	(288,159)	-2.3%
Nonmajor Internal Service	12,407,701	12,407,701	-	0.0%
Nonmajor Pension	10,936,105	7,019,736	3,916,369	4.7%
Total Nonmajor Funds	35,755,086	31,908,806	3,846,280	3.7%
TOTALS	\$168,789,357	\$164,505,457	\$4,283,900	1.7%

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 increase in nonmajor governmental funds can be attributed to an accumulation of funds in the Half-Cent Infrastructure Surtax Fund as the Penman Road Commercial Area Improvements project is designed. Construction is projected to begin in 2019.

Nonmajor Enterprise Funds: The primary reason for the decrease in nonmajor enterprise fund balance is due to a decrease in the Sanitation Fund as the City transitions to a new sanitation contractor and expands services such as bulky waste and recycling collections. The Natural Gas, Stormwater, Golf Course, and Leased Facilities Funds expect modest changes to their fund balances.

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, 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 2018 by about \$4 million. All of the pension fund balances are restricted to make payments for current and future retirees.

Revenues by Category:

Taxes: After three consecutive years of reducing its millage rate, the City adopted a small millage rate increase in 2018 for the primary purpose of recruiting and retaining the highest caliber Police and Fire personnel. The upturn in property tax revenue is split between the General Fund (\$1,057,548) and the Community Redevelopment Fund (\$864,328). Local Communication Service Tax

revenue increases this year (\$43,000) based on Department of Revenue estimates

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. Projected increases in half-cent sales taxes drive this category’s overall increase. Grant revenues, while not significant in the 2018 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.

Revenues	ALL FUNDS			
	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Taxes	\$22,103,420	\$24,216,759	\$2,113,339	9.6%
Permits & fees	577,250	582,250	5,000	0.9%
Intergovernmental	4,138,738	4,283,013	144,275	3.5%
Charges for services	118,087,320	119,492,308	1,404,988	1.2%
Fines & forfeitures	218,500	221,500	3,000	1.4%
Interest & other	12,315,601	13,668,518	1,352,917	11.0%
Transfers in	6,313,531	6,325,009	11,478	0.2%
Total Revenues	\$163,754,360	\$168,789,357	\$5,034,997	3.1%

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 (72% of this category) contains a small reduction 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 a modest 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: Interest earnings and gains on pension investments are expected to increase over the prior year.

Transfers in: The 2018 budget contains a transfer of \$144,000 to provide partial funding for golf course operations during the greens master plan redevelopment project.

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

Expenditures by Category:

Personal Services: After the 2017 budget was adopted, the City amended its pay plan and negotiated a new contract with the general employees' union. The 2018 payroll budget increase reflects merit increases using these new agreements as well as an increase of almost \$429,000 in the City's pension contribution. The budget also includes a 5% estimated increase in health insurance. One Purchasing Specialist and Redevelopment Coordinator position were eliminated, partially offsetting these increases. Two part-time Maintenance Worker positions in Parks were combined into one fulltime position at no additional cost.

Expenditures by Category	ALL FUNDS			
	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Personal Services	\$29,156,660	\$30,796,572	\$1,639,912	5.6%
Operating-Energy	62,997,463	63,125,949	128,486	0.2%
Operating-All Other	38,156,186	40,886,265	2,730,079	7.2%
Capital Outlay	16,652,710	17,959,162	1,306,452	7.8%
Debt Service	5,376,492	5,387,875	11,383	0.2%
Grants to Others	27,535	24,625	(2,910)	-10.6%
Transfers out	6,313,531	6,325,009	11,478	0.2%
Total Expenditures	\$158,680,577	\$164,505,457	\$5,824,880	3.7%

Operating-Energy: The City's utility, Beaches Energy Services, serves about 35,100 electric and 250 natural gas customers in Jacksonville Beach, Neptune Beach, Ponte Vedra, and Palm Valley. This year, the utility's budget includes \$62 million for the purchase of electricity from its supplier, Florida Municipal Power Agency whose primary fuel for generation is natural gas. Due to continued low natural gas prices and static consumption, costs are expected to be level. Any savings in the cost of power are returned to our customers through reductions in the power cost portion of their rate. Since March 2010, that rate has fallen by \$21 per 1,000 kilowatt hours, saving residential customers, on average, between \$200 and \$300 per year.

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 250 customers. As this system continues to grow, consumption is expected to increase. Budgeted costs for this service include \$1.1 million for the cost of natural gas, a decrease of about \$196,400.

Operating-All Other: Departments have been tasked with holding operating budgets flat for several years, without looking at reductions in service. For this reason, 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 \$193,000 increase in costs for pension benefits, which are paid out of the pension funds
- Enhanced levels of maintenance and repairs within the Southend Redevelopment District including the Skate Park, restrooms, fitness stations, tennis and volleyball courts, and other enhanced grounds upkeep (\$150,000).
- Electric regulatory compliance costs increased by \$310,200 as BES works to satisfy the requirements mandated by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection Standards.

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. Two major projects budgeted this year are attributable to the increase over the prior year. Beaches Energy will spend \$2.4 million to add a new 50MVA transformer to the Guana Substation and \$1 million to renew and replace aging transmission lines. Redevelopment projects will be budgeted upon completion of design and after the project bids have been awarded by Council. An itemized list of budgeted 2018 capital outlay can be found in the Budget Summaries section; descriptions of larger projects planned for completion between 2018 and 2022 can be found in the Capital Improvement Plan.

Debt Service: The Infrastructure Sales Surtax bonds will be paid off in 2019 and 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 (\$4,625). Public Works offers a grease interceptor rebate program (\$20,000) to promote the installation of authorized, properly sized grease interceptors outside of existing food service facilities. Qualified applicants may be reimbursed up to 50% of their installation costs.

Transfers: The 2018 budget contains a transfer of \$144,000 to provide partial funding for golf course operations during the golf course master plan redevelopment project. The Budget Summaries section has a complete list of all transfers included in the 2018 budget.

Expenditures-by Department:

The **Executive & Legislative Department** (which also manages the Non-departmental 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 is attributable to payroll-related costs such as pension, health insurance, and contract increases.

The **Finance Department** provides support services in the areas of accounting, utility billing/customer service, information systems, and property and procurement. Payroll increases are partially offset by the Procurement division reorganization that adds a Purchasing Administrator and eliminates the Property Management Superintendent and one Purchasing Specialist.

Expenditures by Department	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Executive & Legislative	\$1,300,649	\$1,338,556	\$37,907	2.9%
Finance	6,481,080	6,727,883	246,803	3.8%
Planning & Development	832,231	902,960	70,729	8.5%
Community Redevelopment	779,505	931,539	152,034	19.5%
Parks & Recreation	4,780,688	5,082,231	301,543	6.3%
Public Works	21,462,674	21,363,695	(98,979)	-0.5%
Police	9,855,396	10,030,985	175,589	1.8%
Fire	3,823,550	3,977,546	153,996	4.0%
Beaches Energy Services	91,351,444	95,825,755	4,474,311	4.9%
Human Resources	11,766,574	12,223,418	456,844	3.9%
Non-Departmental	6,246,786	6,100,889	(145,897)	-2.3%
Total Expenditures	\$158,680,577	\$164,505,457	\$5,824,880	3.7%

Planning & Development provides planning, building inspections, and code enforcement services. The budget upturn of \$70,729 is attributable to payroll contract, pension, and health insurance increases.

The **Community Redevelopment** Agency is responsible for managing the City's Downtown and South Beach redevelopment districts. The South Beach CRA Plan was amended in March 2017 to allow for maintenance of agency funded facilities and improvements. The budget increase reflects planned maintenance expenses. Projects currently being designed have not been included in the 2018 budget. The project budgets will be added following the City Council's award of construction bids.

Parks & Recreation manages the City's parks and recreation services that include tennis, golf, adult and youth athletic leagues, special events and all park, oceanfront restroom and lifeguard services. The 6% budget increase is largely associated with payroll contract, pension, and insurance changes.

Public Works provides water, sewer, stormwater, and sanitation services to the citizens of Jacksonville Beach, along with street maintenance. Payroll increases are offset by a reduction in capital outlay costs. A large project rebuilding lift stations began last year and continues this year.

The **Police Department's** budget increased slightly with insurance and pension estimates. Other police department spending in grant and special revenue funds decreased because grants are not budgeted until a notice of award is issued.

In addition to providing fire and rescue services, the **Fire Department** also manages the City's radio system. Rising pension and health insurance costs are the primary reason for this budget's increase.

Beaches Energy Services operates and maintains the City's electric and natural gas distribution systems. Its overall budget increase is largely due to planned capital projects. \$2.4 million is budgeted for Phase 2 of the Guana Substation project that will allow for greater reliability and load management for the south end of the service territory. \$1 million is programmed for transmission line renewal and replacement.

The City purchases its power through Florida Municipal Power Agency, whose primary generation fuel is natural gas. Power costs are flat because natural gas prices have not changed much from the prior year. 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 **Non-departmental** department captures costs that are not directly attributable to any other department for items such as debt service and capital projects. The variance from the prior year is attributable to the timing of capital projects. Replacing the City's business enterprise software is a major multi-year initiative. The project is estimated at about \$3.1 million, with \$594,265 being expended in 2018. The Non-departmental budget is included in the Executive & Legislative section of this document.

A summary of staffing levels by department and division since 2015 can be found in the Budget Summaries section of this book. A discussion of changes in 2018 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.



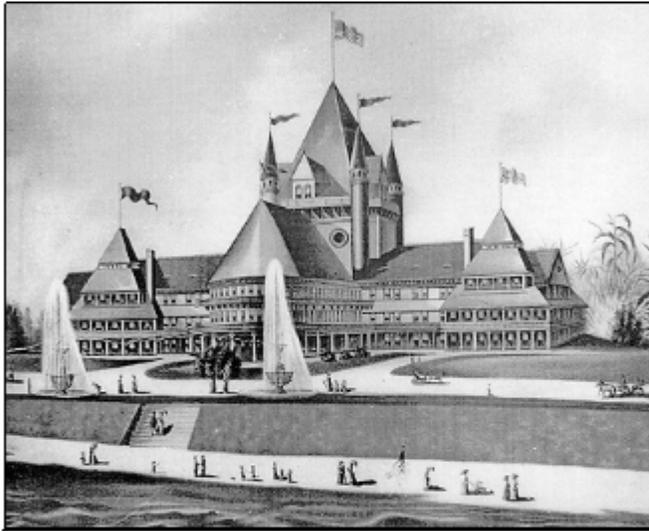
The company acquired many acres of choice oceanfront property which was divided into lots. By November 12, 1884, Ruby was ready for the first buyers of the subdivided lots. About fifty prospective buyers arrived by excursion boats. In all, thirty-four lots were sold that day for a grand total of \$7,514.

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.

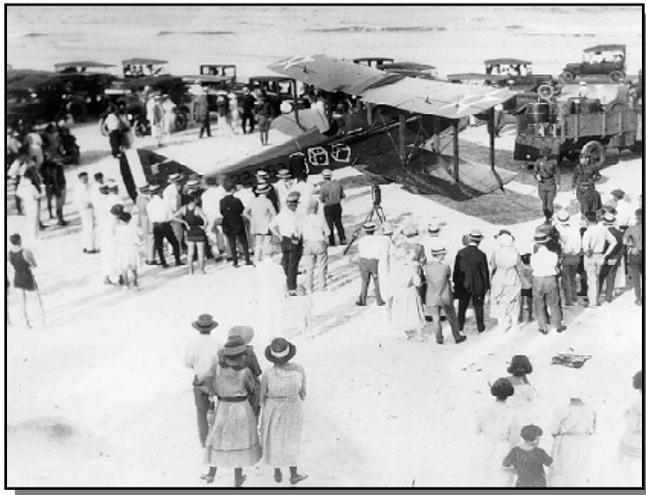
The boardwalk's popularity declined in the late 1950's with the state's crackdown on gambling and games of chance. Driving on the beach was prohibited in 1979.





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.



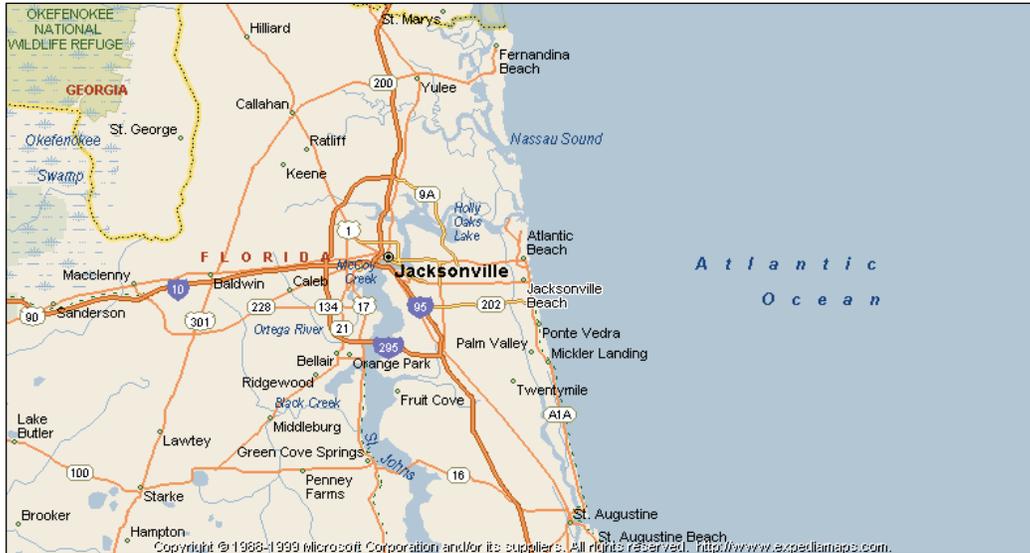
Lt. James H. Doolittle on the beach before his famous transcontinental flight in 1922.

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 23,000. 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)	343 / 134
Government Facilities and Services	
Miles of Streets	89
Number of Street Lights	5,538
Culture and Recreation	
<hr/>	
Parks	11
Parks Acreage	86
Golf Course	1
Tennis Courts	8
Fire Protection	
<hr/>	
ISO Fire Classification	2
Number of Stations	2
Number of Fire Personnel and Officers	31
Police Protection	
<hr/>	
Number of Stations (Satellite Station included)	1
Number of Police Support Personnel and Officers	102
Number of Patrol Units	76
Beaches Energy Services	
<hr/>	
Number of Electric Customers	34,926
Number of Residential Electric Customers	30,005
Average Monthly Consumption-Residential	1,203 kwh
Sewer System (MGD-million gallons per day)	
<hr/>	
Number of Sewer Services	9,366
Number of Treatment Plants	1
Daily Average Flow in Gallons	2.9 MGD
Maximum Daily Capacity of Treatment in Gallons	4.5 MGD
Water System (MGD-million gallons per day)	
<hr/>	
Number of Water Services	11,040
Number of Residential Customers	8,862
Average Monthly Consumption-Residential	4,299 gallons
Number of Artesian Wells	6
Number of Fire Hydrants	900
Daily Average Flow in Gallons	2.7 MGD
Maximum Daily Capacity of Treatment Plant in Gallons	7.0 MGD
Hospitals	1
Bond Ratings	
Moody's Investor Services	Aa3
Fitch Investor Services	AA-

**Miscellaneous Statistics
City of Jacksonville Beach, Florida**

	Population	Unemployment Rate	Duval County Per Capita Income	Budgeted Expenditures	
				Original	Final
2007	22,253	4.1%	\$38,462	\$159,850,220	\$190,894,706
2008	22,749	5.7%	\$39,473	\$160,253,941	\$197,129,175
2009	22,715	9.9%	\$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%	\$38,805	\$164,854,246	\$184,597,322
2014	22,136	6.5%	\$39,893	\$161,513,569	\$186,735,361
2015	22,805	6.0%	\$41,339	\$153,947,972	\$179,126,172
2016	23,288	4.9%	n/a	\$159,841,415	\$188,699,769

	Residential		Commercial		Total Value of Permits
	Permits Issued	Value of Permits	Permits Issued	Value of Permits	
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
2015	1242	\$63,682,435	380	\$17,071,166	\$80,753,601
2016	1301	\$55,537,631	388	\$27,667,754	\$83,205,385

Principal Taxpayers:	2015 Assessed Valuation	2016 Assessed Valuation	Percentage of 2016 Total Assessed Valuation
	Broadstone Beach House at Jax Beach	\$29,201,180	\$32,121,298
Ocean Park Partnership, Ltd.	\$21,901,000	\$23,211,500	0.8%
Courtyard Marriott	\$20,926,900	\$22,133,400	0.8%
Hampton Inn Oceanfront	\$20,926,070	\$21,673,500	0.8%
South Beach Regional Shopping Center	\$15,139,200	\$16,693,590	0.6%
Pablo Plaza Shopping Center	\$13,489,100	\$12,479,600	0.4%
Beach Marine	\$11,999,900	\$11,392,100	0.4%
Marsh Landing Plaza	\$10,330,200	\$11,363,220	0.4%
Southbeach Parkway Shopping Center	\$10,025,600	\$10,767,600	0.4%
Adventure Landing Amusement Park	\$9,619,499	\$9,527,580	0.3%
	\$163,558,649	\$171,363,388	
Total Real Property Assessed Valuation	\$2,600,643,517	\$2,814,151,792	

Principal Employers 2016:	Number of Employees
Naval Station Mayport	9,000
Baptist Medical Center-Beaches	800
Ponte Vedra Inn & Club	650
PGA Tour	620
Sawgrass Marriott	465
City of Jacksonville Beach (Full Time)	336
Vicar's Landing	320
TPC Sawgrass	320
U.S. Coast Guard	300
Fleet Landing	280



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

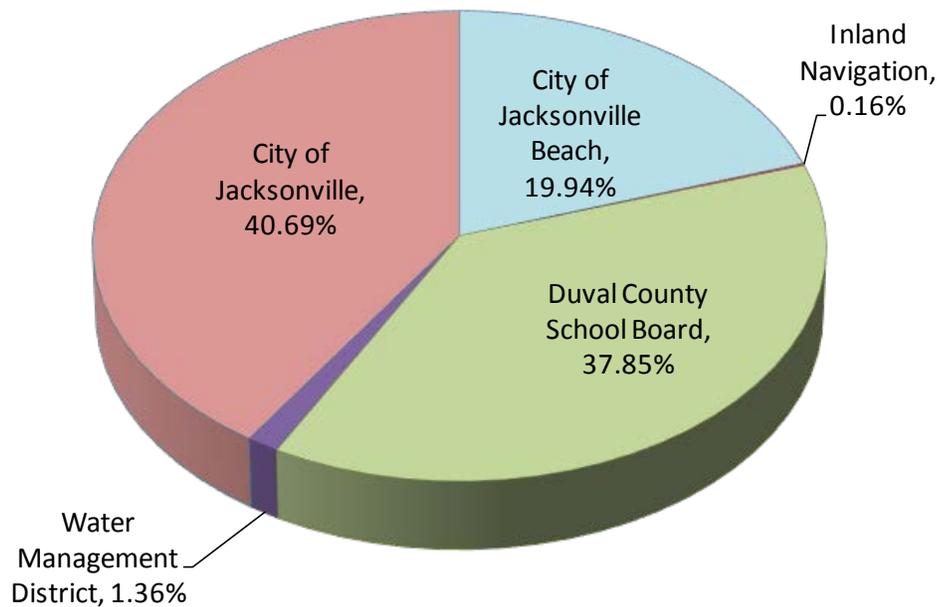


Funding City Services

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 \$3.9947 mills per thousand dollars of property value. The adopted rate is less than the current statewide average of \$4.8178.

Where Your Property Tax Dollars Go
Property Taxes on a home with Homestead Exemption*

Current Millage Rate			Proposed Millage Rate	
Millage Rate	Property Tax		Millage Rate	Property Tax
\$3.7947	\$560	City of Jacksonville Beach	\$3.9947	\$589
0.0320	\$5	Inland Navigation	0.0320	\$5
6.8020	\$1,174	Duval County School Board	6.4850	\$1,119
0.2885	\$43	Water Management District	0.2724	\$40
8.1512	\$1,203	City of Jacksonville	8.1512	\$1,203
\$19.0684	\$2,985	TOTAL	\$18.9353	\$2,956



*Based on a median home assessed value of \$197,544 (Property Appraiser)

A home valued at \$197,544 with a homestead exemption of \$50,000 has a net taxable value of \$147,544 (\$172,544 for schools). Based on 2018 millage rates, that homeowner will pay \$2,956 in property taxes. \$589 of that household's taxes are paid to the City of Jacksonville Beach (about \$49.08 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
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 7-18	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 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, these budget adjustment items are aggregated and presented to the Council in the form of a resolution. The **mid-year adjustment** takes place in March and the **year-end adjustment** occurs in September. 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 Chief Financial 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	\$21,520,576	\$21,520,576	\$0	13.1%
Community Redevelopment	10,581,258	2,021,278	\$8,559,980	1.2%
General Capital Projects	790,000	2,159,593	(\$1,369,593)	1.3%
Electric	86,831,459	93,001,906	(\$6,170,447)	56.5%
Water & Sewer	13,310,978	13,893,298	(\$582,320)	8.4%
	<u>133,034,271</u>	<u>132,596,651</u>	<u>437,620</u>	<u>80.6%</u>
Nonmajor Funds:				
Governmental	3,635,200	3,417,131	218,069	2.1%
Enterprise	8,776,079	9,064,238	(288,159)	5.5%
Internal Service	12,407,701	12,407,701	0	7.5%
Trust (pension)	10,936,105	7,019,736	3,916,369	4.3%
	<u>35,755,086</u>	<u>31,908,806</u>	<u>3,846,280</u>	<u>19.4%</u>
TOTAL - All Funds	<u>\$168,789,357</u>	<u>\$164,505,457</u>	<u>\$4,283,900</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. 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)	21,520,576	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)	2,021,278	Infrastructure improvements in Downtown and Southend districts; downtown policing initiative	Redevelopment, Police, Public Works
Convention Development	162,974	Tourism and convention development	Parks & Recreation, Executive
Court Cost Training	10,200	Police training	Police
Local Option Gas Tax	727,089	Street and road maintenance	Public Works
Half-Cent Infrastructure Surtax	1,057,100	Infrastructure improvements specified in enabling legislation	Public Works
Community Development Block Grant	138,000	CAPE, Carver Center and Utility Assistance	Police, Finance, Parks & Recreation
Radio Communication	10,000	City's radio system	Fire
Justice Assistance Grant	0	Specific law enforcement uses	Police
Tree Protection	3,000	Tree replacement	Parks & Recreation
Law Enforcement Trust Fund	64,544	Specific law enforcement uses	Police
Equitable Sharing Fund	236,000	Specific law enforcement uses	Police
Debt Service Fund			
Half-Cent Infrastructure Surtax	1,008,224	Principal and interest payments	Executive
Capital Projects Funds			
General Capital Projects (major)	2,159,593	Major capital projects and repair/ replacement of equipment	Executive
Infrastructure Surtax Bond Proceeds	0	Infrastructure improvements specified in enabling legislation	Executive
TOTAL GOVERNMENTAL FUNDS	\$29,118,578		

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
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)

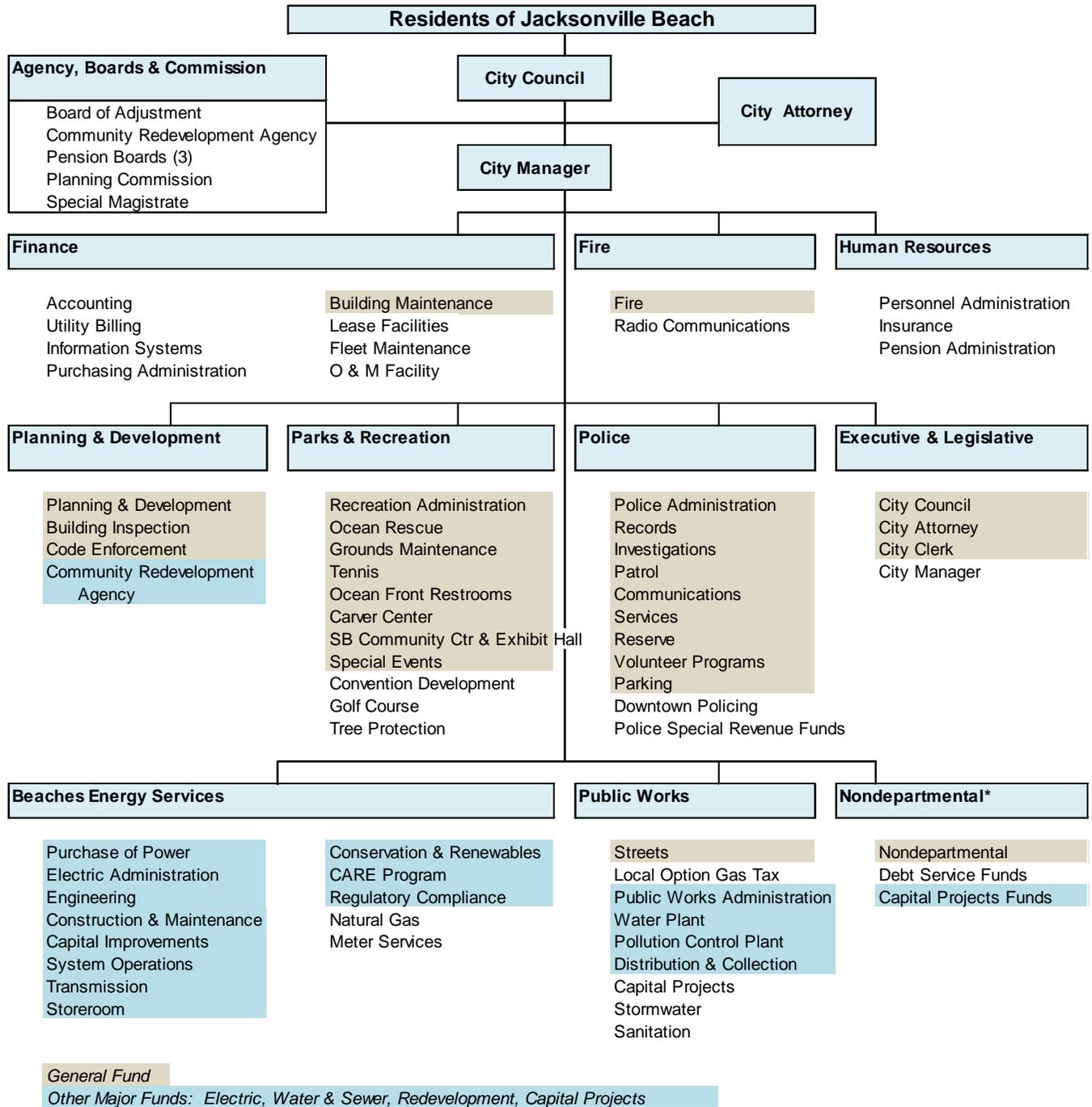
Proprietary Funds	Budget	Primary Uses	Department
Enterprise			
Electric (major)	\$93,001,906	Operations of Beaches Energy Services	Beaches Energy Services
Water & Sewer (major)	13,893,298	Operations of water and sewer system	Public Works
Natural Gas	1,857,457	Operations of natural gas system	Beaches Energy Services
Stormwater	1,236,490	Operations of stormwater system	Public Works
Sanitation	3,955,983	Garbage and sanitation operations	Public Works
Golf Course	1,361,810	Golf course operations	Parks & Recreation
Lease Facilities	652,498	Operations of lease facilities and funding for major projects and replacements	Beaches Energy Services
Internal Service			
City Manger	529,136	City Manager's office operations	Executive
Finance	4,799,904	Utility billing, accounting, purchasing and information systems operations	Finance
Human Resources	584,848	Human resources operations	Human Resources
Fleet Maintenance	589,068	Maintenance on City's vehicle fleet	Finance
Meter Services	966,392	Meter reading services for electric & water	Beaches Energy Services
Operations & Maintenance Facility	319,519	Maintenance costs of O&M buildings	Finance
Insurance & Risk Retention	4,618,834	Premiums and related costs for general, liability, workers comp and employee insurance	Human Resources
TOTAL PROPRIETARY FUNDS	\$128,367,143		

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	\$4,691,572	General employees' pension fund	Human Resources
Police	1,446,423	Police pension fund	Human Resources
Fire	881,741	Fire pension fund	Human Resources
TOTAL PENSION FUNDS	\$7,019,736		

City of Jacksonville Beach, Florida Organization Chart



* See Executive & Legislative Department for these divisions.

**Expenditure Summary by Business Plan and Fund
Fiscal Year 2018**

	General Fund	Other Govt. Funds	Enterprise	Internal Service	Trust (Pension)	Total
Executive & Legislative						
Governmental Debt Service		\$1,008,224				\$1,008,224
Executive & Legislative	809,420			529,136		1,338,556
Capital Projects		3,216,693				3,216,693
Nondepartmental	1,875,972					1,875,972
Total Executive & Legislative	2,685,392	4,224,917		529,136		7,439,445
Planning & Development	902,960					902,960
Redevelopment						
Downtown Redevelopment		652,686				652,686
Southend Tax Increment		278,853				278,853
Total Redevelopment		931,539				931,539
Parks & Recreation						
Recreation Administration	678,837					678,837
Ocean Rescue	848,550					848,550
Grounds Maintenance	1,349,442					1,349,442
Tennis	162,515					162,515
Oceanfront Facilities	130,620					130,620
Carver Center-CDBG	153,377	138,000				291,377
Special Events-Convention Dev.	60,506	162,974				223,480
Exhibition Hall	32,600					32,600
Golf Course			1,361,810			1,361,810
Tree Protection		3,000				3,000
Total Parks & Recreation	3,416,447	303,974	1,361,810			5,082,231
Public Works						
Administration			4,479,246			4,479,246
Distribution and Collection			2,336,334			2,336,334
Pollution Control			4,543,900			4,543,900
Water Plant			2,533,818			2,533,818
Streets	1,550,835					1,550,835
Local Option Gas Tax		727,089				727,089
Stormwater Utility			1,236,490			1,236,490
Sanitation			3,955,983			3,955,983
Total Public Works	1,550,835	727,089	19,085,771			21,363,695
Police						
General Fund	8,630,502					8,630,502
Special Revenue Funds		1,400,483				1,400,483
Total Police	8,630,502	1,400,483				10,030,985
Fire	3,967,546	10,000				3,977,546
Beaches Energy Services						
Electric			93,001,906	966,392		93,968,298
Natural Gas			1,857,457			1,857,457
Total Beaches Energy			94,859,363	966,392		95,825,755
Finance	366,894		652,498	5,708,491		6,727,883
Human Resources						
Personnel Administration				584,848		584,848
Insurance & Risk Management				4,618,834		4,618,834
Pension Administration					7,019,736	7,019,736
Total Human Resources				5,203,682	7,019,736	12,223,418
Total Adopted Budget	\$21,520,576	\$7,598,002	\$115,959,442	\$12,407,701	\$7,019,736	\$164,505,457

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 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 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	FY2016	FY2017	FY2018
City Council	7	7	7
City Manager	1	1	1
Deputy City Manager	1	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	14	14	14

Goals for FY2018-City Manager's Office

- Analyze levels of service and recommend changes in City programs to improve their effectiveness and meet budgetary requirements.
- Provide leadership to implement business plan strategies and City Council priorities for all departments.
- Continue customer service emphasis to provide high quality services at a reasonable cost.
- Focus on sound financial management.
- Ensure City facilities are adequately maintained to maximize their useful lives and minimize their long-term cost.
- Provide effective emergency and storm management.

Executive & Legislative Department

City Manager's Performance Measures	
Priorities and Goals	Status
Financially Sound City	
Sustainable pension plans	Adjustments to make City pension plans sustainable were implemented in 2014; State laws adopted in May 2015 have increased costs.
Provide competitive compensation & health care for employees	Adopted new pay plan in 2016.
Develop potential alternate revenue sources to supplement the General Fund	<ul style="list-style-type: none"> Lease properties continue to be an important source of revenues. City seeking 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. Changes in the way the tax increment districts operate could substantially improve general fund revenue.
Ensure capital improvement planning is up to date	The 5-year capital improvement plan, updated annually, is included as part of the City's budget and business plan.
Public Safety	
Ensure Downtown CAPE is enhancing citizen safety	Added 2 police positions to Downtown Policing Innovations Program in 2016. Program now provides a total of 11 officers.
Partner with other agencies such as Mission House to reduce the number of homeless	This program works effectively to provide options to the homeless population in Jacksonville Beach.
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	Ongoing discussions with downtown business owners and developers. Beach Marine PUD, Dolphin Depot LLC (6-story residential and hotel downtown complex), and Atlantis LLC (8-story, 220 room hotel) projects approved.
Work with Beaches Chamber of Commerce, Beaches Hospitality Network and Visit Jacksonville to market our City and assist hospitality/tourism businesses	Programs and ordinance revisions are being considered through the Downtown Action Plan.
Review City ordinances and develop policies to encourage business activity	Part of the Downtown Action Plan changes being considered by Council include: Noise, Special Events, and Outdoor Seating

Executive & Legislative Department

City Manager's Performance Measures	
Priorities and Goals	Status
Parking	
Provide spaces for low speed vehicles (LSV); provide charging stations for electric vehicles	Designated parking for LSVs implemented in 2013; two charging stations for electric vehicles added in 2017
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 completed. Paid parking program approved in February 2014.
Provide security in City-owned parking lots	Performed primarily by Community Service Officers in conjunction with the paid parking program
Add parking when economically feasible	Surface lot and police storage facility on 2 nd Street between 3 rd and 4 th Avenues North underway
Building Community	
Enhance web and social media presence to keep the public informed and invited to participate in decision making	Increased use of social media and website to notify citizens and customers about upcoming meetings, events, and emergencies, such as hurricanes
Provide spaces, parks and events that create opportunities for friends and neighbors to connect with each other and with the community	Downtown Action Plan improvements being considered. Special events policy revisions being considered; added and expanded "Deck the Chairs"; Art Walk and Car Cruise take place monthly. Jax Beach Skate Park opened in March, 2017
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
Redevelopment	
30-year redevelopment district renewal	In 2014, the life of the Redevelopment Districts was extended by 30 years, to 2044.
Downtown Redevelopment-Glatting Jackson, Phase 3-C & 3-D (1st & 2nd Streets from Beach Blvd. to 16th S.). Additional restroom facilities at Oceanfront Park, addition to SeaWalk Pavilion completed.	Construction of First and Second Streets (Beach Blvd to 4 th Ave. South) is underway; Design for 11 th through 13 th Avenues South is being finalized

Executive & Legislative Department

City Manager's Performance Measures	
Priorities and Goals	Status
Quality of Life	
<i>Downtown Vision Plan and Downtown Action Plan:</i>	
Action Plan for Downtown Jacksonville Beach developed. 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
<i>Infrastructure:</i>	
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
10th Street South Industrial Park Area construction	Design 2016; Construction bid considered for 2017 or 2018
<i>Water, Sewer & Stormwater</i>	
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
Drainage Study & Projects – North of Beach Blvd	In conjunction with FDOT, a major \$22 million drainage project for north Jacksonville Beach
Drainage Study & Projects – South of Beach Blvd	Study for the area bounded by Beach Blvd, A1A, Atlantic Ocean and 16th Ave S. com
<i>Parks & Facilities</i>	
All parks and facilities in good condition; properly maintained and free of trash	Yes-maintenance improvements underway
Install bus shelters at selected locations as funding is available	Phase 1 completed (5 on 9 th Street South and 2 on Penman Road)
<i>Public Safety</i>	
Emergency Management	On-going
Marketing & 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	Actual 2016	As of 3/2017	Target 2018
# responses received / # surveys sent out	65 / 593	129 / 2,986	100 / 500
Customer survey satisfaction rating: Target is 95% Satisfactory, with at least 80% Exceeds Expectations:			
Internal Customer Service Survey - Satisfaction with service provided	97%	95%	95%
Local Business Tax Customer Service Survey - Satisfaction with responsiveness of Clerk's office	99%	96%	95%
Lien Certificate Customer Service Survey - Satisfaction with responsiveness of Clerk's office	99%	95%	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 3-7 (was previously 7-10) business days of request	95%	95%	95%
After receiving a completed application, process and issue Local Business Tax Receipt within 5 business days	95%	95%	95%

Goals for FY2018-City Clerk's Office

- Emphasize customer service by providing high quality, efficient services.
- Identify, protect, and preserve essential and historic City records.
- Ensure that all City Council and Board meetings are attended and minutes are transcribed promptly.
- Continue training and maintenance of document imaging program "Opti-View."
- 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, 2017.

Executive & Legislative Department

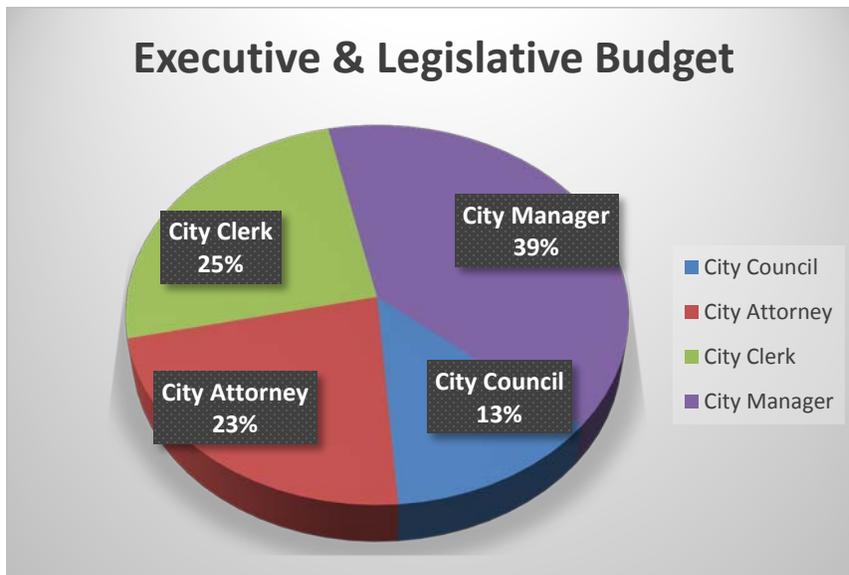
Funding Sources:

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.

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:



Division	FY2017 Budget	FY2018 Budget	Increase (Decrease)
City Council	\$169,570	\$169,458	-\$112
City Attorney	304,020	304,593	573
City Clerk	316,066	335,369	19,303
City Manager	510,993	529,136	18,143
TOTAL	\$1,300,649	\$1,338,556	\$37,907

Budget increases are for payroll-related costs, primarily, for pension, health insurance and contract increases.

Executive & Legislative Department

Funding Uses (continued)

City Council

This division's expenses are essentially level in comparison to previous years. Total budget is \$169,458. 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 \$304,593.

City Clerk

The City Clerk's office is responsible for maintaining the City's records and documents, keeping minutes of all City meetings, coordinating all municipal elections and publishing legal notices and advertisements. It also manages the City's business license program and lien certificate requests. The total budget is \$335,369.

City Manager

The City Manager runs the day-to-day operations of the City by:

- Executing the directives of the City Council
- Overseeing the work of all City departments
- Managing intergovernmental (Federal, State and local) affairs
- Representing Beaches Energy Services on the Florida Municipal Power Agency and on the board of the Florida Municipal Electric Association
- Presenting the annual budget to the City Council

The total budget is \$529,136.

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 included in this cost area.

NON-DEPARTMENTAL BUDGET		
(General Fund)	FY2017	FY2018
Professional Services	\$7,500	\$7,500
Contract Services: Christmas lights	12,000	12,000
Contract Services: bank charges	50,000	50,000
Utilities (Downtown area)	20,000	20,000
Rental of South Beach Recreation Center	10,000	10,000
Liability Insurance	359,961	357,998
Maintenance	2,000	2,000
Unanticipated:		
Unallocated	367,544	936,540
Customer Service Rewards	15,000	15,000
Internal Service Charges	29,180	30,109
Uncollectible Accounts	1,200	1,200
Minimum monthly retiree benefits	7,535	4,625
Subtotal - operating	881,920	1,446,972
Capital outlay	-	-
Transfers from General Fund to General Capital Projects Fund:		
Capital Projects-equip. replacement		
Fire apparatus replacement	75,000	75,000
Streets heavy equipment replacement	90,000	90,000
Major building systems replacements	42,000	120,000
Golf course funding/capital purchases	65,000	144,000
Information technology equipment	78,000	-
Subtotal - transfers	350,000	429,000
TOTAL Non-departmental	\$1,231,920	\$1,875,972

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. After the debt is retired in 2019, these funds will be designated for street milling, repaving, and other road maintenance projects Citywide.

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.

Funding Source	Projects budgeted	FY2018 Budget
½ Cent Sales Surtax Fund (Better Jax Beach)	Sidewalks	\$70,000
	Bank service charges	1,500
	Transfer to debt service fund	985,600
Total 1/2 Cent Sales Surtax		\$1,057,100
General Capital Projects	Professional engineering services	30,000
	Bank service charges	22,000
	Dune walkover repairs/maintenance	100,000
	Building maintenance, painting and misc.	50,000
	Computer-related maintenance	25,000
	Building systems replacement-roofs, HVAC	349,000
	Water, sewer and stormwater project 10th St S	50,000
	City-wide Telephone System Replacement	162,100
	Replace business applications*	594,265
	Heavy equipment replacement: Streets	332,000
	Heavy equipment replacement: Fire	375,000
Replace computers (annual plan)	70,228	
Total General Capital Projects		\$2,159,593
TOTAL CAPITAL PROJECTS		\$3,216,693

* The total cost estimate for this high priority project is \$2.8 to \$3.1 million. In 2017, a contract was approved with Tyler Technologies for financial, human resource, payroll, and utility billing software modules. Once implementation is complete for this phase, the City plans to issue a new request for proposal for the GIS-based and mobile applications some time in 2019.

Executive & Legislative Department

Financial Summaries

Executive and Legislative Department

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$750,070	\$801,604	\$838,629	\$37,025	4.6%
Operating	\$347,621	\$499,045	\$499,927	\$882	0.2%
Capital Outlay	\$0	\$0	\$0	\$0	-
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$1,097,691	\$1,300,649	\$1,338,556	\$37,907	2.9%

Budget increases are for payroll-related costs, primarily, for pension, health insurance and contract increases.

Nondepartmental Division

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Operating	\$511,031	\$881,920	\$1,446,972	\$565,052	64.1%
Capital Outlay	\$0	\$0	\$0	\$0	-
Transfers	\$1,415,857	\$350,000	\$429,000	\$79,000	22.6%
TOTAL	\$1,926,888	\$1,231,920	\$1,875,972	\$644,052	52.3%

Transfers increased to fund building systems replacements and funding for the ERP project. A detail of these expenditures is on page 8.

Governmental Debt Service Funds

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Principal	\$935,000	\$955,000	\$980,000	\$25,000	2.6%
Interest & other charges	\$55,073	\$45,804	\$28,224	-\$17,580	-38.4%
TOTAL	\$990,073	\$1,000,804	\$1,008,224	\$7,420	0.7%

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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Operating	\$256,244	\$149,700	\$228,500	\$78,800	52.6%
Capital Outlay	\$437,131	\$2,884,412	\$2,002,593	-\$881,819	-30.6%
Transfers	\$904,180	\$979,950	\$985,600	\$5,650	0.6%
TOTAL	\$1,597,555	\$4,014,062	\$3,216,693	-\$797,369	-19.9%

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

Executive & Legislative Department

Budget Issues for 2018

- The LIUNA (General Employees) contract was approved by the City Council in February 2017. The FOP (Police) and IAFF (Firefighters) contracts re-open in May 2017 and June 2017, respectively.
- State legislation passed in 2015 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 also limits the City's flexibility in the use of insurance premium tax revenues to pay for benefits and mandates 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 2018 budget. The improvements are being done over the next 3-5 years, to help minimize the budget impact. Budgeted facilities improvements include:
 - Dune walkovers: repairs to dune walkovers were nearly complete when Hurricane Matthew struck in October 2016. Since then work to repair the damage from the storm has been completed. A reserve will need to be established for the cost of future ongoing walkover repairs and replacements.
 - Business applications: The cost of replacing the City's 28-year old business enterprise software is approximately \$2.8 to \$3.1 million. \$2.1 million has been set aside, with additional funds coming from transfers from the General Fund.
 - Roof replacements: \$349,000 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 \$1,351,000.
 - Projects are scheduled for Ocean Front Park, Latham Plaza, 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	FY2016	FY2017	FY2018
Community Redevelopment Coordinator	1	-	-

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 \$5,701,752 for FY 2017 and the South Beach District generated \$3,512,714 for the same period.

Both districts are expected to continue fully funding their operations and planned projects for the foreseeable future.

Community Redevelopment Program Management

In FY 2015, to meet the increased workload, staffing for the management of the City’s redevelopment programs was augmented by adding in-house engineering services to be provided by the City Engineer (25%) and Project Engineer (75%). The Redevelopment Administrator position is the responsibility of the Planning & Development Director.

Community Redevelopment Agency

Community Redevelopment Program Management (continued)

Salary and Benefits Percentage Allocation by District:

Position	Department	Downtown	South Beach	Total
Planning & Development Director	Planning & Development	15.5%	9.5%	25%
City Engineer	Public Works	15.5%	9.5%	25%
Redevelopment Engineer		46.5%	28.5%	75%
Construction Coordinator (part-time temporary)		78.7%	7.1%	85.8%

In addition, the CRA continues to provide funding for operating expenses related to carrying out community redevelopment efforts, including a proportionate share of internal services such as City Administration, Human 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.

Community Redevelopment Agency

FY 2017-2018 Budget Issues

Significant changes were made in the FY 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 have been 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 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 currently engaged in 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, 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 preparation of the downtown action plan by Dix.Hite + Partners is requiring greater involvement by City administrative staff. Upon completion of that plan in FY 2017, specific projects will be identified for implementation, including but not limited to a lighting plan, a bike parking plan, public art master plan, wayfinding signage, and pier entryway enhancement.

Community Redevelopment Agency

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

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$987,881	\$1,127,890	\$1,151,343	\$23,453	2.1%
Operating	\$207,586	\$643,154	\$809,835	\$166,681	25.9%
Capital Outlay	\$4,319,916	\$63,000	\$60,100	-\$2,900	-4.6%
Debt Service	\$666,406	\$0	\$0	\$0	-
TOTAL	\$6,181,789	\$1,834,044	\$2,021,278	\$187,234	10.2%

The FY 2018 budget for the Department is increased primarily due to an increase in operating expenses. Operating expenses have increased by \$166,681 to provide enhanced levels of maintenance within the South Beach for South Beach Park improvements including the Skate Park, splash pad, picnic pavilions, ball courts, fitness circuit, and restrooms. The manner in which tax increment revenues are budgeted for capital projects can affect the budget by creating significant changes in this department’s budget. Reserved funds are earmarked or committed to such projects when they reach the final design stage.

Financial Summary by District

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Downtown	\$4,511,424	\$1,700,715	\$1,742,425	\$41,710	2.5%
South Beach	\$1,670,365	\$133,329	\$278,853	\$145,524	109.1%
TOTAL	\$6,181,789	\$1,834,044	\$2,021,278	\$187,234	10.2%

Increases are primarily due to proposed funding for maintenance and repairs of South Beach Park facilities (Skate Park, Splash Pad, Fitness Stations, Play Equipment, Tennis Court, Volleyball courts, Bathrooms, Picnic Pavilions)

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, and the implementation of the Haskell/Sleiman Plan in 1995. 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 Infrastructure Rebuilt
- Downtown Vision Plan Utility and Streetscape Project
- Latham Plaza and Parking Lot
- SeaWalk Pavilion
- Oceanfront Park
- Downtown Action Plan
- Jacksonville Beach Fishing Pier
- 3rd Street Medians Landscaped
- SeaWalk Reconstruction

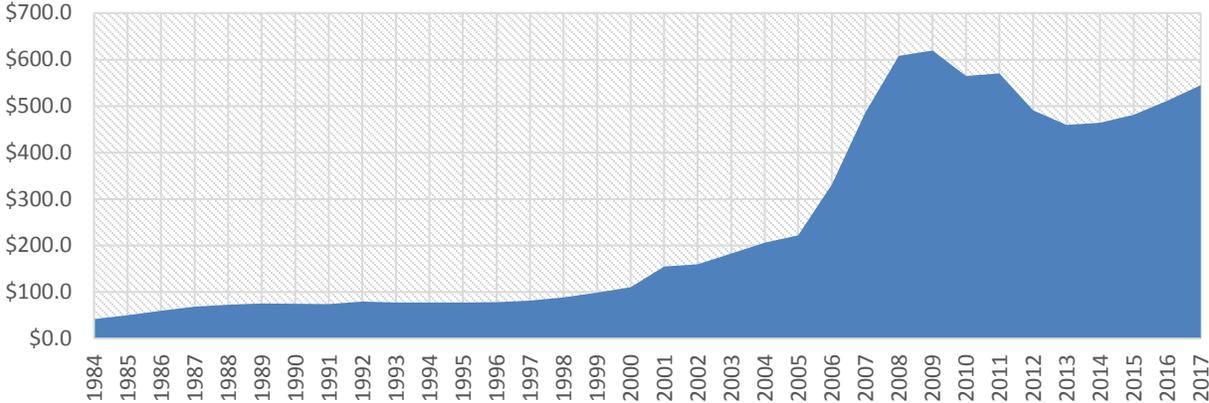
Community Redevelopment-Recent Program Accomplishments-Downtown

During FY2017, the CRA, with assistance from City staff, continued its involvement in implementing the Vision Plan for the core of the Downtown area as follows:

- Construction continued on the first section of a major utility and road reconstruction effort for the balance of Phase III, which focuses on road and infrastructure reconstruction south of Beach Boulevard. The initial project 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.
- The City's consulting engineers completed their stormwater modeling of the project area, and continue to work preparing final designs and phasing plans to complete the infrastructure improvements between 4th and 13th Avenues South to resolve stormwater management issues in that area.
- Under the Downtown Action Plan, changes to the Outdoor Seating, Alcoholic Beverage, and Noise sections of the City's Code of Ordinances are being considered to help better manage the City's nighttime economy. Also in conjunction with the Downtown Action Plan the consulting group Dix.Hite + Partners was hired in FY2017 to assist the City in developing a plan to coordinate the design, phasing and placement of features such as public art (murals and sculpture), wayfinding signage, landscaping, street furnishings, lighting, bicycle parking and marketing/branding. Two public workshops have been conducted on the draft *Downtown Action Plan – Implementation and Management Plan*. The plan will be completed in this fiscal year and implementation will follow.

Community Redevelopment Agency

**Downtown Tax Increment District
Total Assessed Valuation, 1984-2017
(in millions)**



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 we see increases in 2015 through 2017.

Program Goals for FY 2018 – Downtown

- Complete construction of the roadway and utility improvements in the twelve-block area east of 3rd Street between Beach Boulevard and 4th Avenue South.
- Prepare final designs and phasing plans required to complete the infrastructure improvements planned for the area east of 3rd Street between 4th and 13th Avenues South, and award the construction contract for the portion of that area between 11th and 13th Avenues South.
- Maintain funding for the *Downtown Community Policing Initiative* (Downtown CAPE) to ensure the safety of visitors to the Downtown Community Redevelopment District.
- Continue work to improve the livability of the Downtown area by implementing the recommendations of the Dix.Hite + Partners’ *Downtown Action Plan –Implementation and Management Plan*.

Community Redevelopment Agency

Financial Summary-Downtown Redevelopment

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$168,683	\$168,662	\$159,671	-\$8,991	-5.3%
Operating	\$107,797	\$477,514	\$493,015	\$15,501	3.2%
Capital Outlay	\$3,398,764	\$0	\$0	\$0	-
TOTAL	\$3,675,244	\$646,176	\$652,686	\$6,510	1.0%

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 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. Late in FY 2015, a supervisory sergeant and three additional patrol officers were added to the Downtown CAPE unit. The FY 2017 budget added a police corporal and a police officer to enable the program to deploy two groups of officers throughout the downtown area, but primarily focused on the Central Business District.

Financial Summary-Downtown Community Policing Innovations

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$745,289	\$885,789	\$923,289	\$37,500	4.2%
Operating	\$61,177	\$105,750	\$106,350	\$600	0.6%
Capital Outlay	\$29,714	\$63,000	\$60,100	-\$2,900	-4.6%
TOTAL	\$836,180	\$1,054,539	\$1,089,739	\$35,200	3.3%

Funding for the 11 police officers who comprise the Community Policing Initiatives (“Downtown CAPE”) is authorized under Chapter 163, Florida Statutes.

Downtown CAPE police officers patrol the core Downtown area and beachfront, interacting closely with business people, visitors and residents and focusing on quality-of-life crimes. The officers are trained in crime prevention and code enforcement. Additional information regarding their activities may be found in the Police Department section of this Budget and Business Plan.

Community Redevelopment Agency

Downtown FY 2018 and Future Budget Issues

- Planning and programming of available tax increment trust funds to ensure the continuation of construction of the streetscape, landscaping, and infrastructure improvements for Phase III of the Vision Plan work as described in the Downtown Community Redevelopment Plan Capital Improvement Plan that 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 implementation of the redevelopment plan to address on-going quality of life issues and work toward implementation of the Downtown Action Plan.

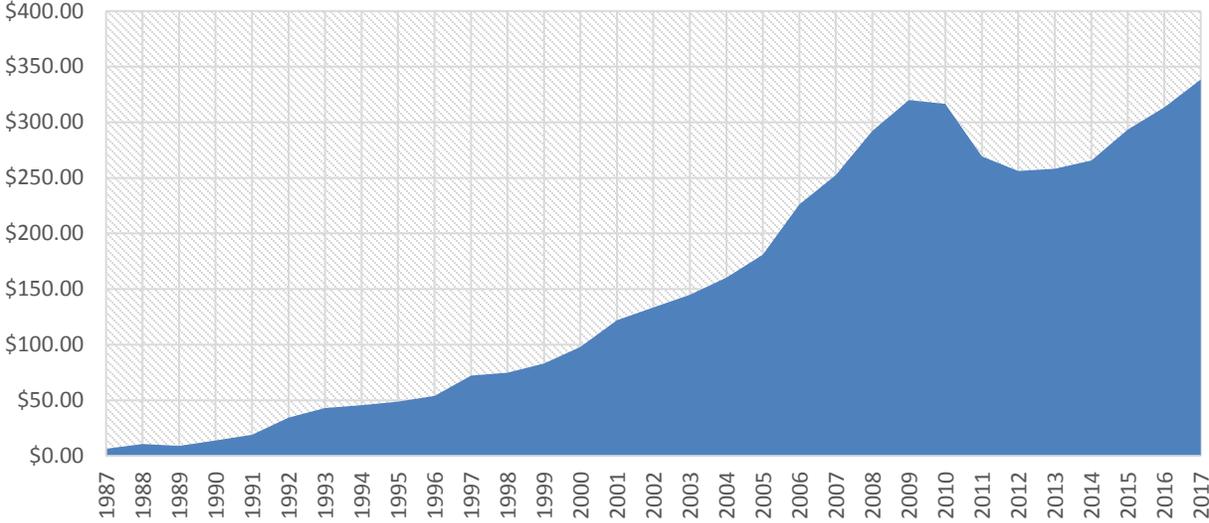
South Beach Redevelopment District

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, seven 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, Paradise Key, and Ocean Terrace*). In addition to the projects involving private enterprises, numerous public infrastructure projects have been constructed to support the redevelopment activity in the district, including the construction of South Beach Parkway, Jacksonville Drive, and Marsh Landing Parkway. A listing of the significant public projects is appended at the end of this section. During FY 2015, the last major private development project, the 59-lot *Ocean Terrace* single-family subdivision, was approved to begin infrastructure construction; new homes continue to be built in this subdivision in FY 2017. Also in FY2017, the City opened its long awaited new skate park facility in South Beach Park.

Community Redevelopment Agency

South Beach Tax Increment District Total Assessed Valuation, 1987-2017 (in millions)



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 high of \$320.5 million in 2009, the assessed values declined through 2012, reflective of overall national economic conditions, but over the last five years have shown signs of steady recovery now peaking at \$338.5 million in 2017.

Recent Program Accomplishments - South Beach

- 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. Work commenced on this project in FY2017.
- 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 has begun. 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. This project was completed in the spring of 2017.
- Construction was completed on the South Beach Park Skate Park and the facility opened to the public on March 16, 2017.

Community Redevelopment Agency

Recent Program Accomplishments - South Beach (continued)

- The South Beach Community Redevelopment Plan was amended in March 2017 to add “Maintenance of Tax Increment Funded Facilities and Improvements” as an allowable capital expenditure in the South Beach Redevelopment District.

Community Redevelopment-Program Goals for FY 2018 - South Beach

- Develop and implement a comprehensive maintenance plan for the facilities in South Beach Park.
- Prepare a scope of work and request for fee proposals to analyze the infrastructure and drainage improvement needs in the areas in the vicinity of Jacksonville Drive that were not redeveloped as part of the *Ocean Terrace* single-family residential subdivision project.

Budget Issues-South Beach

- Perform a detailed analysis of the stormwater management issues and other roadway and utility needs in the areas along both sides of Jacksonville Drive, west of America Avenue, that were not redeveloped as part of the new *Ocean Terrace* single-family residential subdivision.
- Consider the reduction of the tax increment funds percentage allocated to the South Beach District Redevelopment Trust Fund.

Financial Summary-South Beach Redevelopment

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$73,909	\$73,439	\$68,383	-\$5,056	-6.9%
Operating	\$38,612	\$59,890	\$210,470	\$150,580	251.4%
Capital Outlay	\$891,438	\$0	\$0	\$0	-
Debt Service	\$666,406	\$0	\$0	\$0	-
TOTAL	\$1,670,365	\$133,329	\$278,853	\$145,524	109.1%

The 2018 budget increased due to proposed funding for maintenance and repair of South Beach Park facilities (Skate Park, Splash Pad, Fitness Stations, Play Equipment Tennis Court, Volleyball courts, Bathrooms, Picnic Pavilions)

Community Redevelopment Agency

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 subdivision. Ultimately, this helped open up the entire southwestern part of the City for development, including a 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.
 - 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” drainpipe in South Beach Parkway from *Rip Tide* to the South Beach Parkway retention basin.
- Land Acquisition for the *Ocean Cay* and *Paradise Key* subdivisions.
- 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 – skate park, tennis courts, beach volleyball, exercise trail, splash pad, basketball court, multi-use playfield, picnic shelters, and restrooms.
 - The South Beach Community Center and Exhibition Hall Building that is available for community events and activities, and provides administrative space for the Parks and Recreation Department.

Community Redevelopment Agency

- 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 Beach 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* residential neighborhoods surrounding South Beach Park in 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.
- Acquisition of land along the east side of the *Ocean Terrace* subdivision from its developer for the installation of a new southbound to westbound turn lane on South Beach Parkway from Osceola Avenue to Sanctuary Parkway.

Planning & Development Department

Mission

Working together to build a better Jacksonville Beach.

Department Service Objectives

- 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.
- Assist the public in their understanding of the land planning, development and building permit processes and requirements.

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, and the Special Magistrate.

Authorized Positions	FY2016	FY2017	FY2018
Planning Division	2	2	2
Building Inspection Division	6	6	6
Code Enforcement Division	2	2	2
TOTAL	10	10	10

Planning & Development Department

Financial Summary - All Divisions

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$583,525	\$672,813	\$739,447	\$66,634	9.9%
Operating	\$158,107	\$159,418	\$163,513	\$4,095	2.6%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$741,632	\$832,231	\$902,960	\$70,729	8.5%

The FY 2018 budget for the Department is increased slightly from FY2017 due to a rise in personal services expenses resulting from a combination of pension contribution, health insurance, and contract increases. Operating expenses are projected to be comparable to amounts budgeted for FY 2017.

Financial Summary by Division

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Planning	\$206,889	\$211,719	\$228,092	\$16,373	7.7%	<i>Budget increases are for payroll-related costs, primarily, for pension, health insurance and contract increases.</i>
Building Inspection	\$382,906	\$445,762	\$482,996	\$37,234	8.4%	
Code Enforcement	\$151,837	\$174,750	\$191,872	\$17,122	9.8%	
TOTAL	\$741,632	\$832,231	\$902,960	\$70,729	8.5%	

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

Planning & Development Department

Authorized Positions	FY2016	FY2017	FY2018
Director of Planning & Development	1	1	1
Senior Planner	1	1	1
TOTAL	2	2	2

Recent Accomplishments

- ✓ Processed 247 separate Land Development Code related applications, including 11 Development Plan (site plan) approvals, and four Concept Plat and two Final Plat applications.
- ✓ Processed 27 Conditional Use applications and 136 Variance applications for public hearings by the Planning Commission and Board of Adjustment, respectively.
- ✓ Approved 50 Home Occupation applications and 10 Temporary Extension of Licensed Alcoholic Beverage Premises permits.
- ✓ Continued the Division’s commitment to provide a 10-day turnaround time for the initial review of Development Plan Application submittals.
- ✓ 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.
- ✓ Maintained National Flood Insurance Program Class 6 Community Rating.

Planning & Development Division Goals for FY2018

- Evaluate the City’s Land Development Code and draft required amendments to properly manage the future growth and development of the City, and encourage the development and redevelopment of the downtown consistent with Vision Plan and Downtown Action Plan goals and objectives.
- Maintain 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 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.

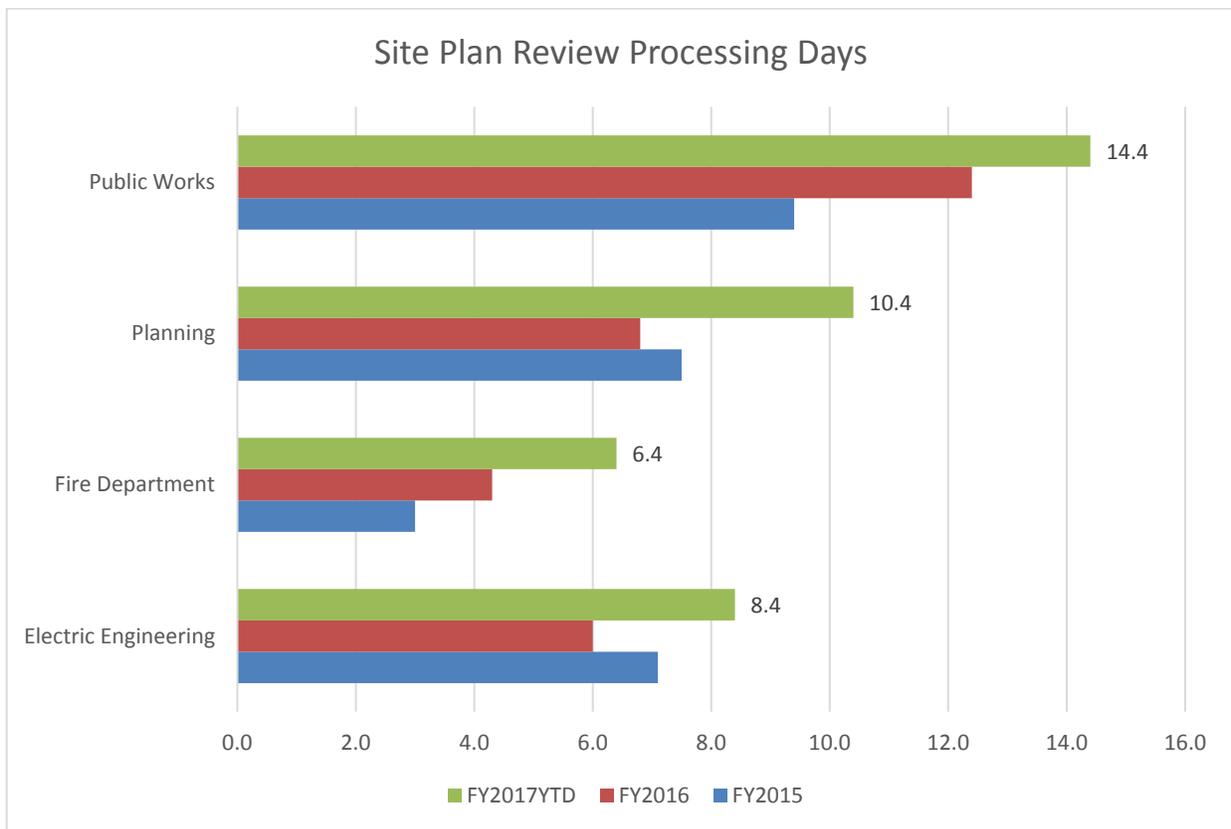
Planning & Development Department

Division Budget Issues for FY2018

Workload for the Division in FY2017 is not expected to increase dramatically over that of the past year, and approved staffing levels are projected to remain adequate.

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.*



In FY2016, staff processed 11 development plan applications

Planning & Development Department

Building Inspection and Code Enforcement Divisions

Organization of the Divisions

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	FY2016	FY2017	FY2018
Building Official	1	1	1
Building Code Inspector	2	2	2
Permit Specialist	2	2	2
Permit Specialist – Part Time	1	1	1
Total, Building Inspection Division	6	6	6
Code Enforcement Inspector	1	1	1
Senior Permit Specialist	1	1	1
Total, Code Enforcement Division	2	2	2
TOTAL, Building Inspection and Code Enforcement Divisions	8	8	8

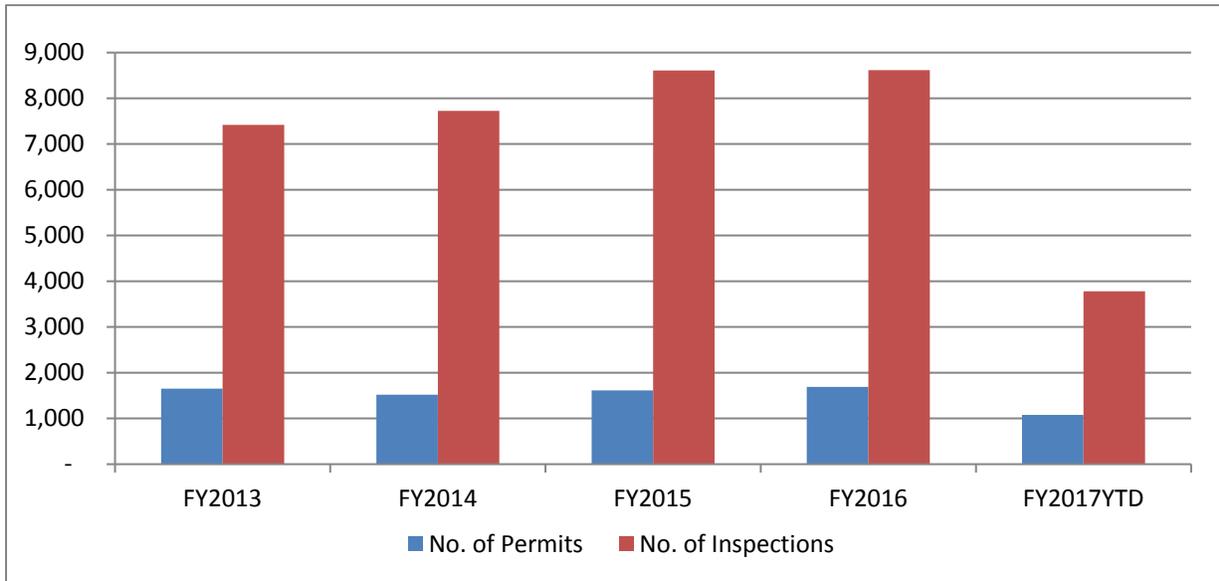
Recent Accomplishments

- ✓ In FY2016, the *Building Inspection Division* issued 3,347 construction related permits and approved construction with a total valuation of \$83,205,385. Building inspection personnel carried out 8,615 construction inspections during the fiscal year. Construction activity included 130 new dwelling units, and generated approximately \$692,000 in permit fees.
- ✓ *Code enforcement* staff processed 992 code cases in FY 2016, compared with 1,076 in 2015. The Special Magistrate is an attorney who hears and decides code violation cases. In FY 2016, the Magistrate heard and decided 25 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* and *Code Enforcement* staff have maintained their required certifications.

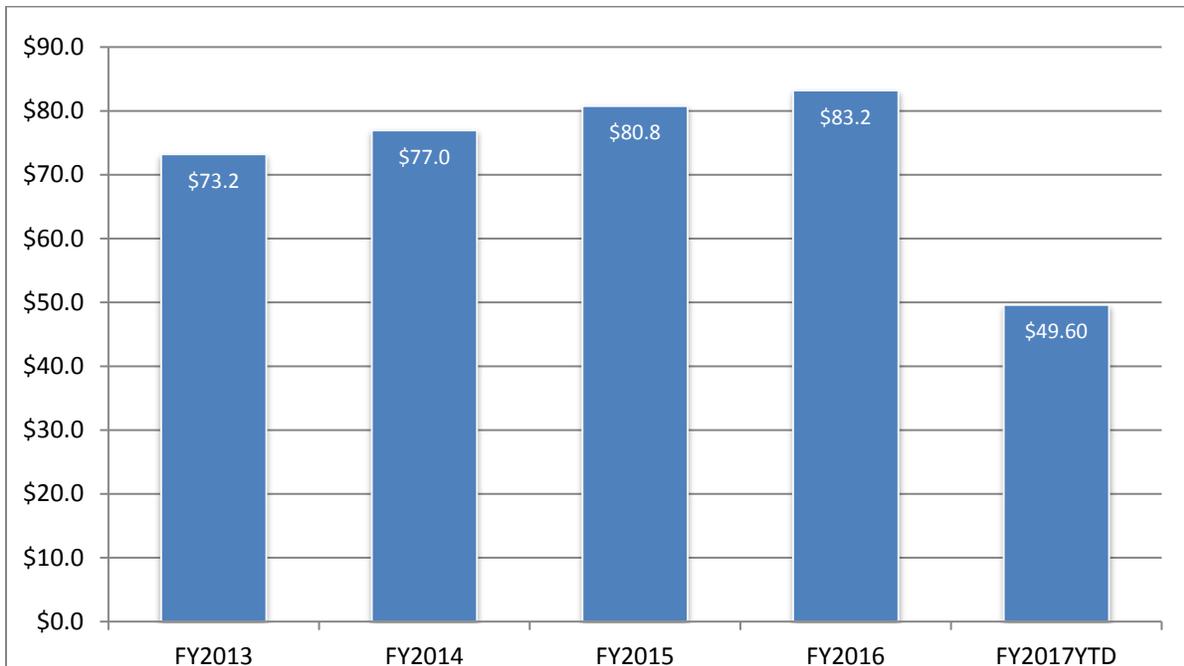
Planning & Development Department

Building Inspection and Code Enforcement Divisions Performance Measures

Annual Number of Permits Issued and Inspections Made, FY 2013-2017 YTD



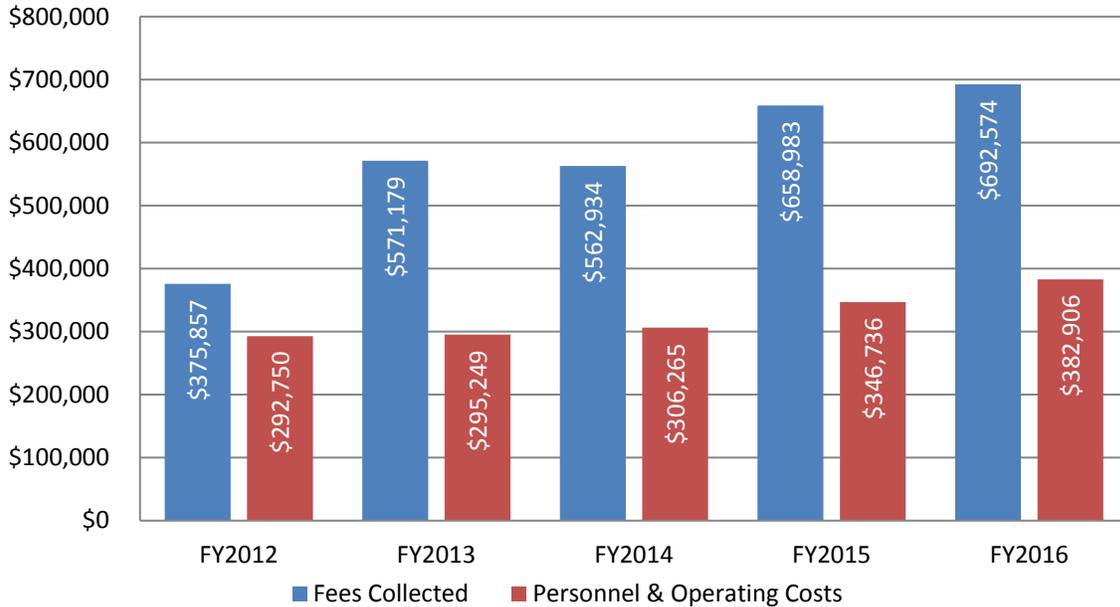
Total Dollar Value of Permits (millions), FY 2013-2017 YTD



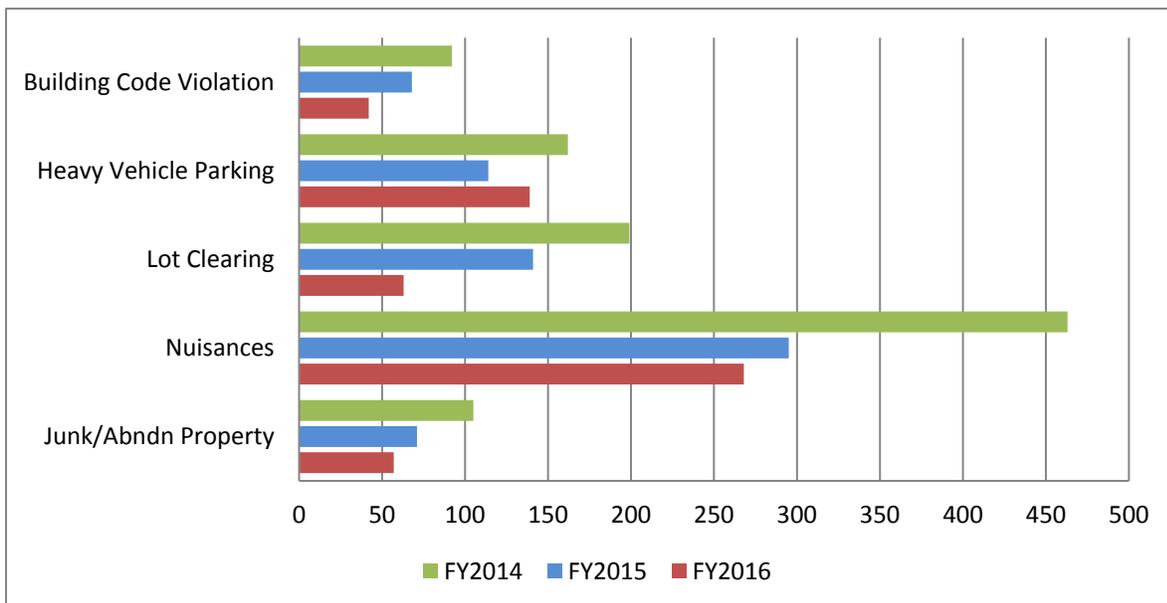
Planning & Development Department

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 2012-2016



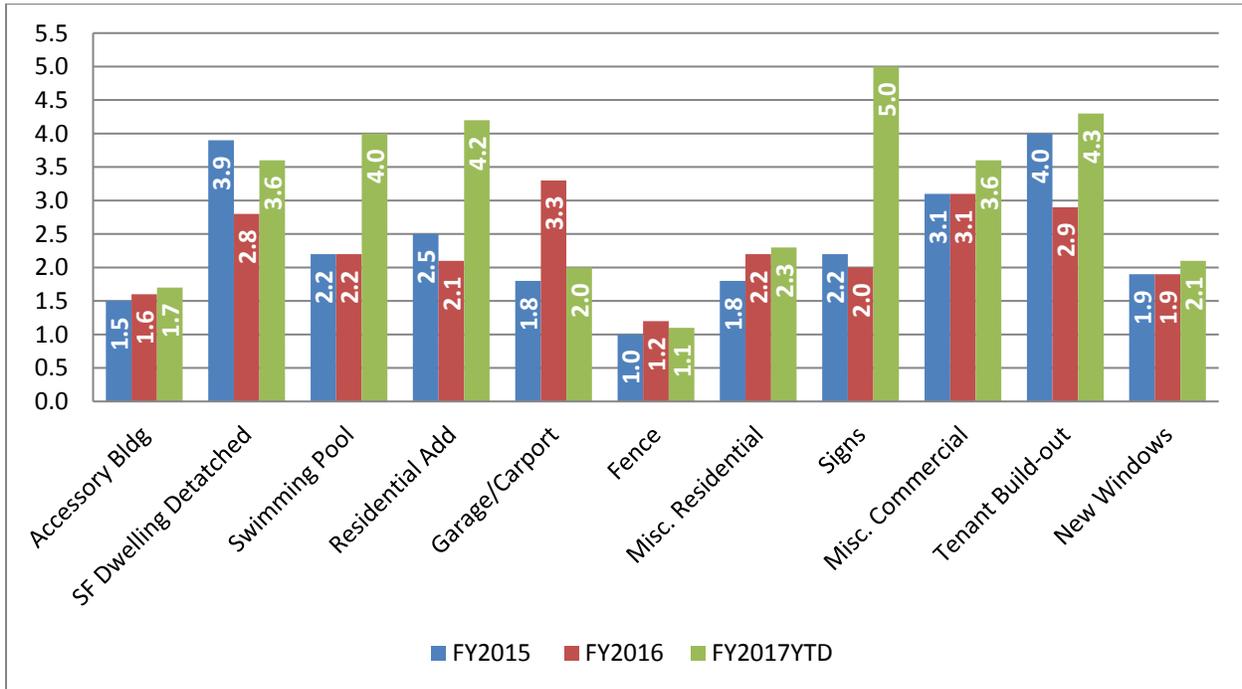
Frequent Code Enforcement Cases, FY 2014-2016



Planning & Development Department

Building Inspection and Code Enforcement Divisions

Average Initial Review Days for Selected Permit Types, FY 2015-2017 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 FY2018

- Fill open Building Code Administrator and Building Code/Code Enforcement Inspector positions.
- 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.
- Complete initial plan review for large-scale projects within ten working days of receipt.
- Issue trade permits for miscellaneous work within one working day of receipt.
- Provide “next day” service for all requests for building inspections.
- Work with City consultants to explore adding online permitting to the Department’s computer and internet functionality. (In response to March 2017 customer service survey)

Parks & Recreation Department

Mission

Providing safe and enjoyable recreation opportunities for our community.

Organization

The Parks and Recreation Department directs the City’s overall recreation, parks, and grounds maintenance functions.

Authorized Positions by Division	FY2016	FY2017	FY2018
Recreation Administration	6	6	6
Ocean Rescue	87	87	87
Grounds Maintenance	7	7	7
Tennis Center	3	3	3
Carver Center	3	3	3
Oceanfront Facilities	-	-	-
Community Center	-	-	-
Special Events	-	1	1
Golf Course	25	25	24
TOTAL	131	132	131
Total Full-time	20	22	23
Total Part-time	111	110	108
TOTAL POSITIONS	131	132	131

The Golf Course division combines two part-time Maintenance Worker positions into one full-time position in FY 2018.

Funding Sources

The primary funding source for Parks & Recreation is the General Fund that pays for the costs of the following divisions: Recreation Administration, Ocean Rescue, Grounds Maintenance, Tennis Center, Oceanfront Facilities, Carver Center, Community Center & Exhibition Hall, Special Events (payroll related costs only) and may provide partial funding for the Golf Course.

Additional funding comes from a Community Development Block Grant (Carver Center) and the Convention Development Fund (Special Events). The Golf Course is an 18-hole facility that is open year-round. Intended to be self-funding, it operates as an Enterprise Fund.

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$2,105,766	\$2,296,684	\$2,489,268	\$192,584	8.4%
Operating	\$1,965,279	\$2,252,524	\$2,290,994	\$38,470	1.7%
Capital Outlay	\$147,921	\$65,969	\$143,969	\$78,000	118.2%
Transfers	\$517,181	\$165,511	\$158,000	-\$7,511	-4.5%
TOTAL	\$4,736,147	\$4,780,688	\$5,082,231	\$301,543	6.3%

Personal Services increases are primarily for pension, health insurance, and contract increases.

Capital Outlay represents the replacement of a truck and utility vehicle in Ocean Rescue as well as a vehicle replacement and mower purchase for Grounds Maintenance.

Parks & Recreation Department

Recreation Administration Division

The Recreation Administration Division is responsible for the management of all park facilities and recreation activities throughout the City. The staff manages all adult active sports and coordinates youth sports. This division also administers the Community Development Block Grant (CDBG), 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, Special Events, Grounds & Cemetery maintenance, Carver Center Recreation Center, Tennis Center, Lee Kirkland & H. Warren Smith Cemeteries, Oceanfront Restrooms, and Exhibit Hall / Community Center.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Director	1	1	1
Recreation Superintendent	1	1	1
Administrative Assistant	1	1	1
Staff Assistant (part-time)	2	1	1
Recreation Program Assistant (part-time)	1	1	1
Project Manager (part-time)	0	1	1
TOTAL	6	6	6

In 2017, a part-time Staff Assistant position was converted to a full time Event Coordinator.

Recent Accomplishments

- ✓ The Skate Park was completed and opened in March 2017.
- ✓ New irrigation systems were installed in Latham Plaza, Seawalk Pavilion and Oceanfront Park.
- ✓ Administered and coordinated:
 - Carver Center
 - Easter Egg Hunt
 - Beaches Opening Day Parade
 - 4th of July Celebration
 - Adult Softball League
 - Fall 2016 - 26 Teams
 - Spring 2017 - 26 Teams
 - Adult Flag Football League Fall 2016 – 42 Teams
- ✓ Coordinate youth sports programs in conjunction with the parent organization ~ Little League, Girls Softball, Pop Warner, Pop Warner Cheerleading, and Babe Ruth
- ✓ 88 Special Events
- ✓ 23rd Annual Jacksonville Beach Lifeguarding Challenge

Parks & Recreation Department

Recreation Administration Goals for FY2018

1. Provide Recreation programs and facilities that meet the needs of the community.
2. Maintain safe facilities, parks, and playgrounds.
3. Survey customer satisfaction with league play and use of facilities.

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	175
Youth Spring Baseball	450
Youth Fall Baseball	325
Spring Babe Ruth Baseball	45
Fall Babe Ruth Baseball	30
Pop Warner Football & Cheerleading	250
Adult Fall Men Softball	415
Adult Fall/Winter Flag Football	648
Adult Spring Men's Softball	540
Tennis Members	250
Tennis Walkups	200
Carver Center Summer Lunch Program	30
Carver Center Daily Attendance	60 children 30 adults
Easter Egg Hunt	350

Performance Measure	FY2016	YTD 3-31-17	Target FY2018
Ensure parks and other facilities are cleaned and inspected weekly	Yes	Yes	Yes
Playground safety inspections conducted monthly	Yes	Yes	Yes
Number of accidents at parks and other recreation facilities	0	0	0

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$437,529	\$357,638	\$369,161	\$11,523	3.2%
Operating	\$371,055	\$256,825	\$309,676	\$52,851	20.6%
Capital Outlay	\$26,760	\$0	\$0	\$0	-
Transfers	\$137,528	\$145,511	\$138,000	-\$7,511	-5.2%
TOTAL	\$972,872	\$759,974	\$816,837	\$56,863	7.5%

Payroll related increases are attributable to pension, health insurance, and contract increases.

Increases in Operating expenses are mostly due to repairs and maintenance associated with increased activity at Sunshine Park.

Parks & Recreation Department

Ocean Rescue Division

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. A Junior Lifeguard Program runs each summer.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Supervisor	1	1	1
Lieutenant (part-time)	3	3	3
Rescue Swimmer (part-time)	3	3	13
Beach Patrol Guards (part-time)	80	80	70
TOTAL	87	87	87

A Beach Patrol Guard is promoted to Rescue Swimmer when he/she acquires an Emergency Medical Technician (EMT) certification.

Recent Accomplishments

- ✓ U.S. Lifesaving Association accreditation.
- ✓ All Ocean Rescue Emergency Medical Technician (EMT) re-certifications were completed. Re-certification included completing 30 hours of online EMS courses by all rescue swimmers.
- ✓ Certified Inflatable Rescue Boat Operators (IRB).
- ✓ Successful completion of eight weeks of Junior Lifeguard Programs.
- ✓ Supervisors trained in USLA “Beach Driving Safety Course” and provided beach driving safety classes to contractors for the dune restoration and crosswalks projects.
- ✓ Delivered beach safety lectures to elementary students.
- ✓ Completed in-service training for lifeguards.

Goals for FY2018

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 Jacksonville Beach Fire Rescue.
6. Distribute surveys and receive a positive approval rating.

Parks & Recreation Department

Performance Measures-Ocean Rescue

	Performance Measure	FY2016	YTD 4-15-17	Target FY2018
<i>Performance is measured by accident report sheets.</i>	Number of drownings while Ocean Rescue on duty	1*	0	0
	Successful first-aid cases	100%	90%	100%
	Respond to major surf-related rescue calls within two minutes	100%	100%	100%
	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

* In April 2016, a medical event led to a beachgoer's drowning.

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$448,232	\$564,428	\$634,221	\$69,793	12.4%
Operating	\$134,535	\$144,185	\$161,329	\$17,144	11.9%
Capital Outlay	\$6,078	\$0	\$53,000	\$53,000	-
TOTAL	\$588,845	\$708,613	\$848,550	\$139,937	19.7%

Personal Services increases are attributable to pay plan changes.

Capital outlay includes the replacement of a 2006 Chevy Colorado (\$34,000) and a 2012 Kubota RTV (\$19,000).

Budget Issues

- ✓ A National shortage of lifeguards presents a staffing challenge that may affect coverage levels on the beach. The City has adjusted lifeguard compensation and incentives to be competitive with neighboring beach communities.
- ✓ Beach Patrol Guards are budgeted for 32,100 hours per year. It takes roughly 80 part-time employees to achieve this level of coverage.
- ✓ In the future, if the Volunteer Life Saving Corp does not provide full coverage on Sundays and holidays, it will significantly increase costs.

Parks & Recreation Department

Grounds Maintenance Division

The Grounds Maintenance Division is responsible for the maintenance and upkeep of the ballfields, grounds, cemeteries and common areas throughout the City. In addition, the division assists with construction projects and special events as needed. Facilities are maintained with the use of a small staff and contracted maintenance.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Maintenance Superintendent	1	1	1
Crew Supervisor	2	2	2
Lead Equipment Mechanic	1	1	1
Maintenance Workers I, II, III	3	3	3
TOTAL	7	7	7

Goals for FY2018

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

Facilities Maintained	Description
Wingate Park	2 football, 4 baseball, 4 softball fields; dugouts; scoreboards; 3 restrooms; 3 concession stands; lights; fences; parking lots
South Beach Park	Community Center; Sunshine Park; Skate Park; multi-purpose field; tennis court; volleyball courts; basketball court
Other City Parks	Oceanfront Park; Gonzales; Cradle Creek; Tall Pines; Carver; Huguenot; Dog Parks; Seabreeze Field
City Cemeteries	Lee Kirkland and H. Warren Smith
Downtown	Latham Plaza & parking lot; Seawalk; Pier Parking lot; islands & medians on Beach Blvd and A1A (2 nd Ave S to 6 th Ave N); landscaping on Right of Way throughout Downtown
Grounds at City Facilities	Community Services Center; Penman Park; O&M Facility; Police & Fire facilities
Streets	15 th Ave N; 10 th St N cul-de-sacs; Mills Lane; end of America at Butler; 10 th Place & 5 th Ave grass circle; 18 th & Eastern; Coral Way; Tanglewood & Tallwood Roads
Medians	A1A medians at Fletcher Middle School (15 th to 18 th Aves N) and south Jax Beach (16 th Ave S to JTB); South Beach Parkway & Jacksonville Drive
Other	Welcome signs (Beach & Penman; A1A & PV Blvd); Signs at City facilities

Parks & Recreation Department

Recent Accomplishments

- ✓ Removed debris and fallen trees at Tall Pines Park and both cemeteries that were the result of Hurricane Matthew.
- ✓ Removed debris and repaired damage to walk trails at Cradle Creek that resulted from Hurricane Matthew.
- ✓ Installed granite stone markers to complete the mapping and marking of Lee Kirkland and H. Warren Smith cemeteries.
- ✓ Renovated three (3) shade structures at Oceanfront Park. Replaced canvas coverings and expanded the concrete picnic areas under structure.
- ✓ Continued annual tree trimming program.
- ✓ The clay in-fields at Wingate Park were reconditioned.

Funding Sources and Financial Summaries

Tree Protection

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Operating	\$22	\$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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$493,470	\$518,228	\$548,300	\$30,072	5.8%
Operating	\$543,024	\$716,885	\$723,142	\$6,257	0.9%
Capital Outlay	\$87,464	\$25,000	\$78,000	\$53,000	212.0%
Transfers	\$14,653	\$0	\$0	\$0	-
TOTAL	\$1,138,611	\$1,260,113	\$1,349,442	\$89,329	7.1%

Grounds Maintenance increase is primarily for capital outlay purchases as detailed below.

Budget Issues for FY2018

- Capital Outlay funding for the replacement of a 2001 Chevrolet truck (\$25,000)
- Capital Outlay funding for a new 5-gang self-contained mower (\$53,000)

Parks & Recreation Department

Tennis Center Division

Staff at the Tennis Center located at Huguenot Park are responsible for managing adult men and women’s tennis teams, including a complete junior program, and for promoting tennis throughout the beach. The Tennis Center staff are responsible for supervising seven lighted tennis courts.

The Division also provides free clinics for children and adults throughout the year. The free clinics are mainly for handicapped and financially less fortunate adults and children.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Facility Manager	1	1	1
Court Attendant (part-time)	2	2	2
TOTAL	3	3	3

Tennis Center Goals for FY2018

- Continue to promote the Junior Tennis Program.
- Keep the courts and grounds in good condition at all times.
- Receive a customer satisfaction rating of 85% or higher.
- Work toward making the Tennis Center more financially self-sustaining.

Recent Accomplishments

- ✓ Offered Senior Day on Friday mornings.
- ✓ Offered tennis clinic for the physically challenged.
- ✓ Offered Adult clinics.
- ✓ Continued USTA Junior tennis team.
- ✓ Offered Sunday morning “Round Robin” tournaments year round.

Parks & Recreation Department

Survey Results

Tennis facility satisfaction was measured by customer service surveys.¹

Performance Measure	YTD 4-15-17	Target FY2018
Level of customer service satisfaction with tennis facilities	85%	95%
Level of customer service satisfaction with tennis programs	90%	95%
Tennis court condition rated good or better	80%	85%
Building condition rated good or better	60%	75%
Landscape condition rated good or better	50%	75%

¹Survey responses (#returned/# distributed): 2017 (17/35)

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$97,291	\$77,922	\$78,256	\$334	0.4%
Operating	\$16,138	\$17,155	\$71,290	\$54,135	315.6%
Capital Outlay	\$0	\$12,969	\$12,969	\$0	0.0%
TOTAL	\$113,429	\$108,046	\$162,515	\$54,469	50.4%

Operating professional service cost increases are offset by revenues generated by the addition of a contracted Tennis Professional.

Tennis Center Budget Issues

- ✓ Capital Outlay: \$12,969 budgeted to resurface Courts 4, 5, and 6.
- ✓ Review rate structure to ensure operational costs are recovered to the fullest extent possible.
- ✓ Consideration is being given to constructing an additional lighted tennis court. Initial estimated costs are \$150,000.

Revenue Summary

Revenue Source	Actual 2016	Budget 2017	2017 YTD (6-30-2017)	Budget 2018
Tennis Court Fees	\$6,615	\$5,000	\$5,506	\$6,000
Pro Lessons	\$0	\$0	\$42,149	\$65,000
Membership Fees	\$32,406	\$26,000	\$24,421	\$26,000
% Pro-Shop Sales	\$0	\$0	\$347	\$0
Roster Fees	\$4,650	\$4,000	\$2,850	\$4,000
Concession Fees	\$3,597	\$5,000	\$0	\$0
TOTAL	\$47,268	\$40,000	\$75,273	\$101,000

Parks & Recreation Department

Carver Center Division

The Carver Center provides numerous programs and activities in recreation, arts, education and health and wellness for children and families in the historical Pablo Beach South community.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Recreation Supervisor	1	1	1
Recreation Leader*	0	1	1
Tutor (part-time)	2	1	1
TOTAL	3	3	3

**A part-time Tutor position was converted to a full time Recreation Leader during 2017*

Carver Center Program Goals

- Focus on coaching, mentoring, and providing activities for all ages to enjoy.
- Offer counseling on jobs, employment and career goals.
- In conjunction with Rhoda Martin Heritage Museum, teachers from Discovery Montessori School provide help with studies for all grade levels.
- Continue to provide health and wellness adult activities such as yoga, Pilates and line dancing.

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.
- ✓ National Global Day of Service had 100 volunteers participating in beautification day to enhance the facility.
- ✓ Events and Projects:
 - Partnered with Beaches Emergency Assistance Ministry (BEAM) to provide a Single Parent Program
 - After school exercise program
 - After school healthy snacks program sponsored by Palms Presbyterian Church
 - Continue to partner with local agencies such as Jacksonville Housing Authority, Mission House, Jacksonville Children’s Commission and Lutheran Services
 - Continue to partner with area churches such as Ocean City Church, St. Andrew AME Church, First Baptist Church and Palms Presbyterian Church who sponsor activities for the Carver Center
 - AARP classes
 - Health clinic sponsored by Beaches Baptist
 - Annual Holiday dinner for parents and children in the community
 - Holiday toy drive sponsored by the Beaches Women’s Club and other local agencies
 - Halloween Haunt House with CAPE
 - College tours
 - Father’s Day breakfast
 - Mother’s Day luncheon
 - Movie / Game night
 - Health Jam co-sponsored by 3 area Rotary Clubs

Parks & Recreation Department

Performance Measures-Carver Center

	2016	2017	Estimate 2018
Avg. # children attending	45	45	45
Avg. # of adults attending	n/a	35	35

Funding Sources

The Community Development Block Grant Program (CDBG) is funded by an Interlocal 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. FY2018 funding request amount and priority for each program is:

Priority	Program	Request	Department where cost is allocated
1	Carver Center	\$108,425	Parks
2	CAPE	\$65,882	Police
	TOTAL	\$174,307	

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

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$82,850	\$91,562	\$122,737	\$31,175	34.0%
Operating	\$6,779	\$28,910	\$30,640	\$1,730	6.0%
TOTAL	\$89,629	\$120,472	\$153,377	\$32,905	27.3%

A part-time Tutor position was converted to a full-time Recreation Leader in 2017. Additional payroll increases are due to pension, health insurance, and contract increases.

Budget Issues

- In the past, Community Development Block Grant funding for this program has been reduced and may be subject to further federal budget reductions.
- Historically, the City’s CDBG funding award is less than the request. The General Fund makes up any funding shortfalls.

Parks & Recreation Department

Oceanfront Facilities Division

This division provides public restroom facilities at 2nd Avenue North, 5th Avenue North and Oceanfront Park. The facilities at 2nd Avenue North and 5th Avenue North include outdoor showers. Portable restrooms and shower facilities are located at 19th Avenue North and shower facilities are provided at 7th Avenue South.

Goals for FY2018

Maintain clean restroom facilities and operating showers.

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Operating	\$101,728	\$131,000	\$130,620	-\$380	-0.3%
TOTAL	\$101,728	\$131,000	\$130,620	-\$380	-0.3%

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

Performance Measures

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

Current Hours of Operation: Mar-Sep: 9 am to 7 pm (7 days per week)
 Oct-Feb: 9 am to 6 pm (7 days per week)

Budget Issues

- ✓ Higher than anticipated usage would require an increase in janitorial maintenance.

Parks & Recreation Department

Community Center and Exhibition Hall

This facility, opened in September 2007, is located at South Beach Park and houses 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' associations 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 holiday parties.

Goals for FY2018

1. Increase use of exhibit hall to offset the facility's operating costs.
2. Maintain a clean and professionally operated facility.

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	-
Operating	\$47,035	\$51,600	\$32,600	-\$19,000	-36.8%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$47,035	\$51,600	\$32,600	-\$19,000	-36.8%

Performance Measures

Objective	Actual FY2016	YTD 3-31-17	Target FY2018
Rental Events	158	87	150
Rental Revenue	\$36,045	\$12,451	\$30,000

Budget Issues

- ✓ Fee structure has been updated and is intended to cover operating costs for the facility's rental such as security, cleaning, set-up, tear down, and general maintenance.
- ✓ Convention Development funds provide up to \$20,000 through budgeted transfers to maintain the Community Center and Exhibit Hall building.

Parks & Recreation Department

Special Events Division

The Special Events budget includes City-produced events such as the Moonlight Movies, the Summer Jazz concert series, Opening of the Beaches Parade, and the July 4th fireworks. This division also is responsible for permitting public events held on City property and ensuring that all events comply with the City’s Special Events policy. In addition, the Special Events division is responsible for the coordination and communication of beach clean-ups, non-profit road closure requests, and film requests within the City of Jacksonville Beach. One full-time position coordinates and manages the permitting and event oversight processes for City produced or contracted events as well as events produced by others.

Funding Sources

General Fund charges for event permit and setup fees, banner fees and contributions for events are used to offset most of the Event Coordinator personnel costs. Convention Development funds are used to pay for the costs of City-sponsored events and upkeep of the SeaWalk amphitheater and grounds.

Funding Uses

General Fund

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$0	\$59,252	\$60,506	\$1,254	2.1%
Operating	\$99,219	\$0	\$0	\$0	-
TOTAL	\$99,219	\$59,252	\$60,506	\$1,254	2.1%

In 2017, a part-time Administration Staff Assistant position was converted to a fulltime Special Events Coordinator position.

Convention Development Fund

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	-
Operating	\$34,315	\$176,678	\$142,974	-\$33,704	-19.1%
Transfers	\$365,000	\$20,000	\$20,000	\$0	0.0%
TOTAL	\$399,315	\$196,678	\$162,974	-\$33,704	-17.1%

The decrease in operating expenses is mainly due to lower equipment rental costs associated with the purchase of a scissor lift (by the Building Maintenance Division) and investment in movable fencing.

In 2017, the budget for City-sponsored events was moved from the General Fund to the Convention Development Fund.

Parks & Recreation Department

Special Events (continued)

Special Events sources and uses by Fund are detailed as follows:

GENERAL FUND	2017	2018	Increase (Decrease)	% change
Funding Sources				
Facility rentals and fees	\$35,500	\$45,500	\$10,000	28.2%
Funding Uses				
Authorized Position:				
Special Events Coordinator (1)	\$59,252	\$60,506	\$1,254	2.1%
NET SOURCES & USES	(\$23,752)	(\$15,006)	\$8,746	

CONVENTION DEVELOPMENT FUND	2017	2018	Increase (Decrease)	% change
Funding Sources				
Convention Development Revenues	\$196,678	\$162,974	(\$33,704)	-17.1%
Total Sources	\$196,678	\$162,974	(\$33,704)	-17.1%
Funding Uses				
Springing the Blues	\$8,000	\$0	(\$8,000)	-100.0%
4th of July Fireworks	\$40,000	\$40,000	\$0	0%
Jazz Concerts (2)	\$57,000	\$57,000	\$0	0%
Moonlight Movies (4)	\$19,000	\$19,000	\$0	0%
Opening of the Beaches Parade	\$6,000	\$6,000	\$0	0%
Easter Egg Hunt	\$1,000	\$1,000	\$0	0%
Contingency	\$1,000	\$1,000	\$0	0%
SeaWalk amphitheater maintenance; special event setup and equipment costs	\$44,678	\$18,974	(\$25,704)	-57.5%
Transfer to General Fund; SB Community Center & Exhibition Hall maintenance, partial funding	\$20,000	\$20,000	\$0	0%
Total Uses	\$196,678	\$162,974	(\$33,704)	-17.1%
NET SOURCES & USES	\$0	\$0	\$0	

The Special Events division provides logistical support for many other non-profit fundraising and awareness events that take place in Jacksonville Beach. Examples of logistical assistance include site setup, trash collection, traffic management and securing the event route. It also provides oversight of other festivals and events to ensure compliance with City ordinances and policies.

Parks & Recreation Department

Special Events (concluded)

Special Events held within the City of Jacksonville Beach include:

- Art Walk
- Classic Car Cruise
- Winter Beach Run
- Chariots of Fur 5K Beach Run
- San Pablo Elementary 5K Run
- 26.2 with Donna the National Marathon to Finish Breast Cancer
- Fletcher Middle School 5K Beach Run
- Seabreeze Elementary Running of the Seahorses
- Seawalk Music Festival
- March to Get Screened
- St. Paul's Carnival
- Great Atlantic Festival
- Easter Sunrise Service
- Springing the Blues
- Surfing the Blues
- COJB Beach & Bicycle Rodeo
- Moonlight Movie
- Sandcastle Contest
- Opening of the Beaches Parade
- Never Quit
- Wavemasters
- COJB Kids Fishing Rodeo
- Best Buddies Friendship Walk
- The Party
- Super Grom Surf contests
- Life Rolls On
- Summer Jazz concert series
- Salt Life Music Festival
- 4th of July Fireworks
- Eastern Surfing Association surf contests
- Tour de Pain
- Festival of the Chariot
- Summer Beach Run
- Bruval Festival
- PANCAN PurpleStride
- Sisters of the Sea
- Surfers for Autism
- Art Fest at the Beaches Museum and History Park
- Right Whale Festival
- Jax Beach Fitness Fest
- Volcom TCT Seacow Surf Contest
- Oktoberfest
- Florida Surfing Championships
- Jacksonville Celtic Festival
- Down Syndrome Association Buddy Walk
- Deck the Chairs
- Red Bull Night Riders
- Toys for Tots
- Josh's Run for Paws
- Freedom Festival

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.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Golf Professional	1	1	1
Golf Course Superintendent	1	1	1
Crew Supervisor	-	-	1
Equipment Mechanic	1	1	-
Maintenance Workers I, II, III	4	4	5
<i>Total Full-time</i>	7	7	8
Maintenance Workers I, II, III	2	2	-
Shop Attendant	8	8	8
Cart Attendant	5	5	5
Starter	3	3	3
<i>Total Part-time</i>	18	18	16
TOTAL POSITIONS	25	25	24

The FY2018 budget reclassifies the Equipment Mechanic to be a Crew Supervisor and combines two part-time Maintenance Worker positions into one full-time position.

Recent Accomplishments

- ✓ Hosted the North/South Collegiate Tournament for the 16th year.
- ✓ Installed new information and directional signs around clubhouse and course.
- ✓ Highest amount of Ladies play on a weekly basis in the greater Jacksonville area.
- ✓ Worked with the “First Tee of Northern Florida” to promote junior golf.
- ✓ Ran successful junior programs during the whole year.

Goals for FY2018

1. Ensure the Golf Course pays its own way by increasing revenues through marketing and other promotions.
2. Maintain competitive position with local golf facilities through excellent customer service and well maintained playing conditions.
3. Increase the Golf Course’s visibility and usage by family friendly outings and golf activities for all ages and player abilities.

Parks & Recreation Department

Golf Course Performance Measures

	Actual FY2016	YTD 3-31-17	Target FY2018
Course condition-survey rating of above average	8%	7%	15%
Operating Revenue Per Round	\$24.93	\$24.62	\$25.65
Operating Cost Per Round	\$31.78	\$28.06	\$28.73
Rounds of Play	39,482	18,843	48,000

Survey Results (April 2017)

Customer Service Survey¹	Above Average	Satisfactory	Needs Improvement	No Opinion
Service inside Pro Shop	83%	17%	-	-
Service given by our starters	65%	35%	-	-
Overall service	52%	44%	-	4%
Condition of our golf course	4%	30%	66%	-
Restaurant operation	4%	53%	4%	39%

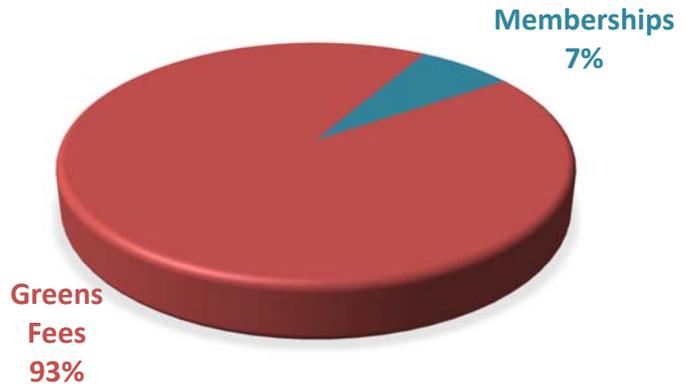
¹Survey results (#returned/#distributed) 2017 (23/85)

Parks & Recreation Department

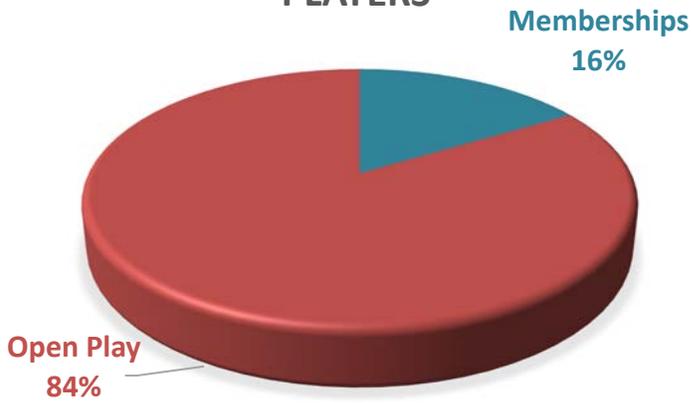
Play Statistics

These charts show the composition of our players.

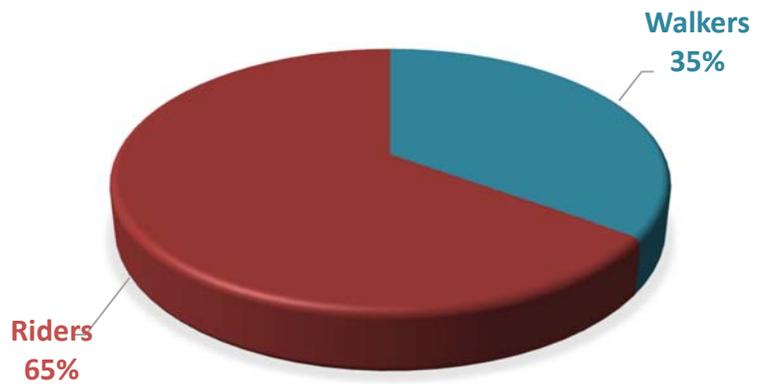
REVENUES FROM GREENS FEES & MEMBERSHIPS MARCH 2017 YTD



PLAYERS

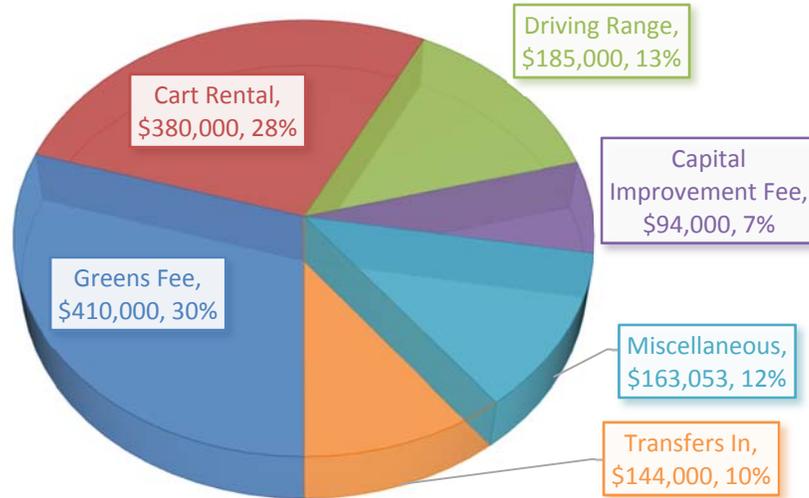


WALKERS AND RIDERS



Parks & Recreation Department

GOLF COURSE REVENUES: \$1,376,053



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

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$546,394	\$627,654	\$676,087	\$48,433	7.7%	<i>Payroll related increases are attributable to pension, health insurance, and contract increases.</i>
Operating	\$611,429	\$726,286	\$685,723	-\$40,563	-5.6%	
Capital Outlay	\$27,619	\$28,000	\$0	-\$28,000	-100.0%	
TOTAL	\$1,185,442	\$1,381,940	\$1,361,810	-\$20,130	-1.5%	

Budget Issues

- The Golf Course is operated as an enterprise fund and is intended to generate sufficient revenues to cover its operating costs.
- In 2018, the General Fund is scheduled to transfer \$144,000 to the Golf Course to provide adequate cash reserves for operations as the course undergoes improvements.
- Development of a master plan to improve the playability of the course and to identify options for expanding its use as a recreational facility for the entire community is underway.

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	FY2016	FY2017	FY2018
Distribution & Collection	14	14	14
Pollution Control Plant	15	15	15
Water Plant	13	13	13
Streets	18	18	18
Administration	6	7	7
TOTAL	66	67	67

A part time Construction Coordinator was added to Administration Division in 2017.

Recent Accomplishments

- ✓ Rebuilt, improved and enhanced infrastructure supporting our citizens by construction of:
 - Downtown Redevelopment District Master Plan Improvements Program & East of A1A
 - Repairs to Dune Walkovers caused by Hurricane Matthew
 - Cleaned out Beach Outfall piping and structures caused by Hurricane Matthew
 - 2nd St. N. Parking Lot and Police Storage Facility
 - Design of ADA Dune Walkovers (5th Ave. N., Beach Blvd., 6th Ave. S., 16th Ave. S.)
 - South Beach Redevelopment District Improvements Program
 - Intersection/Turn Lane Project: South Beach Pkwy
 - Municipal Skate Park Project at South Beach Park
 - Landscape Median and Pedestrian Crossing (South Beach Pkwy & Jacksonville Dr)
 - Stormwater Pipe Cleaning Project from Jacksonville Drive to South Beach Parkway
- ✓ Cleaned /televised 34,733 feet of storm pipe and 32,615 feet of sanitary pipe
- ✓ Achieved high levels of service in oceanfront cleaning, garbage collection & sweeping
- ✓ Maintained compliance for water state consumptive use permit, and wastewater & stormwater federal pollutant discharge elimination permits
- ✓ Awarded and implemented new solid waste collection contract

Public Works Department

Goals for FY2018

- Design and/or construction underway:
 - Downtown Redevelopment District Improvements Program
 - Roadway/Utilities Project 1: Beach Blvd. to 4th Ave. S. from 3rd St. S. to the beach
 - Roadway/Utilities Project 2: 11th Ave. S. to 13th Ave. S. from the beach to Central Basin and Downtown Storm Pump Station Upgrade
 - Roadway and Utilities Project 3: 7th Ave. S. to 11th Ave. S. from the beach to 3rd St.
 - 8th Ave. N. Gravity Sewer Main: 1st to 2nd St. N.
 - South Beach Redevelopment District Improvements Program
 - Canal Improvements: South of J.T.B. Blvd. and north of Marsh Landing Parkway
 - Stormwater Pond Reconstruction: East of South Beach Parkway and south of Marsh Landing Parkway
 - Stormwater/Roadway Project: Study/Design - area bounded by J.T. Butler Blvd., South Beach Parkway, America Ave. & Republic Dr. / Rip Tide Subdivision
 - Commercial Area Improvements Program
 - Roadway/Utilities Project: 10th to 9th St. S. and 5th to 12th Ave. S.
 - Water, Wastewater, Stormwater Infrastructure Improvements Program
 - Water Meter Replacement Program
 - A1A Water Main Project: 3rd St. N. from 6th to 20th Ave. N.
 - Water & Sewer Extension Project Phase E -Hopson Road and easement on private portion of Hopson Rd.
 - Water Main Project Phase F: 16th and 17th St. N. (9th Ave. N. to deadend); 11th Ave. N. (2nd to 3rd St. N.); Azalea Drive (23rd St. N. to deadend); 21st St. N. (11th to 12th Ave. N.); Constitution Place (Constitution Ct. to deadend); and Victory Ct. (America Ave. to deadend)
 - Wastewater Lift Station #7 Project: Rebuild at old BES site (4th St. N. at 18th Ave.); demolish old Lift Stations #7 (18th Ave. N. at 3rd St.) & #20 (4th St. N. at 15th Ave.)
 - Rebuild Wastewater Lift Station #8 (18th Ave. N.)
 - Wastewater Lift Stations #2 (4th St. N. at 6th Ave.), #17 (3351 Anhinga Ct), and #29 (396 Marsh Landing Parkway) Projects
 - Pollution Control Plant capital projects; new generators at Lift Stations No. 4 and 5, filter feed pumps at WWTP, and WWTP Permit Renewal
 - Water Plant capital projects; new well #16 and raw water main, Water Plant #2 telemetry upgrade, and south elevated tank exterior renovation
 - 4th Street South (10th to 12th Ave. S.) Stormwater Project: Included in Downtown Redevelopment Area Project 2
- **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 2016	As of 3/2017	Target 2018
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	15.4% ¹	12.6% ¹	10%
	Replace 2,500 ft. of old 2" & larger galvanized & cast iron water mains	4,769	900	2,500
	Install/replace 150 water services	299	30	150
	Operate (replace) water valves	441 (7)	277	663
	Conduct fire flow test on 50 hydrants	55	6	50
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	<3.8 mg/L	<1.3 mg/L	<5 mg/L
	➤ Carbonaceous Biochemical Oxygen Demand (CBOD): < 5mg/l	<1.9 mg/L	<0.5 mg/L	<5 mg/L
	➤ Total Nitrogen (N) Rolling Year Average: < 46,233 lbs	25,597	1426	<46,233
	Clean 20,000 ft. sanitary/storm mains	67,348	8,280	20,000
	Inspect (rehab) sewer manholes	293 (62)	71 (0)	400
	Refurbish sewer lift stations numbered: (electric, pumps, pipes, wetwells, concrete, mechanical, generators, fencing, etc.)	26	10	Construct: 2,7,8,17; Design: 29
Streets:				
➤ Keep our streets well maintained for driving and free of trash	Seal coat/resurface 7 to 10 road miles	0.3	0.7	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	1,065	1,052	2,000
	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
➤ Keep our drainage system well maintained	Mow/clean 15,000 ft. of ditch	26,200	6,550	15,000
Sanitation:				
➤ Keep our city and beach clean	Recycle/mulch 25% of residential solid waste to reduce landfill impact	37%	31%	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

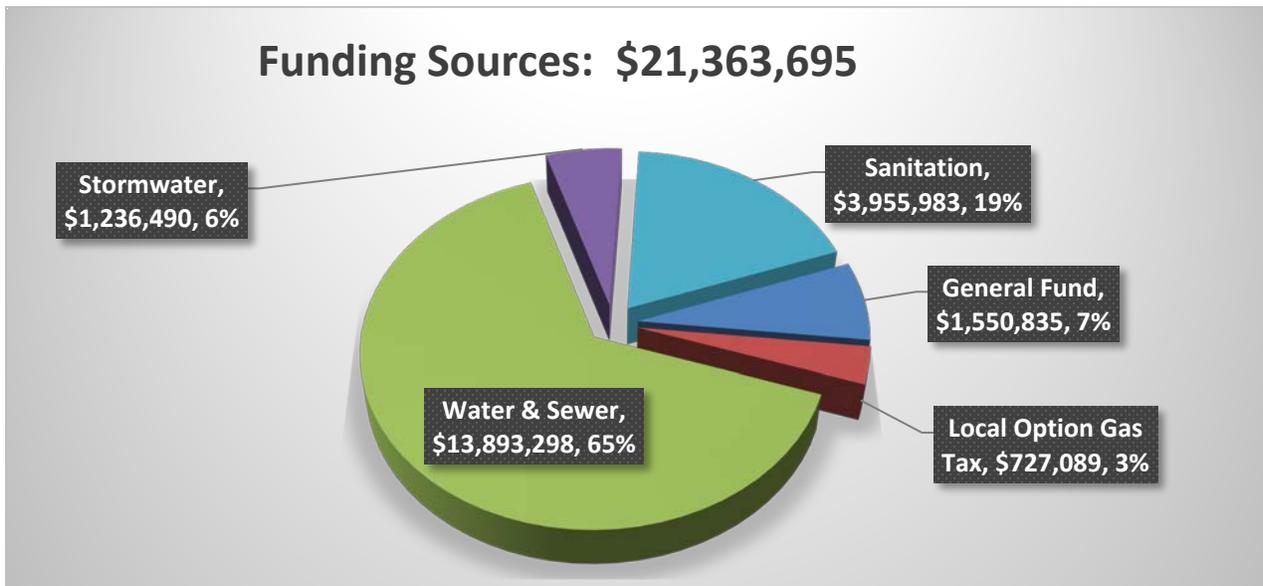
¹ Water Meter Replacement Program including automated metering infrastructure addresses under metering of water used

² Water Main Project: 3rd St. N. (6th to 20th Ave. N.) delayed to coincide with design decisions on 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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$3,898,985	\$4,273,440	\$4,576,058	\$302,618	7.1%
Operating	\$7,578,402	\$8,810,784	\$9,189,998	\$379,214	4.3%
Capital Outlay	\$2,066,557	\$6,146,029	\$5,328,000	-\$818,029	-13.3%
Debt Service	\$1,796,559	\$1,801,421	\$1,802,639	\$1,218	0.1%
Transfers	\$518,102	\$431,000	\$467,000	\$36,000	8.4%
TOTAL	\$15,858,605	\$21,462,674	\$21,363,695	-\$98,979	-0.5%

Personal services change is primarily due to pension contribution, health insurance, and contract increases.

- CPI/fuel adjustments for sanitation and other continuing contracts may cause increases 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 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.
- A 2018 construction start is planned for the FDOT project to improve drainage for State Road A1A north of Beach Boulevard. Priority for improvements is downstream to upstream, starting from Kings Road bridge area moving south and east toward SR A1A near Beach Blvd. Project should have a positive regional impact.
- Design and construction projects are underway for the infrastructure improvements program in the Downtown Redevelopment District (south of 4th Avenue South) and extending to 16th Ave. S. This reconstruction program is occurring in a series of projects taking more than five years to complete.
- 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 (27 years ago).
 - Garbage rates were set in 1993 (24 years ago).
 - Water & Sewer rates were set in 2012.
 - Local Option Gas Tax extends through 2036.
- The water meter replacement program is underway. It also includes automated metering infrastructure technology. It is anticipated that this project should reduce our 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, 900 fire hydrants, 2,652 water valves, 11,040 water services, and 9,366 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.
- Conduct fire flow tests on 50 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	FY2016	FY2017	FY2018
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 FY2018

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

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$763,208	\$848,060	\$911,634	\$63,574	7.5%
Operating	\$475,141	\$558,800	\$533,700	-\$25,100	-4.5%
Capital Outlay	\$364,920	\$1,958,000	\$891,000	-\$1,067,000	-54.5%
TOTAL	\$1,603,269	\$3,364,860	\$2,336,334	-\$1,028,526	-30.6%

Capital Outlay in the prior year included \$1.2 million for water main replacement along AIA. Current year projects are detailed below.

Division Budget Issues

Capital Outlay:

- Funding **\$125,000** to replace rubber tire backhoe (2008).
- Funding **\$25,000** to replace ¾-ton truck (2004).
- Water Main Projects:
 - Funding **\$500,000** to construct Phase E, water main replacement projects (Various Locations).
 - Funding **\$75,000** for design of Phase F, water main replacement projects (Various Locations).
- Funding **\$115,000** for design of 10th Street South water, sewer and stormwater improvements (Beach Blvd to 5th Ave. S.).
- Funding **\$12,000** to replace old Stanley Hydraulic unit.
- Funding **\$9,000** to replace old Under Ground Boring equipment.
- Funding **\$30,000** to purchase Ground Penetrating Radar.

Operating:

- Funding **\$25,000** 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

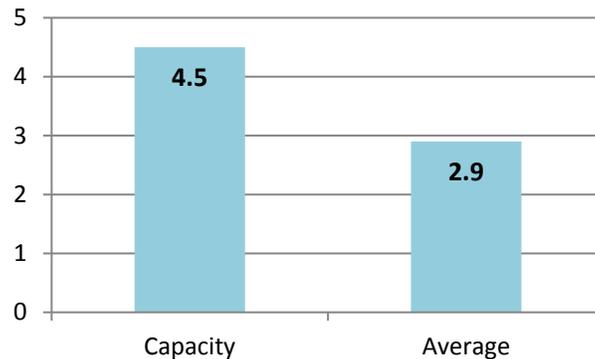
The Pollution Control Plant Division operates and maintains the wastewater transmission system of **38 sewage pump stations** and the **4.5 million gallons per day (MGD)** capacity sewage treatment facility with reuse quality effluent.

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.
- Achieve less than 5mg/l total suspended solids, 5 mg/l carbonaceous biological oxygen demand, and 46,233 lbs. of total nitrogen rolling 12-month average (permit requirements).
- Conserve drinking water by providing quality reclaimed water for irrigating the Golf Course, the Wingate Sports Complex, the Operations & 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, South Beach Parkway, Jacksonville Drive, and future extensions of the reclaimed water main system to other areas.
- Construct Rehabilitation of Lift Stations #2 and #17; design #29.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
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 FY2018

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

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$910,760	\$1,049,960	\$1,136,900	\$86,940	8.3%	<i>Budget increases are largely attributable to capital improvement projects described below (see budget issues).</i>
Operating	\$1,406,478	\$1,518,000	\$1,508,000	-\$10,000	-0.7%	
Capital Outlay	\$100,981	\$367,000	\$1,899,000	\$1,532,000	417.4%	
TOTAL	\$2,418,219	\$2,934,960	\$4,543,900	\$1,608,940	54.8%	

Division Budget Issues

Capital Outlay:

- Funding **\$74,000** to replace a truck with utility body & auto crane.
- Funding **\$120,000** to replace generators at lift stations #4 and #5.
- Funding **\$1,000,000** for rehabilitation construction of **Lift Station #2** (6th Ave. N. at 4th St. N.).
- Funding **\$350,000** for the rehabilitation construction of **Lift Station #17** (Anhinga Court).
- Funding **\$45,000** for the rehabilitation design of **Lift Station #29**.
- Funding **\$230,000** to install new **Feed Pumps** for Tertiary Final Filters at the Wastewater Treatment Plant (10th St. S.).
- Funding **\$50,000** for consulting services and testing associated with the WWTP permit renewal process. *Current permit expires February 3, 2019.*
- Funding **\$30,000** to purchase actuators, soft starts and variable frequency drive.

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

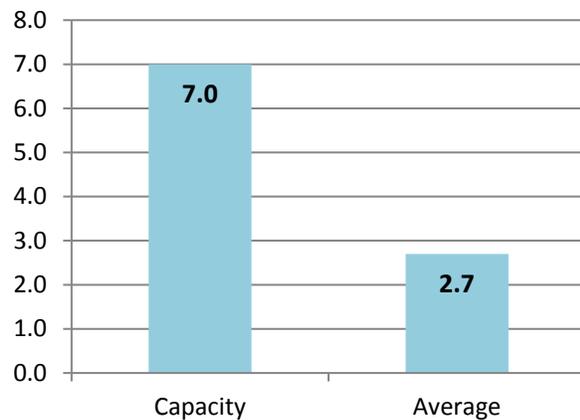
The Water Plant Division operates and maintains the City’s water system that consists of **6 wells, 2 water treatment facilities, and 3 ground and 2 elevated water storage tanks**. The water system has a total capacity to produce 7.0 million gallons of water daily. This division also operates and maintains the stormwater treatment facilities for the City consisting of **20 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	FY2016	FY2017	FY2018
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 FY2018

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

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$742,401	\$877,526	\$917,583	\$40,057	4.6%	<i>Payroll related budget cost changes are primarily due to pension, health insurance, and contract increases.</i>
Operating	\$333,248	\$480,974	\$443,235	-\$37,739	-7.8%	
Capital Outlay	\$60,808	\$1,147,029	\$1,173,000	\$25,971	2.3%	
TOTAL	\$1,136,457	\$2,505,529	\$2,533,818	\$28,289	1.1%	

Division Budget Issues

Capital Outlay:

- Funding **\$900,000** for a new raw water well.
- Funding **\$80,000** to upgrade telemetry at Water Plant #2.
- Funding **\$165,000** for South Elevated Tank exterior renovation.
- Funding **\$28,000** to replace city vehicle 596, 2004 Chevy Blazer with a 2018 Ford Explorer.

Operating:

- Funding **\$35,000** for annual elevated tank maintenance program.
- Funding **\$30,000** for Environmental Sampling and Analytical Laboratory Services.

Other Concerns:

- ⇒ North Florida water issues are increasing in complexity and seriousness. The issues include:
- Decline of the Floridan Aquifer resource.
 - Increasing water demand with growing central/north Florida population and businesses.
 - State setting statutory minimum flows and levels for lakes and springs.
 - Increasing public awareness and involvement in water resource usage and water quality.
 - High quality water resources used for non-potable uses (irrigation, agriculture & industry).
 - Regional Water Supply Plan development by the State Water Management Districts.
 - The very high cost of capital investment necessary for alternate water sources.

The outcomes and their impact on the City are 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 **89.32 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, beach cleaning, and graffiti abatement**.

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	FY2016	FY2017	FY2018
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	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 FY2018

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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$862,867	\$910,448	\$936,713	\$26,265	2.9%
Operating	\$555,721	\$611,009	\$614,122	\$3,113	0.5%
Capital Outlay	\$33,702	\$38,000	\$0	-\$38,000	-100.0%
TOTAL	\$1,452,290	\$1,559,457	\$1,550,835	-\$8,622	-0.6%

Local Option Gas Tax

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$28,461	\$43,071	\$43,589	\$518	1.2%
Operating	\$79,789	\$311,500	\$311,500	\$0	0.0%
Capital Outlay	\$0	\$0	\$0	\$0	-
Transfers	\$372,000	\$372,000	\$372,000	\$0	0.0%
TOTAL	\$480,250	\$726,571	\$727,089	\$518	0.1%

Division Budget Issues

General Fund:

- Operating funding of **\$30,000** for graffiti abatement.

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 **\$87,000** to replace International 4200 flatbed truck (2003)
- Funding **\$90,000** to replace Caterpillar 4x4 backhoe (2013)
- Funding **\$155,000** to replace Caterpillar excavator (2013)

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 and 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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$178,308	\$180,687	\$194,535	\$13,848	7.7%	<i>Budget increases are largely for capital projects as itemized below (see budget issues).</i>
Operating	\$337,646	\$646,979	\$676,955	\$29,976	4.6%	
Capital Outlay	\$1,129,566	\$250,000	\$365,000	\$115,000	46.0%	
Transfers	\$9,987	\$0	\$0	\$0	-	
TOTAL	\$1,655,507	\$1,077,666	\$1,236,490	\$158,824	14.7%	

Program Budget Issues

Capital Outlay:

- Funding **\$275,000** to construct 4th Street S. Stormwater Improvements Project (10th to 12th Ave.)
- Funding **\$15,000** to design 4th Street S. Stormwater Improvements Project (15th to 16th Ave.)
- Funding **\$20,000** to replace Auto Analog Pump Control System at the JTB Phase 2 South basin stormwater station.
- Funding **\$55,000** to design 10th Street S. Improvement Project (Beach Blvd to 5th Ave. S)

Operating:

- Funding **\$95,000** for stormwater pipe/catch basin cleaning.
- Funding **\$200,000** for outfall/channel cleaning and maintenance program.

Other Concerns:

- ⇒ Stormwater utility rates were set more than 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.
- ⇒ **FDOT project** to improve the stormwater drainage system for **State Road A1A / Beach Boulevard**, north of Beach Boulevard scheduled to begin in 2018.

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 and 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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$220,660	\$213,669	\$268,047	\$54,378	25.4%	<i>Operating costs reflect new collection service provider and anticipated recycling service increases</i>
Operating	\$3,090,173	\$3,336,744	\$3,687,936	\$351,192	10.5%	
Capital Outlay	\$0	\$0	\$0	\$0	-	
TOTAL	\$3,310,833	\$3,550,413	\$3,955,983	\$405,570	11.4%	

Program Budget Issues

Personal Services:

- Beginning in 2018, 25% of both the Streets Superintendent and General Supervisor’s payroll costs will be allocated to Sanitation to reflect their time dedicated to sanitation services.

Operating:

- Transitioned to a new garbage collection contractor in February 2017
- Anticipate annual CPI increase and bi-annual fuel cost adjustments.

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 two redevelopment districts.
- Effectively address all customer service requests.

Division Organization

Authorized Positions	FY2016	FY2017	FY2018
Public Works Director	1	1	1
City Engineer	1	1	1
Project Engineer	1	1	1
Administrative Assistant	1	1	1
Construction Project Manager	1	1	1
Construction Inspector part-time	1	1	1
Construction Coordinator part-time	-	1	1
TOTAL	6	7	7

The part time Construction Coordinator is primarily funded with Redevelopment monies to provide construction inspection services.

Division Funding Sources and Budget FY2018

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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$192,320	\$150,019	\$167,057	\$17,038	11.4%
Operating	\$1,307,321	\$1,346,778	\$1,414,550	\$67,772	5.0%
Capital Outlay	\$376,580	\$2,386,000	\$1,000,000	-\$1,386,000	-58.1%
Debt Service	\$1,796,559	\$1,801,421	\$1,802,639	\$1,218	0.1%
Transfers	\$129,000	\$59,000	\$95,000	\$36,000	61.0%
TOTAL	\$3,801,780	\$5,743,218	\$4,479,246	-\$1,263,972	-22.0%

Capital Outlay in the prior year included \$2.2 million for lift station #7 construction project. Current year projects are detailed below.

Division Budget Issues

- Funding **\$1,000,000** (Water/Sewer Capital Projects) to construct Phase B, Lift Station #8 Project.

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	FY2016	FY2017	FY2018
Chief of Police	1	1	1
Commander	3	3	3
Sergeant/Corporal	19	20	20
Patrol Officer/Detective	42	43	43
Police Total	65	67	67
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
Administrative Assistant	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	88	90	90
Total Part-time	12	12	12
TOTAL POSITIONS	100	102	102

Professional Standing

The police department was initially accredited in 1995 by the national Commission on Accreditation for Law Enforcement Agencies, Inc. For over twenty-two 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 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, 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 reacted with many innovative programs. Those include 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

There were 55,750 calls for service in calendar year 2016. 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 2016, there were 84,267 officer responses to those 55,750 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 into two patrol groups and six squads consisting of four or five officers per squad.

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

Police Department

FY2018 estimated budget for the Patrol Division, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$3,720,518.**

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 enforcement and the selective traffic enforcement program.

FY2018 estimated budget for the Traffic Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$244,414.**

K-9 Unit

The estimated budget for the K-9 Unit, staffed by two officers with two canines, including salaries and benefits, overtime, operating costs, supplies etc.: **\$155,539.**

Part-Time Police Officer Program

There is currently one part-time police officer. FY2018 estimated budget for the part-time police officer program, including salaries, operating costs, supplies, etc.: **\$62,995.**

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.

FY2018 estimated budget for the General Investigations Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$574,063.**

Community Response Team

The Community Response Team (CRT) 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.

FY2018 estimated budget for the Community Response Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$715,552.**

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 FY2018 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 South Pablo Beach neighborhood. The Community Development Block Grant has reimbursed the City a substantial portion of the cost of operating the program in past years.

The FY2018 estimated budget for the CAPE Program, including salaries, benefits, etc.: **\$95,546.**

Downtown CAPE Program

The Jacksonville Beach Community Redevelopment Agency (CRA) provides funding for eight police officers, two corporals, and one sergeant for an innovative community policing program known as Downtown CAPE. In the FY2017 budget, the CRA approved the addition of another officer and corporal to the DT CAPE unit, bringing the total personnel in the unit to eleven. This allows the unit to be broken into an A and B group, much like patrol. This, in conjunction with the schedule being augmented by the CRT unit, will allow for officers to work less overtime and have regularly scheduled time off, while still providing adequate shift coverage. 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. They also provide "responsible vendor training" to businesses in the downtown area that serve alcoholic beverages. The CRA also provides funding for additional officers working in an overtime capacity during peak workload hours.

FY2018 estimated budget for the Downtown CAPE Program including salaries and benefits, overtime, equipment, operating costs, supplies, etc.: **\$1,089,739.**

Services Division Units/Costs

Ancillary Services Section

The Ancillary Services section consists of one commander, a sergeant, 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.

FY2018 estimated budget for salaries, benefits etc.; **\$403,660.**

Police Department

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 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.

FY2018 estimated budget for the Communications Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$923,341.**

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.

FY2018 estimated budget for the Records Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$208,049.**

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.

FY2018 estimated budget for the Property/Evidence Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$80,358.**

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 seven times. For over twenty-two years, the Police Department has complied 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. The police department will have the on-site assessment in the spring of 2018 for the eight re-accreditation award.

FY2018 estimated budget for the Accreditation Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$87,646. (\$23,045 in accreditation fees, travel and training, 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.

FY2018 estimated budget for the Animal Control Officer program, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$51,427.**

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.

FY2018 estimated budget for the Parking Enforcement Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$152,987. (This program is fully funded through parking revenues.)**

Volunteer Programs

The volunteer program consists of Citizen Police Academy Alumni members and 21 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 (**\$17,044.**). The unit provided over 13,225 hours of volunteer service for the Police Department in 2016. The uniformed COPs have two vehicles used for patrol.

FY2018 estimated budget for operating supplies, vehicle maintenance, fuel, uniforms, etc.: **\$61,500** for a combined total of **\$78,544.**

Police Administration

The Police Administrative Division consists of the Chief of Police, one administrative assistant, and two staff assistants. Salaries and benefits: (**\$565,713**). The Administrative Division is responsible for all software fees, professional services, internal service charges, utilities, legal fees, etc.:(**\$574,693**). The Court Costs Training Fund is a special revenue that helps pay for training and related costs: (**\$10,200**). Total Administration Division costs: **\$1,150,606.**

Police Department

Department Highlights

- ✔ Maintained exceptional response times to emergency and non-emergency calls (**2.18-minute average for emergency calls, and 4.58 average for non-emergency**), exemplifying the department's commitment to customer service and improving citizens' safety.
- ✔ There has been a decrease in violent crimes (assault/battery, robbery, sexual battery, and homicide) overall by **5%** from 2012 to 2016. These crimes fluctuate from year to year, and these changes are influenced by many other factors unrelated to law enforcement.
- ✔ Benefited from Citizen Police Academy Alumni Association members, who volunteered **13,225** hours in **2016**, assisting the department in its mission. Volunteers worked in the records section, vehicle maintenance, animal control, parking citation program, and beach patrol. The volunteers also worked at numerous special events including the Opening Day of the Beaches Parade and the Sea and Sky Spectacular.
- ✔ Removed **193** intoxicated drivers from the roadways, making Jacksonville Beach safer for vehicles, bicyclists, and pedestrians.
- ✔ Conducted **56** community relations programs directly impacting **4,949** citizens (e.g., firearms safety, bicycle safety, Neighborhood Watch, DUI prevention, etc.)
- ✔ Completed Citizen Police Academy classes **XXXVII** and **XXXVIII**, achieving high approval ratings. Through 38 academies, **1,059** citizens have gained a better understanding of law enforcement and the Jacksonville Beach Police Department.
- ✔ Continued the Citizens On Patrol (COP) Program. **Twenty-one** 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.
- ✔ Participated for the fifth time in the annual **National Night Out** event. National Night Out is an annual event designed to strengthen communities by encouraging neighborhoods to engage in stronger relationships with each other and with their local law enforcement partners.
- ✔ Hosted the **23rd Annual Kids Fishing Rodeo** at the Huguenot Park lagoon. Approximately **1,300** children and parents attended the event.
- ✔ Hosted the annual **Kids Halloween Party** and **Kids Christmas Party**. Approximately **1,700** children and parents attended the two events.

Note: See performance measures on the following pages 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

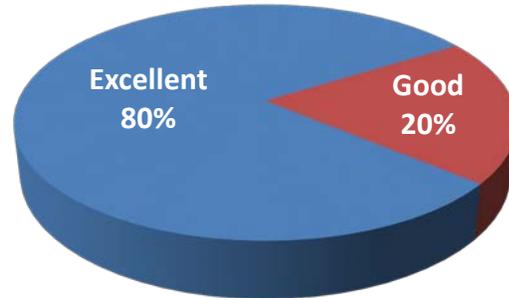
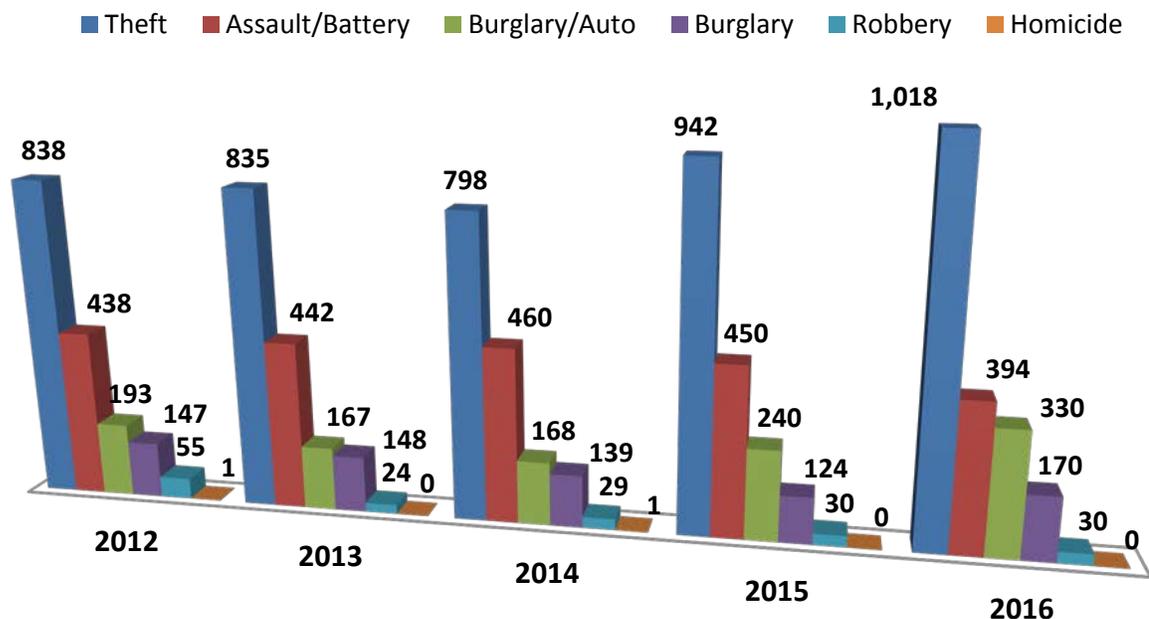


Chart reflects results of 120 random surveys for 2017.

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: 2012-2016



*The "Theft" category includes crimes such as retail theft (shoplifting), theft of bicycles, and thefts from the beach (e.g., cell phones, backpacks, etc.).

Police Department

Performance Measures

Outcomes	Performance Measure	Actual FY2016	FYTD through 3/15/17	Target FY2018
<i>Continually seek new and better methods to improve citizens' safety.</i>	Maintain four minute or less average response time to emergency calls	2.43 minutes	2.29 minutes	4.00 minutes
	Maintain six minute or less average response time to non-emergency calls	5.19 minutes	5.05 minutes	6.00 minutes
	Continue strict enforcement of DUI laws to improve safety of city roadways	Arrests 193	Arrests 89	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	3	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 (51 surveys)	100%	100%	95%
	Continue crime prevention and youth-oriented services offered through the CAPE program	Yes	Yes	Yes
	Complete one Youth Police Academy with a positive participant rating of 95% or higher	Yes	Yes	Yes
	Involve CPA Alumni Association members in community relations and crime prevention programs	48	19	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	10,078 hours	3,380 hours	7,000 hours
	Attend five job fairs to expand the pool of exceptional candidates for employment	14	4	4
	Number of consecutive years accredited through the national Commission on Accreditation for Law Enforcement Agencies (CALEA)	21	22	23
<i>Continue the strong commitment to outstanding customer service.</i>	Achieve positive ratings of 90% or higher on quarterly customer service surveys (120 surveys completed each year)	97%	100%	90%

Police Department

Financial Summary

General Fund

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$6,457,554	\$7,002,864	\$7,168,004	\$165,140	2.4%
Operating	\$1,099,344	\$1,287,496	\$1,302,498	\$15,002	1.2%
Capital Outlay	\$160,652	\$160,000	\$160,000	\$0	0.0%
TOTAL	\$7,717,550	\$8,450,360	\$8,630,502	\$180,142	2.1%

The budget includes estimated increases for wages, pension and health insurance.

Special Revenue Funds

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$781,140	\$901,553	\$940,333	\$38,780	4.3%
Operating	\$122,101	\$239,250	\$190,050	-\$49,200	-20.6%
Capital Outlay	\$29,714	\$212,000	\$270,100	\$58,100	27.4%
Transfers	\$53,177	\$52,233	\$0	-\$52,233	-100.0%
TOTAL	\$986,132	\$1,405,036	\$1,400,483	-\$4,553	-0.3%

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	2017 Budget	2018 Budget
Community Development Block Grant (Federal)*	CAPE Program in South Pablo Beach Neighborhood	\$63,041	\$65,882
Total-General Fund		\$63,041	\$65,882
Community Redevelopment Agency	Eleven Downtown CAPE officers, operating supplies and overtime	\$1,054,539	\$1,089,739
Law Enforcement Trust Fund (State)	Equipment Grant Matches and Crime Prevention Programs	\$63,264	\$64,544
Equitable Sharing Fund (Federal)	Equipment Grant Matches and Crime Prevention Programs	\$175,000	\$236,000
Court Costs Training Fund (State)	Employee Training	\$60,000	\$10,200
Justice Assistance Grant (State)*	Street Crimes Task Force overtime	\$52,233	\$0
TOTAL OTHER FUNDING SOURCES		\$1,405,036	\$1,400,483

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

Public Safety Radio System Replacement:

The police department will use **\$210,000** from the Federal Equitable Sharing funds to upgrade up to 40 old portable radios, which have reached the end of service life. This purchase is part of an ongoing public safety radio system replacement program. The radio replacement program will continue in future years until all radios are replaced. Future purchases will be made from the General Capital Projects funds.

Vehicle Replacement: Replacement of **four or five** police vehicles in FY2018. Total cost for vehicles: **\$160,000**.

Downtown CAPE Program:

Purchase a scheduled replacement patrol car, a replacement ATV for use on the Beach, and replace two Segways. Total cost for vehicles and equipment is **\$61,100**.

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. The grant amount for FY2018 is unknown at this time; the funding level should be announced in July. It is expected to be approximately \$11,000 and will be used to pay for equipment. The budget will be adjusted when the grant is awarded.

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. FY2018 grant will be used to partially fund overtime for the Street Crimes Task Force. The JAG Grant amount for FY2018 is unknown at this time but estimated to be approximately \$40,000. The budget will be adjusted when the grant is awarded.



Fire Department

Mission

Provide professional and customer service based Fire, EMS, and Prevention services to our citizens.

Emergency Response

The Fire Department is staffed and equipped to respond to:

- One major Fire/EMS event.
- Three simultaneous single unit response emergency calls.
- One major event utilizing all fire department and city resources.
- Auto/Mutual Aid is utilized for most major events.
- Emergency Transport is provided by the county provider JFRD.

Organization

The Fire Chief is responsible for the overall day-to-day operations of the department as well as budgetary issues, disaster management, and the city-wide radio system.

Three shifts comprised of a Shift Commander, two Lieutenants, and six Firefighter/Engineers provide Fire/EMS/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 our safety program.

Authorized Positions	FY2016	FY2017	FY2018
Fire Chief	1	1	1
Fire Captain/Shift Commander	3	3	3
Fire Marshal	1	1	1
Fire Lieutenant	6	6	6
Training/Safety Lieutenant	1	1	1
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, haz-mat, 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 operates two engines, one quint, and a mobile command vehicle daily. We provide basic and advanced life-support with medical transport provided by the City of Jacksonville as part of an inter-local agreement. Automatic/Mutual aid agreements are in place with Jacksonville Fire & Rescue, St. Johns County Fire & Rescue, and Mayport Naval Station Fire Department.

Jacksonville Beach 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 Duval 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.

CY2016 Accomplishments

- Zero fire deaths in 2016, and an average response time of 4 minutes.
- All structure fires responded to were confined to the area involved upon arrival.
- 100% of the 161 customer surveys returned indicated excellent or good service.
- Conducted 855 fire safety surveys, 317 high hazard inspections and updated 588 pre-plans.
- Conducted 336 construction/remodel inspections, reviewed 341 sets of plans, and 158 consultations.
- Conducted 90 fire drills in public and private schools and inspected 913 fire hydrants.
- Installed 170 smoke detectors in homes and checked or installed batteries in 563 smoke detectors.
- Provided education to over 6,347 adults/children in fire safety, prevention, and/or hurricane preparedness.

Fire Department

CY2016 Accomplishments (continued)

- Members conducted over 8,394 hours of in-service training.
- Installed and educated 218 families on the proper installation of child safety seats.
- Conducted citywide training and exercises in hurricane preparedness, high rise tabletop with JFRD, and a multi-agency NIMS exercise in preparation for the Air Show.
- Updated the City's Municipal Comprehensive Emergency Management Plan and focused on lessons learned from Hurricane Matthew.
- Conducted a Point of Dispensing (POD) exercise.
- Contributed to the mitigation of two tropical storms and one major hurricane.

Goals for FY2017/2018

1. Zero 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. Maintain the city's preparedness capabilities by updating and training employees on the city's emergency operational and communication plans.
5. Continue the strong commitment to customer service by receiving 100% customer survey reports of excellent or good service.

Fire Department

Performance Measures	CY2015	CY2016	FY2017 10-1-16 Through 3-1-17	Target for CY2017
Prevent all fire deaths in Jacksonville Beach	Yes	Yes	Yes	No fire deaths
Confine 90% of all building fires in Jacksonville Beach to area involved upon arrival. (24)	100%	100%	100%	90%
Provide Basic or Advanced Life Support service to all calls for Emergency Medical Services (of the 3,434 total calls in 2016, 70% were rescue).	2,333	2,394	943	2,000
Respond to emergencies within 6 minutes (m) for 90%, and within 4 minutes (m) for 70% of all 911 emergency calls.	4m/73% 6m/94%	4m/73% 6m/95%	4m/71% 6m/95%	4m/70% 6m/90%
Complete fire safety surveys and update pre-plans of commercial buildings once every 2 years (718 per year).	888	855	357	718
Conduct high hazard inspections and update pre-plans of daycares, Medical Centers, Private Schools, Group Counseling Centers, Nursing Homes and Assisted Living Facilities.	383	317	136	189
Conduct 80 fire evacuation drills in schools.	123	90	45	80
Educate 3,500 citizens/children in fire safety and/or hurricane preparedness each year.	6,277	6,347	4,452	3,500
Install or replace 80 smoke detectors in unprotected homes of elderly, disabled, or fixed income citizens.	144	170	64	80
Check, test or replace batteries in 375 existing smoke detectors.	541	563	165	375
Inspect all city and private fire hydrants annually.	897	913	901	890
Complete 7,000 in-service training hours.	8,515	8,394	3,210	7,000
Receive a 100% excellent or good evaluation by citizens ¹	100%	100%	100%	100%
Install/inspect/educate families on child safety seats.	273	218	90	NA

¹Survey responses (# returned): 2015 (213), 2016 (161), FYTD 2017 (64)

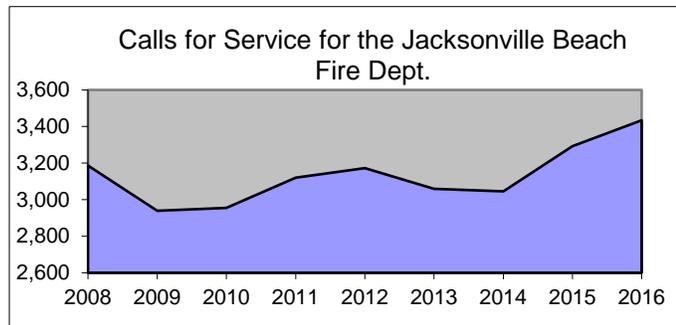
The Fire Department measures its effectiveness by tracking alarms, inspections, survey cards returned, and training records on a monthly and calendar year (CY).

Fire Department

Annual Calls for Service

The fire department responded to 3,434 incidents in CY2016.

- *2% Structural Fires*
- *70% Medical*
- *28% Hazardous Conditions*



- **In 2016, the Fire Department experienced a 4.4% increase in call volume over 2015:** 3,434 calls for service in 2016 compared to 3,293 in 2015.

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 that utilizes the City's 800 MHz radio system.

Firefighter Auxiliary Program

All Firefighter Auxiliary members were hired as full-time employees in 2016. The program remains open, however there are no current members.

2016-17 Grants

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

Fire Department

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$3,264,786	\$3,309,983	\$3,454,041	\$144,058	4.4%
Operating	\$392,612	\$477,267	\$483,505	\$6,238	1.3%
Capital Outlay	\$36,465	\$36,300	\$40,000	\$3,700	10.2%
TOTAL	\$3,693,863	\$3,823,550	\$3,977,546	\$153,996	4.0%

Budget increases are primarily payroll-related costs attributable to pension and health insurance increases.

Budget Issues

Capital Outlay:

- Funding of \$38,000 to replace heavy duty sport utility vehicle.
- Funding of \$2,000 to replace two combustible gas detectors.

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, as well as the repeaters and controller were replaced in early 2017.

General Capital Projects Fund (*Executive & Legislative Section*):

- Funding of \$375,000 to replace SQ-13 Freightliner Pumper (2001) as part of the fire apparatus replacement program.

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. Due to the cost of new apparatus and the economic climate, the life of our apparatus has been adjusted to meet NFPA recommendations. The goal of the program is to keep apparatus in front-line service for approximately 15 years and then place them in reserve for approximately 10 years. While we have two older reserve units, we have replaced the pumps on both units (E-25 and E-14), extending their usable life.

This schedule can be attained by committing \$75,000 per year. The replacement schedule is included in the 2018 Capital Improvement plan (CIP).

Fire Department

Fire Apparatus Replacement Program

Engine	Description	Model Year	Age
Q-11	Ferrara Ladder (Quint)	2010	7
E-14	Pierce Pumper (reserve)	1996	21
SQ-13	Freightliner Pumper	2001	16
E-22	E-1 Rescue/Pumper	2006	11
E-25	Pierce Pumper (reserve)	1993	24

Replacement Schedule

Year	Replace Apparatus	Cost	CIP Budget
FY2018	Sq-13	\$375,000	\$75,000
FY2019			\$75,000
FY2020			\$75,000
FY2021	E-22	\$375,000	\$75,000
FY2022			\$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 budget funds to pay for 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 2016 calendar year statistics.

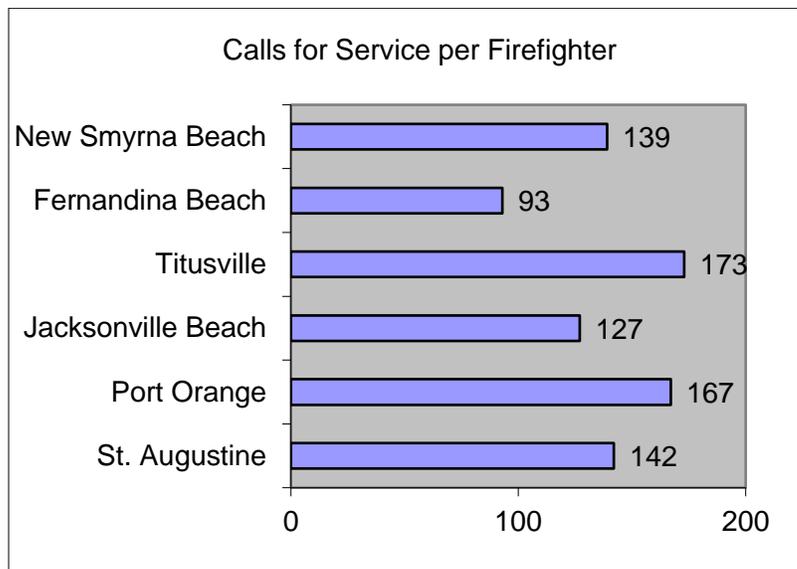
This data does not reflect the actual minimum staffing per shift nor the method that each department may use to determine calls. The following graphs illustrate the findings from the data and indicate that the Jacksonville Beach Fire Department operates efficiently.

Calls for Service CY 2016

Average number of calls for service per firefighter: = 140.

Jacksonville Beach Fire Department is 127.

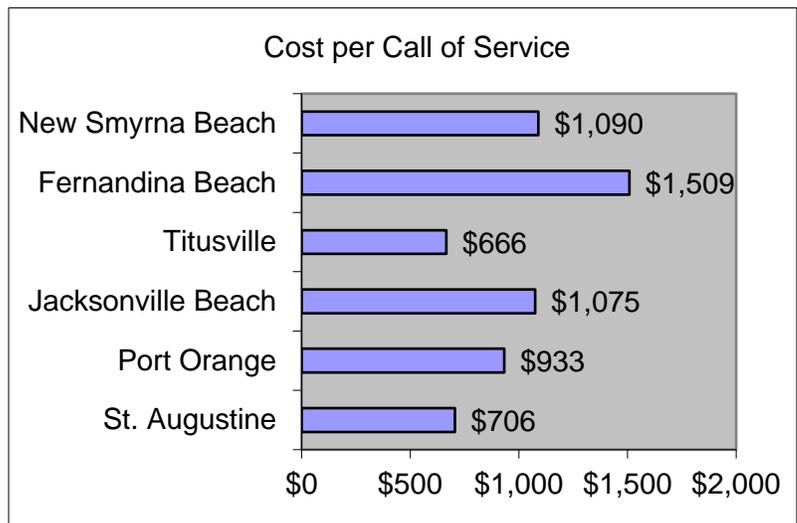
The Jacksonville Beach Fire Department responded to 3,434 calls for service in CY 2016.



Cost per Call CY 2016

Average cost per call for service: = \$997.

Jacksonville Beach Fire Department was \$1,075.



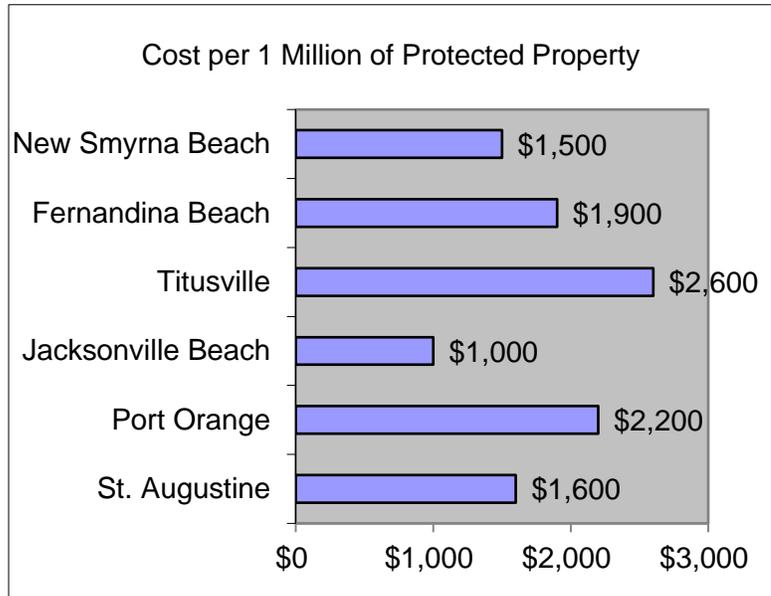
Fire Department

Comparison Survey (continued)

Cost per \$1 million of Protected Property CY 2016

Average cost per \$1 million of protected property = \$1,800.

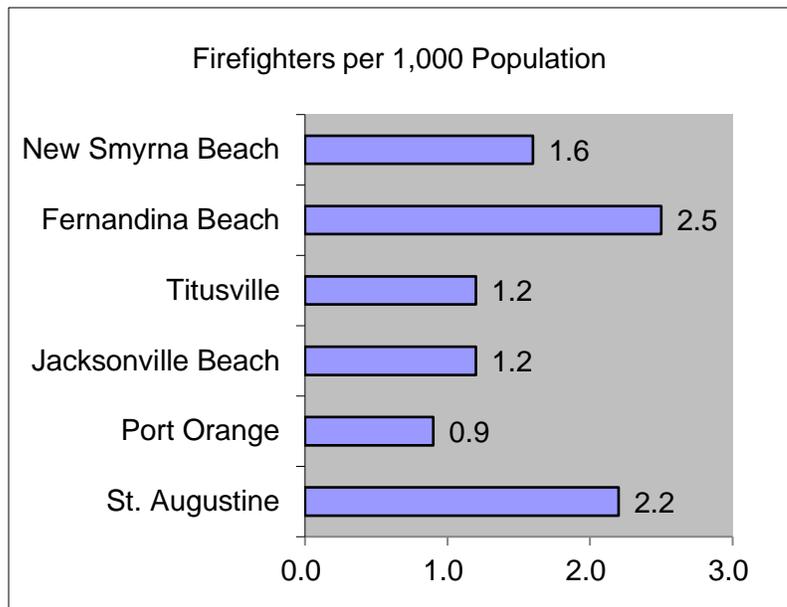
Jacksonville Beach Fire Department was \$1,000.



Firefighters per 1,000 Population CY 2016

Average number of firefighters per 1,000 population: = 1.6.

Jacksonville Beach Fire Department was 1.2. Based on a population of 23,000.





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 35,100 customers and 24-hour customer service outage restoration. The Department is responsible for designing, constructing, operating, and maintaining electric facilities and managing natural gas service in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, and Palm Valley.

Authorized Positions	FY2016	FY2017	FY2018
Administration	4	4	4
Engineering	8	8	8
Relay/Substation	6	6	6
Construction & Maintenance	31	31	31
System Operations	10	10	10
Storeroom	3	3	3
Regulatory Compliance	1	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.

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.

Beaches Energy Services

Organization (continued)

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: FY2016-2017

- Beaches Energy Services received the Diamond designation for the years 2017-2019 from the American Public Power Association (APPA) for our Reliable Public Power Provider (RP₃) submission. We will be re-applying for the designation in fiscal year 2019 for the 2020 award year.
- Florida Municipal Electric Association (FMEA) honored Beaches Energy Services with its Building Strong Communities Award, recognizing the utility for its commitment to enhancing the quality of life in their community (November 2016).
- Beaches Energy Services personnel completed the implementation of the Transmission Operators Service with the Orlando Utilities Commission in FY 2016. The Contingency Analysis Services were added in FY2017 because of additional NERC/FERC requirements. The work to meet this requirement was completed prior to the April 1st, 2017 deadline.
- Beaches Energy Services replaced approximately 21 miles of Overhead Ground Wire/Static Wire for Circuit 805 from Sampson Substation to Ft. Diego and then to Guana Substation. This was needed after an Aerial Drone Inspection of Transmission Circuits 804 and 805 (lines run from our 230 kV Sampson substation to both Guana and Ft. Diego substations) revealed numerous issues.
- The Fairway Lane Overhead Line Rebuild was completed. Some portions of this Feeder Line were converted to Underground Construction to eliminate accessibility issues and problems with trees touching energized 26 kV power lines. This project supports BES's Storm Hardening Plans.
- Several wood poles were replaced with concrete poles for the Feeder Lines along Canal Blvd. and South Roscoe Blvd. This project is also part of Beaches Energy Services' Storm Hardening Plans.
- Beaches Energy Services employees competed in the Florida Municipal Electric Association Lineman Competition in Lakeland in April 2017. Our Journeyman team finished in first place in the Hurtman Rescue. Apprentice Lineworker Logan Cox finished third in the Hurtman Rescue.

Beaches Energy Services

System Reliability

2016 Calendar Year Distribution Reliability Indices							
	FL Munis	FPL	TECO	Duke	Gulf	FPUC	Beaches
Average Minutes Out per Customer	77.05	55.8	83.43	85.0	147.23	185.21	36.12
Average # of Times Out per Customer	1.21	0.92	1.00	0.98	1.48	1.95	0.639

Customer Service

Each year, the Billing Office mails out **customer service surveys**. The following represents the customers' ratings for questions that were given a response of "yes" or "no". The 2016 surveys were sent to 720 customers and 152 customers responded. The 2017 surveys were sent to 360 customers and 45 customers responded.

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

Customer Service	Actual FY2015	Actual FY2016	FYTD 3/31/17	Target FY2018
The utility bill is easy to understand.	100%	100%	100%	95%
Our service is reliable.	100%	100%	100%	95%
I was treated courteously.	100%	100%	100%	95%
The service was prompt.	100%	100%	100%	95%
The employee was helpful.	100%	100%	100%	95%
The employee was knowledgeable.	100%	100%	100%	95%
The employee referred to me by name.	92%	99%	99%	95%
The employee thanked me for my business.	96%	96%	100%	95%

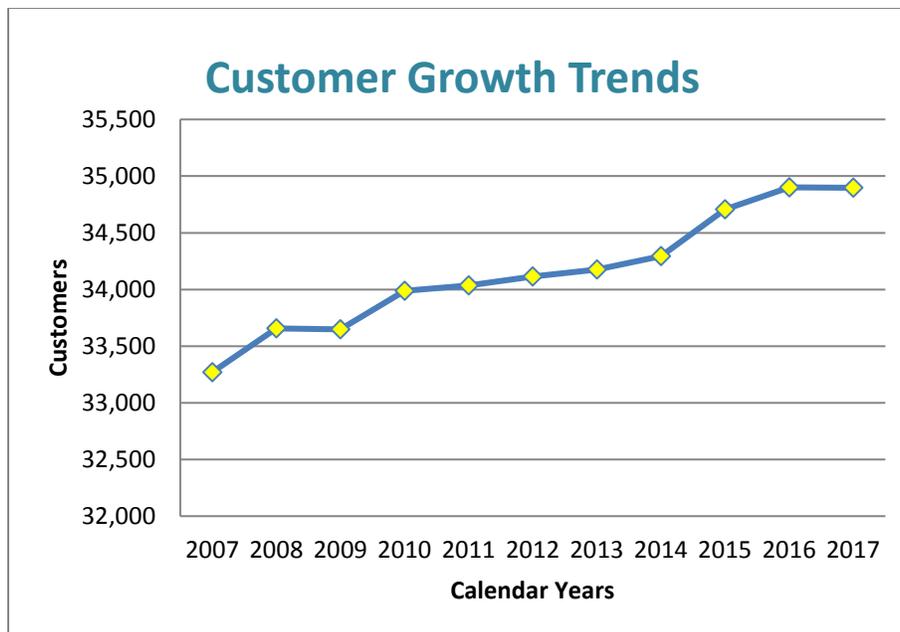
Beaches Energy Services

Customer Service (continued)

Each year, Beaches Energy Services mails **surveys to our energy audit customers**. The 2016 surveys were sent to 182 customers and 160 responded. The 2017 surveys were sent to 68 customers and 5 responded. The following represents the customers' ratings.

Energy Audits	Actual FY2015	Actual FY2016	FYTD 3/31/17	Target FY 2018
Energy Audit Survey	Percent Agree	Percent Agree	Percent Agree	Target Agree
Was the Utility Auditor on time for your scheduled audit?	100%	99%	99%	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?	99%	99%	100%	95%
Did the Utility Auditor provide you with tips to conserve energy?	98%	97%	98%	95%
Would you recommend this audit service for other customers?	99%	99%	98%	95%
Did you find the Beaches Energy Gift Bag and DVD useful?	88%	97%	88%	95%

The number of total customers served has grown from 33,656 in 2007 to 35,100 in 2017. This increase represents a four (4) 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 11).
- Beaches Energy Services provides a monthly credit for customers on the demand rate. Customers receive a monthly credit on demand charges that 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 at www.beachesenergy.com.
- Free energy audits are available to customers upon request. Our Energy Auditors provide specific suggestions customized to the homeowners' audit results. Alternatively, customers can perform an online self-energy audit by using the "My Energy Planner" tool accessible through the beaches energy website.
- Energy Audit Gift Bags and Conservation Brochures were provided to 311 customers from October 2015 to September 2016.

Goals for FY2018

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

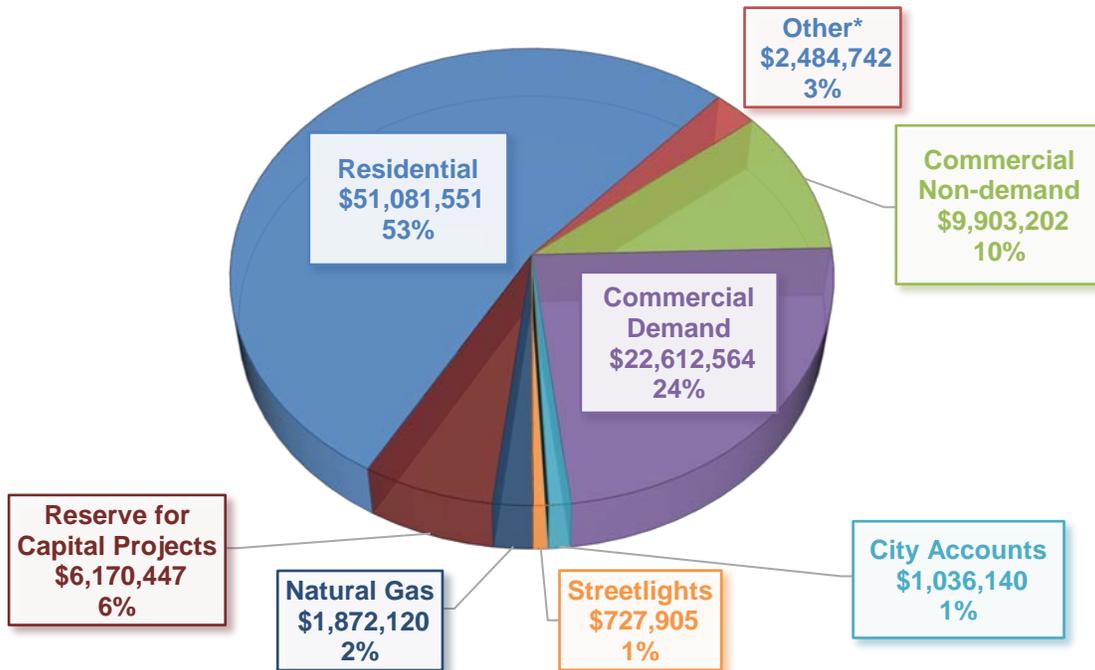
Performance Measures

	Actual FY2015	Actual FY2016	FYTD 3/31/17	Target FY2018
COST				
Residential rates for 1000 kWh below the State average	Yes	Yes	Yes	Yes
Energy losses not to exceed 4% percent	4%	3%	4%	4%
Retail customers per employee* Reported on a calendar year .	476	488	481	472
Employee lost time accidents	1	1	2	0
SERVICE				
Provide 500 customer energy audits	620	564	381	500
Provide 950 surge protection devices	963	991	993	950
Energy Conservation Program: Rebates Issued	821	880	396	1,130
Dollar Amount	\$225,943	\$225,943	\$109,729	\$200,000
RELIABILITY				
Annual average outage time per customer. Reported on a calendar year .	39.46	36.12	8.92	Less than 50% of FMPA Average
Apprentices in Training	9	10	10	Progress in program.
Budgeted facility improvements completed for projects.	Yes	Yes	Yes	Yes

* American Public Power Association (APPA) Annual Statistical Report for 2016-2017; median is 324 Retail Customers per Employee.

Beaches Energy Services

Funding Sources: Total projected revenue for FY2018 is \$95,888,671.



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

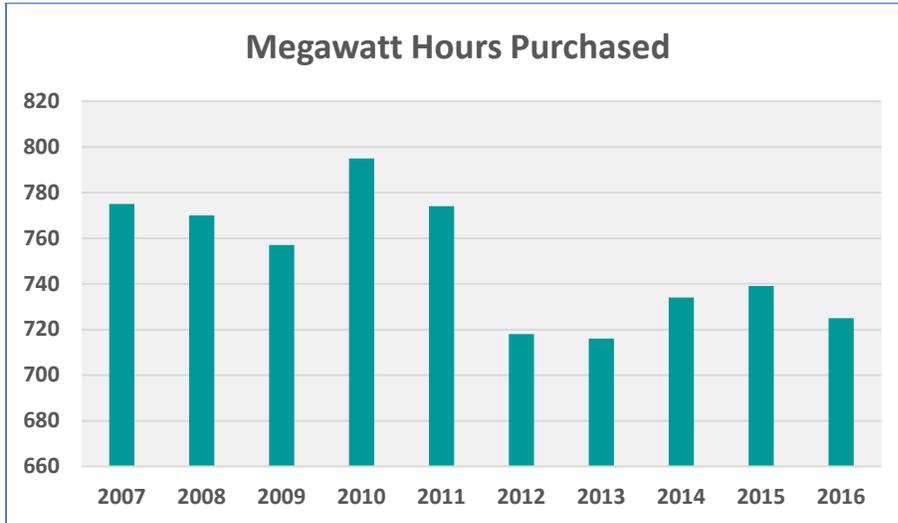
Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$6,039,712	\$6,298,850	\$6,861,431	\$562,581	8.9%	<i>Personal services increased primarily due to pension contribution, health insurance, and contract changes.</i>
Purchased Power	\$58,742,549	\$62,997,463	\$63,125,949	\$128,486	0.2%	
Operating	\$7,111,616	\$8,112,027	\$9,177,954	\$1,065,927	13.1%	
Capital Outlay	\$5,244,577	\$7,148,000	\$10,006,000	\$2,858,000	40.0%	<i>Regulatory compliance costs and transmission engineering services largely contributed to operating cost increases.</i>
Debt Service	\$2,574,629	\$2,577,267	\$2,579,012	\$1,746	0.1%	
Transfers	\$4,142,323	\$4,217,837	\$4,075,409	-\$142,429	-3.4%	
TOTAL	\$83,855,407	\$91,351,444	\$95,825,755	\$4,474,311	4.9%	

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 9 years.

Providing reliable electric services is a continuous activity that requires long-term vision. Future governmental regulations regarding CO₂ and mercury could have a major impact on deciding future power supply options. This national trend coupled with uncertainty at the federal level regarding natural gas hydraulic fracking has resulted in many electric utilities delaying decisions on capital expenditures for generation resources. The Energy Information Administration projects that natural gas export capabilities and growing domestic natural gas consumption will contribute to the forecast Henry Hub natural gas spot price rising from \$3.10/MBtu in 2017 to \$3.45/MBtu in 2018. The price of natural gas and regulatory compliance will drive future costs.

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

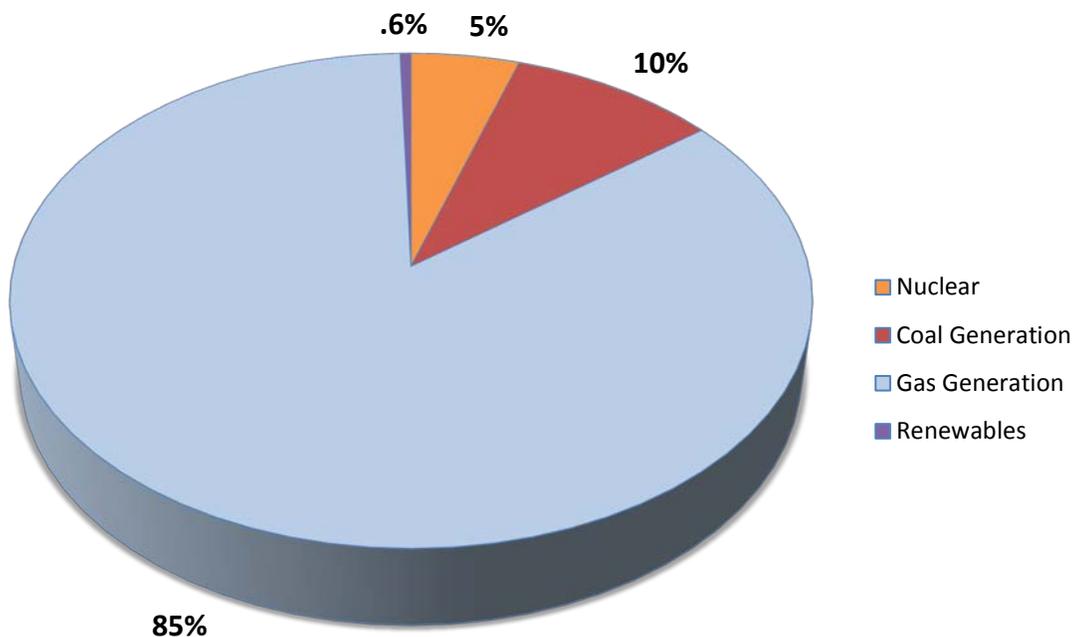
Beaches Energy Services

Budget Issues (continued)

Additionally, we are constantly pushing for change at the Florida Municipal Power Agency to update the strategic plan to focus on the following priorities.

- Paying off all of the All-Requirements Project debt in 20 years or less.
- Replacing the all-requirements model with a project based model that also utilizes purchase power agreements.
- Preparing the Agency for the future by limiting the amount of new generation built and relying on distributed generation resources when cost effective, utilizing community solar to delay, lessen or eliminate the need for securing generation assets, and ensuring that risky long-term natural gas hedging and interest rate swaps activities are no longer employed.

**FMPA All Requirements Project (ARP)
Total Resources Fuel Mix
Calendar 2017**



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. Beaches Energy Services is currently solely responsible for 42 different NERC reliability standards but also has to review new and revised standards constantly to ensure that we are compliant. During the past years 74 different standards were reviewed.

Transmission

As a transmission owner, Beaches Energy Services is obligated to comply with these standards or be subject 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 July 1, 2016, Beaches Energy Services became 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. Additionally, in 2016 Beaches Energy and Orlando Utilities Commission (OUC) further enhanced our partnership by signing an agreeing to have them perform Contingency Analysis (CA) services to Beaches Energy that resulted in increased compliance costs but also significant long-term savings for Beaches Energy.

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. The main focus over the next three (3) to five years (5) will be our transmission lines and substation equipment.

Beaches Energy Services

Rates

	Location	1000 kWh Base Rate	1000 kWh Total *	Add Local Taxes & Fees	Total with Taxes & Fees
<i>Beaches Energy Services continues to meet its goal of keeping its rates below the state average.</i>	Florida Public Utilities-NE **	\$ 33.60	\$ 134.15	\$ 16.58	\$ 150.73
	Florida Public Utilities-NW **	33.60	134.15	16.58	150.73
	Gulf Power **	96.51	128.14	15.84	143.98
	Gainesville	60.40	130.40	13.04	143.44
	Bartow	54.70	130.20	13.02	143.22
	Newberry	107.50	127.50	12.75	140.25
	Fort Meade	89.56	125.56	12.56	138.12
	Bushnell	98.05	125.05	12.51	137.56
	Blountstown	118.85	118.85	17.86	136.71
	Starke	75.95	121.50	12.15	133.65
	Havana	89.50	130.92	-	130.92
	Fort Pierce	116.84	116.84	11.68	128.52
	Duke Energy **	80.54	114.31	14.13	128.44
	Vero Beach	54.43	116.08	11.61	127.69
	<i>FMPA's All Requirements Project members are highlighted in yellow.</i>	Key West	137.03	127.00	-
Leesburg		105.09	115.09	11.51	126.60
Lake Worth		75.73	114.73	11.47	126.20
Homestead		77.60	114.23	11.42	125.65
State Average		83.86	115.15	10.42	125.57
Alachua		102.40	113.40	11.34	124.74
Green Cove Springs		95.00	124.00	-	124.00
Ocala		93.64	112.60	11.26	123.86
Mount Dora		49.24	112.07	11.21	123.28
JEA ****		76.00	108.50	14.11	122.61
Williston		89.84	114.24	5.71	119.95
Tallahassee		75.98	108.88	10.89	119.77
Winter Park		75.80	102.54	17.02	119.56
St. Cloud		75.07	110.24	8.82	119.06
Clewiston		93.20	106.91	10.69	117.60
Beaches Energy	83.07	116.91	-	116.91	
Orlando	72.18	106.00	10.60	116.60	
Tampa Electric **	68.62	95.04	19.63	114.67	
New Smyrna Beach	82.10	104.78	9.69	114.47	
Chattahoochee	90.10	114.10	-	114.10	
Wauchula	89.90	102.90	10.29	113.19	
Moore Haven	83.30	102.80	10.28	113.08	
Florida Power & Light ** ***	75.07	99.98	12.36	112.34	
Quincy	98.41	111.31	-	111.31	
Lakeland	63.02	100.77	10.08	110.85	
Kissimmee	133.27	98.17	7.85	106.02	

*1000kWh FMEA
May published rates

** Local taxes
estimated at 6%.

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

**** JEA has a 3%
franchise fee and a
10% public service
tax.

Source: May 2017
FMEA Published
Rate Schedule

Beaches Energy Services

Capital Projects: 2018

Overhead Line Rebuild (Roscoe Blvd North Phase 1) - \$600,000: Replace existing wood pole line with concrete poles from Canal Blvd. to Ft. Diego Substation entrance.

Overhead to Underground Conversion (Neck Road) - \$500,000: Convert overhead power lines to underground at Neck Road for Storm Hardening.

Design and Purchase and Installation of new 50 MVA transformer for Guana Substation (Phase 2) - \$2,420,000: This will complete the two-year project to add an additional substation transformer along with a ring bus to allow for greater reliability and load management for the south end of the service territory.

Install Fiber & Equipment: Sampson to Diego - \$60,000 in FY2018, and \$60,000 in FY2019: Replace existing wave traps that are used for current communication between substations with optical fiber. Upgrading to fiber will help ensure proper system protection, relay communication and system reliability.

Transmission Line Hardware Renewal & Replacement - \$1,000,000 in FY2018 and \$500,000 in FY2019-FY2022: A recent and ongoing inspection of Beaches Energy's transmission lines has revealed numerous minor and some medium issues. With some sections over 30 years old deterioration has started to set in. The FY2018 budget includes the relocation of lines along King's Road that is required because of the FDOT King's Road Bridge and Drainage Improvements. Beaches Energy plans to proactively repair, replace, and upgrade its entire transmission line in order to continue safe and reliable service to its customers.

Cyber Physical Security \$220,000 in FY 2018, \$20,000 in FY 2019, \$20,000 in FY 2020, \$20,000 in FY 2021, and \$20,000 in FY2022: NERC Standards CIP 002 through CIP 014 "Cyber Security" became effective requiring additional security measures for assets including control centers and substations. The Centralized TOP moved our Medium Impact responsibilities to OUC. However, we are responsible for the **Low Impact** requirements. These Low Impact facilities are defined such 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 and would have a detrimental impact on the reliability or operability of the electric grid, or would cause significant risk to public health and safety. Beaches Energy Services is currently working on the installation of the asset elements necessary to meet these requirements such as "high tech" locks with impossible to difficult to copy keys, "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.

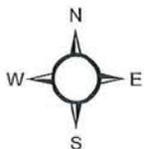
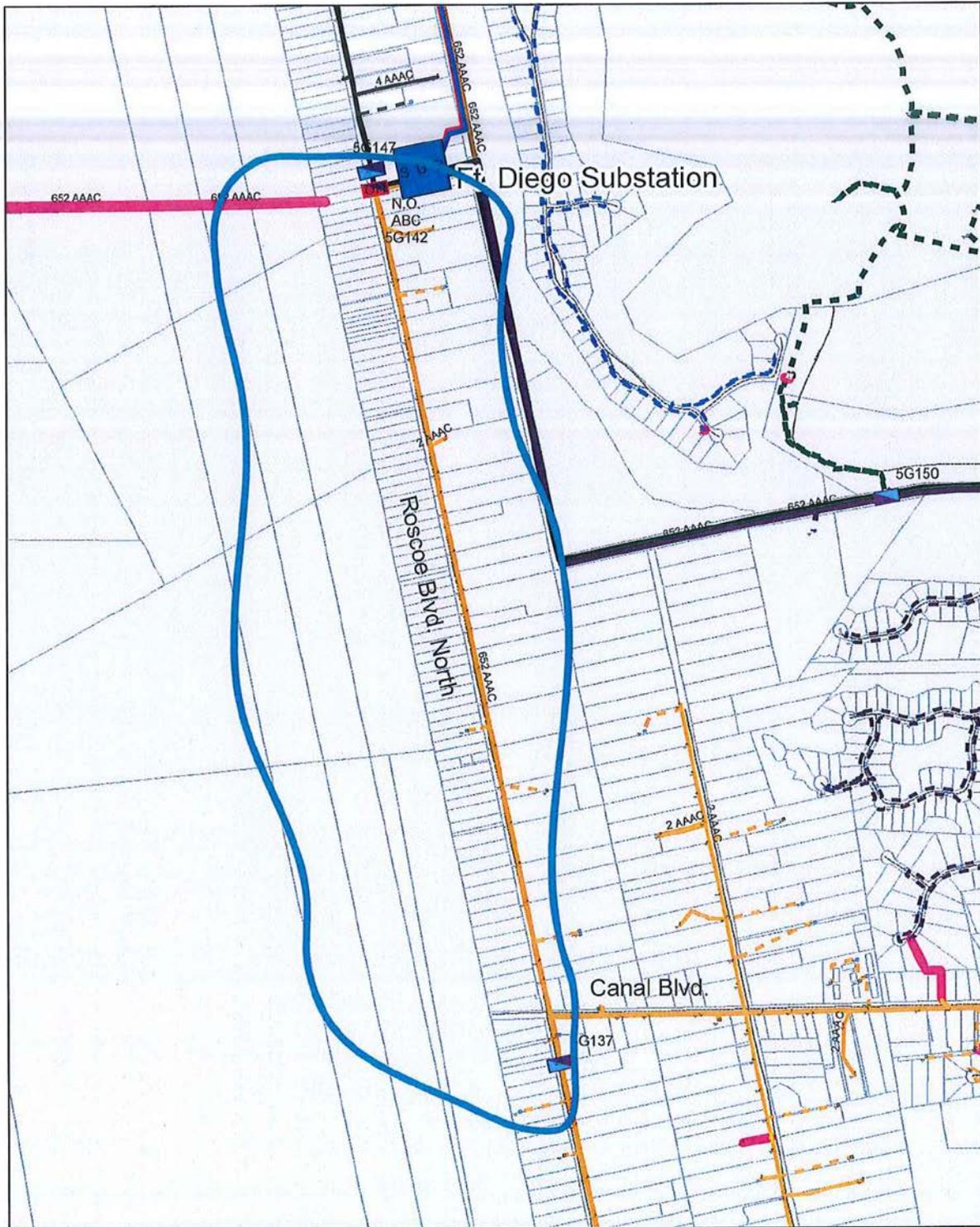
Beaches Energy Services

Capital Projects: 2018 (continued)

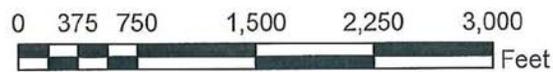
Consulting Fees \$100,000 in FY 2018 and \$100,000 in FY 2019-FY2022: NERC continues to develop and modify the bulk electric system requirements. Consulting services would help aid in the process of development of policies and procedures, risk assessments, CIP administration and evidence preparations 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 NERC CIP compliance gap analysis, and medium impact facilities NERC CIP compliance gap analysis.

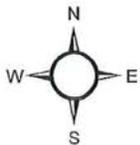
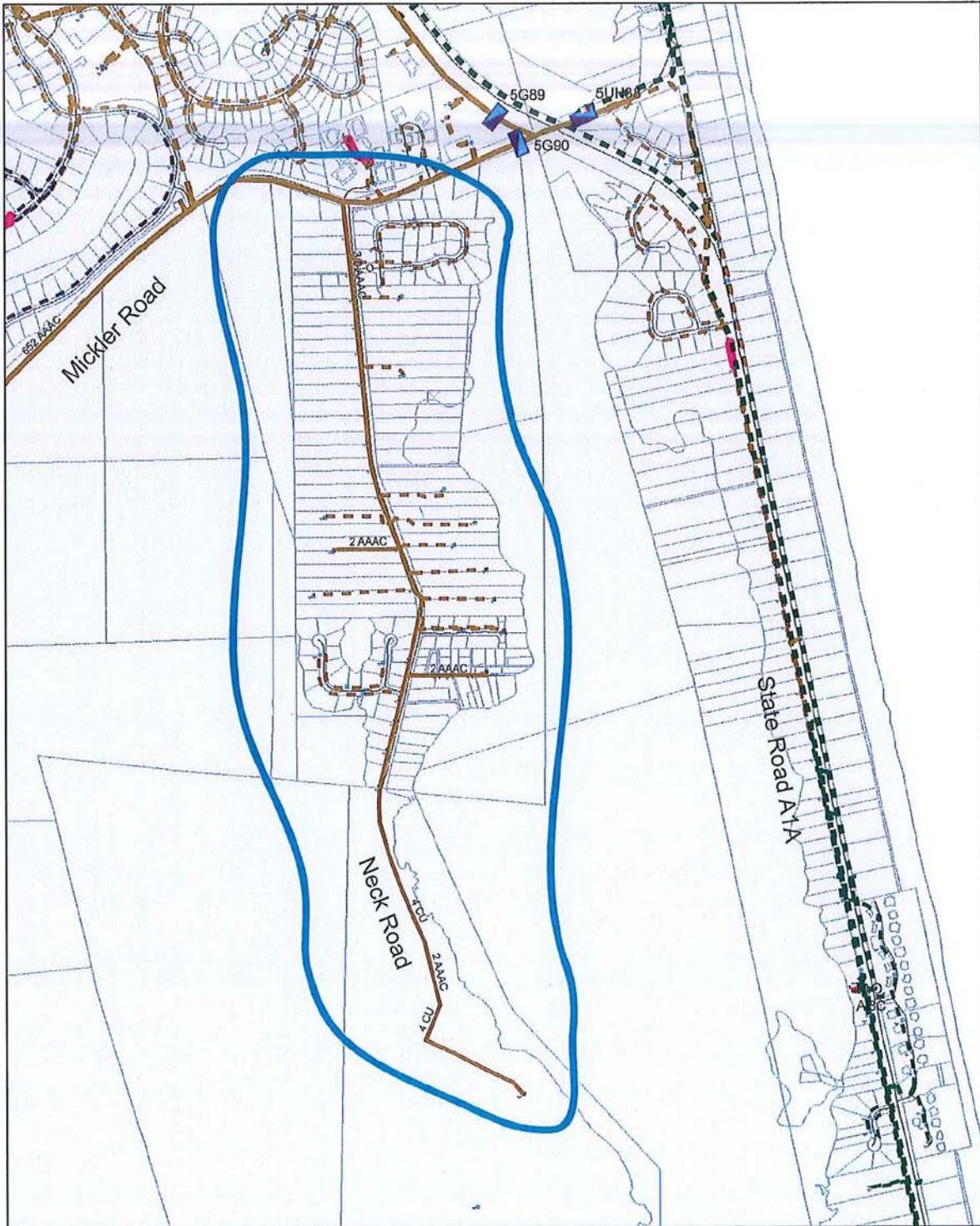
Centralized TOP (Transmission Operator initial agreement cost): \$195,000 in FY 2016-FY2018: This is the third and final CIP Compliance Initial Cost where Beaches Energy agreed to pay to OUC a one-time, non-refundable fee for the initial investment, set-up for Beaches Energy and upgrading of the Control Center. Payment of this fee was amortized over a period not to exceed three years and began on October 1, 2015.

Centralized TOP (Transmission Operator): \$750,000 in FY2018 and \$750,000 FY2019-FY2022: In preparation for the enforcement of NERC CIP version 6 and continuing CIP requirements, BES has been working with FMPA and OUC 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.



OH Line Rebuild (Roscoe Blvd N. Ph-1)





OH to UG Conversion (Neck Road)



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. It was designed to provide approximately 3,000,000 therms annually to our customers. During calendar year 2016, 248 customers purchased 1,966,485 therms.

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 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$0	\$0	\$0	\$0	-	<i>Capital outlay increases reflect a main line extension to The Player's Championship course.</i>
Purchased Gas	\$772,336	\$1,303,588	\$1,107,149	-\$196,439	-15.1%	
Operating	\$307,403	\$336,537	\$330,054	-\$6,483	-1.9%	
Capital Outlay	\$85,161	\$100,000	\$150,000	\$50,000	50.0%	
Debt Service	\$0	\$0	\$0	\$0	-	
Transfers	\$263,646	\$419,172	\$270,254	-\$148,918	-35.5%	
TOTAL	\$1,428,546	\$2,159,297	\$1,857,457	-\$301,840	-14.0%	

Infrastructure to support the addition of customers in FY2018, including service lines, main extensions, and meter sets, is budgeted in capital outlay (\$150,000). The 14.0% overall budget decrease is primarily due to projected decreases in the cost of natural gas and planned transfers to repay a construction loan to the Electric Fund.

Beaches Energy Services

2016 DATA FOR FLORIDA PUBLIC GAS SYSTEMS*

FL Public Gas System Name	Customers 12/31/2016	2016 System Total Throughput (Dth)
Pensacola Energy	43,009	3,984,614
Okaloosa Gas District	42,348	3,126,208
Tallahassee Gas Utility Department	30,355	2,950,199
Clearwater Gas System	22,257	2,379,854
Reedy Creek Improvement District	182	2,311,811
Gainesville Regional Utilities	34,505	2,014,555
Lake Apopka Natural Gas District	19,401	1,777,335
Leesburg, City of	10,870	898,794
Lake City Regional Utilities	2,296	575,775
Sunrise Gas System	9,248	549,496
Fort Pierce Utilities Authority	4,161	443,139
Milton Natural Gas System	4,148	274,270
Marianna, City of	1,400	221,958
Perry Gas Division	1,530	208,571
Beaches Energy Services	220	197,984
DeFuniak Springs Natural Gas	1,220	193,117
Quincy, City of	1,855	172,791
Gulf Breeze, City of	3,917	171,598
Palatka Gas Authority	3,417	151,638
Madison, City of	885	107,621
Live Oak, City of	950	93,923
Jasper Municipal Utilities	315	51,132
Starke Natural Gas Department	704	49,746
Chattahoochee, City of	459	48,248
Blountstown, City of	681	47,430
Century, Town of	528	45,404
Chipley Gas Department	656	38,986
Williston, City of	558	34,676
Crescent City Natural Gas	1,320	32,326
Jay Utilities	259	18,390
Havana Gas System	464	14,717
Ft. Meade Municipal Natural Gas Dept.	N/A	N/A
Total of All FL Public Systems	244,118	23,186,306

* Data provided by the Florida Natural Gas Association

** 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 as well as internal audit.

Utility Billing provides customer support including billing, establishing new utility service and meeting the needs of the City's approximately 35,129 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. This division also includes business analyst professionals who help to implement technology solutions by analyzing business processes, managing major projects and providing support to end users and technology partners.

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	FY2016	FY2017	FY2018
Accounting	8	9*	9
Utility Billing	17	18*	18
Information Systems	7	8*	8
Property and Procurement	7	7	6**
TOTAL	39	42	41

**Three temporary positions were added in 2017 for the duration of the Enterprise Resource Planning (ERP) software project and the meter replacement project.*

***The addition of a Purchasing Administrator was offset by the elimination of the Property Management Superintendent and one Purchasing Specialist.*

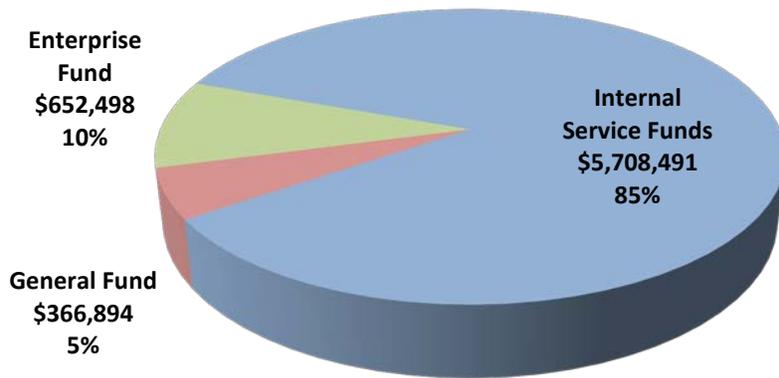
Finance Department

Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$2,440,282	\$2,901,964	\$3,032,767	\$130,803	4.5%
Operating	\$3,037,511	\$3,462,116	\$3,476,616	\$14,500	0.4%
Capital Outlay	\$524,945	\$0	\$8,500	\$8,500	-
Transfers	\$310,000	\$117,000	\$210,000	\$93,000	79.5%
TOTAL	\$6,312,738	\$6,481,080	\$6,727,883	\$246,803	3.8%

The increase in transfers is to fund technology costs and facility maintenance from the Leased Facilities Fund.

Funding Sources \$6,727,883

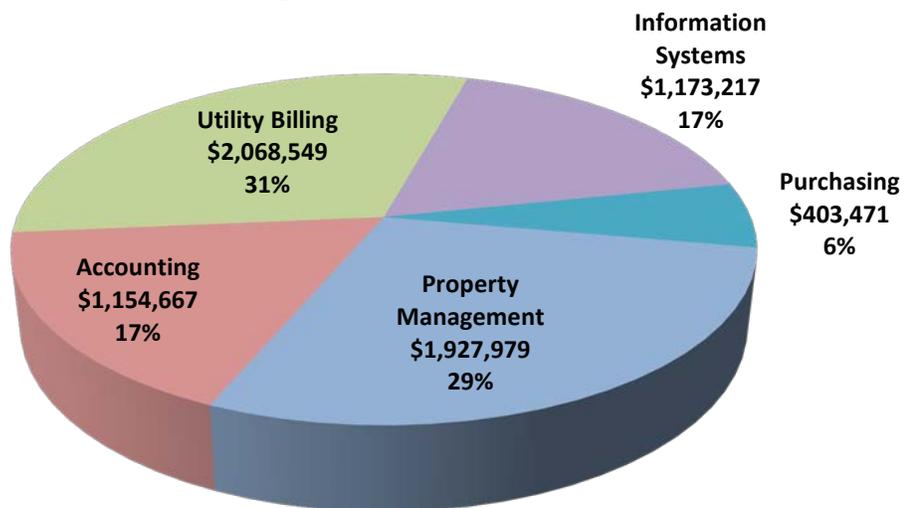


Internal Service Funds
 Accounting
 Utility Billing
 Purchasing
 Information Systems
 Fleet Maintenance
 O & M Facility Maintenance

Enterprise Fund
 Leased Facilities

General Fund
 Building Maintenance

Funding Uses \$6,727,883



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 Enterprise Resource Planning 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 the Annual Budget.
- ✓ Received an Aa3 rating from Moody's Investor Services and an AA- rating from Fitch Investor Services for the 2010 Utility Revenue Bonds.
- ✓ Selected Tyler Technologies to provide software and services for the initial stage of the Enterprise Resource Planning system project. The Tyler Munis systems include Financial, HR/Payroll and Utility Billing. Implementation began in January 2017 and is expected to take about 2 years to complete.
- ✓ Continued upgrading the Graphic Information System in preparation for the new Enterprise Resource Planning system implementation, which began this year.
- ✓ Enhanced the security posture of the City in anticipation of electronic threats towards our confidential information.
- ✓ Implemented hardware infrastructure upgrades in preparation for the new Enterprise Resource Planning system.

Finance Department

Recent Accomplishments (continued)

- ✓ Implemented a new check remittance processing solution that utilizes digital imaging to scan and transmit check images to our financial institution for electronic posting and clearing. This provides batch editing, audit trails on checks, check endorsements, invoice sorting, online editing, statistics and reporting.
- ✓ Streamlined the utility bill print and insert process by outsourcing our mail services to provide daily mail pickup, folding, inserting newsletters and allowing for postal discounts for City mail.
- ✓ Established billing rate structures to accommodate new waste and recycle billing services.
- ✓ Upgraded our free e-check program that allows customers to pay by check, electronically and through the IVR automated phone system. This program has been highly successful. In 2016, 70,208 customer payments were received through this free service, allowing customers who made payments to avoid about \$348,500 in third party processing convenience fees.
- ✓ Continued the electronic billing (e-bill) program that allows customers to receive their bill in an electronic format that displays the bill and provides a link to the Beaches Energy payment site. Currently, 11,500 customers receive their utility bill through this program, saving the City \$55,000 a year in postage costs.

Goals for FY2018

1. Continue the configuration and implementation of the Tyler Munis software according to the contract schedule and within budget.
2. Maintain adequate cash reserves to fund emergencies and capital purchases in order to minimize the issuance of new debt. The exception to this goal is when the debt issued for capital improvements is to be funded by tax increment revenues.
3. Receive the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and the Annual Budget.
4. 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.
5. 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.

Finance Department

Performance Measures

Accounting	Actual 2016	FYTD 3/31/17	Target 2018
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	23	24	25
Number of Years GFOA Budget Award received	22	23	24
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
Purchasing and Procurement	Actual 2016	FYTD 3/31/17	Target 2018
All purchases comply with City Ordinances and State Statutes	Yes	Yes	Yes
Number of Published Bids/ RFPS	29	15	30
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	4,154	2,236	4,150
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	94%	81%	95%
Prompt response to inquiries from other departments	100%	80%	100%

¹Survey responses (# returned/# distributed): 2015 (33/71), 2016 (22/273), 2017 (22/273)

Finance Department

Performance Measures (continued)

Utility Billing	Actual 2016	FYTD 3/31/17	Target 2018
Customer Service:			
Avg. # monthly payments through Beaches Energy website	4,930	5,200	5,000 or >
Avg. # monthly IVR payments	2,320	2,480	2,000 or >
Avg. # monthly bank draft payments	7,075	7,026	6,000 or >
Avg. # monthly online payments made through customer's bank	6,795	6,600	6,000 or >
Avg. # monthly mail-in payments	7,364	7,284	8,000 or <
Avg. # monthly walk-up or drive-through payments	6,900	5,514	6,000 or <
Number of monthly E-bills	9,660	11,500	12,000 or >
Average telephone customer calls per month	4,427	4,000	5,000 or <
Average answer time (in seconds)	8	7	10 or <
Energy Conservation Programs:			
Online energy audits	Yes	Yes	Yes
In-person energy audits	Yes	Yes	Yes
Rebates for energy efficiency improvements to residences	Yes	Yes	Yes
Distribute energy efficient light bulbs	Yes	Yes	Yes
Distribute energy conservation gift bags	Yes	Yes	Yes
Information Systems	Actual 2016	FYTD 3/31/17	Target 2018
% of departmental customers rating service as satisfactory and better ¹	94%	93.62%	95%
Percentage of SunGard (HTE) Uptime	99.99%	99.99%	99.9%
Percentage of Network uptime	99.95%	99.995%	99.0%
Average response time for support requests	1.02 Hours	1.65 Hours	1.5 Hours or <

¹Survey responses (# returned/# distributed): 2015 (73/392), 2016 (47/275), 2017 (47/366)

Finance Department

Budget Issues

- **Enterprise Resource Planning System (ERP).** The City approved a contract with Tyler Technologies for Stage 1 of the Enterprise Resource Planning software project. Implementation started in January 2017, and will include three phases for this stage of the project. The first phase, the financial modules, will go live in January 2018. Phase 2 (Payroll) will go live in October 2018, and Phase 3 (Utility Billing) will go live in January 2019. The second stage of the project will include the GIS-based modules: work orders, enterprise asset management, fixed assets, planning and development, and business licenses. We will select a vendor for these modules when Stage 1 is complete. The estimated cost of the entire system is \$3.1 million and implementation of the new Enterprise Resource Planning system will take about 4 years.
- **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 that serves 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.

Expanding that system would provide the following benefits:

- Cost savings estimated at \$192,600 over five years
- Centralized voicemail system
- City-wide intercom, with 4-digit dialing
- 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

We have been setting aside funds in the Capital Projects Fund to purchase the new telephone system in Fiscal Year 2018 for a cost of approximately \$160,000.

Finance Department

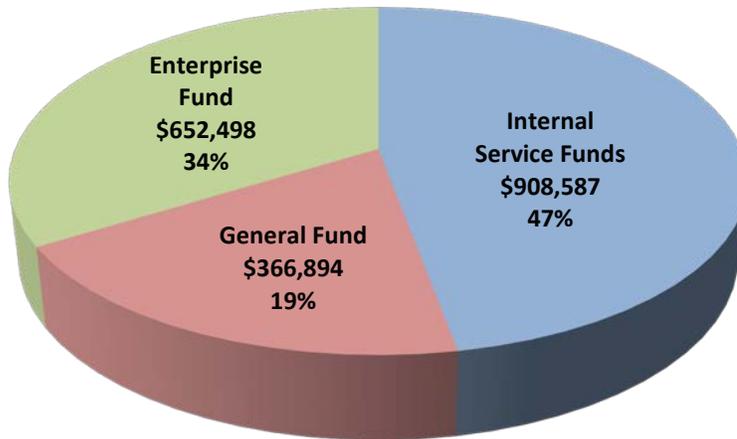
Property Management Financial Summary

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change
Personal Services	\$233,886	\$302,416	\$281,010	-\$21,406	-7.1%
Operating	\$1,315,440	\$1,525,122	\$1,478,469	-\$46,653	-3.1%
Capital Outlay	\$501,180	\$0	\$8,500	\$8,500	-
Transfers	\$260,000	\$61,000	\$160,000	\$99,000	162.3%
TOTAL	\$2,310,506	\$1,888,538	\$1,927,979	\$39,441	2.1%

Personal services decreased with the elimination of a Purchasing Specialist.

Transfer costs increased to provide funding for planned IT equipment replacements.

Funding Sources \$1,927,979

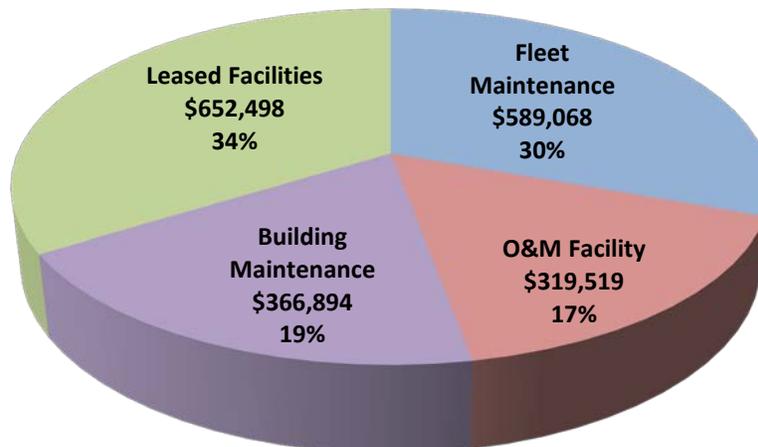


General Fund
Building Maintenance

Enterprise Fund
Leased Facilities

Internal Service Funds
Fleet Maintenance
O & M Facility

Funding Uses \$1,927,979



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.
- ✓ Repaired ductwork and installed speed controls on restroom exhaust fans to improve energy efficiency at City Hall.
- ✓ Completed roof replacements at the Police Station, O&M Facility Buildings and the garage building at the Pollution Control Plant. All buildings have twenty (20) years comprehensive manufacturer's warranties.
- ✓ Replaced lightning protection at the Police Station and O&M Facility complete with UL certification.
- ✓ Extended the lease with the Sulzbacher Clinic at the Community Services Center.
- ✓ Repaired damaged soffit areas at City Hall, Police Department and O&M Facility caused by Hurricane Matthew. Damaged skylights were also repaired at the O&M Facility.
- ✓ Pressure washed the roof and painted the exterior of City Hall. Also repaired several VAV boxes to improve interior airflow.

Property Management Goals for FY2018

1. Keep our City facilities looking new and in good condition at all times to maintain a positive impression on our citizens.
2. Continue the development of the comprehensive preventative maintenance program of scheduled inspections and routine maintenance designed to identify problems in advance of failure and to ensure the building components and systems are in very good condition.
3. Assess and implement the most effective and economic methods of keeping City buildings and services fully functional and safe.
4. Conserve energy and resources by ensuring maximum operating efficiency of equipment and systems while maintaining consistent electrical usage based on weather conditions.
5. Maintain customer relations by providing well-maintained facilities, information for employees on planned maintenance activities and prompt responses to customer needs.
6. Achieve the highest and best occupancy for all leased facilities and renegotiate lease facility contracts as lease terms expire.

Finance Department

Property Management Performance Measures

Property Management and Building Maintenance	Actual 2016	FYTD 3/31/17	Target 2018
<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	95%	80%	95%
Timeliness of staff to service requests	97%	94%	95%
Overall appearance and condition of buildings	85%	75%	95%
Professionalism of staff responding to requests	92%	87%	95%
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 2016	FYTD 3/31/17	Target 2018
<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	79%	84%	90%
Quality of service provided by Fleet Maintenance	79%	100%	90%
Timeliness of service provided by Fleet Maintenance	90%	100%	90%
Knowledge and competence of Fleet Maintenance Staff	87%	100%	87%

¹Survey responses (# returned/# distributed): 2015 (77/392), 2016 (14/273), 2017(15/273)

Finance Department

Property Management Performance Measures (continued)

Building Condition Assessment	Actual 2016	FYTD 3/31/17	Target FY2018
City Hall	2	2	2
Police Station	2	2	2
Operations & Maintenance Facility (O&M)	2	3	2
Community Services Center	2	4	3
Fire Station #1	2	3	2
Fire Station #2	2	2	2
Golf Clubhouse	2	2	2
Oceanfront Restrooms	2	3	2
Carver Center	2	2	2
Sea Walk Pavilion	2	3	2
South Beach Community Center & Exhibition Hall	2	2	2
Wingate Concession North	2	2	2
Wingate Concession South	2	3	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 FY2016	Budget 2017	Target FY2018
Land Total Square Footage Leased (Avail. 163,966)	87,941	80,900	108,403
Buildings Total Square Footage Leased (Avail. 19,551)	16,431	19,551	19,551
Telecommunications Tower Leased Spaces	7	5	5
Revenue:			
Industrial Park	\$70,720	\$142,751	\$193,691
Community Services Center	\$109,826	\$112,273	\$116,763
Penman Park Building	\$41,279	\$42,930	\$44,647
Safe Harbor	\$45,440	\$46,803	\$48,207
Telecommunications Tower	\$253,350	\$203,687	\$211,835
O&M Facility Tower	\$0	\$12,000	\$0
Total Revenue	\$520,615	\$560,444	\$615,143
Fleet Maintenance	Actual FY2016	Budget FY2017	Target FY2018
Service Statistics:			
Annual Average Maintenance Costs Per Vehicle	\$601	\$655	\$615
Fleet Downtime Percentage (3-5% Acceptable)	0.5%	1%	1%

Property Management Budget Issues

- The Property Management Superintendent and one Purchasing Specialist positions were eliminated and a Purchasing Administrator position was added to improve staff workload distribution and produce an overall cost savings in divisional personal services.
- We are currently working on new lease revenue potential on the Industrial Park property. The 10th Street South drainage, water, sewer and roadway improvements project will enable future infrastructure improvements that could enhance the Industrial Park property usage.

Human Resources Department

Mission

Supporting departments, employees, retirees and their families.

Organization

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

Objectives

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

Authorized Positions	FY2016	FY2017	FY2018
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	1	1	1
TOTAL	6	6	6

Human Resources Department

Recent Accomplishments

- ✓ Successfully negotiated a 4.27% increase in health insurance for the 2017 plan year with minimum changes in the insurance plans, while industry standard increases were in excess of 10%.
- ✓ Implemented NeoGov recruitment and applicant tracking program that notifies applicants as positions become open and allows applicants to apply for positions on-line or through phone or tablet applications.
- ✓ Processed 1,425 applications for 72 positions (excluding seasonal positions) which resulted in 20 average number of qualified candidates per position.
- ✓ Processed 48 new full-time employees and 10 part-time employees (excluding seasonal employees) within an average of 2.4 business days per hire.
- ✓ Developed and implemented a Supervisory Leadership Academy through the University of North Florida, which provides ongoing training for supervisors throughout the year.
- ✓ Provided citywide customer service training.
- ✓ Issued 12,431 payroll and pension checks with an accuracy level of 99%.
- ✓ Updated the City's compensation plan and successfully negotiated labor contracts for the wage re-opener for the Police and Fire unions and a three-year labor contract with LIUNA (general employees) labor union.

Goals for FY2018

1. Negotiate three-year labor contracts for Police and Fire 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. 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 FY2016	FYTD 3-31-17	Target FY2018
Recruiting and Hiring Qualified Employees			
Average cost per new hire	\$1,663	\$1,610	\$1,700
Average number of qualified candidates per position	20	18	20
Average number of business days to process a new hire	2.4	2	3
Providing Affordable Quality Health Benefits			
Number of employees & retirees enrolled in health plans	312	306	330
City contribution for employee health benefit plans	\$1,864,415	\$920,871	\$2,641,676
Providing Accurate Payroll Services			
Number of payroll and pension checks processed	12,431	6,215	12,000
Accuracy of payroll and pension checks	99.0%	99.0%	95.0%
Enhancing Employee Development			
Total number of training classes offered	20	6	24
Percentage of employees completing six month probation	87%	93%	75%
Total annual employee separation rate	12.16%	7.12% (6 mo.)	15.00%
<i>*Bureau of Labor Statistics – Government Industry 2016</i>	18.3%	18.0%	-
Maintaining Stable Comprehensive Insurance Coverage			
Total liability premiums and claims paid	\$1,068,943	\$1,032,345	\$1,215,499
Total workers' comp premiums and claims paid	\$306,539	\$167,855	\$440,086
Workers' comp self-insurer experience modification rate	.82	.82	<1.00
Providing Reliable and Accurate Pension Administration Services			
Number of accurate benefit estimates provided	42	17	30
Retiree ratings of satisfactory or above ¹	98.9%	100%	95.0%

¹Survey responses (# returned/#distributed) 2016 (100/238), 2017 (96/249)

Human Resources Department

Funding Sources

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

Financial Summary – Human Resources

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$364,700	\$372,268	\$393,623	\$21,355	5.7%	<i>Budget increases are for payroll-related costs, primarily, for pension, health insurance and contract increases.</i>
Operating	\$170,641	\$184,818	\$191,225	\$6,407	3.5%	
Capital Outlay	\$0	\$0	\$0	\$0	-	
TOTAL	\$535,341	\$557,086	\$584,848	\$27,762	5.0%	

Human Resources Budget Issues for FY2018

Labor Relations – The LIUNA (General Employees), FOP (Police Officers) and IAFF (Firefighters) contracts expired in FY 2017. The City negotiated a three-year contract with LIUNA. Negotiations for FOP and IAFF will commence in the latter part of FY 2017.

Financial Summary – Insurance and Risk Management

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$72,305	\$17,206	\$19,050	\$1,844	10.7%	<i>All property, liability, health insurance and workers' compensation insurance costs are paid through this fund.</i>
Operating	\$3,598,043	\$4,355,661	\$4,599,784	\$244,123	5.6%	
Capital Outlay	\$0	\$0	\$0	\$0	-	
TOTAL	\$3,670,348	\$4,372,867	\$4,618,834	\$245,967	5.6%	

The City is projecting a 10% increase in property and liability insurance and is projecting a 5% increase in health insurance costs.

Human Resources Department

Insurance and Risk Management Budget Issues for FY2018

Business Insurance and Workers' Comp

In FY 2017, the City was hit by Hurricane Matthew. Most of the damage caused by the hurricane was related to debris cleanup, power restoration, beach erosion and damage to the beach crossovers. There was minimal damage to the City's insured properties. However, the City is budgeting a 10% increase in property and liability insurance for FY 2018 in anticipation that insurers may raise rates due to the storm event. Workers' Compensation is projected to remain flat and Health Insurance is projected to increase by 5%.

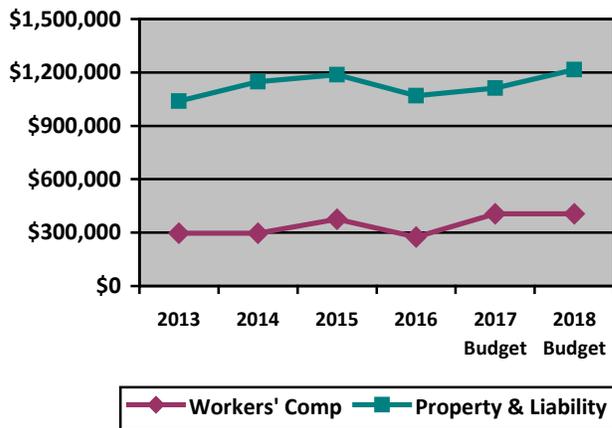
Estimated Insurance Premiums & Deductibles			
Coverage/Limits & Deductibles	Budgeted 2017 Premiums	Projected 2018 Premiums	Increase / (Decrease)
Property (\$25,000 deductible/wind separate)	\$603,267	\$663,593	\$60,326
Liability -\$2,000,000 per occurrence: Deductibles: General Liability: \$10,000 Law Enforcement: \$25,000 Public Officials: \$25,000 Employment Practice: \$25,000	\$266,245	\$292,869	\$26,624
Auto (\$1,000,000 per occurrence/ \$1,000 deductible)	\$101,462	\$111,608	\$10,146
Workers' Comp (\$150,000 retention)	\$406,539	\$406,539	-
Life, Health & Dental	\$2,610,936	\$2,742,095	\$131,159
Other Insurance: Flood, faithful performance, pollution, pension, fiduciary, fuel tanks, police & fire death benefits, and deductibles.	\$141,867	\$147,429	\$5,562
Other Costs: Personnel and professional services, coinsurance, brokerage fees and consulting services, training, professional dues and publications.	\$242,551	\$254,701	\$12,150
TOTAL	\$4,372,867	\$4,618,834	\$245,967

Human Resources Department

Workers' Compensation

The City is self-insured for workers' compensation up to \$150,000. The City continues to maintain a favorable workers' compensation self-insurer experience modification rating. Due to this favorable experience, the City is projecting its workers' compensation claims to remain consistent with FY 2017.

Workers' Comp and Property & Liability Premiums

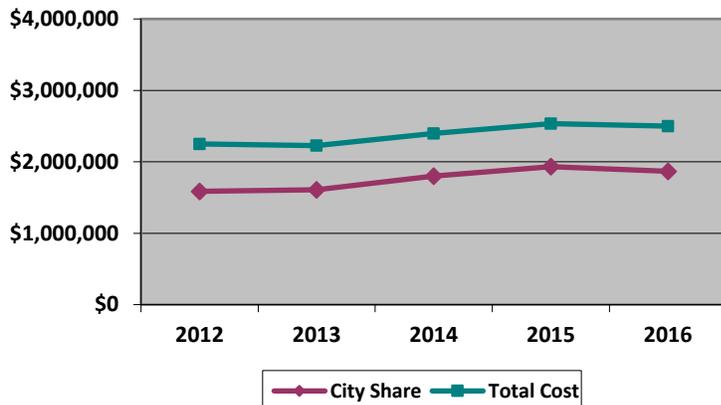


Actual Workers' Comp and Property & Liability costs are shown in 2013 through 2016. Budgeted costs are shown for 2017 and 2018.

Health Insurance

The City is projecting a 5% increase in health insurance costs for FY 2018 based on the City's claim experience and ability to hold increases to 5% in 2016 and 2017. In FY 2017 the City received \$184,908 from Florida Blue (City's health insurance carrier) in a cost savings plan that reimburses the City bi-annually if actual claims experiences are below projections. Should health insurance costs come in higher than the 5% projection for FY 2018, these monies along with a balance in the Health Insurance Fund can be used to offset the City's healthcare costs increases.

Health Insurance Premiums



Total health insurance costs in 2016 were \$2,500,100, of which the City paid \$1,864,415 and employees paid \$635,685.

Human Resources Department

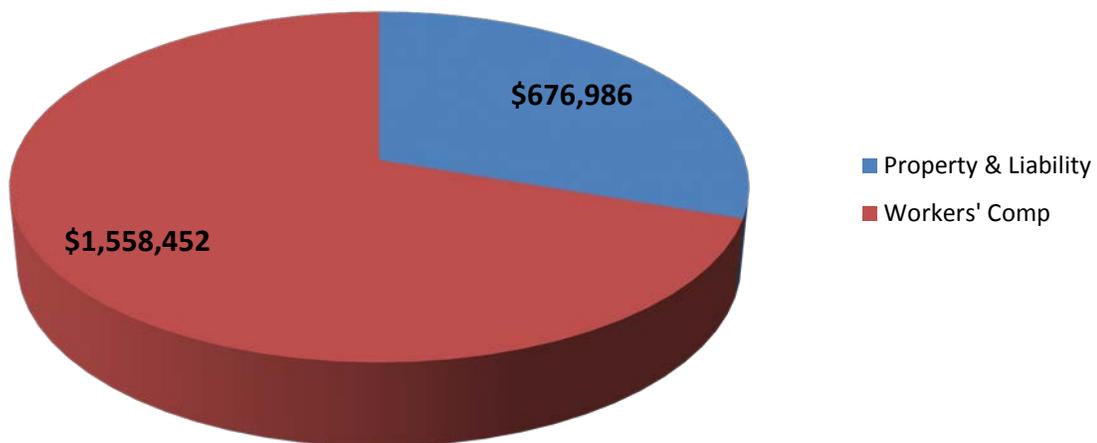
The City entered into its fifth year with Florida Blue for healthcare benefits. Florida Blue offers employees a base HMO Plan and a PPO Plan at an additional cost. The City continues to provide single coverage under the base plan at no cost to employees.

Ensuring that employees are aware of health issues and adopt healthy lifestyles can have a significant impact on the cost of health insurance. As a part of the City's contract with Florida Blue, the City received \$40,000 in FY 2017 to support its wellness program. The City used approximately \$8,000 of this money in FY 2017 for programs such as employee health Lunch and Learn sessions, a health fair, health screenings, flu shots and a wellness passport program. The unused balance remaining is \$32,000, and has been carried forward in the 2018 fiscal year budget.

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 \$2,235,438 in 2016.

Self-Insurance Fund Balance



Human Resources Department

Performance Measures – Pension Plans

	2012	2013	Actual 2014	2015	2016
Percentage funded (historical)¹:					
General	73.9%	79.1%	81.6%	81.4%	78.5%
Police	73.8%	77.1%	88.4%	88.5%	88.3%
Fire	69.6%	73.1%	85.4%	82.4%	77.9%
Accrued unfunded liability (in thousands)¹:					
General	\$14,932	\$11,904	\$10,608	\$11,250	\$13,894
Police	\$5,806	\$5,184	\$2,412	\$2,529	\$2,746
Fire	\$3,891	\$3,570	\$1,785	\$2,386	\$3,270
Net assets held for pension benefits (in thousands)²:					
General	\$42,760	\$47,024	\$49,636	\$47,302	\$49,137
Police	\$16,530	\$18,210	\$19,317	\$18,752	\$19,972
Fire	\$8,979	\$10,098	\$10,946	\$10,700	\$11,141
Market rate of return (all pension funds combined)¹:					
All pension funds	16.3%	11.9%	10.1%	-0.30%	8.2%
Number of retirees & beneficiaries receiving benefits²:					
General	160	170	178	180	186
Police	40	42	41	41	39
Fire	21	23	24	24	24
Annual benefits paid (in thousands)²:					
General	\$3,011	\$2,902	\$3,670	\$4,052	\$3,930
Police	\$1,131	\$1,367	\$1,275	\$1,263	\$1,211
Fire	\$660	\$670	\$664	\$684	\$933

¹ Actuarial valuations dated October 1

² Audited financial statements dated September 30

Annual City Contribution ³	2014	2015	2016	2017	2018
General	\$1,216,994	\$1,387,165	\$1,321,320	\$1,591,545	\$1,898,689
Police	\$326,017	\$345,079	\$432,758	\$460,548	\$461,398
Fire	\$222,859	\$177,736	\$212,178	\$289,114	\$409,829

³ 2014-2016 from audited financial statements, 2017 and 2018 from actuarial valuation report dated 10.1.15 and 10.1.16.

Human Resources Department

Financial Summary – Pension Plans

Funding Sources

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

Resource Allocation	Actual 2016	Budget 2017	Budget 2018	Increase -Decrease	% Change	
Personal Services	\$65,200	\$65,330	\$55,867	-\$9,463	-14.5%	<i>The increase in operating expenses is due to an increase in the projected number of employees that will be retiring in 2018.</i>
Operating	\$6,627,557	\$6,771,291	\$6,963,869	\$192,578	2.8%	
Capital Outlay	\$0	\$0	\$0	\$0	-	
TOTAL	\$6,692,757	\$6,836,621	\$7,019,736	\$183,115	2.7%	

In FY 2018 City contributions to the pension plans are projected to increase \$428,709 or 18% from FY 2017. Approximately 72% of this increase is due to changes in the City’s mortality assumptions, from a requirement that the City adopt the mortality tables used by the Florida Retirement System (FRS) beginning in FY 2018. The remainder is due to payroll projections and plan experience.

In addition to changes in the mortality tables, the City also made changes to the underlying economic assumptions of the retirement systems. This included reducing the City’s assumed rate of return from 8.0% to 7.9% and decreasing the wage inflation assumption from 3.5% to 2.5%.

These changes have impacted the funding status of the plans, reducing the percent funded for the General Employees’ plan from 81.4% to 78.5%, Police from 88.5% to 88.3% and Fire from 82.4% to 77.9%.

Pension Budget Issues for FY2018

Impact of Legislative Changes to the Cost of City Contributions to the Pension Plans

In 2015, the Florida legislature adopted amendments to Chapters 175 and 185 and other statutes, which are impacting the City’s pension costs in 2018.

House Bill 1309: This bill mandates the use of the Florida Retirement System (FRS) mortality tables for actuarial valuations. These mortality tables produce life expectancies that are longer than previously used by the City. Last year, in anticipation of the impending bill, the City made some modifications to its mortality tables, which resulted in \$186,000 increase in the City’s required contributions. This year the full impact of the bill is being felt, causing the City’s

Human Resources Department

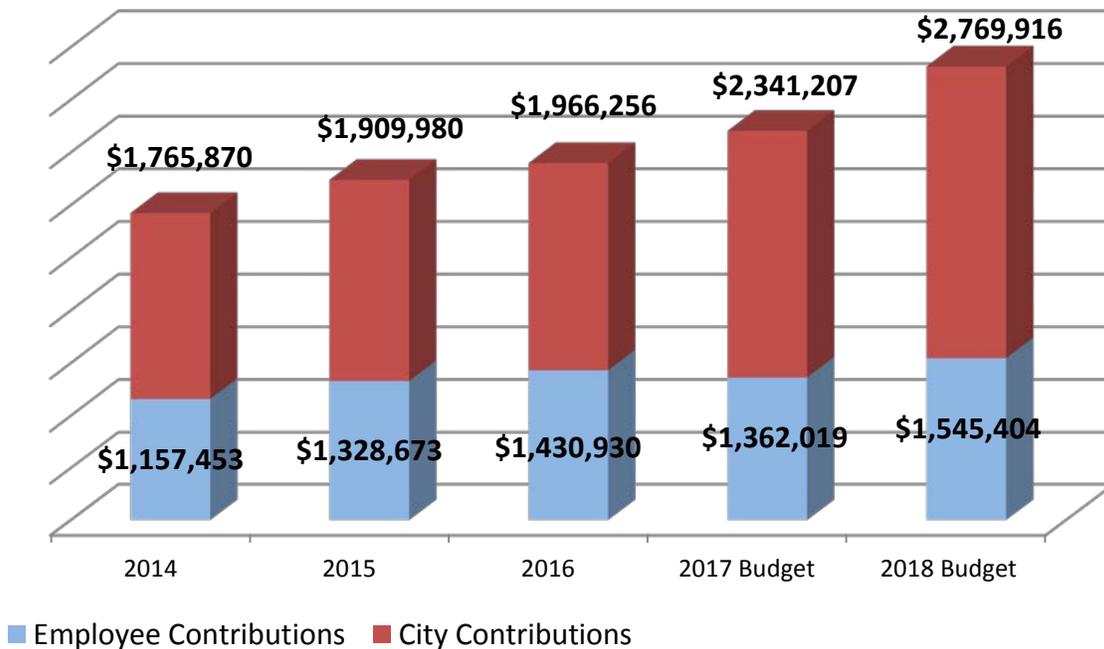
required contributions to increase another \$311,000 in FY 2018 for a total increase of \$497,000 over the last two years. With the full adoption of the FRS mortality tables in FY 2018, future increases in the City’s contributions to the retirement systems should begin to level off.

Senate Bill 172: 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. Negotiations of the City’s collective bargaining agreements with the police and fire unions will determine how the excess premium tax monies are utilized in the future and could impact the City’s contributions to the pension plans.

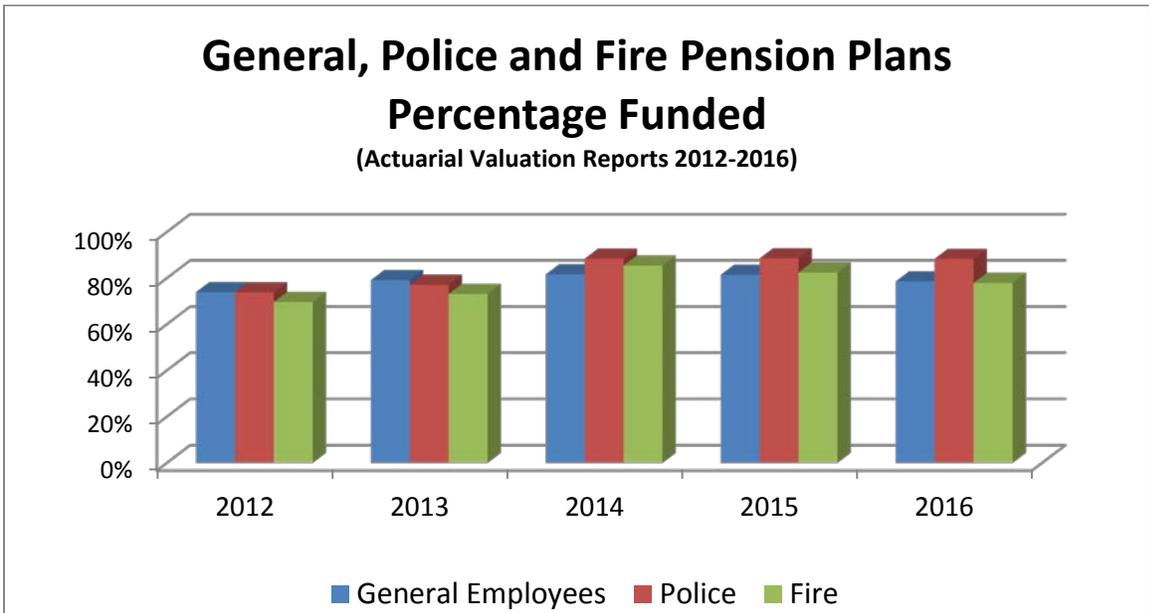
Pension Charts

The following charts show the City and the employee contributions from FY 2014 to the amount budgeted for FY 2017 and 2018, a comparison of the funding status of each of the plans from FY 2012 to FY 2016, and a comparison of the portfolio growth of the pension plan investment portfolio to an assumed 8% rate of return from 1987 to the 4th Quarter of 2016. (The assumed rate of return has been reduced from 8% to 7.9% for FY 2018.)

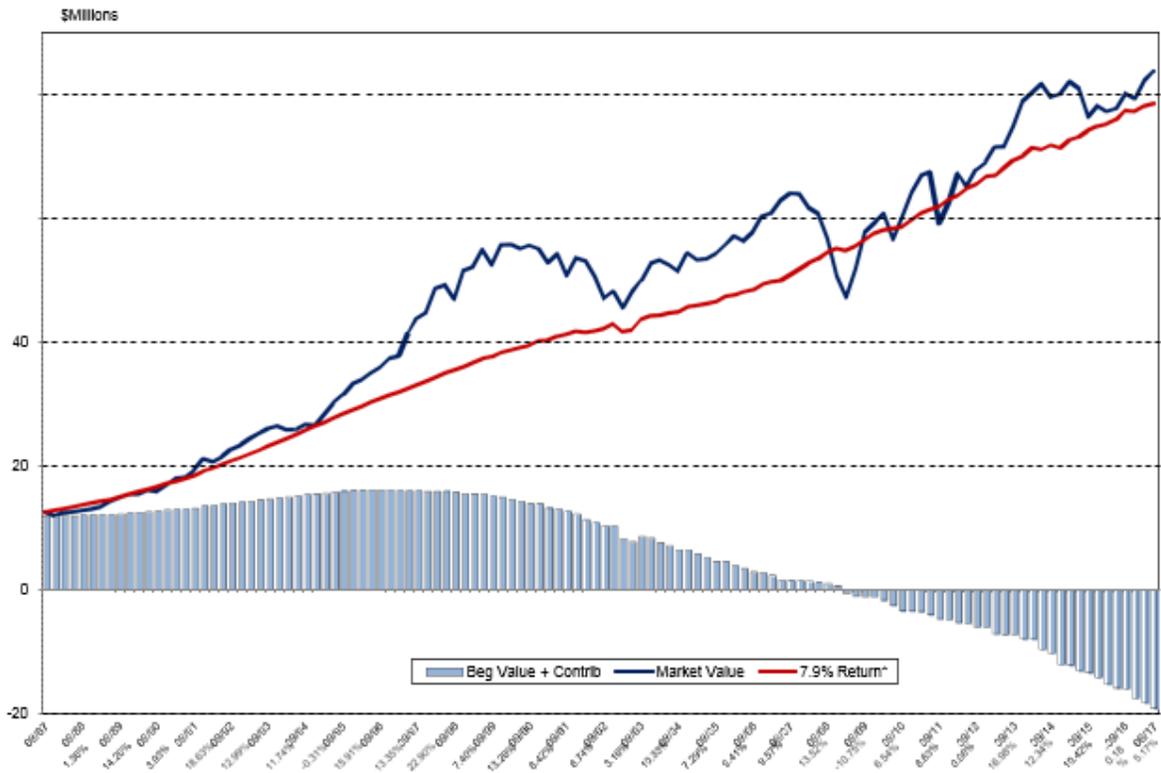
Pension Contributions - All Pension Plans



Human Resources Department



**City of Jacksonville Beach Retirement Systems
Total Portfolio Growth and Cash Flow 1987 to 2nd Quarter 2017**



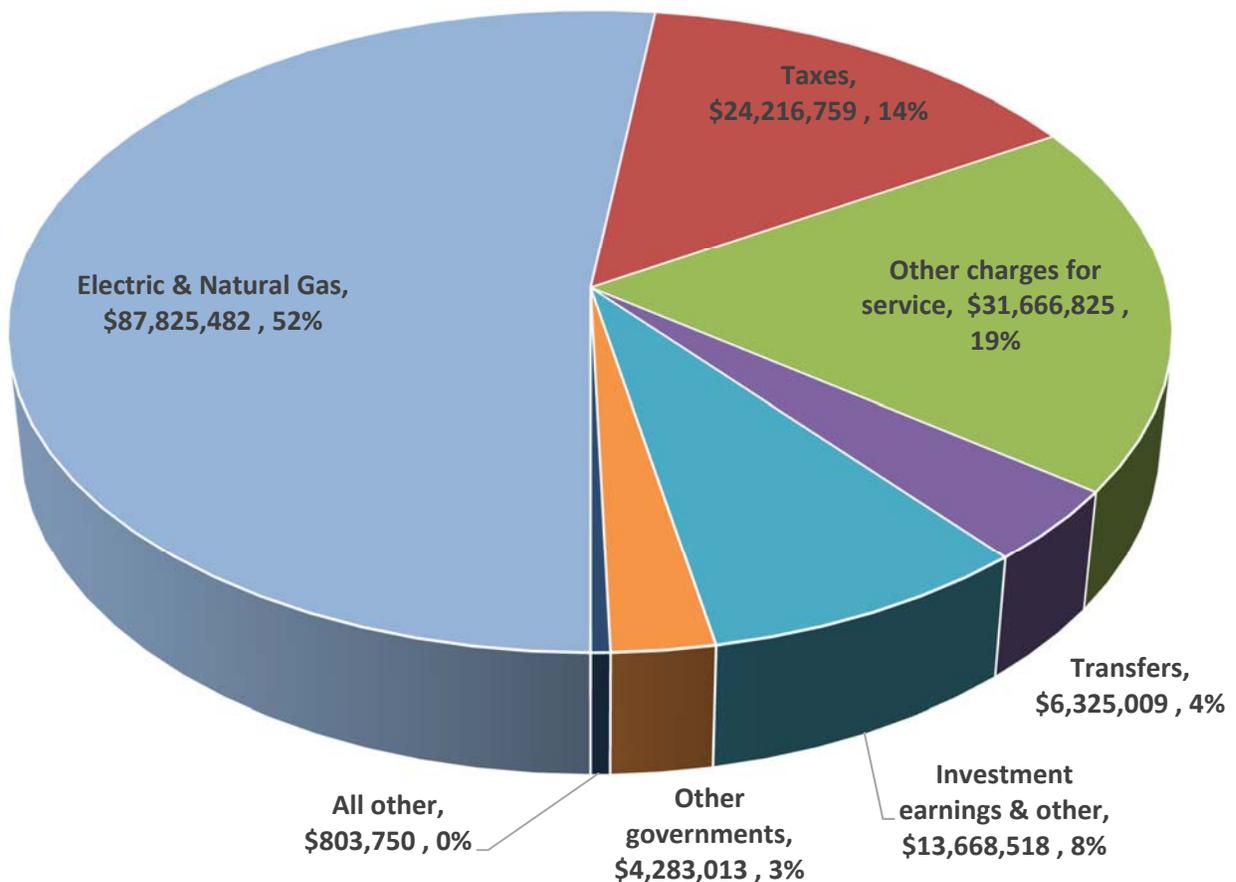
This graph compares the actual portfolio growth for the City’s three retirement systems (blue) to an assumed rate of return of 8% (red).



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 in this section. 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.

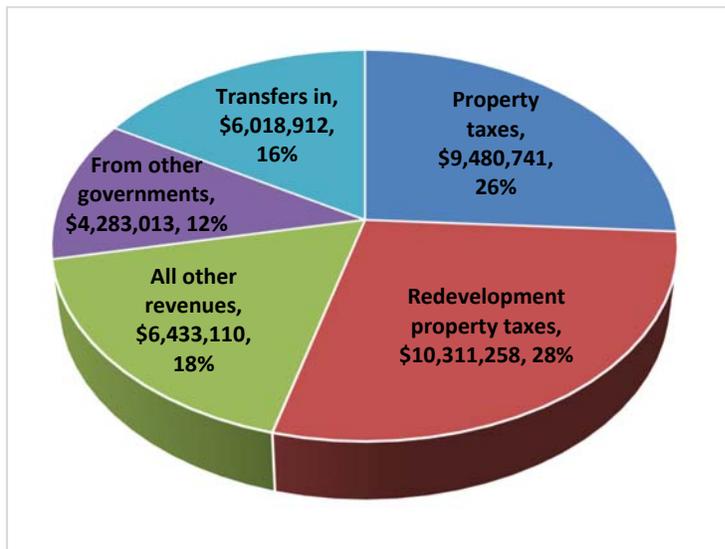


Total Revenues

Total budgeted revenues for fiscal year 2018 are \$168,789,357. 52% 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 35,100 customers in Jacksonville Beach, Neptune Beach, Ponte Vedra and Palm Valley.

Of the remaining \$81 million, 30% comes from taxes (primarily ad valorem, including redevelopment) and 39% 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 and parks), 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 \$10.9 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 (\$582,250) and fines and forfeitures (\$221,500).

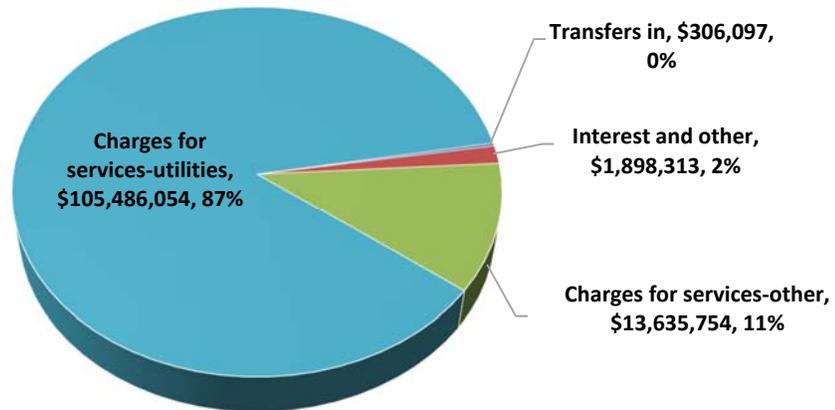
Revenues Funding Governmental Services:



Total budgeted revenues for fiscal year 2018 in governmental funds are \$36,527,034. Property taxes recorded in the General Fund (\$9.5 million) account for 44% of its total revenue. Redevelopment property taxes in the Redevelopment Fund (\$10.3 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.

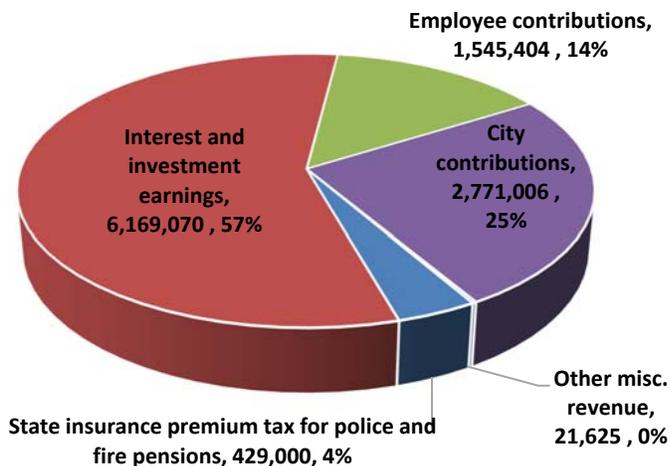
Revenues from other governments (\$4.3 million) consist mainly of state shared sales taxes (\$3.1 million), but also include local shared revenues and grants (\$1.2 million). All other revenues include Communications Services Tax (\$1.1 million), Local Business Tax (\$285,000), Local Option Gas Tax (\$781,000), Convention Development Tax (\$305,000), Half-cent Infrastructure Surtax (\$1.3 million), insurance premium tax (\$428,500-for police and fire pension contributions) fines and forfeitures (\$221,500), building and other permits (\$582,250), recreation programs (\$146,500), parking revenue (\$160,000), other charges for service, interest earnings and miscellaneous revenues (\$834,100).

Revenues Funding Proprietary Services:



Total 2018 budgeted revenues in proprietary funds are \$121,326,218. 87% of total revenue is generated by the City's utilities, which provide electric (\$86 million), natural gas (\$1.9 million), water & sewer (\$13 million), stormwater (\$1.3 million) and garbage services (\$3.4 million). Of the total utility charges for services, 83% is from sales of electricity and natural gas by Beaches Energy Services. Charges for services-other, include internal service charges (\$12.4 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 2018 budgeted pension revenues are \$10,936,105. Pension fund revenues come from interest and investment earnings (\$6.2 million), city contribution (\$2.8 million), employee contributions (\$1.5 million), state insurance premium tax for police and fire pensions (\$429,000) and other (\$21,625). In 2014, the City reached an 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 Fund

Major Funds are shaded

	Taxes	Permits & Governmental	Charges for Services	Fines and Forfeitures	Interest & Other	Transfers	TOTAL
General Fund	\$ 11,525,501	\$ 4,727,263	\$ 370,500	\$ 170,500	\$ 413,500	\$ 4,313,312	\$ 21,520,576
Special Revenue Funds							
Comm. Redevelopment Agency	10,311,258	-	-	-	270,000	-	10,581,258
Convention Development	305,000	-	-	-	5,000	-	310,000
Court Costs Training	-	-	-	9,000	500	-	9,500
Local Option Gas Tax	781,000	-	-	-	5,000	-	786,000
Half-cent Sales Surtax	1,294,000	-	-	-	7,500	-	1,301,500
CDBG	-	138,000	-	-	-	-	138,000
Radio Communication	-	-	-	27,000	1,500	-	28,500
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	12,691,258	138,000	-	51,000	297,600	-	13,177,858
Debt Service Fund	-	-	-	-	3,000	985,600	988,600
Capital Projects Funds							
General	-	-	-	-	70,000	720,000	790,000
Infrastructure	-	-	-	-	50,000	-	50,000
Other	-	-	-	-	-	-	-
Total Capital Projects	-	-	-	-	120,000	720,000	840,000
Enterprise Funds							
Electric	-	-	85,953,362	-	716,000	162,097	86,831,459
Natural Gas	-	-	1,872,120	-	48,253	-	1,920,373
Water & Sewer	-	-	12,912,561	-	398,417	-	13,310,978
Stormwater	-	-	1,342,800	-	34,000	-	1,376,800
Sanitation	-	-	3,405,210	-	65,000	-	3,470,210
Golf Course	-	-	1,228,053	-	4,000	144,000	1,376,053
Lease Facilities	-	-	-	-	632,643	-	632,643
Total Enterprise	-	-	106,714,107	-	1,898,313	306,097	108,918,517
Internal Service Funds							
City Manager	-	-	529,136	-	-	-	529,136
Finance	-	-	4,799,904	-	-	-	4,799,904
Human Resources	-	-	584,848	-	-	-	584,848
Fleet Maintenance	-	-	589,068	-	-	-	589,068
Meter Services	-	-	966,392	-	-	-	966,392
Operations & Maintenance Facility	-	-	319,519	-	-	-	319,519
Grounds Maintenance	-	-	-	-	-	-	-
Insurance-Property & Liability	-	-	1,281,024	-	-	-	1,281,024
Insurance-Workers Comp	-	-	469,111	-	-	-	469,111
Insurance-Health, Life, Dental	-	-	2,868,699	-	-	-	2,868,699
Total Internal Service	-	-	12,407,701	-	-	-	12,407,701
Trust Funds (Pension)							
General Employees	-	-	-	-	6,719,298	-	6,719,298
Police Employees	-	-	-	-	2,572,462	-	2,572,462
Fire Employees	-	-	-	-	1,644,346	-	1,644,346
Total Trust	-	-	-	-	10,936,105	-	10,936,105
Total Revenues	\$ 24,216,759	\$ 4,865,263	\$119,492,308	\$ 221,500	\$ 13,668,518	\$ 6,325,009	\$ 168,789,357

Revenue Summary - by Type

	General Fund	Governmental	Proprietary	Pension	Total	% of Total
Taxes						
Ad Valorem	9,480,741				\$9,480,741	5.6%
Ad Valorem-Redevelopment		10,311,258			10,311,258	6.1%
Convention Dev. Tax		305,000			305,000	0.2%
Local Option Gas Tax		781,000			781,000	0.5%
Half Cent Infrastructure Tax		1,294,000			1,294,000	0.8%
Local Communications Tax	1,106,000				1,106,000	0.7%
Other	938,760	-	-	-	938,760	0.6%
Total Taxes	11,525,501	12,691,258	-	-	24,216,759	14.3%
Permits	582,250	-	-	-	582,250	0.3%
Intergovernmental						
State 1/2 Cent Tax	2,336,000				2,336,000	1.4%
Sales Tax Distribution	595,030				595,030	0.4%
8th Cent Motor Fuel Tax	187,920				187,920	0.1%
Duval Cnty in Lieu of Tax	734,178				734,178	0.4%
Other	291,885	138,000	-	-	429,885	0.3%
Total Intergov.	4,145,013	138,000	-	-	4,283,013	2.5%
Charges for Services						
Electric			85,953,362		85,953,362	50.9%
Natural Gas			1,872,120		1,872,120	1.1%
Water / Sewer			12,912,561		12,912,561	7.7%
Stormwater			1,342,800		1,342,800	0.8%
Sanitation			3,405,210		3,405,210	2.0%
Recreation / Golf	146,500		1,228,053		1,374,553	0.8%
Internal Services			12,407,701		12,407,701	7.4%
Miscellaneous	224,000	-	-	-	224,000	0.1%
Total Services	370,500	-	119,121,808	-	119,492,308	70.8%
Fines and Forfeitures	170,500	51,000	-	-	221,500	0.1%
Miscellaneous						
Debt Proceeds		-			-	0.0%
Interest and Other	413,500	420,600	1,898,313	10,936,105	13,668,518	8.1%
Total Miscellaneous	413,500	420,600	1,898,313	10,936,105	13,668,518	8.1%
Transfers	4,313,312	1,705,600	306,097	-	6,325,009	3.7%
Total Revenues	\$21,520,576	\$15,006,458	\$121,326,218	\$10,936,105	\$168,789,357	

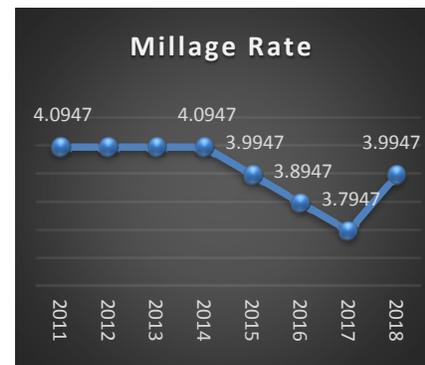
Revenue Summary

TAX REVENUES

The City has two main sources of tax revenue: ad valorem taxes and sales taxes. Property values citywide increased 7.1% (\$223 million) since last year, which includes new construction of \$44.6 million. In 2008, our taxable property values were \$3.2 billion; in 2017, they are \$3.35 billion. It has taken ten years for the City's property values to recover from the Great Recession. Of the \$19,791,999 in budgeted property taxes, 48% (\$9.5 million) supports the General Fund and 52% (\$10.3 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 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Ad Valorem	\$14,029,971	\$15,137,150	\$15,906,918	\$16,942,108	\$17,870,123	\$19,791,999
Local Option Gas Tax	711,817	717,543	758,525	791,549	775,000	781,000
Convention Development	278,858	296,319	341,240	363,970	295,000	305,000
Infrastructure	1,047,321	1,104,659	1,184,904	1,235,184	1,160,000	1,294,000
Local Communications	1,442,566	1,198,759	1,122,565	1,161,870	1,063,000	1,106,000
Other	640,666	724,135	707,454	733,555	940,297	938,760
Total Taxes	\$18,151,199	\$19,178,565	\$20,021,606	\$21,228,236	\$22,103,420	\$24,216,759

The City's adopted millage rate for 2018 is \$3.9947 mills per \$1,000 of assessed value. This will provide approximately \$19,791,999 in property tax revenue shared by the General Fund and the Community Redevelopment Fund, representing 11.7% of total revenues. The City has no debt service millage. After reducing the millage rate for three consecutive years, the City adopted a small millage increase for the primary purpose of remaining competitive in the recruitment and retention of the highest caliber Police and Fire personnel.

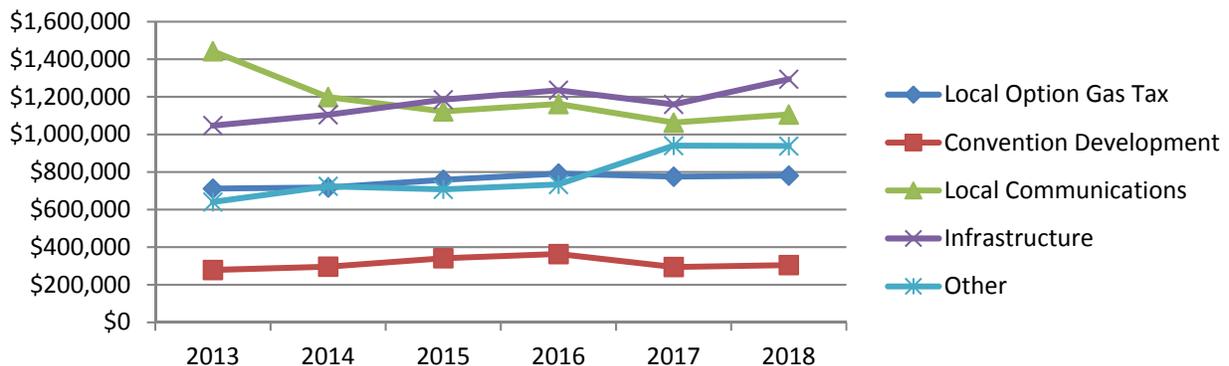


Local Option Gas Tax revenues are used to fund the maintenance of roads, streets and sidewalks. The tax, generated by a \$0.06 tax on sales of diesel or motor fuel sold within Duval County, is distributed monthly by the Florida Department of Revenue. Allocation to the City is based on its proportionate share of the county’s population, as specified in an interlocal agreement with Duval County that expires in 2036. From a high of \$836,717 in 2006, it has fallen to a 4-year annual average of about \$745,000. Decreases in the Local Option Gas Tax have reduced the amount of street and sidewalk maintenance that can be performed. 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 returned 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 2018 at \$305,000.

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. During the economic downturn, the Infrastructure Surtax only generated enough revenue to pay for debt service (about \$980,000 per year) on the revenue bonds it is pledged against, leaving no additional funds for infrastructure projects. In the last couple of years, we are again seeing an upward trend. Information from EDR showed an upturn in this expected revenue and the budget for 2018 has been increased to \$1,294,000.

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 that originate and terminate within the state of Florida and/or are billed to an address within the state is collected and distributed by the Florida Department of Revenue. Revenues are budgeted to increase this year as the 2017 refund settlement between the Department of Revenue and AT&T is resolved. 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 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Licenses & Permits	\$559,485	\$582,702	\$683,305	\$679,820	\$577,250	\$582,250

Permits are primarily composed of building-related permit revenue, which make up \$516,000 of this category's 2018 revenues. This revenue source was deeply affected by the recession, hitting a low of \$229,565 in 2010. As seen in the table above, revenues have been increasing as the economy recovers. 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).

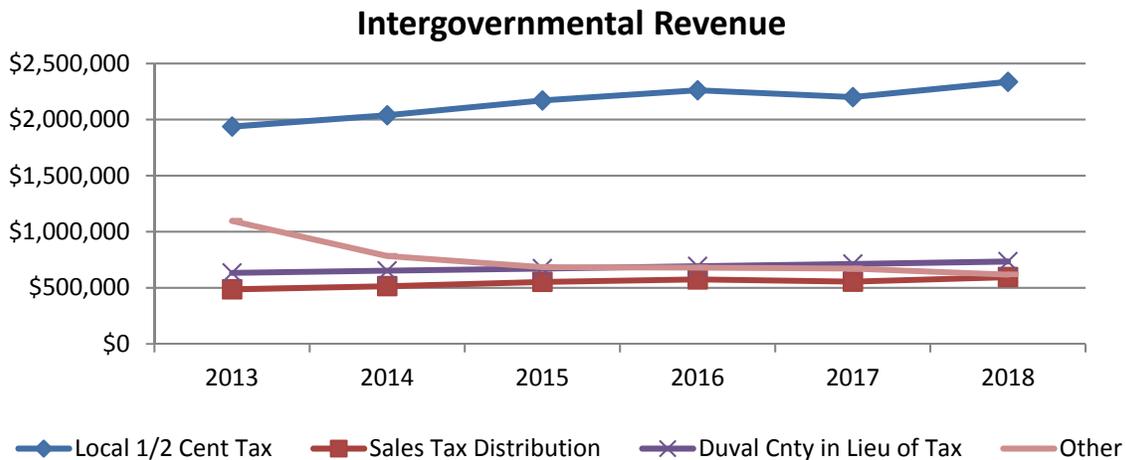
INTERGOVERNMENTAL REVENUES

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 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Local 1/2 Cent Tax	\$1,937,423	\$2,038,304	\$2,170,325	\$2,261,423	\$2,200,000	\$2,336,000
Sales Tax Distribution	486,316	514,448	552,579	574,812	555,000	595,030
Duval Cnty in Lieu of Tax	633,309	652,308	671,877	692,033	712,794	734,178
Other	1,095,982	783,697	684,652	679,544	670,944	617,805
Total Intergovernmental	\$4,153,030	\$3,988,757	\$4,079,433	\$4,207,812	\$4,138,738	\$4,283,013

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 \$187,920, 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 2018 budget for this charge is \$160,000, 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 \$44,000, based on historical trends.

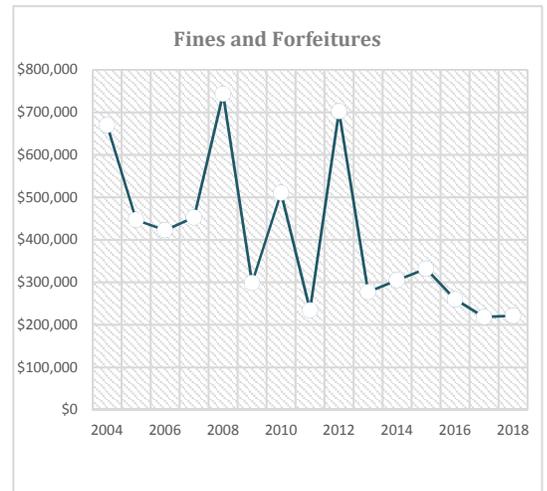
In recent years, the City has aggressively sought grant revenue to offset part of the cost of major construction projects. After peaking in 2010 when the City received \$11 million in grants to help fund the construction of a new waste treatment facility, grant revenues have fallen sharply and are not expected to increase in the near future. Intergovernmental revenues have decreased by 33% (\$2.2 million) since 2009.

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

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

FINES AND FORFEITURES

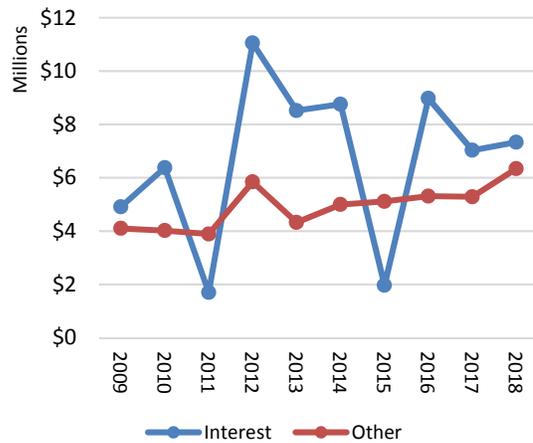
Fines and penalties imposed for the commission of statutory offenses and violations of lawful administrative rules and regulations are included in this revenue category along with revenues from the sale of confiscated money and property and service charges on bad checks. The total revenues for this category are \$221,500 and represent only a small portion (0.1%) of total City revenues. The General Fund portion of this total is \$170,500 (0.8% 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 2018 is less than half of the amount the City received in 2007.



	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Fines and Forfeitures	\$277,193	\$305,076	\$332,099	\$259,869	\$218,500	\$221,500

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 2018 budget, these revenues are estimated to be \$13,668,518, representing 8.1% of the City's budgeted revenues. 80% of this revenue is interest, investment earnings and pension contributions belonging to the pension funds. Miscellaneous revenues are budgeted based on historical trends, rental contracts, current or estimated future interest rates, projected pension fund investment earnings, and cash balances.



	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Interest	8,517,652	8,754,858	1,967,600	8,973,726	7,030,196	7,330,558
Other	4,326,817	4,996,228	5,113,972	5,309,287	5,285,405	6,337,960
Total Miscellaneous	\$12,844,469	\$13,751,086	\$7,081,572	\$14,283,013	\$12,315,601	\$13,668,518

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 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Transfers	\$6,951,297	\$7,008,673	\$8,005,024	\$7,860,820	\$6,313,531	\$6,325,009

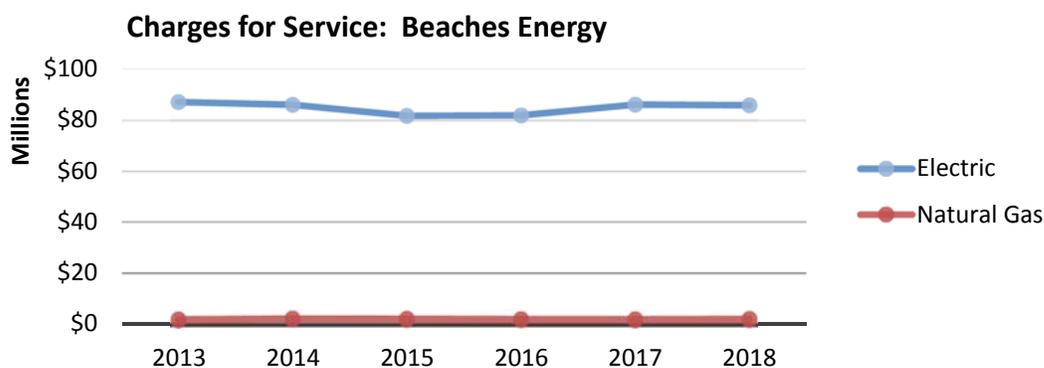
Total budgeted transfers for 2018 are \$6,325,009 (3.7% of total revenue); transfers into the General Fund (\$4,313,312) make up 20% of its total revenue. Transfers to the General Fund include contributions from enterprise funds and special revenue (grant) funds used to provide partial funding for its 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 70.8% of the City's total revenues, but only 1.7% of the General Fund's revenues. Total revenues from charges for services are anticipated to be \$119,492,308 (\$370,500 in the General Fund).

	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Electric	\$87,181,601	\$86,123,701	\$81,835,616	\$81,982,340	\$86,209,666	\$85,953,362
Natural Gas	1,695,815	2,060,874	1,970,444	1,836,536	1,748,728	1,872,120
Water / Sewer	10,084,347	10,705,820	11,568,142	12,368,762	11,887,976	12,912,561
Stormwater	1,262,660	1,273,790	1,294,802	1,314,783	1,330,620	1,342,800
Sanitation	3,177,369	3,218,670	3,235,626	3,333,566	3,287,241	3,405,210
Recreation / Golf	1,313,852	1,270,662	1,140,335	1,052,804	1,446,640	1,374,553
Internal Services	10,229,774	9,515,692	10,401,695	11,136,360	11,930,449	12,407,701
Miscellaneous	465,176	387,081	356,037	280,799	246,000	224,000
Charges for Services	\$115,410,594	\$114,556,290	\$111,802,697	\$113,305,950	\$118,087,320	\$119,492,308

The City's electric utility, Beaches Energy Services, provides power to more than 35,100 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. In recent years, 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.

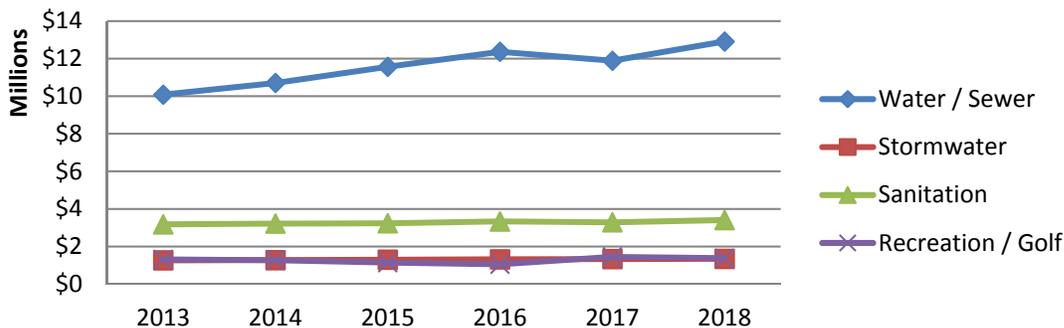
In 2010, the City activated a natural gas distribution system intended to primarily serve commercial customers. The first service was activated in June 2010, with construction continuing and included in the 2018 budget. Revenue estimates are based on estimated consumption, historical trends and projected natural gas costs.

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 have trended downward, 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. In 2012, 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 were reviewed in 2017 when the new garbage contract was awarded. Bulky trash and expanded recycling services were added, but residential and commercial rates have not changed since 1993. Stormwater and sanitation revenues are budgeted based on rates expected to be in effect in the coming year and historical consumption trends.

In 2010, 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. Since 2015, the City has had to transfer funds to the Golf Course to provide cash flow for operations. The City Council voted to move forward with a master plan for the golf course to improve playability and to identify options for expanding its use as a recreational facility in May 2017. Consequently, in 2018 a transfer (\$144,000) has been budgeted to provide adequate funding for operations during the renovations. 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 below.

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
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 (2013-2016) are noticeably lower than revenues in "budgeted" years (2017 and 2018). 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 2013	Actual 2014	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018
Ending Fund Balance						
Unrestricted/unassigned	\$75,701,675	\$81,027,585	\$94,668,504	\$107,273,215	\$103,839,474	\$96,778,925
All other	114,928,072	123,435,409	125,023,364	135,741,614	144,249,138	15,593,588
Total Fund Balance	\$190,629,747	\$204,462,994	\$219,691,868	\$243,014,829	\$248,088,612	\$112,372,513

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. 62% 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. In addition, 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 FY2018, 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 \$4.3 million, shown in the table on the following page, is expected to come from net earnings in redevelopment and pension funds. 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 68% of the 2018 budgeted expenditures. Costs to provide police and fire services represent 59% 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 Redevel.	General Cap. Projects	Electric	Water & Sewer
Beg. Fund Balance	\$10,785,772	\$29,964,126	\$5,702,899	\$77,947,957	\$18,981,829
Revenues	21,520,576	10,581,258	790,000	86,831,459	13,310,978
Expenditures	21,520,576	2,021,278	2,159,593	93,001,906	13,893,298
Revenues over (under) expenditures	0	8,559,980	(1,369,593)	(6,170,447)	(582,320)
Ending Fund Balance	<u>\$10,785,772</u>	<u>\$38,524,106</u>	<u>\$4,333,306</u>	<u>\$71,777,510</u>	<u>\$18,399,509</u>
All other	564,934	0	0	63,552,745	16,994,901
	<u>10,220,838</u>	<u>38,524,106</u>	<u>4,333,306</u>	<u>8,224,765</u>	<u>1,404,608</u>
	<u>\$10,785,772</u>	<u>\$38,524,106</u>	<u>\$4,333,306</u>	<u>\$71,777,510</u>	<u>\$18,399,509</u>
Change in fund balance	0.0%	28.6%	-24.0%	-7.9%	-3.1%

	Nonmajor Funds				
	Govt.	Enterprise	Internal Service	Pension Funds	ALL FUNDS
Beg. Fund Balance	\$5,650,859	\$12,609,469	\$3,337,865	\$83,107,836	\$248,088,613
Revenues	3,635,200	8,776,079	12,407,701	10,936,105	168,789,357
Expenditures	3,417,131	9,064,238	12,407,701	7,019,736	164,505,457
Revenues over (under) expenditures	218,069	(288,159)	0	3,916,369	4,283,900
Ending Fund Balance	<u>\$5,868,928</u>	<u>\$12,321,310</u>	<u>\$3,337,865</u>	<u>\$87,024,206</u>	<u>\$252,372,513</u>
All other	7,169	12,321,310	3,337,865	0	96,778,925
	<u>5,861,759</u>	<u>0</u>	<u>0</u>	<u>87,024,206</u>	<u>155,593,588</u>
	<u>\$5,868,928</u>	<u>\$12,321,310</u>	<u>\$3,337,865</u>	<u>\$87,024,206</u>	<u>\$252,372,513</u>
Change in fund balance	3.9%	-2.3%	0.0%	4.7%	1.7%

Community Redevelopment Fund's fund balance is budgeted to grow, due to the timing of capital outlay expenditures. Construction of Phase 3C, Project 1 of the Downtown Vision Plan to improve public infrastructure began in 2016 and is expected to complete in late 2017 at a total cost of \$5.8 million. Design of Phases 3C, Project 2 (11th Ave S to 13th Ave S from 3rd Street to the beach street ends) is complete and will be bid out in late 2017. The budget will be adjusted after the construction bid awarded. Current estimates for this project are \$7.7 million. 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 of business application software, building systems replacements, one fire truck replacement, heavy equipment replacements for the Streets division, 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 this year as the utility continues to modernize and maintain the system infrastructure through major capital projects such as replacing transmission line hardware (\$1 million), adds an additional substation transformer at Guana Substation (\$2.4 million), and storm harden distribution lines (\$1.1 million). Budgeted expenses for 2018 are 5.4% more than 2017 largely because of these projects.

The **Water & Sewer Fund's** fund balance is budgeted to decrease due to the project to rebuild lift station #7 and demolish old lift stations #8 and #20. This project is expected to cost an additional \$1 million in FY2018. Increases in capital outlay are expected for the next several years.

Explanation of Budgeted Changes in Fund Balance - Nonmajor Funds:

Governmental Funds show an increase in fund balance as funds are accumulated to pay for allowed major improvement projects. 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. In February 2017, the City transitioned to a new sanitation contractor and expanding services such as bulky waste and recycling collection. The minor decrease in fund balance is due to estimated sanitation contract cost increases during this transition year.

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 2018.

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

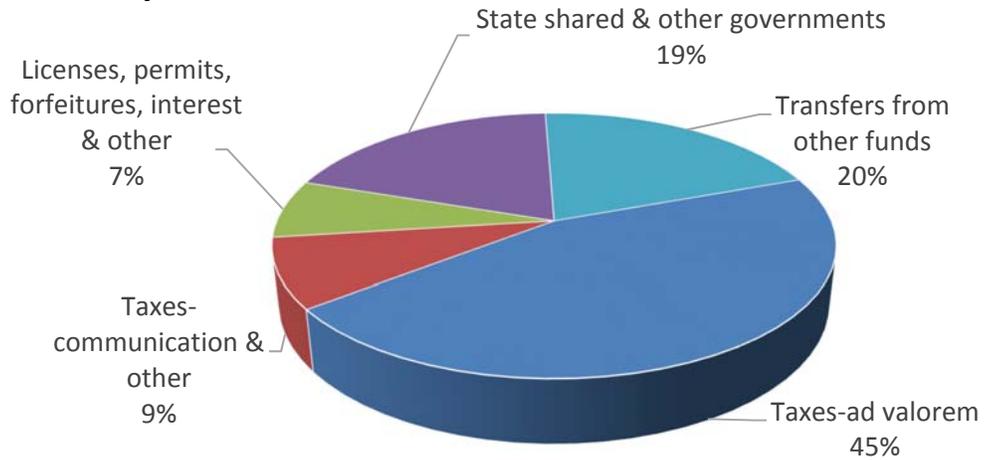
	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Original Budget 2017</u>	<u>Adopted Budget 2018</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Unrestricted/unassigned	\$ 81,009,421	\$ 94,668,504	\$ 107,273,215	\$ 103,839,474	\$ (3,433,741)	-3.2%
All other balances	122,924,722	125,023,364	135,741,614	144,249,138	8,507,524	6.3%
Beginning Fund Balance	203,934,143	219,691,868	243,014,829	248,088,613	5,073,783	2.1%
Revenues						
Taxes	20,021,606	21,228,236	22,103,420	24,216,759	2,113,339	9.6%
Permits & fees	683,305	679,820	577,250	582,250	5,000	0.9%
Intergovernmental	4,079,433	4,207,812	4,138,738	4,283,013	144,275	3.5%
Charges for services	111,802,697	113,305,950	118,087,320	119,492,308	1,404,988	1.2%
Fines & forfeitures	332,099	259,869	218,500	221,500	3,000	1.4%
Interest & other	7,081,572	14,283,013	12,315,601	13,668,518	1,352,917	11.0%
Transfers in	8,005,024	7,860,820	6,313,531	6,325,009	11,478	0.2%
Total Revenues	152,005,736	161,825,520	163,754,360	168,789,357	5,034,997	3.1%
Other Financing Sources	9,996,791	8,359,688				
Expenditures						
Personal Services	26,242,157	27,066,617	29,156,660	30,796,572	1,639,912	5.6%
Operating-Energy	60,161,257	58,742,549	62,997,463	63,125,949	128,486	0.2%
Operating-All Other	34,654,359	33,108,089	38,156,186	40,886,265	2,730,079	7.2%
Capital Outlay	9,605,443	12,938,164	16,652,710	17,959,162	1,306,452	7.8%
Debt Service	6,024,814	6,026,740	5,376,492	5,387,875	11,383	0.2%
Grants to Others	11,214	15,356	27,535	24,625	(2,910)	-10.6%
Transfers	8,005,024	7,860,820	6,313,531	6,325,009	11,478	0.2%
Total Expenditures	144,704,268	145,758,335	158,680,577	164,505,457	5,824,880	3.67%
Other Financing Uses	1,535,025	792,635				
Change in Fund Balance	15,763,234	23,634,238	5,073,783	4,283,900	(789,883)	-15.6%
Unrestricted/unassigned	94,668,504	107,273,215	103,839,474	96,778,925	(7,060,549)	-6.8%
All other balances	125,023,364	135,741,614	144,249,138	155,593,588	11,344,449	7.9%
Ending Fund Balance	\$ 219,691,868	\$ 243,014,829	\$ 248,088,613	\$ 252,372,513	\$ 4,283,900	1.7%
Expenditures by Department:						
Executive & Legislative	1,307,624	1,097,691	1,300,649	1,338,556	\$37,907	2.9%
Finance	5,872,140	6,312,738	6,481,080	6,727,883	246,803	3.8%
Planning & Development	712,263	741,632	832,231	902,960	70,729	8.5%
Community Redevelopment	2,975,575	5,345,609	779,505	931,539	152,034	19.5%
Parks & Recreation	4,630,370	4,736,147	4,780,688	5,082,231	301,543	6.3%
Public Works	15,673,719	15,858,605	21,462,674	21,363,695	(98,979)	-0.5%
Police	8,844,688	8,703,682	9,855,396	10,030,985	175,589	1.8%
Fire	3,509,113	3,693,863	3,823,550	3,977,546	153,996	4.0%
Beaches Energy Services	83,364,726	83,855,406	91,351,444	95,825,755	4,474,311	4.9%
Human Resources	11,416,115	10,898,446	11,766,574	12,223,418	456,844	3.9%
Non-Departmental	6,397,935	4,514,516	6,246,786	6,100,889	(145,897)	-2.3%
Total Expenditures	\$ 144,704,268	\$ 145,758,335	\$ 158,680,577	\$ 164,505,457	\$ 5,824,880	3.7%
Expenditures by Major/Nonmajor Fund:						
General Fund	19,849,420	19,585,292	20,169,225	21,520,576	\$1,351,351	6.7%
Redevelopment	3,886,008	6,181,789	1,834,044	2,021,278	187,234	10.2%
General Capital Projects	1,952,080	665,244	2,816,412	2,159,593	(656,819)	-23.3%
Electric	80,935,375	81,686,529	88,249,056	93,001,906	4,752,850	5.4%
Water & Sewer	9,496,397	8,959,725	14,548,567	13,893,298	(655,269)	-4.5%
Total Major Funds	116,119,280	117,078,579	127,617,304	132,596,651	4,979,347	3.9%
Nonmajor Governmental	3,601,769	3,090,576	3,630,711	3,417,131	(213,580)	-5.9%
Nonmajor Enterprise	7,526,350	8,510,526	8,665,492	9,064,238	398,746	4.6%
Internal Service	10,636,098	10,385,897	11,930,449	12,407,701	477,252	4.0%
Pension	6,820,771	6,692,757	6,836,621	7,019,736	183,115	2.7%
Total Nonmajor Funds	28,584,988	28,679,756	31,063,273	31,908,806	845,533	2.7%
Total Expenditures	\$ 144,704,268	\$ 145,758,335	\$ 158,680,577	\$ 164,505,457	\$ 5,824,880	3.67%
Total Expenditures	\$144,704,268	\$145,758,335	\$158,680,577	\$164,505,457	\$5,824,880	3.7%
less: Internal Service Charges	10,636,098	10,385,897	11,930,449	12,407,701	\$477,252	4.0%
less: Transfers	8,005,024	7,860,820	6,313,531	6,325,009	\$11,478	0.2%
Net Budgeted Expenditures	\$ 126,063,146	\$ 127,511,618	\$ 140,436,597	\$ 145,772,747	\$ 5,336,150	3.80%

General Fund
Combined Summary of Revenues and Expenditures

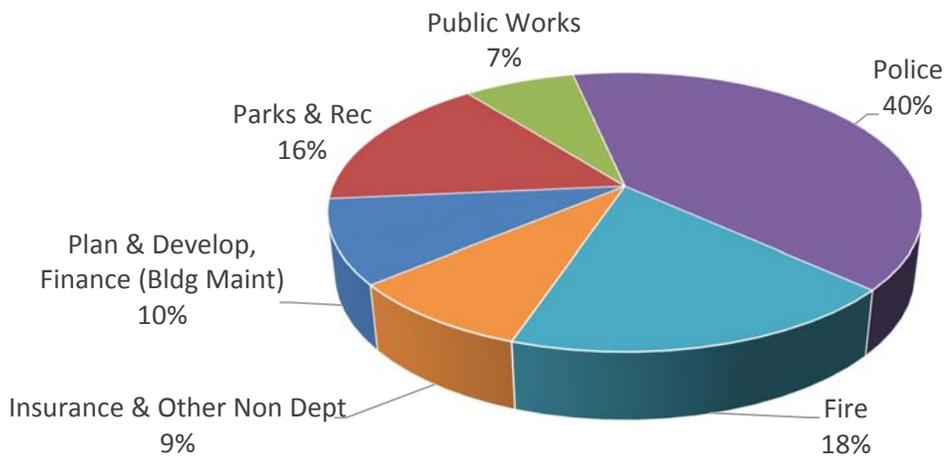
	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 1,037,198	\$ 899,959	\$ 511,100	\$ 564,934	\$ 53,834	10.5%
All other balances	9,483,088	9,382,301	10,220,838	10,220,838	-	0.0%
Beginning Fund Balance	\$ 10,520,286	\$ 10,282,260	\$ 10,731,938	\$ 10,785,772	\$ 53,834	0.5%
Revenues						
Taxes	9,364,449	9,953,255	10,426,490	11,525,501	1,099,011	10.5%
Licenses & permits	682,162	679,820	577,250	582,250	5,000	0.9%
Intergovernmental	3,874,857	4,017,107	3,940,994	4,145,013	204,019	5.2%
Charges for services	339,544	326,513	313,700	370,500	56,800	18.1%
Fines & forfeitures	182,060	175,596	170,500	170,500	-	0.0%
Interest & other	490,582	506,025	404,000	413,500	9,500	2.4%
Transfers in	4,683,249	4,687,931	4,390,125	4,313,312	(76,813)	-1.7%
Total Revenues	19,616,903	20,346,247	20,223,059	21,520,576	1,297,517	6.4%
Other Financing Sources						
Expenditures						
Personal Services	12,846,351	13,240,443	14,147,115	14,639,694	492,579	3.5%
Operating-All Other	4,839,092	4,552,862	5,392,306	6,103,288	710,982	13.2%
Capital Outlay	588,663	351,121	272,269	343,969	71,700	26.3%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	10,356	10,356	7,535	4,625	(2,910)	-38.6%
Transfers	1,564,958	1,430,510	350,000	429,000	79,000	22.6%
Total Expenditures	19,849,420	19,585,292	20,169,225	21,520,576	1,351,351	6.7%
Other Financing Uses						
	5,509	311,277				
Change in Fund Balance	(238,026)	449,678	53,834	-	(53,834)	-100.0%
Unrestricted/unassigned	899,959	511,100	564,934	564,934	-	0.0%
All other balances	9,382,301	10,220,838	10,220,838	10,220,838	-	0.0%
Ending Fund Balance	\$ 10,282,260	\$ 10,731,938	\$ 10,785,772	\$ 10,785,772	\$	0.0%
Expenditures by Department:						
Executive & Legislative	\$ 798,420	\$ 627,480	\$ 789,656	\$ 809,420	\$ 19,764	2.5%
Finance	566,898	412,874	438,492	366,894	(71,598)	-16.3%
Planning & Development	712,263	741,632	832,231	902,960	70,729	8.5%
Parks & Recreation	2,943,780	3,013,840	3,053,559	3,416,447	362,888	11.9%
Public Works	1,457,220	1,452,290	1,559,457	1,550,835	(8,622)	-0.6%
Police	7,727,693	7,717,550	8,450,360	8,630,502	180,142	2.1%
Fire	3,503,649	3,692,738	3,813,550	3,967,546	153,996	4.0%
Non-Departmental	2,139,497	1,926,888	1,231,920	1,875,972	644,052	52.3%
Total Expenditures	\$ 19,849,420	\$ 19,585,292	\$ 20,169,225	\$ 21,520,576	\$ 1,351,351	6.7%

General Fund

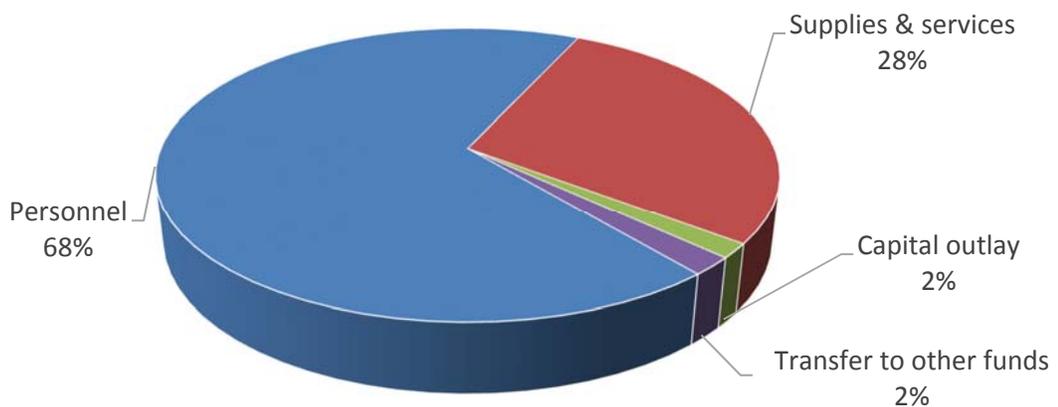
Where the money comes from:



What it pays for-by department:



What it pays for-by category:



**General Fund
Summary of Revenues**

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
<u>Taxes</u>						
Property Tax	\$ 7,534,430	\$ 8,057,830	\$ 8,643,193	\$ 9,700,741	\$ 1,057,548	12.2%
Local Communications Services	1,122,565	1,161,870	1,063,000	1,106,000	43,000	4.0%
Other taxes	707,454	733,555	720,297	718,760	(1,537)	-0.2%
Total Taxes	9,364,449	9,953,255	10,426,490	11,525,501	1,099,011	10.5%
<u>Licenses & Permits</u>						
Building permits	479,684	501,792	420,000	420,000	-	0.0%
Other licenses and permits	202,478	178,028	157,250	162,250	5,000	3.2%
Total Licenses and Permits	682,162	679,820	577,250	582,250	5,000	0.9%
<u>Intergovernmental Revenues</u>						
8th cent motor fuel	179,860	179,010	177,000	187,920	10,920	6.2%
Sales tax distribution	552,579	574,812	555,000	595,030	40,030	7.2%
State 1/2 cent tax	2,170,325	2,261,423	2,200,000	2,336,000	136,000	6.2%
Other intergovernmental revenues	158,358	142,594	136,200	131,885	(4,315)	-3.2%
Duval county in Lieu of Taxes	671,877	692,033	712,794	734,178	21,384	3.0%
911 Rebate	141,858	167,235	160,000	160,000	-	0.0%
Total Intergovernmental Revenues	3,874,857	4,017,107	3,940,994	4,145,013	204,019	5.2%
<u>Charges for Services</u>						
Lien Certificates	39,355	36,800	32,000	35,000	3,000	9.4%
Cemetery services	11,100	8,260	1,500	1,500	-	0.0%
Recreation programs	89,397	71,126	86,200	140,000	53,800	62.4%
Contracted services	-	-	-	-	-	0.0%
Other Charges and Fees	199,692	210,327	194,000	194,000	-	0.0%
Total Services	339,544	326,513	313,700	370,500	56,800	18.1%
<u>Fines & Forfeitures</u>						
Court Fines	78,423	83,904	71,000	71,000	-	0.0%
Parking violations	60,130	52,825	56,000	56,000	-	0.0%
Code enforcement board	14,224	12,770	12,000	12,000	-	0.0%
Other Fines and Forfeits	29,283	26,097	31,500	31,500	-	0.0%
Total Fines & Forfeitures	182,060	175,596	170,500	170,500	-	0.0%
<u>Interest & Other Revenue</u>						
Interest on investments	256,836	353,019	225,000	229,500	4,500	2.0%
Other revenues	233,746	153,006	179,000	184,000	5,000	2.8%
Total Other Revenues	490,582	506,025	404,000	413,500	9,500	2.4%
<u>Transfers In</u>						
Transfer from Electric Utility	3,670,124	3,688,677	3,693,665	3,675,155	(18,510)	-0.5%
Transfer from Gas Tax	372,000	372,000	372,000	372,000	-	0.0%
Transfer from Others Misc.	641,125	627,254	324,460	266,157	(58,303)	-18.0%
Total Transfers	4,683,249	4,687,931	4,390,125	4,313,312	(76,813)	-1.7%
<u>Total Revenue</u>	\$ 19,616,903	\$ 20,346,247	\$ 20,223,059	\$ 21,520,576	\$ 1,297,517	6.4%

**General Fund
Summary of Expenditures**

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	%
<u>Executive & Legislative</u>						
City Council	\$ 155,531	\$ 156,148	\$ 169,570	\$ 169,458	\$ (112)	-0.1%
City Attorney	380,490	203,276	304,020	304,593	573	0.2%
City Clerk	262,399	268,056	316,066	335,369	19,303	6.1%
Total	<u>798,420</u>	<u>627,480</u>	<u>789,656</u>	<u>809,420</u>	<u>19,764</u>	<u>2.5%</u>
<u>Finance</u>						
Building Maintenance	566,898	412,874	438,492	366,894	(71,598)	-16.3%
<u>Planning & Development</u>						
Planning & Development	186,174	206,889	211,719	228,092	16,373	7.7%
Building Inspections	386,487	382,906	445,762	482,996	37,234	8.4%
Code Enforcement	139,602	151,837	174,750	191,872	17,122	9.8%
Total	<u>712,263</u>	<u>741,632</u>	<u>832,231</u>	<u>902,960</u>	<u>70,729</u>	<u>8.5%</u>
<u>Parks & Recreation</u>						
Administration	785,731	835,344	614,463	678,837	64,374	10.5%
Ocean Rescue	659,005	588,845	708,613	848,550	139,937	19.7%
Grounds Maintenance	1,101,159	1,138,611	1,127,949	1,193,976	66,027	5.9%
Cemetery Maintenance	-	-	132,164	140,466	8,302	6.3%
Dog Park	-	-	-	15,000	15,000	0.0%
Tennis	89,775	113,429	108,046	162,515	54,469	50.4%
Oceanfront Restrooms	87,877	101,728	131,000	130,620	(380)	-0.3%
Carver Center	103,737	89,629	120,472	153,377	32,905	27.3%
Special Events	81,479	99,219	59,252	60,506	1,254	2.1%
Exhibition Hall	35,017	47,035	51,600	32,600	(19,000)	-36.8%
Total	<u>2,943,780</u>	<u>3,013,840</u>	<u>3,053,559</u>	<u>3,416,447</u>	<u>362,888</u>	<u>11.9%</u>
<u>Public Works</u>						
Streets	1,457,220	1,452,290	1,559,457	1,550,835	(8,622)	-0.6%
<u>Police</u>						
Administration	1,058,692	1,018,696	1,126,918	1,163,451	36,533	3.2%
Records	178,607	175,384	204,006	208,049	4,043	2.0%
Investigative	1,267,171	1,294,308	1,392,517	1,385,160	(7,357)	-0.5%
Patrol	3,767,924	3,764,704	4,032,892	4,120,473	87,581	2.2%
Communications	738,120	753,457	880,370	923,341	42,971	4.9%
Ancillary Services	505,056	526,256	592,012	600,046	8,034	1.4%
Police Reserves	79,192	56,696	61,564	62,995	1,431	2.3%
Parking	121,684	119,792	140,081	152,987	12,906	9.2%
Volunteer Programs	11,247	8,257	20,000	14,000	(6,000)	-30.0%
Total	<u>7,727,693</u>	<u>7,717,550</u>	<u>8,450,360</u>	<u>8,630,502</u>	<u>180,142</u>	<u>2.1%</u>
<u>Fire</u>						
Fire Department	3,503,649	3,692,738	3,813,550	3,967,546	153,996	4.0%
<u>Non-departmental</u>						
Non-departmental	2,139,497	1,926,888	1,231,920	1,875,972	644,052	52.3%
Total Expenditures	<u>\$ 19,849,420</u>	<u>\$ 19,585,292</u>	<u>\$ 20,169,225</u>	<u>\$ 21,520,576</u>	<u>\$ 1,351,351</u>	<u>6.7%</u>
<u>Resource Allocation:</u>						
Personal Services	\$ 12,846,351	\$ 13,240,443	\$ 14,147,115	\$ 14,639,694	\$ 492,579	3.5%
Operating-All Other	4,839,092	4,552,862	5,392,306	6,103,288	710,982	13.2%
Capital Outlay	588,663	351,121	272,269	343,969	71,700	26.3%
Grants to Others	10,356	10,356	7,535	4,625	(2,910)	-38.6%
Transfers	1,564,958	1,430,510	350,000	429,000	79,000	22.6%
Total Expenditures	<u>\$ 19,849,420</u>	<u>\$ 19,585,292</u>	<u>\$ 20,169,225</u>	<u>\$ 21,520,576</u>	<u>\$ 1,351,351</u>	<u>6.7%</u>

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

	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Original Budget 2017</u>	<u>Adopted Budget 2018</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	13,163,235	17,840,653	22,186,240	29,964,126	7,777,886	35.1%
Beginning Fund Balance	13,163,235	17,840,653	22,186,240	29,964,126	7,777,886	35.1%
Revenues						
Taxes	8,372,488	8,884,278	9,446,930	10,311,258	864,328	9.1%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	381,590	633,060	165,000	270,000	105,000	63.6%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	8,754,078	9,517,338	9,611,930	10,581,258	969,328	10.1%
Other Financing Sources	-	1,010,038				
Expenditures						
Personal Services	919,741	987,881	1,127,890	1,151,343	23,453	2.1%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	152,482	207,586	643,154	809,835	166,681	25.9%
Capital Outlay	2,148,475	4,319,916	63,000	60,100	(2,900)	-4.6%
Debt Service-Principal	620,799	646,881	-	-	-	0.0%
Debt Service-Interest & Other	44,511	19,525	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	3,886,008	6,181,789	1,834,044	2,021,278	187,234	10.2%
Other Financing Uses	190,652	-				
Change in Fund Balance	4,677,418	4,345,587	7,777,886	8,559,980	782,094	10.1%
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	17,840,653	22,186,240	29,964,126	38,524,106	8,559,980	28.6%
Ending Fund Balance	\$ 17,840,653	\$ 22,186,240	\$ 29,964,126	\$ 38,524,106	\$ 8,559,980	28.6%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Community Redevelopment	2,975,575	5,345,609	779,505	931,539	152,034	19.5%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	910,433	836,180	1,054,539	1,089,739	35,200	3.3%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 3,886,008	\$ 6,181,789	\$ 1,834,044	\$ 2,021,278	\$ 187,234	10.2%
Expenditures by Fund:						
Downtown Tax Increment	1,732,426	4,511,424	1,700,715	1,742,425	41,710	2.5%
Southend Tax increment	2,153,582	1,670,365	133,329	278,853	145,524	109.1%
Total Expenditures	\$ 3,886,008	\$ 6,181,789	\$ 1,834,044	\$ 2,021,278	\$ 187,234	10.2%

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

	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Original Budget 2017</u>	<u>Adopted Budget 2018</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	5,970,427	6,554,208	7,883,311	5,702,899	(2,180,412)	-27.7%
Beginning Fund Balance	<u>5,970,427</u>	<u>6,554,208</u>	<u>7,883,311</u>	<u>5,702,899</u>	<u>(2,180,412)</u>	<u>-27.7%</u>
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	131,339	160,979	70,000	70,000	-	0.0%
Transfers in	2,389,053	1,874,000	566,000	720,000	154,000	27.2%
Total Revenues	<u>2,520,392</u>	<u>2,034,979</u>	<u>636,000</u>	<u>790,000</u>	<u>154,000</u>	<u>24.2%</u>
Other Financing Sources	<u>15,469</u>					
Expenditures						
Personal Services	-	-	-	-	-	0.0%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	1,575,169	241,600	127,000	227,000	100,000	78.7%
Capital Outlay	376,911	423,644	2,689,412	1,932,593	(756,819)	-28.1%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	<u>1,952,080</u>	<u>665,244</u>	<u>2,816,412</u>	<u>2,159,593</u>	<u>(656,819)</u>	<u>-23.3%</u>
Other Financing Uses		<u>40,632</u>				
Change in Fund Balance	<u>583,781</u>	<u>1,329,103</u>	<u>(2,180,412)</u>	<u>(1,369,593)</u>	<u>810,819</u>	<u>-37.2%</u>
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	6,554,208	7,883,311	5,702,899	4,333,306	(1,369,593)	-24.0%
Ending Fund Balance	<u>\$ 6,554,208</u>	<u>\$ 7,883,311</u>	<u>\$ 5,702,899</u>	<u>\$ 4,333,306</u>	<u>\$ (1,369,593)</u>	<u>-24.0%</u>
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	1,952,080	665,244	2,816,412	2,159,593	(656,819)	-23.3%
Total Expenditures	<u>\$ 1,952,080</u>	<u>\$ 665,244</u>	<u>\$ 2,816,412</u>	<u>\$ 2,159,593</u>	<u>\$ (656,819)</u>	<u>-23.3%</u>

Major Fund - Electric Utility
Combined Summary of Revenues and Expenses

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Unrestricted	\$ 52,161,270	\$ 63,693,040	\$ 70,722,893	\$ 69,723,192	\$ (999,701)	-1.4%
Restricted	8,224,765	8,215,898	8,215,898	8,224,765	8,867	0.1%
Beginning Fund Balance	60,386,035	71,908,938	78,938,791	77,947,957	(990,834)	-1.3%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	81,835,616	81,982,341	86,209,666	85,953,362	(256,304)	-0.3%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	863,867	1,228,192	736,100	716,000	(20,100)	-2.7%
Transfers in	162,097	162,097	312,456	162,097	(150,359)	-48.1%
Total Revenues	82,861,580	83,372,630	87,258,222	86,831,459	(426,763)	-0.5%
Other Financing Sources	9,596,698	5,343,752				
Expenses						
Personal Services	5,205,438	5,493,405	5,649,688	6,179,382	529,694	9.4%
Operating-Energy	59,230,197	57,970,213	61,693,875	62,018,800	324,925	0.5%
Operating-All Other	6,165,263	6,631,919	7,586,561	8,658,557	1,071,996	14.1%
Capital Outlay	4,093,743	5,137,686	6,943,000	9,761,000	2,818,000	40.6%
Debt Service-Principal	2,093,895	2,167,520	2,238,200	2,311,825	73,625	3.3%
Debt Service-Interest & Other	476,715	407,109	339,067	267,187	(71,880)	-21.2%
Grants to Others	-	-	-	-	-	0.0%
Transfers	3,670,124	3,878,677	3,798,665	3,805,155	6,490	0.2%
Total Expenses	80,935,375	81,686,529	88,249,056	93,001,906	4,752,850	5.4%
Other Financing Uses						
Change in Fund Balance	11,522,903	7,029,853	(990,834)	(6,170,447)	(5,179,613)	522.8%
Unrestricted	63,693,040	70,722,893	69,723,192	63,552,745	(6,170,447)	-8.8%
Restricted	8,215,898	8,215,898	8,224,765	8,224,765	-	0.0%
Ending Fund Balance	\$ 71,908,938	\$ 78,938,791	\$ 77,947,957	\$ 71,777,510	\$ (6,170,447)	-7.9%
Expenses by Division						
Purchased Power	\$ 59,230,197	\$ 57,970,213	\$ 61,693,875	\$ 62,018,800	\$ 324,925	0.5%
Administration	10,653,346	10,477,624	11,097,688	11,342,116	244,428	2.2%
Engineering	763,826	851,094	962,770	1,171,833	209,063	21.7%
Relay & Substations	784,664	1,147,004	1,151,469	1,027,700	(123,769)	-10.7%
Construction & Maintenance	3,774,258	4,085,572	4,542,535	4,654,901	112,366	2.5%
Capital Projects	2,964,235	3,867,187	2,850,000	4,050,000	1,200,000	42.1%
System Operations	1,367,756	1,121,585	1,103,074	1,421,468	318,394	28.9%
Transmission	721,210	534,386	2,960,500	5,089,500	2,129,000	71.9%
Conservation & Renewables	145,854	286,434	494,177	496,446	2,269	0.5%
Storeroom	218,065	229,259	215,559	232,948	17,389	8.1%
CARE	62,242	56,826	60,000	60,000	-	0.0%
Regulatory Compliance	249,722	1,059,345	1,117,409	1,436,194	318,785	28.5%
Total Expenses	\$ 80,935,375	\$ 81,686,529	\$ 88,249,056	\$ 93,001,906	\$ 4,752,850	5.4%

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

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Unrestricted	\$ 12,340,210	\$ 14,619,508	\$ 19,892,441	\$ 17,577,221	\$ (2,315,220)	-11.6%
Restricted	1,405,420	1,404,567	1,404,608	1,404,608	-	0.0%
Beginning Fund Balance	13,745,630	16,024,075	21,297,049	18,981,829	(2,315,220)	-10.9%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	11,568,142	12,368,762	11,887,976	12,912,561	1,024,586	8.6%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	505,388	497,209	345,371	398,417	53,046	15.4%
Transfers in	-	9,987	-	-	-	0.0%
Total Revenues	12,073,530	12,875,958	12,233,347	13,310,978	1,077,631	8.8%
Other Financing Sources		1,356,741				
Expenses						
Personal Services	2,651,191	2,608,689	2,925,565	3,133,174	207,609	7.1%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	3,364,456	3,510,073	3,884,552	3,879,485	(5,067)	-0.1%
Capital Outlay	1,686,139	903,289	5,858,029	4,963,000	(895,029)	-15.3%
Debt Service-Principal	1,461,105	1,512,480	1,561,800	1,613,175	51,375	3.3%
Debt Service-Interest & Other	332,648	284,079	239,621	189,464	(50,157)	-20.9%
Grants to Others	858	5,000	20,000	20,000	-	0.0%
Transfers	-	136,115	59,000	95,000	36,000	61.0%
Total Expenses	9,496,397	8,959,725	14,548,567	13,893,298	(655,269)	-4.5%
Other Financing Uses		298,688				
Change in Fund Balance	2,278,445	5,272,974	(2,315,220)	(582,320)	1,732,900	-74.8%
Unrestricted	14,619,508	19,892,441	17,577,221	16,994,901	(582,320)	-3.3%
Restricted	1,404,567	1,404,608	1,404,608	1,404,608	-	0.0%
Ending Fund Balance	\$ 16,024,075	\$ 21,297,049	\$ 18,981,829	\$ 18,399,509	\$ (582,320)	-3.1%
Expenses by Division						
Administration	\$ 3,224,766	\$ 3,425,200	\$ 3,357,218	\$ 3,479,246	\$ 122,028	3.6%
Water Plant	1,393,051	1,136,457	2,505,529	2,533,818	28,289	1.1%
Pollution Control Plant	3,090,264	2,418,219	2,934,960	4,543,900	1,608,940	54.8%
Distribution & Collection	1,673,316	1,603,269	3,364,860	2,336,334	(1,028,526)	-30.6%
Capital Projects	115,000	376,580	2,386,000	1,000,000	(1,386,000)	-58.1%
Total Expenses	\$ 9,496,397	\$ 8,959,725	\$ 14,548,567	\$ 13,893,298	\$ (655,269)	-4.5%

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

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 631,887	\$ 123,365	\$ 44,647	\$ 26,793	\$ (17,854)	-40.0%
All other balances	4,912,555	5,075,952	5,729,891	5,624,066	(105,825)	-1.8%
Beginning Fund Balance	5,544,442	5,199,317	5,774,538	5,650,859	(123,679)	-2.1%
Revenues						
Taxes	2,284,669	2,390,703	2,230,000	2,380,000	150,000	6.7%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	204,576	190,705	197,744	138,000	(59,744)	-30.2%
Charges for services	16,493	25,412	25,000	-	(25,000)	-100.0%
Fines & forfeitures	150,039	84,273	48,000	51,000	3,000	6.3%
Interest & other	170,406	150,704	26,338	80,600	54,262	206.0%
Transfers in	477,720	904,180	979,950	985,600	5,650	0.6%
Total Revenues	3,303,903	3,745,977	3,507,032	3,635,200	128,168	3.7%
Other Financing Sources	6,757	7,884				
Expenditures						
Personal Services	63,854	64,312	58,835	60,633	1,798	3.1%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	209,862	191,746	660,378	554,674	(105,704)	-16.0%
Capital Outlay	163,616	13,487	344,000	280,000	(64,000)	-18.6%
Debt Service-Principal	925,000	935,000	955,000	980,000	25,000	2.6%
Debt Service-Interest & Other	70,141	54,146	42,804	26,224	(16,580)	-38.7%
Transfers	2,169,296	1,831,885	1,569,694	1,515,600	(54,094)	-3.4%
Total Expenditures	3,601,769	3,090,576	3,630,711	3,417,131	(213,580)	-5.9%
Other Financing Uses	54,016	88,064				
Change in Fund Balance	(345,125)	575,221	(123,679)	218,069	341,748	-276.3%
Restricted Fund Balance	123,365	44,647	26,793	7,169	(19,624)	-73.2%
Unrestricted Fund Balance	5,075,952	5,729,891	5,624,066	5,861,759	237,693	4.2%
Ending Fund Balance	\$ 5,199,317	\$ 5,774,538	\$ 5,650,859	\$ 5,868,928	\$ 218,069	3.9%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Parks & Recreation	285,021	536,865	345,189	303,974	(41,215)	-11.9%
Public Works	798,364	480,250	726,571	727,089	518	0.1%
Police	206,562	149,952	350,497	310,744	(39,753)	-11.3%
Fire	5,464	1,125	10,000	10,000	-	0.0%
Non-Departmental	2,306,358	1,922,384	2,198,454	2,065,324	(133,130)	-6.1%
Total Expenditures	\$ 3,601,769	\$ 3,090,576	\$ 3,630,711	\$ 3,417,131	\$ (213,580)	-5.9%
Expenditures by Fund:						
Convention Development	\$ 146,123	\$ 399,315	\$ 196,678	\$ 162,974	\$ (33,704)	-17.1%
Court Cost Training	50,149	44,690	60,000	10,200	(49,800)	-83.0%
Local Option Gas Tax	798,364	480,250	726,571	727,089	518	0.1%
Half-cent Infrastructure Surtax	884,573	904,683	1,176,450	1,057,100	(119,350)	-10.1%
Community Develop. Block Grant	138,875	137,528	145,511	138,000	(7,511)	-5.2%
Radio Communication	5,464	1,125	10,000	10,000	-	0.0%
Justice Assistance Grant	65,701	53,177	52,233	-	(52,233)	-100.0%
Tree Protection	23	22	3,000	3,000	-	0.0%
Law Enforcement Trust Fund	45,435	50,111	63,264	64,544	1,280	2.0%
Equitable Sharing Fund	45,277	1,974	175,000	236,000	61,000	34.9%
1/2 Cent Sales Surtax Debt Service	997,290	990,073	1,000,804	1,008,224	7,420	0.7%
Infrastructure Capital Projects	372,844	9,629	-	-	-	0.0%
Beaches Park Project	17	-	-	-	-	0.0%
Dog Park Project	51,634	17,999	21,200	-	(21,200)	-100.0%
Total Expenditures	\$ 3,601,769	\$ 3,090,576	\$ 3,630,711	\$ 3,417,131	\$ (213,580)	-5.9%

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

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Unrestricted Fund Balance	\$ 11,017,750	\$ 12,400,687	\$ 12,764,269	\$ 12,609,469	\$ (154,800)	-1.2%
Restricted Fund Balance	-	-	-	-	-	0.0%
Beginning Fund Balance	11,017,750	12,400,687	12,764,269	12,609,469	(154,800)	-1.2%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	1,143	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	7,641,208	7,466,562	7,720,529	7,848,183	127,654	1.7%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	774,500	825,962	725,163	783,896	58,733	8.1%
Transfers in	262,978	222,625	65,000	144,000	79,000	121.5%
Total Revenues	8,679,829	8,515,149	8,510,692	8,776,079	265,387	3.1%
Other Financing Sources	250,850	573,320				
Expenditures						
Personal Services	992,360	955,115	1,055,562	1,215,386	159,824	15.1%
Operating-Natural Gas	931,060	772,336	1,303,588	1,107,149	(196,439)	-15.1%
Operating-All Other	4,631,020	4,505,916	5,448,170	5,796,449	348,279	6.4%
Capital Outlay	448,264	1,743,526	378,000	515,000	137,000	36.2%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	523,646	533,633	480,172	430,254	(49,918)	-10.4%
Total Expenditures	7,526,350	8,510,526	8,665,492	9,064,238	398,746	4.6%
Other Financing Uses	21,392	214,361				
Change in Fund Balance	1,382,937	363,582	(154,800)	(288,159)	(133,359)	86%
Unrestricted Fund Balance	12,400,687	12,764,269	12,609,469	12,321,310	(288,159)	-2.3%
Restricted Fund Balance	-	-	-	-	-	0.0%
Ending Fund Balance	\$ 12,400,687	\$ 12,764,269	\$ 12,609,469	\$ 12,321,310	\$ (288,159)	-2.3%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	484,388	930,198	496,176	652,498	156,322	31.5%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,401,569	1,185,442	1,381,940	1,361,810	(20,130)	-1.5%
Public Works	3,921,738	4,966,340	4,628,079	5,192,473	564,394	12.2%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	1,718,655	1,428,546	2,159,297	1,857,457	(301,840)	-14.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 7,526,350	\$ 8,510,526	\$ 8,665,492	\$ 9,064,238	\$ 398,746	4.6%
Expenditures by Fund:						
Natural Gas Fund	\$ 1,718,655	\$ 1,428,546	\$ 2,159,297	\$ 1,857,457	\$ (301,840)	-14.0%
Stormwater Fund	645,031	1,655,507	1,077,666	1,236,490	158,824	14.7%
Sanitation Fund	3,276,707	3,310,833	3,550,413	3,955,983	405,570	11.4%
Golf Course Fund	1,401,569	1,185,442	1,381,940	1,361,810	(20,130)	-1.5%
Lease Facilities Fund	484,388	930,198	496,176	652,498	156,322	31.5%
Total Expenditures	\$ 7,526,350	\$ 8,510,526	\$ 8,665,492	\$ 9,064,238	\$ 398,746	4.6%

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

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 3,821,106	\$ 2,931,945	\$ 3,337,865	\$ 3,337,865	\$ -	0.0%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	10,401,694	11,136,360	11,930,449	12,407,701	477,252	4.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	89,101	90,377	-	-	-	0.0%
Transfers in	29,927	-	-	-	-	0.0%
Total Revenues	10,520,722	11,226,737	11,930,449	12,407,701	477,252	4.0%
Other Financing Sources	107,271	14,658				
Expenditures						
Personal Services	3,506,966	3,651,572	4,126,675	4,361,093	234,418	5.7%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	6,952,500	6,638,830	7,642,774	7,893,108	250,334	3.3%
Capital Outlay	99,632	45,495	105,000	103,500	(1,500)	-1.4%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	77,000	50,000	56,000	50,000	(6,000)	-10.7%
Total Expenditures	10,636,098	10,385,897	11,930,449	12,407,701	477,252	4.0%
Other Financing Uses	881,056	449,578				
Change in Fund Balance	(889,161)	405,920	-	-	-	0.0%
Unrestricted/unassigned	\$2,931,945	\$3,337,865	\$3,337,865	\$3,337,865	\$ -	0.0%
Expenditures by Department:						
Executive & Legislative	509,204	470,211	510,993	529,136	\$18,143	3.6%
Finance	4,820,854	4,969,666	5,546,412	5,708,491	162,079	2.9%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	710,696	740,331	943,091	966,392	23,301	2.5%
Human Resources	4,595,344	4,205,689	4,929,953	5,203,682	273,729	5.6%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$10,636,098	\$10,385,897	\$11,930,449	\$12,407,701	\$ 477,252	4.0%
Expenditure by Fund						
City Manager	509,204	470,211	510,993	529,136	\$ 18,143	3.6%
Finance	3,902,414	4,002,232	4,592,542	4,799,904	207,362	4.5%
Human Resources	466,939	535,341	557,086	584,848	27,762	5.0%
Fleet Maintenance	563,782	627,132	588,644	589,068	424	0.1%
Meter Services	710,696	740,331	943,091	966,392	23,301	2.5%
Operations & Maint. Facility	354,658	340,302	365,226	319,519	(45,707)	-12.5%
Insurance & Risk Retention	4,128,405	3,670,348	4,372,867	4,618,834	245,967	5.6%
Total Expenditures	\$10,636,098	\$10,385,897	\$11,930,449	\$12,407,701	\$ 477,252	4.0%

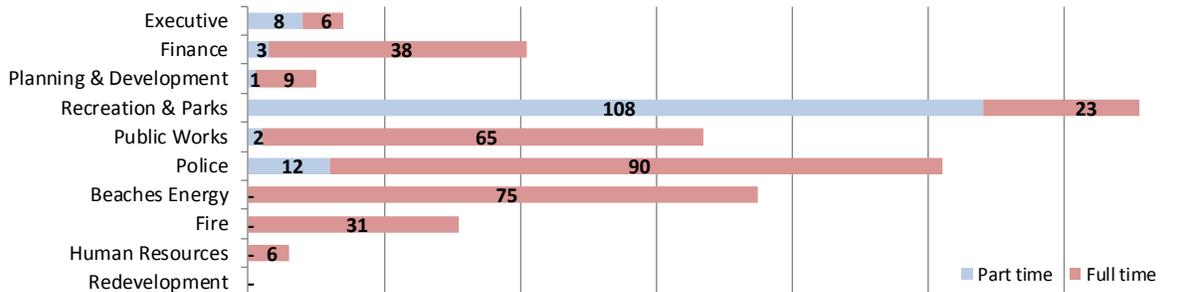
All Pension Funds
Combined Summary of Revenues and Expenses

	Actual 2015	Actual 2016	Original Budget 2017	Adopted Budget 2018	Increase (Decrease)	% Change
Restricted Fund Balance	\$ 79,765,232	\$ 76,549,785	\$ 80,100,828	\$ 83,107,836	\$ 3,007,008	3.8%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	3,674,799	10,190,505	9,843,629	10,936,105	1,092,476	11.1%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	3,674,799	10,190,505	9,843,629	10,936,105	1,092,476	11.1%
Other Financing Sources	19,746	53,295				
Expenditures						
Personal Services	56,256	65,200	65,330	55,867	(9,463)	-14.5%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	6,764,515	6,627,557	6,771,291	6,963,869	192,578	2.8%
Capital Outlay	-	-	-	-	-	0.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	6,820,771	6,692,757	6,836,621	7,019,736	183,115	2.7%
Other Financing Uses	89,221	-				
Change in Fund Balance	(3,215,447)	3,551,043	3,007,008	3,916,369	909,361	30.2%
Restricted Fund Balance	\$ 76,549,785	\$ 80,100,828	\$ 83,107,836	\$ 87,024,206	\$ 3,916,369	4.7%
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	6,820,771	6,692,757	6,836,621	7,019,736	183,115	2.7%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 6,820,771	\$ 6,692,757	\$ 6,836,621	\$ 7,019,736	\$ 183,115	2.7%
Expenditures by Fund:						
Pension Fund-General	\$ 4,577,767	\$ 4,329,308	\$ 4,549,838	\$ 4,691,572	\$ 141,734	3.1%
Pension Fund-Police	1,458,525	1,337,021	1,416,319	1,446,423	30,104	2.1%
Pension Fund-Fire	784,479	1,026,428	870,463	881,741	11,278	1.3%
Total Expenditures	\$ 6,820,771	\$ 6,692,757	\$ 6,836,621	\$ 7,019,736	\$ 183,115	2.7%

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

	Actual	Actual	Actual	Budget 2018			FTEs	Payroll Budget
	2015	2016	2017	Part time	Full time	Total		
Executive								
City Council	7	7	7	7	0	7	0.0	\$ 125,566
City Manager	3	3	3	0	3	3	3.0	454,655
City Clerk	4	4	4	1	3	4	3.8	258,408
	14	14	14	8	6	14	6.8	838,629
Finance								
Accounting	8	8	9	2	7	9	7.9	756,198
Utility Billing	17	17	18	1	17	18	16.6	915,732
Information Systems	6	7	8	0	8	8	7.8	796,298
Purchasing Admin.	3	3	3	0	3	3	3.0	283,529
Building Maintenance	3	3	3	0	2	2	2.0	144,334
Lease Facilities (Tech.)	0	0	0	0	0	0	1.6	76,717
O & M Facility	1	1	1	0	1	1	1.0	59,959
	38	39	42	3	38	41	39.9	3,032,767
Planning & Development								
Planning and Development	2	2	2	0	2	2	1.7	174,749
Building Inspection	5	6	6	1	5	6	5.5	409,497
Code Enforcement	2	2	2	0	2	2	2.2	155,201
	9	10	10	1	9	10	9.4	739,447
Recreation & Parks								
Administration	5	7	7	3	3	6	4.4	369,161
Ocean Rescue	87	87	86	86	1	87	18.8	634,221
Grounds Maintenance	7	7	7	0	7	7	7.3	548,300
Tennis	3	3	3	2	1	3	1.7	78,256
Carver Center	3	3	3	1	2	3	2.5	122,737
Special Events	0	0	1	0	1	1	1.0	60,506
Golf Course	25	25	25	16	8	24	15.0	676,087
	130	132	132	108	23	131	50.7	2,489,268
Public Works								
Administration	5	5	6	1	5	6	1.6	167,057
Water Plant	13	13	13	0	13	13	13.3	917,583
Pollution Control Plant	15	15	15	0	15	15	14.9	1,136,900
Distribution and Collection	14	14	14	0	14	14	14.3	911,634
Stormwater	0	0	0	0	0	0	2.2	194,535
Sanitation	2	2	2	0	2	2	3.2	268,047
Street Maintenance	16	16	16	0	16	16	14.2	936,713
Local Option Gas Tax	1	1	1	1	0	1	0.8	43,589
	66	66	67	2	65	67	64.5	4,576,058

Employees by Department



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

	Actual 2015	Actual 2016	Actual 2017	Budget 2018			FTEs	Payroll Budget
				Part time	Full time	Total		
Police								
Administration	4	4	4	0	4	4	4.0	565,713
Records	4	4	4	1	3	4	3.5	186,469
Investigations	14	14	14	0	14	14	14.0	1,295,119
Patrol	40	40	40	0	40	40	40.0	3,445,878
Communications	11	11	11	0	11	11	11.0	896,513
Ancillary	16	16	16	10	6	16	9.2	572,330
Part-time Officers	0	0	0	0	0	0	1.4	62,995
Parking	1	1	1	0	1	1	2.2	142,987
Downtown Policing	9	9	11	0	11	11	11.0	923,289
Law Enforcement Trust Fund	1	1	1	1	0	1	0.5	17,044
	100	100	102	12	90	102	96.8	8,108,337
Beaches Energy								
Administration	4	4	4	0	4	4	4.0	408,627
Engineering	7	8	8	0	8	8	8.0	844,533
Relay & Substations	6	6	6	0	6	6	6.0	567,200
Construct. & Maint.	32	31	31	0	31	31	31.0	3,027,776
System Operations	10	10	10	0	10	10	10.0	941,068
Storeroom	3	3	3	0	3	3	3.0	196,888
Conservation & Renewables	0	0	0	0	0	0	1.0	70,496
Regulatory Compliance	1	1	1	0	1	1	1.0	122,794
Meter Services	12	12	12	0	12	12	12.0	682,049
	75	75	75	0	75	75	76.0	6,861,431
Fire								
Fire / Rescue, Safety Services	31	31	31	0	31	31	42.7	3,454,041
Human Resources								
Personnel Administration	7	6	6	0	6	6	5.1	393,623
Insurance	0	0	0	0	0	0	0.3	19,050
Pension Administration	0	0	0	0	0	0	0.6	55,867
	7	6	6	0	6	6	6.0	468,540
Redevelopment								
	1	1	1	0	0	0	1.8	228,054
Total Authorized Positions	471	474	480	134	343	477	395	\$ 30,796,572

Total Authorized Positions FY2017

138	342	480
------------	------------	------------

- Eliminate 1 Purchasing Specialist Position (Finance/Purchasing)
- Convert 2 part-time Maintenance Worker Positions to 1 full-time position (Parks/Golf Maintenance)
- Convert part-time Tutor to full-time Rec. Leader (Parks/Carver)
- Eliminate Redevelopment Coordinator position (Redevelopment)

	(1)	(1)
(2)	1	(1)
(1)	1	0
(1)		(1)

Total Authorized Positions FY2018

134	343	477
------------	------------	------------

Change in positions since 2008

(4)	(11)	(15)
------------	-------------	-------------

Denotes divisions operating in the General Fund

**Capital Outlay Detail by Department
Fiscal Year 2018**

	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	\$ 70,000			\$ 70,000	
General Capital Projects					
Major building systems replacement projects	349,000				349,000
Water, sewer and stormwater project 10th St S	50,000				50,000
Annual computer replacement plan				70,228	70,228
City-wide telephone replacement plan		162,100			162,100
Replace enterprise resource planning system (ERP)				594,265	594,265
Replace rescue pumper (Fire)			375,000		375,000
Heavy eqp replacement (Intl 4700 flatbed truck)			87,000		87,000
Heavy eqp replacement (Caterpillar 4x4 backhoe)			90,000		90,000
Heavy eqp replacement (Caterpillar excavator)			155,000		155,000
Total Non-Departmental	469,000	162,100	707,000	664,493	2,002,593
<u>Community Redevelopment</u>					
Downtown Redevelopment					
Replace Downtown CAPE 2009 Chevy Impala			31,500		31,500
Replace Downtown CAPE 2013 ATV			14,000		14,000
Replace Downtown CAPE 2007 Segways (2)		14,600			14,600
Total Redevelopment	-	14,600	45,500	-	60,100
<u>Beaches Energy Services</u>					
Administration					
Building renovations in electric training room	40,000				40,000
Engineering					
Power quality monitor/recorder		30,000			30,000
Replace 2002 GMC Sierra, truck #220			30,000		30,000
Replace 2004 GMC Sierra, truck #209			30,000		30,000
Relay & Substations					
Substation 26kV breaker upgrades	150,000				150,000
Substation 26kV relay upgrades	30,000				30,000
Construction & Maintenance					
Replace 1997 underground cable pulling rig		150,000			150,000
Replace 1982 3phase wire trailer		89,000			89,000
Replace 1975 overhead wire puller		103,000			103,000
Replace 2008 Ford F-150, truck #265			35,000		35,000
Replace 2008 Ford F-350, truck #277			45,000		45,000
Capital Improvements					
Projects for system growth/maintenance	1,250,000				1,250,000
Major replacement projects	2,000,000				2,000,000
Automated meter reading	600,000				600,000
Replace switchgear at pollution control plant	200,000				200,000
System Operations					
Outage management system	150,000				150,000
System ops. upgrades for emergency response	80,000				80,000
Transmission					
Transformer bushing replacements	225,000				225,000
Substation 230kV and 130kV relay upgrades	270,000				270,000
Substation transformers	2,420,000				2,420,000
Install fiber & equipment: Sampson to Diego	60,000				60,000
Motor switch replacement	554,000				554,000
Transmission line hardware renew/replace	1,000,000				1,000,000
Regulatory Compliance					
Cyber physical security	220,000				220,000
Total Electric Fund	9,249,000	372,000	140,000	-	9,761,000
Natural Gas					
Natural Gas Distribution System	150,000				150,000
Meter Services					
Replace 3 pickup trucks: #285, #261, #211			95,000		95,000
Total Beaches Energy Services	9,399,000	372,000	235,000	-	10,006,000

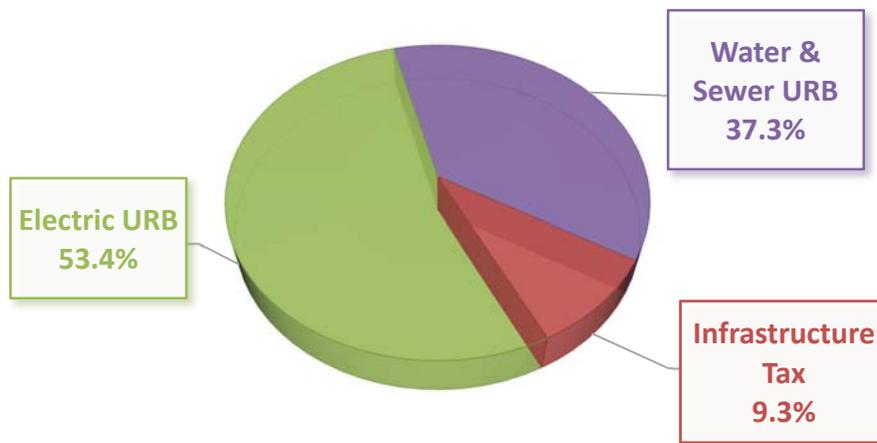
**Capital Outlay Detail by Department
Fiscal Year 2018**

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
Finance					
Fleet Maintenance					
Replace tire changer		8,500			8,500
Total Finance	-	8,500	-	-	8,500
Police					
Patrol					
Replace patrol vehicles			160,000		160,000
Equitable Sharing Fund					
Replace 40 APX radios		210,000			210,000
Total Police	-	210,000	160,000	-	370,000
Parks and Recreation					
Ocean Rescue					
Replace 2006 Chevy Colorado, truck #609			34,000		34,000
Replace 2012 Kubota RTV, vehicle #612			19,000		19,000
Grounds Maintenance					
Replace 2001 Chevy truck #902			25,000		25,000
5-gang self-contained mower		53,000			53,000
Tennis					
Resurface west side courts (1, 2, and 3)	12,969				12,969
Total Parks & Recreation	12,969	53,000	78,000	-	143,969
Fire					
Replace 2003 Ford Excursion			38,000		38,000
Replace 2 combustible gas detectors		2,000			2,000
Total Fire	-	2,000	38,000	-	40,000
Public Works					
Distribution and Collection					
Water main replacement projects	575,000				575,000
Water, sewer and stormwater project 10th St S	115,000				115,000
Replace 2008 Caterpillar backhoe		125,000			125,000
Replace hydraulic unit		12,000			12,000
Replace horizontal boring equipment		9,000			9,000
Ground penetrating radar equipment		30,000			30,000
Replace 2006 Ford F-250 truck			25,000		25,000
Pollution Control					
Sewer rehab improvements-lift stations	1,515,000				1,515,000
Wastewater treatment facility improvements	280,000				280,000
Actuators, soft starts and variable frequency drives		30,000			30,000
Replace 2003 Ford F-350 with utility body and			74,000		74,000
Water Plant					
Raw water wells improvement program	900,000				900,000
Water plant #2 telemetry upgrade	80,000				80,000
Elevated water tank exterior renovation	165,000				165,000
Replace 2004 Chevy Blazer			28,000		28,000
Capital Projects					
Build new lift station #7, rehab ls #8 and demolish	1,000,000				1,000,000
Total Water & Sewer	4,630,000	206,000	127,000	-	4,963,000
Stormwater					
Stormwater collection & treatment improvements	310,000				310,000
Water, sewer and stormwater project 10th St S	55,000				55,000
Total Stormwater	365,000	-	-	-	365,000
Total Public Works	4,995,000	206,000	127,000	-	5,328,000
Total Projects Funded:	\$ 14,875,969	\$ 1,028,200	\$ 1,390,500	\$ 664,493	\$ 17,959,162

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: 9-30-2017



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.

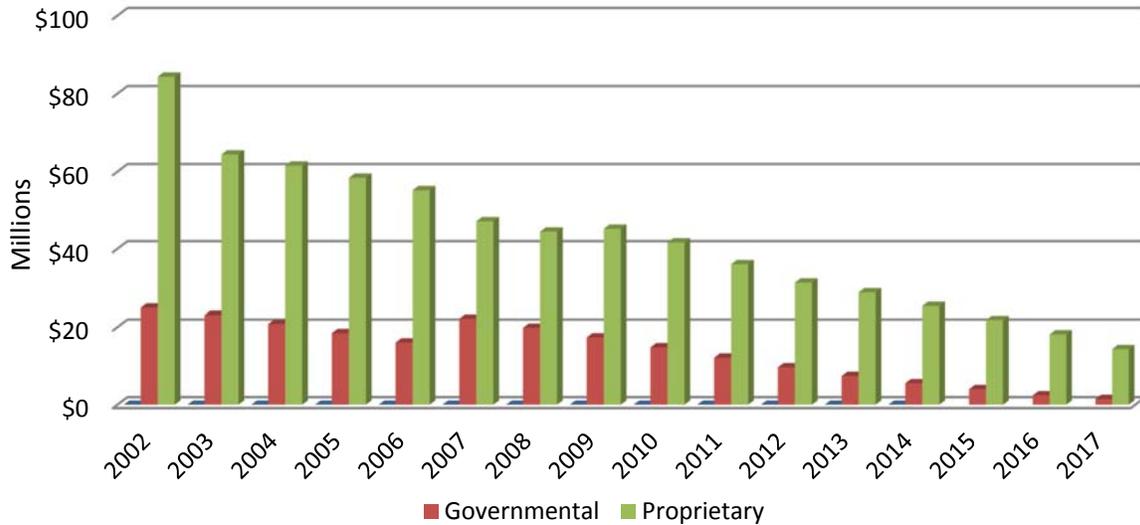
Debt Limit Requirement

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.

	2013	2014	2015	2016	2017	2018
Principal paid	\$5,613,580	\$5,325,465	\$5,100,799	\$5,261,881	\$4,755,000	\$4,905,000
Interest paid	\$1,230,576	\$1,087,507	\$923,512	\$764,359	\$601,492	\$462,874
Outstanding Debt	\$36,258,145	\$30,932,680	\$25,831,880	\$20,570,000	\$15,815,000	\$10,910,000

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 85% 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, 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
2018	980,000	21,224	1,001,224
2019	490,000	4,227	494,227
Total	\$1,470,000	\$25,451	\$1,495,451

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.

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.

All Downtown revenue bonds were paid off in 2014 and South Beach revenue bonds were retired in 2016.

ALL OUTSTANDING GOVERNMENTAL BONDS

	Interest Rate	Year of Maturity	Original Issue	Outstanding
2012 Infrastructure	1.73%	2019	\$6,495,000	\$1,470,000
Total Governmental Bonds				\$1,470,000

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	2018 Budget
General	Transfers from operating funds; grants; interest	Major repairs and replacements.	\$2,159,593
½ Cent Infrastructure Surtax	Receipts from 1/2-Cent Infrastructure Surtax	Debt service payments on bonds; new roads and sidewalks (when funds are available).	\$1,057,100
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.	\$0
			\$3,216,693

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
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
	\$8,449,205	\$660,413	\$5,895,795	\$460,831	\$14,345,000	\$1,121,244

The City's outstanding proprietary debt at September 30, 2017 is:

OUTSTANDING PROPRIETARY BONDS			
	Year of Maturity	Original Issue	Outstanding
2012 Utility Revenue Bonds – varies 2.0-4.0%	2020	\$37,285,000	\$14,345,000
Total Proprietary Bonds			\$14,345,000

Debt service requirements to maturity on all of the City's bonds at September 30, 2017 are as follows:

DEBT SERVICE REQUIREMENTS TO MATURITY						
	Governmental		Proprietary		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
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
	\$1,470,000	\$25,451	\$14,345,000	\$1,121,244	\$15,815,000	\$1,146,695

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

Summary of Budgeted Debt Payments	Principal	Interest & Other	FY2018 Total	% of total	Current Year Budget	Incr / (Decr)	% change	Date Paid Off
Sales Surtax								
(Better Jax Beach)	980,000	26,224	1,006,224	18.7%	997,804	8,420	0.8%	3/31/2019
TOTAL GOVERNMENTAL	980,000	26,224	1,006,224	18.7%	997,804	8,420	0.8%	
Electric	2,311,825	267,187	2,579,012	47.9%	2,577,267	1,745	0.1%	10/1/2020
Water & Sewer	1,613,175	189,464	1,802,639	33.5%	1,801,421	1,218	0.1%	10/1/2020
TOTAL PROPRIETARY	3,925,000	456,651	4,381,651	81.3%	4,378,688	2,963	0.1%	
TOTAL DEBT SERVICE	\$4,905,000	\$482,875	\$5,387,875	100%	\$5,376,492	11,383	0.2%	

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.

From:	To:					Total
	General Fund	Infrastructure Surtax Debt Service	General Capital Projects	Beaches Energy Services	Golf Course	
General Fund						
Deposits to reserves for fire truck replacement, street maintenance heavy equipment replacement, and major building systems maintenance			\$285,000			\$285,000
Partial funding for operations during greens redevelopment					\$144,000	\$144,000
Convention Development						
Partial funding for maintenance of the Community Center	20,000					\$20,000
Local Option Gas Tax						
Partial funding for street maintenance	372,000					\$372,000
Half-cent Infrastructure Surtax						
Payment of principal and interest on bonds		985,600				\$985,600
Community Development Block Grant						
Funding for CAPE officer and Carver Center programs	138,000					\$138,000
Beaches Energy Services						
Return on investment	\$3,675,155					\$3,675,155
Partial funding for building system replacements and technology improvements			130,000			\$130,000
Natural Gas Fund						
Return on investment	108,157					\$108,157
Repay advance for construction of natural gas system				162,097		\$162,097
Water & Sewer Fund						
Partial funding for building system replacements and technology improvements			95,000			\$95,000
Lease Facilities						
Partial funding for building system replacements and technology improvements			160,000			\$160,000
Finance Internal Service Fund						
Funding for Utility Billing equipment replacement			30,000			\$30,000
Funding for City-wide telephone system (replacement of various current systems)			20,000			\$20,000
	\$4,313,312	\$985,600	\$720,000	\$162,097	\$144,000	\$6,325,009

Capital Improvement Plan: FY2018-2022

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: FY2018-2022

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 240
Police & Fire	Page 253
Parks & Recreation	Page 258
Community Redevelopment Agency	Page 265
Public Works	Page 274

Capital Improvement Plan: FY2018-2022

CIP Summary, All Departments							
Funding Sources:		2018	2019	2020	2021	2022	Total
Beaches Energy Services Operating Revenues	410	\$ 10,736,000	\$ 6,440,000	\$ 7,795,000	\$ 5,155,000	\$ 5,260,000	\$ 35,386,000
Downtown Redevelopment Tax Increment Fund	181	560,100	5,431,500	4,014,600	405,600	4,045,500	14,457,300
General Capital Projects Fund	315	1,982,593	1,697,293	1,537,468	1,261,126	756,271	7,234,751
General Fund Operating Revenues	001	356,969	472,000	306,500	308,500	294,000	1,737,969
Golf Course Fund	440	15,000	47,500	47,000	47,000	15,000	171,500
Equitable Sharing Trust Fund	631	210,000	-	-	-	-	210,000
1/2 Cent Infrastructure Surtax	151	70,000	395,000	70,000	70,000	70,000	675,000
1/2 Cent Infrastructure Surtax Bond Proceeds	317	-	-	-	-	3,000,000	3,000,000
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	95,000	-	35,000	-	-	130,000
Natural Gas Fund	411	150,000	140,000	125,000	125,000	125,000	665,000
Sanitation Fund	430	-	-	230,000	-	-	230,000
Southend Redevelopment Tax Increment Fund	182	3,963,000	2,050,000	2,334,000	4,136,000	-	12,483,000
Stormwater Operating Revenues	423	660,000	473,000	953,000	670,000	915,000	3,671,000
Water & Sewer Utility Operating Revenues	420	5,127,000	1,675,000	1,820,000	920,000	565,000	10,107,000
Total CIP Funding Sources - All Departments		\$ 24,235,662	\$ 19,131,293	\$ 19,577,568	\$ 13,408,226	\$ 15,355,771	\$ 91,708,520
Expenses:		2018	2019	2020	2021	2022	Total
Beaches Energy Services		10,981,000	6,580,000	7,955,000	5,280,000	5,385,000	36,181,000
Finance Department		1,225,593	987,293	967,968	781,126	730,021	4,692,001
Police & Fire Departments		783,000	409,500	357,000	679,500	186,250	2,415,250
Parks & Recreation Department		173,969	245,000	107,000	96,000	64,000	685,969
Community Redevelopment Agency		4,523,100	7,481,500	6,348,600	4,841,600	7,045,500	30,240,300
Public Works Department		6,549,000	3,428,000	3,842,000	1,730,000	1,945,000	17,494,000
Total CIP - All Departments		\$ 24,235,662	\$ 19,131,293	\$ 19,577,568	\$ 13,408,226	\$ 15,355,771	\$ 91,708,520

Capital Improvement Plan: FY2018-2022

Beaches Energy Services							
Funding Sources:		2018	2019	2020	2021	2022	Total
Beaches Energy Services Operating Revenues	410	10,736,000	6,440,000	7,795,000	5,155,000	5,260,000	35,386,000
Meter Division-Internal Service Charges	541	95,000	-	35,000	-	-	130,000
Natural Gas Fund	411	150,000	140,000	125,000	125,000	125,000	665,000
Total CIP Funding Sources		10,981,000	6,580,000	7,955,000	5,280,000	5,385,000	36,181,000
Expenses:							
	Fund						
Engineering:							
Vehicle Replacement Program	410	60,000	30,000	60,000	-	-	150,000
		60,000	30,000	60,000	-	-	150,000
Relay / Substations:							
Substation 26kV Breaker Upgrades	410	150,000	150,000	200,000	200,000	-	700,000
Substation 26kV Relay Upgrades	410	30,000	30,000	75,000	90,000	-	225,000
Substation Capacitor Bank Upgrades	410	-	100,000	-	-	-	100,000
Substation Battery Bank Replacement	410			30,000	-	30,000	60,000
		180,000	280,000	305,000	290,000	30,000	1,085,000
Construction & Maintenance:							
Vehicle Replacement Program	410	80,000	515,000	230,000	115,000	45,000	985,000
Heavy Equipment Replacements		342,000	70,000	-	-	-	412,000
		422,000	585,000	230,000	115,000	45,000	1,397,000
Electric Capital Projects:							
Infrastructure to Support System Growth	410	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	6,250,000
Major Replacement Projects	410	2,000,000	1,600,000	1,500,000	1,500,000	1,150,000	7,750,000
Subtotal		3,250,000	2,850,000	2,750,000	2,750,000	2,400,000	14,000,000
Automated Meter Reading	410	600,000	600,000	-	-	-	1,200,000
Replace Power Secure Switchgear at PCP	410	200,000					200,000
		4,050,000	3,450,000	2,750,000	2,750,000	2,400,000	15,400,000
System Operations:							
Outage Management System	410	150,000	250,000	-	-	-	400,000
Systems Op. - Emergency Response Upgrade	410	80,000					80,000
SCADA Server Upgrade	410	-	-	250,000	-	-	250,000
		230,000	250,000	250,000	-	-	730,000
Transmission:							
Transformer Bushing Replacements	410	225,000	-	-	-	-	225,000
Substation 230kV and 130kV Relay Upgrades	410	270,000	230,000	230,000	230,000	230,000	1,190,000
Substation Transformers	410	2,420,000	-	2,600,000	400,000	1,185,000	6,605,000
Install Fiber & Eqp: Sampson to Ft. Diego	410	60,000	60,000	-	-	-	120,000
Motor Switch Replacement	410	554,000	185,000	-	-	-	739,000
Transmission Line Hardware Renewal & Replacement	410	1,000,000	500,000	500,000	500,000	500,000	3,000,000
		4,529,000	975,000	3,330,000	1,130,000	1,915,000	11,879,000
Regulatory Compliance:							
Regulatory Compliance Plan Cyber Security	410	220,000	20,000	20,000	20,000	20,000	300,000
Regulatory Compliance Plan (not capital)	410	1,045,000	850,000	850,000	850,000	850,000	4,445,000
		1,265,000	870,000	870,000	870,000	870,000	4,745,000
Total CIP - Electric		10,736,000	6,440,000	7,795,000	5,155,000	5,260,000	35,386,000
Natural Gas Fund:							
Natural Gas Distribution System	411	150,000	140,000	125,000	125,000	125,000	665,000
Meter Division Internal Service Fund:							
Vehicle Replacement Program	541	95,000	-	35,000	-	-	130,000
Total CIP - Meter Division		95,000	-	35,000	-	-	130,000
Total CIP - Beaches Energy Services		\$10,981,000	\$6,580,000	\$7,955,000	\$5,280,000	\$5,385,000	\$36,181,000

Capital Improvement Plan: FY2018-2022

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>02/17/2016</u>	<u>Estimated</u> <u>Replacement</u> <u>Cost</u>
Engineering (2018)	209	2004	GMC Sierra	93,810	\$30,000
Engineering (2018)	220	2002	GMC Sierra	69,643	\$30,000
C&M (2018)	265	2008	Ford F-150 4x4	123,125	\$35,000
C&M (2018)	277	2008	F-350	65,049	\$45,000
Meter (2018)	285	2000	Chevrolet Silverado C1500	76,290	\$30,000
Meter (2018)	261	2008	GMC Sierra	123,942	\$30,000
Meter (2018)	211	2008	Ford F250 Utility Truck	84,162	\$35,000
Engineering (2019)	210	2004	GMC Sierra	61,045	\$30,000
C&M (2019)	202	2008	High Aerial Bucket Truck	56,273	\$185,000
C&M (2019)	216	2008	Ford F-150 4x4	129,698	\$35,000
C&M (2019)	236	2004	Ford F-750 Flatbed	27,228	\$65,000
C&M (2019)	255	2007	Digger Derrick Truck	32,985	\$230,000
Engineering (2020)	258	2010	Ford F150 XL	50,798	\$30,000
Engineering (2020)	207	2005	GMC Sierra	28,851	\$30,000
C&M(2020)	230	2010	Bucket Truck	53,411	\$230,000
Meter (2020)	275	2010	Ford F150 4x4	57,151	\$35,000
C&M (2021)	227	2011	Ford F150 4x4	71,251	\$35,000
C&M (2021)	241	2011	Ford F150 4x4	67,399	\$35,000
C&M (2021)	273	2011	Ford F350 4x4 Crew Cab	64,749	\$45,000
C&M (2022)	240	1993	Chevy P-30 Step Van	9,178	\$45,000
Total					\$1,265,000

Capital Improvement Plan: FY2018-2022

Vehicle Replacement Summary:

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Engineering	\$60,000	\$30,000	\$60,000			\$150,000
Construction & Maintenance	\$80,000	\$515,000	\$230,000	\$115,000	\$45,000	\$985,000
Total Electric Fund	\$140,000	\$545,000	\$290,000	\$115,000	\$45,000	\$1,135,000
Total Meter Fund	\$95,000		\$35,000			\$130,000
Total	\$235,000	\$545,000	\$325,000	\$115,000	\$45,000	\$1,265,000

Capital Improvement Plan: FY2018-2022

Project Title: Heavy Equipment Replacement

Department/Division: Beaches Energy Services / Construction & Maintenance

Project Description and Reason Necessary: Beaches Energy uses various pieces of specialized equipment to install and maintain its electrical infrastructure. In spite of its high use, proper care and maintenance has allowed certain equipment to last over 40 years. With repairs becoming costly and parts becoming scarce, Beaches Energy plans to replace certain pieces of heavy equipment.

Underground Cable Pulling Rig: Replacement parts for the current rig no longer exist or are hard to find. If the current rig were to break beyond repair, Beaches Energy would be very limited in what wire they could pull.

3 Phase Wire Trailer: As an outdated wire trailer, this piece of equipment does not meet current Department of Transportation standards for new trailers. The trailer was not built to handle the weight of present day 3 phase wire reels. As a result, an axle broke recently and had to be repaired. Riddled with rust and covered with numerous coats of paint, it is time to replace this piece of equipment.

Overhead Wire Puller: At over 40 years old, replacement parts no longer exist. All repairs are done through custom fabrication. If the wire puller were to break beyond repair, Beaches Energy would be very limited in what overhead wire they could pull.

John Deere 6400: Tractor Trailer that is over 20 years old and is starting to show its age with more frequent breakdowns as well as steering failure. With increased cost and decreased reliability, a replacement will be needed in the future.

Funding Source: Beaches Energy Services Operating Revenues

Description (FY Replacement)	Model Year	Mileage (Hours) 02/2017	Estimated Replacement Cost	Estimated Trade-in Value	Net Est. Cost
Underground Cable Pulling Rig (2018)	1997	N/A	\$100,000	Scrap	\$150,000
3 Phase Wire Trailer (2018)	1982	N/A	\$70,000	Scrap	\$89,000
Overhead Wire Puller (2018)	1975	N/A	\$120,000	Scrap	\$103,000
John Deere 6400 (2019)	1993	N/A	\$70,000	\$3,000	\$67,000
Total					\$409,000

Heavy Equipment Replacement Summary:

	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Total	\$342,000	\$70,000				\$412,000

Capital Improvement Plan: FY2018-2022

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, 2016 there were 5,538 rental and public streetlights located in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, and the Municipal Service District. Public streetlights total 2,074 and rental streetlights total 3,464.

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	FY2018	FY2019	FY2020	FY2021	FY2022	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	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Residential and Commercial	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Trouble Calls and Miscellaneous	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Total	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$6,250,000

Capital Improvement Plan: FY2018-2022

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

2018

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

Overhead to Underground Conversion (Neck Road) - \$500,000: Convert overhead power lines to underground at Neck Road.

2019

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 #260 Roscoe Blvd. North.

Overhead Line Rebuild (Roscoe Blvd North Phase 3) - \$300,000: Replace existing wood pole line with concrete poles from #260 Roscoe Blvd. North to Solana Road.

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

2020

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.

Capital Improvement Plan: FY2018-2022

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

2021

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) - \$250,000: Replace existing wood pole line along Solana Road with concrete poles from Powerline Road to SR A1A.

2022

Overhead Line Rebuild (Roscoe Blvd. North Extension) - \$250,000: Replace existing wood pole line along Roscoe Blvd. North Extension with concrete poles from Solana Road to Harbourmaster Court.

Annual Projects

Cable Replacement Plan - \$550,000 each year 2018/2019/2020/2021/2022: 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 2018/2019/2020/2021/2022: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - \$150,000 each year 2018/2019/2020/2021/2022: Install remote controlled motor operated gang switches to improve sectionalizing of power lines and provide faster power restoration.

Switch Gear Replacement - \$100,000 in each year 2018/2019/2020/2021/2022: 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.

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

Capital Improvement Plan: FY2018-2022

Summary of Major Replacement Projects:

	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Storm Hardening Plan						
Neck Road OH to UG Conversion	\$500,000					\$500,000
Overhead Line Rebuild (Roscoe Blvd. North Phase 1)	\$600,000					\$600,000
Overhead Line Rebuild (10 th Avenue South)		\$100,000				\$100,000
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)				\$250,000		\$250,000
Overhead Line Rebuild (Roscoe Blvd. North Extension)					\$250,000	\$250,000
Subtotal - Storm Hardening Plan	\$1,100,000	\$700,000	\$600,000	\$600,000	\$250,000	\$3,250,000
Cable Replacement Plan	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$2,750,000
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	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Major Replacement Projects	\$2,000,000	\$1,600,000	\$1,500,000	\$1,500,000	\$1,150,000	\$7,750,000
Total Infrastructure to Support System Growth and Maintenance	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$6,250,000
Total	\$3,250,000	\$2,850,000	\$2,750,000	\$2,750,000	\$2,400,000	\$14,000,000

Capital Improvement Plan: FY2018-2022

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 some of 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. All natural gas meters will be replaced as well as remote disconnect meters that support two-way communications. Additionally, a pilot will be developed that will allow strategically placed meters to monitor where power is out and/or restored post event. This is a 2-year project that totals \$1,200,000 and is scheduled to start in FY 2018.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Automated Meter Reading	\$600,000	\$600,000				\$1,200,000

Capital Improvement Plan: FY2018-2022

Project Title: Replace Switchgear at Pollution Control Plant

Department/Division: Beaches Energy Services / Capital Improvement

Project Description and Reason Necessary:

The switchgear that controls the entire electrical system for the Pollution Control Plant (PCP) was installed in 2011 as part of a demand management program. That program has since ended and the warranty for this equipment expires this year. The Department of Environmental Protection permit issued for this treatment plant requires that it have a working standby power source at all times. Because the current equipment will no longer be covered by warranty and it has become difficult to find qualified repair technicians on short notice, it is recommended that this switchgear be replaced in the coming fiscal year.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Siemens Switchgear	\$200,000					\$200,000

Capital Improvement Plan: FY2018-2022

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 this 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 into a new Outage Management System (OMS). 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. It will also enhance call center operations by providing system status indication instantaneously to system operators, our customer service staff and other internal employees. This will also allow a map to be displayed on our website allowing our customers to see the status of outages.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Outage Management System	\$150,000	\$250,000				\$400,000

Future Operating Budget Impact:

	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Software Maintenance			\$10,600	\$10,600	\$10,600	\$31,800

Capital Improvement Plan: FY2018-2022

Project Title: Upgrades to System Operations to support Emergency Response

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

Improving customer service and emergency response during a natural disaster situation. System Operations is planning to improve its existing facilities, by adding or replace walls, communications equipment, computers, network access points, phone lines, lighting and furniture to support a 10 person call center and two (2) social media communications stations to support storm response. Additional phone lines will also be added, and the existing phone system must be reconfigured. This will better equip the department to communicate to internal and external customers timely. It is recommended this project be completed during FY2018, and as a result, the department will have a system in place to respond more effectively with the community and collaborating cities during a crisis.

Funding Source: Beaches Energy Service Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	Total
SCADA Back-up Call Center	\$80,000					\$80,000

Capital Improvement Plan: FY2018-2022

Project Title: SCADA Server Upgrade

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

SCADA (supervisory control and data acquisition) is a system for remote monitoring and control that operates with coded signals over communication channels (using typically one communication channel per remote station). The control system may be combined with a data acquisition system by adding the use of coded signals over communication channels to acquire information about the status of the remote equipment for display or for recording functions. It is the type of computer-based system that allows for use to be aware of the current status of the Beaches Energy Services Transmission & Distribution System for power supply and delivery of power to our customers.

Our current SCADA System hardware & software equipment will be out of warranty & support in 2020.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
SCADA Server Upgrade			\$250,000			\$250,000

Future Operating Budget Impact:

	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Annual Support Maintenance			\$36,000	\$36,000	\$36,000	\$108,000

Capital Improvement Plan: FY2018-2022

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 circuit breakers with electromechanical relays are over 25 years old and will be replaced with vacuum breakers and microprocessor relays as follows:

FY 2018 Circuit Numbers Butler 531 and Spare
FY 2019 Circuit Numbers Ft. Diego: 5C1 and 5C2
FY 2020 Circuit Numbers Butler: 5C1,5C2,533,536,539
FY 2021 Circuit Numbers Guana: 525,526,527,528,529,530

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	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Engineering and Testing	\$50,000	\$50,000	\$50,000	\$50,000		\$200,000
26kV Circuit Breakers	\$100,000	\$100,000	\$150,000	\$150,000		\$500,000
Total	\$150,000	\$150,000	\$200,000	\$200,000	\$0	\$700,000

Capital Improvement Plan: FY2018-2022

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. The equipment is required to perform at a desirable and functional standard. It is recommended staggering the upgrades over four to five years to allow for a more gradual move toward dependable equipment.

FY 2018 Circuit Numbers Butler 531 and Spare
FY 2019 Circuit Numbers Ft. Diego: 5C1 and 5C2
FY 2020 Circuit Numbers Butler: 5C1,5C2,533,536,539
FY 2021 Circuit Numbers: Guana: 525,526,527,528,529,530

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	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Relay Upgrades	\$30,000	\$30,000	\$75,000	\$90,000		\$225,000

Capital Improvement Plan: FY2018-2022

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	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Substation Capacitor Bank Upgrades		\$100,000				\$100,000

Capital Improvement Plan: FY2018-2022

Project Title: Substation Battery Bank Replacement

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

Battery Banks are used for DC Circuitry Control and Backup Power for Substations. Constant monitoring and testing of these banks are required by North American Reliability Corporation (NERC) and the Florida Reliability Coordinating Council (FRCC). Battery Bank life ranges from 12 to 20 years. Taking a proactive approach and recommendation of replacing Battery Banks at 15 years of age to prevent equipment failure. The Battery Banks at the substations have been updated and installed over the recent years: Jacksonville Beach-2007; Ft. Diego-2009; Butler-2011; Guana-2012; Sampson-2015; Penman-2005.

Penman substation bank will be 15 years old in FY2020, and Jacksonville Beach will reach its life expectancy FY2022. Recommend replacing during the applicable fiscal year.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Penman Substation			\$30,000			\$30,000
Jacksonville Beach Substation					\$30,000	\$30,000
TOTAL	\$0	\$0	\$30,000	\$0	\$30,000	\$60,000

Capital Improvement Plan: FY2018-2022

Project Title: Transformer Bushing Replacements

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Transformer Bushings are essential to equipment operation. They are the means of insulating and harnessing the voltage into and out of the Substation Transformer. Recent reports (ABB oil lab tests, the inspection report from the Load Tap Changer work, and industry knowledge found thru the Substation roundtable) have indicated a potential issue with the Type U Transformer bushings. Failure to replace could cause substantial damage to the equipment and reliability of the System will be compromised. Beaches Energy Services has 5 of 12 Transformers with Type U Bushings for a total of 30 Bushings installed at our Sampson, Jacksonville Beach and Diego transformers.

FY 2018 Sampson TR-2 Diego T-1

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Transformer Bushing Replacement	\$225,000					\$225,000

Capital Improvement Plan: FY2018-2022

Project Title: Substation 230kV and 138kV Relay Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Protective 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 more capable and modern 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 breaker replacement projects. 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 provide secure and reliable operation of the bulk electric system, the existing electromechanical relays must be replaced.

FY 2018 Butler Bus Differential & Butler to Ft. Diego Line 803
FY 2019 Jacksonville Beach to Butler Line 802
FY 2020 Ft. Diego Transformer Differential
FY 2021 Sampson Transformer Differential
FY 2022 Electromechanical to Microprocessor Relay Upgrades

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Relay Upgrades	\$270,000	\$230,000	\$230,000	\$230,000	\$230,000	\$1,190,000

Capital Improvement Plan: FY2018-2022

Project Title: Substation Transformers

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Both 112 MVA transformers at Sampson substation were installed in 1982 and are nearing the end of their useful life. Additionally, there is load growth in the south end of our service territory and the main flow of our system will be via Sampson rather than through JEA's Neptune Substation if we do decide to end the agreement allowing the normally closed interconnection. Also, Guana Substation is the only substation with only one 50 MVA distribution transformer. Adding a 50 MVA transformer at Guana would allow us to serve the load in the event one of the 50 MVA transformers failed at Ft. Diego. Finally, adding a spare 50 MVA substation transformer at Penman Substation under low load would provide us a spare in the event any of the 50 MVA or 56 MVA transformers failed at any of our distribution substations.

Funding Source: Beaches Energy Services Operating Revenues

2018

Design, Purchase, and Installation of new 50 MVA transformer for Guana Substation (Phase 2) - \$2,420,000: This phase of the project includes purchase and installation of breakers and the physical construction to facilitate installation of the transformer and the necessary protection and controls and final commissioning.

2020

Design, Purchase, and Installation of new 224 MVA transformer for Sampson Substation (Phase 1) - \$2,600,000: Install a 224MVA substation transformer to replace one of the 112 MVA transformers at Sampson Substation. In the event of the failure of one of the other two transformers at Sampson this transformer would provide us the ability to serve load reliably while allowing us the lead time to purchase a replacement. This phase includes developing the transformer specifications, ordering the transformer and completing the design work.

2021

Design, Purchase, Installation of new 224 MVA transformer for Sampson Substation (Phase 2) - \$400,000: This phase of the project includes purchase and installation of breakers and the physical

Capital Improvement Plan: FY2018-2022

construction to facilitate installation of the transformer and the necessary protection and controls and final commissioning.

2022

Design, Purchase, and Installation of new 50 MVA transformer for Penman Substation (Phase 1) - \$1,185,000: Install a spare substation transformer attached to the current ring bus at Penman Substation. This substation already includes a spare bay where this transformer can be placed. The spare transformer will be hooked up and operated under low load. In the event of the failure of one of any of our 50 or 56 MVA transformers at any of our distribution substations this transformer would be placed into service allowing us the lead time to purchase a replacement. Phase 2 is scheduled to begin in 2023.

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Design, Purchase, and Installation of new 50 MVA Transformer for Guana Substation (Phase 2)	\$2,420,000					\$2,420,000
Design, Purchase, and Installation of new 224 MVA Transformer for Sampson Substation (Phase 1)			\$2,600,000			\$2,600,000
Design, Purchase, and Installation of new 224 MVA Transformer for Sampson Substation (Phase 2)				\$400,000		\$400,000
Design, Purchase, and Installation of new 50 MVA Transformer for Penman Substation (Phase 1)					\$1,185,000	\$1,185,000
TOTAL	\$2,420,000	\$0	\$2,600,000	\$400,000	\$1,185,000	\$6,605,000

Capital Improvement Plan: FY2018-2022

Guana Substation



Sampson Substation:



Capital Improvement Plan: FY2018-2022

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 Jacksonville 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	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Install Fiber and Equipment	\$60,000	\$60,000				\$120,000

Capital Improvement Plan: FY2018-2022

Project Title: Motor Switch Replacement

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Motor-Operated Switches (MOS) are used for isolating and disconnecting substation power transformers in order to conduct maintenance, testing, and system restoration & reconfiguration during outages.

BES has identified the need to replace 14 MOS at four of its six substations due to a combination of age, degradation, and maintenance issues. Since the 14 MOS have reached their end of useful and practical life, replacement is necessary to ensure the reliability and safe operation of Beaches Energy Services' electric system.

Improved substation design and equipment prompted BES to reevaluate the current application of its MOS on a per-substation basis. Engineering recommendations are to replace eight of the 14 MOS with like for like equipment, and upgrade the remaining six MOS to Circuit Switchers to align with the preferred industry solution for substation power transformer protection and isolation.

Engineering for the project was completed in FY2016 and FY2017. Procurement of all major equipment was completed in FY2017. Procurement of construction materials and installation of major equipment will be completed between FY2017 and FY2019.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Sampson MOS Replacement	\$176,000					\$176,000
Jax Beach MOS Replacement	\$185,000					\$185,000
Butler MOS Replacement	\$193,000					\$193,000
Ft. Diego MOS Replacement		\$185,000				\$185,000
TOTAL	\$554,000	\$185,000	\$0	\$0	\$0	\$739,000

Capital Improvement Plan: FY2018-2022

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 have the identified deteriorated items replaced. Beaches Energy Services (BES) had its two longest transmission lines and supporting infrastructure inspected in 2015 which revealed numerous minor, and some medium, issues.

Historically, this budget line item was \$50,000 and was allocated for unplanned repairs as necessary to maintain system reliability and service. However, as a result of the inspections conducted in 2015, this budget line item has been increased to allow BES to proactively address its transmission line hardware issues. BES plans to upgrade and or repair the issues identified on the 804 & 805E transmission lines which connect our Sampson and Ft. Diego substations, as well as have the remainder of its transmission lines inspected. This approach will allow BES to proactively identify and resolve transmission hardware issues to ensure the delivery of safe and reliable electric service to our community.

FY2018 funding includes the King's Road bridge transmission line relocation. This is required by FDOT as part of the A1A and vicinity drainage improvement project.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Transmission Line Hardware Renewal and Replacement	\$1,000,000	\$500,000	\$500,000	\$500,000	\$500,000	\$3,000,000

Capital Improvement Plan: FY2018-2022

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 Physical Security \$220,000 in FY 2018, \$20,000 in FY 2019, \$20,000 in FY 2020, \$20,000 in FY 2021, and \$20,000 in FY2022: NERC Standards CIP 002 through CIP 011 “Cyber Security” became effective requiring additional security measures for assets including control centers and substations. The Centralized Transmission Operator (TOP) moved our Medium Impact responsibilities to Orlando Utilities Commission (OUC). However, we are responsible for the **Low Impact** requirements. These Low Impact facilities are defined such 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 and would have a detrimental impact on the reliability or operability of the electric grid, or would cause significant risk to public health and safety. Florida Municipal Power Agency (FMPA) is currently working on an assessment of the asset elements necessary to meet these requirements such as a “high tech” locks with impossible to difficult to copy keys, a “card reader” security access to substations control room doors and control center doors along with data recording, logging, and associated security systems with an electronic security perimeter in and around the substation properties.

Consulting Fees \$100,000 in FY 2018-FY2022: 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 NERC CIP compliance gap analysis, and medium impact facilities NERC CIP compliance gap analysis.

Centralized TOP (Transmission Operator) Agreement: \$195,000 in FY2018 plus \$750,000 annual operating costs: 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.

Capital Improvement Plan: FY2018-2022

Regulatory Compliance Plan Summary:

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Cyber Physical Security	\$220,000	\$20,000	\$20,000	\$20,000	\$20,000	\$300,000
Consulting Fees	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Centralized TOP (3 rd /Final Year)	\$195,000	-	-	-		\$195,000
Centralized TOP - Annual Operating Costs	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$3,750,000
Total	\$1,265,000	\$870,000	\$870,000	\$870,000	\$870,000	\$4,745,000

Capital Improvement Plan: FY2018-2022

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. The current plan calls for a main extension to The Player's Championship course in fiscal year 2018, and pathway through the grounds of local residences, once an agreement is reached.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Capital Improvements	\$150,000	\$140,000	\$125,000	\$125,000	\$125,000	\$665,000

Capital Improvement Plan: FY2018-2022

Finance Department							
Funding Sources:		2018	2019	2020	2021	2022	Total
General Capital Projects Fund IT Reserve	315	826,593	711,293	764,968	475,126	280,021	3,058,001
General Capital Projects Fund Utility Billing Reserve	315	-	33,000	-	-	-	33,000
General Capital Projects Fund Building Systems	315	399,000	243,000	203,000	306,000	450,000	1,601,000
Total CIP Funding Sources		1,225,593	987,293	967,968	781,126	730,021	4,692,001
<hr/>							
Expenses:	Fund						
Information Systems:							
Information Systems Master Plan	315	-	140,000	165,000	75,000	210,000	590,000
Annual Computer Replacement Plan	315	70,228	69,811	69,968	70,126	70,021	350,154
City-wide Telephone System Replacement	315	162,100	-	-	-	-	162,100
Enterprise Resource Planning System	315	594,265	501,482	530,000	330,000	-	1,955,747
		826,593	711,293	764,968	475,126	280,021	3,058,001
Utility Billing:							
Planet Press Printer	315	-	33,000	-	-	-	33,000
		-	33,000	-	-	-	33,000
Property & Procurement							
Major Bldg Systems repairs/replacements	315	349,000	193,000	153,000	256,000	400,000	1,351,000
Major Bldg Systems repairs/replacements (not capital)		50,000	50,000	50,000	50,000	50,000	250,000
		399,000	243,000	203,000	306,000	450,000	1,601,000
Total CIP - Finance		\$1,225,593	\$987,293	\$967,968	\$781,126	\$730,021	\$4,692,001

Capital Improvement Plan: FY2018-2022

Project Title: Information Systems Master Plan

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: In 2011, the City implemented a master plan to guide the purchase and replacement of its information technology systems. Phase 1 of this plan included the purchase and installation of equipment at an offsite location that permits the City to continue to operate its information systems in the event of a disaster. Phase 2 of the plan consists of the routine replacement/upgrading of following equipment:

2019

Replace EIS Servers at Police Department/Expand VxRail - \$140,000: We purchased the current EIS Servers in 2014. The EIS servers house the Police Department's dispatch, report generating, evidence tracking and operational software. With a 5-year life expectancy, we scheduled these servers for replacement in 2019. We will replace the EIS servers by expanding the existing VxRail hardware and incorporating Police operations into the City's hardware platform. This provides redundancy of the Police systems in the event of an outage or evacuation. *There are no current or expected future budget impacts, as we purchase the equipment with a 5-year warranty.*

2020

Replace Core Routers - \$120,000: 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. We purchased the current core routers in 2015. With a 5 to 6-year life expectancy, the routers are scheduled for replacement in 2020. *Annual maintenance costs will remain unchanged.*

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. We purchased the current firewalls in 2015. The current models will reach end-of-life in 2020 and will need to be replaced/upgraded. *Annual maintenance costs will remain unchanged.*

2021

Update VxRail/Extend Service Contract - \$75,000: We installed the VxRail system in 2016 as a replacement for the existing blade center and storage area network. This is a hyper-converged system that combines server, storage and networking technology in one system. This system has the flexibility for future integration and the ability to grow in measured steps for further expansion. At least every 5 years, we need to evaluate the need for expansion or updating the capabilities on the VxRail hardware platform. This may come in the form of extra drives to expand storage, extra RAM or CPUs to expand compute capacity. *Annual maintenance costs will remain unchanged.*

Capital Improvement Plan: FY2018-2022

2022

Replace Switches - \$200,000: A switch moves data traffic between locations within the confines of the city network. We replaced the switches used to distribute data traffic to the desktop computers in 2017. Base on a 5-year life expectancy, we need to replace the switches again in 2022. *This purchase will not produce any future operating budget impact for annual maintenance because we will purchase the equipment with a 5-year warranty.*

Replace E-Mail Filter - \$10,000: We purchased the current e-mail filter in 2017 and it is scheduled for replacement in 2022 based on the 5-year network equipment replacement plan. *Annual maintenance costs will remain unchanged.*

Anticipated 10-year replacement cycle:

Project	2018	2019	2020	2021	2022	2023	2024	2025	2026
Replace Core Routers			X					X	
Replace EIS Servers (Police Department)									
Replace Firewalls			X					X	
Expand VxRail		X							
Update VxRail				X					X
Replace Switches					X				
Replace E-Mail Filter					X				
Replace VxRail							X		

Funding Source: General Capital Projects Fund via transfers from General Fund, Electric and Water/Sewer Funds

Project	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Replace Core Routers			\$120,000			\$120,000
Replace Firewalls			\$45,000			\$45,000
Expand VxRail		\$140,000				\$140,000
Update VxRail				\$75,000		\$75,000
Replace Switches					\$200,000	\$200,000
Replace E-Mail Filter					\$10,000	\$10,000
Totals		\$140,000	\$165,000	\$75,000	\$210,000	\$590,000

Capital Improvement Plan: FY2018-2022

Project Title: Annual Computer Replacement Plan

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: The Information Systems Master Plan includes a 5-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. This also helps eliminate the need to replace computers on an emergency basis and minimizes staff downtime caused by unplanned computer replacements or repairs.

All costs are based on FY2017 quoted/actual pricing.

Funding Source: General Capital Projects Fund via transfers from the Leased Facilities Fund

By Department:	2018		2019		2020		2021		2022		TOTAL	
	Qty	Cost	Qty	Cost								
BES	14	\$9,205	7	\$3,360	10	\$8,454	8	\$9,691	15	\$15,450	54	\$46,160
City Manager	0	\$0	1	\$840	2	\$1,680	0	\$0	1	\$840	4	\$3,360
City Clerk	0	\$0	0	\$0	3	\$3,098	1	\$840	0	\$0	4	\$3,938
Finance	13	\$10,034	14	\$11,448	8	\$6,458	7	\$8,258	19	\$16,496	61	\$52,694
Fire	1	\$1,418	1	\$840	2	\$2,836	5	\$7,630	0	\$0	9	\$12,724
HR	0	\$0	0	\$0	4	\$4,516	2	\$1,680	3	\$2,520	9	\$8,716
Parks	10	\$8,878	1	\$840	2	\$1,680	7	\$6,053	6	\$4,200	26	\$21,651
Planning	4	\$3,360	3	\$2,520	1	\$1,418	0	\$0	2	\$1,680	10	\$8,978
Police	30	\$31,237	31	\$45,763	29	\$30,047	23	\$26,305	21	\$20,006	134	\$153,358
PW	6	\$6,096	5	\$4,200	12	\$9,781	7	\$9,669	10	\$8,829	40	\$38,575
TOTAL	78	\$70,228	63	\$69,811	73	\$69,968	60	\$70,126	77	\$70,021	351	\$350,154

Capital Improvement Plan: FY2018-2022

By Device Type:	2018		2019		2020		2021		2022		TOTAL	
	Qty	Cost	Qty	Cost								
Enhanced Desktop	1	\$905	0	\$0	1	\$905	3	\$5,400	3	\$2,750	8	\$9,960
Laptop w/dock	8	\$11,344	0	\$0	14	\$19,852	10	\$14,508	8	\$11,344	40	\$57,048
Rugged	2	\$6,226	11	\$34,243	1	\$3,113	5	\$15,565	2	\$6,226	21	\$65,373
Laptop	15	\$16,185	0	\$0	18	\$19,422	15	\$16,185	15	\$16,185	63	\$67,977
Standard Desktop	52	\$35,568	52	\$35,568	39	\$26,676	27	\$18,468	49	\$33,516	219	\$149,796
TOTAL	78	\$70,228	63	\$69,811	73	\$69,968	60	\$70,126	77	\$70,021	351	\$350,154

Capital Improvement Plan: FY2018-2022

Project Title: City-Wide Telephone System

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: The City currently has one or more telephone systems in each of its buildings. The systems do not operate the same way or have the same features. Managing and coordinating service for these phone systems is difficult and time consuming. A unified communications system throughout the City will simplify management of the system, decrease maintenance costs, improve support speed, and allow all employees to be knowledgeable on a standardized telephone system.

We have been setting funds aside to expand the Avaya Telephone System, provided by Converged Communications, that is currently utilized in the Utility Billing Division. During a recent upgrade of the Avaya System, the vendor was instructed to create a system that would be expandable to meet future needs. This solution will expand our largest existing telephone system, thereby eliminating the need to replace the equipment in Utility Billing. Expanding the Avaya System will provide the following benefits:

- Long-term savings on maintenance costs
- Centralized voicemail with indicators on the telephone 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
- Statistical analysis of calls, to include number of calls per day and time to answer
- State of Florida contract pricing

Funding Source: General Capital Projects Fund via transfers from the Information Systems Internal Service Fund

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Unified Communication System	\$162,100					\$162,100

Future Operating Budget Impact:

	2018	2019	2020	2021	2022	TOTAL
Annual Maintenance on Current Systems	\$74,520	\$74,520	\$74,520	\$74,520	\$74,520	\$372,600
Annual Maintenance on New Systems	\$21,600	\$39,600	\$39,600	\$39,600	\$39,600	\$180,000
Net Operating Cost (Savings)	(\$52,920)	(\$34,920)	(\$34,920)	(\$34,920)	(\$34,920)	(\$192,600)

Capital Improvement Plan: FY2018-2022

Project Title: Enterprise Resource Planning System

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: Enterprise Resource Planning (ERP) is a business technology term for an information system based on a common database and software tools that enable information to be easily accessed, compared and shared throughout an organization. In 2017, we began implementation of an integrated, Windows-based ERP. We are implementing the ERP in two stages over approximately a 4-year period.

Stage 1: City Council approved a contract with Tyler Technologies in 2016 for the purchase and implementation of their Munis Software System, which includes financial, human resources, payroll and utility billing modules. Full implementation of Stage 1 applications is estimated to take at least 24 months and will be completed in 3 phases:

- Phase 1- Financials – target online date January 2018
- Phase 2 - Human Resources and Payroll – target online date October 2018
- Phase 3 - Utility Billing – target online date January 2019

Stage 2: In 2019, we will issue a second request for proposal for the GIS-based and mobile applications, which will include planning and development, permitting, business licenses, work orders and enterprise asset management. An early estimate is \$860,000 in 2020 and 2021 for this stage of the project and about \$50,000 in annual maintenance fees.

Funding Source: General Capital Projects Fund via transfers from the General Fund

	PRIOR	2018	2019	2020	2021	2022	TOTAL
Software	\$780,100	\$256,870	\$313,491	\$500,000	\$300,000	-	\$1,370,361
Hardware	\$31,060	\$47,783	-	-	-	-	\$47,783
Services	\$343,460	\$289,612	\$187,991	\$30,000	\$30,000	-	\$537,603
Total	\$1,154,620	\$594,265	\$501,482	\$530,000	\$330,000	\$0	\$1,955,747

Future Operating Budget Impact:

	2018	2019	2020	2021	2022	TOTAL
Annual Maintenance on SunGard Applications	-	-	-	-	(\$103,000)	(\$103,000)
Annual Maintenance on New ERP Applications	\$175,000	\$240,000	\$280,000	\$290,000	\$300,000	\$1,285,000
Net Operating Cost (Savings)	\$175,000	\$240,000	\$280,000	\$290,000	\$197,000	\$1,182,000

Capital Improvement Plan: FY2018-2022

Project Title: Utility Billing Planet Press Printer

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The Planet Press Riso Printer is necessary to print professional utility bill documents, delinquent notices and other miscellaneous billings. The current printer was put into operation in 2014 for printing the newly designed utility bills. This is an essential utility billing ink jet printer capable of printing up to 120 pages per minute. The Riso printer prints approximately 400,000 utility bills and delinquent notices per year. By 2019, approximately 2,000,000 documents will have been processed utilizing the Riso printer.

There will 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

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Pitney Riso Printer		\$33,000				\$33,000

Capital Improvement Plan: FY2018-2022

Project Title: Buildings and Systems – Repair/Replacement/Maintenance

Department/Division: Finance/Property & Procurement

Project Description and Reason Necessary: The Property and Procurement Division is responsible for the management and maintenance of 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	Safe Harbor Restaurant	2510 2nd Avenue North
12	Archive Building	337 1st Avenue South
13	Seawalk Pavilion	75 North First Street
14	Parks and Recreation	2508 South Beach Parkway
15	Carver Center	777 5 th Avenue South
16	Golf Course – Club House	605 S. Penman Rd
17	Golf Course – Maintenance Bldgs	605 S. Penman Rd
18	Wingate Park Facilities	277 S. Penman Rd
19	Tennis Center	218 16 th Avenue South
20	Ocean Front Restrooms	2 nd Avenue North 5 th Avenue North Oceanfront Park
21	H. Warren Smith Memorial Cemetery	1538 2 nd Avenue North

Each building is inspected by City staff bi-annually to achieve desired maintenance and safety standards. Inspection includes thorough examination of the major building component. 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.

Capital Improvement Plan: FY2018-2022

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

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. Following replacements are planned over the next five years based on age of current equipment:

HVAC Replacement Schedule						
	2018	2019	2020	2021	2022	TOTALS
City Hall	\$163,000	-	-	-	-	\$163,000
Water Plant 1	\$ 19,000	-	-	-	-	\$ 19,000
Archives	-	\$ 6,000	-	-	-	\$ 6,000
Golf Cart Barn	-	\$ 3,000	-	-	-	\$ 3,000
Fire Station 2	-	\$ 13,000	-	-	-	\$ 13,000
Golf Course	-	\$ 34,000	-	-	-	\$ 34,000
Community Center	-	-	\$ 58,000	-	-	\$ 58,000
Water Plant 2	-	-	\$ 2,000	-	-	\$ 2,000
Meter Shop	-	-	\$ 16,000	-	-	\$ 16,000
Fire Station 1	-	-	\$ 42,000	-	-	\$ 42,000
Animal Control	-	-	-	\$ 10,000	-	\$ 10,000
Comm Services	-	-	-	\$ 17,000	-	\$ 17,000
Golf Maintenance	-	-	-	\$ 23,000	-	\$ 23,000
Wingate Baseball	-	-	-	\$ 6,000	-	\$ 6,000
Cemetery	-	-	-	-	\$ 3,000	\$ 3,000
Gonzalez Park	-	-	-	-	\$ 5,000	\$ 5,000
Police Property	-	-	-	-	\$ 12,000	\$ 12,000
Wingate Football	-	-	-	-	\$ 17,000	\$ 17,000
Police Dept	-	-	-	-	\$135,000	\$135,000
O&M Bldg	-	-	-	-	\$120,000	\$120,000
Carver Center	-	-	-	-	\$ 27,000	\$ 27,000
Huguenot Park	-	-	-	-	\$ 7,000	\$ 7,000
Lifeguard Station	-	-	-	-	\$ 19,000	\$ 19,000
Pollution Control	-	-	-	-	\$ 42,000	\$ 42,000
Garage	-	-	-	-	\$ 13,000	\$ 13,000
TOTALS	\$182,000	\$ 56,000	\$118,000	\$ 56,000	\$400,000	\$812,000

Capital Improvement Plan: FY2018-2022

Repair and Replace Curbing at O&M Facility:

There is approximately 3,500 linear feet of broken or cracked cement curbing at the O&M Facility. The current curbing is sitting on top of the asphalt and should have a foundation at least 12” underground. Cost to repair is approximately \$28.50 per linear foot for total outlay of about \$100,000.

Airflow Automation Controls:

The current remote control system (Tracer Summit) for the airflow control at City Hall is outdated and does not provide the accuracy nor compatibility with the web control system operating the O&M Facility and Police Department. Replacing this system would enable greater energy efficiency and could be expanded to include control at the Carver Center. Cost to upgrade is \$35,000. The purchase of similar automation control at the Fire Department and Parks and Recreation is scheduled in 2020 at a cost of \$35,000.

Repair VAV controls at O&M and City Hall:

The Variable Air Volume (VAV) controls at the O&M and City Hall are no longer serviceable due to age and wear and tear. Repair and/or replacement will provide greater control of airflow in these buildings. Each VAV box will cost approximately \$2,000, for a total outlay of \$30,000.

Main Breaker Maintenance at O&M:

A main breaker distributes power from the transformer to the buildings at the O&M. There are four (4) main breakers at the O&M Facility and each breaker costs approximately \$30,000. The useful life of a breaker is approximately 20 years. Proper maintenance will extend the useful life. Maintenance cost is approximately \$26,000.

Move Superintendent Office to Parks Maintenance Building:

The Golf Course Superintendent’s office is currently located in the Cart Barn adjacent to the Golf Course Clubhouse. Moving the office to the same location as maintenance staff will facilitate communication, interaction and staff oversight. Cost to reconfigure space is approximately \$16,000.

Surge Protection for O&M Fuel Master:

The Fuel Master is the electronic system that provides information for fuel inventory management and regulates the fuel supply from the storage tank to the fuel pumps. The system currently does not have surge protection. The motherboard was replaced twice in the past year due to lightning strikes. Cost to install is approximately \$10,000 and this investment will include surge protection for all the HVAC units at the O&M Facility.

O&M Fire Alarm System:

The Fire Alarm system at the O&M Facility is reaching the end of its useful life and will require replacement in 2019. Cost to replace is approximately \$45,000.

Capital Improvement Plan: FY2018-2022

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, vinyl plank tile or VCT tile. The first floor at the O&M Administration Building has VCT tile that is over twenty (20) years old. Replacing VCT with vinyl plank flooring will reduce costs associated with stripping and waxing while provide a long-term durable floor covering. Cost to complete is approximately \$30,000.

Portable Generator Plug:

The purchase of a portable generator plug will reduce wear and tear during routine maintenance as it could plug directly into the generator to perform load tests that save time and expense. In addition, it would enable the use of a stand by generator without the need to incorporate expensive wiring. Cost to purchase is approximately \$12,000.

O&M Generator Replacement:

The generator at the O&M is nearing the end of its useful life and is scheduled for replacement in fiscal year 2021. Estimated replacement cost is \$200,000.

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: FY2018-2022

Funding Sources: General Capital Projects Fund via transfers from the General Fund, Leased Facilities, Electric and Water/Sewer Funds.

Project	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Major Building Maintenance Repair/Replacement Projects						
HVAC Replacements	\$182,000	\$56,000	\$118,000	\$56,000	\$400,000	\$812,000
Repair and Replace Curbing at O&M	\$50,000	\$50,000				\$100,000
Airflow Automation Controls	\$35,000		\$35,000			\$70,000
Repair VAV functions at City Hall & O&M	\$30,000					\$30,000
Main Breaker Maintenance at O&M	\$26,000					\$26,000
Move Superintendent Office to Parks Maintenance Bldg.	\$16,000					\$16,000
Surge protection for O&M Fuel Master	\$10,000					\$10,000
New Fire Alarm System O&M		\$45,000				\$45,000
Flooring replacement O&M		\$30,000				\$30,000
Portable Generator Plug for O&M		\$12,000				\$12,000
Generator Replacement - O&M Facility				\$200,000		\$200,000
SUBTOTAL CAPITAL	\$349,000	\$193,000	\$153,000	\$256,000	\$400,000	\$1,351,000
Ongoing Maintenance Projects						
Interior and Exterior Wall Surface Painting	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Minor Electrical, HVAC, Painting and Plumbing Projects	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
SUBTOTAL OPERATING	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
GRAND TOTAL	\$399,000	\$243,000	\$203,000	\$306,000	\$450,000	\$1,601,000

Capital Improvement Plan: FY2018-2022

Police & Fire Departments							
Funding Sources:		2018	2019	2020	2021	2022	Total
General Fund	001	198,000	199,500	199,500	199,500	160,000	956,500
General Capital Projects Fire Apparatus Reserve	315	375,000	-	-	375,000	-	750,000
General Capital Projects Radio Reserve	315	-	210,000	157,500	105,000	26,250	498,750
Equitable Sharing Trust Fund Radio Reserve	631	210,000	-	-	-	-	210,000
Total CIP Funding Sources		783,000	409,500	357,000	679,500	186,250	2,415,250
<hr/>							
Expenses:	Fund						
Police:							
Vehicle Replacement Program-Police	001	160,000	160,000	160,000	160,000	160,000	800,000
Fire:							
Vehicle Replacement Program-Fire	001	38,000	-	-	-	-	38,000
Fire Apparatus Replacement/Maintenance	315	375,000	-	-	375,000	-	750,000
Radio System Upgrade	315/631	210,000	210,000	157,500	105,000	26,250	708,750
Zoll Cardiac Monitor Replacement	001	-	39,500	39,500	39,500	-	118,500
Sub-Total Fire:		623,000	249,500	197,000	519,500	26,250	1,615,250
Total CIP - Police & Fire		\$783,000	\$409,500	\$357,000	\$679,500	\$186,250	\$2,415,250

Capital Improvement Plan: FY2018-2022

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 scheduled for replacement each year are identified based on a combination of mileage, condition and cost-effective performance.

Division (FY Replacement)	Vehicle #	Model Year	Description	Mileage (Hours) 2/1/17	Estimated Replacement Cost
Police-General Fund	various	various	Replace 4-6 patrol vehicles	-	\$160,000 annual; \$800,000 five years
Police-Downtown CAPE	See Community Redevelopment Agency section of this plan for details				
Fire Shift Commander (2018)	#709	2011	Chevy Tahoe*	22,909	\$38,000
Fire Marshal (2018)	#708	2003	Ford Excursion 4x4*	80,835	\$0*
Fire Training / Safety (2026)	#716	2016	Ford F150	3,663	\$35,000

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

Funding Sources: General Fund

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Police	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$800,000
Fire	\$38,000	\$0*	\$0	\$0	\$0	\$38,000
Police-DT CAPE (Downtown Redevelopment)	See Community Redevelopment Agency section of this plan for details					
TOTAL General Fund	\$198,000	\$160,000	\$160,000	\$160,000	\$160,000	\$838,000

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

Capital Improvement Plan: FY2018-2022

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 schedule as part of its business plan in order to distribute the cost of replacement at approximately \$75,000 per year. NFPA recommends front-line service of 15 years for a properly maintained apparatus and another 10 years of reserve service. After approximately 25 years, units are considered for replacement. This timetable has been extended using maintenance upgrades due to the high cost of replacement apparatus.

In FY2018, a new rescue pumper may be purchased to replace Squad-13, a 2001 Freightliner. Squad-13 is a rear-mount pumper with a 2-door Commercial Cab and Chassis. Typically, the Commercial Cab and Chassis vehicles have a shorter life span than a Custom Cab and Chassis apparatus. Squad 13 has been in front-line service for 16 years and will be used as a trade-in. In FY2021, Engine-22, a 2006 Emergency-1 Custom Pumper will be replaced as a front-line apparatus and placed in reserve.

Funding Source: General Capital Projects Fund – reserve cash on hand and annual transfers from the General Fund.

General Capital Projects Fund – Fire Apparatus Replacement Funding Progress:

	FY2018	FY2019	FY2020	FY2021	FY2022	5-Year Total
Balance, beginning of year	\$557,004	\$257,004	\$332,004	\$407,004	\$107,004	\$557,004
Deposits, from General Fund	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Est. Available Balance	\$632,004	\$332,004	\$407,004	\$482,004	\$182,004	
Withdrawals:						
Fire Apparatus Replacement	\$375,000			\$375,000		\$750,000
Balance, end of year	\$257,004	\$332,004	\$407,004	\$107,004	\$182,004	\$182,004

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

Capital Improvement Plan: FY2018-2022

Project Title: Public Safety Radio Replacement

Department/Division: Police & Fire

Project Description and Reason Necessary: The City's 800 MHz Motorola Radio System was upgraded to an ASR 5-channel system in 2017. Radio replacements were not included in this purchase. Approximately 367 radios from various City Departments are connected to this system. As funds are available, the General Fund makes a series of transfers to the General Capital Projects Fund to build a reserve to pay for the replacement of 181 Public Safety radios. Other City radios will be funded by the responsible department in its annual budget as needed.

Public Safety, which includes the Police and Fire departments as well as 9-1-1 Communications, began replacing aging and unserviceable radios in 2017. Radio purchases will be made each year until all 181 are replaced. Public Safety radios are distributed as follows:

- Police: 128 radios
- 9-1-1 Dispatch: 6
- Fire: 45
- Emergency Operations Center: 2

Funding Sources: General Capital Projects Fund (GCP), Equitable Sharing Trust Fund, and Community Redevelopment Agency (CRA)

General Capital Projects Fund - Radio Reserve Funding Progress:

	FY2018	FY2019	FY2020	FY2021	FY2022	5-Year Total
Balance, beginning of year:	\$183,995	\$283,995	\$173,995	\$116,495	\$111,495	\$183,995
Deposits, from General Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$50,000	\$450,000
Est. Available Balance	\$283,995	\$383,995	\$273,995	\$216,495	\$161,495	
Withdrawals:						
APX Radios (Police count)		\$210,000 (40)	\$52,500 (10)			\$262,500
APX Radios (Fire count)			\$105,000 (20)	\$105,000 (20)	\$26,250 (5)	\$236,250
Balance, end of year:	\$283,995	\$173,995	\$116,495	\$111,495	\$135,245	\$135,245

Equitable Sharing Trust Fund Purchases:

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
APX Radios (Police count)	\$210,000 (40)					\$210,000

Capital Improvement Plan: FY2018-2022

Project Title: Zoll Cardiac Monitor Replacement

Department/Division: Fire

Project Description and Reason Necessary:

The Jacksonville Beach Fire Department operates three apparatus with Advanced Life Support (ALS) capabilities. Currently all three engines utilize the Zoll E-Series Monitor/Defibrillator. These units allow us to monitor cardiac rhythms, defibrillate patients in cardiac arrest, provide synchronized cardioversion (slow the heart rate), provide pacing (speed up a slow heart rate) along with a host of other cardiac diagnostic tools. One of our units was purchased new in 2006; the other two are refurbished units that we purchased in 2014 with a Firehouse Subs Grant. Both units were manufactured in 2006/2007. The manufacturer guarantees serviceability for seven years after the models manufactured date. Our units are on a “limited service” status meaning they can only be repaired if parts are available.

Total cost per monitor is currently \$39,500; this includes the monitor, batteries, charger, and various cables and sensors.

Funding Source: General Fund

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Zoll Cardiac Monitor		\$39,500	\$39,500	\$39,500		\$118,500

Capital Improvement Plan: FY2018-2022

Parks & Recreation							
Funding Sources:		2018	2019	2020	2021	2022	Total
General Fund	001	158,969	197,500	60,000	49,000	49,000	514,469
Golf Course Fund	440	15,000	47,500	47,000	47,000	15,000	171,500
Unfunded	Unfunded					-	-
Total CIP Funding Sources		173,969	245,000	107,000	96,000	64,000	685,969
<hr/>							
Expenses:		Fund					
Ocean Rescue:							
Vehicle Replacement Program	001	53,000	34,000	19,000	34,000	34,000	174,000
		<u>53,000</u>	<u>34,000</u>	<u>19,000</u>	<u>34,000</u>	<u>34,000</u>	<u>174,000</u>
Grounds Maintenance:							
Vehicle Replacement Program	001	25,000	26,000	26,000			77,000
Heavy Equipment Replacement Program	001/440	53,000	25,000	32,000	32,000	-	142,000
		<u>78,000</u>	<u>51,000</u>	<u>58,000</u>	<u>32,000</u>	<u>-</u>	<u>219,000</u>
Administration:							
Playground & Parks Replacements	001		65,000				65,000
		<u>-</u>	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,000</u>
Tennis:							
Huguenot Park Tennis Facility	001	12,969					12,969
		<u>12,969</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,969</u>
Golf Course:							
Golf Course & Grounds Irrigation Control System (not capital)	001/440	30,000	95,000	30,000	30,000	30,000	215,000
		<u>30,000</u>	<u>95,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>215,000</u>
Total CIP - Parks & Recreation		\$173,969	\$245,000	\$107,000	\$96,000	\$64,000	\$685,969

Capital Improvement Plan: FY2018-2022

Project Title: Vehicle Replacement Program

Department/Division: Parks and Recreation

Project Description and Reason Necessary:

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

Funding Source: General Fund, Operating Revenues and Fund Balance

Division (FY Replacement)	Truck#	Model Year	Description	Mileage / (Hours) at 3/2017	Estimated Replace. Cost
Ocean Rescue (2018)	609	2006	Chevy Colorado	59,421	\$34,000
Ocean Rescue (2018)	612	2012	Kubota RTV 1140 CPX		\$19,000
Ocean Rescue (2018)	611	2010	Chevy Silverado	18,096	Retired/ replace with 601*
Ocean Rescue (2019)	610	2011	Chevy Silverado	17,094	\$34,000
Ocean Rescue (2020)	614	2014	Kubota RTV 1140 CPX		\$19,000
Ocean Rescue (2021)	604	2014	Chevy Silverado	6,170	\$34,000
Ocean Rescue (2022)	606	2015	Chevy Silverado	5,902	\$34,000
Grounds Maintenance (2018)	902	2001	Chevrolet C1500 truck	35,885	\$25,000
Grounds Maintenance (2019)	904	2003	Ford F-250 truck	37,821	\$26,000
Grounds Maintenance (2020)	901	2005	Ford F-250 4x4	30,392	\$26,000
TOTAL					\$251,000

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-year 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 replacement cost of \$34,000 includes the vehicle cost of \$27,500 plus \$6,500 in ancillary costs to make the vehicle ready for service.

*In FY2018 or earlier, Ocean Rescue truck #611 will be retired from the fleet and Administration truck #601 will be transferred to Ocean Rescue.

Funding Sources: General Fund

Division	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Ocean Rescue	\$53,000	\$34,000	\$19,000	\$34,000	\$34,000	\$174,000
Grounds Maintenance	\$25,000	\$26,000	\$26,000			\$77,000
TOTAL	\$78,000	\$60,000	\$45,000	\$34,000	\$34,000	\$251,000

Capital Improvement Plan: FY2018-2022

Project Title: Heavy Equipment Replacement Program

Department/Division: Parks and Recreation / Grounds Maintenance

Project Description and Reason Necessary:

The Parks & Recreation Department is responsible for maintaining approximately 135 acres of grounds and turf at various City facilities, parks, ballfields and the golf course. Much of the equipment used to maintain the grounds is of a specialized nature and is replaced infrequently.

2018

The **5-gang self-contained mower** is not currently in inventory. The staff currently uses a 30-year old pull behind ground driven mower. With the self-contained mower, there is no need for a tractor to pull the equipment and only have one piece of equipment to maintain. The self-contained unit will be able to be used on all ballfields and can be used at the Golf Course, if necessary. The self-contained unit can mow in different directions whereas current tractor-pulled unit can only mow in one direction, requiring more staff to do the same job (funding source: General Fund - \$53,000).

2019

The **sand pro** is used to rake, drag and smooth the clay infields and warning tracks at the various ballfields throughout the City. The equipment that is currently being used to perform these tasks is approximately 12 years old and requires the assistance of a manual push broom when dragging the fields (funding source: General Fund - \$25,000).

2020

The purchase of a **triplex reel mower** will replace a 10-year old triplex mower. The triplex mower mows greens, tees, collars, and approaches. The current mower has been heavily used at 3 – 5 hours a day, 7 days a week. The life span of this piece of equipment is usually 5 years (funding source: General Fund as a transfer to Golf Course - \$32,000).

2021

A **Top Dresser** evenly applies materials such as fertilizer or sand to the surface of tees, ballfields, greens, or other park spaces. Newer models have smaller footprints, provide greater capacity, and allow for turf specific calibrations. These features in combination allow staff to work more efficiently and better protect the turf from heavy equipment (funding source: General Fund as a transfer to Golf Course - \$32,000).

Capital Improvement Plan: FY2018-2022

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
5 Gang Self-Contained Mower	\$53,000					\$53,000
Sand Pro		\$25,000				\$25,000
Triplex Mower			\$32,000			\$32,000
Top Dresser				\$32,000		\$32,000
TOTAL	\$53,000	\$25,000	\$32,000	\$32,000	\$0	\$142,000

Funding Sources:

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
General Fund	\$53,000	\$25,000				\$78,000
Golf Course Fund			\$32,000	\$32,000		\$64,000
TOTAL	\$53,000	\$25,000	\$32,000	\$32,000	\$0	\$142,000

Capital Improvement Plan: FY2018-2022

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.

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.

Funding Sources: General Fund

Description (funding source)	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Tall Pines Park-playground equipment		\$65,000				\$65,000

Capital Improvement Plan: FY2018-2022

Project Title: Huguenot Park Tennis Facility

Department/Division: Parks & Recreation / Tennis Facility

Project Description and Reason Necessary:

Huguenot Tennis Facility has seven plexi-cushion tennis courts. Three courts on the west side of the facility were rebuilt in 2010; three courts on the east side of the building were rebuilt in 2011. The court in the back of the facility was rebuilt in 2012. The courts need to be resurfaced about every 7-9 years. The courts are scraped and sanded to remove loose, uneven or damaged areas. Then, as needed, areas may be patched. A coating is then applied to the repaired surface, followed by texture, color and finishing coats. Estimated cost includes a 10% contingency in case there are sub surface problems (tree roots) that need to be addressed.

Funding Source: General Fund/Tennis Capital Improvement Fees

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Resurface east side (courts 4, 5, and 6)	\$12,969					\$12,969
Total	\$12,969					\$12,969

Capital Improvement Plan: FY2018-2022

Project Title: City-wide Grounds and Golf Course Irrigation Control System

Department/Division: Parks & Recreation / Golf Course and Grounds Maintenance

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 then supply water to the sprinkler heads. These electric valves are supplied by water from a steel fitting connected to pvc pipe beneath the ground.

The existing steel fittings 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.

The existing computer control system is a Toro "Osmac", purchased about thirteen years ago. The circuit boards and connections are corroded and are in need of replacement. The replacement of this part of the system (\$60,000 - \$65,000) is included in the FY2019 estimated cost.

Funding Source: General Fund and Golf Course Fund

	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Golf Course Irrigation System	\$30,000	\$95,000	\$30,000	\$30,000	\$30,000	\$215,000

Future Operating Budget Impact: No anticipated operating budget increase.

Capital Improvement Plan: FY2018-2022

Community Redevelopment Agency							
Funding Sources:		2018	2019	2020	2021	2022	Total
Downtown Redevelopment Tax Increment Fund	181	560,100	5,431,500	4,014,600	405,600	4,045,500	14,457,300
Southend Tax Increment Fund	182	3,963,000	2,050,000	2,334,000	4,136,000	-	12,483,000
1/2 Cent Infrastructure Surtax Bond Proceeds	317	-	-	-	-	3,000,000	3,000,000
Water & Sewer Utility Operating Revenues	420	-	-	-	300,000	-	300,000
Total CIP Funding Sources		4,523,100	7,481,500	6,348,600	4,841,600	7,045,500	30,240,300
<hr/>							
Expenses:		Fund					
Downtown Redevelopment District	181,317,						
Road & Associated Infrastructure Improvements	& 420	500,000	5,400,000	4,000,000	691,000	7,014,000	17,605,000
Downtown CAPE Vehicle & Heavy Equipment Replacement Program	181	60,100	31,500	14,600	14,600	31,500	152,300
South Beach Redevelopment District	182	3,878,000	2,050,000	2,334,000	4,136,000	-	12,398,000
South Beach Park Improvements	182	85,000	-	-	-	-	85,000
Total CIP - Community Redevelopment Agency		\$ 4,523,100	\$ 7,481,500	\$ 6,348,600	\$ 4,841,600	\$ 7,045,500	\$ 30,240,300

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 community redevelopment programs for the City. The Agency is responsible for managing the City's two redevelopment districts: Downtown and South Beach. Programs consist of a variety of redevelopment and community policing activities. 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 City Council and City Manager.

Both Community Redevelopment District programs are funded from appropriations based on increases in 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: FY2018-2022

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.

- **Phase 3A Project:** Limits are 1st St. N. from 4th Ave. N. to 6th Ave. N., 5th Ave. N. from 1st St. to 3rd St. N and 6th Ave. N. from 1st St. N. to 3rd St. N. *Construction complete.*
- **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, 3, 4 and 5:** Limits include 3rd Street, Beach Boulevard, Street Ends, and 13th Avenue South and Downstream Improvements, if necessary. The scope of work for these phases includes improvements to sanitary sewer, water distribution, stormwater, roadways, alleys, street ends, stormwater modeling, permitting, reconstruction of the existing receiving stormwater pumping station at the Beach Boulevard vault, stilling basins/ponds and downstream channels, and the stormwater pumps at the Central Basin as necessary and other identified ancillary public improvements throughout the area. Due to funding and construction constraints, Phase 3C will be constructed in phases.

Project 3 will include a new 8-inch PVC gravity sewer main on 8th Ave. N. from 1st St. N. to 2nd St. N. to connect existing customers and abandon the existing sewer main on private property.

Capital Improvement Plan: FY2018-2022

Downstream Improvements include: removal and disposal of sediment from the 12th Ave. S. Basin, replace existing stormwater pumps, add new box culverts under 9th St. S., under the golf course cart path at 13th Ave. S. and under Fairway Lane, and clear and widen the channel from the control structure (weir) to the Intracoastal waterway.

- Phase 3D Project 6:** 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.

Design phasing boundaries are currently:

Approximate Design Boundaries				
	<u>North</u>	<u>South</u>	<u>West</u>	<u>East</u>
Phase 3C:				
Project 1	Beach Blvd.	4 th Ave. S.	3 rd St.	Beach Street End
Project 2	11 th Ave. S.	13 th Ave. S.	3 rd St.	Beach Street End
Project 3	7 th Ave. S. 8 th Ave. N.	11 th Ave. S.	3 rd St. 2 nd St. N.	Beach Street End 1 st St. N.
Project 4	4 th Ave. S.	7 th Ave. S.	3 rd St.	Beach Street End
Project 5	Downstream Improvements		Intracoastal Waterway	Central Basin
Phase 3D:				
Project 6	13 th Ave. S.	16 th Ave. S.	3 rd St.	Beach Boulevard
<p>¹ 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 3 through 5.</p>				

Capital Improvement Plan: FY2018-2022

PROJECT (Fund Source)		PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Phase 3A (DT TIF) 6 th Avenue North Design Construct		\$152,454 \$1,919,683						
Phase 3B (DT TIF) Design Construct Const. Admin.		\$155,061 \$867,403 \$110,808						
Phase 3C (DT TIF) Project 1 Design Project 1 Const. Project 2 Design Project 2 Const. Projects 3-5 Design Projects 3-5 Const.		\$336,093 \$6,354,864 \$1,072,000 (est.)\$7,810,814	\$500,000	\$400,000 \$5,000,000	\$4,000,000	\$391,000	\$4,014,000	\$1,291,000 \$13,014,000
Phase 3D Design (W/S) Construct (BJB)						\$300,000	\$3,000,000	\$300,000 \$3,000,000
TOTAL	<i>DT TIF</i> <i>W/S</i> <i>BJB</i>	\$18,779,180	\$500,000	\$5,400,000	\$4,000,000	\$391,000 \$300,000	\$4,014,000 \$3,000,000	\$14,305,000 \$300,000 \$3,000,000

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.

NOTES:

1. These 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: FY2018-2022

**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 eleven 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) 2/1/16	Estimated Replacement Cost
Police-DT CAPE (2018)	0953	2009	Chevrolet Impala	63,367	\$31,500
Police-DT CAPE (2018)	-	2013	ATV	1,022 (Hours)	\$14,000
Police-DT CAPE (2018)	1	2007	Segway	1,300 (Hours)	\$7,300
Police-DT CAPE (2018)	2	2007	Segway	1,200 (Hours)	\$7,300
Police-DT CAPE (2019)	1052	2010	Chevrolet Impala	39,309	\$31,500
Police-DT CAPE (2020)	3	2010	Segway	1,200 (Hours)	\$7,300
Police-DT CAPE (2020)	4	2010	Segway	1,200 (Hours)	\$7,300
Police-DT CAPE (2021)	5	2010	Segway	500 (Hours)	\$7,300
Police-DT CAPE (2021)	6	2010	Segway	600 (Hours)	\$7,300
Police-DT CAPE (2022)	1343	2013	Chevrolet Impala	24,974	\$31,500
TOTAL					\$152,300

	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Vehicles	\$31,500	\$31,500			\$31,500	\$94,500
ATV	\$14,000					\$14,000
Segways	\$14,600		\$14,600	\$14,600		\$43,800
TOTAL	\$60,100	\$31,500	\$14,600	\$14,600	\$31,500	\$152,300

Capital Improvement Plan: FY2018-2022

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

Since the adoption of the South Beach redevelopment plan in 1987, 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. The infrastructure projects are managed primarily by the Public Works Department; parks facilities projects are managed by both the Public Works and the Parks & Recreation Departments.

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.

- **Reuse, Landscaping and Irrigation Improvements Project (Phase 2):**

Phase 2A: Irrigation/Landscaping on South Beach Parkway (Osceola Avenue to Jacksonville Drive) and Jacksonville Drive (South Beach Parkway to A1A). Project consists of constructing new landscaping, reuse irrigation system, milling and overlay along Jacksonville Drive and Pedestrian crosswalk on South Beach Parkway and Rip Tide Subdivision. *Construction to be underway in FY 2017.*

Phase 2B: Project includes televising and cleaning of existing storm sewer system from Jacksonville Drive to South Basin and removal and disposal of debris to a landfill. *Under construction in FY 2017.*

Phase 2C: Canal Improvements south of JTB and north of Marsh Landing Parkway east of South Beach Parkway. Project includes a preliminary engineering report evaluating the life cycle costs relating to fabriform mat, precast modular retaining wall, and precast concrete box culvert. Design may be based on several of the most cost effective life cycle cost systems. *Design is scheduled for FY 2017. Construction is planned for FY 2018.*

Capital Improvement Plan: FY2018-2022

- **Roadway Improvements Project (Phase 3):** Limits include South Beach Parkway from Marsh Landing Parkway to Jacksonville Drive. 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. *Roadway construction underway in FY 2017.*

The design of improvements to the South Beach Parkway Stormwater Pond (at Marsh Landing Parkway) that receives Ocean Terrace stormwater design is being reviewed by City staff, in the process of obtaining 3 temporary construction easement documents. Design fee was paid by the Ocean Terrace developer. *Scheduled to be under construction in FY2018.*

- **Stormwater Piping and Roadway Improvements Project (Phase 4):** Drainage and roadway study in the area bounded by JT Butler Boulevard, South Beach Parkway, America Avenue with outfall to the west, and Republic Drive / Rip Tide Subdivision. Study to be followed later by design on phased project(s). Anticipate significant drainage improvements in the area to reduce localized flooding coupled with reconstruction of roads to city standard to include curbing. Also, water & sewer systems are to be improved as necessary.
- **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 improvements. 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: FY2018-2022

PROJECT (<i>Fund Source</i>)	PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Reuse/Landscape/Irrigate Imps (Phase 2) (SE TIF) <i>Design</i>							
2A-Irrigation/Landscaping	\$215,911						
2B-Stormwater Pipe Cleaning	Incl. above						
2C-Canal Improvements	\$108,805						
<i>Construct/Const. Admin.</i>							
2A-Irrigation/Landscaping	\$1,006,110						
2B-Stormwater Pipe Cleaning	\$561,594						
2C-Canal Improvements		\$2,878,000					\$2,878,000
South Beach Parkway Road Imps (Phase 3) (SE TIF) <i>Design</i>	\$190,496						
<i>Construct</i>	\$810,917						
<i>Ocean Terrace Pond Const.</i>		\$500,000					\$500,000
Stormwater/ Road Imps (Phase 4) (SE TIF) <i>Study/Design</i>	\$300,000	\$500,000					
<i>Construct</i>	(est.)		\$1,750,000				\$2,250,000
Stormwater/Road Imps (Phase 5) (SE TIF) <i>Design</i>			\$300,000				
<i>Construct</i>				\$1,750,000			\$2,050,000
Stormwater/Reuse Imps (Phase 6) (SE TIF) <i>Design</i>				\$584,000			
<i>Construct</i>					\$4,136,000		\$4,720,000
TOTAL	\$3,193,833	\$3,878,000	\$2,050,000	\$2,334,000	\$4,136,000	\$0	\$12,398,000

Recommended Funding Source – Southend Tax Increment Fund (SE TIF). Foundation for project scoping is the South Beach Redevelopment Master Plan (also incorporating appropriate portions of the City’s Reuse Master Plan Study). Scope includes improvements to sanitary sewer, water distribution, reuse, stormwater and road systems throughout the area plus other identified ancillary public improvements.

Capital Improvement Plan: FY2018-2022

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.

Toddler Splash Pad (South Beach Park): This pad may be included within the existing Splash Park area or constructed adjacent to the existing Splash Park area. Scope includes preliminary planning, design and construction costs. Future operating costs include utilities, filtration supplies, daily chlorine testing, and periodic pool operator recertification.

Toddler Splash Pad	Prior	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
<i>Plan/Design</i>	\$15,000						
<i>Construct</i>		\$85,000					\$85,000
TOTAL	\$15,000	\$85,000	\$0	\$0	\$0	\$0	\$85,000

Future Operating Budget Impact:

	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Maintenance		\$2,500	\$2,500	\$2,500	\$2,500	\$10,000

NOTES:

1. These 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: FY2018-2022

Public Works							
Funding Sources:		2018	2019	2020	2021	2022	Total
General Capital Projects Heavy Vehicle Reserve	315	332,000	-	75,000	-	-	407,000
General Capital Projects Road Reserve	315	50,000	500,000	337,000	-	-	887,000
General Fund Operating Revenues	001	-	75,000	47,000	60,000	85,000	267,000
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	70,000	395,000	70,000	70,000	70,000	675,000
Sanitation Fund	430	-	-	230,000	-	-	230,000
Stormwater Operating Revenues	423	660,000	473,000	953,000	670,000	915,000	3,671,000
Water & Sewer Utility Operating Revenues	420	5,127,000	1,675,000	1,820,000	620,000	565,000	9,807,000
Total CIP Funding Sources		\$ 6,549,000	\$ 3,428,000	\$ 3,842,000	\$ 1,730,000	\$ 1,945,000	\$ 17,494,000
Expenses:							
	Fund						
Streets:							
Vehicle Replacement Program	001	-	75,000	47,000	60,000	85,000	267,000
Heavy Vehicle Replacement Program	315	332,000	-	75,000	-	-	407,000
Pavement/Sidewalk Maintenance (not capital)	150	310,000	310,000	310,000	310,000	310,000	1,550,000
New Sidewalks	151	70,000	70,000	70,000	70,000	70,000	350,000
Road & Infrastructure Impr: Penman Road Area	151/315	-	825,000	-	-	-	825,000
Total CIP - Roads & Streets		712,000	1,280,000	502,000	440,000	465,000	3,399,000
Distribution & Collection:							
Vehicle Replacement	420	150,000	60,000	35,000	35,000	70,000	350,000
Water Distribution & Sanitary Sewer Collection Systems Improvements							
Water Main Replacement	420	575,000	560,000	400,000	-	-	1,535,000
Water Valve/ Sewer Maint Programs (not capital)	420	245,000	245,000	245,000	245,000	245,000	1,225,000
Water, Sewer & Stormwater Improvements	315/420/ 423	220,000	-	1,465,000	-	-	1,685,000
		1,190,000	865,000	2,145,000	280,000	315,000	4,795,000
Pollution Control Plant:							
Vehicle Replacement Program	420	74,000	-	35,000	-	-	109,000
Sewer Rehabilitation Program-Lift Stations	420	1,515,000	345,000	345,000	340,000	250,000	2,795,000
Wastewater Treatment Facility Improvements	420	280,000	300,000	-	-	-	580,000
		1,869,000	645,000	380,000	340,000	250,000	3,484,000
Water Plant:							
Vehicle Replacement Program	420	28,000	-	-	-	-	28,000
Raw Water Wells Improvement Program	420	900,000	-	-	-	-	900,000
Water Plant #2 Telemetry Upgrade	420	80,000	-	-	-	-	80,000
Elevated Water Tank Exterior Renovation	420	165,000	165,000	-	-	-	330,000
		1,173,000	165,000	-	-	-	1,338,000
Capital Projects							
Build new Lift Station #7 and Demolish existing lift stations #8 & #20	420	1,000,000	-	-	-	-	1,000,000
		1,000,000	-	-	-	-	1,000,000
Total CIP - Water & Sewer		5,232,000	1,675,000	2,525,000	620,000	565,000	10,617,000
Stormwater							
Vehicle Replacement Program	423	-	38,000	-	70,000	70,000	178,000
Stormwater Collection & Treatment Impr.	423	310,000	140,000	290,000	305,000	550,000	1,595,000
Stormwater Pipe Cleaning (not capital)	423	95,000	95,000	95,000	95,000	95,000	475,000
Stormwater Channel Cleaning (not capital)	423	200,000	200,000	200,000	200,000	200,000	1,000,000
Total CIP - Stormwater		605,000	473,000	585,000	670,000	915,000	3,248,000
Sanitation							
Vehicle Replacement Program	430	-	-	230,000	-	-	230,000
Total CIP - Public Works		\$6,549,000	\$3,428,000	\$3,842,000	\$1,730,000	\$1,945,000	\$17,494,000

Capital Improvement Plan: FY2018-2022

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 2/2017	Estimated Replacement Cost
Streets 2019	001	505	2003	Dodge, Durango 4X4	47,200	\$40,000
Streets 2019	001	511	2010	Ford F-150	121,500	\$35,000
Streets 2020	001	ST-88	2005	John Deere, 4320 4X4 Tractor with Box Blade	870 hrs.	\$47,000
Streets 2021	001	515	2009	Ford Ranger	61,500	\$30,000
Streets 2021	001	550	2009	Ford Ranger	76,000	\$30,000
Streets 2022	001	ST-73	2003	Hamm HD-Roller	133 hrs.	\$45,000
Streets 2022	001	565	2010	F-150 4x4	76,000	\$40,000
Sanitation 2020	430	546	2015	Schwarze A7 Tornado Street Sweeper	15,100	\$230,000
Stormwater 2021	423	ST-91 (Streets)	1997	Acme Trailer Mounted 8" Pump	1,515 hrs.	\$70,000
Stormwater 2022	423	ST-95 (Streets)	2001	Acme Trailer Mounted 8"/10" Pump	1,156 hrs.	\$70,000
Stormwater 2019	423	591 (WP)	2004	Dodge Ram 2500 4x4 w/ aluminum Utility body	57,214	\$38,000
Water 2018	420	596	2004	Chevy Blazer (replace with Ford Explorer)	33,511	\$28,000
D&C 2018	420	DC28	2008	Caterpillar Backhoe	1,637 hrs.	\$125,000
D&C 2018	420	504	2006	Ford F-250 ¾-ton Truck w/utility body	83,210	\$25,000
D&C 2019	420	502	2006	Ford F-150 1/2- ton Pickup truck	72,627	\$30,000
D&C 2019	420	523	2007	Ford F-150 ½-ton Pickup Truck	74,155	\$30,000
D&C 2020	420	506	2008	Ford F-250 ¾-ton Truck w/utility body	50,418	\$35,000
D&C 2021	420	540	2009	Ford F-250 ¾-ton Truck w/utility body	49,089	\$35,000
D&C 2022	420	595	2011	Ford F-250-3/4-ton Truck w/utility body	70,092	\$35,000
D&C 2022	420	590	2011	Ford F-250 ¾-ton Truck w/utility body	52,689	\$35,000

Capital Improvement Plan: FY2018-2022

PCP 2018	420	520	2008	Ford F-350 1 ton Truck with utility body and crane	59,088	\$74,000
PCP 2020	420	508	2005	Ford F-150 ½ ton Pickup Truck	46,993	\$35,000
TOTAL:						\$1,162,000

Vehicle Replacement Summary:

DIVISION (<i>Fund Source</i>)	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
STREETS DIVISION						
General Fund:	\$0	\$75,000	\$47,000	\$60,000	\$85,000	\$267,000
Sanitation Fund:	\$0	\$0	\$230,000	\$0	\$0	\$230,000
Stormwater Fund:	\$0	\$38,000	\$0	\$70,000	\$70,000	\$178,000
Streets Division Subtotal:	\$0	\$113,000	\$277,000	\$130,000	\$155,000	\$675,000
WATER & SEWER FUND						
WP Division:	\$28,000	\$0	\$0	\$0	\$0	\$28,000
D&C Division:	\$150,000	\$60,000	\$35,000	\$35,000	\$70,000	\$350,000
PCP Division:	\$74,000	\$0	\$35,000	\$0	\$0	\$109,000
Water & Sewer Fund Subtotal:	\$252,000	\$60,000	\$70,000	\$35,000	\$70,000	\$487,000
TOTAL:	\$252,000	\$173,000	\$347,000	\$165,000	\$225,000	\$1,162,000

Capital Improvement Plan: FY2018-2022

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 funded by the General Fund 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 2/2017	Estimated Replacement Cost	Estimated Trade-in Value	Net Est. Cost
International 4200 Flatbed	551	2003	2018	59,200	\$87,000	-	\$87,000
Caterpillar 4x4 Backhoe	527	2013	2018	2,200 hrs.	\$125,000	\$35,000	\$90,000
Caterpillar Excavator	534	2013	2018	580 hrs.	\$230,000	\$75,000	\$155,000
John Deere Tractor & Bushhog	ST-32	2005	2020	1042 hrs.	\$75,000	-	\$75,000
				TOTAL	\$517,000	\$110,000	\$407,000

Capital Improvement Plan: FY2018-2022

	2018	2019	2020	2021	2022	5-Year SUMMARY TOTAL
Balance, beginning of year	\$310,864	\$68,864	\$158,864	\$173,864	\$263,864	<i>Begin:</i> \$310,864
Deposits (from General Fund into Streets Cap. Proj. Reserve)	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	<i>Add:</i> \$450,000
Est. Available Balance	\$400,864	\$158,864	\$248,864	\$263,864	\$353,864	<i>Total:</i> \$760,864
Withdrawals:						
• International 4700 Flatbed						
• International 4200 Flatbed	\$87,000					
• Kenworth 18yd Dump Truck						
• Caterpillar 4x4 Backhoe	\$90,000					
• Caterpillar Excavator	\$155,000					
• John Deere 5520 Tractor & Bushhog			\$75,000			<i>Less:</i> \$407,000
Balance, end of year	\$68,864	\$158,864	\$173,864	\$263,864	\$353,864	<i>End:</i> \$353,864

Capital Improvement Plan: FY2018-2022

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. In 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.

Note: Installation of new sidewalk on 15th Avenue North (3rd Street N. to Penman Road) is to be integrated with intersection improvements designed in the Penman Road commercial area project and the FDOT drainage project design with a bridge over the 8th Street Drainage Channel.

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

	FY2018	FY2019	FY2020	FY2021	FY2022	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	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$350,000
TOTAL	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$1,900,000

Capital Improvement Plan: FY2018-2022

Project Title: Road & Associated Infrastructure Improvements

Department/Division: Public Works / Streets

Project Description and Reason Necessary: Within the City there are roads that 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.

Penman Road Commercial Area Improvements: *Recommended Project funding is General Capital Projects Fund road reserve, 1/2-cent Instructure Tax (BJB), Stormwater Fund, Water & Sewer Fund.* The scope of work for this project includes improvements to sidewalks, curbing, driveway accesses, traffic and parking control, pedestrian crossing and drainage. Project is centered on the 15th Avenue North intersection with general north-south limits approximately 12th to 18th Avenue North. Project includes traffic study and design, followed by construction. Study scheduled for FY 2017 with design start to follow soon after.

Penman Rd. Commercial Area	PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Study/Design (BJB)	\$125,000						\$0
Construction (GCP) (BJB)			\$500,000 \$325,000				\$825,000
TOTAL	\$125,000	\$0	\$825,000	\$0	\$0	\$0	\$825,000

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, public right-of-way parking, 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: FY2018-2022

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 38 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 that 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 three 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.
• New LS #7 at Vacant BES Site	N. 18 th Ave. and 4 th St.

Merging three 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: FY2018-2022

<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 underway; Construction programmed for FY2017</i> <ul style="list-style-type: none"> ○ Build new LS #7 with generator on city property (N. 4th St. & 18th Ave.) ○ Build new wastewater gravity main on North 18th Avenue (State Road A1A to 4th Street) to discharge into new LS #7 ○ Replace wastewater gravity main on N. 4th Street (13th to 18th Ave.) ○ Build new wastewater force main on N. 4th Street ○ Replace & upgrade stormwater gravity mains ○ Replace & upgrade drinking water mains ○ Demolish old LS #7 & old LS #20 ○ Rebuild roadway and curbing ○ Stormwater improvements on N. 13th & 14th Avenues (3rd to 4th Streets)
Phase B: <ul style="list-style-type: none"> • Demolish Old LS #8 • Construct new gravity sewer 	<i>Design underway; Construction programmed for FY2018 but may be moved up for construction to be completed prior to FDOT installing a bridge over the 8th St. Channel at 18th Ave. N.</i> <ul style="list-style-type: none"> ○ Build new wastewater gravity main on N. 18th Ave. (4th St. to LS #8 or possibly to Eastern Dr.) to discharge into new Lift Station #7 ○ Replace / upgrade old stormwater mains ○ Replace / upgrade old drinking water mains ○ 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 A1A Drainage Improvement Project.</i>	

Funding Source: Water & Sewer Fund

PROJECT <i>(Fund Source)</i>	PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Phase A (W/S; SW)							
<i>Design</i>	\$190,000						
<i>Construct</i>	\$2,200,000						
Phase B (W/S; SW)							
<i>Design</i>	\$75,000	\$1,000,000					\$1,000,000
<i>Construct</i>							
TOTAL CAPITAL:	\$2,465,000	\$1,000,000					\$1,000,000

The above planning costs are variable until project scope, design, bid advertisement & bid award are complete.

Capital Improvement Plan: FY2018-2022

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, 11,030 water service laterals, 899 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 (2018)	2” galvanized 6”/8” cast iron	11,200 ft.	• A1A	6 th Ave. N.	20 th Ave. N.
Phase C	2” galvanized	3,700 ft.	<i>Completed</i>		
Phase D D(2016) & C(2017)	2” galvanized	3,000 ft.	<ul style="list-style-type: none"> • Oakwood Ct. • 12th Ave N. • 13th Ave N. • Rannie St. • 8th St S. • Freedom Way • Republic Dr. 	Oakwood Rd. 2 nd St. 2 nd St. 9 th Ave N. 16 th Ave in cul-de-sac in cul-de-sac	Dead end 4 th St. 3 rd St. 11 th Ave N. Dead end
Phase E D (2017) & C (2017)	6” cast iron	Replace/install 6” & 8” water main 2000 feet	<ul style="list-style-type: none"> • Hopson Rd ext. • Hopson Rd 	end Hopson Rd L.S. easement	end private road end Hopson Rd.
<i>See Phase E info below</i>	Sanitary Sewer	Add sanitary sewer	• Hopson Rd ext.	end Hopson Rd	end private road
Phase F D(2018) & C(2019)	2” galvanized 4” cast iron	3,700 ft.	<ul style="list-style-type: none"> • 16th St. North • 17th St. North • 11th Ave. N. • Azalea • 21st St. North • Constitution Pl. • Victory Ct. 	9 th Ave. North 9 th Ave. North 2 nd St. North 23 rd St. North 11 th Ave. North Constitution Ct. America Ave.	Dead End Dead End 3 rd St. North Dead End 12 th Ave. North

Capital Improvement Plan: FY2018-2022

Project	Water Main Replacement		Project Area		
	Old Type	Est. Length	ALONG	FROM	TO
Phase G Design (2019) & Const. (2020)	2" pipe	Install 2500 feet of 8" PVC pipe (to be sized for future development)	• 2 nd Ave. N.	20 th St. North	Dead end (boat ramp)

Phase E: Extend Water Main and Sanitary Sewer along Hopson Road (private extension).

Recommended funding source – Water & Sewer Fund. The private road extension of Hopson Road is without municipal water and sewer. The six homes along this extension, which is adjacent to low lying marshland and the Intra Coastal Waterway, have household water wells and septic tanks. Recently, the City has been approached with a possible opportunity to obtain a utility easement in order to extend water and sewer utilities along the private road extension. This would ultimately lead to very positive environmental results with the reduction in use of the six water wells and the abandonment of the six septic tanks.

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 is in the process of upgrading its inventory of 10,400 (+/-) water meters by implementing a citywide water meter replacement program. In FY2016, the City selected a performance contractor and executed a Project Development Agreement with a 14-month implementation period. Implementation began in March 2017. In FY2017, implementation of the of the Agreement began, which includes installing a new Automated Metering Infrastructure System and replacing/upgrading all water meters in the city.

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 1,990 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, 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.**

Capital Improvement Plan: FY2018-2022

Project (Fund Source)	PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Water Main Replacement							
Phase B (W/S-78.5%, DT TIF-21.5%)							
W/S Construct	\$1,200,000						
DT TIF Construct	\$300,000						
Phase D (W/S)							
Base	\$430,337						
Alternates 1-2	\$320,884						
Phase E (W/S)							
Design	\$75,000						
Construct		\$500,000					\$500,000
Phase F (W/S)							
Design							
Construct		\$75,000	\$500,000				\$575,000
Phase G (W/S)							
Design			\$60,000	\$400,000			\$460,000
Construct							
Water Meter Replacement Program¹							
W/S	\$5,984,067						
TOTAL							
W/S	\$8,010,288	\$575,000	\$560,000	\$400,000	\$0	\$0	\$1,535,000
DT TIF	\$300,000						

The above planning costs are variable until project scope, design, bid advertisement & bid award are complete. It is anticipated that Phases B & D will be bid and awarded prior to end of FY2017 and the budget numbers will adjust in the PRIOR column.

NOT CAPITAL	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Water Valve Maintenance Program ¹ (W/S)	\$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: FY2018-2022

Project Title: Water, Sewer and Stormwater Main Improvements

Department/Division: Public Works / Distribution & Collection

Project Description and Reason Necessary:

10th Street South (Beach Blvd. to 5th Ave. S.) Improvements: The scope of work for this project includes improvements to the roadway, stormwater, sanitary sewer and water distribution systems plus other ancillary public improvements throughout and nearby the project area.

Type of work	Description of work	Project Area		
		ALONG	FROM	TO
Water	Construct new water mains; grout fill existing water mains; add new water services, fire hydrants, valves, fittings and connections to existing water mains	<ul style="list-style-type: none"> • 10th St. S. • 11th St. S. • 1st Ave. S. • 2nd Ave. S. 	Beach Blvd. 1 st Ave. S. 10 th St S. 10 th St S.	5 th Ave. S. 2 nd Ave. S. 11 th St. S. 11 th St. S.
Sewer	Construct new, and remove existing, sewer mains in alleys; add new sewer services, manholes and concrete pavement	<ul style="list-style-type: none"> • Between 9th and 10th St. S. 	Beach Blvd.	5 th Ave. S.
Stormwater/ Roadways	Construct new, and remove existing, stormwater piping; add new curb and gutter; add new asphalt pavement	<ul style="list-style-type: none"> • 10th St. S. • 11th St. S. • 2nd Ave. S. • 3rd Ave. S. • 4th Ave. S. 	2 nd Ave. S. 4 th Ave. S. 9 th St. S. 9 th St. S. 9 th St. S.	5 th Ave. S. 5 th Ave. S. 10 th St. S. 10 th St. S. 11 th St. S.

Funding Source: General Capital Projects Fund road reserve, Water & Sewer Fund, Stormwater Fund, and General Capital Projects Fund road reserve

10th Street South Beach Blvd. to 5th Ave. S. (Fund Source)	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Design (W/S)	\$115,000					\$115,000
(SW)	\$55,000					\$55,000
(GCP)	\$50,000					\$50,000
Construction (W/S)			\$760,000			\$760,000
(SW)			\$368,000			\$368,000
(GCP)			\$337,000			\$337,000
TOTAL:	\$220,000	\$0	\$1,465,000	\$0	\$0	\$1,685,000

Capital Improvement Plan: FY2018-2022

Project Title: Sanitary Sewer Lift Stations Rehabilitation Program

Department/Division: Public Works / Pollution Control Plant

Project Description and Reason Necessary: *Recommended Funding Source – Water/Sewer.* The City has an inventory of 38 sewage lift stations and about 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-year 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 #4 & #5 Generators:** *Purchase/install programmed for FY2018.* Replace two old, obsolete standby generators (installed in 1993), one each at LS #4 (1606 S. 1st St.) and LS #5 (50 S. 37th Ave.), for which spare parts are no longer available from the manufacturer or after-market. These are duplex, submersible pump stations, which have large service areas, require generators due to the amount of flow passing through the stations that increase significantly during heavy rainstorms. Recently, a water pump issue developed on the standby generator at LS 5. After much searching, staff located a salvaged water pump from a junk yard in Pennsylvania and repaired it. For the LS #4 generator, staff recently rebuilt the fuel injector pump in-house. Both generators are in poor shape and need replacement. The replacement generators are to be purchased with bottom mounted double walled fuel tanks, which will increase the elevation of the generators by about 1.5 feet. LS #4 generator will then be about 12 feet above ground height and LS#5 generator will be about 13 feet above ground height.
- **LS #2:** *Design start scheduled for FY2017; construction programmed 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: modification of the existing generator building; modification of the existing lift station building for storage; construction of new wet well with Spectrashield coating; new pumps/motors; new flow meter; new piping and valves; new electrical controls; VFD's; new dual fuel generator, SCADA instrumentation upgrade, fencing and access road. A new water main will also be constructed on Palm Tree Rd. from 2nd to 4th Ave. N. Hydraulic modeling includes manifolding force main from LS #2 to LS #10 force main; to junction manhole at LS #10; and force main to manhole at 4th St. S. between Beach Boulevard and 1st Ave. S.
- **LS #17:** *Design start scheduled for FY2017; construction programmed 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 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 coated with Spectrashield and appears to be in reasonably good condition. The control

Capital Improvement Plan: FY2018-2022

cabinet is deteriorated. There is limited access to this station. During heavy rainfall events, the station is inaccessible. Discharge piping is PVC except for ductile/cast iron fittings that show signs of rust. This station is in poor shape and needs a total rehabilitation including new piping, pumps/motors, valves, flow meter, electrical controls, SCADA instrumentation, generator, fencing and access road.

- **LS #29:** *Project programmed for FY2018/2019.* This is a duplex submersible station located at 396 Marsh Landing Pkwy. The wet well was coated with Spectrashield in 1998. This station needs a complete rehab. The wet well sides are bulging indicating that the wet well is deteriorating and becoming compromised. The wet well piping has been repaired numerous times and is in poor condition. The valve vault and valves need replacement, as does the control panel. This station requires new wet well (Spectrashield), new valves, piping, valve vault, control panel, upgrade SCADA system.
- **LS #23:** *Project programmed for FY2019/2020.* This is a duplex submersible lift station located at 1290 12th Street N., with the wet well in the middle of the street cul-de-sac. The pumps and control panel were replaced in 2001 and were oversized to handle stormwater infiltration and intrusion. Subsequently, the stormwater inflow issues have been properly resolved. The wet well hatches were replaced in 2016 because of their deteriorated condition. Currently, this lift station has a number of issues and does not meet Jacksonville Beach lift station or Dataflow design specifications. The Spectrashield coating in the wet well is deteriorating and needs repair. The pumps are too large for the hatch size and the rails must be disassembled to remove the pumps. The control panel is attached to a light pole and the (Dataflow) telemetry antennae is at an improper height and not installed correctly. This station requires new smaller capacity pumps/motors, piping, valves, control panel and new SCADA system.
- **LS #27:** *Project programmed for FY2020/2021.* This is a duplex submersible station located at 3780 Sanctuary Lane. It was built in May 1994 and was coated with Spectrashield in 2006. The interior discharge piping has several holes that have been repaired by the lift station mechanics. The control panel needs to be replaced. The pumps are different sizes, which does not afford optimum efficiency. The driveway is too narrow to allow access for a vac truck without driving on the grass (maintained by the neighborhood association). This station requires new pumps/motors, piping, valves, control panel and access road.
- **LS #34:** *Project programmed for FY2021/2022.* This is a duplex submersible station located at 323 Lions Club Rd. The station was built in 1995. It has had numerous pump replacements. The wet well is too small and needs to be replaced. The station was originally built to serve the Parks and Recreation offices and the Lions club. Since then, the Parks and Rec. building has been converted to a senior daycare facility with an added bathroom and additional clients occupying the building all day. The pumps and controls do not meet the City's current requirements. The pumps are single phase and not good quality pumps. The station needs to be converted to a three-phase station to eliminate the need to stock parts unique to this station and to allow for operation that is more reliable. This station requires new larger wet well (coated with Spectrashield), new pumps/motors, piping, valves, control panel, SCADA system, fencing, and access road.

Capital Improvement Plan: FY2018-2022

FUTURE LIFT STATION PROJECTS:

- **LS #21:** located at 4235-50 Marsh Landing Boulevard
- **LS#11:** located at 251 N. 20th Street.
- **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 #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 #35:** located at Jardin de Mer
- **LS #19:** located at 33 Rosewood Drive

Funding Source: Water & Sewer Fund

PROJECT (Fund Source)	PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
LS #4 Generator (W/S)		\$60,000					\$120,000
LS #5 Generator (W/S)		\$60,000					
LS #2 (W/S) Design Construct	\$100,000	\$1,000,000					\$1,000,000
LS #17 (W/S) Design Construct	\$50,000	\$350,000					\$350,000
LS #29 (W/S) Design Construct		\$45,000		\$300,000			\$345,000
LS #23 (W/S) Design Construct			\$45,000	\$300,000			\$345,000
LS #27 (W/S) Design Construct				\$45,000	\$300,000		\$345,000
LS #34 (W/S) Design Construct					\$40,000	\$250,000	\$290,000
TOTAL CAPITAL:	\$150,000	\$1,515,000	\$345,000	\$345,000	\$340,000	\$250,000	\$2,795,000
The above planning costs are variable until project scope, design, bid advertisement & bid award are complete.							

Capital Improvement Plan: FY2018-2022

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 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.

- **New Filter Feed Pumps Station to Regulate Effluent Flow to Tertiary Filter Units:** *Re-scheduled FY2017/2018.* 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, affecting the filters' fine mesh screens (clogs, becoming brittle, and tears). Maintaining these filter units is now 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 for 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 two filters operational and two 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.)

Staff reprogrammed this project so that it follows the install/upgrade of the new generator (upgrading from 500 HP to 750HP) and the replacement switchgear (*install FY2017*).

- **Modifications to the Chlorine Contact Tanks and Chlorination System:** Project *reprogrammed to FY2019.* It has been determined that this project should follow the new filter feed pump installation and subsequent data collection. 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. In addition, the flow inside the square tank is circular and does not efficiently mix the chlorine with the effluent.

Capital Improvement Plan: FY2018-2022

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.

Wastewater Treatment Plant Permit Renewal: The City's WWTP permit expires on February 3, 2019. The application needs to be prepared and submitted to FDEP six months prior to the expiration date. Budget is for consultant services and testing.

Funding Source: Water & Sewer Fund

PROJECT	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Install Filter Feed Pumps	\$230,000					\$230,000
Modifications to Chlorine Contact Tanks & Chlorination System		\$300,000				\$300,000
WWTP Permit Renewal	\$50,000					\$50,000
TOTAL:	\$280,000	\$300,000	\$0	\$0	\$0	\$580,000
The above planning costs are variable until project scope, design, bid / quotes advertisement, and quotes / bid awards are complete.						

Capital Improvement Plan: FY2018-2022

Project Title: Raw Water Wells Improvements Program

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

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.

Raw Water Well #11 is located at 590 Shetter Avenue in Jacksonville Beach Florida. The well was constructed in 1946 and a pump was added in 1991. Well #11 is a target of concern for the Health Department, St. Johns River Water Management District and the City. The well's water quality has declined significantly because of increasing chlorides from salt water intrusion. The chloride levels in Well #11 samples average 150 mg/l, while our other wells average 12 mg/l. The maximum contaminant level (MCL) for chlorides allowed is 250 mg/l. The City's Consumptive Use Permit, issued by St. John's River Water Management District, requires that the City back fill Well #11 to the upper Floridan aquifer or abandon the well by April 2017.

In December 2016, *Johnson Engineering, Inc.* performed a geophysical survey of Well 11. The survey findings included: 1) back plugging Well 11 to the upper Floridan aquifer will significantly reduce well production. The video logging revealed a hole in the well casing at 293.4 feet below land surface. There is high potential that this hole will lead to increased future contamination. Alternatives are:

- At Well 11, place a smaller casing inside the well. (This will constrict flow capacity more.) (*This old 1946 well might later need de-calcification and retesting.*)
- Drill a new well at the previously approved Well #16 site and back plug / abandon Well 11.

Staff determined that the better long term option is to abandon Well #11 and drill the new replacement Well #16. This project consists of:

- (FY2017) Back plug Well 11 from 1200 to 900 feet and continue operation with reduced flow.
- (FY2017) Review and update 2000 design for Well #16 and extension of raw water main from Well #15 (southeast portion of Gonzales Park) to Well #16 location (8th Ave. N. & 11th St.).
- (FY2018) At Well #16 location, drill new well to 900 feet and construct on site header (pumps, piping, etc.)
- (FY2018) Extend / construct new Raw Water Main (2400 feet +/-) from Well #15 site (southeast part of Gonzales Park) to the new Well #16 site (11th St. S. & 8th Ave.)
- (FY2018) Complete back plug and abandon old Well #11.

St. John's River Water Management District has re-activated Well #16 from our previous Consumptive Use Permit (CUP) as the replacement well location. No modification to our current CUP is required as long as there are no changes to the location or size of the well.

Capital Improvement Plan: FY2018-2022

Funding Source: Water & Sewer Fund

PROJECT	PRIOR	FY2018	FY2019	FY2020	FY2021	FY2022	Total
<i>Design</i>	\$85,000						\$0
Well # 11- back plug to 900 ft	\$50,000						\$0
Well #16 - Drill well to 900 ft / Construct On-site Header <i>(pump, motor, piping)</i>		\$530,000					\$530,000
Extend Raw Water Force Main to Well #16 Site		\$310,000					\$310,000
Well #11 - Complete back-plug and abandon		\$60,000					\$60,000
TOTAL CAPITAL:	\$135,000	\$900,000	\$0	\$0	\$0	\$0	\$900,000
The above planning costs are variable until project scope, design, bid advertisement & bid award are complete.							

Capital Improvement Plan: FY2018-2022

Project Title: Water Plant #2 Telemetry Upgrade

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

The control of Water Plant 2 and support facilities (Raw Water Wells, Water Tank Towers & Stormwater Stations) requires radio commands from Water Plant 1 via the Supervisory Control and Data Acquisition (SCADA) system with the HyperTac software to operate (telemetry). The SCADA System is installed on a portable Hyper-SCADA Server in a cabinet on the 2nd floor of Water Plant 1. The cabinet also houses another portable Server that mirrors and backs up the primary unit. The Hyper-SCADA Server receives data from the Water System Programmable Logic Controller (PLC) located at Water Plant 1, which automatically operates the entire City Water Production and Distribution System.

At Water Plant 2, the Remote Terminal Unit (RTU) was installed in 1991, is now considered antiquated, non-adaptable to system upgrades and needs replacing. The RTU is a slave device that receives commands and returns data back to Water Plant 1. In the event that the SCADA control center at Water Plant 1 is destroyed / damaged / out of commission, the automated control of all the support facilities will be lost, requiring manual operation at the respective sites.

In preparation for major storm events, this project installs an empty cabinet (with fiber and electrical connections) in order to be able to relocate the 2 portable Hyper-SCADA Servers from their Water Plant 1 location to the Water Plant 2 location. The new cabinet is to be connected via fiber to the Water Plant 1 Programmable Logic Controller. Thus, staff can monitor and operate the entire City Water System from the Water Plant 2 location. In addition, the Water Plant 2 old Remote Terminal Unit will be replaced with a new Programmable Logic Controller, which will automatically operate the City's Water System, utilizing only the Water Plant 2 facilities, if the Water Plant 1 system is out of commission.

Both Water Plants and support facilities will still have the capability to operate independently in manual mode if the SCADA system fails. This will enable the City to maintain water distribution for both fire suppression and public use during emergency events.

Primary benefit: Providing a higher level of assurance concerning monitoring automatic control, and direct operation as necessary, of the City's Water Production and Distribution System and the Stormwater systems during manmade or natural disasters.

Funding Source: Water & Sewer Fund

PROJECT	FY2018	FY2019	FY2020	FY2021	FY2022	Total
Water Plant 2 Telemetry Upgrade	\$80,000					\$80,000

Capital Improvement Plan: FY2018-2022

Project Title: Elevated Water Tanks Maintenance (Exterior Renovation)

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

In October 2016, the City Council awarded a 5-year continuing service contract Elevated Water Tank Maintenance Program (RFP 05-1516), to 3 tank maintenance contractors - Tank Rehab, LLC, American Tank Maintenance, LLC, and Utility Service Company.

The South Elevated Tank (2120 Gordan Ave.) was inspected in January 2017, by Tank Rehab, LLC, for the required 5-year, DEP washout and engineer inspection. The engineer inspection determined that the interior tank coating system is in good condition and does not require maintenance at this time. The exterior coating is in a fair condition having multiple areas where the coating has failed. The report recommended to drape, prepare and overcoat the exterior surfaces within the next year (during FY2018), before the corrosion worsens. The exterior of the South Elevated Tank was last renovated in December 2007.

The North Elevated Tank (1320 North 11th Ave.) is scheduled for the required 5-year DEP washout and engineer inspection in May 2017. For planning, staff scheduled this tank for exterior renovation the following year (FY2019).

During the 5-year elevated tank maintenance cycle, each tank is scheduled for exterior painting and renovation once. Then once every 10-years thereafter.

According to AWWA standards, utilities with regular tank cleaning programs employ internal cleaning intervals of 2 to 5 years and exterior coating on an interval of 10 to 15 years.

Funding Source: Water & Sewer Fund

PROJECT	FY2018	FY2019	FY2020	FY2021	FY2022	Total
South Elevated Tank Exterior Renovation	\$165,000					\$165,000
North Elevated Tank Exterior Renovation		\$165,000				\$165,000
TOTAL	\$165,000	\$165,000	\$0	\$0	\$0	\$330,000

Capital Improvement Plan: FY2018-2022

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 projects are anticipated to be deferred or delayed due to funding constraints.

Stormwater Improvements at Various Locations:

- **4th Street South (15th to 16th Avenue):** Project consists of installation of about 175 +/- lf of 48" 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 about 450 lf +/- of 42-inch RCP storm sewer piping, three (3) manholes, filling in of existing ditch, and sodding removal and replacement.
- **Republic Drive (Constitution Cove Pond Outfall west to City Ditch):** Extend piping (about 24" dia; 600 +/- lf) from outfall of Constitution Cove Pond to westerly end of Republic Dr. continuing west to outfall into city drainage ditch. Includes investigation of route, design modification and construction.
- **Replace the failing automated analog pump control system at the JTB Basin Stormwater Station.** Replace the failing automated analog pump control system at the JTB Basin Stormwater Station. The system is approximately 23 years old, consisting of multiple probes and relays used to automate the station. The new system shall utilize Data Flow's self-contained Tac Pac, custom programmed system that will upgrade the old Remote Terminal Unit (RTU) to a new Telemetry Control Unit (TCU) and contains all the necessary controls in one component. The new system controls the stormwater pumps based on upstream / downstream levels via sonic transmitters. The cost includes a spare Tac Pac pump controller for back up.

Capital Improvement Plan: FY2018-2022

Funding Sources: Stormwater Fund (SW) or Southend Redevelopment District Fund (SE TIF).

PROJECT (Fund Source)		FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
○ 4th St. S. (10 th -12 th Ave.) (SW)	<i>Construct</i>	\$275,000					\$275,000
○ 4th St. S. (15 th -16 th Ave.) (SW)	<i>Design Construct</i>	\$15,000	\$100,000				\$115,000
○ Isabella (35 th Ave. to Jax) (SW)	<i>Design Construct</i>			\$30,000	\$200,000		\$230,000
○ Republic Dr. (CC Pond west to City ditch) (SW)	<i>Study, Des Construct</i>		\$40,000	\$260,000			\$300,000
○ 4th St S. (1 st - 6 th Ave.) (SW)	<i>Design Construct</i>				\$105,000	\$550,000	\$655,000
○ Replace Auto Analog Pump Control System at the JTB Basin Stormwater Station (SW)	<i>Construct</i>	\$20,000					\$20,000
TOTAL CAPITAL		\$310,000	\$140,000	\$290,000	\$305,000	\$550,000	\$1,595,000

Project (NOT CAPITAL)	FY2018	FY2019	FY2020	FY2021	FY2022	TOTAL
Pipe Cleaning	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$475,000
Channel Cleaning and Maintenance	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
TOTAL NOT CAPITAL	\$295,000	\$295,000	\$295,000	\$295,000	\$295,000	\$1,475,000



Glossary of Budgetary and Financial Terminology and Acronyms

The City's operating budget contains specialized and technical terminology and acronyms that are unique to government and to public finance and budgeting. This glossary has been included in the budget to assist the reader in understanding the more unique terms.

Accrual basis of accounting - method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of the related cash flows.

Ad valorem Tax - a tax assessed on the value of real and personal property.

Adopted (approved) budget - the financial plan of revenues and expenditures for a fiscal year, as approved by the City Council.

AFG – Aid to Firefighters Grant

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.

Glossary and list of acronyms

AWT – Advanced Waste Treatment

Balanced budget - total anticipated revenues plus available fund balance in excess of authorized reserves equals total budgeted expenditures plus required reserves for each fund.

BLS — Basic Life Support

BMAP – Basin Management Action Plan

Bond - a written promise to pay a specific sum of money (called principal or face value) at a specific future date along with periodic interest paid at a percentage of the principal. Bonds are used to finance capital projects.

Bond Covenant - an agreement between the City and its lenders which specifies a payment schedule, terms and reserves to be held.

Budget Calendar - the schedule of key dates or goals which the City follows through the budget process.

Budgetary Control - the control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limits of revenues and approved appropriations.

Budget Message - a brief written statement presented by the City Manager to the City Council and incorporated into the budget document which highlights budget issues and policy recommendations.

Budget Process - the established procedures and calendar for the tasks which are to be completed prior to the adoption of the annual operating budget.

Budget Resolution - the official enactment by the City Council legally authorizing City officials to obligate and expend City resources.

Budgetary Solvency - a governmental unit's ability to generate sufficient cash revenues to pay its bills over a thirty to sixty day time frame.

CAD — Computer-Aided Dispatch

CAFR — Comprehensive Annual Financial Report

CALEA — Commission on Accreditation for Law Enforcement Agencies

CAPE – Community Assisted Policing Effort

Glossary and list of acronyms

Capital (Fixed) Asset – Land, improvements to land, easements buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure and all other tangible or intangible assets costing \$1,000 or more that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Expenditure/Capital Outlay - an expenditure for the acquisition of, or addition to a capital (fixed) asset. Items acquired for less than \$1,000 are not considered to be capital expenditures.

Capital Improvement Plan (CIP) - a plan for capital expenditures to be incurred each year over a fixed period of several years. The plan sets forth each capital project and identifies the expected beginning and ending date for each project, the amount to be expended in each year and the method of financing for those expenditures.

Capital Project - Projects which result in the acquisition or construction of fixed assets which are of long term and permanent nature. Such assets include land, buildings and related improvements.

Cash Balance Forward - funds on hand at the end of a fiscal year resulting from collections of revenues in excess of expenditures or unexpended appropriations which are included as a revenue source in the budget of the following fiscal year.

CDBG — Community Development Block Grant

CFL – Compact Florescent Light

CIP — Capital Improvement Plan

CIS – Customer Information System

Contingency - a budgetary reserve to provide for emergency or unanticipated expenditures during the fiscal year.

COP — Citizens on Patrol

COPS – Community Oriented Policing Services

CPI — Consumer Price Index

CRA - Community Redevelopment Agency

Credit Rating - an independent rating service's evaluation of the credit worthiness of notes and bonds. Such ratings influence the cost of borrowing.

Glossary and list of acronyms

CRT - Community Response Team

CUP – Consumptive Use Permit

DARE - Drug Abuse Resistance Education

Debt - funds owed as a result of borrowing.

Debt Service - the payment of principal and interest on borrowed funds, such as bonds.

Debt Service Fund - the fund used to account for the accumulation of resources for the payment of principal and interest on long term debt, specifically, bond issues.

Deficit - the excess of expenditures over revenues during a fiscal year.

Department - a major administrative division of the City with overall management responsibility for an operation or a group of related operations within a related program area.

Depreciation - the periodic expiration of an asset's useful life. Depreciation is a requirement in proprietary funds such as internal service and enterprise funds.

EAR – Evaluation and Appraisal Report

EMS — Emergency Medical Services

EMT – Emergency Medical Technician

EPA – Environmental Protection Agency

EVOC – Emergency Vehicle Operators Course

Encumbrance/encumbered - a commitment of funds through appropriation in which the expenditure has not actually been made at the time of recording. It may be represented by a purchase order, purchase requisition or contract for goods and services.

Enterprise Fund - a fund in which the activities are supported wholly or primarily by charges and fees paid by the users of the services.

ESCO – Electric Service Corporation

Expenditure/Expense - the outflow of funds paid or to be paid for an asset obtained or for goods and services provided regardless of when the expense is actually paid. The term expenditure applies to governmental funds and the term expense applies to proprietary funds.

Glossary and list of acronyms

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 \$1,000 and is not a repair or supply item. Items meeting the fixed asset criteria are classified by major categories: land, building, improvements other than building, equipment and vehicles and construction-in-progress.

FOP — Fraternal Order of Police

Franchise - an agreement between the City and a provider of public services, such as cable television or garbage collection, which imparts certain standards on the provider and is a contract which requires payments to the City.

FRCC — Florida Reliability Coordinating Council

FRDAP – Florida Recreation Development Assistance Program

FS - Florida Statutes

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts. These accounts record cash and other assets together with all related liabilities, obligations, reserves and equities. Funds are segregated so that revenues will be used only for the purpose of carrying out specific activities in accordance with special regulations, restrictions or limitations.

Fund Balance - refers to the excess of assets over liabilities and, therefore, is generally known as the amount available for appropriation to the extent that it is not reserved.

GAAP - Generally Accepted Accounting Principles

Glossary and list of acronyms

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

Glossary and list of acronyms

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

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.

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.

Glossary and list of acronyms

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.

Glossary and list of acronyms

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