City of Jacksonville Beach
Annual Budget

Fiscal Year ending September 30, 2019

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
Interim City Manager:	Karen Nelson	
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
	Michael Nadeau, C.P.A.	Chief Financial Officer
City Clerk:	Laurie Scott	
City Attorney:	Susan S. Erdelyi	

Working Together: Committed to the Citizen

2019 Annual Budget

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Jacksonville Beach

Florida

For the Fiscal Year Beginning

October 1, 2017

Christopher P. Morrill

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, 2017. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

City of
Jacksonville Beach
City Hall
11 North Third Street
Jacksonville Beach
FL 32250
Phone: 904.247.6268

www.jacksonvillebeach.org

The 2019 Annual Budget and Capital Improvement Plan adopted by City Council on September 10, 2018, keeps the millage rate steady at 3.9947 mills. The total adopted budget of $162,517,823 is $2 million less than the 2018 budget while offering the same level of service as the prior year. 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.

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 a 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 remain strong. In fact, Florida's economy continues to grow above the national average. Improvements are noted in job prospects, tourism, and personal income.

This year Jacksonville Beach property values increased by $261 million or 7.8%; which includes new construction of $40 million. After 10 years, the City's property tax values recovered to pre-recession values in 2018. While the foreclosure inventory has normalized, home ownership rates continue to decline as residential credit for home purchases remains difficult for consumers to access.

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 54% of the gains. The City's workforce is reflecting this trend as Baby Boomers become eligible for retirement, making it important to plan for the transition and develop the next generation of the City's workforce leaders. It has also become important to create opportunities for growth and learning through mentorship and training as our workforce changes. *(source:* ***Florida: An Economic Overview, August 17, 2018****,* The Florida Legislature Office of Economic and Demographic Research, http://edr.state.fl.us)

BUDGET CONCERNS AND UNCERTAINTIES

- At the time the budget was adopted, the City was anticipating the passage of State proposed legislation to increase the homestead exemption from $50,000 to $75,000. Had this amendment been approved by the voters, it would have reduced taxable values in Jacksonville Beach by roughly $142 million, resulting in the loss of more than $500,000 in revenue each year.

- The City weathered two major hurricanes in less than one year, Hurricane Matthew in October 2016 and Irma in September 2017. After each storm the cost of debris cleanup alone was in excess of $1 million. The City has applied for FEMA Public Assistance, but funds are slow to 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 cover lost revenue or pay for hurricane 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 2019 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.

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 11,544 hours of service to the department in 2017, the approximate equivalent of 5 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. 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.

A new surface parking lot at 2nd Street North between 3rd and 4th Avenues was completed last year. This location provides 92 vehicle and 3 low speed vehicle parking spaces as well as 23 dual bike racks.

BUSINESS GROWTH

Because the City is largely built out, business growth is predominately seen in the redevelopment of existing commercial properties. A $19 million addition and renovation project begun last year at *Baptist Medical Center Beaches* continues into this year. It will add square footage and upgrade existing facilities in the hospital's surgery center. Other commercial activity includes a new bank, *121 Credit Union,* at 1954 South 3rd Street, a major facade replacement for *Sunrise Surf Shop* at 834 Beach Boulevard, and interior renovations at *Zeta Brewing Company,* 131 1st Avenue North. New restaurant openings include *Sushi Burrito* at 691 North 3rd Street, the *Mini Bar* doughnut shop in the *Beach Plaza* shopping center on Beach Boulevard, and the *Nektar* juice bar in the *Sandcastle* shopping center on South 3rd Street.

Concurrent with the permitting of these and other new projects, staff worked with the Community Redevelopment Agency's consultants, *Dix.Hite + Partners,* on

completing the *Downtown Action, Implementation, and Management Plan*, outlining the next steps in implementing the City's adopted Downtown Action Plan. Elements from the Action Plan proposed for further development and implementation within the downtown area include;

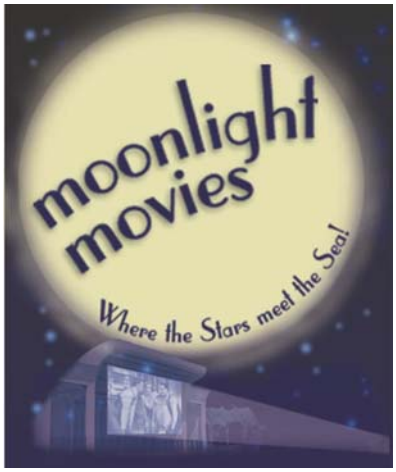
- Brand standards
- Public art
- Bicycle parking
- Lighting
- Site/Street furnishings
- Wayfaring signage
- New design for the Public Fishing Pier entryway at 4th Avenue North

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.

The design for Penman Road commercial area roadway and associated infrastructure improvements is set to begin this year. Plans centered on the 15th Avenue North intersection with north-south limits of 11th to 18th Avenue North will address sidewalks, curbing, driveway access, pedestrian crossing, and other necessary public works infrastructure improvements.

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 2019 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,

Karen W. Nelson

Karen Nelson
Interim City Manager

Michael Nadeau
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 no change in the millage rate ($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). Close to 80% of 2019 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 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	$127,152	$10,570,629	$10,697,781	4.1%
Redevelopment	-	40,835,283	40,835,283	15.8%
General Capital Projects	-	5,792,078	5,792,078	2.2%
Electric	56,533,577	8,224,765	64,758,342	25.0%
Water & Sewer	17,366,777	1,402,142	18,768,919	7.3%
Total Major Funds	74,027,506	66,824,897	140,852,403	54.4%
Nonmajor Governmental	4,066	7,542,968	7,547,034	2.9%
Nonmajor Enterprise	12,066,387	-	12,066,387	4.7%
Nonmajor Internal Service	3,833,406	-	3,833,406	1.5%
Nonmajor Pension	-	94,439,157	94,439,157	36.5%
Total Nonmajor Funds	15,903,859	101,982,125	117,885,984	45.6%
TOTALS	$89,931,365	168,807,022	$258,738,386	100.0%
Percentage of total Fund Balance	35%	65%	100%	

Budgeted Changes in Fund Balance:

General Fund: Since budgeted revenues are equal to budgeted expenses, there is no projected change to fund balance in the General Fund. Of the $10.6 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 budgets are adjusted once a bid has been awarded. 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. The construction bid for Phase 3C, Project 2 (11th Ave S to 13th Ave S from 3rd Street to the beach street ends) was awarded in February 2018 for $11 million. This will be one of the largest public infrastructure projects ever undertaken in the City, reconstructing water, sewer, and stormwater systems as well as nearby streets, avenues, and alley ways. An estimated 600 days is needed to complete this project.

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 $495,000 transfer from the General Fund for the following:

- Fire truck replacement reserve ($75,000)
- Heavy vehicle equipment replacement reserve ($100,000)
- Parks maintenance and heavy equipment replacement reserve ($200,000)
- 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), Water and Sewer Fund ($95,000), and the Leased Facilities Fund ($20,000). Part of the cost of computer replacements ($40,000) and other IT equipment ($50,000) included in the information technology master plan will come from the Lease Facilities Fund. Also budgeted are transfers from Information Systems ($50,000) to accumulate money to pay for future equipment replacements.

Major budgeted capital expenses are for the replacement of the City's business applications ($277,127), public safety radios ($210,000), EIS servers ($140,000), computers ($69,811), major building systems ($401,000), dune walkover repairs and maintenance ($100,000), and the design costs for improvements to 10th Street South from Beach Blvd. to 5th Avenue South ($50,000). 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 $113.91, $24 less than the rate at that time. Beaches Energy continues to meet its goal of keeping its rates below the State average. Fund balance is projected to decrease as the utility undertakes several large infrastructure improvement projects to modernize transmission and substation equipment ($4.7 million). As the City prepares to retire the utility debt in 2020, capital improvement plans are prepared on a "pay as you go" basis. Fund balance will fluctuate as projects are planned and executed. 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 2019 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 2019	Expenses 2019	Budgeted Change in Fund Balance	% Change
General Fund	$22,390,353	$22,390,353	($0)	0.0%
Redevelopment	11,169,234	2,073,979	9,095,255	28.7%
General Capital Projects	950,000	1,374,938	(424,938)	-6.8%
Electric	83,956,489	92,677,027	(8,720,538)	-11.9%
Water & Sewer	13,601,949	12,146,167	1,455,782	8.4%
Total Major Funds	132,068,025	130,662,464	1,405,561	1.0%
Nonmajor Governmental	3,282,391	2,465,642	816,749	12.1%
Nonmajor Enterprise	9,318,484	8,831,942	486,542	4.2%
Nonmajor Internal Service	12,593,930	12,593,930	-	0.0%
Nonmajor Pension	11,511,629	7,963,845	3,547,784	3.9%
Total Nonmajor Funds	36,706,435	31,855,359	4,851,075	4.3%
TOTALS	$168,774,459	$162,517,823	$6,256,636	2.5%

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 2020.

Nonmajor Enterprise Funds: The primary reason for the increase in nonmajor enterprise fund balance is due to the continued expansion of the natural gas system. Annual consumption is expected to grow by 5% as new customers are added to the system. The Golf Course Fund also projects modest increases as the course reopens with a new rate structure. The Sanitation, Stormwater, 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 2019 by about $3.5 million. All of the pension fund balances are restricted to make payments for current and future retirees.

Revenues by Category:

Taxes: The City made no changes to the millage rate in 2019. The upturn in property values added revenues of $800,083 in the General Fund and $626,175

in the Community Redevelopment Fund. All other taxes are projected to see a total increase of $73,248 based on estimates from Florida Office of Economic and Demographic Research and historical trends.

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 2019 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.

	ALL FUNDS			
Revenues	**Original Budget 2018**	**Adopted Budget 2019**	**Increase (Decrease)**	**% Change**
Taxes	$24,216,759	$25,716,265	$1,499,506	6.2%
Permits & fees	582,250	595,700	13,450	2.3%
Intergovernmental	4,283,013	4,372,028	89,015	2.1%
Charges for services	119,492,307	117,585,696	(1,906,611)	-1.6%
Fines & forfeitures	221,500	232,500	11,000	5.0%
Interest & other	13,668,518	14,272,053	603,535	4.4%
Transfers in	6,325,009	6,000,218	(324,791)	-5.1%
Total Revenues	$168,789,356	$168,774,459	($14,897)	0.0%

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 (71% of this category) contains a small reduction in revenue estimates based on rate reductions adopted in 2018. 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: As the infrastructure surtax debt is retired in March 2019, transfers to the Debt Service Fund are no longer necessary. The 2019 budget contains a transfer of $150,000 to provide partial funding for golf course operations if needed as the course reopens after the renovations are completed.

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

Expenditures by Category:

Personal Services: The 2019 payroll budget increase is attributable to several factors. The Police union contract includes an annual increase of 4% in addition to annual merit evaluations for officers. City pension contribution costs grew by $329,000 and health insurance increased by an estimated 5%. Two full-time Maintenance Worker positions in Parks have been added to assist with landscape maintenance previously contracted out. Public Works added one full-time GIS Analyst dedicated to the expansion this departments GIS system.

	ALL FUNDS			
Expenditures by Category	**Original Budget 2018**	**Adopted Budget 2019**	**Increase (Decrease)**	**% Change**
Personal Services	$30,796,572	$32,292,045	$1,495,473	4.9%
Operating-Energy	63,125,949	62,907,387	(218,562)	-0.3%
Operating-All Other	40,886,265	41,545,741	659,476	1.6%
Capital Outlay	17,959,162	14,885,372	(3,073,790)	-17.1%
Debt Service	5,387,875	4,874,927	(512,948)	-9.5%
Grants to Others	24,625	12,133	(12,492)	-50.7%
Transfers out	6,325,009	6,000,218	(324,791)	-5.1%
Total Expenditures	$164,505,457	$162,517,823	($1,987,634)	-1.2%

Operating-Energy: The City's utility, Beaches Energy Services, serves about 35,225 electric and 261 natural gas customers in Jacksonville Beach, Neptune Beach, Ponte Vedra, and Palm Valley. This year, the utility's budget includes $61.8 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 $24 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 261 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.

Operating-All Other: Each year departments are tasked with holding operating budgets flat, without looking at reductions in service. Through careful planning, this has been largely achievable as shown by the minor budget increase of 1.6%. Notable changes in 2019 are:

- As the City's pension funds mature, there has been an expected increase in the number of retirees, this year resulting in a $940,000 increase in costs for pension benefits, which are paid out of the pension funds

- Technology agreements for critical software and business applications increase by $105,000 as the City operates both the old and new ERP systems during the conversion process

- Some landscaping maintenance contracts have been canceled reducing operating costs by roughly $110,000. These savings offset increases in personal services of City staff who will take over this work.

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. Redevelopment projects will be budgeted upon completion of design and after the project bids have been awarded by Council. The timing of major projects and purchases explain the year over year

variances. An itemized list of budgeted 2019 capital outlay can be found in the Budget Summaries section; descriptions of larger projects planned for completion between 2019 and 2023 can be found in the Capital Improvement Plan.

Debt Service: The Infrastructure Sales Surtax bonds will be paid off in March of this fiscal year 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 ($2,133). Public Works offers a grease interceptor rebate program ($10,000) 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 2019 budget contains a transfer of $150,000 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 2019 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. Technology maintenance agreements and Comcast service fees largely account for this department's 2.3% change.

Expenditures by Department	Original Budget 2018	Adopted Budget 2019	Increase (Decrease)	% Change
Executive & Legislative	$1,338,556	$1,427,063	$88,507	6.6%
Finance	6,727,883	6,881,915	154,032	2.3%
Planning & Development	902,960	909,272	6,312	0.7%
Community Redevelopment	931,539	927,984	(3,555)	-0.4%
Parks & Recreation	5,082,231	5,204,907	122,676	2.4%
Public Works	21,363,695	19,379,189	(1,984,506)	-9.3%
Police	10,030,985	10,503,403	472,418	4.7%
Fire	3,977,546	4,225,168	247,622	6.2%
Beaches Energy Services	95,825,755	95,472,107	(353,648)	-0.4%
Human Resources	12,223,418	13,282,604	1,059,186	8.7%
Non-Departmental	6,100,889	4,304,211	(1,796,678)	-29.4%
Total Expenditures	$164,505,457	$162,517,823	($1,987,634)	-1.2%

Planning & Development provides planning, building inspections, and code enforcement services. The budget remains relatively flat from the prior year.

The **Community Redevelopment** Agency is responsible for managing the City's Downtown and South Beach redevelopment districts. Operational expenses continue to fund enhanced maintenance programs as adopted in both the Downtown and South Beach districts' Plans. Projects currently being designed have not been included in the 2019 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 2.4% budget increase is largely associated with the addition of an 8th tennis court at Huguenot Park ($70,000) and new playground equipment at Tall Pines Park ($65,000).

Public Works provides water, sewer, stormwater, and sanitation services to the citizens of Jacksonville Beach, along with street maintenance. The timing of major capital projects is reflected in the overall budget decrease of 9.3%. The raw water well improvement program ($900,000) and Lift Stations #7 and #8 rebuild project ($1 million) began last year and continues this year.

The **Police Department's** budget increased 4.7% largely due to union contract pay scale adjustments and pension estimates. Other police department spending in special revenue funds decreased because of $210,000 in capital outlay for radio replacements budgeted in the prior year.

In addition to providing fire and rescue services, the **Fire Department** also manages the City's radio system. Anticipated union contract adjustments as well as 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 retirement of government debt and the timing of capital projects and purchases. Replacing the City's business enterprise software is a major multi-year initiative. The project is estimated at about $3.1 million, with $277,127 being expended in 2019. The Non-departmental budget is included in the Executive & Legislative section of this document.

A summary of staffing levels by department and division since 2016 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.

JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

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.

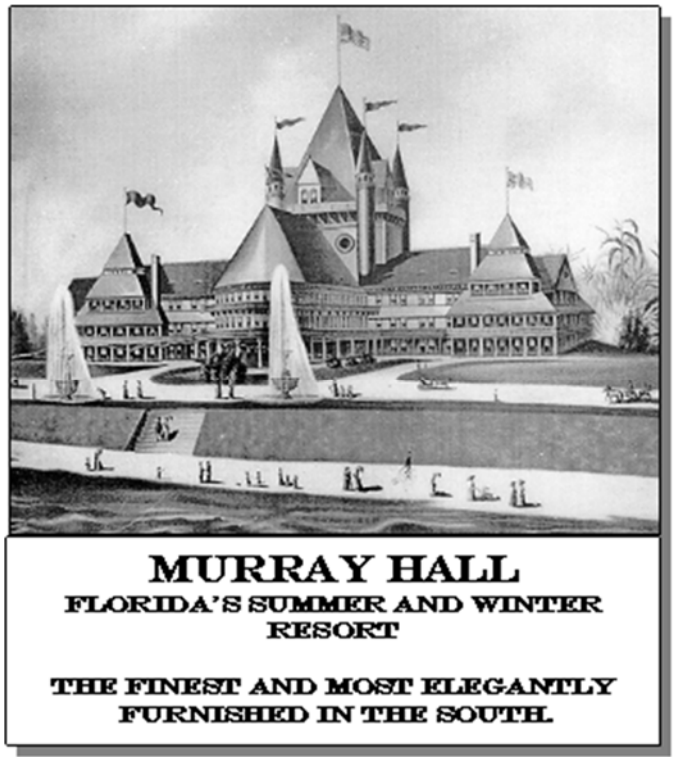
Meanwhile, a group of enterprising Jacksonville businessmen conceived the idea of a railway to the beaches east of Jacksonville. It was their plan to develop a summer resort to attract tourists to the Jacksonville area. The Jacksonville and Atlantic Railway Company was chartered in 1883 to build sixteen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



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.

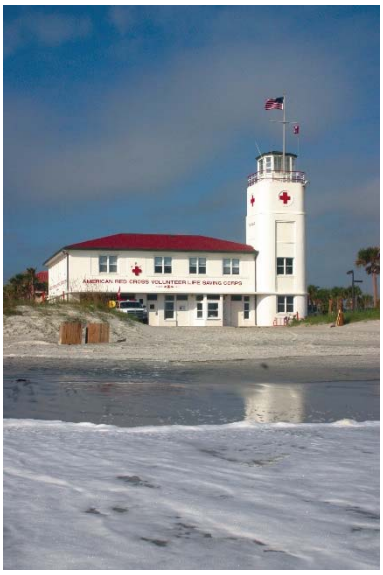
From what began as a tent city for a few hardy souls, Jacksonville Beach has grown into a solid business, resort and residential community with a population over 23,000. Its location, adjacent to the Atlantic Ocean and close to historical and entertainment attractions, makes tourism an important part 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)	**347 / 133**
Government Facilities and Services	
Miles of Streets	**90**
Number of Street Lights	**5,909**
Culture and Recreation	
Parks	**11**
Parks Acreage	**86**
Golf Course	**1**
Tennis Courts	**8**
Fire Protection	
ISO Fire Classification	**2**
Number of Stations	**2**
Number of Fire Personnel and Officers	**31**
Police Protection	
Number of Stations	**1**
Number of Police Support Personnel and Officers	**102**
Number of Patrol Units	**79**
Beaches Energy Services	
Number of Electric Customers	**35,225**
Number of Residential Electric Customers	**29,954**
Average Monthly Consumption-Residential	**1,219 kwh**
Sewer System (MGD-million gallons per day)	
Number of Sewer Services	**9,429**
Number of Treatment Plants	**1**
Daily Average Flow in Gallons	**3.2 MGD**
Maximum Daily Capacity of Treatment in Gallons	**4.5 MGD**
Water System (MGD-million gallons per day)	
Number of Water Services	**11,118**
Number of Residential Customers	**8,945**
Average Monthly Consumption-Residential	**4,367 gallons**
Number of Artesian Wells	**6**
Number of Fire Hydrants	**909**
Daily Average Flow in Gallons	**2.6 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	Budgeted Expenditures Final
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
2017	23,503	4.6%	n/a	$158,680,576	$210,705,583

	Residential		Commercial		
	Permits Issued	Value of Permits	Permits Issued	Value of Permits	Total Value of Permits
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
2017	1602	$62,661,258	388	$55,233,282	$117,894,540

Principal Taxpayers:	2016 Assessed Valuation	2017 Assessed Valuation	Percentage of 2017 Total Assessed Valuation
Broadstone Beach House at Jax Beach	$32,121,298	$37,134,700	1.2%
Courtyard Marriott	$22,133,400	$24,346,740	0.8%
Hampton Inn Oceanfront	$21,673,500	$23,840,850	0.8%
Ocean Park Partnership, Ltd.	$23,211,500	$23,290,300	0.8%
South Beach Regional Shopping Center	$16,693,590	$18,362,949	0.6%
Pablo Plaza Shopping Center	$12,479,600	$14,685,307	0.5%
Marsh Landing Plaza	$11,363,220	$11,799,700	0.4%
Southbeach Parkway Shopping Center	$10,767,600	$11,687,600	0.4%
Beach Marine	$11,392,100	$11,599,100	0.4%
Adventure Landing Amusement Park	$9,527,580	$9,479,391	0.3%
	$171,363,388	$186,226,637	
Total Real Property Assessed Valuation	$2,814,151,792	$3,027,805,594	

Principal Employers 2017:	Number of Employees
Naval Station Mayport	9,000
Baptist Medical Center-Beaches	800
PGA Tour	800
Ponte Vedra Inn & Club	650
Sawgrass Marriott	465
Optimum Healthcare IT	450
City of Jacksonville Beach (Full Time)	341
Vicar's Landing	320
TPC Sawgrass	320
U.S. Coast Guard	300

JACKSONVILLE BEACH, FLORIDA
• FIRST COAST'S FINEST BEACH •

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.

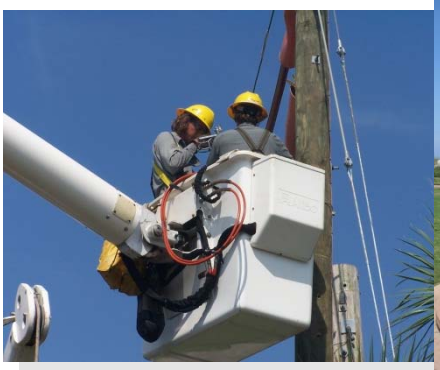
Quality of Life Goals:

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 ***level of service*** desired by our citizens.	Budget Message; Executive
To manage the City to be ***competitive in all services*** with respect to cost, service and reliability.	Beaches Energy Services
To make ***redevelopment*** work.	Redevelopment
To maintain an atmosphere in which all ***citizens feel safe*** in their homes, in public and on the beach.	Police; Fire; Parks & Recreation (Ocean Rescue)
To ***protect the environment*** 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 ***manage growth*** in a way that protects the quality of life and to maintain an ideal mix of commercial and residential uses.	Planning & Development
To ***promote the City*** 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 ***cash balances*** which protect the City's financial integrity.	Finance
To implement a ***comprehensive performance measurement*** 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 ***emphasize employee safety*** 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 ***qualified and highly motivated workforce***.	Human Resources
To ***eliminate deferred maintenance*** 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

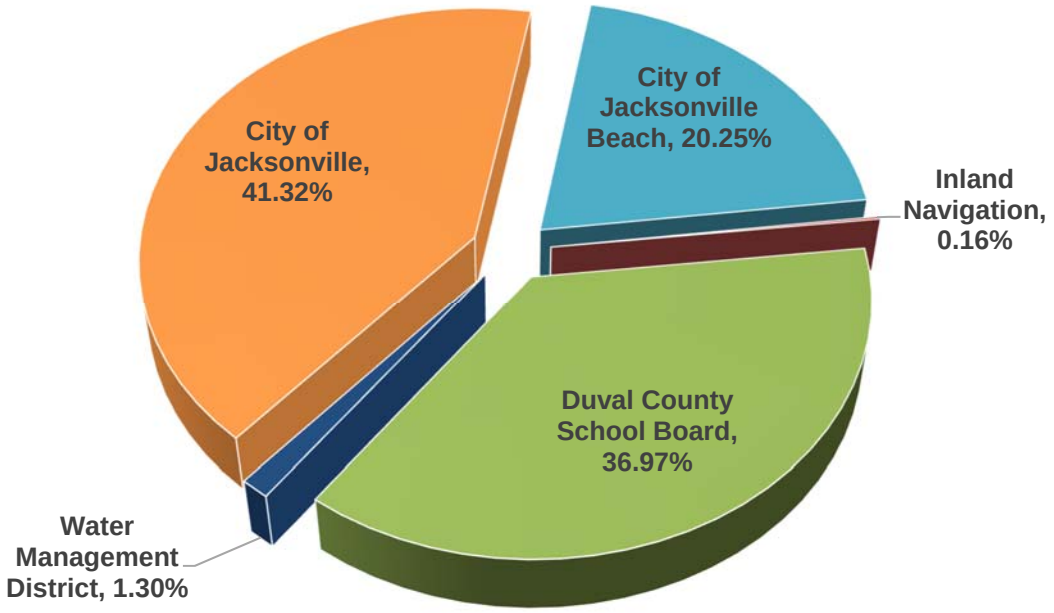
City services are funded from a variety of sources including property taxes, local option taxes, state shared revenues and utility rates. The adopted ad valorem tax rate is $3.9947 mills per thousand dollars of property value. This rate is unchanged from last year's rate.

Where Your Property Tax Dollars Go

Property Taxes on a Home with Homestead Exemption*

($50,000; $25,000 for school districts)

Current Millage Rate			Adopted Millage Rate	
Millage Rate	Property Tax		Millage Rate	Property Tax
$3.9947	**$628**	**City of Jacksonville Beach**	**$3.9947**	**$628**
0.0320	$5	Inland Navigation	0.0320	$5
6.4850	$1,182	Duval County School Board	6.2930	$1,147
0.2724	$43	Water Management District	0.2562	$40
8.1512	$1,282	City of Jacksonville	8.1512	$1,282
$18.9353	$3,140	TOTAL	$18.7271	$3,102



**Based on a median home assessed value of $207,256 (Property Appraiser)*

A home valued at $207,256 with a homestead exemption of $50,000 has a net taxable value of $157,256 ($182,256 for schools). Based on 2019 millage rates, that homeowner will pay $3,102 in property taxes. $628 of that household's taxes are paid to the City of Jacksonville Beach (about $52.34 per month). By comparison, cable television and internet access can cost over $100 per month.

Budget Process

Approximate Date	*Required Action*
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	$22,390,353	$22,390,353	($0)	13.8%
Community Redevelopment	11,169,234	2,073,979	$9,095,255	1.3%
General Capital Projects	950,000	1,374,938	($424,938)	0.8%
Electric	83,956,489	92,677,027	($8,720,538)	57.0%
Water & Sewer	13,601,949	12,146,167	$1,455,782	7.5%
	132,068,025	130,662,464	1,405,561	80.4%
Nonmajor Funds:				
Governmental	3,282,391	2,465,642	816,749	1.5%
Enterprise	9,318,484	8,831,942	486,542	5.4%
Internal Service	12,593,930	12,593,930	0	7.7%
Trust (pension)	11,511,629	7,963,845	3,547,784	4.9%
	36,706,435	31,855,359	4,851,075	19.6%
TOTAL - All Funds	$168,774,459	$162,517,823	$6,256,636	100.0%

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)	22,390,353	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)	2,073,979	Infrastructure improvements in Downtown and Southend districts; downtown policing initiative	Redevelopment, Police, Public Works
Convention Development	253,630	Tourism and convention development	Parks & Recreation, Executive
Court Cost Training	12,200	Police training	Police
Local Option Gas Tax	728,332	Street and road maintenance	Public Works
Half-Cent Infrastructure Surtax	756,500	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	37,753	Specific law enforcement uses	Police
Equitable Sharing Fund	26,000	Specific law enforcement uses	Police
Debt Service Fund			
Surtax	500,227	Principal and interest payments	Executive
Capital Projects Funds			
General Capital Projects (major)	1,374,938	Major capital projects and repair/ replacement of equipment	Executive
Infrastructure Surtax Bond Proceeds	0	Infrastructure improvements specified in enabling legislation	Executive
TOTAL	**$28,304,912**		

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)	$92,677,027	Operations of Beaches Energy Services	Beaches Energy Services
Water & Sewer (major)	12,146,167	Operations of water and sewer system	Public Works
Natural Gas	1,899,235	Operations of natural gas system	Beaches Energy Services
Stormwater	1,166,526	Operations of stormwater system	Public Works
Sanitation	3,703,111	Garbage and sanitation operations	Public Works
Golf Course	1,383,708	Golf course operations	Parks & Recreation
Lease Facilities	679,362	Operations of lease facilities and funding for major projects and replacements	Beaches Energy Services
Internal Service			
City Manger	581,558	City Manager's office operations	Executive
Finance	4,897,036	Utility billing, accounting, purchasing and information systems operations	Finance
Human Resources	652,101	Human resources operations	Human Resources
Fleet Maintenance	580,621	Maintenance on City's vehicle fleet	Finance
Meter Services	895,845	Meter reading services for electric & water	Beaches Energy Services
Operations & Maintenance Facility	320,111	Maintenance costs of O&M buildings	Finance
Insurance & Risk Retention	4,666,658	Premiums and related costs for general, liability, workers comp and employee insurance	Human Resources
TOTAL PROPRIETARY	**$126,249,066**		

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 Human Resources department.

Pension	Budget	Primary Uses	Department
General	$5,094,694	General employees' pension fund	Human Resources
Police	1,951,423	Police pension fund	Human Resources
Fire	917,728	Fire pension fund	Human Resources
TOTAL PENSION	**$7,963,845**		

City of Jacksonville Beach, Florida
Organization Chart

Residents of Jacksonville Beach

Agency, Boards & Commission
- Board of Adjustment
- Community Redevelopment Agency
- Pension Boards (3)
- Planning Commission
- Special Magistrate

City Council

City Attorney

City Manager

Finance
- Accounting
- Utility Billing
- Information Systems
- Purchasing Administration
- Storeroom
- **Building Maintenance**
- Lease Facilities
- Fleet Maintenance
- O & M Facility

Fire
- **Fire**
- Radio Communications

Human Resources
- Personnel Administration
- Insurance
- Pension Administration

Planning & Development
- **Planning & Development**
- **Building Inspection**
- **Code Enforcement**
- **Community Redevelopment Agency**

Parks & Recreation
- **Recreation Administration**
- **Ocean Rescue**
- **Grounds Maintenance**
- **Tennis**
- **Ocean Front Restrooms**
- **Carver Center**
- **SB Community Ctr & Exhibit Hall**
- **Special Events**
- Convention Development
- Golf Course
- Tree Protection

Police
- **Police Administration**
- **Records**
- **Investigations**
- **Patrol**
- **Communications**
- **Services**
- **Reserve**
- **Volunteer Programs**
- **Parking**
- Downtown Policing
- Police Special Revenue Funds

Executive & Legislative
- **City Council**
- **City Attorney**
- **City Clerk**
- City Manager

Beaches Energy Services
- **Purchase of Power**
- **Electric Administration**
- **Engineering**
- **Construction & Maintenance**
- **Capital Improvements**
- **System Operations**
- **Transmission**
- **Conservation & Renewables**
- **CARE Program**
- **Regulatory Compliance**
- Natural Gas
- Meter Services

Public Works
- **Streets**
- Local Option Gas Tax
- **Public Works Administration**
- **Water Plant**
- **Pollution Control Plant**
- **Distribution & Collection**
- Capital Projects
- Stormwater
- Sanitation

Nondepartmental*
- **Nondepartmental**
- Debt Service Funds
- **Capital Projects Funds**

Funding Source Key:
General Fund
Other Major Funds: Electric, Water & Sewer, Redevelopment, Capital Projects

* See Executive & Legislative Department for these divisions.

Expenditure Summary by Business Plan and Fund
Fiscal Year 2019

	General Fund	Other Govt. Funds	Enterprise	Internal Service	Trust (Pension)	Total
Executive & Legislative						
Governmental Debt Service		$500,227				$500,227
Executive & Legislative	845,505			581,558		1,427,063
Capital Projects		2,131,438				2,131,438
Nondepartmental	1,672,546					1,672,546
Total Executive & Legislative	**2,518,051**	**2,631,665**		**581,558**		**5,731,274**
Planning & Development	**909,272**					**909,272**
Redevelopment						
Downtown Redevelopment		646,841				646,841
Southend Tax Increment		281,143				281,143
Total Redevelopment		**927,984**				**927,984**
Parks & Recreation						
Recreation Administration	682,916					682,916
Ocean Rescue	835,162					835,162
Grounds Maintenance	1,376,640					1,376,640
Tennis	158,656					158,656
Oceanfront Facilities	131,632					131,632
Carver Center-CDBG	154,258	138,000				292,258
Special Events-Convention Dev.	64,495	253,630				318,125
Exhibition Hall	22,810					22,810
Golf Course			1,383,708			1,383,708
Tree Protection		3,000				3,000
Total Parks & Recreation	**3,426,569**	**394,630**	**1,383,708**			**5,204,907**
Public Works						
Administration			4,554,438			4,554,438
Distribution and Collection			2,547,219			2,547,219
Pollution Control			3,510,495			3,510,495
Water Plant			1,534,015			1,534,015
Streets	1,635,053					1,635,053
Local Option Gas Tax		728,332				728,332
Stormwater Utility			1,166,526			1,166,526
Sanitation			3,703,111			3,703,111
Total Public Works	**1,635,053**	**728,332**	**17,015,804**			**19,379,189**
Police						
General Fund	9,281,455					9,281,455
Special Revenue Funds		1,221,948				1,221,948
Total Police	**9,281,455**	**1,221,948**				**10,503,403**
Fire	**4,215,168**	**10,000**				**4,225,168**
Beaches Energy Services						
Electric			92,677,027	895,845		93,572,872
Natural Gas			1,899,235			1,899,235
Total Beaches Energy			**94,576,262**	**895,845**		**95,472,107**
Finance	**404,785**		**679,362**	**5,797,768**		**6,881,915**
Human Resources						
Personnel Administration				652,101		652,101
Insurance & Risk Management				4,666,658		4,666,658
Pension Administration					7,963,845	7,963,845
Total Human Resources				**5,318,759**	**7,963,845**	**13,282,604**
Total Adopted Budget	**$22,390,353**	**$5,914,559**	**$113,655,136**	**$12,593,931**	**$7,963,845**	**$162,517,824**

Executive & Legislative Department

Mission

Building community and improving the quality of life.

Our mission is to create a city with a sense of community, where people feel safe and want to live, work and play.

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.

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	FY2017	FY2018	FY2019
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 FY2019-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	
Goals	**Status**
Strategic Leadership	
Emergency Management	Hurricanes Matthew (2016) and Irma (2017); no water or sewer outages; fastest electric power restoration; completed first debris collection pass within 30 days of storms
Infrastructure Planning & Funding	5-year capital improvement plan addressing high-cost infrastructure, equipment, facilities, and vehicles updated annually as part of budget process
Strong Financial Management	Good financial condition; all debt will be paid off by October 2020; sustainable pension plans; competitive employee compensation and health care
Service Delivery/Asset Management	
Downtown CAPE Police Officers	Program now funds 11 police officers dedicated to the Downtown area
Roadways, parks and City facilities in good condition; properly maintained and free of trash	Ongoing-maintenance improvements underway
Downtown Infrastructure Improvements	Completed the area from Beach Blvd to 4th Ave S; Area from 11th Ave S to 13th Ave S will be underway by summer
Water-consumptive use permit	Received 2-15-2013; Next renewal 4-9-2033
Sewer & Stormwater-NPDES permits	Received 12-1-2016; Next renewal 11-30-2021
Drainage Study & Projects – South of Beach Blvd	Engineering study for the Ocean Terrace area
Parking	Added parking lot on 2nd Street N between 3rd and 4th Avenues
Improvements and repairs to City facilities	1. Latham Plaza and Oceanfront Park: new irrigation system 2. Oceanfront Park: new restrooms; park improvements 3. South Beach Park: skatepark; artificial turf on the multi-purpose field
Paws Dog Park	Installed artificial turf in dog park
Economic Development and Land Management	
Mixed Use Project	Margaritaville Resort Project - 8-story mixed use hotel/condo with commercial space along 6th Ave N
Mixed Use Project	Dolphin Depot – mixed use hotel/condo with commercial space
Beach Marine PUD	Residential homes and townhomes in the area near Beach Blvd and the Intracoastal Waterway
Parking	Added parking lot on 2nd Street N between 3rd and 4th Avenues
Medical Marijuana options	Drafted ordinance to allow dispensaries anywhere pharmacies are allowed
Beach Outfalls and Dune Walkovers	Received a grant to assist in closing gaps in the dune line by extending the beach outfalls. We will also be raising the height of the walkovers to protect the dunes.

Executive & Legislative Department

City Manager's Performance Measures	
Goals	**Status**
Sense of Place and Civic Pride	
Jacksonville Beach Pier rebuild	Half of the Pier reopened March 1; work to restore the remaining half will take about 2 years
Dune Walkovers	Budget includes $100,000 annually to rebuild walkovers; ADA compliant walkovers being designed
South Beach Park	Completion of new toddler splash pad expected late May
Downtown Improvements	Downtown Action Plan includes improvements in the areas of public art, signage, seating and outdoor amenities
Jacksonville Beach Golf Course	17 greens being rebuilt; irrigation improvements, expanded driving range; short-game course; work being done to make course safer and more playable; reopening late summer
Events at SeaWalk	Over 70 events annually; including monthly Art Walk and Car Cruise; Deck the Chairs at Christmas
Dogs on the Beach options	Drafted ordinance to allow dogs on the beach anytime during the winter months (consistent with Neptune Beach ordinance)
Community Engagement	
Enhanced communications	Use of social media and website to keep customers and citizens informed, respond to inquiries, and invited to participate in decision making
Provide spaces and events that allow friends and neighbors to connect with each other	Downtown Action Plan improvements being considered. Jax Beach Skate Park opened in March 2017. Moonlight Movies includes 2 in the spring and 2 in the fall. Beaches Opening Parade is a very popular community event. Special events in Latham Plaza.
Maintain strong customer service focus	Annual customer service training conducted; Customer Service Award program provides gift card of $20 to employees whose actions go above and beyond their required duties by improving service, reducing costs or assisting coworkers or members of the community
Intergovernmental Representation and Cooperation	
Shore Protection	1. Work with Federal, State, and County reps to ensure continued funding for Shore Protection projects 2. Work with State agencies to rebuild dunes and/or install sand fencing
Florida Municipal Power Agency	Participate in meetings for Beaches Energy Services
Community Partnerships	1. Mission House – to reduce homelessness 2. Carver Center – provides programs and activities to low and moderate income citizens 3. BEAM – community-based organization that serves low income residents
Drainage Projects	Work with FDOT on $22 million project to improve drainage and roads; worked with Duval County to adopt interlocal agreement assuring funding for drainage improvements.

Executive & Legislative Department

City Clerk's Performance Measures	Actual 2017	As of 3/2018	Target 2019
# responses received / # surveys sent out	129 / 2,986	169 / 2,400	100 / 2,500
Customer survey satisfaction rating: Target is 95% Satisfactory, with at least 80% Exceeds Expectations:			
Internal Customer Service Survey - Satisfaction with service provided	95%	95%	95%
Local Business Tax Customer Service Survey - Satisfaction with responsiveness of Clerk's office	95%	93%	95%
Lien Certificate Customer Service Survey - Satisfaction with responsiveness of Clerk's office	95%	99%	95%
Other performance measures:			
Assemble and distribute Council agenda packets 4 days prior to meeting and post on website	100%	100%	100%
Transcribe Council meeting minutes within 3 days	100%	100%	100%
Research, prepare and issue lien certificates within 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 FY2019-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 prepared promptly.
- Make the Granicus agenda application available to the public on the City's website.
- Ensure that Local Business Tax Renewal Notices are sent to existing businesses by August 1, 2019.

Executive & Legislative Department

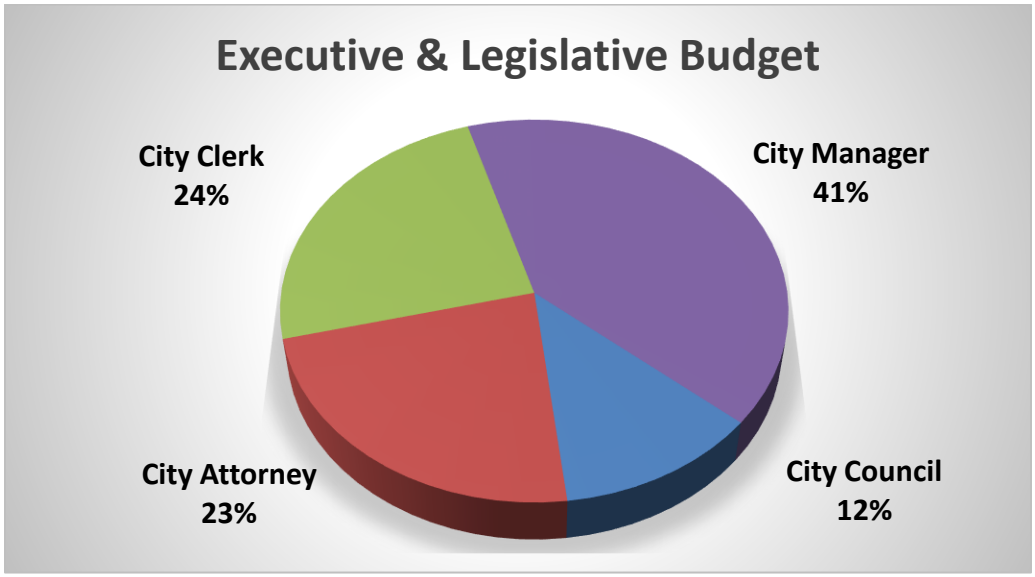
Funding Sources:

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	FY2018 Budget	FY2019 Budget	Increase (Decrease)
City Council	$169,458	$171,098	$1,640
City Attorney	304,593	329,535	24,942
City Clerk	335,369	344,872	9,503
City Manager	529,136	581,558	52,422
TOTAL	**$1,338,556**	**$1,427,063**	**$88,507**

Budget increases are primarily for payroll-related costs.

The City Attorney division increased due to an hourly rate change for legal services.

Executive & Legislative Department

Funding Uses (continued)

City Council
This division's expenses are essentially level in comparison to previous years. Total budget is $171,098. The City Council budget includes funding assistance for:

Dial-a-Ride $3,000

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 $329,535.

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, coordinating more complex public records requests and publishing legal notices and advertisements. It also manages the City's business license program and lien certificate requests. The total budget is $344,872.

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

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

The total budget is $581,558.

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)	FY2018	FY2019
Professional Services	$7,500	$7,500
Contract Services: Holiday 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	357,998	357,998
Maintenance (SeaWalk Pavilion & Latham Plaza)	2,000	2,000
Unanticipated:		
Unallocated	936,540	518,917
Customer Service Rewards	15,000	15,000
Internal Service Charges	30,109	30,798
Uncollectible Accounts	1,200	1,200
Minimum monthly retiree benefits	4,625	2,133
Subtotal - operating	**1,446,972**	**1,027,546**
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	100,000
Major building systems replacements	120,000	120,000
Golf course funding/working capital	144,000	150,000
Parks maintenance reserve	0	200,000
Subtotal - transfers	**429,000**	**645,000**
TOTAL Non-departmental	**$1,875,972**	**$1,672,546**

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.

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	FY2019 Budget
½ Cent Sales Surtax Fund (Better Jax Beach)	Sidewalks	$70,000
	Penman Road commercial area infrastructure improvements design	200,000
	Bank service charges	1,500
	Transfer to debt service fund	485,000
Total 1/2 Cent Sales Surtax		**$756,500**
General Capital Projects	Professional engineering services	30,000
	Bank service charges	22,000
	Dune restoration/walkover projects	100,000
	Building maintenance, painting and misc.	50,000
	Computer-related maintenance	25,000
	Building systems replacement-roofs, HVAC	401,000
	Water, sewer and stormwater project 10th St S	50,000
	Replace EIS servers (IT strategic plan)	140,000
	Replace business applications*	277,127
	Replace radios	210,000
	Replace computers (annual plan)	69,811
Total General Capital Projects		**$1,374,938**
	TOTAL CAPITAL PROJECTS	**$2,131,438**

***** *The total cost estimate for this high priority project is $3.1 to $3.3 million. In 2018, the City began implementation of Tyler Technology's Munis software for the financial, human resources, payroll, and utility billing systems. After implementation of the Munis software is complete in 2019, the City plans to issue a new request for proposals for the GIS-based and mobile applications.*

Executive & Legislative Department

Financial Summaries

Executive and Legislative Department

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$818,784	$838,629	$898,378	$59,749	7.1%
Operating	$438,292	$499,927	$528,685	$28,758	5.8%
Capital Outlay	$0	$0	$0	$0	-
Transfers	$0	$0	$0	$0	-
TOTAL	**$1,257,076**	**$1,338,556**	**$1,427,063**	**$88,507**	**6.6%**

Budget increases are for payroll-related costs during the City Manager transition.

Nondepartmental Division

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Operating	$507,653	$1,446,972	$1,027,546	-$419,426	-29.0%
Capital Outlay	$0	$0	$0	$0	-
Transfers	$1,758,849	$429,000	$645,000	$216,000	50.3%
TOTAL	**$2,266,502**	**$1,875,972**	**$1,672,546**	**-$203,426**	**-10.8%**

The police and fire union contract negotiations were ongoing at the beginning of FY18. The police contract has been ratified and funds were transferred from unallocated to the Department.

Governmental Debt Service Funds

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Principal	$955,000	$980,000	$490,000	-$490,000	-50.0%
Interest & other charges	$38,722	$28,224	$10,227	-$17,997	-63.8%
TOTAL	**$993,722**	**$1,008,224**	**$500,227**	**-$507,997**	**-50.4%**

The ½ Cent Infrastructure Surtax debt will be paid off in 2019, making about $500,000 yearly available for road/drainage maintenance.

Capital Projects Funds

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Operating	$271,186	$228,500	$228,500	$0	0.0%
Capital Outlay	$2,192,598	$2,002,593	$1,417,938	-$584,655	-29.2%
Transfers	$994,950	$985,600	$485,000	-$500,600	-50.8%
TOTAL	**$3,458,734**	**$3,216,693**	**$2,131,438**	**-$1,085,255**	**-33.7%**

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

Executive & Legislative Department

Budget Issues for 2019

- The LIUNA (General Employees) contract re-opens in 2019 and negotiations for the IAFF (Firefighters) contract are ongoing.

- Pension costs have increased because of state legislation that require the City to use the mortality tables used in the 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. In addition, the Plan Actuary has recommended a decrease in the assumed rate of return, which will further increase the City's pension costs.

- 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.

- Periodic discussions with the City of Jacksonville regarding contracting out the City of Jacksonville Beach Fire Department have been ongoing for several years. Any decision will be made after considering the best long-term interests of the Jacksonville Beach community.

- Proposing an interlocal agreement with Duval County to reduce the tax increment funding percentage utilized in the Redevelopment Districts in order to receive/retain more revenue in the City's General Fund.

- 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.

- A project began in 2017 to replace the City's 29-year old business enterprise software. The total project cost is approximately $3.1 to $3.3 million and the implementation will take about 4 years to complete. $2.6 million has been set aside, with additional funds coming from the General Fund.

Budget Issues for 2019 (continued)

- Maintenance improvements to the City's buildings, parks and dune walkovers are included in the 2019 budget. The improvements are scheduled 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. Damage to the walkovers worsened after Hurricane Irma struck eleven months later. Improvements to the walkovers are being prioritized in phases. A capital projects account has been established to pay for the cost of future ongoing walkover repairs and replacements.

    - Roof, generator, HVAC and other building systems are scheduled for replacement over the next 5 years at an estimated cost of $1,210,000.

    - Projects are scheduled for Huguenot Tennis Center, A1A landscape islands and Tall Pines Park over the next 4 years. The City-wide grounds and golf course irrigation control system is scheduled to be replaced in 2023 at a cost of $215,000.

- A major issue in the future is to focus on maintaining all City parks and facilities. We should scrutinize any new facility proposals and consider the future cost of ongoing maintenance.

JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

Community Redevelopment Agency

Mission

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.

Community Redevelopment Program-Organization

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.

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 $6,178,650 for FY 2018 and the South Beach District generated $4,131,747 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, with the Agency funding 25% of the Director's annual salary.

Community Redevelopment Program-Management (continued)

Salary and Benefits Percentage Allocation by District:

Authorized Position	Department	Downtown	South Beach	Total CRA Allocation
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 provides funding for operating expenses related to carrying out community redevelopment efforts. Funding for the redevelopment program administration provided by the City is divided between the Downtown (62%) and South Beach (38%) Tax Increment Trust Funds. This division is comparable to percentages of the total annual appropriations to the trust funds from each of the two districts. City provided program administration expenses include, but are not limited to the following:

- General administrative oversight of the City's Community Redevelopment programs
- Internal service support – general City Administration, Finance, Information Technology, 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 2019 Budget Issues

- 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

- 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. For FY 2018-2019, construction work will begin on Phase III, Project 2, which covers the area between 11th and 14th Avenues South. This project also includes the installation of a gravity stormwater main underneath 3rd Street, to convey stormwater collected in the downtown system to the 12th Avenue stilling basin located west of 4th Street South, outside of the Downtown Redevelopment Area.

- Phase One of the Dix.Hite + Partners' *Downtown Action Plan - Implementation and Management Plan* was completed in the fall of 2017. Projects identified in that plan and budgeted for implementation in FY2018-2019 include a lighting master plan, bike parking plan, public art master plan, wayfinding signage plan, and Pier Entryway Enhancement.

Community Redevelopment Agency

Financial Summaries

Community Redevelopment Agency (both districts, combined)

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$991,908	$1,151,343	$1,223,853	$72,510	6.3%
Operating	$504,426	$809,835	$817,726	$7,891	1.0%
Capital Outlay	$7,183,382	$60,100	$32,400	-$27,700	-46.1%
Debt Service	$0	$0	$0	$0	-
TOTAL	**$8,679,716**	**$2,021,278**	**$2,073,979**	**$52,701**	**2.6%**

Personal services increases are primarily attributable to recent Police contract and pay plan changes.

Capital outlay budgets will be increased when construction bids are awarded.

Financial Summary by District

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Downtown	$5,209,871	$1,742,425	$1,792,836	$50,411	2.9%
South Beach	$3,469,845	$278,853	$281,143	$2,290	0.8%
TOTAL	**$8,679,716**	**$2,021,278**	**$2,073,979**	**$52,701**	**2.6%**

Operating expenses continue to fund enhanced levels of maintenance of TIF funded improvements in both districts, including the Skate Park, splash pad, picnic pavilions, ball courts, fitness circuit, and restrooms in South Beach Park, and the improvements in Oceanfront Park and Latham Plaza downtown.

Downtown Redevelopment District

The initial focus of the CRA was the rejuvenation of the commercial core 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 Agency

Recent Program Accomplishments-Downtown

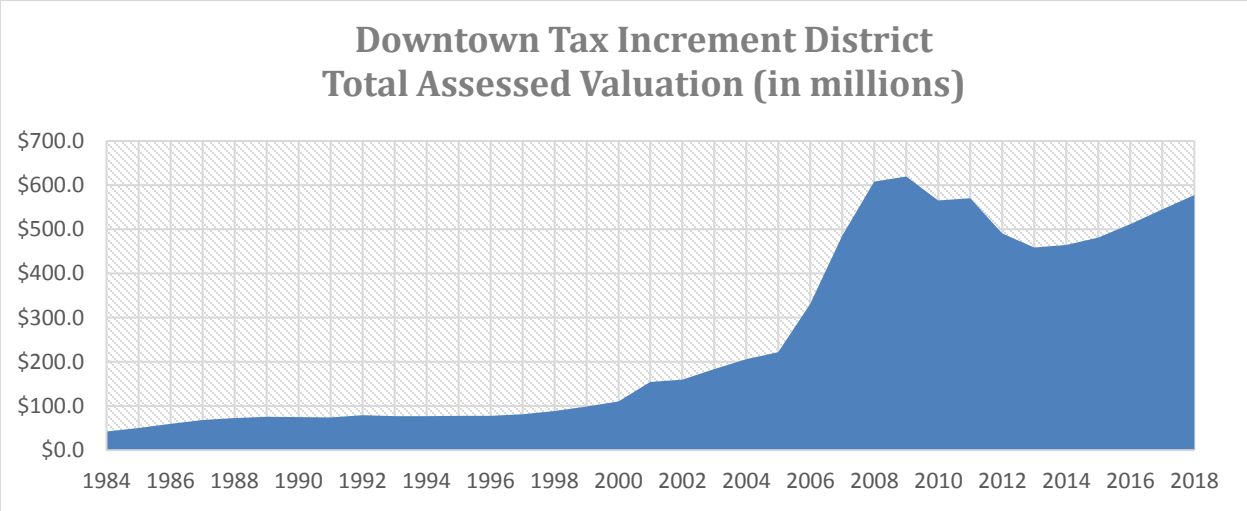
The CRA, with assistance from City staff, continued its involvement during FY2018 in implementing the Vision Plan for the core of the Downtown area as follows:

- Replacement of the water, sewer, and stormwater systems, connection of the stormwater system to the Beach Boulevard stormwater vault, and reconstruction of all of the roadways, oceanfront street-ends, and most of the alleys in the area between Beach Boulevard and 4th Avenue South from South 3rd Street to the oceanfront.
- Completed construction of a 92-space public parking lot and 2,500 square feet Police CAPE storage building on the west side of 2nd Street North, between 3rd and 4th Avenues North
- Completed preparation of construction documents for the areas between 11th and 13th Avenues South, and which also connects that project's stormwater under 3rd Street South to the 12th Avenue South Stilling Basin, west of 4th Street, outside of the Downtown District. That project was bid out and a contractor was selected in March of 2018, and work will commence this summer.
- Completed design and construction document preparation for the replacement of three ADA accessible dune walkover structures along the downtown Seawalk.
- Completed design and construction document preparation for a Water Main replacement project on 3rd Street North, from 6th Avenue North to 9th Avenue North.
- The consulting group *Dix.Hite + Partners* was hired in FY2017 continued work on the *Downtown Action Plan – Implementation and Management Plan*, specifically preparing an additional Pier Entryway concept plan and additional logo designs for use in branding the downtown area.
- Completed design of the downstream drainage improvements that will be used to treat and convey the additional stormwater from the Downtown stormwater system into the 12th Avenue Stilling Basin.
- Bank clearing and channel improvements were also made to the portion of that system lying within the boundaries of the City's golf course.
- Completed installation of a multi-camera video surveillance system at locations throughout the core downtown area.

Community Redevelopment Agency

Program Goals for FY2019–Downtown

- Commence construction of the roadway and utility improvements in the area east of 3rd Street between 11th and 13th Avenues South, including the stormwater system connection under 3rd Street to the 12th Avenue South Stilling Basin. Project is estimated to last 600 days.
- Prepare final designs and phasing plans required to complete the infrastructure improvements planned for the area east of 3rd Street between 4th and 11th 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*, including an Art Master Plan, Bike Parking Plan, Wayfinding Signage Plan, Lighting Plan, and Pier Entryway Enhancement components.



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 overall national economic conditions. This trend has now reversed as we see increases since 2014.

Financial Summary-Downtown Redevelopment

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$925,775	$1,082,960	$1,155,029	$72,069	6.7%
Operating	$455,301	$599,365	$605,407	$6,042	1.0%
Capital Outlay	$3,828,795	$60,100	$32,400	-$27,700	-46.1%
TOTAL	**$5,209,871**	**$1,742,425**	**$1,792,836**	**$50,411**	**2.9%**

Personal service increases are primarily attributable to recent Police contract and pay plan changes.

Community Redevelopment Agency

Downtown Community Policing Innovations

The Downtown Community Policing Initiative, or Downtown CAPE, began a pilot project with two officers in November of 2006. Over time, the program was expanded and in FY2014 was permanently integrated to the Downtown Community Redevelopment plan. Currently, 11 officers including one supervisory sergeant, two corporals, and eight police officers provide a concentrated presence in the Central Business District, and are also authorized to provide police services throughout the Downtown Redevelopment District.

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 both crime prevention and code enforcement. They also provide "responsible vendor training" to businesses in the downtown area that serve alcoholic beverages. Additional information regarding their activities may be found in the Police Department section of this Budget and Business Plan.

Financial Summary-Downtown Community Policing Innovations

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$743,921	$923,289	$1,002,145	$78,856	8.5%
Operating	$51,749	$106,350	$111,450	$5,100	4.8%
Capital Outlay	$62,954	$60,100	$32,400	-$27,700	-46.1%
TOTAL	**$858,624**	**$1,089,739**	**$1,145,995**	**$56,256**	**5.2%**

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

Capital outlay of $32,400 reflects a CAPE police vehicle replacement.

Budget Issues-Downtown

- 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.

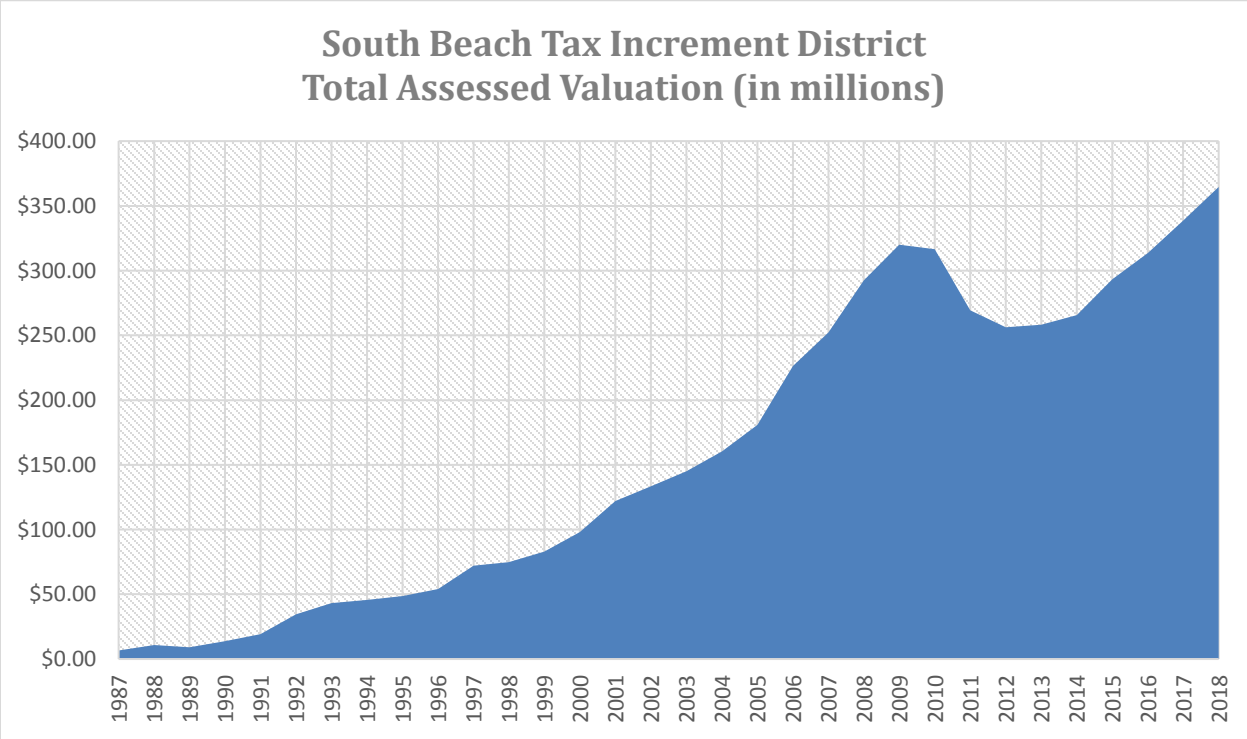
- Planning and programming of available tax increment trust funds to support programs recommended activities of the *Downtown Action Plan – Implementation and Management Plan* including lighting, bicycle parking, and public art.

Community Redevelopment Agency

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. That subdivision is now fully built out.



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 six years have shown signs of steady recovery now peaking at $364.6 million in 2018.

Community Redevelopment Agency

Recent Program Accomplishments-South Beach

- ✓ Completed the Ocean Terrace Area Drainage Improvements Study for the developed neighborhoods on either side of Jacksonville Drive, between South Beach Parkway and America Avenue.
- ✓ Completed the cleaning and televising project for the portions of the South Beach master stormwater system from Jacksonville Drive, running under the South Beach Regional Shopping Center, J.T. Butler Boulevard and Marsh Landing Parkway to the stilling basin west of South Beach Parkway, and completed repair of the initially identified leaks in that system.
- ✓ Completed construction of the Landscape and Re-use Irrigation system extension project for Jacksonville Drive and South Beach Parkway, including the installation of a pedestrian crosswalk at the Ocean Cay and Riptide subdivision entrances onto South Beach Parkway
- ✓ Completed the re-design of improvements (twin concrete box culverts) to the open channel portion of the South Beach master stormwater system running along the north side of Marsh Landing Parkway
- ✓ Installed an artificial turf surface on the multi-purpose playing field, designed and constructed an addition to the Splash Pad interactive water feature, and replaced the exercise equipment at nine stations along the fitness trail, all in South Beach Park.
- ✓ Installed three additional video surveillance cameras in South Beach Park.

Program Goals for FY2019-South Beach

- Develop and implement a comprehensive maintenance plan for the facilities in South Beach Park.
- Gain approval of an interlocal agreement with the Taxing Authority (Duval County/Jacksonville) providing for a tiered reduction in the percentage of tax increment funds allocated annually to the Southend Community Redevelopment Trust Fund.
- Design a project or projects based on the recommendations of the Ocean Terrace Area Drainage Improvements Study.

Financial Summary-South Beach Redevelopment

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$66,133	$68,383	$68,824	$441	0.6%
Operating	$49,125	$210,470	$212,319	$1,849	0.9%
Capital Outlay	$3,354,587	$0	$0	$0	-
TOTAL	**$3,469,845**	**$278,853**	**$281,143**	**$2,290**	**0.8%**

Personal services change is primarily due to pay plan, pension, and health insurance increases.

Funds for capital outlay are appropriated when the construction bids are awarded.

Community Redevelopment Agency

Budget Issues-South Beach

- Address implications of a reduction in tax increment trust funds allocated to the Southend Community Redevelopment Trust Fund
- Provide for long term maintenance of Tax Increment funded improvements throughout the Southend Community Redevelopment Area

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.

Public Infrastructure Improvements 1987-Present (continued)

- Acquired land in South Beach Park area for:
  - Recreational activities for all ages.
  - Volunteer designed and built "Sunshine Park for Kids."
  - South Beach Community Center and Exhibition Hall Building.
- Installed skate park, tennis courts, beach volleyball, exercise trail, splash pad, basketball court, multi-use playfield, picnic shelters, and restrooms.
- 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 and the construction of a new southbound to westbound turn lane on South Beach Parkway from Osceola Avenue to Sanctuary Parkway.

JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

Planning & Development Department

Mission

Working together to build a better Jacksonville Beach.

Department Service Objectives

- Ensure compliance with the City's adopted land development code and building codes.
- Enforcement of adopted codes to ensure the health, safety and welfare of our community.
- 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.** The Department provides information and services to our citizens. In addition to serving the public in their development needs and inquiries, the Department provides administrative support to the Community Redevelopment Agency (CRA), Planning Commission, Board of Adjustment, and the Special Magistrate.

Authorized Positions	FY2017	FY2018	FY2019
Planning Division	2	2	2
Building Inspection Division	6	6	6
Code Enforcement Division	2	2	2
TOTAL	**10**	**10**	**10**

Financial Summary - All Divisions

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$572,027	$739,447	$740,949	$1,502	0.2%
Operating	$208,023	$163,513	$168,323	$4,810	2.9%
Capital Outlay	$0	$0	$0	$0	-
TOTAL	**$780,050**	**$902,960**	**$909,272**	**$6,312**	**0.7%**

Planning & Development Department

Financial Summary by Division

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Planning	$218,533	$228,092	$236,404	$8,312	3.6%
Building Inspection	$398,542	$482,996	$476,673	-$6,323	-1.3%
Code Enforcement	$162,975	$191,872	$196,195	$4,323	2.3%
TOTAL	**$780,050**	**$902,960**	**$909,272**	**$6,312**	**0.7%**

The FY 2019 budget for the Department increased by less than 1% from the FY 2018 budget. There is a slight increase in salaries for 2019, and the increase in operating expenses is due to an increase in internal service charges and additional funding for Planning and Development Division promotional activities (legal advertising).

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. The 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), providing administrative support and staff representation at all meetings.

Authorized Positions	FY2017	FY2018	FY2019
Director of Planning & Development	1	1	1
Senior Planner	1	1	1
TOTAL	**2**	**2**	**2**

Planning & Development Department

Recent Accomplishments

- ✓ Processed 238 separate Land Development Code related applications, including 10 Development Plan (site plan) approvals, eight Concept Plat and two Final Plat applications.
- ✓ Processed 34 Conditional Use applications and 104 Variance applications for public hearings by the Planning Commission and Board of Adjustment, respectively.
- ✓ Approved 54 Home Occupation applications and 16 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 FY2019

- Update the land development code to address issues arising from the redevelopment of property.
- Encourage the development 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 regarding natural hazards such as hurricanes and flooding.
- Continue to provide professional and administrative support to the Community Redevelopment Agency.

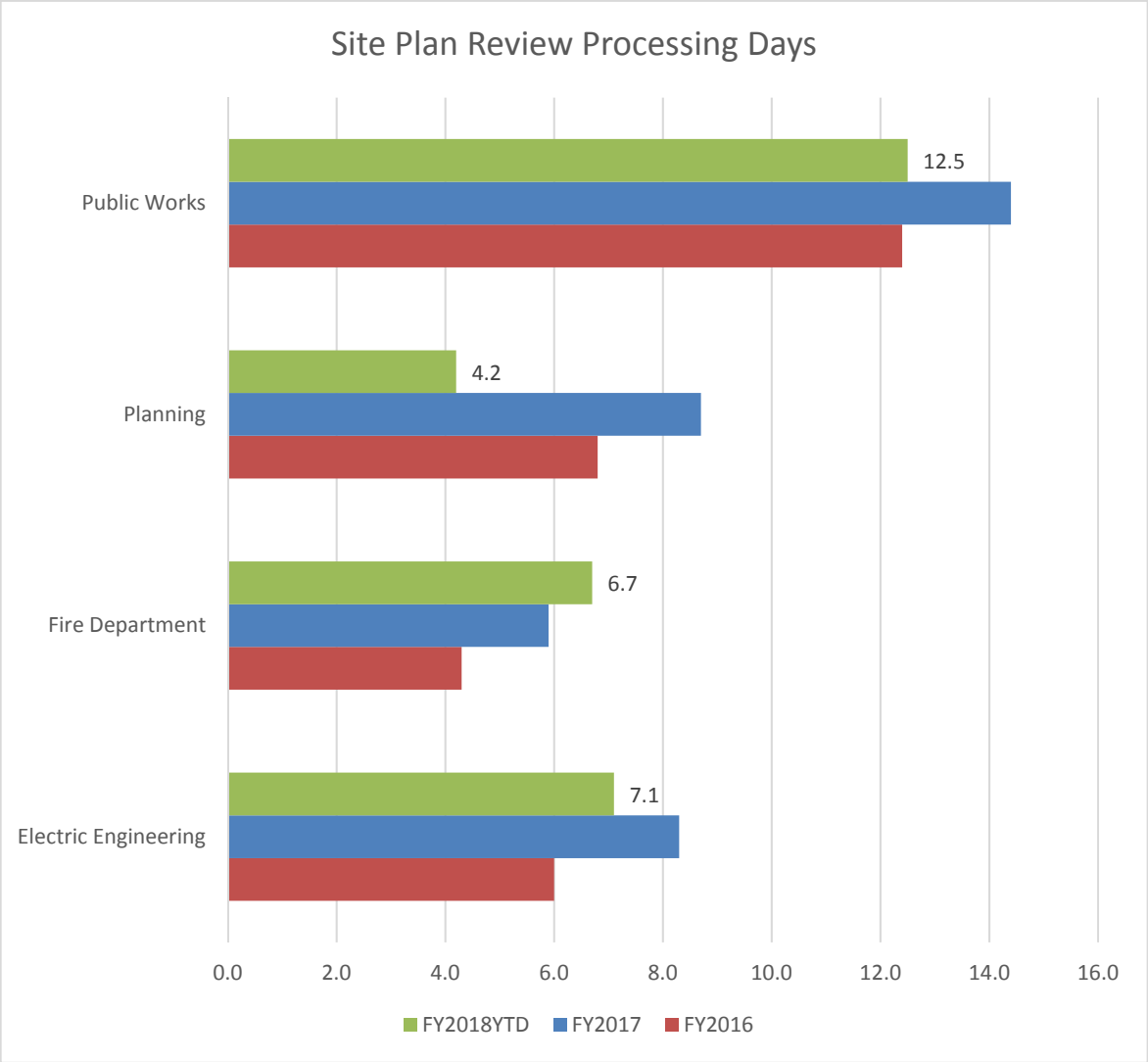
Division Budget Issues for FY2019

Approved staffing levels are projected to remain adequate.

Planning & Development Department

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 FY2017, staff processed 10 development plan applications, and 10 applications through March of FY2018.



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 and zoning code of the City, including sign and vehicle parking regulations. 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	FY2017	FY2018	FY2019
Building Official	1	1	1
Building Code Inspector	2	2	2
Permit Specialist	2	2	3
Permit Specialist – Part Time	1	1	0
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	**8**	**8**	**8**

Effective 8/1/2018, the part time Permit Specialist was converted to full time. Costs are offset by the planned vacancy of one Building Code Inspector.

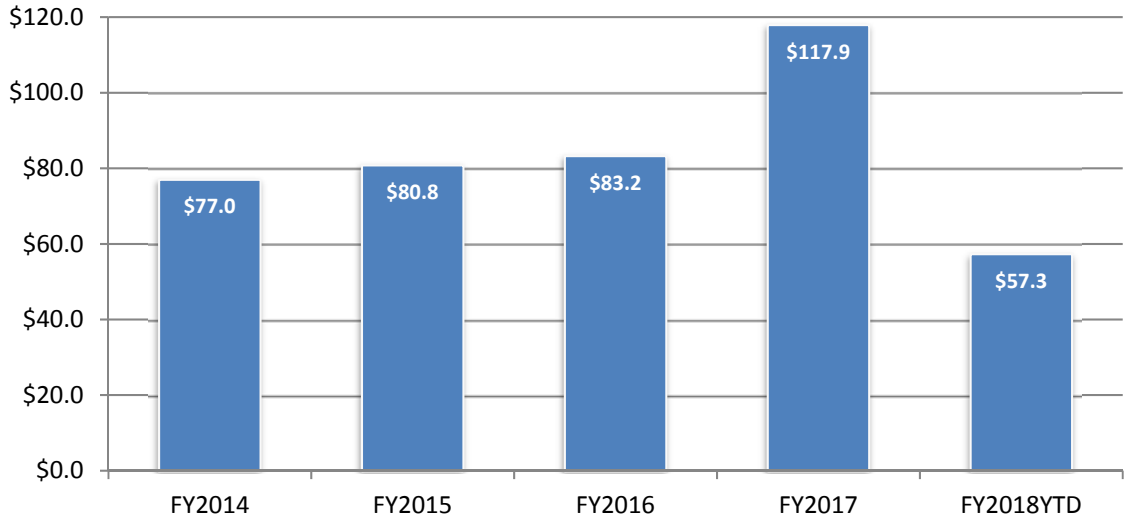
Recent Accomplishments

- ✓ In FY2017, the *Building Inspection Division* issued 3,661 construction related permits and approved construction with a total valuation of $117,894,540. Building inspection personnel carried out 8,558 construction inspections during the fiscal year. Construction activity included 103 new dwelling units, and generated approximately $594,000 in permit fees.
- ✓ *Code enforcement* staff processed 1,241 code cases in FY 2017, compared with 992 in 2016. The Special Magistrate is an attorney who hears and decides code violation cases. In FY 2017, the Magistrate conducted nine hearings and considered a total of 65 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 attained/retained proper licensure and credentials under state law. As of April 15, 2018, the new Building Codes Inspector (working under a provisional license) has completed two of the required four trades certifications required for *Residential, One- and Two- Family Dwellings, Building Codes Inspector* licensure, and is expected to be fully certified for that license by December 2018.

Planning & Development Department

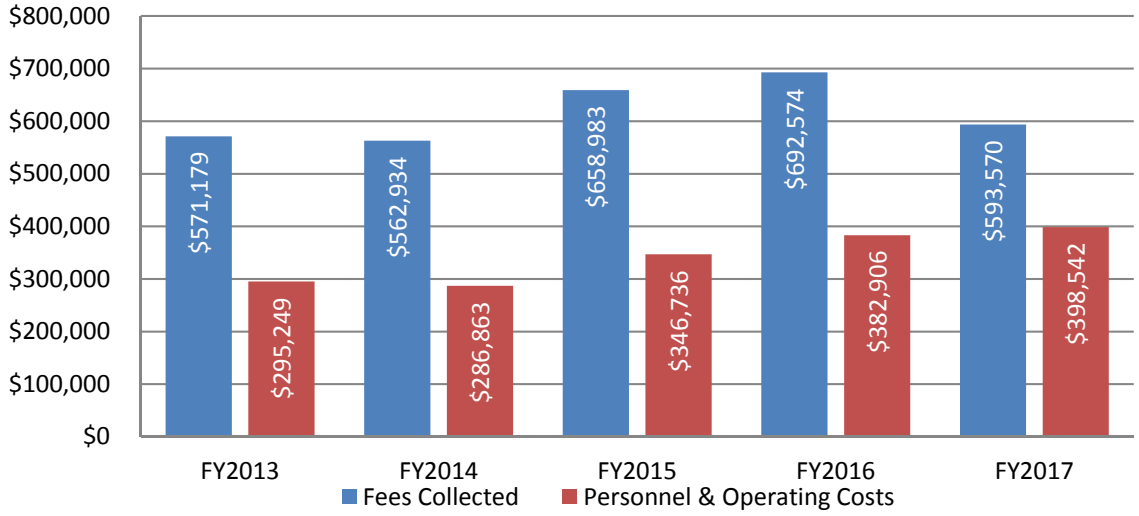
Building Inspection and Code Enforcement Divisions Performance Measures

Total Dollar Value of Permits (millions), FY2014-2018YTD



The Building Inspection Division's primary objective is to protect the quality of life in our community by providing building inspections, plan reviews and code enforcement.

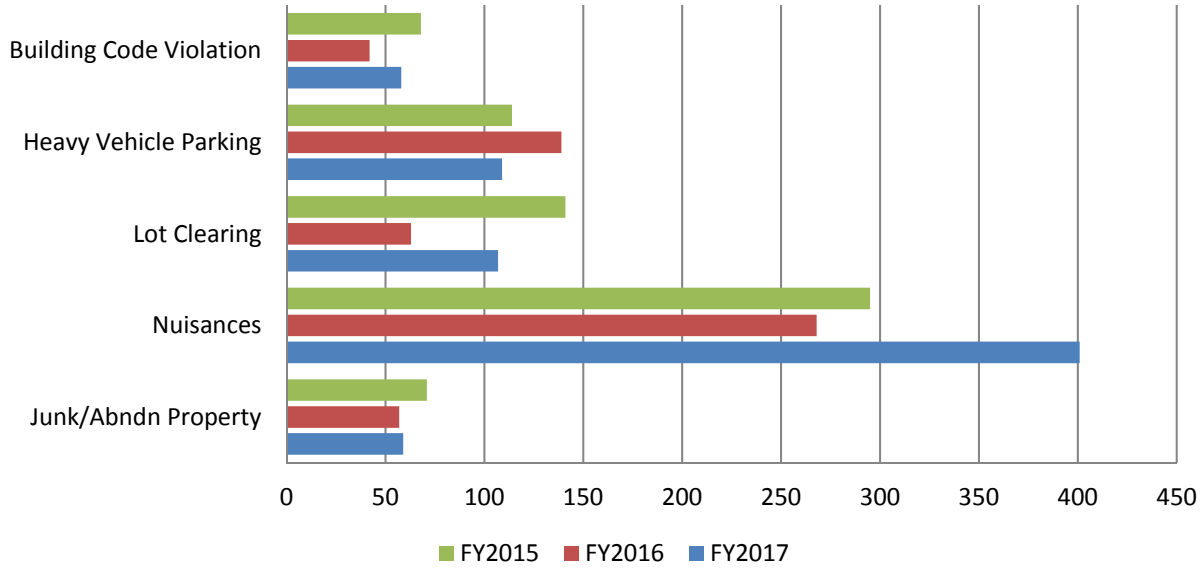
Comparison of Permit Fees & Building Inspection Divisions Personnel and Operating Expenses, FY 2013-2017



This chart does not include costs incurred by Public Works, Fire, and Planning staff as part of the plan review and permitting process.

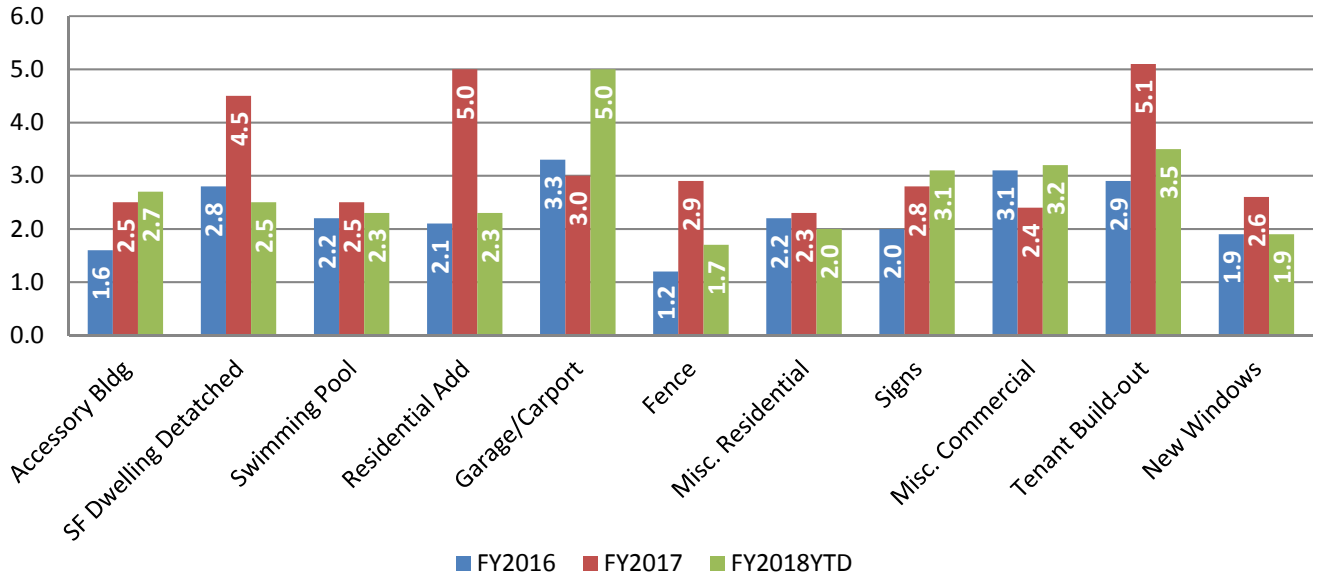
Planning & Development Department

Frequent Code Enforcement Cases, FY 2015-2017



The "nuisances" category includes violations such as overgrown grass or weeds above 10 inches, noise, trash accumulation, dilapidated structures, or other conditions that endanger the health and safety of others.

Average Initial Review Days for Selected Permit Types, FY2016-2018YTD



Planning & Development Department

*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 FY2019

- Obtain *Permit Technician* certification by both full-time Building Inspection Division Permit Specialists.
- Maintain a standard of completing the initial plan review for single-family residential construction permits within four working days of receipt.
- Maintain a standard of completing 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.
- Continue to work with the City's ERP consultants to add online permitting to the Department's webpage.

Parks & Recreation Department

Mission

Create a sense of community by providing safe and well-maintained parks that offer activities for citizens of all ages.

Organization

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

Authorized Positions by Division	FY2017	FY2018	FY2019 Full Time	FY2019 Part Time	FY2019 Total
Recreation Administration	6	6	3	3	6
Ocean Rescue	87	87	2	85	87
Grounds Maintenance	7	7	9	0	9
Tennis Center	3	3	1	2	3
Carver Center	3	3	2	1	3
Oceanfront Facilities	-	-	-	-	-
Community Center	-	-	-	-	-
Special Events	-	1	1	-	1
Golf Course	25	24	8	16	24
TOTAL	**131**	**131**	**26**	**107**	**133**
Total Full-time	22	24			26
Total Part-time	110	107			107
TOTAL POSITIONS	**132**	**131**	**26**	**107**	**133**

Two Grounds Maintenance Worker positions have been added to assist with landscape maintenance previously contracted out.

A part-time Ocean Rescue Lieutenant position was reclassified to be a full-time Assistant Supervisor during FY2018.

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$2,192,686	$2,489,268	$2,671,898	$182,630	7.3%
Operating	$1,951,936	$2,290,994	$2,118,009	-$172,985	-7.6%
Capital Outlay	$23,213	$143,969	$277,000	$133,031	92.4%
Transfers	$157,528	$158,000	$138,000	-$20,000	-12.7%
TOTAL	**$4,325,363**	**$5,082,231**	**$5,204,907**	**$122,676**	**2.4%**

Capital Outlay increases includes the addition of an 8th tennis court at Huguenot Tennis Facility ($70,000) and playground equipment at Tall Pines Park ($65,000).

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	FY2017	FY2018	FY2019
Director	1	1	1
Recreation Superintendent	1	1	1
Administrative Assistant	1	1	1
Staff Assistant (part-time)	1	1	1
Recreation Program Assistant (part-time)	1	1	1
Project Manager (part-time)	1	1	1
TOTAL	**6**	**6**	**6**

Recent Accomplishments

- ✓ New K-9 artificial turf was installed at the Dog Park.
- ✓ Improved South Beach Park by installing field turf on multi-purpose field, extending splash pad to accommodate toddlers, and replacing fitness stations.
- ✓ Started construction to replace golf course greens and extend driving range (Jan-18).
- ✓ Replaced bollards, lighting and sea life kiosks at Ocean Front Park.
- ✓ Implemented a revised Special Events Policy.
- ✓ New minor league girls fast pitch softball field was added at Wingate Park.
- ✓ Revised rates and fees for: Golf Course; Exhibition Hall; Dog Park; Special Events; Cemetery; Municipal Ball Fields and sports fields.
- ✓ Replaced pump station for the golf course and city-wide irrigation system.
- ✓ Implemented rules for usage of the tennis court at South Beach Park.
- ✓ Administered and coordinated:
    - Easter Egg Hunt, Beaches Opening Day Parade, 4th of July Celebration
    - Adult Softball League (26 teams in Fall 2017, 27 teams in Spring 2018)
    - Adult Flag Football League (38 Teams in Fall 2017).
- ✓ Coordinate youth sports programs in conjunction with the parent organization ~ Little League, Girls Softball, Pop Warner, Pop Warner Cheerleading, Babe Ruth and Lacrosse.
- ✓ 80 Special Events

Parks & Recreation Department

Recreation Administration Goals for FY2019

1. Provide Recreation programs and facilities that offer activities for citizens of all ages.
2. Maintain safe facilities, parks, and playgrounds.

Recreation Administration Performance Measures

Performance measures are tracked on a monthly and yearly basis.

Sports Programs Offered:	Estimated # of participants
Youth Spring Girls Softball	150
Youth Fall Girls Softball	130
Youth Spring Baseball	450
Youth Fall Baseball	375
Spring Babe Ruth Baseball	50
Fall Babe Ruth Baseball	45
Pop Warner Football & Cheerleading	237 / 48
Adult Fall Men Softball	468
Adult Fall/Winter Flag Football	684
Adult Spring Men's Softball	486
Tennis Members	250
Tennis Walkups	1,560
Carver Center Summer Lunch Program	35
Carver Center Daily Attendance	60 children 40 adults
Easter Egg Hunt	500

Performance Measure	FY2017	FY2018	Target FY2019
Ensure parks and other facilities are cleaned and inspected weekly	Yes	Yes	Yes
Playground safety inspections conducted monthly	Yes	Yes	Yes

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$386,181	$369,161	$384,317	$15,156	4.1%
Operating	$293,472	$309,676	$298,599	-$11,077	-3.6%
Capital Outlay	$0	$0	$0	$0	-
Transfers	$137,528	$138,000	$138,000	$0	0.0%
TOTAL	**$817,181**	**$816,837**	**$820,916**	**$4,079**	**0.5%**

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

Parks & Recreation Department

Ocean Rescue Division

The Ocean Rescue Division is responsible for supervising approximately 4.1 miles of municipal beach. Our mission is to provide efficient ocean rescue operations and keep the beach safe.

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	FY2017	FY2018	FY2019
Supervisor	1	1	1
Assistant Supervisor	0	1	1
Lieutenant (part-time)	3	2	2
Rescue Swimmer (part-time)	3	13	13
Beach Patrol Guards (part-time)	80	70	70
TOTAL	**87**	**87**	**87**

During FY2018, one Lieutenant position was reclassified to be a full-time Assistant Supervisor.

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.
- ✓ Hosted South Atlantic Lifesaving Regional Competition and won the competition.
- ✓ Competed in USLA Lifeguard National Championship in Daytona Beach.

Goals for FY2019

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. Provide excellent customer service.

Parks & Recreation Department

Performance Measures-Ocean Rescue

Performance is measured by accident report sheets.

Performance Measure	FY2017	FYTD 4/5/18	Target FY2019
Number of drownings while Ocean Rescue on duty	0	0	0
Successful first-aid cases	90%	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

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$505,167	$634,221	$647,463	$13,242	2.1%
Operating	$129,374	$161,329	$153,699	-$7,630	-4.7%
Capital Outlay	$0	$53,000	$34,000	-$19,000	-35.8%
TOTAL	**$634,541**	**$848,550**	**$835,162**	**-$13,388**	**-1.6%**

Capital outlay includes the replacement of a 2011 Chevy Silverado.

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, dog park, 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	FY2017	FY2018	FY2019
Maintenance Superintendent	1	1	1
Crew Supervisor	2	2	2
Lead Equipment Mechanic	1	1	1
Maintenance Workers I, II, III	3	3	5
TOTAL	**7**	**7**	**9**

Two Maintenance Worker positions have been added to take over certain landscape maintenance work previously contracted out.

Goals for FY2019

- ✓ 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	Exhibit Hall; Sunshine Park; Skate Park; multi-purpose field; tennis court; volleyball courts; basketball court; fitness stations.
Other City Parks	Oceanfront Park; Gonzales; Cradle Creek; Tall Pines; Carver; Huguenot; Dog Parks; Seabreeze Field; Penman Park.
City Cemeteries	Lee Kirkland and H. Warren Smith
Downtown	Latham Plaza & parking lot; Seawalk; Pier Parking lot; islands & medians on Beach Blvd and A1A (2nd Ave S to 6th Ave N); landscaping on Right of Way throughout Downtown; 4th Avenue S; 2nd Street and 3rd Ave N Parking lot
Grounds at City Facilities	Community Services Center; Penman Park; O&M Facility; Police & Fire facilities
Streets	15th Ave N; 10th St N cul-de-sacs; Mills Lane; end of America at Butler; 10th Place & 5th Ave grass circle; 18th & Eastern; Coral Way; Tanglewood & Tallwood Roads
Medians	A1A medians at Fletcher Middle School (15th to 18th Ave N) and south Jax Beach (16th Ave S to JTB); South Beach Parkway & Jacksonville Drive; Beach Blvd from 12th St to Bridge
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 Irma.
- ✓ Artificial K-9 turf was installed at the large Dog Park.
- ✓ Installed granite stone markers to complete the mapping and marking of Lee Kirkland and H. Warren Smith cemeteries.
- ✓ Renovated shower towers at Oceanfront Restrooms.
- ✓ Continued annual tree trimming program.
- ✓ Multi-purpose field at South Beach was replaced with Field Turf.

Funding Sources and Financial Summaries

Tree Protection

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Operating	$152	$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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$535,739	$548,300	$658,641	$110,341	20.1%
Operating	$533,743	$723,142	$609,999	-$113,143	-15.6%
Capital Outlay	$8,120	$78,000	$108,000	$30,000	38.5%
TOTAL	**$1,077,602**	**$1,349,442**	**$1,376,640**	**$27,198**	**2.0%**

Personal services increases and corresponding operating expense reductions reflect the addition of two Maintenance Workers who will take over certain contracted landscape work.

Budget Issues for FY2019

Capital Outlay:

- Funding **$30,000** for the replacement of a 2003 Ford F250 truck.
- Funding **$53,000** for a new 5-gang self-contained mower.
- Funding **$25,000** for a sand pro rake for ball fields.

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	FY2017	FY2018	FY2019
Facility Manager	1	1	1
Court Attendant (part-time)	2	2	2
TOTAL	**3**	**3**	**3**

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.

Tennis Center Goals for FY2019

- ➢ Continue to promote the Junior Tennis Program.
- ➢ Keep the courts and grounds in good condition at all times.
- ➢ Work toward making the Tennis Center more financially self-sustaining.

Parks & Recreation Department

Performance Measures-Tennis Center

	FY2016	FY2017	FYTD 3/30/18	Target FY2019
Players on Court	17,127	18,029	8,442	18,930
% of Court Usage	75%	80%	77%	83%
Rain Days*	44	47	28	45

**For reference in evaluating court usage and player counts*

FY2019 target assumes 8th court will be constructed and in use by January 2019.

Revenue Summary

Revenue Source	Actual 2017	Budget 2018	2018 YTD (3/30/18)	Budget 2019
Tennis Court Fees	$7,629	$6,000	$3,959	$9,000
Pro Lessons	$54,497	$65,000	$37,498	$67,000
Membership Fees	$34,287	$26,000	$18,500	$35,000
% Pro-Shop Sales	$553	$0	$131	$0
Roster Fees	$4,700	$4,000	$1,700	$4,000
TOTAL	**$101,666**	**$101,000**	**$61,788**	**$115,000**

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$79,394	$78,256	$81,970	$3,714	4.7%
Operating	$62,909	$71,290	$76,686	$5,396	7.6%
Capital Outlay	$0	$12,969	$0	-$12,969	-100.0%
TOTAL	**$142,303**	**$162,515**	**$158,656**	**-$3,859**	**-2.4%**

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

Tennis Center Budget Issues

- ✓ **$70,000** is budgeted in the Convention Development Fund to construct an additional lighted tennis court.

Parks & Recreation Department

Carver Center Division

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

Division Organization

Authorized Positions	FY2017	FY2018	FY2019
Recreation Supervisor	1	1	1
Recreation Leader	1	1	1
Tutor (part-time)	1	1	1
TOTAL	**3**	**3**	**3**

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 Ocean City Church, Beaches Church and Ponte Vedra High School provide help with all grade level studies.
- Continue to provide health and wellness adult activities such as yoga, Pilates and Zumba dance and aerobics.

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, Beaches 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 local agencies and Jax Beach Police Department
  - Halloween Haunted House with CAPE
  - College tours
  - Movie / Game night
  - Health Jam co-sponsored by 3 area Rotary Clubs

Parks & Recreation Department

Performance Measures-Carver Center

	2017	2018	Estimate 2019
Avg. # children attending	45	45	45
Avg. # of adults attending	35	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. FY2019 funding request amount and priority for each program is:

Priority	Program	Request	Department where cost is allocated
1	Carver Center	$114,418	Parks
2	CAPE	$73,097	Police
	TOTAL	**$187,515**	

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

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$99,404	$122,737	$126,181	$3,444	2.8%
Operating	$21,755	$30,640	$28,077	-$2,563	-8.4%
TOTAL	**$121,159**	**$153,377**	**$154,258**	**$881**	**0.6%**

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. In FY2018, the actual award for the Carver Center was $88,366 requiring the General Fund to provide the remaining budget costs of $65,011.

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 FY2019

Maintain clean restroom facilities and operating showers.

Performance Measures

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

Current Hours of Operation:	Mar-Sep:	10 am to 7 pm (7 days per week)
	Oct-Feb:	9 am to 6 pm (7 days per week)

Financial Summary

Resource Allocation	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase -Decrease	% Change
Operating	$134,124	$130,620	$131,632	$1,012	0.8%
TOTAL	**$134,124**	**$130,620**	**$131,632**	**$1,012**	**0.8%**

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

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 FY2019

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

Performance Measures

Objective	Actual FY2017	YTD 3-31-18	Target FY2019
Rental Events	187	103	150
Rental Revenue	$24,040	$15,224	$30,000

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$0	$0	$0	$0	-
Operating	$28,230	$32,600	$22,810	-$9,790	-30.0%
Capital Outlay	$2,975	$0	$0	$0	-
TOTAL	**$31,205**	**$32,600**	**$22,810**	**-$9,790**	**-30.0%**

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.

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 help to offset the Event Coordinator personnel costs. In September 2017, special event fees were updated and a new administration fee was added to cover a portion of the time other City staff spends in the planning, preparation, coordination, and oversight of special events.

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$0	$60,506	$64,495	$3,989	6.6%
Operating	$0	$0	$0	$0	-
TOTAL	**$0**	**$60,506**	**$64,495**	**$3,989**	**6.6%**

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

Convention Development Fund

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$0	$0	$0	$0	-
Operating	$139,621	$142,974	$118,630	-$24,344	-17.0%
Capital Outlay	$0	$0	$135,000	$135,000	-
Transfers	$20,000	$20,000	$0	-$20,000	-100.0%
TOTAL	**$159,621**	**$162,974**	**$253,630**	**$90,656**	**55.6%**

Budgeted capital outlay consists of the addition of an 8th tennis court at Huguenot Tennis Facility ($70,000) and playground equipment at Tall Pines Park ($65,000).

Special Events (continued)

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

GENERAL FUND	2018	2019	Increase (Decrease)	% change
Funding Sources				
Facility rentals and fees	$45,500	$64,500	$19,000	41.8%
Funding Uses				
Authorized Position:				
Special Events Coordinator (1)	$60,506	$64,495	$3,989	6.6%
NET SOURCES & USES	**($15,006)**	**$5**	**$15,011**	

CONVENTION DEVELOPMENT FUND	2018	2019	Increase (Decrease)	% change
Funding Sources				
Convention Development Funds	$162,974	$253,630	$90,656	55.6%
Total Sources	**$162,974**	**$253,630**	**$69,656**	**55.6%**
Funding Uses				
4th of July Fireworks	$40,000	$10,000	($30,000)	-75%
Jazz Concerts (2)	$57,000	$57,000	$0	0%
Moonlight Movies (4)	$19,000	$25,000	$6,000	32%
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	$18,974	$18,630	($344)	-2%
Transfer to General Fund; SB Community Center & Exhibition Hall maintenance, partial funding	$20,000	$0	($20,000)	-100%
Add Eighth Tennis Court at Huguenot Tennis Center	$0	$70,000	$70,000	0%
Playground Equipment – Tall Pines Park	$0	$65,000	$65,000	0%
Total Uses	**$162,974**	**$253,630**	**$69,656**	**55.6%**
NET SOURCES & USES	**$0**	**$0**	**$0**	

Parks & Recreation Department

Special Events (concluded)

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.

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

115 beautiful recreational acres available to our community

The Golf Course was under construction during FY 2018 where all greens were renovated to USGA standards. New inboard/outboard irrigation equipment was installed to surround each green, and the driving range was extended to accommodate ten (10) new hitting stations. The Golf Course division monitors the quality of the playing conditions and ensures optimal facility usage and revenue collection. The Jacksonville Beach Golf Course operates as an enterprise fund.

Division Organization

Authorized Positions	FY2017	FY2018	FY2019
Golf Professional	1	1	1
Golf Course Superintendent	1	1	1
Crew Supervisor	-	1	1
Equipment Mechanic	1	-	-
Maintenance Workers I, II, III	4	5	5
Total Full-time	*7*	*8*	*8*
Maintenance Workers I, II, III	2	-	-
Shop Attendant	8	8	8
Cart Attendant	5	5	5
Starter	3	3	3
Total Part-time	*18*	*16*	*16*
TOTAL POSITIONS	**25**	**24**	**24**

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

Recent Accomplishments

- ✓ Implemented Master Plan to reconstruct greens to USGA specifications to include polyethylene liner.
- ✓ Revised course layout to increase safety and playability.
- ✓ Installed new irrigation pump station including dual pump attachment system to control PH levels and provide direct fertilization.
- ✓ Extended the driving range to add 35% more capacity.
- ✓ All greens have inboard/outboard irrigation surrounding the green.
- ✓ 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.

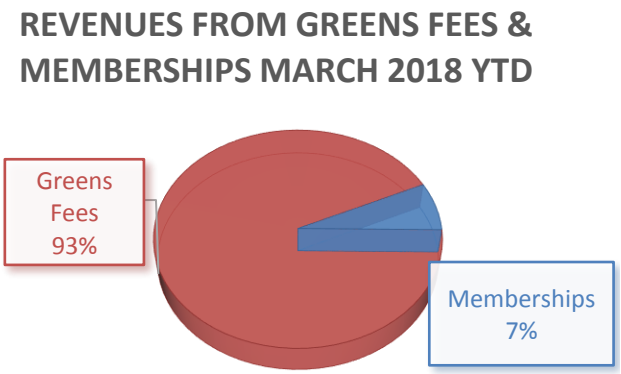
Parks & Recreation Department

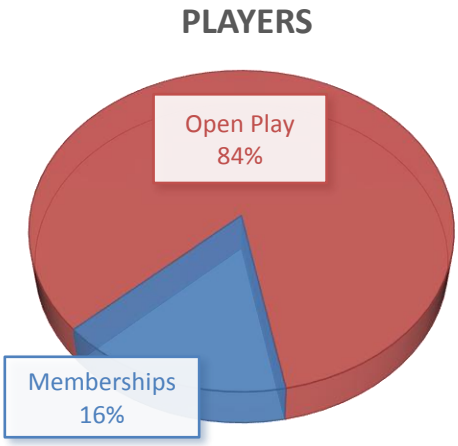
Goals for FY2019

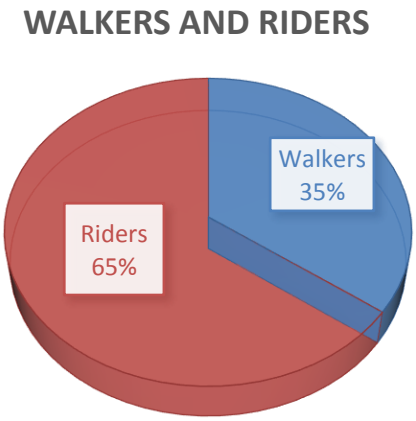
1. Ensure the Golf Course pays its own way by increasing revenues through marketing and other promotions.
2. Improve competitive position with local golf facilities through excellent customer service and well maintained playing conditions.
3. Increase the Golf Course's visibility and usage by family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

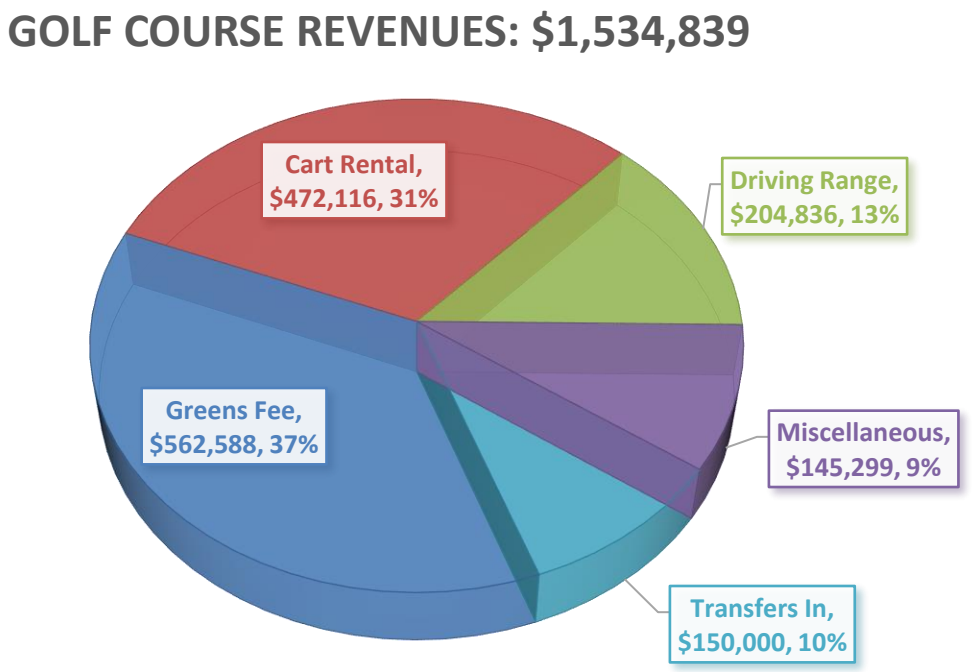
Play Statistics

These charts show the composition of our players.









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

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$586,801	$676,087	$708,831	$32,744	4.8%
Operating	$608,556	$685,723	$674,877	-$10,846	-1.6%
Capital Outlay	$12,118	$0	$0	$0	-
TOTAL	**$1,207,475**	**$1,361,810**	**$1,383,708**	**$21,898**	**1.6%**

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

Budget Issues

- The course was under construction for most of 2018. A marketing strategy to attract returning golfers will be essential to achieving profitable round counts.
- The General Fund will transfer up to $150,000 to provide funding for start-up operations as the golf course reopens with new greens and an expanded driving range.
- The Golf Course is operated as an enterprise fund and is intended to generate sufficient revenues to cover its operating costs.

JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

Public Works Department

Mission

To protect the 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	FY2017	FY2018	FY2019
Distribution & Collection	14	14	14
Pollution Control Plant	15	15	15
Water Plant	13	13	13
Streets	18	18	18
Administration	6	7	8
TOTAL	**66**	**67**	**68**

The Administration division added a dedicated GIS Analyst position in 2019.

Recent Accomplishments

- ✓ Rebuilt, improved and enhanced infrastructure supporting our citizens by construction of:
  - *Downtown Redevelopment District* Master Plan Improvements Program & East of A1A
    - Cleaned out Beach Outfall piping and structures caused by Hurricane Irma
    - 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.)
    - Roadway/Utilities Project 1: Beach Blvd. to 4th Ave. S. from 3rd St. S. to the beach
    - Cleared Downtown Stormwater Channel Imps. and Drainage Ditch at Golf Course
  - *South Beach Redevelopment District Improvements Program*
    - Landscape Median and Pedestrian Crossing (South Beach Pkwy. & Jacksonville Dr.)
    - Repaired Stormwater Piping and cleared ditch along Marsh Landing Pkwy. from Jacksonville Drive to South Beach Parkway
  - Water Meter Replacement Program
  - Water & Sewer Extension Project Phase E-Hopson Road
- ✓ Cleaned /televised 33,791 feet of storm pipe and 34,795 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

Public Works Department

Goals for FY2019

- Design and/or construction underway:
  - *Downtown Redevelopment District* Improvements Program
    - Construct Roadway/Utilities Project 2: 11th Ave. S. to 13th Ave. S. from the beach to Central Basin and Downtown Storm Pump Station Upgrade
    - Design Roadway and Utilities Project 3 - Stormwater Channel Improvements from 4th St. S. to Intracoastal Waterway
    - Design Roadway/Utilities Project 4 - 7th Ave. S. to 11th Ave. S. from the beach to 3rd St.
    - Construct A1A Water Main Project: 3rd St. N. from 6th to 9th Ave. N.
    - Design 8th Ave. N. Gravity Sewer Main: 1st to 2nd St. N.

  - *South Beach Redevelopment District* Improvements Program
    - Construct Canal Improvements: South of JTB Blvd. & north of Marsh Landing Parkway
    - Construct Stormwater Pond Reconstruction: East of South Beach Parkway and south of Marsh Landing Parkway
    - Design Ocean Terrace Drainage Area Study Recommendations - area bounded by J.T.B. Butler Blvd., South Beach Parkway, America Ave. & Republic Dr. / Rip Tide Subdivision

  - *Commercial Area* Improvements Program
    - Design Penman Road Commercial Area Improvements - 11th Ave. N. to 18th Ave. N.

  - *Water, Wastewater, Stormwater Infrastructure* Improvements Program
    - Construct A1A Water Main Project: 3rd St. N. from 9th to 20th Ave. N.
    - Construct Water Main Project: 16th & 17th St. N. (9th Ave. N. to dead-end); 11th Ave. N. (2nd to 3rd St. N.); Azalea Drive (23rd St. N. to dead-end); 21st St. N. (11th to 12th Ave. N.)
    - Design Water Main: 2nd Ave. N. from 20th St. N. to dead-end
    - Deign/construct Water Main: 7th Ave. S. from 1st St. S. to end zone
    - Design/construct Sewer Main: Shetter Ave. from 5th to 6th St. S.
    - Construct Wastewater Lift Station #7 Project: Rebuild at (4th St. N. at 18th Ave. N.); demolish old Lift Stations #7 (18th Ave. N. at 3rd St. N) & #20 (4th St. N. at 15th Ave. N.)
    - Construct (Rebuild) Wastewater Lift Station #8 (18th Ave. N.)
    - Wastewater Lift Station projects: construct #29 (396 Marsh Landing Pkwy.) & design #23 (1290 12th St. N.)
    - Pollution Control Plant capital projects: Digester Tank & Air Piping; Digester Stairs
    - Design/construct Water Plant capital projects: Back-plug and abandon Well #11 (590 Shetter Ave.); new well #16 (11th St. S. and 8th Ave. S.); and raw water main
    - Construct 4th Street South (10th to 12th Ave. S.) Stormwater Project
    - Construct 4th Street South (15th to 16th Ave. S.) Stormwater Project

- 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

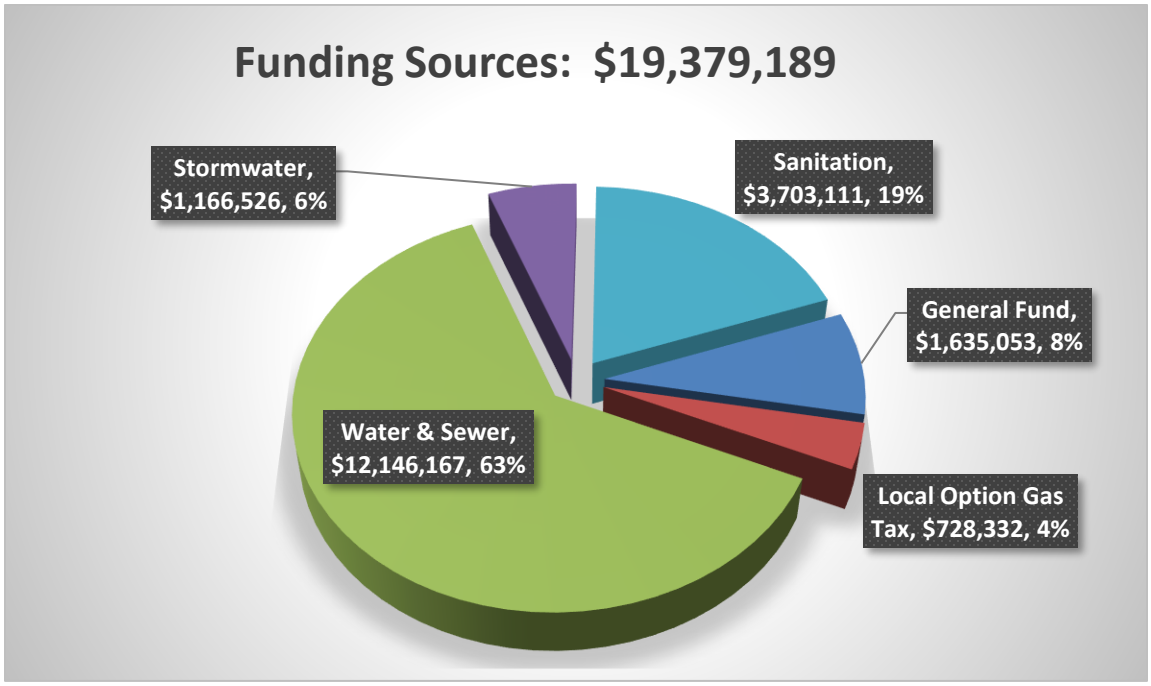
Performance Measures

Outcomes	Level of Service	Actual 2017	As of 3/2018	Target 2019
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% of total produced	12.17%	3.07%	10%
	Replace 2,500 ft. of old 2" & larger galvanized & cast iron water mains	4,164	2,292	2,500
	Install/replace 150 water services	287	12	150
	Operate (replace) water valves	1,353(7)	148	663
	Conduct fire flow test on 50 hydrants	66	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*	<3.6 mg/L	<1.4 mg/L	<5 mg/L
	➢ Carbonaceous Biochemical Oxygen Demand (CBOD): < *5mg/l*	<1.1 mg/L	<0.5 mg/L	<5 mg/L
	➢ Total Nitrogen (N) Rolling Year Average: < *46,233 lbs.*	29,780	1,339	<46,233
	Clean 20,000 ft. sanitary/storm mains	68,586	11,298	20,000
	Inspect (rehab) sewer manholes	500 (72)	15(48)	400
	Refurbish sewer lift stations numbered: (electric, pumps, pipes, wetwells, concrete, mechanical, generators, fencing, etc.)	26	10	Construct: 2,7,8,29; Design: 23
Streets:				
➢ Keep our streets well maintained for driving and free of trash	Seal coat/resurface 7 to 10 road miles	1.57	1.17	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	1,052	450	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	32,750	6,550	15,000
Sanitation:				
➢ Keep our city and beach clean	Recycle/mulch 25% of residential solid waste to reduce landfill impact	31%	32%	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

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$4,446,340	$4,576,058	$4,685,513	$109,455	2.4%
Operating	$9,603,958	$9,189,998	$9,217,213	$27,215	0.3%
Capital Outlay	$6,425,554	$5,328,000	$3,209,270	-$2,118,730	-39.8%
Debt Service	$1,791,626	$1,802,639	$1,800,193	-$2,446	-0.1%
Transfers	$431,000	$467,000	$467,000	$0	0.0%
TOTAL	**$22,698,478**	**$21,363,695**	**$19,379,189**	**-$1,984,506**	**-9.3%**

The overall budget decrease is attributable to capital projects as detailed in the divisional plans on the following pages.

- 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 underway 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.

- Pressure on customer utility rates and taxes due to the ever increasing costs of providing services and operating/maintaining the city's infrastructure systems.

    - Stormwater rates were set in 1990 (28 years ago).
    - Garbage rates were set in 1993 (25 years ago).
    - Local Option Gas Tax extends through 2036.
    - Infrastructure surtax sunsets in 2028.

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**, **909 fire hydrants, 2,652 water valves, 11,118 water services**, and **9,429 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	FY2017	FY2018	FY2019
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 FY2019

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

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$889,321	$911,634	$917,869	$6,235	0.7%
Operating	$418,153	$533,700	$762,350	$228,650	42.8%
Capital Outlay	$5,605,195	$891,000	$867,000	-$24,000	-2.7%
TOTAL	**$6,912,669**	**$2,336,334**	**$2,547,219**	**$210,885**	**9.0%**

Operating expense increases are detailed below.

Division Budget Issues

Capital Outlay:

- Funding **$42,000** to replace ¾-ton truck *(2011)*.
- Funding **$50,000** to replace trailer mounted valve exerciser.
- Water Main Projects:
  - Funding **$500,000** to construct water main replacement projects at the following locations: 16th & 17th St. N. (9th Ave. N. to dead-end); 11th Ave. N. (2nd to 3rd St. N.); Azalea Drive (23rd St. N. to dead-end); 21st St. N. (11th to 12th Ave. N.)
  - Funding **$60,000** to design water main replacement project on 2nd Ave. N. from 20th St. N. to dead-end.
  - Funding **$100,000** to construct water main and sewer replacement projects (various locations).
  - Funding **$115,000** for design of 10th Street South water, sewer and stormwater improvements (Beach Blvd. to 5th Ave. S.).

Operating:

- Funding **$25,000** for the **Water Valve Maintenance Program**, which includes exercising water valves and replacing deteriorated/broken valves as necessary.
- Funding **$300,000** 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.
- Funding **$116,850** for ongoing measurement and verification reporting provided by performance contractor comparing the guaranteed estimated benefits versus the computed actual benefits as per the Guaranteed Energy, Water and Wastewater Cost Savings Project.

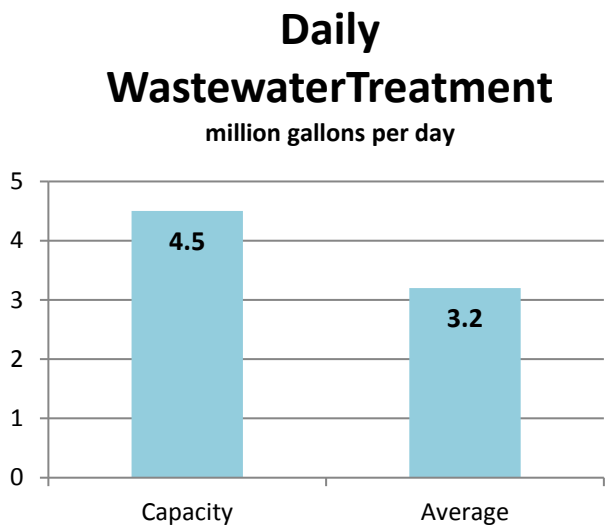
Public Works Department

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.



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 and Jacksonville Drive.
- Construct Rehabilitation of Lift Stations #29 and design #23.

Division Organization

Authorized Positions	FY2017	FY2018	FY2019
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 FY2019

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

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$1,033,057	$1,136,900	$1,109,995	-$26,905	-2.4%
Operating	$1,294,034	$1,508,000	$1,505,500	-$2,500	-0.2%
Capital Outlay	$445,839	$1,899,000	$895,000	-$1,004,000	-52.9%
TOTAL	**$2,772,930**	**$4,543,900**	**$3,510,495**	**-$1,033,405**	**-22.7%**

Capital outlay in the prior year included $1 million for LS#2 (6th Ave. N. at 4th St.) construction. Current year projects are listed below.

Division Budget Issues

Capital Outlay:

- Funding **$300,000** for rehabilitation construction of Lift Station #29 *(296 Marsh Landing Pkwy)*.
- Funding **$45,000** for rehabilitation design of Lift Station #23 *(1290 12th St. N)*.
- Funding **$345,000** for Digester Tank and Air Piping improvements.
- Funding **$175,000** for Digester Stair improvements.
- 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).

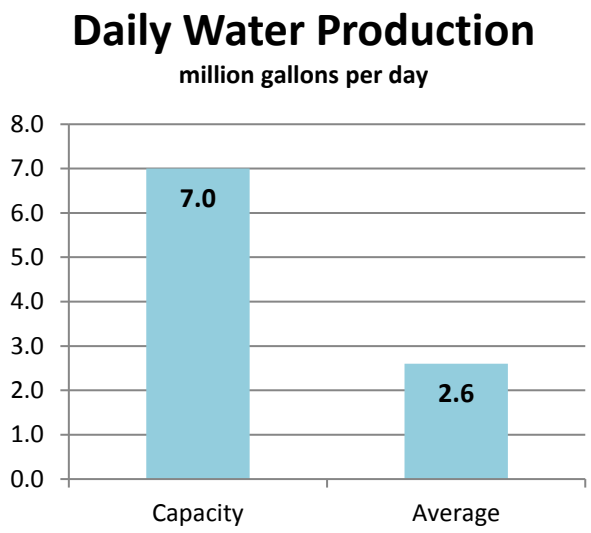
Public Works Department

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.



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	FY2017	FY2018	FY2019
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 FY2019

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

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$859,372	$917,583	$928,415	$10,832	1.2%
Operating	$398,209	$443,235	$453,530	$10,295	2.3%
Capital Outlay	$62,571	$1,173,000	$152,070	-$1,020,930	-87.0%
TOTAL	**$1,320,152**	**$2,533,818**	**$1,534,015**	**-$999,803**	**-39.5%**

Capital outlay in the prior year included $900,000 for a new raw water well. Current year projects are detailed below.

Division Budget Issues

Capital Outlay:

- Funding **$60,000** for back-plug and abandon Well #11.
- Funding **$92,070** for Water Plant #1 and #2 Security Camera Replacement Project.

Operating:

- Funding **$25,000** for annual elevated tank maintenance program.
- Funding **$28,000** for Environmental Sampling and Analytical Laboratory Services.
- Funding **$9,500** for Camera System Maintenance Agreement.

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 streetlights**, **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	FY2017	FY2018	FY2019
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	0
Administrative Assistant	0	0	1
TOTAL	**18**	**18**	**18**

The Staff Assistant position has been reclassified to an Administrative Assistant in FY2019. The overall position count will remain the same.

Public Works Department

Division Funding Sources and Budget FY2019

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$961,867	$936,713	$962,842	$26,129	2.8%
Operating	$627,841	$614,122	$620,011	$5,889	1.0%
Capital Outlay	$2,877	$0	$52,200	$52,200	-
TOTAL	**$1,592,585**	**$1,550,835**	**$1,635,053**	**$84,218**	**5.4%**

Local Option Gas Tax

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$32,194	$43,589	$44,832	$1,243	2.9%
Operating	$98,969	$311,500	$311,500	$0	0.0%
Capital Outlay	$4,250	$0	$0	$0	-
Transfers	$372,000	$372,000	$372,000	$0	0.0%
TOTAL	**$507,413**	**$727,089**	**$728,332**	**$1,243**	**0.2%**

Division Budget Issues

Capital Outlay:

- Funding **$17,200** to replace (2) Zero Turn Mowers (model years 2001 & 2003)
- Funding **$35,000** to replace ½ ton pickup truck (2010)

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.

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$201,302	$194,535	$224,259	$29,724	15.3%
Operating	$492,172	$676,955	$699,267	$22,312	3.3%
Capital Outlay	$121,769	$365,000	$243,000	-$122,000	-33.4%
TOTAL	**$815,243**	**$1,236,490**	**$1,166,526**	**-$69,964**	**-5.7%**

Overall budget decrease is due to capital projects undertaken in the prior year. Current year projects are detailed below.

Program Budget Issues

Capital Outlay:

- Funding **$100,000** to construct 4th Street S. Stormwater Improvements (15th to 16th Ave. S.)
- Funding **$55,000** to design 10th Street S. improvements (Beach Blvd. to 5th Ave. S.)
- Funding **$50,000** to construct Republic Drive (Constitution Cove Pond, West to City ditch), pending Ocean Terrace Study.
- Funding **$38,000** to purchase new 2019 Dodge Ram 2500 4x4 truck with aluminum utility body.

Operating:

- Funding **$95,000** for stormwater pipe/catch basin cleaning.
- Funding **$200,000** for outfall/channel cleaning and maintenance program.
- Funding **$35,000** for aquatic vegetation and stormwater landscaping maintenance.

Other Concerns:

⇒ Stormwater utility rates were set more than 25 years ago.

⇒ Anticipate budget pressures due to increasing federal/state environmental regulation / over-sight - 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 is underway 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 customers via weekly curbside service.
- Collect garbage from commercial customers via dumpster, compactor and curbside service on a weekly routine basis.
- Recycling is voluntary for all customers and is available for all commercial customers and multiplex dwelling units for an additional fee.
- 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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$245,588	$268,047	$283,430	$15,383	5.7%
Operating	$4,902,452	$3,687,936	$3,419,681	-$268,255	-7.3%
Capital Outlay	$1,713	$0	$0	$0	-
TOTAL	**$5,149,753**	**$3,955,983**	**$3,703,111**	**-$252,872**	**-6.4%**

Budgeted operating cost decreases reflect new contract costs. Prior year data was estimated as sanitation and recycling contract service was in transition.

Program Budget Issues

Operating:

- Transition to a new beach cleaning contract in FY 2019.
- Anticipate annual CPI increase and bi-annual fuel cost adjustments.

Other Concerns:

- Debris removal costs for both Hurricanes Matthew and Irma totaled $1.8 million in FY2017 and $900,000 in FY2018. The State began disbursing FEMA public assistance monies more than a year after Matthew. The City must continue to maintain adequate fund balances to pay for debris cleanup in advance of any potential FEMA reimbursement.

Public Works Department

Administration Division

Division Mission

To protect the environment, 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	FY2017	FY2018	FY2019
Public Works Director	1	1	1
City Engineer	1	1	1
Project Engineer	1	1	1
GIS Analyst	-	-	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**	**8**

A dedicated GIS Analyst position has been added to assist in the expansion and ongoing maintenance of Public Works GIS maps.

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

Division Funding Sources and Budget FY2019

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$223,639	$167,057	$213,871	$46,814	28.0%
Operating	$1,372,128	$1,414,550	$1,445,374	$30,824	2.2%
Capital Outlay	$181,340	$1,000,000	$1,000,000	$0	0.0%
Debt Service	$1,791,626	$1,802,639	$1,800,193	-$2,446	-0.1%
Transfers	$59,000	$95,000	$95,000	$0	0.0%
TOTAL	**$3,627,733**	**$4,479,246**	**$4,554,438**	**$75,192**	**1.7%**

Lift station #8 construction ($1million) has been re-budgeted in 2019 because the design is in progress.

Division Budget Issues

– Funding **$1,000,000** *(Water/Sewer Capital Projects)* to construct 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, work, or visit Jacksonville Beach.

Authorized Positions	FY2017	FY2018	FY2019
Chief of Police	1	1	1
Commander	3	3	3
Sergeant/Corporal	20	20	20
Patrol Officer/Detective	43	43	43
Police Total	**67**	**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	**90**	**90**	**90**
Total Part-time	**12**	**12**	**12**
TOTAL POSITIONS	**102**	**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-three 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*. The prisons and jails house and rehabilitate people convicted of crimes. Upon their release, many factors affect recidivism rates. Thus, each part of the criminal justice system influences the other.

The Police Department partners with many other agencies in an effort to reduce crime. Regular meetings with the Mission House assist in providing services to the homeless before crimes are committed. Beaches Emergency Assistance Ministry (BEAM) provides service to keep families together in time of need. The Carver Center, along with the CAPE officers, provide tutoring and mentoring as well as athletics for the young people of the community. Each year the Police Department hosts a fishing rodeo, Youth Police Academy, National Night Out, Halloween party, and two Christmas parties for young people. These events help the Police Department stay connected to the community it serves.

Because of its easy accessibility and substantial parking, Jacksonville Beach is the primary beach community of 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 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.

Police Department

Patrol Division/Costs

Patrol Division

There were **56,813** calls for service in calendar year 2017. 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 2017, there were **82,466** officer responses to those **56,813** 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.

FY2019 estimated budget for the Patrol Division, including salaries and benefits, overtime, operating costs, supplies, etc.: **$3,979,599**.

Traffic Unit

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

FY2019 estimated budget for the Traffic Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **$276,870**.

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.: **$181,244**.

Part-Time Police Officer Program

There is currently one part-time police officer. FY2019 estimated budget for the part-time police officer program, including salaries, operating costs, supplies, etc.: **$64,093**.

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.

FY2019 estimated budget for the General Investigations Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **$612,846**.

Community Response Team

The Community Response Team is comprised of one sergeant, one corporal, and four detectives. This team of detectives addresses special problems such as illegal drugs, vice, aggressive panhandling, and serial crimes like armed robberies, smash-and-grab burglaries, etc., that fall outside the realm of traditional investigative and patrol duties.

FY2019 estimated budget for the Community Response Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **$792,633**.

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 FY2019 budgets.

Carver Center / Community Assisted Policing Effort (CAPE) Program

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

The FY2019 estimated budget for the CAPE Program, including salaries, benefits, etc.: **$110,925**.

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. The unit is broken into two groups, much like patrol. This, in conjunction with the schedule being augmented by the CRT unit in the busier summer months, allows officers to continue 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, ATVs, Segways, and in vehicles. The innovative policing program allows officers to 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 officers also utilize cameras throughout the downtown area to assist with criminal detection and asset deployment. The CRA also provides funding for additional officers working in an overtime capacity during peak workload hours.

FY2019 estimated budget for the Downtown CAPE Program including salaries and benefits, overtime, equipment, operating costs, supplies, etc.: **$1,145,995**.

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, and oversees the Records Section, Communications Section, Property/Evidence, Paid Parking program, Training & Recruiting, Animal Control, as well as grant management.

FY2019 estimated budget for salaries, benefits, etc.: **$507,171**.

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.

FY2019 estimated budget for the Communications Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **$906,692.**

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.

FY2019 estimated budget for the Records Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **$212,996**.

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.

FY2019 estimated budget for the Property/Evidence Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **$85,081**.

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-three 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 most recent on-site assessment was in the spring of 2018 for the eight re-accreditation award.

FY2019 estimated budget for the Accreditation Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **$90,036. ($23,045 in accreditation fees, travel and training, etc. will be paid from the Administrative Division budget.)**

Animal Control Officer

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

FY2019 estimated budget for the Animal Control Officer program, including salaries and benefits, overtime, operating costs, supplies, etc.: **$53,258**.

Paid Parking/Security Unit

The Parking Enforcement Unit is comprised of one supervisor and ten part-time community service officers (CSOIIs). 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 CSOIIs 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.

FY2019 estimated budget for the Parking Enforcement Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **$154,703. (This program is fully funded through parking revenues.)**

Volunteer Programs

The volunteer program consists of Citizen Police Academy Alumni Association members and 17 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 **($17,453)**. The unit provided over **11,544** hours of volunteer service for the Police Department in 2017. The uniformed COPs have two vehicles used for patrol.

FY2019 estimated budget for operating supplies, vehicle maintenance, fuel, uniforms, etc.: **$34,300** for a combined total of **$51,753**.

Police Administration

The Police Administrative Division consists of the Chief of Police, one administrative assistant, and two staff assistants. Salaries and benefits: **($639,954)**. The Administrative Division is responsible for all software fees, professional services, internal service charges, utilities, legal fees, etc. **($599,354)**. The Court Cost Training Fund is a special revenue that helps pay for training and related costs **($12,200)**. Total Administration Division costs: **$1,251,508**.

Police Department

Department Highlights

- Maintained exceptional response times to emergency and non-emergency calls (**2.40-minute average for emergency calls, and 5.01 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 **3%** from 2013 to 2017. 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 **11,544** hours in **2017**, 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 **141** intoxicated drivers from the roadways, making Jacksonville Beach safer for vehicles, bicyclists, and pedestrians.

- Conducted **57** community relations programs directly impacting **5,300** citizens (e.g., firearms safety, bicycle safety, Neighborhood Watch, DUI prevention, etc.)

- Completed Citizen Police Academy classes **XXXIX** and **XL**, achieving high approval ratings. Through 39 academies, **1,072** citizens have gained a better understanding of law enforcement and the Jacksonville Beach Police Department.

- Continued the Citizens On Patrol (COP) Program. **Nineteen** 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 **24th Annual Kids Fishing Rodeo** at the Huguenot Park lagoon. Approximately **850** children and parents attended the event.

- Hosted the annual **Kids Halloween Party** and **Kids Christmas Party.** Approximately **2,300** 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 employees' professionalism and helpfulness to the citizen during the encounter.

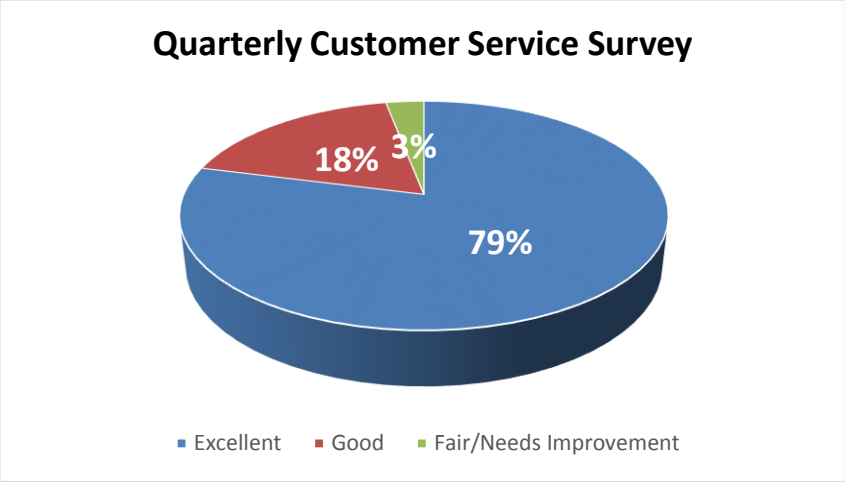
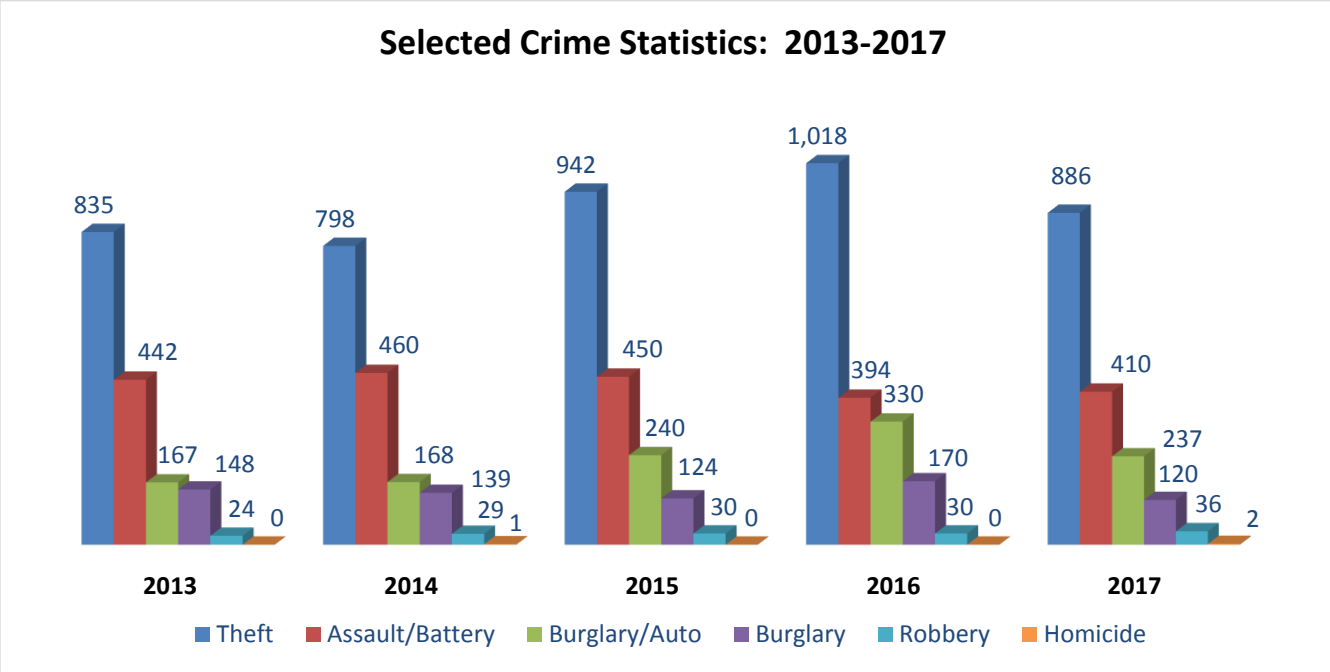


Chart reflects results of 120 random surveys for 2017.

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.



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 FY2017	FYTD through 3/15/18	Target FY2018
Continually seek new and better methods to ***improve citizens' safety****.*	Maintain four minute or less average response time to emergency calls	2.40 minutes	2.19 minutes	4.00 minutes
	Maintain six minute or less average response time to non-emergency calls	5.01 minutes	4.34 minutes	6.00 minutes
	Continue strict enforcement of DUI laws to improve safety of city roadways	Arrests 141	Arrests 84	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	9	4	6
Maintain strong partnerships with citizens *to improve public safety.*	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	57	11	20
	Use Citizens On Patrol (COP) volunteers to enhance services	Yes	Yes	Yes
Develop professional employees *through competent hiring practices, ongoing training and career development.*	Continue emphasis on career development through training	8,183 hours	5,000 hours	7,000 hours
	Attend five job fairs to expand the pool of exceptional candidates for employment	9	4	4
	Number of consecutive years accredited through the national Commission on Accreditation for Law Enforcement Agencies (CALEA)	22	22	23
Continue the strong ***commitment to outstanding customer service****.*	Achieve positive ratings of 90% or higher on quarterly customer service surveys (120 surveys completed each year)	98%	100%	90%

Police Department

Financial Summary

General Fund

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$6,849,754	$7,168,004	$7,794,296	$626,292	8.7%
Operating	$1,168,069	$1,302,498	$1,327,159	$24,661	1.9%
Capital Outlay	$160,000	$160,000	$160,000	$0	0.0%
TOTAL	**$8,177,823**	**$8,630,502**	**$9,281,455**	**$650,953**	**7.5%**

Personal services increases are primarily due to the union contract pay schedule increase of 4% on October 1, 2018 in addition to annual merit increases.

Special Revenue Funds

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$771,489	$940,333	$1,019,598	$79,265	8.4%
Operating	$112,413	$190,050	$169,950	-$20,100	-10.6%
Capital Outlay	$212,896	$270,100	$32,400	-$237,700	-88.0%
Transfers	$52,233	$0	$0	$0	-
TOTAL	**$1,149,031**	**$1,400,483**	**$1,221,948**	**-$178,535**	**-12.7%**

The primary special revenue source is the Community Redevelopment Agency. Grant expenditures are budgeted when the grant award is received and approved by the City Council.

Other Funding Sources

Other Funding Source	Use	2018 Budget	2019 Budget
Community Development Block Grant (Federal)*	CAPE Program in South Pablo Beach Neighborhood	$65,882	$65,882
Total-General Fund		**$65,882**	**$65,882**
Community Redevelopment Agency	Eleven Downtown CAPE officers, operating supplies and overtime	$1,089,739	$1,145,995
Law Enforcement Trust Fund (State)	Equipment Grant Matches and Crime Prevention Programs	$64,544	$37,753
Equitable Sharing Fund (Federal)	Equipment Grant Matches and Crime Prevention Programs	$236,000	$26,000
Court Costs Training Fund (State)	Employee Training	$10,200	$12,200
Justice Assistance Grant (State)*	Street Crimes Task Force overtime	$0	$0
TOTAL OTHER FUNDING SOURCES		**$1,400,483**	**$1,221,948**

* Assistance is dependent on continued Federal funding.

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

Police Department

Budget Issues

Public Safety Radio System Replacement:
The Police Department will use **$210,000** from the scheduled General Capital Project funds to upgrade up to 40 old portable radios, which have reached the end of service life. Ten additional radios are scheduled to be replaced in FY2021. In the two previous years, the Police Department purchased 60 portable radios utilizing **$315,000** from the Federal Equitable Sharing Fund.

Vehicle Replacement: Replacement of **four or five** police vehicles in FY2019. Total cost for vehicles: **$160,000**.

Downtown CAPE Program:
Purchase a scheduled replacement patrol car. Total cost for vehicle and equipment: **$32,400**.

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 Street Crimes Task Force focused primarily on the downtown area. FY2019 grant will also be used to partially fund overtime for the Street Crimes Task Force. The JAG Grant amount for FY2019 is unknown at this time but estimated to be approximately $40,000. The budget will be adjusted when the grant is awarded.

*The funds for this grant have been allocated but not dispersed for FY 2018, due to the budget issues at the federal level. We do expect to receive funding for FY2018 and additional funding for FY 2019 as well.

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 800 mhz radio system.

Three shifts comprised of a Shift Commander, two Lieutenants, and six Firefighter/ Engineers provide Fire, EMS, and Rescue capabilities as well as prevention and educational services.

The Fire Marshal is responsible for inspections, plans review, public education, and code enforcement. The Shift Commanders assist the Fire Marshal when available.

The Training/Safety Lieutenant is responsible for coordinating training activities, serves as the safety officer during major emergencies, maintains Fire/EMS quality control, and coordinates our safety program.

Authorized Positions	FY2017	FY2018	FY2019
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

- Mitigate fire emergencies, EMS response, vehicle accidents, haz-mat incidents, technical rescue situations, and other 911 emergencies.
- Fire prevention and public 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 a 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.

CY2017 Accomplishments

- Zero fire deaths in 2017, and an average response time of 4 minutes.
- All structure fires responded to were confined to the area involved upon arrival.
- 100% of the 142 customer surveys returned indicated excellent or good service.
- Conducted 801 fire safety surveys, 328 high hazard inspections and updated 729 pre-plans.
- Conducted 255 construction/remodel inspections, reviewed 272 sets of plans, and 185 consultations.
- Conducted 84 fire drills in public and private schools and inspected 907 fire hydrants.
- Installed 126 new smoke detectors in homes and checked or installed new batteries in 517 smoke detectors.
- Provided education to over 3,362 adults/children in fire safety, prevention, and/or hurricane preparedness.

Fire Department

CY2017 Accomplishments (continued)

- Members conducted over 8,072 hours of in-service training.
- Installed and/or educated 237 families on the proper installation of child safety seats.
- Conducted city-wide training and exercises in hurricane preparedness.
- Updated the City's Municipal Comprehensive Emergency Management Plan and focused on lessons learned and needed improvements resulting from Hurricane Irma.
- Conducted a Point of Dispensing (POD) exercise.
- Contributed to the mitigation of one major hurricane.
- Came up with a safe alternative to allow for a Fourth of July Fireworks Show.
- Replaced the City's 800 mhz Radio Equipment (Controller, Repeaters, Consoles).

Goals for FY2018/2019

1. Zero fire related deaths in Jacksonville Beach by a rapid response, commitment to inspections and code enforcement, and an aggressive smoke detector program.
2. Confine 90% 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.

Fire Department

Performance Measures	CY2016	CY2017	FY2018 10-1-17 Through 3-1-18	Target for CY2018
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. (20)	100%	100%	**100%**	90%
Provide Basic or Advanced Life Support service to all calls for Emergency Medical Services (of the 3,533 total calls in 2017, 69% were rescue).	2,394	2,422	**876**	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/95%	4m/71% 6m/93%	**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).	855	801	**332**	718
Conduct high hazard inspections and update pre-plans of daycares, Medical Centers, Private Schools, Group Counseling Centers, Nursing Homes and Assisted Living Facilities.	317	328	**113**	200
Conduct 80 fire evacuation drills in schools.	90	84	**38**	80
Educate 3,500 citizens/children in fire safety and/or hurricane preparedness each year.	6,347	3,791	**2,731**	3,500
Install or replace 80 smoke detectors in unprotected homes of elderly, disabled, or fixed income citizens.	170	126	**99**	80
Check, test or replace batteries in 375 existing smoke detectors.	563	517	**177**	375
Inspect all city and private fire hydrants annually.	913	907	**903**	897
Complete 7,000 in-service training hours.	8,394	8,072	**3,403**	7,000
Receive a 100% excellent or good evaluation by citizens[1]	100%	100%	**100%**	100%
Install/inspect/educate families on child safety seats.	218	237	**101**	NA

[1]*Survey responses (# returned): 2016 (161), 2017 (142), FYTD 2018 (42)*

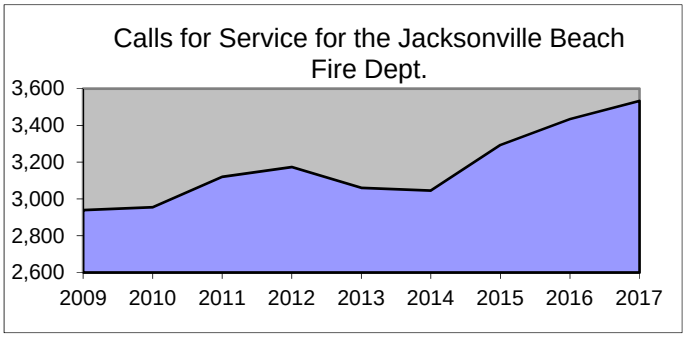
The Fire Department measures its effectiveness by tracking alarms, inspections, survey cards returned, and training records on a monthly and calendar year (CY) basis.

Fire Department

Annual Calls for Service

The fire department responded to 3,533 incidents in CY2017.

- *2% Fires*
- *69% Medical*
- *29% Hazardous Conditions*



- **In 2017, the Fire Department experienced a 2.9% increase in call volume over 2016**: 3,533 calls for service in 2017 compared to 3,434 in 2016.

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.

Fire Department

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$3,321,104	$3,454,041	$3,656,486	$202,445	5.9%
Operating	$402,029	$483,505	$492,918	$9,413	1.9%
Capital Outlay	$24,903	$40,000	$75,764	$35,764	89.4%
TOTAL	**$3,748,036**	**$3,977,546**	**$4,225,168**	**$247,622**	**6.2%**

Personal services increases are largely due to IAFF union contract changes as well as pension and health insurance increases.

Budget Issues

Capital Outlay:

- Funding of $39,500 for the replacement of one Zoll Cardiac Monitor.
- Funding of $36,264 for the replacement of the SCBA compressor and fill station.

Operating:

- 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.
- Periodic discussions with the City of Jacksonville regarding contracting out the Fire Department have been ongoing for several years. Any decision will be made after considering the best long-term interests of the Jacksonville Beach community.

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, 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 2019 Capital Improvement plan (CIP).

Fire Department

Fire Apparatus Replacement Program

Engine	Description	Model Year	Age
Q-11	Ferrara Ladder (Quint)	2010	8
E-14	Pierce Pumper (reserve)	1996	22
SQ-13	Rosenbauer Pumper	2018	0
E-22	E-1 Rescue/Pumper	2006	12
E-25	Pierce Pumper (reserve)	1993	25

Replacement Schedule

Year	Replace Apparatus	Cost	CIP Budget
FY2019			$75,000
FY2020			$75,000
FY2021	E-22	$375,000	$75,000
FY2022			$75,000
FY2023			$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 2017 calendar year statistics.

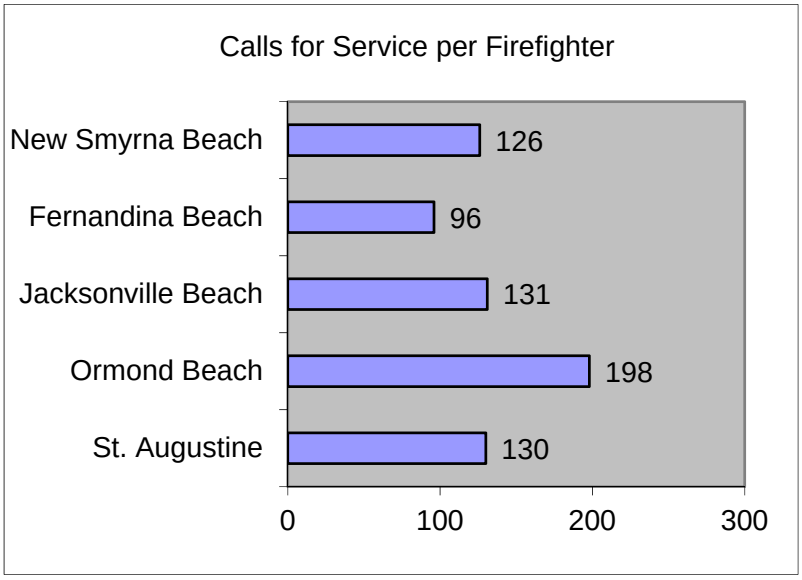
This data does not reflect the actual minimum staffing per shift nor the method that each department may use to determine calls. The following graphs illustrate the findings from the data and indicate that the Jacksonville Beach Fire Department operates efficiently.

Calls for Service CY 2017

Average number of calls for service per firefighter: = 136.

Jacksonville Beach Fire Department is 131.

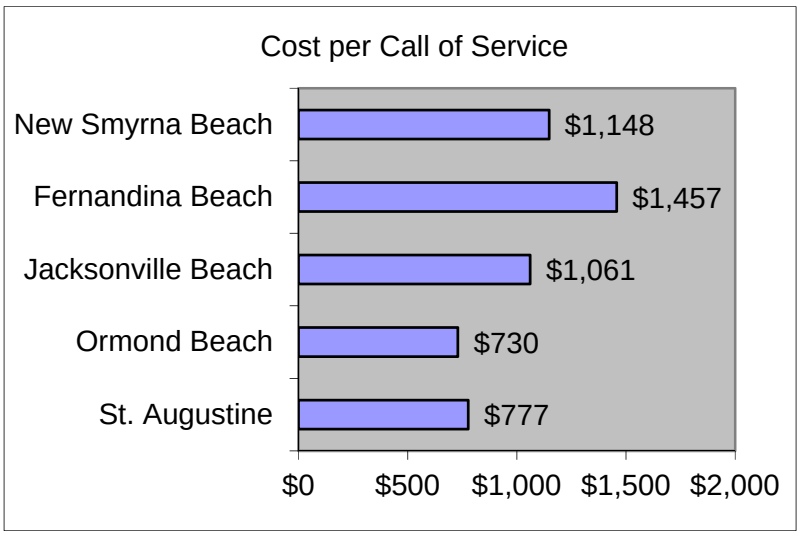
The Jacksonville Beach Fire Department responded to 3,533 calls for service in CY 2017.



Cost per Call CY 2017

Average cost per call for service: = $1,035.

Jacksonville Beach Fire Department was $1,061.



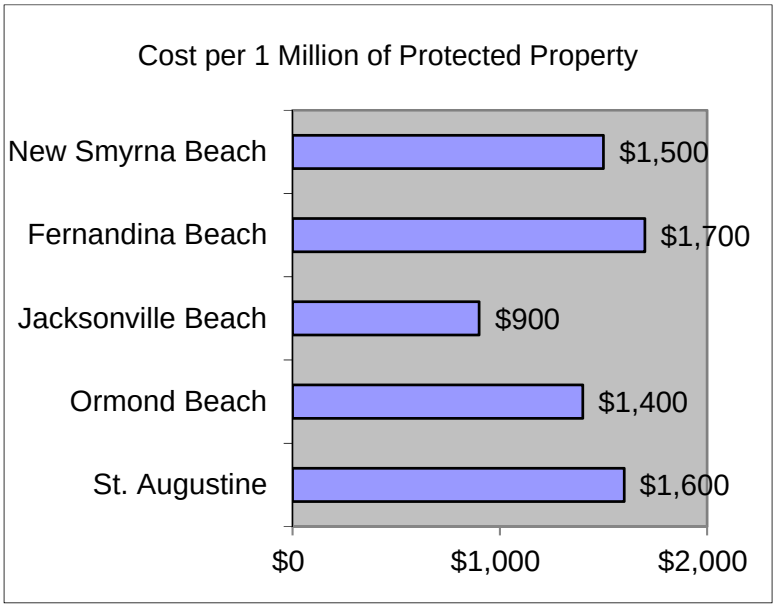
Fire Department

Comparison Survey (continued)

Cost per $1 million of Protected Property CY 2017

Average cost per $1 million of protected property = $1,420.

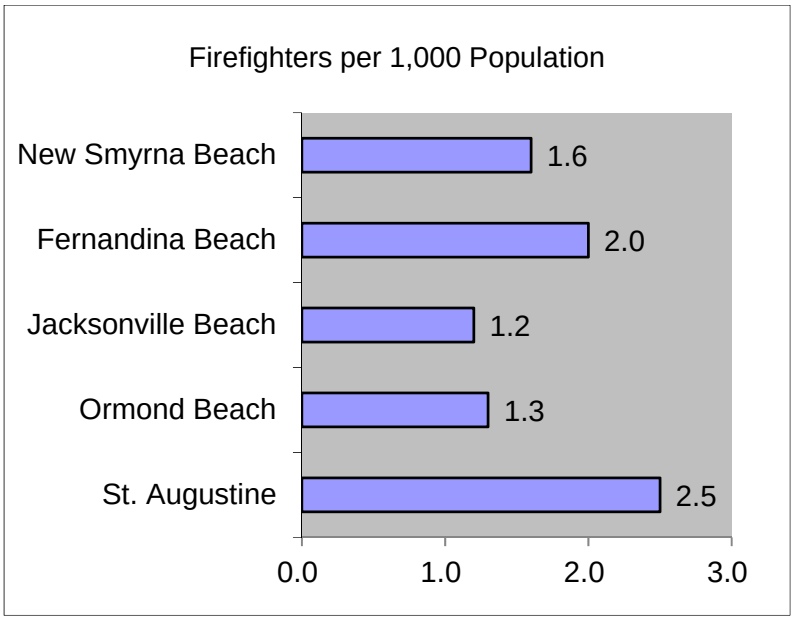
Jacksonville Beach Fire Department was $900.



Firefighters per 1,000 Population CY 2017

Average number of firefighters per 1,000 population: = 1.7

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



JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

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 35,225 customers and 24-hour customer service outage restoration. The Department is responsible for designing, constructing, operating, and maintaining electric facilities and natural gas service in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, and Palm Valley.

Authorized Positions	FY2017	FY2018	FY2019
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	0*
Regulatory Compliance	1	1	1
Meter Services	12	12	12
TOTAL	**75**	**75**	**72***

During FY2018, storeroom functions were reorganized so that personnel report to the Property & Procurement Officer. Personnel costs remain in this Department's budget.

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

Beaches Energy Services

Organization (continued)

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

- Completed 20,763 feet natural gas main extension between Sawgrass Country Club and the existing main at the intersection of A1A and Corona Road, and converted all equipment at the Sawgrass Country Club to natural gas. An additional 25 customers have been added or are in the process of having gas lines connected along this loop.

- 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 our community.

- Reduced our service outage time to less than half of the average for the Southeast United States and below the average of selected FMPA members. FMPA member utilities in our category had an average SAIDI (System Average Interruption Duration Index) of 64.906 minutes while our SAIDI was 22.082 minutes.

- Beaches Energy Services employees competed in the Florida Municipal Electric Association Lineman Competition in Kissimmee in March 2018. One Journeyman Lineworker team and three Apprentice Lineman competed at the American Public Power Association National Lineworkers Rodeo in Wake Forest, NC in April 2018.

- Renegotiated a transmission charge agreement with FMPA, saving Beaches Energy Services $90,000 per year.

- Provided leadership training for 12 employees at the department sponsored *Excellence as a Supervisor* training series and sent another five employees to City provided *Leadership Academy* classes.

Beaches Energy Services

System Reliability

2017 Calendar Year Distribution Reliability Indices							
	FL Munis	FPL	TECO	Duke	Gulf	FPUC	Beaches
Average Minutes Out per Customer	83.68	54.3	72.99	82.7	94.8	138.81	18.23
Average # of Times Out per Customer	1.29	0.90	1.03	0.92	1.10	1.20	0.33

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 2017 surveys were sent to 720 customers and 118 customers responded.

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

Customer Service	Actual FY2016	Actual FY2017	FYTD 3/31/18	Target FY2019
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%	99%	100%	95%
The employee was knowledgeable.	100%	99%	100%	95%
The employee referred to me by name.	99%	95%	93%	95%
The employee thanked me for my business.	96%	99%	100%	95%

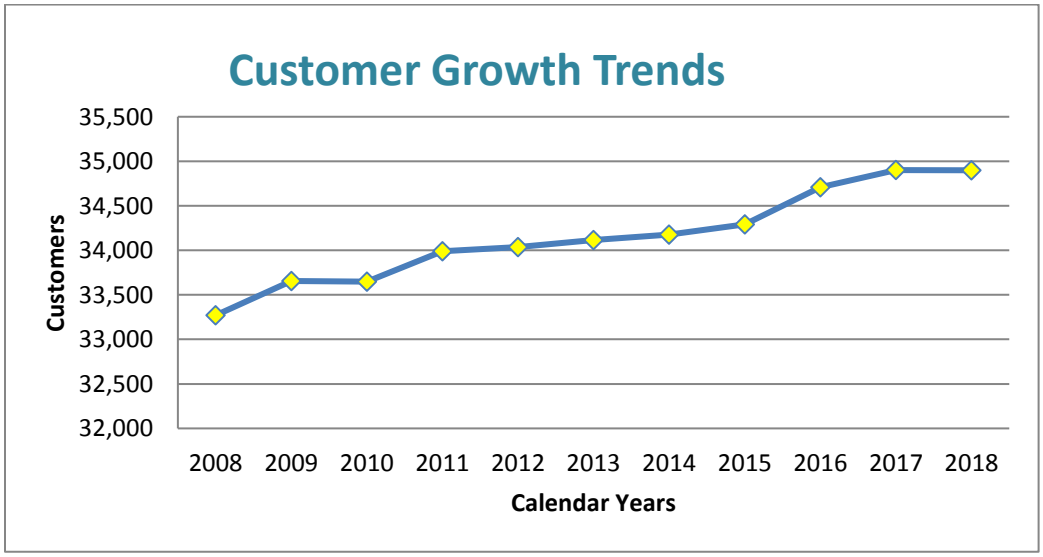
Beaches Energy Services

Customer Service (continued)

Beaches Energy Services mails **surveys to our energy audit customers** each year. The 2017 surveys were sent to 180 customers and 135 responded. The following represents the customers' ratings.

Energy Audits	Actual FY2016	Actual FY2017	FYTD 3/31/18	Target FY 2019
Energy Audit Survey	Percent Agree	Percent Agree	Percent Agree	Target Agree
Was the Utility Auditor on time for your scheduled audit?	100%	99%	100%	95%
Was the Utility Auditor polite and courteous?	100%	100%	100%	95%
Was the Utility Auditor knowledgeable and helpful when explaining the results of the audit?	99%	99%	100%	95%
Did the Utility Auditor provide you with tips to conserve energy?	98%	97%	100%	95%
Would you recommend this audit service for other customers?	99%	99%	97%	95%

The number of total customers served has grown from 33,649 in 2009 to 35,225 in 2018. This increase represents a 4.7 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 below).
- Since 2010, residential rates have been reduced by $24 per 1,000 kWh. This represents an average annual decrease of $288 per residential customer.
- In order to foster growth in solar technology, Beaches Energy originally included both the operations and maintenance and power cost portions of the total rate in the net metering refund calculation. In fairness to all of our customers, we need to reevaluate the net metering refund fee and only give the power cost portion back.

Rates

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

FMPA's All Requirements Project members are highlighted in yellow

Location	1000 kWH Base Rate	1000 kWH Total *	Add Local Taxes & Fees	Total with Taxes & Fees
Florida Public Utilities-NE **	$36.29	$137.26	$8.24	$145.49
Florida Public Utilities-NW **	36.29	137.26	8.24	145.49
Gulf Power **	98.51	135.68	8.14	143.82
Bushnell	98.05	128.05	12.81	140.86
Fort Meade	89.56	124.56	12.46	137.02
Duke Energy **	82.68	128.32	7.70	136.02
Vero Beach	54.43	122.95	12.30	135.25
Gainesville	86.00	121.00	12.10	133.10
Leesburg	104.22	119.22	11.92	131.14
Starke	75.95	118.78	11.88	130.66
Ocala	93.64	117.64	11.76	129.40
Mount Dora	51.21	116.22	11.62	127.84
Newberry	107.50	115.00	11.50	126.50
Fort Pierce	116.84	114.84	11.48	126.32
Homestead	77.60	114.23	11.42	125.65
Winter Park	79.63	113.99	11.40	125.39
Moore Haven	83.30	113.90	11.39	125.29
Key West	143.90	125.00	-	125.00
Blountstown	118.85	118.85	5.94	124.79
Alachua	102.40	113.15	11.32	124.47
Tallahassee	77.81	112.81	11.28	124.09
State Average	**85.14**	**114.94**	**8.61**	**123.55**
JEA ****	76.00	108.50	14.11	122.61
St. Cloud	75.07	110.24	8.82	119.06
Green Cove Springs	95.00	119.00	-	119.00
Lake Worth	72.21	107.99	10.80	118.79
Orlando	72.18	106.00	10.60	116.60
Havana	89.50	116.26	-	116.26
Tampa Electric **	68.62	109.55	6.57	116.12
New Smyrna Beach	82.10	104.78	9.69	114.47
Clewiston	93.20	104.06	10.41	114.47
Beaches Energy	**84.07**	**113.91**	**-**	**113.91**
Lakeland	62.60	103.35	10.34	113.69
Williston	89.84	108.04	5.40	113.44
Wauchula	89.90	101.90	10.19	112.09
Quincy	98.41	111.71	-	111.71
Bartow	59.40	99.40	9.94	109.34
Florida Power & Light ** ***	74.16	102.70	6.16	108.87
Kissimmee	133.27	99.41	7.95	107.36
Chattahoochee	90.10	107.02	-	107.02

*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 2018 FMEA Published Rate Schedule

Beaches Energy Services

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 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.

Goals for FY2019

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.
- Improve substation maintenance and relays.

Beaches Energy Services

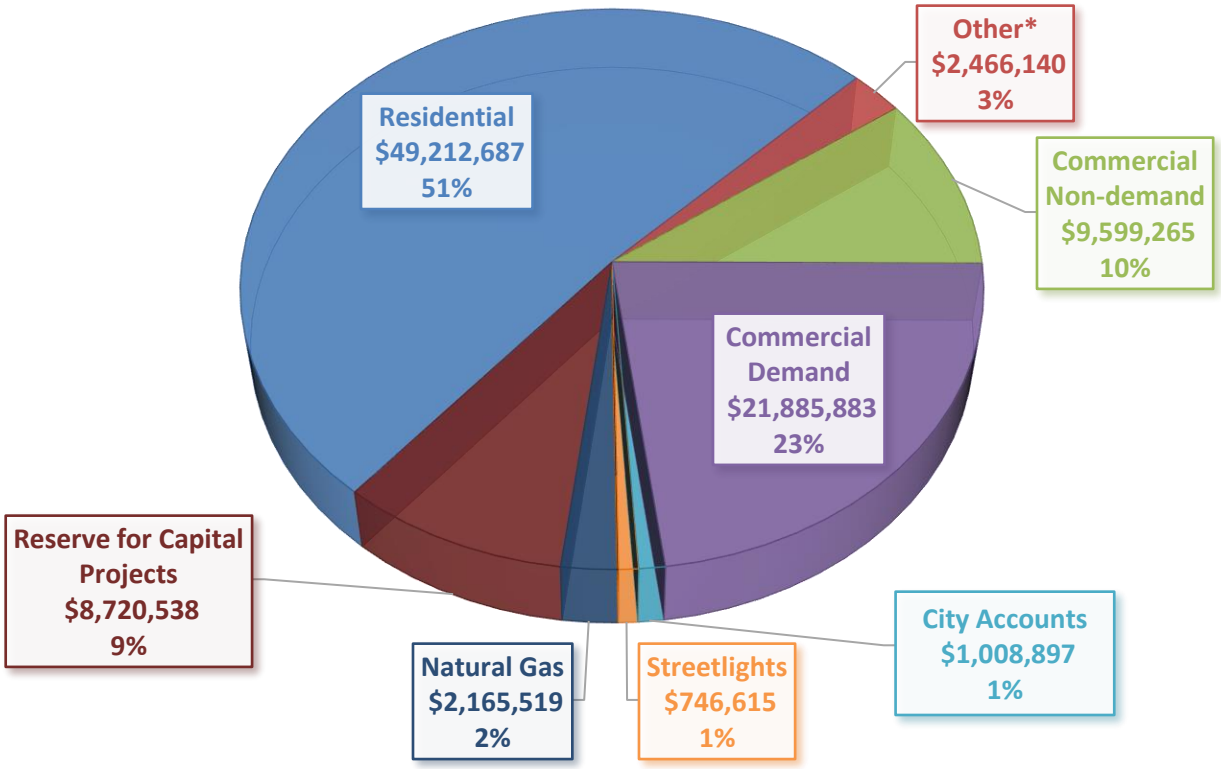
Performance Measures

	Actual FY2016	Actual FY2017	FYTD 3/31/18	Target FY2019
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**.	488	481	482	476
Employee lost time accidents	1	2	1	0
SERVICE				
Provide 500 customer energy audits	564	381	119	500
Provide 950 surge protection devices	991	993	1,046	950
Energy Conservation Program: Rebates Issued Dollar Amount	 880 $225,943	 884 $253,346	 419 $112,627	 900 $275,000
RELIABILITY				
Annual average outage time per customer. Reported on a **calendar year**.	36.12	18.23	.443	Less than 50% of FMPA Average
Apprentices in Training	10	10	7	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 FY2019 is $95,805,544.



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

Financial Summary

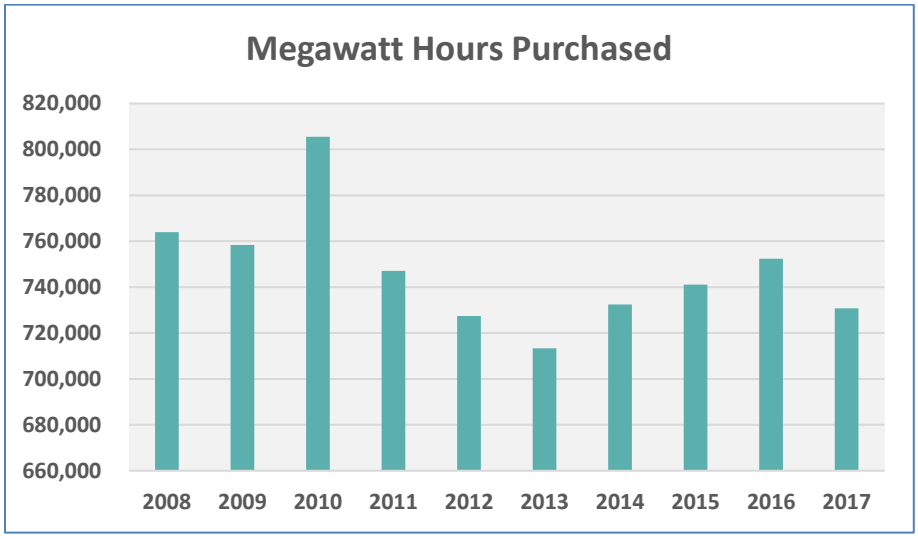
Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$6,945,779	$6,861,431	$7,045,874	$184,443	2.7%
Purchased Power	$57,970,248	$63,125,949	$62,907,387	-$218,562	-0.3%
Operating	$8,330,297	$9,177,954	$9,157,121	-$20,833	-0.2%
Capital Outlay	$7,118,241	$10,006,000	$9,681,000	-$325,000	-3.2%
Debt Service	$2,567,561	$2,579,012	$2,575,507	-$3,505	-0.1%
Transfers	$4,217,837	$4,075,409	$4,105,218	$29,809	0.7%
TOTAL	**$87,149,964**	**$95,825,755**	**$95,472,107**	**-$353,648**	**-0.4%**

Personal services increased primarily due to pension contribution, health insurance, and annual merit increases.

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 on 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 or more.

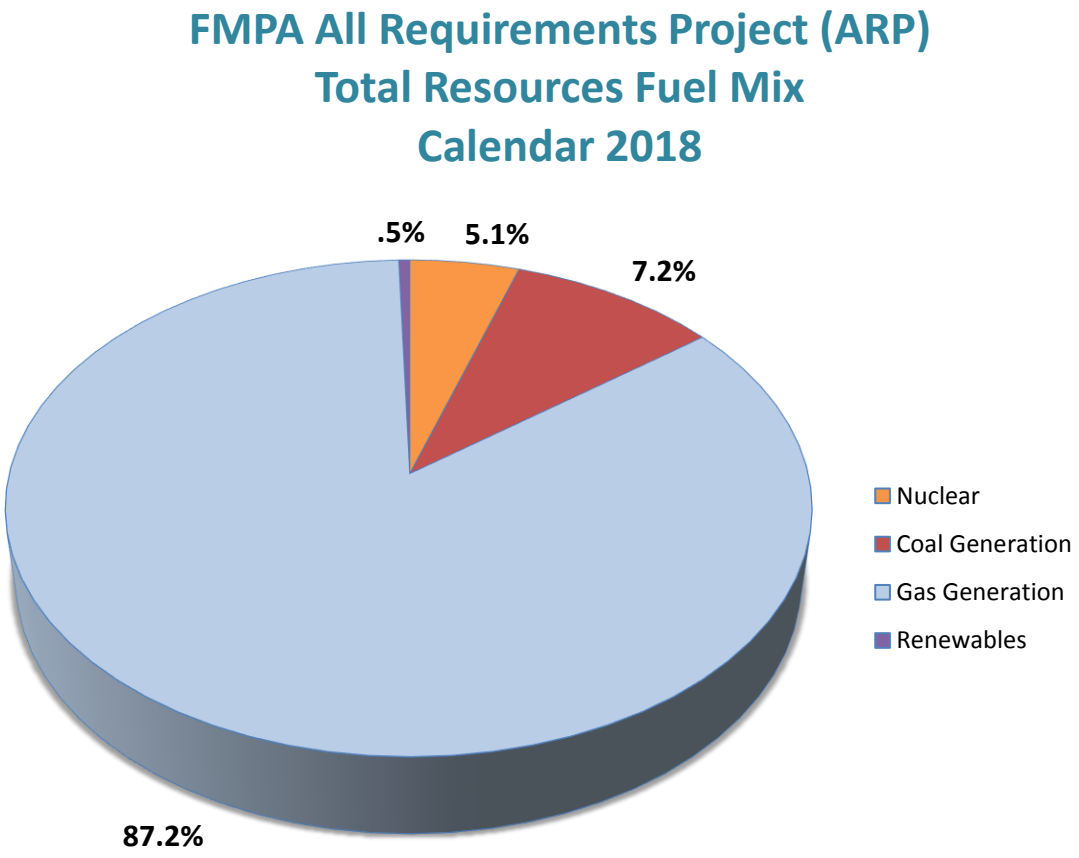
Providing reliable electric services is a continuous activity that requires long-term vision. Future governmental regulations regarding CO2 and mercury could have a major impact on deciding future power supply options. This national trend coupled with uncertainty at the federal level regarding natural gas hydraulic fracking has resulted in many electric utilities delaying decisions on capital expenditures for generation resources. However, the Energy Information Administration projects that domestic natural gas production will likely result in the forecast Henry Hub natural gas spot price remaining relatively flat rising from $2.88/MBtu in 2018 to $2.92/MBtu in 2019. 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.

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.



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 influence the operations of transmission providers in Florida. Beaches Energy Services is 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 and Contingency Analysis Services for Beaches Energy Services.

Modernizing Electric System Infrastructure

Ensuring the reliability and security of electric service to our customers is essential to Beaches Energy Services operations. A field inventory of assets has been completed that provides an accurate assessment of age, condition, and configuration of the existing distribution system. Programs have been developed to systematically address maintenance and underground cable replacement. These programs provided the details and processes required to address our aging infrastructure and improve service reliability. The main focus over the next three (3) to five years (5) will be our transmission lines and substation equipment.

Beaches Energy Services

Capital Projects: FY2019

- ***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.

- ***Specify, Bid, Procure and Begin Installation of an Outage Management System for Beaches Energy - $250,000:*** This system will provide the real-time automation and analysis that 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.

- ***Design, Purchase, and Installation of new 224 MVA transformer for Sampson Substation - $3,000,000:*** 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.

Capital Projects: FY2019 (continued)

- ***Install Fiber & Equipment: Sampson to Diego - $60,000:*** 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. 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 FY2018 and FY2019.

- ***Transmission Line Hardware Renewal & Replacement - $1,050,000:*** 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. FY2019 funding includes the replacement of static wire and associated hardware for Transmission Line 804. The Transmission Line 805 static wire was replaced in FY2017.

Operating Projects: 2019

- ***Regulatory Compliance Centralized Transmission Operator Agreement - $750,000:*** 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.

- ***Regulatory Compliance Consulting - $100,000:*** NERC continues to develop and modify the bulk electric system requirements. Consulting services will 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.

Beaches Energy Services

Natural Gas

Beaches Energy Services owns the natural gas distribution system within Beaches Energy Services' territory with the exception of a small system located along Atlantic Boulevard operated by Peoples Gas Company. 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 2017, 261 customers purchased 2,082,692 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 agreements have a 5-year term with an option to renew. The contract was renewed 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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$0	$0	$0	$0	-
Purchased Gas	$1,086,038	$1,107,149	$1,153,737	$46,588	4.2%
Operating	$295,176	$330,054	$331,451	$1,397	0.4%
Capital Outlay	$901,026	$150,000	$140,000	-$10,000	-6.7%
Transfers	$419,172	$270,254	$274,047	$3,793	1.4%
TOTAL	**$2,701,412**	**$1,857,457**	**$1,899,235**	**$41,779**	**2.2%**

Purchased gas increases reflect a projected increase in consumption.

Budget Issues

- Infrastructure to support the addition of customers in FY2019, including service lines, main extensions, and meter sets, is budgeted in capital outlay ($140,000).

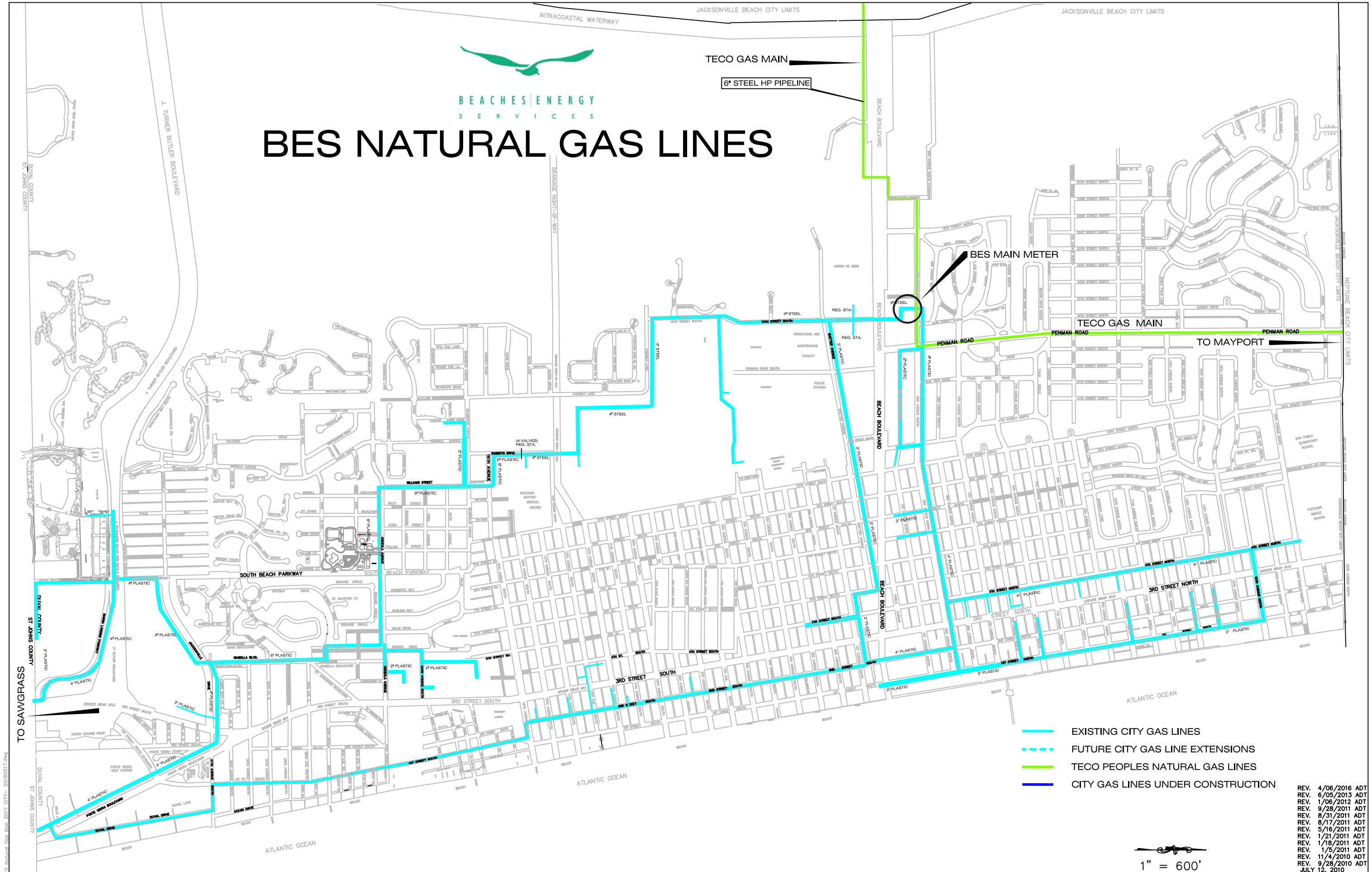
2017 DATA FOR FLORIDA PUBLIC SYSTEMS

FL Public Gas System Name	Customers 12/31/2017	2017 System Total Throughput (DTh)
Pensacola Energy	43,193	3,985,560
Okaloosa Gas District	44,012	3,248,519
Tallahassee Gas Utility Department	31,018	2,845,372
Clearwater Gas System	23,477	2,400,162
Gainesville Regional Utilities	35,017	1,993,677
Reedy Creek Improvement District	189	1,821,299
Lake Apopka Natural Gas District	20,959	1,760,308
Leesburg, City of	11,045	889,962
Sunrise Gas System	9,204	562,271
Lake City Regional Utilities	2,399	515,943
Fort Pierce Utilities Authority	4,093	435,854
Milton Natural Gas System	4,207	278,131
Marianna, City of	1,381	213,376
Beaches Energy Services	**268**	**206,075**
Gulf Breeze, City of	4,032	175,691
Perry Gas Division	1,510	152,417
Quincy, City of	1,810	149,514
Palatka Gas Authority	3,617	145,870
DeFuniak Springs Natural Gas	1,278	117,923
Madison, City of	832	115,425
Live Oak, City of	918	93,173
Jasper Municipal Utilities	282	46,338
Chattahoochee, City of	457	41,153
Blountstown, City of	664	41,117
Century, Town of	520	40,704
Starke Natural Gas Department	677	40,059
Chipley Gas Department	584	37,199
Crescent City Natural Gas	1,298	29,447
Williston, City of	557	26,384
Jay Utilities	275	18,564
Havana Gas System	452	13,108
Ft. Meade Municipal Natural Gas Dept.	N/A	N/A
Total of All FL Public Systems	**250,225**	**22,440,595**

** Data provided by the Florida Natural Gas Association*
*** Dekatherm (equals 1,000,000 Btu)*

BEACHES | ENERGY SERVICES

BES NATURAL GAS LINES

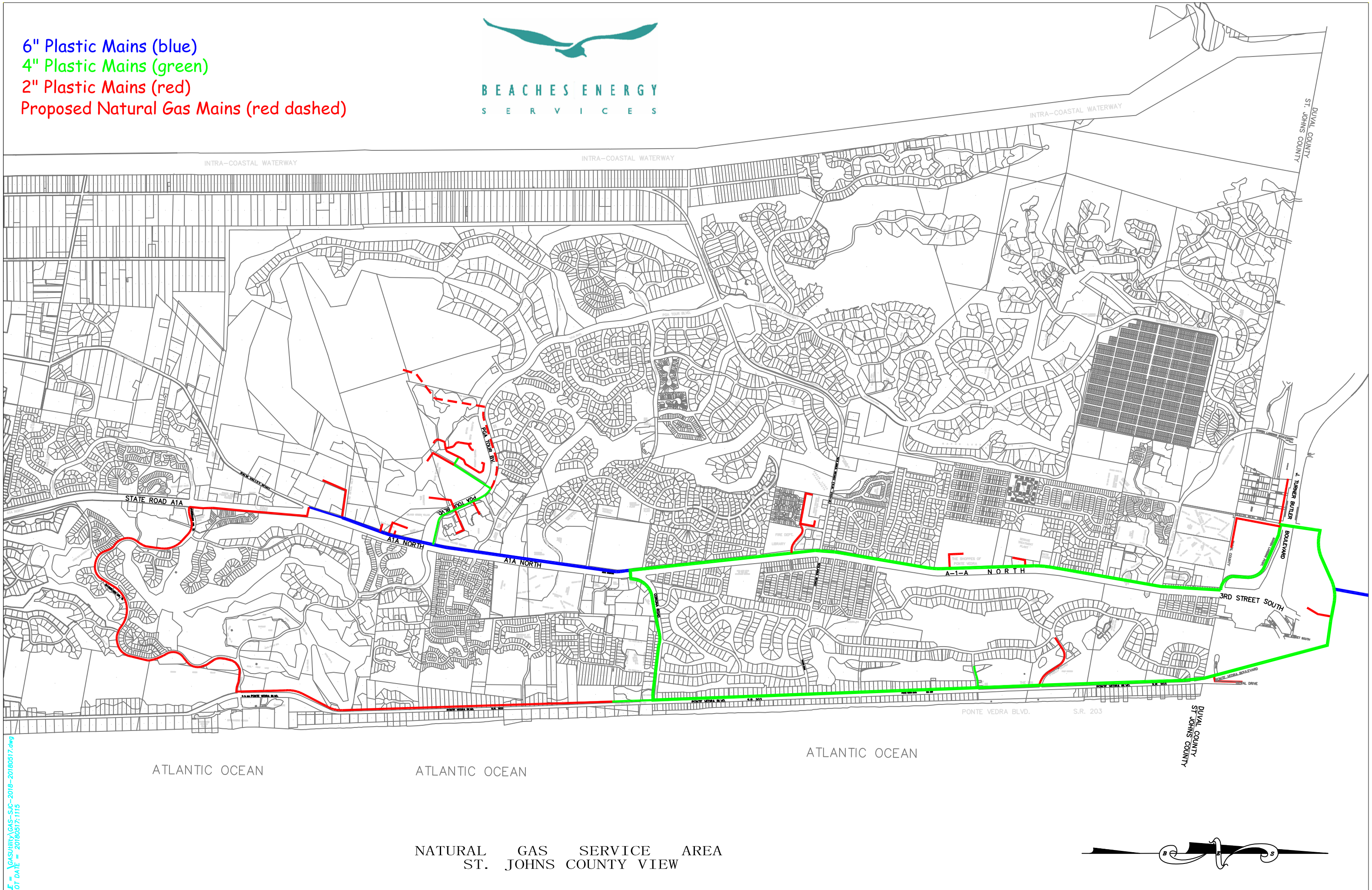


REV. 4/06/2016 ADT
REV. 6/05/2013 ADT
REV. 1/06/2012 ADT
REV. 9/28/2011 ADT
REV. 8/31/2011 ADT
REV. 8/17/2011 ADT
REV. 5/16/2011 ADT
REV. 1/21/2011 ADT
REV. 1/18/2011 ADT
REV. 1/5/2011 ADT
REV. 11/4/2010 ADT
REV. 9/28/2010 ADT
JULY 12, 2010

CITY OF JACKSONVILLE BEACH, FLORIDA

6" Plastic Mains (blue)
4" Plastic Mains (green)
2" Plastic Mains (red)
Proposed Natural Gas Mains (red dashed)

BEACHES ENERGY
SERVICES



NATURAL GAS SERVICE AREA
ST. JOHNS COUNTY VIEW

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JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

Finance Department

Mission

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

Organization

The Finance Department consists of four divisions: Accounting, Utility Billing, Information Systems, and Property & Procurement.

Authorized Positions	FY2017	FY2018	FY2019
Chief Financial Officer	1	1	1
Assistant Finance/Budget Officer	1	1	1
Internal Auditor	1	1	1
Accounting Supervisor	1	1	1
Accountant	1	1	1
Accounting Technician	1	1	1
Administrative Assistant	1	1	1
Staff Assistant, Part-Time	2	2	2
Accounting Total	**9**	**9**	**9**
Customer Service Supervisor	1	1	1
Assistant Customer Service Supervisor	1	1	1
Collections Representative	1	1	1
Business Relations/Conservation Coordinator*	1	1	1
Customer Service Representative I	7	7	7
Customer Service Representative II	6	6	6
Customer Service Representative, Part-Time	1	1	1
Utility Billing Total	**18**	**18**	**18**
Business Analyst	1	1	1
Associate Business Analyst	1	1	1
Information Systems Supervisor	1	1	1
Network Engineer	1	1	1
GIS Administrator	1	1	1
System Administrator	2	2	2
Database Administrator	1	1	1
Information Systems Total	**8**	**8**	**8**
Property & Procurement Officer	1	1	1
Procurement Administrator	-	1	1
Procurement Associate	-	-	1
Purchasing Specialist	2	1	-
Property Management Superintendent	1	-	-
Building Maintenance Supervisor	1	1	1
Building Maintenance Mechanic	2	2	2
Chief Storekeeper	-	-	1*
Storekeeper	-	-	1*
Buyer	-	-	1*
Property & Procurement Total	**7**	**6**	**9**
TOTAL POSITIONS	**42**	**41**	**44**

**During 2018, storeroom functions were reorganized so that these three personnel report to the Property & Procurement Officer. Personnel costs remain in the Beaches Energy Services Department.*

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Finance Department

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

Utility Billing is responsible for providing customer support and meeting the needs of the City's 35,222 utility customers. This includes new services, billing and collections for electric, gas, water, sewer and solid waste services provided to the utility customers of Beaches Energy Services. Utility Billing also collects monies for the City's 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 provide technical support to users by maintaining the City's servers, operating software, business computer applications, e-mail services, network, and geographic information systems. 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. Activities include preparing bids and contracts as well as processing requisitions and purchase orders. This division is also responsible for the maintenance and upkeep of City buildings, managing leased facilities, managing storeroom activities and supervising fleet maintenance. Fleet maintenance is provided by a private contractor.

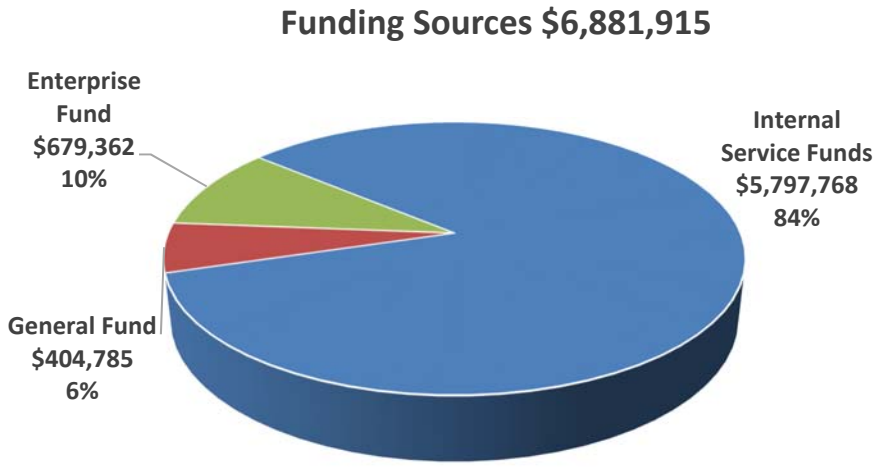
Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$2,796,011	$3,032,767	$3,070,866	$38,099	1.3%
Operating	$3,221,372	$3,476,616	$3,619,049	$142,433	4.1%
Capital Outlay	$15,370	$8,500	$32,000	$23,500	276.5%
Transfers	$114,000	$210,000	$160,000	-$50,000	-23.8%
TOTAL	**$6,146,753**	**$6,727,883**	**$6,881,915**	**$154,032**	**2.3%**

Operating budget increases are largely attributable to technology maintenance agreements and Comcast service costs.

Transfer expenses include fund technology costs ($140,000) and facility maintenance ($20,000) from the Leased Facilities and Finance Internal Service Funds.

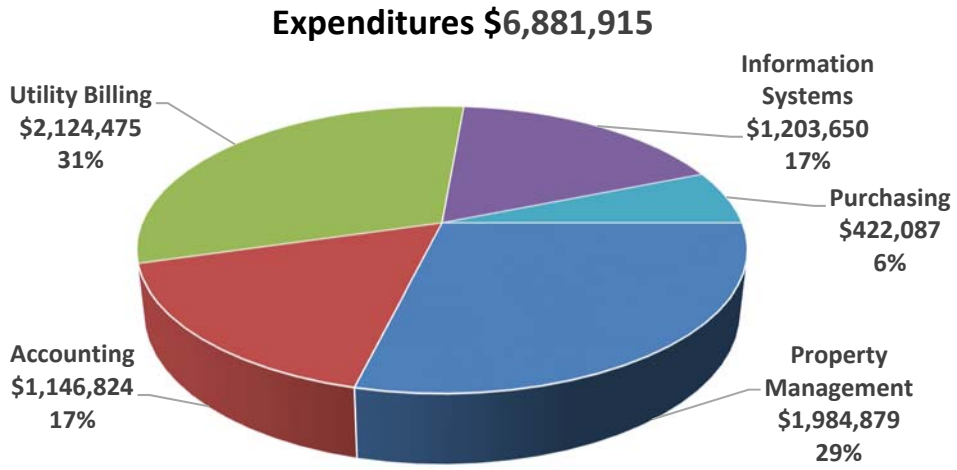
Finance Department



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

Enterprise Fund
Leased Facilities

General Fund
Building Maintenance



Objectives

- Maintain the citywide financial records in accordance with generally accepted governmental accounting standards.
- Provide credible and reliable financial reports to internal and external users.
- Minimize the need for future debt through long-term financial planning and capital budgeting for major capital improvements.
- Ensure compliance with federal, state and local laws and regulations related to grant activities.
- Develop investment policies to provide reasonable returns with minimal risk.
- Provide training to employees for data processing hardware and software, such as the Enterprise Resource Planning and Geographic Information Systems software.
- Safeguard our digital resources and meet the technological needs of our customers.
- Keep City facilities and equipment in very good condition at all times by providing ongoing maintenance and cleanliness for safety, comfort and appearance.

Finance Department

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.
- ✓ Implemented phase 1 of the Enterprise Resource Planning system. This phase includes accounts payable, budgeting, bidding, cash management, contracts, financial reporting, purchasing and vendor self-service.
- ✓ Continued building the base data for the Geographic Information System in preparation for stage 2 of the Enterprise Resource Planning system implementation.
- ✓ Enhanced the security posture of the City in anticipation of electronic threats towards our confidential information.
- ✓ Implemented hardware upgrades in preparation for the new Enterprise Resource Planning system.
- ✓ Continued to outsource our mail service for utility bills and city mail. This process provides daily mail pick-up, folding, stuffing & inserting of utility bills at a reduced postal rate, saving the City approximately $30,000 per year in postal costs.
- ✓ Utility Billing implemented a new meter exchange process and provided customer service support during the water meter replacement project. Approximately 10,500 water meters were replaced with the new AMI (automated metering infrastructure) technology. This new technology will help us serve our customers better by providing enhanced customer service, leak detection, automated meter readings and billing accuracy.
- ✓ Designed and implemented the new E-Welcome letter that is emailed to all new customers applying for utility service. This email introduces our new customers to Beaches Energy programs and services such as Beaches Energy Tidings newsletter, energy efficiency brochures, in-home and online do it yourself energy audits, rebate programs and other utility services.
- ✓ Upgraded our free e-check program that allows customers to pay by check, electronically and through the Interactive Voice Response automated phone system. This program has been highly successful. In 2017, 74,724 customer payments were received through this free service, allowing customers who made payments to avoid 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, 12,879 customers receive their utility bill through this program, saving the City $75,729 a year in postage costs.

Finance Department

Goals for FY2019

1. Continue the configuration and implementation of the Tyler Munis software within the project 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 tax increment revenues fund the debt issued for capital improvements.

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.

Performance Measures

Utility Billing	Actual 2017	FYTD 3/31/18	Target 2019
Customer Service:			
Avg. # monthly payments through Beaches Energy website	5,460	6,100	6,000 or >
Avg. # monthly IVR payments	2,320	2,352	2,300 or >
Avg. # monthly bank draft payments	7,498	8,271	8,000 or >
Avg. # monthly online payments made through customer's bank	6,659	6,887	6,800 or >
Avg. # monthly mail-in payments	7,354	7,776	8,000 or <
Avg. # monthly walk-up or drive-through payments	6,088	5,969	6,000 or <
Number of monthly E-bills	11,794	12,879	13,000 or >
Average telephone customer calls per month	4,257	4,257	5,000 or <
Average answer time (in seconds)	7	7	10 or <

Finance Department

Performance Measures (continued)

Information Systems	Actual 2017	FYTD 3/31/18	Target 2019
% of departmental customers rating service as satisfactory and better[1]	93.62%	82.76%	95%
Percentage of SunGard (HTE) Uptime	99.99%	99.99%	99.9%
Percentage of Network uptime	99.995%	99.995%	99.0%
Average response time for support requests	1.65 Hours	0.81 Hours	1.5 Hours or <

[1]*Survey responses (# returned/# distributed): 2017 (47/366), 2018 (29/324),*

Accounting	Actual 2017	FYTD 3/31/18	Target 2019
Percent of monthly financial reports delivered to City Council by 2nd meeting in each month	100%	100%	100%
Number of Years CAFR Awards received	24	25	26
Number of Years GFOA Budget Award received	23	24	25
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

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 includes three phases for this stage of the project. The first phase, the financial modules, went live in April 2018. Phase 2 (Payroll) will go live in early 2019, and Phase 3 (Utility Billing) will go live in the spring of 2019. The estimated cost of the entire system is $3.3 million. The implementation of both stages of the new Enterprise Resource Planning system will take about 4 years.
- **Geographic Information Systems -** The second stage of the project includes the Geographic Information System-based modules: enterprise asset management, work orders, planning and development, and business licenses. We are working with a consultant to prepare our Geographic Information System data in advance of the implementation. We require additional in-house resources to establish our baseline data, maintain our data and collect additional data.

Finance Department

Property Management Division

Financial Summary

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$252,109	$281,010	$290,314	$9,304	3.3%
Operating	$1,363,972	$1,478,469	$1,552,565	$74,096	5.0%
Capital Outlay	$0	$8,500	$32,000	$23,500	276.5%
Transfers	$61,000	$160,000	$110,000	-$50,000	-31.3%
TOTAL	**$1,677,081**	**$1,927,979**	**$1,984,879**	**$56,900**	**3.0%**

Operating costs increased for technology maintenance agreements.

Capital outlay represents the replacement of a 2008 Ford F150 truck for Building Maintenance.

Recent Accomplishments

- ✓ Completed organizational changes to strengthen the overall efficiency of the division:
  - Eliminated the Property Management Superintendent and added a Procurement Administrator.
  - Reclassified the Purchasing Specialist to Procurement Associate.
- ✓ Assumed responsibility for the Storeroom Division and its employees.
- ✓ Acquired additional funding for water intrusion repairs at the Community Services Center facility. The project will address stucco, window, landscape and canopy issues throughout the facility.
- ✓ Upgraded emergency generator capacity at City Hall to power the entire building in the event of an outage.
- ✓ Coordinated in-house emergency generator assessment at Police Department building resulting from post Hurricane Irma recommendations, saving $23,367 in consultant fees.
- ✓ Assisted leadership with the Enterprise Resource Planning project by providing expertise (Current State-Future State Analysis) for the Procurement, Financial and Inventory modules.
- ✓ Conducted scrap wire and surplus item sale. 159 items were sold in the auction for just under $85,000 and scrap wire proceeds exceeded $50,000.
- ✓ Executed leases at the industrial Park - 81% of available space is under lease.
- ✓ Recovered $33,108 in Unleaded Gasoline and Diesel Fuel overpayments.
- ✓ Repaired roof and soffit damage at Fire Station #1, City Hall, Police Department and O&M Facility caused by Hurricane Irma.

Property Management Goals for FY2019

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.

Property Management Performance Measures

Property Management and Building Maintenance	Actual 2017	FYTD 3/31/18	Target 2019
Customer satisfaction surveys with a rating of good or excellent in the following categories: [1]			
• Overall experience with Property Management and/or Building Maintenance services	80%	87%	95%
• Timeliness of staff to service requests	94%	90%	95%
• Overall appearance and condition of buildings	75%	65%	95%
• Professionalism of staff responding to requests	87%	91%	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 2017**	**FYTD 3/31/18**	**Target 2019**
Customer satisfaction surveys with a rating of good or excellent in the following categories: [1]			
• Overall 95% average or above average ratings on annual Fleet Maintenance Services customer survey	84%	100%	95%
• Quality of service provided by Fleet Maintenance	100%	100%	90%
• Timeliness of service provided by Fleet Maintenance	100%	100%	90%
• Knowledge and competence of Fleet Maintenance Staff	100%	100%	90%

[1]*Survey responses (# returned/# distributed): 2017(15/273), 2018 (23/324)*

Property Management Performance Measures (continued)

Building Condition Assessment	Actual 2017	FYTD 3/31/18	Target FY2019
City Hall	2	2	2
Police Station	2	2	2
Operations & Maintenance Facility (O&M)	3	3	2
Community Services Center	4	4	3
Fire Station #1	3	3	2
Fire Station #2	2	2	2
Golf Clubhouse	2	2	2
Oceanfront Restrooms	3	3	2
Carver Center	2	2	2
Sea Walk Pavilion	3	3	2
South Beach Community Center & Exhibition Hall	2	2	2
Wingate Concession North	2	2	2
Wingate Concession South	3	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.

Property Management Performance Measures (concluded)

Leased Properties	Actual FY2017	Budget 2018	Target FY2019
Land Total Square Footage Leased (Avail. 163,966)	80,900	108,403	138,001
Buildings Total Square Footage Leased (Avail. 19,551)	19,551	19,551	19,551
Telecommunications Tower Leased Spaces	5	5	5
Revenue:			
Industrial Park	$172,210	$193,691	$198,496
Community Services Center	$114,837	$116,763	$121,792
Penman Park Building	$41,629	$44,647	$46,431
Safe Harbor	$46,803	$48,207	$49,658
Telecommunications Tower	$205,078	$211,835	$222,185
Total Revenue	**$580,557**	**$615,143**	**$638,562**

Fleet Maintenance	Actual FY2017	Budget FY2018	Target FY2019
Service Statistics:			
Annual Average Maintenance Costs Per Vehicle	$492.18	$601	$615
Fleet Downtime Percentage (3-5% Acceptable)	1.29%	1.30%	1%

Property Management Budget Issues

- Centralize control of the HVAC to provide a more comfortable environment and reduce energy consumption.
- Capitalize on restructuring of positions and the implementation of the Enterprise Resource Software to strengthen the overall efficiency of the division.
- Continued focus on new lease revenue potential for 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

Making the City a great place to work.

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	FY2017	FY2018	FY2019
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 1.46% increase in health insurance for the 2018 plan year with minimal changes in the insurance plans, while industry standard increases were in excess of 10%.
- ✓ Successfully negotiated a two year contract for property and liability insurance with no increase in premium, while maintaining the same level of coverage.
- ✓ Conducted search for candidates for Public Works Director and coordinated the assessment process.
- ✓ Increased the number and quality of applicants for City positions and filled several highly competitive positions such as Building Official, Network Engineer and 911 Dispatcher.
- ✓ Processed 2,036 applications for 78 positions (excluding seasonal positions) which resulted in 26 average number of qualified candidates per position.
- ✓ Developed and implemented a Supervisory Leadership Academy through the University of North Florida, and provided city-wide customer service training.
- ✓ Issued 13,081 payroll and pension checks with an accuracy level of 99%.
- ✓ Successfully negotiated a three-year collective bargaining agreement with the Police union.

Goals for FY2019

1. Secure quality insurance coverage for property, liability and employee benefits at an affordable cost.
2. Perform a wage and compensation study for City positions.
3. Successfully negotiate a three-year collective bargaining agreement with the LIUNA (general employee) labor union (9/30/19) and the IAFF (Fire) labor union (6/1/17).
4. Implement a new time and attendance and payroll system as part of the City's Enterprise Resource Planning (ERP) process.
5. Recruit top talent for key positions including City Manager and Police Chief.

Human Resources Department

Performance Measures

Objective	Actual FY2017	FYTD 3-31-18	Target FY2019
Recruiting and Hiring Qualified Employees			
Average cost per new hire	$1,747	$1,739	$1,800
Average number of qualified candidates per position	21.2	26	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	309	314	330
City contribution for employee health benefit plans	$2,226,893	$992,150	$2,782,368
Providing Accurate Payroll Services			
Number of payroll and pension checks processed	12,431	6,215	12,500
Accuracy of payroll and pension checks	99.0%	99.0%	95.0%
Enhancing Employee Development			
Total number of training/webinar classes offered	22	7	24
Percentage of employees completing six month probation	88%	81%	75%
Total annual employee separation rate	11.37%	6.12% (6 mo.)	15.00%
**Bureau of Labor Statistics – Government Industry 2017*	*18.5%*	-	-
Maintaining Stable Comprehensive Insurance Coverage			
Total liability premiums and claims paid	$1,112,121	$1,063,606	$1,215,349
Total workers' comp premiums and claims paid	$406,212	$168,202	$440,086
Workers' comp self-insurer experience modification rate	.82	1.03	<1.00
Providing Reliable and Accurate Retirement Planning Services			
Number of accurate benefit estimates provided	47	14	30

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$392,469	$393,623	$406,819	$13,196	3.4%
Operating	$155,807	$191,225	$245,282	$54,057	28.3%
Capital Outlay	$0	$0	$0	$0	-
TOTAL	**$548,276**	**$584,848**	**$652,101**	**$67,253**	**11.5%**

Budget increase is primarily due to $50,000 budgeted for a Citywide Wage and Compensation study. Remaining increase is due to payroll related costs.

Human Resources Budget Issues for FY2019

Labor Relations – The LIUNA (General Employees) contract will expire on 9/30/2019. Negotiations for LIUNA will commence in the latter part of FY 2019. IAFF (Fire) contract expired on 6/1/2017 and contract negotiations are still ongoing.

Financial Summary – Insurance and Risk Management

Resource Allocation	Actual 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$108,883	$19,050	$19,838	$788	4.1%
Operating	$3,793,751	$4,599,784	$4,646,820	$47,036	1.0%
Capital Outlay	$0	$0	$0	$0	-
TOTAL	**$3,902,634**	**$4,618,834**	**$4,666,658**	**$47,824**	**1.0%**

All property, liability, health insurance and workers' compensation insurance costs are paid through this fund.

Human Resources Department

Insurance and Risk Management Budget Issues for FY2019

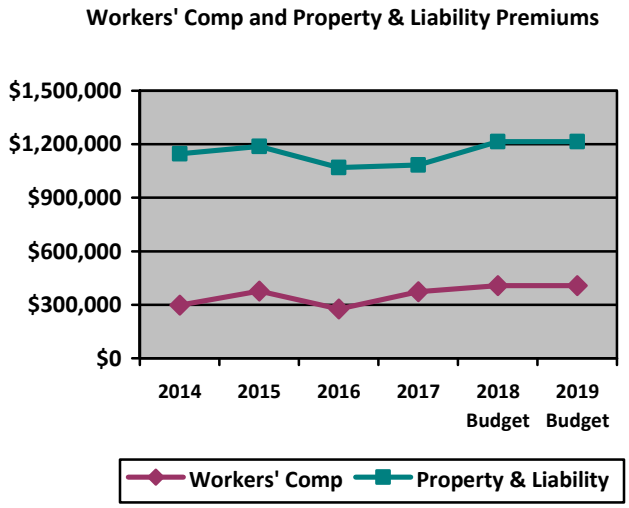
Business Insurance and Workers' Comp

In FY 2017, the City was hit by two Hurricanes, Matthew and Irma. Most of the damage caused by the hurricanes 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. Fortunately, prior to Hurricane Irma, the City negotiated a two year agreement with Preferred Government Insurance Trust (PGIT) for property liability coverage for fiscal years 2018 and 2019 that fixed the cost of coverage, excluding any asset additions. Therefore, the City is not projecting an increase in liability insurance for FY 2019. Workers' Compensation is projected to remain flat and Health Insurance is projected to increase by 5%.

Estimated Insurance Premiums & Deductibles			
Coverage/Limits & Deductibles	**Budgeted 2018 Premiums**	**Projected 2019 Premiums**	**Increase / (Decrease)**
Property ($25,000 deductible/wind separate)	$663,593	$663,593	-
Liability-$2,000,000 per occurrence: Deductibles: General Liability: $10,000 Law Enforcement: $25,000 Public Officials: $25,000 Employment Practice: $25,000	$292,869	$292,869	-
Auto ($1,000,000 per occurrence/ $1,000 deductible)	$111,608	$111,608	-
Workers' Comp ($150,000 retention)	$406,539	$407,586	$1,047
Life, Health & Dental	$2,742,095	$2,782,368	$40,273
Other Insurance: Flood, faithful performance, pollution, pension, fiduciary, fuel tanks, police & fire death benefits, and deductibles.	$147,429	$147,429	-
Other Costs: Personnel and professional services, coinsurance, brokerage fees and consulting services, training, professional dues and publications.	$254,701	$261,205	$6,504
TOTAL	**$4,618,834**	**$4,666,658**	**$47,824**

Workers' Compensation

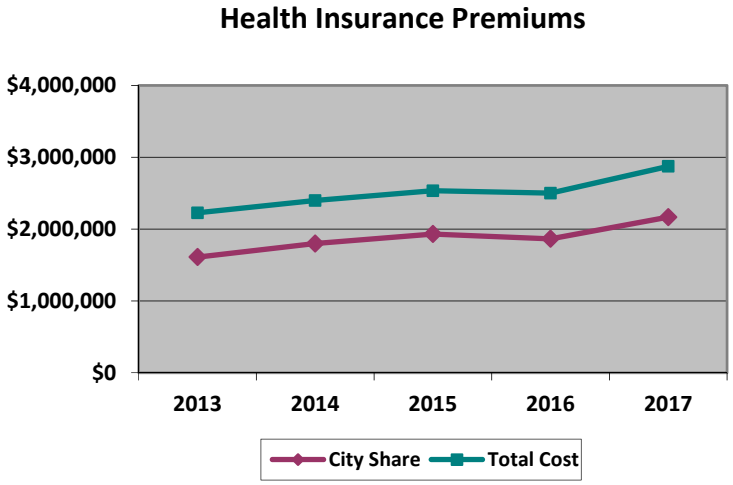
The City is self-insured for workers' compensation up to $150,000. The City's self-insurer experience modification rating increased from .82 for FY2017 to 1.03 for FY2018. This was due to an increase in the number and size of claims incurred during the 2017 fiscal year. The City considers this an aberration and is projecting its worker's compensation claims and rating to move back to their previous levels in FY2019, and is therefore not projecting an increase in worker's compensation costs in FY 2019. Since the City's worker's compensation experience in prior years was very favorable, the City was able to accumulate funds in its Worker's Compensation Fund. These monies can be utilized to offset any impact of premium increases in FY2019 that may result from the increase in the City's experience modification rating.



Actual Workers' Comp and Property & Liability costs are shown in 2014 through 2017. Budgeted costs are shown for 2018 and 2019.

Health Insurance

The City is projecting a 5% increase in health insurance costs for FY 2019. This projected increase is below industry averages; however, the City has been able to achieve annual increases of 5% or less over the last few years due to the City's claim experience.



Total health insurance costs in 2017 were $2,872,989, of which the City paid $2,166,709 and employees paid $706,280.

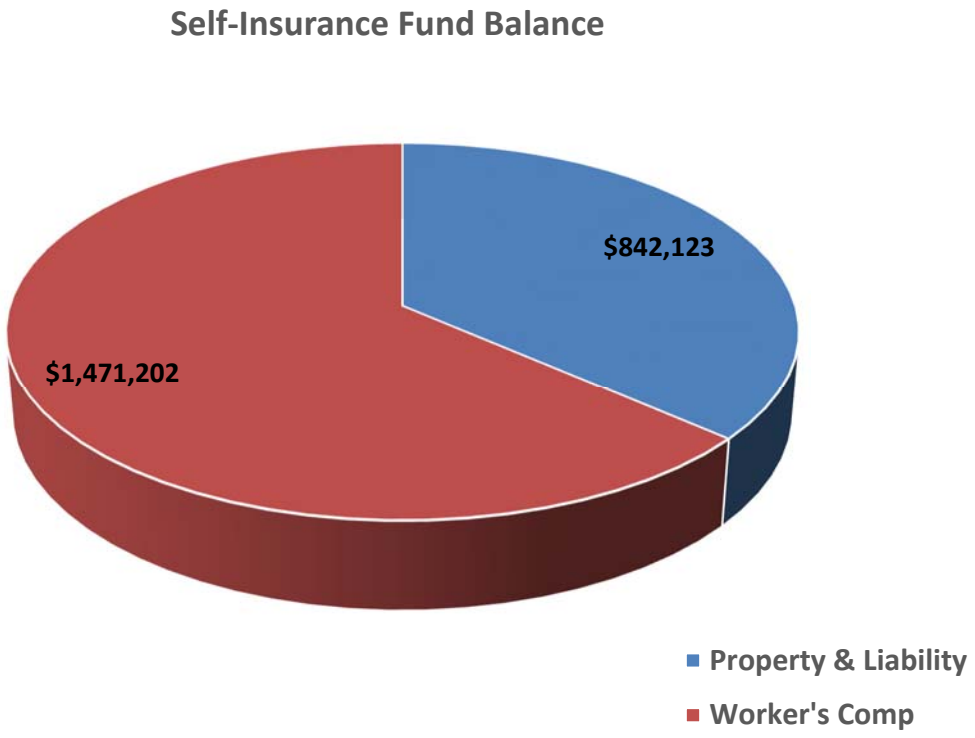
Human Resources Department

The City entered into its sixth 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 $50,000 in FY 2018 to support its wellness program. The City used approximately $30,000 of this money in FY 2018 for programs such as employee health Lunch and Learn sessions, health screenings, flu shots and a launched a "Wellness Bucks" program that reimburses employees up to $100 for gym memberships and other wellness expenses. The unused balance remaining is $20,000, and has been carried forward in the 2019 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. The total fund balance for both funds was $2,313,325 in 2017.



Human Resources Department

Performance Measures – Pension Plans

	Actual				
	2013	2014	2015	2016	2017
Percentage funded (historical)[1]:					
General	79.1%	81.6%	81.4%	78.5%	77.7%
Police	77.1%	88.4%	88.5%	88.3%	88.4%
Fire	73.1%	85.4%	82.4%	77.9%	77.6%
Accrued unfunded liability (in thousands)[1]:					
General	$11,904	$10,608	$11,250	$13,894	$15,009
Police	$5,184	$2,412	$2,529	$2,746	$2,821
Fire	$3,570	$1,785	$2,386	$3,270	$3,524
Net assets held for pension benefits (in thousands)[2]:					
General	$47,024	$49,636	$47,302	$49,137	$52,771
Police	$18,210	$19,317	$18,752	$19,972	$22,048
Fire	$10,098	$10,946	$10,700	$11,141	$12,312
Market rate of return (all pension funds combined)[1]:					
All pension funds	11.9%	10.1%	-0.30%	8.2%	12%
Number of retirees & beneficiaries receiving benefits[2]:					
General	170	178	180	186	189
Police	42	41	41	39	38
Fire	23	24	24	24	23
Annual benefits paid (in thousands)[2]:					
General	$2,902	$3,670	$4,052	$3,930	$4,600
Police	$1,367	$1,275	$1,263	$1,211	$1,177
Fire	$670	$664	$684	$933	$750

[1] Actuarial valuations dated October 1

[2] Audited financial statements dated September 30

Annual City Contribution[3]	2015	2016	2017	2018	2019
General	$1,387,165	$1,321,320	$1,591,545	$1,898,689	$2,097,788
Police	$345,079	$432,758	$460,548	$461,398	$573,157
Fire	$177,736	$212,178	$337,958	$409,829	$494,313

[3] 2015-2017 from audited financial statements, 2018 and 2019 from actuarial valuation report dated 10.1.16 and 10.1.17.

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 2017	Budget 2018	Budget 2019	Increase -Decrease	% Change
Personal Services	$67,233	$55,867	$59,822	$3,955	7.1%
Operating	$7,112,351	$6,963,989	$7,904,023	$940,034	13.5%
Capital Outlay	$0	$0	$0	$0	-
TOTAL	**$7,179,584**	**$7,019,856**	**$7,963,845**	**$943,989**	**13.4%**

The increase in operating expenses is due to an increase in the projected number of employees that will be retiring in 2019 and projected back DROP payments.

Pension Issues and Uncertainties

In FY 2019 City contributions to the pension plans are projected to increase $395,342 or 14% from FY 2018.

In 2014 the City was successful in enacting pension reform, which enabled the City to reduce escalating pension costs from $2.7 million in 2013 to $1.8 million in 2014. However, since the City's pension reform, the required contributions to the pension plans have continued to creep upward. By 2017 the City's required contribution had grown to $2.8 million, exceeding pre-pension reform levels. There were several factors which contributed to this increase. Some of the increase was due to the plans' experience, but the majority of the increase was due to legislative actions and changes in actuarial assumptions, all of which were out of the City's control.

In 2015 and 2016, the Florida legislature enacted the following bills:

- Senate Bill 172 – Dictated the use of the 175 and 185 excess premium tax revenues if police and fire unions cannot come to an agreement as to how the monies are spent.
- House Bill 1309 – Required the City pension plans adopt the mortality tables used by the Florida Retirement System.

In 2017 the City actuary requested the following changes in underlying actuarial assumptions to the pension plans:

- Reduced the assumed rate of return from 8.0% to 7.9%
- Increased the inflation rate from 1.5% to 2.2%

Pension Issues (continued)

In 2019, the City's required contributions to the pension plans are projected to increase 14% to $3.2 million. This time the increase is due to the plans' experience as follows:

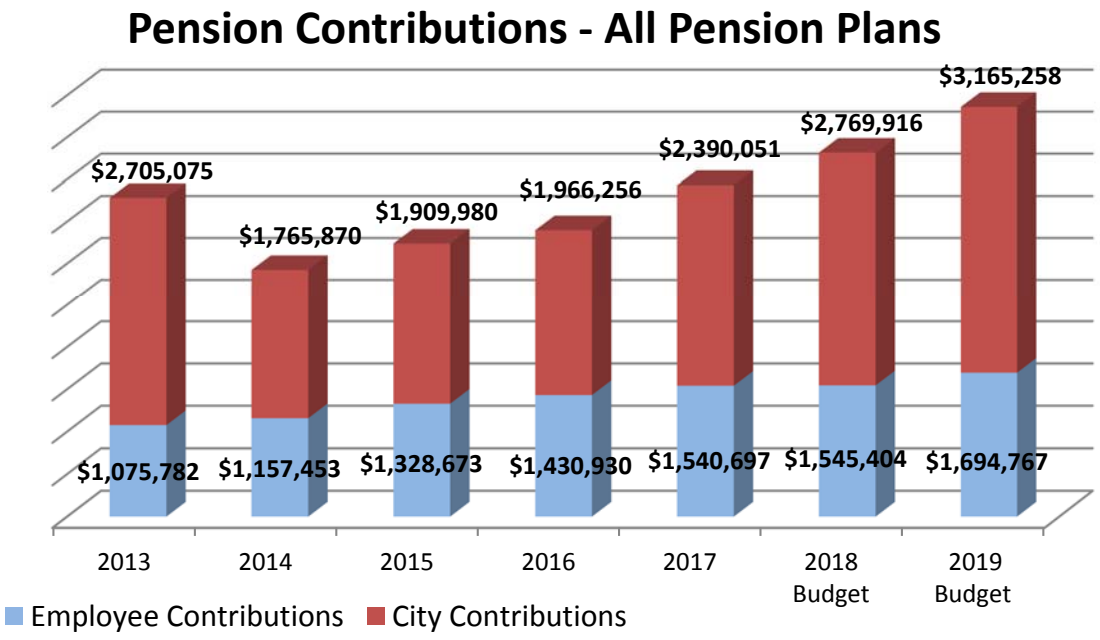
- Lower than expected mortality
- Lower than expected investment return when factored with inflation
- Lower than expected ten year average payroll growth.

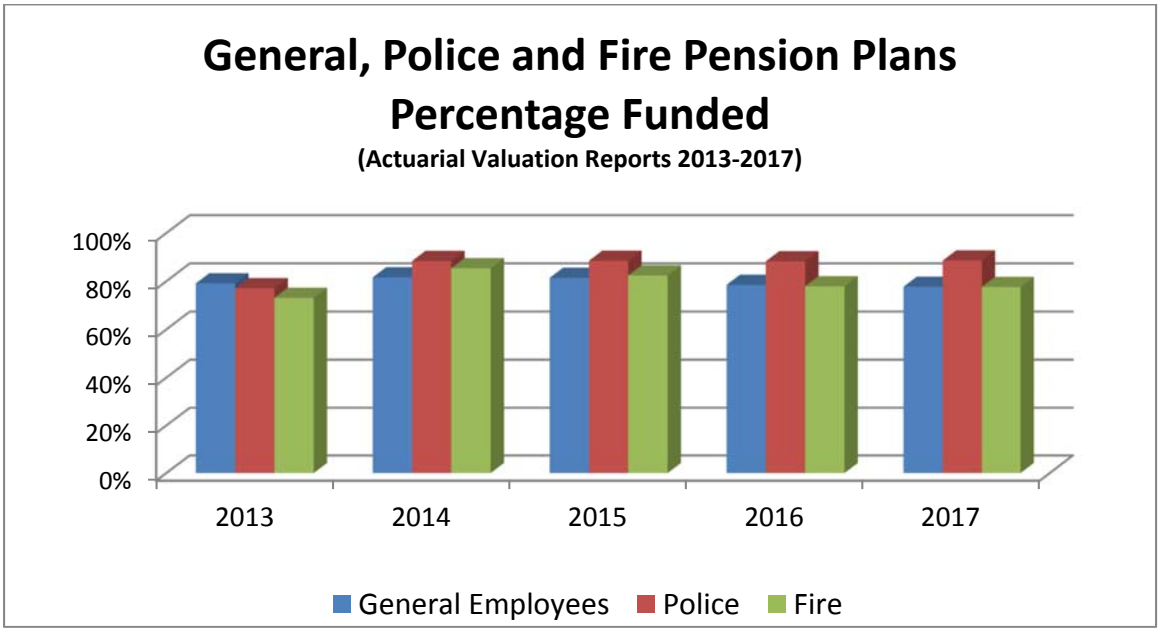
The City's actuary is recommending that the City make another reduction in the assumed rate of return next year. This will result in a further increase to the City's required contributions for 2020.

In spite of pension reform, the City's required contributions to the pension plans have continued to grow. Should this trend continue, the City may need to consider further modifications to the City's pension plans in order to maintain the sustainability of the plans.

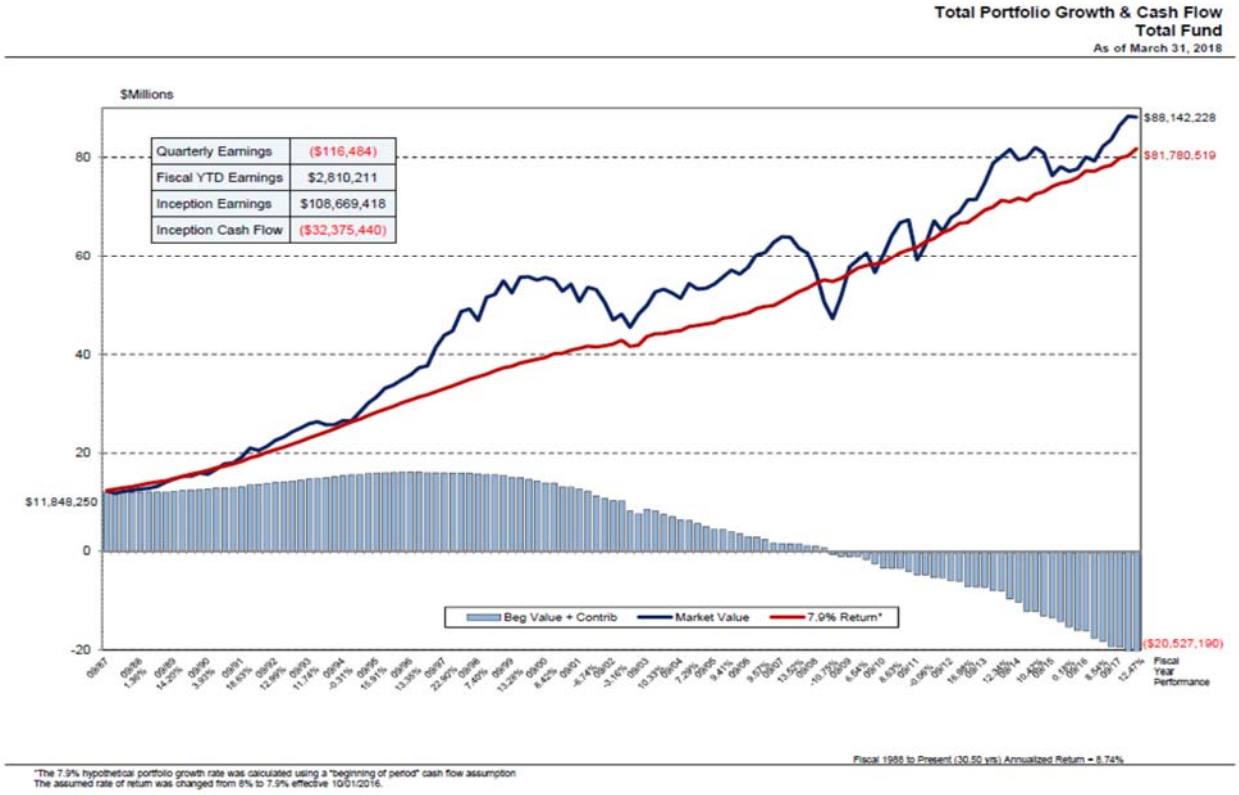
Pension Charts

The following charts show the City and the employee contributions from FY 2013 to the amount budgeted for FY 2018 and 2019, a comparison of the funding status of each of the plans from FY 2013 to FY 2017, and a comparison of the portfolio growth of the pension plan investment portfolio to an assumed 7.9% rate of return from 1987 to the 1st Quarter of 2018. (The assumed rate of return has been reduced from 8% to 7.9% starting in FY 2018.





City of Jacksonville Beach Retirement Systems
Total Portfolio Growth and Cash Flow 1987 to 1st Quarter 2018



This graph compares the actual portfolio growth for the City's three retirement systems (blue) to an assumed rate of return of 7.99% (red).

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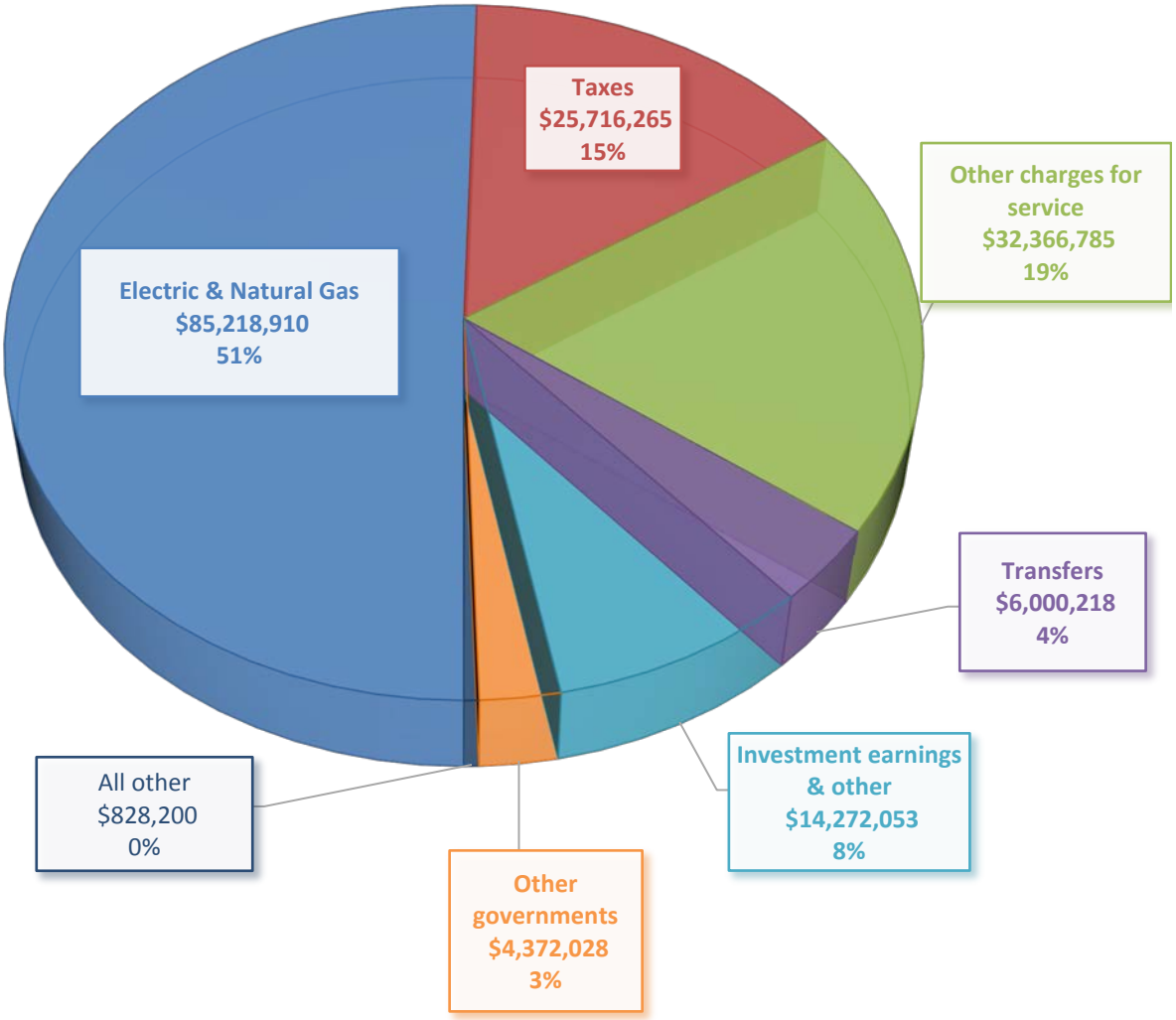
Funding Sources

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.

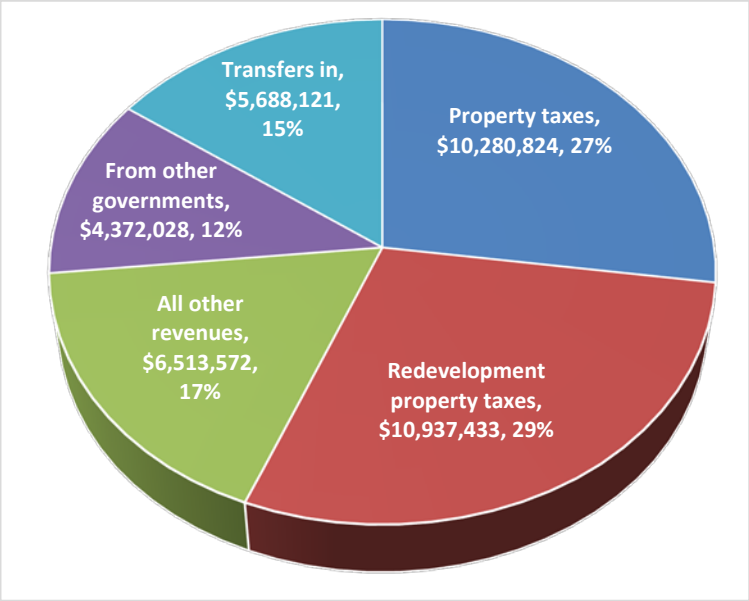


Total Revenues

Total budgeted revenues for fiscal year 2019 are $168,774,459. 51% 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 35,225 customers in Jacksonville Beach, Neptune Beach, Ponte Vedra and Palm Valley.

Of the remaining $83.5 million, 31% 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 $3.7 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 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 $11.5 million of pension earnings that are restricted for use exclusively by the pension funds. Revenue from other governments includes state and county shared sales tax revenues. All other revenues include building-related permits ($595,700) and fines and forfeitures ($232,500).

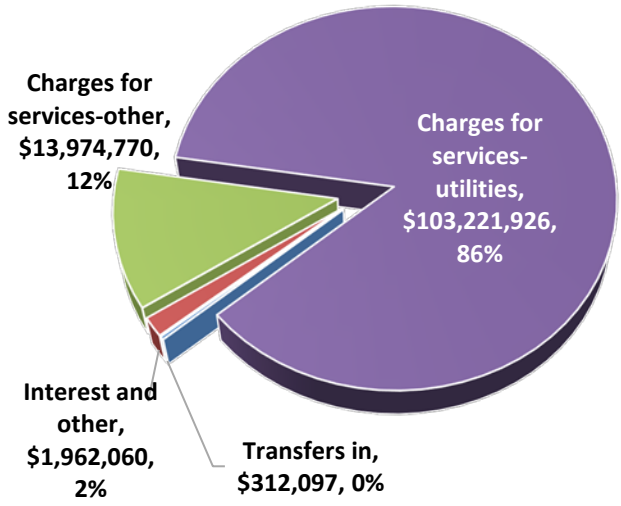
Revenues Funding Governmental Services:



Total budgeted revenues for fiscal year 2019 in governmental funds are $37,791,978. Property taxes recorded in the General Fund ($10.2 million) account for 46% of its total revenue. Redevelopment property taxes in the Redevelopment Fund ($10.9 million) are restricted for use on projects to improve the City's two redevelopment districts: Downtown and South Beach. Transfers come primarily from Beaches Energy to the General Fund ($3.7 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 ($3.2 million), but also include local shared revenues and grants ($1.1 million). All other revenues include Communications Services Tax ($1.1 million), Local Business Tax ($285,000), Local Option Gas Tax ($807,000), Convention Development Tax ($351,000), Half-cent Infrastructure Surtax ($1.3 million), insurance premium tax ($360,800-for police and fire pension contributions) fines and forfeitures ($232,500), building and other permits ($595,700), recreation programs ($160,500), parking revenue ($160,000), other charges for service, interest earnings and miscellaneous revenues ($871,100).

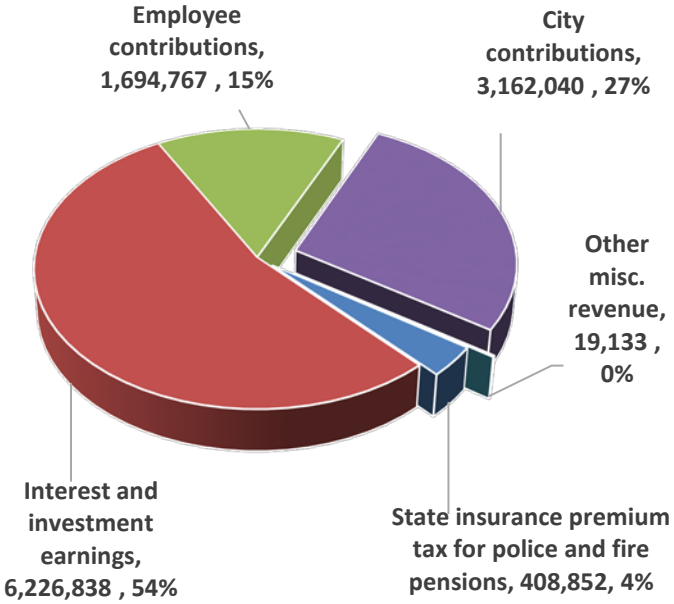
Revenues Funding Proprietary Services:



Total 2019 budgeted revenues in proprietary funds are $130,982,482. 78% of total revenue is generated by the City's utilities, which provide electric ($83 million), natural gas ($2.1 million), water & sewer ($13.2 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 ($12.6 million) and sales at the City's golf course ($1.4 million). Transfers include $162,097 repaid to the electric utility for the initial construction of the natural gas system.

Revenues in Pension Funds:

Total 2019 budgeted pension revenues are $11,511,629. Pension fund revenues come from interest and investment earnings ($6.2 million), city contribution ($3.2 million), employee contributions ($1.7 million), state insurance premium tax for police and fire pensions ($408,852) and other ($19,133). 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	**$ 12,263,504**	**$ 4,829,728**	**$ 389,000**	**$ 170,500**	**$ 414,500**	**$ 4,323,121**	**$ 22,390,353**
Special Revenue Funds							
Comm. Redevelopment Agency	10,937,433	-	-	-	231,801	-	**11,169,234**
Convention Development	351,425	-	-	-	6,810	-	**358,235**
Court Costs Training	-	-	-	12,000	500	-	**12,500**
Local Option Gas Tax	807,314	-	-	-	6,953	-	**814,267**
Half-cent Sales Surtax	1,356,589	-	-	-	7,500	-	**1,364,089**
CDBG	-	138,000	-	-	-	-	**138,000**
Radio Communication	-	-	-	25,000	1,500	-	**26,500**
Justice Assistance Grant	-	-	-	-	-	-	**-**
Tree Protection	-	-	-	-	100	-	**100**
Law Enforcement Trust	-	-	-	15,000	5,200	-	**20,200**
Equitable Sharing Trust	-	-	-	10,000	1,500	-	**11,500**
Total Special Revenue	**13,452,761**	**138,000**	**-**	**62,000**	**261,864**	**-**	**13,914,625**
Debt Service Fund	**-**	**-**	**-**	**-**	**2,000**	**485,000**	**487,000**
Capital Projects Funds							
General	-	-	-	-	70,000	880,000	**950,000**
Infrastructure	-	-	-	-	50,000	-	**50,000**
Other	-	-	-	-	-	-	**-**
Total Capital Projects	**-**	**-**	**-**	**-**	**120,000**	**880,000**	**1,000,000**
Enterprise Funds							
Electric	-	-	83,053,392	-	741,000	162,097	**83,956,489**
Natural Gas	-	-	2,165,519	-	67,153	-	**2,232,672**
Water & Sewer	-	-	13,208,723	-	393,227	-	**13,601,949**
Stormwater	-	-	1,356,810	-	40,468	-	**1,397,278**
Sanitation	-	-	3,437,483	-	60,000	-	**3,497,483**
Golf Course	-	-	1,380,839	-	4,000	150,000	**1,534,839**
Lease Facilities	-	-	-	-	656,212	-	**656,212**
Total Enterprise	**-**	**-**	**104,602,765**	**-**	**1,962,060**	**312,097**	**106,876,922**
Internal Service Funds							
City Manager	-	-	581,558	-	-	-	**581,558**
Finance	-	-	4,897,036	-	-	-	**4,897,036**
Human Resources	-	-	652,101	-	-	-	**652,101**
Fleet Maintenance	-	-	580,621	-	-	-	**580,621**
Meter Services	-	-	895,845	-	-	-	**895,845**
Operations & Maintenance Facility	-	-	320,111	-	-	-	**320,111**
Grounds Maintenance	-	-	-	-	-	-	**-**
Insurance-Property & Liability	-	-	1,281,268	-	-	-	**1,281,268**
Insurance-Workers Comp	-	-	469,505	-	-	-	**469,505**
Insurance-Health, Life, Dental	-	-	2,915,885	-	-	-	**2,915,885**
Total Internal Service	**-**	**-**	**12,593,930**	**-**	**-**	**-**	**12,593,930**
Trust Funds (Pension)							
General Employees	-	-	-	-	7,045,395	-	**7,045,395**
Police Employees	-	-	-	-	2,756,244	-	**2,756,244**
Fire Employees	-	-	-	-	1,709,990	-	**1,709,990**
Total Trust	**-**	**-**	**-**	**-**	**11,511,629**	**-**	**11,511,629**
Total Revenues	**$ 25,716,265**	**$ 4,967,728**	**$ 117,585,696**	**$ 232,500**	**$ 14,272,053**	**$ 6,000,218**	**$ 168,774,459**

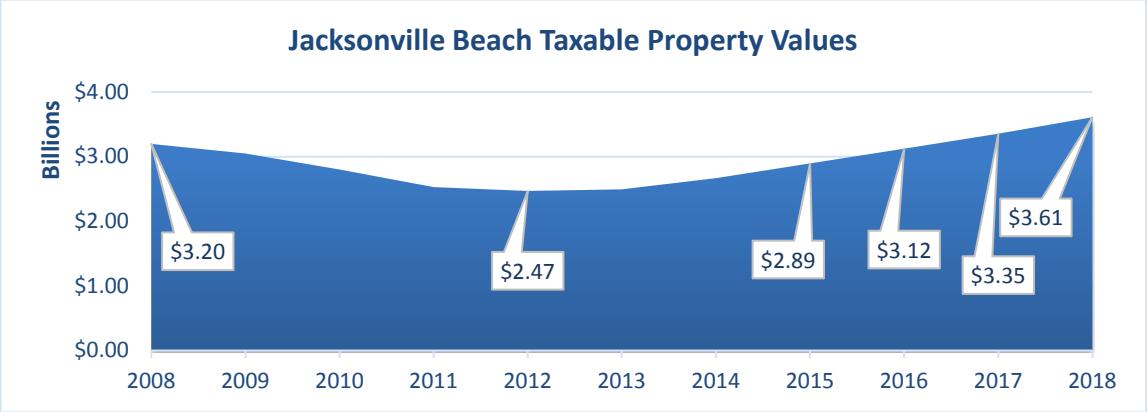
Revenue Summary - by Type

	General Fund	Governmental	Proprietary	Pension	Total	% of Total
Taxes						
Ad Valorem	10,280,824				**$10,280,824**	6.1%
Ad Valorem-Redevelopment		10,937,433			**10,937,433**	6.5%
Convention Dev. Tax		351,425			**351,425**	0.2%
Local Option Gas Tax		807,314			**807,314**	0.5%
Half Cent Infrastructure Tax		1,356,589			**1,356,589**	0.8%
Local Communications Tax	1,111,558				**1,111,558**	0.7%
Other	871,122	-	-	-	**871,122**	0.5%
Total Taxes	**12,263,504**	**13,452,761**	**-**	**-**	**25,716,265**	15.2%
Permits	595,700	**-**	-	-	**595,700**	0.4%
Intergovernmental						
State 1/2 Cent Tax	2,381,508				**2,381,508**	1.4%
Sales Tax Distribution	613,818				**613,818**	0.4%
8th Cent Motor Fuel Tax	192,208				**192,208**	0.1%
Duval Cnty in Lieu of Tax	756,203				**756,203**	0.4%
Other	290,290	138,000	-	-	**428,290**	0.3%
Total Intergov.	**4,234,028**	**138,000**	**-**	**-**	**4,372,028**	2.6%
Charges for Services						
Electric			83,053,392		**83,053,392**	49.2%
Natural Gas			2,165,519		**2,165,519**	1.3%
Water / Sewer			13,208,723		**13,208,723**	7.8%
Stormwater			1,356,810		**1,356,810**	0.8%
Sanitation			3,437,483		**3,437,483**	2.0%
Recreation / Golf	160,500		1,380,839		**1,541,339**	0.9%
Internal Services			12,593,930		**12,593,930**	7.5%
Miscellaneous	228,500	-	-	-	**228,500**	0.1%
Total Services	**389,000**	**-**	**117,196,696**	**-**	**117,585,696**	69.7%
Fines and Forfeitures	**170,500**	**62,000**	-	-	**232,500**	0.1%
Miscellaneous						
Debt Proceeds		-			**-**	0.0%
Interest and Other	414,500	383,864	1,962,060	11,511,629	**14,272,053**	8.5%
Total Miscellaneous	**414,500**	**383,864**	**1,962,060**	**11,511,629**	**14,272,053**	8.5%
Transfers	**4,323,121**	**1,365,000**	**312,097**	-	**6,000,218**	3.6%
Total Revenues	**$22,390,353**	**$15,401,625**	**$119,470,852**	**$11,511,629**	**$168,774,459**	

Revenue Summary

TAX REVENUES

The City has two main sources of tax revenue: ad valorem taxes and sales taxes. Property values citywide increased 7.8% ($261 million) since last year, which includes new construction of $39.7 million. Property values were slow to recover from the Great Recession, but now exceed 2008 levels. Of the $21.2 million budgeted property taxes, 48% ($10.3 million) supports the General Fund and 52% ($10.9 million) is legally restricted for use in the City's two redevelopment districts. **Ad valorem taxes** are budgeted based on the certification of taxable value provided each year by the Duval County Property Appraiser and are calculated as a percentage of the value of real or personal property expressed in mills (dollars per $1,000 of value). Chapters 192-197 and 200, Florida Statutes govern the property tax process and require municipalities to budget at least 95% of this anticipated revenue.



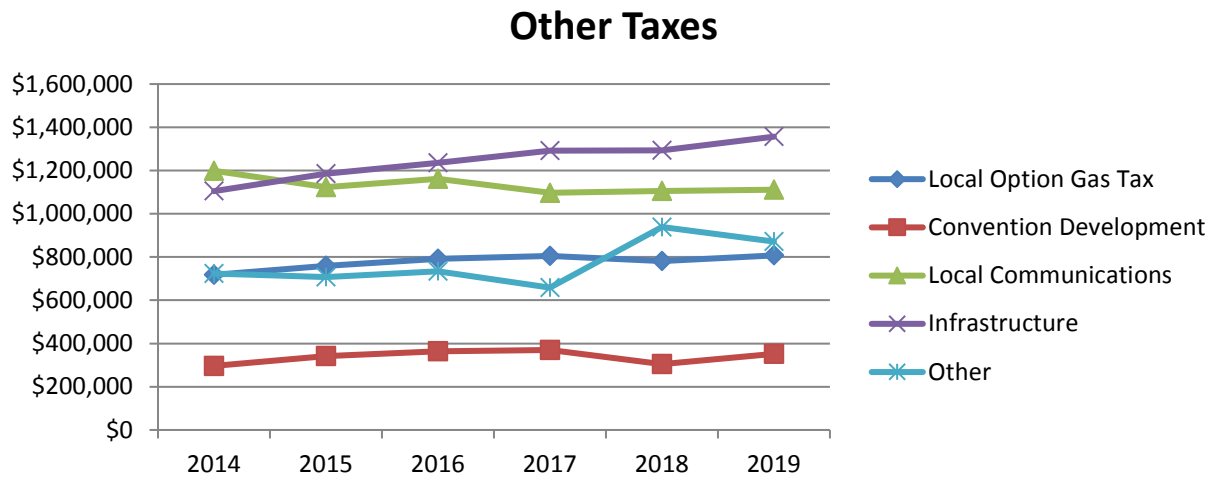
The City's adopted millage rate for 2019 is $3.9947 mills per $1,000 of assessed value. This will provide approximately $21.2 million in property tax revenue shared by the General Fund and the Community Redevelopment Fund, representing 12.6% of total revenues. The City has no debt service millage.

	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Ad Valorem	$15,137,150	$15,906,918	$16,942,108	$18,050,950	$19,791,999	$21,218,257
Local Option Gas Tax	717,543	758,525	791,549	804,576	781,000	807,314
Convention Development	296,319	341,240	363,970	369,921	305,000	351,425
Infrastructure	1,104,659	1,184,904	1,235,184	1,292,226	1,294,000	1,356,589
Local Communications	1,198,759	1,122,565	1,161,870	1,097,151	1,106,000	1,111,558
Other	724,135	707,454	733,555	658,331	938,760	871,122
Total Taxes	$19,178,565	$20,021,606	$21,228,236	$22,273,155	$24,216,759	$25,716,265

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 $768,000. 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 $280,000 and $370,000. It is budgeted for 2019 at $351,425.

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 as per sections 212.054-.055 of the Florida Statutes. 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. These revenues are sensitive to economic conditions. During the recession, 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 2019 has been increased to $1,356,589.



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. 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 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Licenses & Permits	$582,702	$683,305	$679,820	$592,151	$582,250	$595,700

Permits are primarily composed of building-related permit revenue, which make up $512,000 of this category's 2019 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).

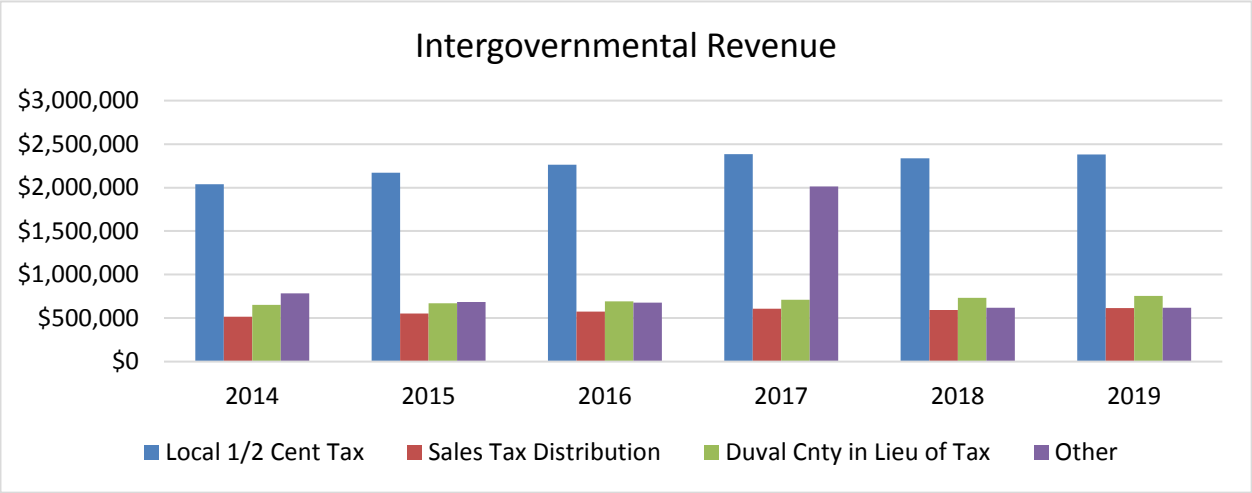
INTERGOVERNMENTAL REVENUES

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 continue to trend upward.

	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Local 1/2 Cent Tax	$2,038,304	$2,170,325	$2,261,423	$2,384,775	$2,336,000	$2,381,508
Sales Tax Distribution	514,448	552,579	574,812	607,741	595,030	613,818
Duval Cnty in Lieu of Tax	652,308	671,877	692,033	712,794	734,178	756,203
Other	783,697	684,652	679,544	2,013,661	617,805	620,498
Total Intergovernmental	$3,988,757	$4,079,433	$4,207,812	$5,718,971	$4,283,013	$4,372,028

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 $192,208, 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 2019 budget for this charge is $160,000, based on historical trends.

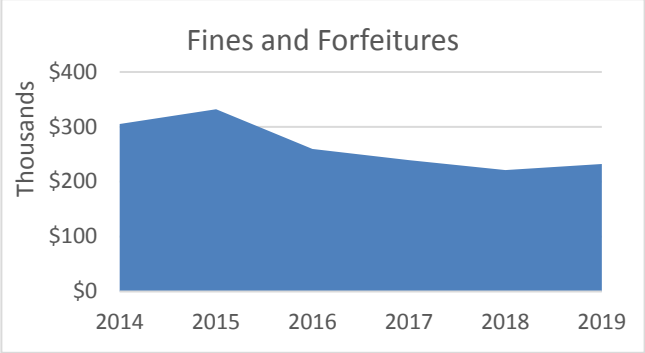
The Alcoholic Beverage License Tax is levied on manufacturers, distributors, vendors, brokers, sales agents and importers of alcoholic beverages within a county or municipality (Section 561.342, Florida Statutes). Thirty-eight percent of eligible taxes collected within Jacksonville Beach are returned 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 $45,397, based on historical trends.

After Hurricanes Matthew (2016) and Irma (2017), the City sought FEMA Public Assistance grants to offset a portion of our recovery efforts. $1.8 million was obligated by the federal government in 2017 accounting for the dramatic increase in "other" revenues that year.

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

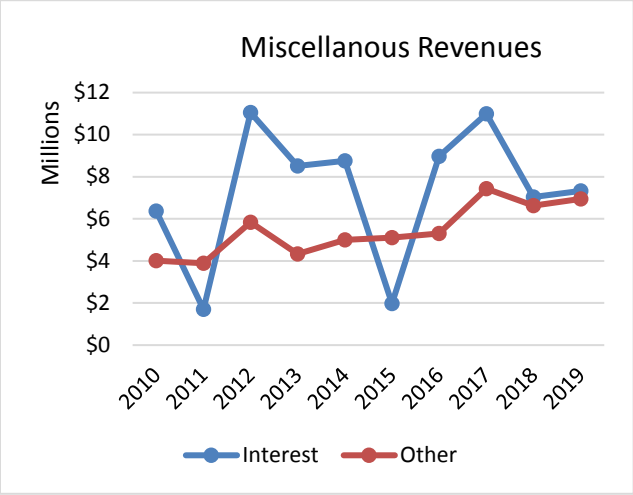


Fines and penalties imposed for the commission of statutory offenses and violations of lawful administrative rules and regulations are included in this revenue category along with revenues from the sale of confiscated money and property and service charges on bad checks. The total revenues for this category are $232,500 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.

	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Fines and Forfeitures	$305,076	$332,099	$259,869	$239,465	$221,500	$232,500

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 2019 budget, these revenues are estimated to be $14,272,053, representing 8.5% 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 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Interest	8,754,858	1,967,600	8,973,726	10,989,371	7,034,696	7,330,558
Other	4,996,228	5,113,972	5,309,287	7,432,995	6,633,822	6,941,495
Total Miscellaneous	$13,751,086	$7,081,572	$14,283,013	$18,422,366	$13,668,518	$14,272,053

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 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Transfers	$7,008,673	$8,005,024	$7,860,820	$7,726,397	$6,325,009	$6,000,218

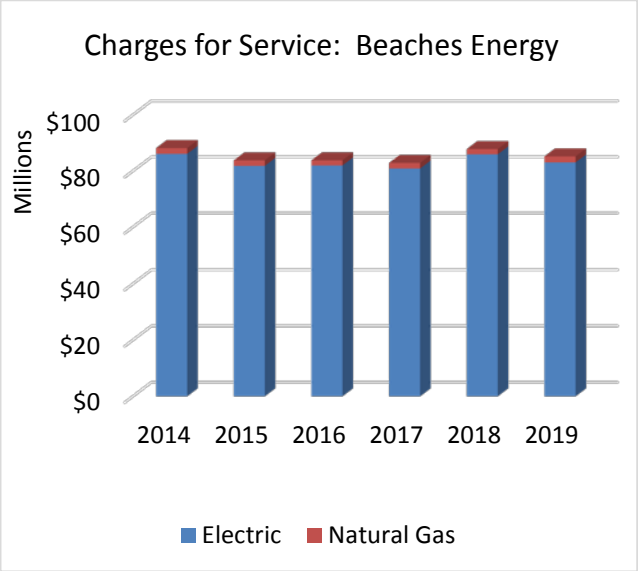
Total budgeted transfers for 2019 are $6,000,218 (3.6% of total revenue); transfers into the General Fund ($4,323,121) make up 19% of its total revenue. Transfers to the General Fund include contributions from enterprise funds and special revenue (grant) funds used to provide partial funding for its 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% 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 $117,585,696 ($389,000 in the General Fund).

	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Electric	$86,123,701	$81,835,616	$81,982,340	$80,894,385	$85,953,362	$83,053,392
Natural Gas	2,060,874	1,970,444	1,836,536	2,007,934	1,872,120	2,165,519
Water / Sewer	10,705,820	11,568,142	12,368,762	12,903,428	12,912,561	13,208,723
Stormwater	1,273,790	1,294,802	1,314,783	1,337,248	1,342,800	1,356,810
Sanitation	3,218,670	3,235,626	3,333,566	3,447,674	3,405,210	3,437,483
Recreation / Golf	1,270,662	1,140,335	1,052,804	1,073,403	1,374,553	1,541,339
Internal Services	9,515,692	10,401,695	11,136,360	11,498,068	12,407,701	12,593,930
Miscellaneous	387,081	356,037	280,799	262,507	224,000	228,500
Charges for Services	$114,556,290	$111,802,697	$113,305,950	$113,424,647	$119,492,307	$117,585,696

The City's electric utility, Beaches Energy Services, provides power to more than 35,225 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.



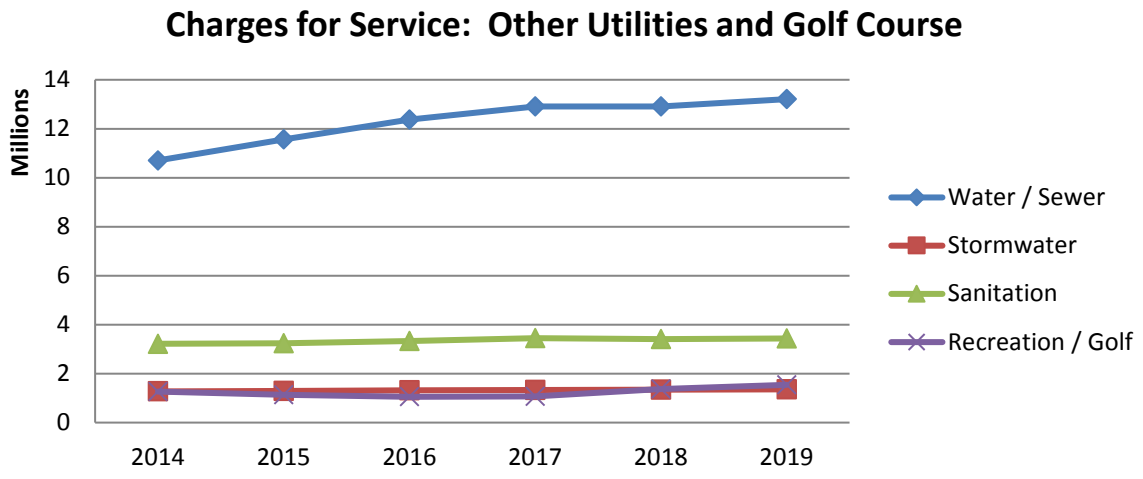
Beaches Energy has implemented energy efficiency rebates, conservation programs, demand management and renewable resource programs in order to keep its rates below the state average and to help its customers manage their electric bills. In recent years, natural gas prices have been low resulting in reductions 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 2019 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.



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 2019 a transfer ($150,000) has been budgeted to provide adequate funding for operations until the course reopens in November 2018. 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 (2014-2017) are noticeably lower than revenues in "budgeted" years (2018 and 2019). 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.

Ending Fund Balance	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Original Budget 2018	Adopted Budget 2019
Unrestricted/unassigned	$81,027,585	$94,668,504	$105,608,036	$103,580,715	$96,722,806	$89,931,365
All other	123,435,409	125,023,364	135,901,962	144,917,136	155,758,944	168,807,022
Total Fund Balance	$204,462,994	$219,691,868	$241,509,998	$248,497,851	$252,481,750	$258,738,387

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. 65% 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 FY2019, 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 $6.3 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 70% of the 2019 budgeted expenditures. Costs to provide police and fire services represent 60% of the General Fund's total budget. Improvements in property value have improved the outlook for the General Fund.

	Major Funds				
	General Fund	Community Redevel.	General Cap. Projects	Electric	Water & Sewer
Beg. Fund Balance	$10,697,781	$31,740,028	$6,217,016	$73,478,880	$17,313,137
Revenues	22,390,353	11,169,234	950,000	83,956,489	13,601,949
Expenditures	22,390,353	2,073,979	1,374,938	92,677,027	12,146,167
Revenues over (under) expenditures	(0)	9,095,255	(424,938)	(8,720,538)	1,455,782
Ending Fund Balance	$10,697,781	$40,835,283	$5,792,078	$64,758,342	$18,768,919
Unrestricted/unassigned	127,152	0	0	56,533,577	17,366,777
All other	10,570,629	40,835,283	5,792,078	8,224,765	1,402,142
	$10,697,781	$40,835,283	$5,792,078	$64,758,342	$18,768,919
Change in fund balance	0.0%	28.7%	-6.8%	-11.9%	8.4%

	Nonmajor Funds				
	Govt.	Enterprise	Internal Service	Pension Funds	ALL FUNDS
Beg. Fund Balance	$6,730,285	$11,579,845	$3,833,406	$90,891,372	$252,481,750
Revenues	3,282,391	9,318,484	12,593,930	11,511,629	168,774,459
Expenditures	2,465,642	8,831,942	12,593,930	7,963,845	162,517,823
Revenues over (under) expenditures	816,749	486,542	0	3,547,784	6,256,636
Ending Fund Balance	$7,547,034	$12,066,387	$3,833,406	$94,439,157	$258,738,386
Unrestricted/unassigned	4,066	12,066,387	3,833,406	0	89,931,365
All other	7,542,968	0	0	94,439,157	168,807,022
	$7,547,034	$12,066,387	$3,833,406	$94,439,157	$258,738,386
Change in fund balance	12.1%	4.2%	0.0%	3.9%	2.5%

Community Redevelopment Fund's fund balance is budgeted to grow, due to the timing of capital outlay expenditures. The bid for construction of the roadway and utility improvements in the area east of 3rd Street between 11th and 13th Avenues South, including the stormwater system connection under 3rd Street to the 12th Avenue South Stilling Basin was awarded in 2018. This $11 million project is expected to last 600 days. 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, Public Safety radios, 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), adding an additional substation transformer at Sampson Substation ($3 million), and upgrading or maintaining distribution lines ($1.8 million).

The **Water** & **Sewer Fund's** fund balance is budgeted to increase as several large infrastructure projects budgeted in prior years move toward completion. The major initiative to merge three sanitary sewer lift stations into two began in 2017 and is anticipated to conclude in 2019. Water and sewer rates are adjusted with CPI every year to pay for necessary improvements to the system identified in the five-year Capital Improvement Plan.

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. The projected increase in 2019 is attributable to growth in the Natural Gas utility. The gas main was extended from A1A to the Sawgrass Country Club enabling 25 additional customers to connect to our system.

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 2019.

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

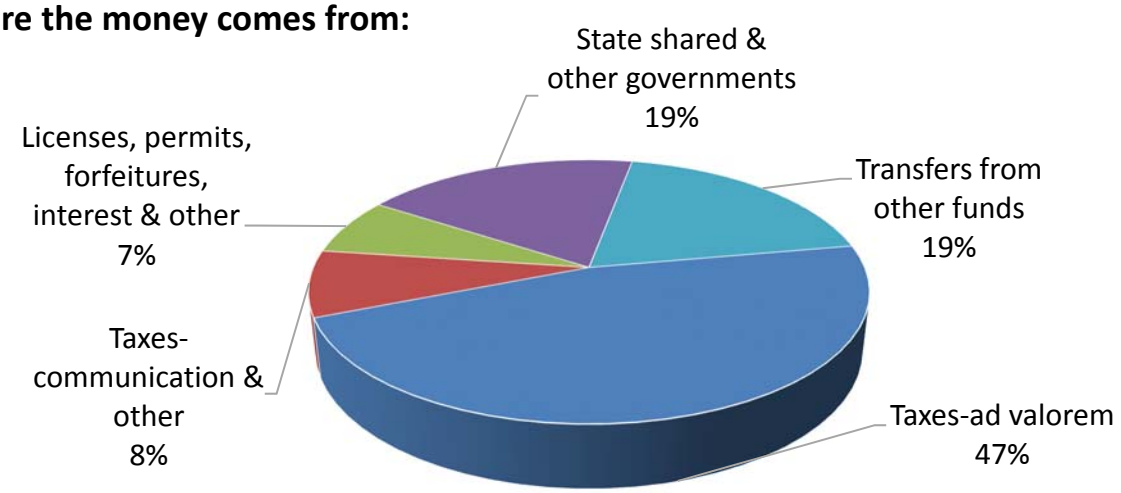
	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted/unassigned	$ 94,668,502	$ 105,608,036	$ 103,580,715	$ 96,722,806	$ (6,857,909)	-6.6%
All other balances	125,022,007	135,901,962	144,617,136	155,758,944	11,141,808	7.7%
Beginning Fund Balance	**219,690,509**	**241,509,998**	**248,197,851**	**252,481,750**	**4,283,899**	1.7%
Revenues						
Taxes	21,228,237	22,273,155	24,216,759	25,716,265	1,499,506	6.2%
Permits & fees	679,820	592,151	582,250	595,700	13,450	2.3%
Intergovernmental	4,207,813	5,718,971	4,283,013	4,372,028	89,015	2.1%
Charges for services	113,305,950	113,424,647	119,492,307	117,585,696	(1,906,611)	-1.6%
Fines & forfeitures	259,869	239,465	221,500	232,500	11,000	5.0%
Interest & other	14,296,767	18,422,366	13,668,518	14,272,053	603,535	4.4%
Transfers in	7,860,820	7,726,397	6,325,009	6,000,218	(324,791)	-5.1%
Total Revenues	**161,839,276**	**168,397,152**	**168,789,356**	**168,774,459**	**(14,897)**	0.0%
Other Financing Sources	**6,963,541**	**2,271,900**				
Expenditures						
Personal Services	26,991,448	29,530,546	30,796,572	32,292,045	1,495,473	4.9%
Operating-Energy	58,742,549	57,970,248	63,125,949	62,907,387	(218,562)	-0.3%
Operating-All Other	33,108,092	37,718,198	40,886,265	41,545,741	659,476	1.6%
Capital Outlay	12,938,164	23,293,203	17,959,162	14,885,372	(3,073,790)	-17.1%
Debt Service	6,026,740	5,351,990	5,387,875	4,874,927	(512,948)	-9.5%
Grants to Others	15,356	12,535	24,625	12,133	(12,492)	-50.7%
Transfers	7,860,820	7,726,397	6,325,009	6,000,218	(324,791)	-5.1%
Total Expenditures	**145,683,169**	**161,603,117**	**164,505,457**	**162,517,823**	**(1,987,634)**	-1.21%
Other Financing Uses	**967,144**	**2,089,296**				
Change in Fund Balance	**22,152,504**	**6,976,639**	**4,283,899**	**6,256,636**	1,972,737	46.1%
Unrestricted/unassigned	105,608,036	103,580,715	96,722,806	89,931,365	(6,791,441)	-7.0%
All other balances	135,901,962	144,617,136	155,758,944	168,807,022	13,048,077	8.4%
Ending Fund Balance	**$ 241,509,998**	**$ 248,197,851**	**$ 252,481,750**	**$ 258,738,386**	**$ 6,256,636**	2.5%
Expenditures by Department:						
Executive & Legislative	1,096,388	1,257,076	1,338,556	1,427,063	$88,507	6.6%
Finance	6,317,572	6,146,753	6,727,883	6,881,915	154,032	2.3%
Planning & Development	741,632	780,050	902,960	909,272	6,312	0.7%
Community Redevelopment	5,345,609	7,821,092	931,539	927,984	(3,555)	-0.4%
Parks & Recreation	4,715,562	4,325,363	5,082,231	5,204,907	122,676	2.4%
Public Works	15,832,022	22,698,478	21,363,695	19,379,189	(1,984,506)	-9.3%
Police	8,703,682	9,326,854	10,030,985	10,503,403	472,418	4.7%
Fire	3,693,863	3,748,036	3,977,546	4,225,168	247,622	6.2%
Beaches Energy Services	83,809,657	87,149,963	95,825,755	95,472,107	(353,648)	-0.4%
Human Resources	10,912,666	11,630,494	12,223,418	13,282,604	1,059,186	8.7%
Non-Departmental	4,514,516	6,718,958	6,100,889	4,304,211	(1,796,678)	-29.4%
Total Expenditures	**$ 145,683,169**	**$ 161,603,117**	**$ 164,505,457**	**$ 162,517,823**	**$ (1,987,634)**	-1.2%
Expenditures by Major/Nonmajor Fund:						
General Fund	19,563,557	20,525,252	21,520,576	22,390,353	$869,777	4.0%
Redevelopment	6,181,789	8,679,716	2,021,278	2,073,979	52,701	2.6%
General Capital Projects	665,244	2,442,497	2,159,593	1,374,938	(784,655)	-36.3%
Electric	81,647,974	83,599,191	93,001,906	92,677,027	(324,879)	-0.3%
Water & Sewer	8,934,878	14,633,484	13,893,298	12,146,167	(1,747,131)	-12.6%
Total Major Funds	116,993,442	129,880,140	132,596,651	130,662,464	(1,934,187)	-1.5%
Nonmajor Governmental	3,090,576	3,135,393	3,417,131	2,465,642	(951,489)	-27.8%
Nonmajor Enterprise	8,509,940	10,184,008	9,064,238	8,831,942	(232,296)	-2.6%
Internal Service	10,396,454	11,223,992	12,407,701	12,593,930	186,229	1.5%
Pension	6,692,757	7,179,584	7,019,736	7,963,845	944,109	13.4%
Total Nonmajor Funds	28,689,727	31,722,977	31,908,806	31,855,359	(53,447)	-0.2%
Total Expenditures	**$ 145,683,169**	**$ 161,603,117**	**$ 164,505,457**	**$ 162,517,823**	**$ (1,987,634)**	-1.21%
Total Expenditures	$145,683,169	$161,603,117	$164,505,457	$162,517,823	($1,987,634)	-1.2%
less: Internal Service Charges	10,396,454	11,223,992	12,407,701	12,593,930	$186,229	1.5%
less: Transfers	7,860,820	7,726,397	6,325,009	6,000,218	($324,791)	-5.1%
Net Budgeted Expenditures	**$ 127,425,895**	**$ 142,652,728**	**$ 145,772,747**	**$ 143,923,675**	**$ (1,849,072)**	**-1.27%**

General Fund
Combined Summary of Revenues and Expenditures

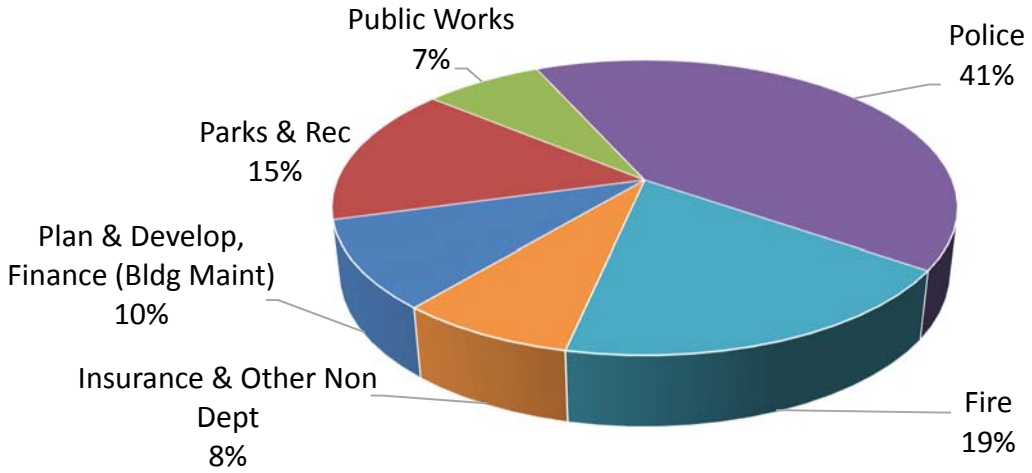
	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted/unassigned	$ 899,959	$ 511,100	$ 127,152	$ 127,152	$ -	0.0%
All other balances	9,382,301	10,220,838	10,570,629	10,570,629	-	0.0%
Beginning Fund Balance	**$ 10,282,260**	**$ 10,731,938**	**$ 10,697,781**	**$ 10,697,781**	**$ -**	0.0%
Revenues						
Taxes	9,953,257	10,337,504	11,525,501	12,263,504	738,003	6.4%
Licenses & permits	679,820	592,151	582,250	595,700	13,450	2.3%
Intergovernmental	4,017,108	4,475,314	4,145,013	4,234,028	89,015	2.1%
Charges for services	326,513	363,544	370,500	389,000	18,500	5.0%
Fines & forfeitures	175,596	139,298	170,500	170,500	-	0.0%
Interest & other	506,025	489,928	413,500	414,500	1,000	0.2%
Transfers in	4,687,931	4,382,142	4,313,312	4,323,121	9,809	0.2%
Total Revenues	**20,346,250**	**20,779,881**	**21,520,576**	**22,390,353**	**869,777**	4.0%
Other Financing Sources						
Expenditures						
Personal Services	13,218,705	13,850,777	14,639,694	15,661,681	1,021,987	7.0%
Operating-All Other	4,552,865	4,730,416	6,103,288	5,619,575	(483,713)	-7.9%
Capital Outlay	351,121	177,675	343,969	461,964	117,995	34.3%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	10,356	7,535	4,625	2,133	(2,492)	-53.9%
Transfers	1,430,510	1,758,849	429,000	645,000	216,000	50.3%
Total Expenditures	**19,563,557**	**20,525,252**	**21,520,576**	**22,390,353**	**869,777**	4.0%
Other Financing Uses	**333,015**	**288,786**				
Change in Fund Balance	**449,678**	**(34,157)**	**-**	**(0)**	**(0)**	0.0%
Unrestricted/unassigned	511,100	127,152	127,152	127,152	(0)	0.0%
All other balances	10,220,838	10,570,629	10,570,629	10,570,629	-	0.0%
Ending Fund Balance	**$ 10,731,938**	**$ 10,697,781**	**$ 10,697,781**	**$ 10,697,781**	**$ (0)**	0.0%
Expenditures by Department:						
Executive & Legislative	$ 627,480	$ 752,076	$ 809,420	$ 845,505	$ 36,085	4.5%
Finance	412,874	417,906	366,894	404,785	37,891	10.3%
Planning & Development	741,632	780,050	902,960	909,272	6,312	0.7%
Parks & Recreation	2,992,105	2,820,587	3,416,447	3,426,569	10,122	0.3%
Public Works	1,452,290	1,592,585	1,550,835	1,635,053	84,218	5.4%
Police	7,717,550	8,177,823	8,630,502	9,281,455	650,953	7.5%
Fire	3,692,738	3,717,723	3,967,546	4,215,168	247,622	6.2%
Non-Departmental	1,926,888	2,266,502	1,875,972	1,672,546	(203,426)	-10.8%
Total Expenditures	**$ 19,563,557**	**$ 20,525,252**	**$ 21,520,576**	**$ 22,390,353**	**$ 869,777**	4.0%

General Fund

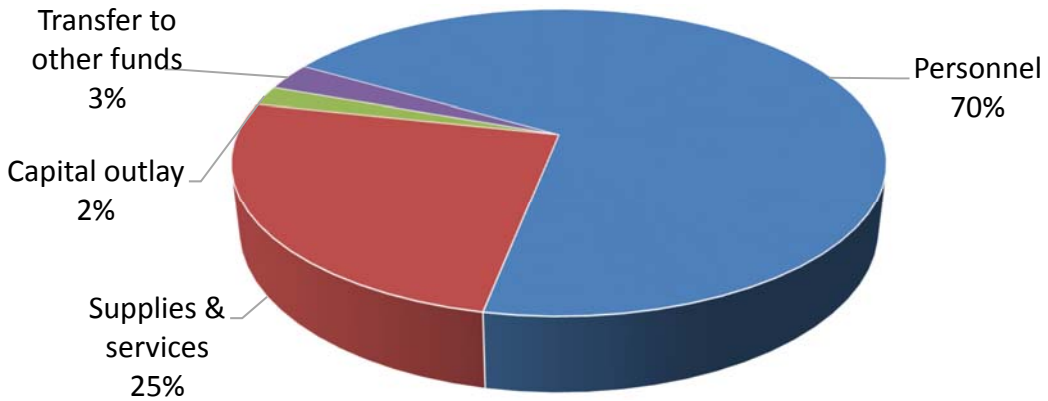
Where the money comes from:



What it pays for-by department:



What it pays for-by category:



General Fund
Summary of Revenues

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Taxes						
Property Tax	$ 8,057,831	$ 8,582,022	$ 9,700,741	$ 10,500,824	$ 800,083	8.2%
Local Communications Services	1,161,870	1,097,151	1,106,000	1,111,558	5,558	0.5%
Other taxes	733,556	658,331	718,760	651,122	(67,638)	-9.4%
Total Taxes	9,953,257	10,337,504	11,525,501	12,263,504	738,003	6.4%
Licenses & Permits						
Building permits	501,792	448,011	420,000	420,000	-	0.0%
Other licenses and permits	178,028	144,140	162,250	175,700	13,450	8.3%
Total Licenses and Permits	679,820	592,151	582,250	595,700	13,450	2.3%
Intergovernmental Revenues						
8th cent motor fuel	179,010	190,305	187,920	192,208	4,288	2.3%
Sales tax distribution	574,812	607,741	595,030	613,818	18,788	3.2%
State 1/2 cent tax	2,261,423	2,384,775	2,336,000	2,381,508	45,508	1.9%
Other intergovernmental revenues	142,595	415,876	131,885	130,290	(1,595)	-1.2%
Duval county in Lieu of Taxes	692,033	712,794	734,178	756,203	22,025	3.0%
911 Rebate	167,235	163,823	160,000	160,000	-	0.0%
Total Intergovernmental Revenues	4,017,108	4,475,314	4,145,013	4,234,028	89,015	2.1%
Charges for Services						
Lien Certificates	36,800	36,510	35,000	37,000	2,000	5.7%
Cemetery services	8,260	8,825	1,500	4,000	2,500	166.7%
Recreation programs	71,126	119,829	140,000	154,000	14,000	10.0%
Contracted services	-	-	-	-	-	0.0%
Other Charges and Fees	210,327	198,380	194,000	194,000	-	0.0%
Total Services	326,513	363,544	370,500	389,000	18,500	5.0%
Fines & Forfeitures						
Court Fines	83,904	52,127	71,000	71,000	-	0.0%
Parking violations	52,825	44,338	56,000	56,000	-	0.0%
Code enforcement board	12,770	19,452	12,000	12,000	-	0.0%
Other Fines and Forfeits	26,097	23,381	31,500	31,500	-	0.0%
						0.0%
Total Fines & Forfeitures	175,596	139,298	170,500	170,500	-	0.0%
Interest & Other Revenue						
Interest on investments	353,019	219,227	229,500	229,500	-	0.0%
Other revenues	153,006	270,701	184,000	185,000	1,000	0.5%
Total Other Revenues	506,025	489,928	413,500	414,500	1,000	0.2%
Transfers In						
Transfer from Electric Utility	3,688,677	3,693,665	3,675,155	3,701,171	26,016	0.7%
Transfer from Gas Tax	372,000	372,000	372,000	372,000	-	0.0%
Transfer from Others Misc.	627,254	316,477	266,157	249,950	(16,207)	-6.1%
Total Transfers	4,687,931	4,382,142	4,313,312	4,323,121	9,809	0.2%
Total Revenue	**$ 20,346,250**	**$ 20,779,881**	**$ 21,520,576**	**$ 22,390,353**	**$ 869,777**	**4.0%**

General Fund
Summary of Expenditures

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Executive & Legislative						
City Council	$ 156,148	$ 153,945	$ 169,458	$ 171,098	$ 1,640	1.0%
City Attorney	203,276	309,939	304,593	329,535	24,942	8.2%
City Clerk	268,056	288,192	335,369	344,872	9,503	2.8%
Total	627,480	752,076	809,420	845,505	36,085	4.5%
Finance						
Building Maintenance	412,874	417,906	366,894	404,785	37,891	10.3%
Planning & Development						
Planning & Development	206,889	218,533	228,092	236,404	8,312	3.6%
Building Inspections	382,906	398,542	482,996	476,673	(6,323)	-1.3%
Code Enforcement	151,837	162,975	191,872	196,195	4,323	2.3%
Total	741,632	780,050	902,960	909,272	6,312	0.7%
Parks & Recreation						
Administration	835,345	679,653	678,837	682,916	4,079	0.6%
Ocean Rescue	588,845	634,541	848,550	835,162	(13,388)	-1.6%
Grounds Maintenance	1,116,875	1,007,980	1,193,976	1,230,447	36,471	3.1%
Cemetery Maintenance	-	69,622	140,466	123,093	(17,373)	-12.4%
Dog Park	-	-	15,000	23,100	8,100	54.0%
Tennis	113,429	142,303	162,515	158,656	(3,859)	-2.4%
Oceanfront Restrooms	101,728	134,124	130,620	131,632	1,012	0.8%
Carver Center	89,629	121,159	153,377	154,258	881	0.6%
Special Events	99,219	-	60,506	64,495	3,989	6.6%
Exhibition Hall	47,035	31,205	32,600	22,810	(9,790)	-30.0%
Total	2,992,105	2,820,587	3,416,447	3,426,569	10,122	0.3%
Public Works						
Streets	1,452,290	1,592,585	1,550,835	1,635,053	84,218	5.4%
Police						
Administration	1,018,696	1,066,845	1,163,451	1,262,353	98,902	8.5%
Records	175,384	181,612	208,049	212,996	4,947	2.4%
Investigative	1,294,308	1,385,159	1,385,160	1,516,405	131,245	9.5%
Patrol	3,764,704	3,945,781	4,120,473	4,437,711	317,238	7.7%
Communications	753,457	825,655	923,341	906,691	(16,650)	-1.8%
Ancillary Services	526,256	561,286	600,046	712,503	112,457	18.7%
Police Reserves	56,696	53,446	62,995	64,093	1,098	1.7%
Parking	119,792	149,669	152,987	154,703	1,716	1.1%
Volunteer Programs	8,257	8,370	14,000	14,000	-	0.0%
Total	7,717,550	8,177,823	8,630,502	9,281,455	650,953	7.5%
Fire						
Fire Department	3,692,738	3,717,723	3,967,546	4,215,168	247,622	6.2%
Non-departmental						
Non-departmental	1,926,888	2,266,502	1,875,972	1,672,546	(203,426)	-10.8%
Total Expenditures	**$ 19,563,557**	**$ 20,525,252**	**$ 21,520,576**	**$ 22,390,353**	**$ 869,777**	**4.0%**
Resource Allocation:						
Personal Services	$ 13,218,705	$ 13,850,777	$ 14,639,694	$ 15,661,681	$ 1,021,987	7.0%
Operating-All Other	4,552,865	4,730,416	6,103,288	5,619,575	(483,713)	-7.9%
Capital Outlay	351,121	177,675	343,969	461,964	117,995	34.3%
Grants to Others	10,356	7,535	4,625	2,133	(2,492)	-53.9%
Transfers	1,430,510	1,758,849	429,000	645,000	216,000	50.3%
Total Expenditures	**$ 19,563,557**	**$ 20,525,252**	**$ 21,520,576**	**$ 22,390,353**	**$ 869,777**	**4.0%**

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

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted/unassigned	$ -	$ -	$ -	$ -	$ -	0.0%
All other balances	17,840,653	22,186,271	23,180,048	31,740,028	8,559,980	36.9%
Beginning Fund Balance	**17,840,653**	**22,186,271**	**23,180,048**	**31,740,028**	**8,559,980**	36.9%
Revenues						
Taxes	8,884,278	9,468,928	10,311,258	10,937,433	626,175	6.1%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	633,060	380,181	270,000	231,801	(38,199)	-14.1%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	**9,517,338**	**9,849,109**	**10,581,258**	**11,169,234**	**587,976**	5.6%
Other Financing Sources	**1,010,069**	**-**				
Expenditures						
Personal Services	987,881	991,908	1,151,343	1,223,853	72,510	6.3%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	207,586	504,426	809,835	817,726	7,891	1.0%
Capital Outlay	4,319,916	7,183,382	60,100	32,400	(27,700)	-46.1%
Debt Service-Principal	646,881	-	-	-	-	0.0%
Debt Service-Interest & Other	19,525	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	**6,181,789**	**8,679,716**	**2,021,278**	**2,073,979**	**52,701**	2.6%
Other Financing Uses	**-**	**175,616**				
Change in Fund Balance	**4,345,618**	**993,777**	**8,559,980**	**9,095,255**	**535,275**	6.3%
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	22,186,271	23,180,048	31,740,028	40,835,283	9,095,255	28.7%
Ending Fund Balance	**$ 22,186,271**	**$ 23,180,048**	**$ 31,740,028**	**$ 40,835,283**	**$ 9,095,255**	28.7%
Expenditures by Department:						
Executive & Legislative	$ -	$ -	$ -	$ -	$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Community Redevelopment	5,345,609	7,821,092	931,539	927,984	(3,555)	-0.4%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	836,180	858,624	1,089,739	1,145,995	56,256	5.2%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	**$ 6,181,789**	**$ 8,679,716**	**$ 2,021,278**	**$ 2,073,979**	**$ 52,701**	2.6%
Expenditures by Fund:						
Downtown Tax Increment	4,511,424	5,209,871	1,742,425	1,792,836	50,411	2.9%
Southend Tax increment	1,670,365	3,469,845	278,853	281,143	2,290	0.8%
Total Expenditures	**$ 6,181,789**	**$ 8,679,716**	**$ 2,021,278**	**$ 2,073,979**	**$ 52,701**	2.6%

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

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted/unassigned	$ -	$ -	$ -	$ -	$ -	0.0%
All other balances	6,554,208	7,883,311	7,586,609	6,217,016	(1,369,593)	-18.1%
Beginning Fund Balance	6,554,208	7,883,311	7,586,609	6,217,016	(1,369,593)	-18.1%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	160,979	174,938	70,000	70,000	-	0.0%
Transfers in	1,874,000	1,731,603	720,000	880,000	160,000	22.2%
Total Revenues	**2,034,979**	**1,906,541**	**790,000**	**950,000**	**160,000**	**20.3%**
Other Financing Sources		**239,254**				
Expenditures						
Personal Services	-	-	-	-	-	0.0%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	241,600	249,899	227,000	227,000	-	0.0%
Capital Outlay	423,644	2,192,598	1,932,593	1,147,938	(784,655)	-40.6%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	**665,244**	**2,442,497**	**2,159,593**	**1,374,938**	**(784,655)**	**-36.3%**
Other Financing Uses	**40,632**					
Change in Fund Balance	**1,329,103**	**(296,702)**	**(1,369,593)**	**(424,938)**	**944,655**	**-69.0%**
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	7,883,311	7,586,609	6,217,016	5,792,078	(424,938)	-6.8%
Ending Fund Balance	**$ 7,883,311**	**$ 7,586,609**	**$ 6,217,016**	**$ 5,792,078**	**$ (424,938)**	**-6.8%**
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	665,244	2,442,497	2,159,593	1,374,938	(784,655)	-36.3%
Total Expenditures	**$ 665,244**	**$ 2,442,497**	**$ 2,159,593**	**$ 1,374,938**	**$ (784,655)**	**-36.3%**

Major Fund - Electric Utility
Combined Summary of Revenues and Expenses

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted	$ 63,693,039	$ 70,561,201	$ 71,221,921	$ 65,254,115	$ (5,967,806)	-8.4%
Restricted	8,215,898	8,377,590	8,427,406	8,224,765	(202,641)	-2.4%
Beginning Fund Balance	**71,908,937**	**78,938,791**	**79,649,327**	**73,478,880**	**(6,170,447)**	**-7.7%**
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	81,982,341	80,894,385	85,953,362	83,053,392	(2,899,970)	-3.4%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	1,228,192	1,463,424	716,000	741,000	25,000	3.5%
Transfers in	162,097	312,456	162,097	162,097	-	0.0%
Total Revenues	**83,372,630**	**82,670,265**	**86,831,459**	**83,956,489**	**(2,874,970)**	**-3.3%**
Other Financing Sources	**5,305,198**	**1,639,462**				
Expenses						
Personal Services	5,454,849	6,347,608	6,179,382	6,342,015	162,633	2.6%
Operating-Energy	57,970,213	56,884,210	62,018,800	61,753,650	(265,150)	-0.4%
Operating-All Other	6,631,920	7,871,855	8,658,557	8,633,684	(24,873)	-0.3%
Capital Outlay	5,137,686	6,129,292	9,761,000	9,541,000	(220,000)	-2.3%
Debt Service-Principal	2,167,520	2,238,200	2,311,825	2,391,340	79,515	3.4%
Debt Service-Interest & Other	407,109	329,361	267,187	184,167	(83,020)	-31.1%
Grants to Others	-	-	-	-	-	0.0%
Transfers	3,878,677	3,798,665	3,805,155	3,831,171	26,016	0.7%
Total Expenses	**81,647,974**	**83,599,191**	**93,001,906**	**92,677,027**	**(324,879)**	**-0.3%**
Other Financing Uses						
Change in Fund Balance	**7,029,854**	**710,536**	**(6,170,447)**	**(8,720,538)**	**(2,550,091)**	**41.3%**
Unrestricted	70,561,201	71,221,921	65,254,115	56,533,577	(8,720,538)	-13.4%
Restricted	8,377,590	8,427,406	8,224,765	8,224,765	-	0.0%
Ending Fund Balance	**$ 78,938,791**	**$ 79,649,327**	**$ 73,478,880**	**$ 64,758,342**	**$ (8,720,538)**	**-11.9%**
Expenses by Division						
Purchased Power	$ 57,970,213	$ 56,884,210	$ 62,018,800	$ 61,753,650	$ (265,150)	-0.4%
Administration	10,439,068	11,596,573	11,342,116	11,370,588	28,472	0.3%
Engineering	851,095	983,708	1,171,833	1,489,992	318,159	27.2%
Relay & Substations	1,147,004	633,661	1,027,700	1,206,057	178,357	17.4%
Construction & Maintenance	4,085,572	4,692,956	4,654,901	5,088,895	433,994	9.3%
Capital Projects	3,867,187	2,855,606	4,050,000	3,050,000	(1,000,000)	-24.7%
System Operations	1,121,585	1,878,635	1,421,468	1,613,242	191,774	13.5%
Transmission	534,386	2,458,060	5,089,500	5,310,500	221,000	4.3%
Conservation & Renewables	286,434	210,618	496,446	484,478	(11,968)	-2.4%
Storeroom	229,259	240,099	232,948	238,567	5,619	2.4%
CARE	56,826	53,930	60,000	60,000	-	0.0%
Regulatory Compliance	1,059,345	1,111,135	1,436,194	1,011,058	(425,136)	-29.6%
Total Expenses	**$ 81,647,974**	**$ 83,599,191**	**$ 93,001,906**	**$ 92,677,027**	**$ (324,879)**	**-0.3%**

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

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted	$ 14,619,508	$ 18,392,171	$ 16,493,315	$ 15,910,995	$ (582,320)	-3.5%
Restricted	1,404,567	1,404,608	1,402,142	1,402,142	-	0.0%
Beginning Fund Balance	**16,024,075**	**19,796,779**	**17,895,457**	**17,313,137**	**(582,320)**	**-3.3%**
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	12,368,762	12,903,428	12,912,561	13,208,723	296,162	2.3%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	497,209	448,450	398,417	393,227	(5,190)	-1.3%
Transfers in	9,987	4,274	-	-	-	0.0%
Total Revenues	**12,875,958**	**13,356,152**	**13,310,978**	**13,601,949**	**290,971**	**2.2%**
Other Financing Sources						
Expenses						
Personal Services	2,583,843	3,005,389	3,133,174	3,170,150	36,976	1.2%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	3,510,072	3,477,524	3,879,485	4,156,754	277,269	7.1%
Capital Outlay	903,289	6,294,945	4,963,000	2,914,070	(2,048,930)	-41.3%
Debt Service-Principal	1,512,480	1,561,800	1,613,175	1,668,660	55,485	3.4%
Debt Service-Interest & Other	284,079	229,826	189,464	131,533	(57,931)	-30.6%
Grants to Others	5,000	5,000	20,000	10,000	(10,000)	-50.0%
Transfers	136,115	59,000	95,000	95,000	-	0.0%
Total Expenses	**8,934,878**	**14,633,484**	**13,893,298**	**12,146,167**	**(1,747,131)**	**-12.6%**
Other Financing Uses	**168,376**	**623,990**				
Change in Fund Balance	**3,772,704**	**(1,901,322)**	**(582,320)**	**1,455,782**	**2,038,102**	**-350.0%**
Unrestricted	18,392,171	16,493,315	15,910,995	17,366,777	1,455,782	9.1%
Restricted	1,404,608	1,402,142	1,402,142	1,402,142	-	0.0%
Ending Fund Balance	**$ 19,796,779**	**$ 17,895,457**	**$ 17,313,137**	**$ 18,768,919**	**$ 1,455,782**	**8.4%**
Expenses by Division						
Administration	$ 3,400,353	$ 3,446,393	$ 3,479,246	$ 3,554,438	$ 75,192	2.2%
Water Plant	1,136,457	1,320,152	2,533,818	1,534,015	(999,803)	-39.5%
Pollution Conrol Plant	2,418,219	2,772,930	4,543,900	3,510,495	(1,033,405)	-22.7%
Distribution & Collection	1,603,269	6,912,669	2,336,334	2,547,219	210,885	9.0%
Capital Projects	376,580	181,340	1,000,000	1,000,000	-	0.0%
Total Expenses	**$ 8,934,878**	**$ 14,633,484**	**$ 13,893,298**	**$ 12,146,167**	**$ (1,747,131)**	**-12.6%**

All Nonmajor Governmental Funds
Combined Summary of Revenues and Expenditures

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted/unassigned	$ 123,365	$ 44,647	$ 36,917	$ 17,293	$ (19,624)	-53.2%
All other balances	5,074,595	5,728,516	6,475,299	6,712,992	237,693	3.7%
Beginning Fund Balance	**5,197,960**	**5,773,163**	**6,512,216**	**6,730,285**	**218,069**	3.3%
Revenues						
Taxes	2,390,702	2,466,723	2,380,000	2,515,328	135,328	5.7%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	190,705	189,761	138,000	138,000	-	0.0%
Charges for services	25,412	18,792	-	-	-	0.0%
Fines & forfeitures	84,273	100,167	51,000	62,000	11,000	21.6%
Interest & other	150,705	100,504	80,600	82,063	1,463	1.8%
Transfers in	904,180	979,950	985,600	485,000	(500,600)	-50.8%
Total Revenues	**3,745,977**	**3,855,897**	**3,635,200**	**3,282,391**	**(352,809)**	-9.7%
Other Financing Sources	**7,883**	**47,228**				
Expenditures						
Personal Services	64,312	59,762	60,633	62,285	1,652	2.7%
Operating-All Other	191,746	330,725	554,674	504,130	(50,544)	-9.1%
Capital Outlay	13,487	175,392	280,000	405,000	125,000	44.6%
Debt Service-Principal	935,000	955,000	980,000	490,000	(490,000)	-50.0%
Debt Service-Interest & Other	54,146	37,803	26,224	9,227	(16,997)	-64.8%
Transfers	1,831,885	1,576,711	1,515,600	995,000	(520,600)	-34.3%
Total Expenditures	**3,090,576**	**3,135,393**	**3,417,131**	**2,465,642**	**(951,489)**	-27.8%
Other Financing Uses	**88,081**	**28,679**				
Change in Fund Balance	**575,203**	**739,053**	**218,069**	**816,749**	**598,680**	274.5%
Restricted Fund Balance	44,647	36,917	17,293	4,066	(13,227)	-76.5%
Unrestricted Fund Balance	5,728,516	6,475,299	6,712,992	7,542,968	829,976	12.4%
Ending Fund Balance	**$ 5,773,163**	**$ 6,512,216**	**$ 6,730,285**	**$ 7,547,034**	**$ 816,749**	12.1%
Expenditures by Department:						
Executive & Legislative	$ -	$ -	$ -	$ -	$ -	0.0%
Parks & Recreation	536,865	297,301	303,974	394,630	90,656	29.8%
Public Works	480,250	507,413	727,089	728,332	1,243	0.2%
Police	149,952	290,407	310,744	75,953	(234,791)	-75.6%
Fire	1,125	30,313	10,000	10,000	-	0.0%
Non-Departmental	1,922,384	2,009,959	2,065,324	1,256,727	(808,597)	-39.2%
Total Expenditures	**$ 3,090,576**	**$ 3,135,393**	**$ 3,417,131**	**$ 2,465,642**	**$ (951,489)**	-27.8%
Expenditures by Fund:						
Convention Development	$ 399,315	$ 159,621	$ 162,974	$ 253,630	$ 90,656	55.6%
Court Cost Training	44,690	30,877	10,200	12,200	2,000	19.6%
Local Option Gas Tax	480,250	507,413	727,089	728,332	1,243	0.2%
Half-cent Infrastructure Surtax	904,683	979,950	1,057,100	756,500	(300,600)	-28.4%
Community Develop. Block Grant	137,528	137,528	138,000	138,000	-	0.0%
Radio Communication	1,125	30,313	10,000	10,000	-	0.0%
Justice Assistance Grant	53,177	52,233	-	-	-	0.0%
Tree Protection	22	152	3,000	3,000	-	0.0%
Law Enforcement Trust Fund	50,111	45,670	64,544	37,753	(26,791)	-41.5%
Equitable Sharing Fund	1,974	161,627	236,000	26,000	(210,000)	-89.0%
1/2 Cent Sales Surtax Debt Service	990,073	993,722	1,008,224	500,227	(507,997)	-50.4%
Infrastructure Capital Projects	9,629	11,255	-	-	-	0.0%
Dog Park Project	17,999	25,032	-	-	-	0.0%
Total Expenditures	**$ 3,090,576**	**$ 3,135,393**	**$ 3,417,131**	**$ 2,465,642**	**$ (951,489)**	-27.8%

All Nonmajor Enterprise Funds
Combined Summary of Revenues and Expenditures

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted Fund Balance	$ 12,400,687	$ 12,770,907	$ 11,868,004	$ 11,579,845	$ (288,159)	-2.4%
Restricted Fund Balance	-	-	-	-	-	0.0%
Beginning Fund Balance	**12,400,687**	**12,770,907**	**11,868,004**	**11,579,845**	**(288,159)**	**-2.4%**
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	1,043,806	-	-	-	0.0%
Charges for services	7,466,562	7,746,430	7,848,183	8,340,651	492,468	6.3%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	839,715	1,246,508	783,896	827,833	43,937	5.6%
Transfers in	222,625	315,972	144,000	150,000	6,000	4.2%
Total Revenues	**8,528,902**	**10,352,716**	**8,776,079**	**9,318,484**	**542,405**	6.2%
Other Financing Sources	**569,305**	**97,469**				
Expenditures						
Personal Services	954,529	1,045,641	1,215,386	1,294,138	78,752	6.5%
Operating-Natural Gas	772,336	1,086,038	1,107,149	1,153,737	46,588	4.2%
Operating-All Other	4,505,916	6,535,531	5,796,449	5,617,020	(179,429)	-3.1%
Capital Outlay	1,743,526	1,036,626	515,000	383,000	(132,000)	-25.6%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	533,633	480,172	430,254	384,047	(46,207)	-10.7%
Total Expenditures	**8,509,940**	**10,184,008**	**9,064,238**	**8,831,942**	**(232,296)**	-2.6%
Other Financing Uses	**218,047**	**1,169,080**				
Change in Fund Balance	**370,220**	**(902,903)**	**(288,159)**	**486,542**	**774,701**	-269%
Unrestricted Fund Balance	12,770,907	11,868,004	11,579,845	12,066,387	486,542	4.2%
Restricted Fund Balance	-	-	-	-	-	0.0%
Ending Fund Balance	**$ 12,770,907**	**$ 11,868,004**	**$ 11,579,845**	**$ 12,066,387**	**$ 486,542**	4.2%
Expenditures by Department:						
Executive & Legislative	$ -	$ -	$ -	$ -	$ -	0.0%
Finance	930,198	310,125	652,498	679,362	26,864	4.1%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,186,592	1,207,475	1,361,810	1,383,708	21,898	1.6%
Public Works	4,964,604	5,964,996	5,192,473	4,869,637	(322,836)	-6.2%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	1,428,546	2,701,412	1,857,457	1,899,235	41,778	2.2%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	**$ 8,509,940**	**$ 10,184,008**	**$ 9,064,238**	**$ 8,831,942**	**$ (232,296)**	-2.6%
Expenditures by Fund:						
Natural Gas Fund	$ 1,428,546	$ 2,701,412	$ 1,857,457	$ 1,899,235	$ 41,778	2.2%
Stormwater Fund	1,658,607	815,243	1,236,490	1,166,526	(69,964)	-5.7%
Sanitation Fund	3,305,997	5,149,753	3,955,983	3,703,111	(252,872)	-6.4%
Golf Course Fund	1,186,592	1,207,475	1,361,810	1,383,708	21,898	1.6%
Lease Facilities Fund	930,198	310,125	652,498	679,362	26,864	4.1%
Total Expenditures	**$ 8,509,940**	**$ 10,184,008**	**$ 9,064,238**	**$ 8,831,942**	**$ (232,296)**	-2.6%

All Internal Service Funds
Combined Summary of Revenues and Expenses

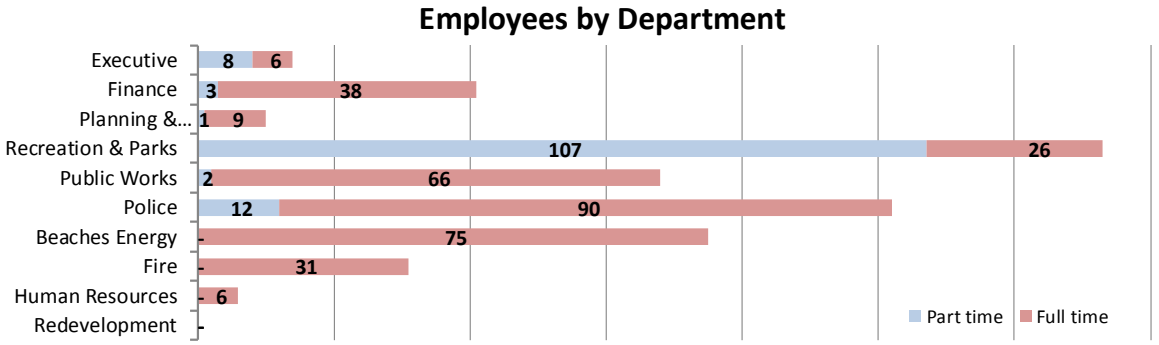
	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Unrestricted/unassigned	**$ 2,931,944**	**$ 3,328,010**	**$ 3,833,406**	**$ 3,833,406**	**$ -**	**0.0%**
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	10,090	-	-	-	0.0%
Charges for services	11,136,360	11,498,068	12,407,701	12,593,930	186,229	1.5%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	90,377	57,742	-	-	-	0.0%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	**11,226,737**	**11,565,900**	**12,407,701**	**12,593,930**	**186,229**	1.5%
Other Financing Sources	**17,791**	**222,232**				
Expenditures						
Personal Services	3,662,129	4,162,228	4,361,093	4,478,101	117,008	2.7%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	6,638,830	6,905,471	7,893,108	8,065,829	172,721	2.2%
Capital Outlay	45,495	103,293	103,500	-	(103,500)	-100.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	50,000	53,000	50,000	50,000	-	0.0%
Total Expenditures	**10,396,454**	**11,223,992**	**12,407,701**	**12,593,930**	**186,229**	1.5%
Other Financing Uses	**452,008**	**58,744**				
Change in Fund Balance	**396,066**	**505,396**	**-**	**-**	**-**	0.0%
Unrestricted/unassigned	**$ 3,328,010**	**$ 3,833,406**	**$ 3,833,406**	**$ 3,833,406**	**$ -**	**0.0%**
Expenditures by Department:						
Executive & Legislative	468,908	505,000	529,136	581,558	$52,422	9.9%
Finance	4,974,500	5,418,722	5,708,491	5,797,768	89,277	1.6%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	733,137	849,360	966,392	895,845	(70,547)	-7.3%
Human Resources	4,219,909	4,450,910	5,203,682	5,318,759	115,077	2.2%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	**$10,396,454**	**$11,223,992**	**$12,407,701**	**$12,593,930**	**$ 186,229**	1.5%
Expenditure by Fund						
City Manager	468,908	505,000	529,136	581,558	$ 52,422	9.9%
Finance	4,008,128	4,469,672	4,799,904	4,897,036	97,132	2.0%
Human Resources	549,561	548,276	584,848	652,101	67,253	11.5%
Fleet Maintenance	627,132	622,562	589,068	580,621	(8,447)	-1.4%
Meter Services	733,137	849,360	966,392	895,845	(70,547)	-7.3%
Operations & Maint. Facility	339,240	326,488	319,519	320,111	592	0.2%
Insurance & Risk Retention	3,670,348	3,902,634	4,618,834	4,666,658	47,824	1.0%
Total Expenditures	**$10,396,454**	**$11,223,992**	**$12,407,701**	**$12,593,930**	**$ 186,229**	1.5%

All Pension Funds
Combined Summary of Revenues and Expenses

	Actual 2016	Actual 2017	Original Budget 2018	Proposed Budget 2019	Increase (Decrease)	% Change
Restricted Fund Balance	**$ 76,549,785**	**$ 80,100,828**	**$ 86,975,003**	**$ 90,891,372**	**$ 3,916,369**	4.5%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	10,190,505	14,060,691	10,936,105	11,511,629	575,524	5.3%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	**10,190,505**	**14,060,691**	**10,936,105**	**11,511,629**	**575,524**	5.3%
Other Financing Sources	**53,295**	**26,255**				
Expenditures						
Personal Services	65,200	67,233	55,867	59,822	3,955	7.1%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	6,627,557	7,112,351	6,963,869	7,904,023	940,154	13.5%
Capital Outlay	-	-	-	-	-	0.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	**6,692,757**	**7,179,584**	**7,019,736**	**7,963,845**	**944,109**	13.4%
Other Financing Uses	**-**	**33,187**				
Change in Fund Balance	**3,551,043**	**6,874,175**	**3,916,369**	**3,547,784**	**(368,585)**	-9.4%
Restricted Fund Balance	**$ 80,100,828**	**$ 86,975,003**	**$ 90,891,372**	**$ 94,439,157**	**$ 3,547,784**	3.9%
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	6,692,757	7,179,584	7,019,736	7,963,845	944,109	13.4%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	**$ 6,692,757**	**$ 7,179,584**	**$ 7,019,736**	**$ 7,963,845**	**$ 944,109**	13.4%
Expenditures by Fund:						
Pension Fund-General	$ 4,329,308	$ 4,927,815	$ 4,691,572	$ 5,094,694	$ 403,122	8.6%
Pension Fund-Police	1,337,021	1,401,733	1,446,423	1,951,423	505,000	34.9%
Pension Fund-Fire	1,026,428	850,036	881,741	917,728	35,987	4.1%
Total Expenditures	**$ 6,692,757**	**$ 7,179,584**	**$ 7,019,736**	**$ 7,963,845**	**$ 944,109**	13.4%

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

	Actual 2016	Actual 2017	Actual 2018	Budget 2019 Part time	Budget 2019 Full time	Budget 2019 Total	Budget 2019 FTEs	Payroll Budget
Executive								
City Council	7	7	7	7	0	7	0.0	$ 126,085
City Manager	3	3	3	0	3	3	3.2	506,242
City Clerk	4	4	4	1	3	4	3.8	266,051
	14	**14**	**14**	**8**	**6**	**14**	**7.0**	**898,378**
Finance								
Accounting	8	9	9	2	7	9	7.9	737,943
Utility Billing	17	18	18	1	17	18	17.1	947,593
Information Systems	7	8	8	0	8	8	7.8	797,388
Purchasing Admin.	3	3	3	0	3	3	3.0	297,628
Building Maintenance	3	3	2	0	2	2	2.0	151,905
Lease Facilities (Tech.)	0	0	0	0	0	0	1.6	77,618
O & M Facility	1	1	1	0	1	1	1.0	60,791
	39	**42**	**41**	**3**	**38**	**41**	**40.4**	**3,070,866**
Planning & Development								
Planning and Development	2	2	2	0	2	2	1.7	180,270
Building Inspection	6	6	6	1	5	6	5.5	400,952
Code Enforcement	2	2	2	0	2	2	2.2	159,727
	10	**10**	**10**	**1**	**9**	**10**	**9.4**	**740,949**
Recreation & Parks								
Administration	7	7	6	3	3	6	4.4	384,317
Ocean Rescue	87	86	87	85	2	87	18.8	647,463
Grounds Maintenance	7	7	7	0	9	9	9.3	658,641
Tennis	3	3	3	2	1	3	1.7	81,970
Carver Center	3	3	3	1	2	3	2.5	126,181
Special Events	0	1	1	0	1	1	1.0	64,495
Golf Course	25	25	24	16	8	24	14.6	708,831
	132	**132**	**131**	**107**	**26**	**133**	**52.3**	**2,671,898**
Public Works								
Administration	5	5	6	1	6	7	2.0	213,871
Water Plant	13	13	13	0	13	13	13.3	928,415
Pollution Control Plant	15	15	15	0	15	15	14.9	1,109,995
Distribution and Collection	14	14	14	0	14	14	14.3	917,869
Stormwater	0	0	0	0	0	0	2.4	224,259
Sanitation	2	2	2	0	2	2	3.4	283,430
Street Maintenance	16	16	16	0	16	16	14.4	962,842
Local Option Gas Tax	1	1	1	1	0	1	0.8	44,832
	66	**66**	**67**	**2**	**66**	**68**	**65.5**	**4,685,513**



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

	Actual 2016	Actual 2017	Actual 2018	Budget 2019 Part time	Budget 2019 Full time	Budget 2019 Total	Budget 2019 FTEs	Payroll Budget
Police								
Administration	4	4	4	0	4	4	4.0	639,954
Records	4	4	4	1	3	4	3.5	191,416
Investigations	14	14	14	0	14	14	14.0	1,431,364
Patrol	40	40	40	0	40	40	40.0	3,758,116
Communications	11	11	11	0	11	11	11.0	879,863
Ancillary	16	16	16	10	6	16	9.2	684,787
Part-time Officers	0	0	0	0	0	0	1.4	64,093
Parking	1	1	1	0	1	1	2.2	144,703
Downtown Policing	9	11	11	0	11	11	11.0	1,002,145
Law Enforcement Trust Fund	1	1	1	1	0	1	0.5	17,453
	100	**102**	**102**	**12**	**90**	**102**	**96.8**	**8,813,894**
Beaches Energy								
Administration	4	4	4	0	4	4	4.0	424,011
Engineering	8	8	8	0	8	8	8.0	871,192
Relay & Substations	6	6	6	0	6	6	6.0	557,057
Construct. & Maint.	31	31	31	0	31	31	31.0	3,113,270
System Operations	10	10	10	0	10	10	10.0	978,442
Storeroom	3	3	3	0	3	3	3.0	202,507
Conservation & Renewables	0	0	0	0	0	0	1.0	72,678
Regulatory Compliance	1	1	1	0	1	1	1.0	122,858
Meter Services	12	12	12	0	12	12	12.0	703,859
	75	**75**	**75**	**0**	**75**	**75**	**76.0**	**7,045,874**
Fire								
Fire / Rescue, Safety Services	**31**	**31**	**31**	**0**	**31**	**31**	**42.2**	**3,656,486**
Human Resources								
Personnel Administration	6	6	6	0	6	6	5.1	406,819
Insurance	0	0	0	0	0	0	0.2	19,838
Pension Administration	0	0	0	0	0	0	0.6	59,822
	6	**6**	**6**	**0**	**6**	**6**	**5.9**	**486,479**
Redevelopment	**1**	**1**	**0**	**0**	**0**	**0**	**1.8**	**221,708**
Total Authorized Positions	**474**	**479**	**477**	**133**	**347**	**480**	**397.2**	**$ 32,292,045**

Total Authorized Positions FY2018	**134**	**343**	**477**
Convert 1 part-time Ocean Rescue Lieutenant to a full-time Assistant Supervisor	(1)	1	0
Add 2 full time Grounds Maintenance Worker positions		2	2
Add 1 full time GIS Analyst to Public Works		1	1
Total Authorized Positions FY2019	**133**	**347**	**480**
Change in positions since 2008	**(5)**	**(7)**	**(12)**

Denotes divisions operating in the General Fund

Capital Outlay Detail by Department
Fiscal Year 2019

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
Executive & Legislative					
1/2-cent Sales Surtax Fund (Better Jacksonville Beach)					
New sidewalks	$ 70,000				$ 70,000
Penman Road Commercial Area Impr, design	200,000				200,000
General Capital Projects					
Major building systems replacement projects	401,000				401,000
Water, sewer & stormwater project 10th St S	50,000				50,000
Annual computer replacement plan				69,811	69,811
Replace EIS computer servers		140,000			140,000
Replace enterprise resource planning system (ERP)				277,127	277,127
Radio system upgrade		210,000			210,000
Total Non-Departmental	**$ 721,000**	**$ 350,000**	**$ -**	**$ 346,938**	**$ 1,417,938**
Community Redevelopment					
Downtown Redevelopment					
Replace DT CAPE 2010 Chevy Impala Veh#1052			32,400		32,400
Total Redevelopment	**$ -**	**$ -**	**$ 32,400**	**$ -**	**$ 32,400**
Beaches Energy Services					
Administration					
Building renovations, electric training room kitchen	25,000				25,000
Engineering					
Replace 2004 GMC Sierra, truck #210			35,000		35,000
Automated meter infrastructure	187,000				187,000
Replace switchgear at Water Plant #2	200,000				200,000
Relay & Substations					
Substation 26kV breaker upgrades	150,000				150,000
Substation 26kV relay upgrades	35,000				35,000
Substation capacitor bank upgrades	100,000				100,000
Construction & Maintenance					
Replace 1993 John Deere tractor trailer		67,000			67,000
Purchase Bush Hog 15' mower		20,000			20,000
Replace 2008 40' bucket truck #202			200,000		200,000
Replace 2008 Chevy 2500 truck #216			35,000		35,000
Replace 2004 flatbed truck #236			75,000		75,000
Replace 2007 Digger Derrick truck #255			250,000		250,000
Capital Improvements					
Projects for system growth/maintenance	1,250,000				1,250,000
Major replacement projects	1,800,000				1,800,000
System Operations					
Outage management system	250,000				250,000
Furniture for backup call center	90,000				90,000
Laptop and monitors for System Ops Programmer				2,000	2,000
Transmission					
Transformer bushing replacements	225,000				225,000
Substation 230kV and 138kV relay upgrades	230,000				230,000
Substation transformers	3,000,000				3,000,000
Install fiber & equipment: Sampson to Diego	60,000				60,000
Motor switch replacement	185,000				185,000
Transmission line hardware renew/replace	1,050,000				1,050,000
Regulatory Compliance					
Cyber physical security	20,000				20,000
Total Electric Fund	**8,857,000**	**87,000**	**595,000**	**2,000**	**9,541,000**
Natural Gas					
Natural Gas Distribution System	140,000				140,000
Total Beaches Energy Services	**$ 8,997,000**	**$ 87,000**	**$ 595,000**	**$ 2,000**	**$ 9,681,000**

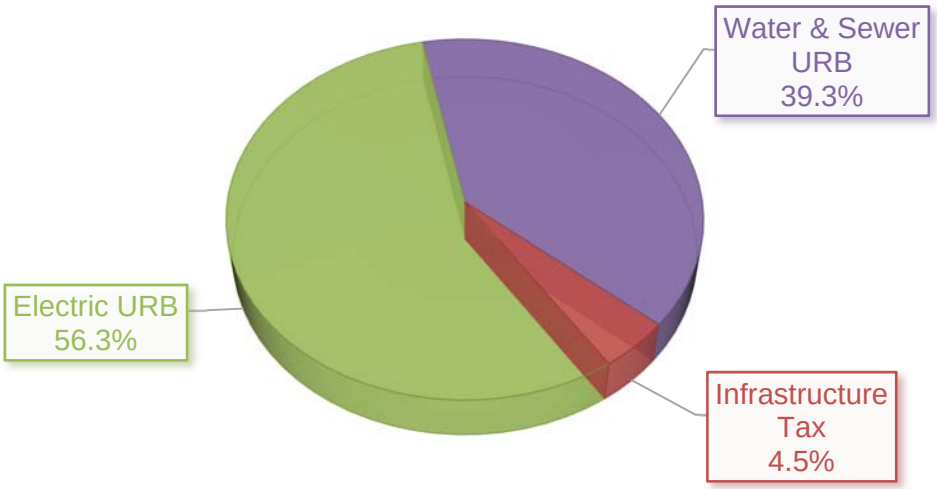
Capital Outlay Detail by Department
Fiscal Year 2019

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
Finance					
Property & Procurement					
Replace 2008 Ford F150 truck #315			32,000		32,000
Total Finance	**$ -**	**$ -**	**$ 32,000**	**$ -**	**$ 32,000**
Police					
Patrol					
Replace patrol vehicles			160,000		160,000
Total Police	**$ -**	**$ -**	**$ 160,000**	**$ -**	**$ 160,000**
Parks and Recreation					
Ocean Rescue					
Replace 2011 Chevy Silverado, truck #610			34,000		34,000
Grounds Maintenance					
Replace 2003 Ford F-250, truck #904			30,000		30,000
5-gang self-contained mower		53,000			53,000
Replace Sand Pro Equipment		25,000			25,000
Tall Pines Park Playground Equipment	65,000				65,000
Tennis					
Add 8th tennis court at Huguenot Tennis Facility	70,000				70,000
Total Parks & Recreation	**$ 135,000**	**$ 78,000**	**$ 64,000**	**$ -**	**$ 277,000**
Fire					
Zoll Cardiac Monitor Replacement		39,500			39,500
SBCA Compressor & Fill Station Replacement		36,264			36,264
Total Fire	**$ -**	**$ 75,764**	**$ -**	**$ -**	**$ 75,764**
Public Works					
Streets					
Replace 2010 F-150, truck #511			35,000		35,000
Replace 2 zero turn mowers *(2001 & 2003 model years)*		17,200			17,200
Total General Fund Streets	**$ -**	**$ 17,200**	**$ 35,000**	**$ -**	**$ 52,200**
Distribution and Collection					
Water main replacement projects	660,000				660,000
Water, sewer and stormwater project 10th St S	115,000				115,000
Replace trailer mounted valve exerciser		50,000			50,000
Replace 2011 Ford F-250, truck #595			42,000		42,000
Pollution Control					
Sewer rehab improvements-lift stations	345,000				345,000
Wastewater treatment facility improvements	520,000				520,000
Actuators, soft starts and variable frequency drives		30,000			30,000
Water Plant					
Raw water wells improvement program	60,000				60,000
Security camera replacement project		92,070			92,070
Capital Projects					
Relocate/Rebuild lift stations #7 & #8 and demolish #7 and #20	1,000,000				1,000,000
Total Water & Sewer	**$ 2,700,000**	**$ 172,070**	**$ 42,000**	**$ -**	**$ 2,914,070**
Stormwater					
Replace 2004 Dodge Ram, truck #591			38,000		38,000
Stormwater collection & treatment improvements	150,000				150,000
Water, sewer and stormwater project 10th St S	55,000				55,000
Total Stormwater	**$ 205,000**	**$ -**	**$ 38,000**	**$ -**	**$ 243,000**
Total Public Works	**$ 2,905,000**	**$ 189,270**	**$ 115,000**	**$ -**	**$ 3,209,270**
Total Projects Funded:	**$ 12,758,000**	**$ 780,034**	**$ 998,400**	**$ 348,938**	**$ 14,885,372**

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: 9-30-2018



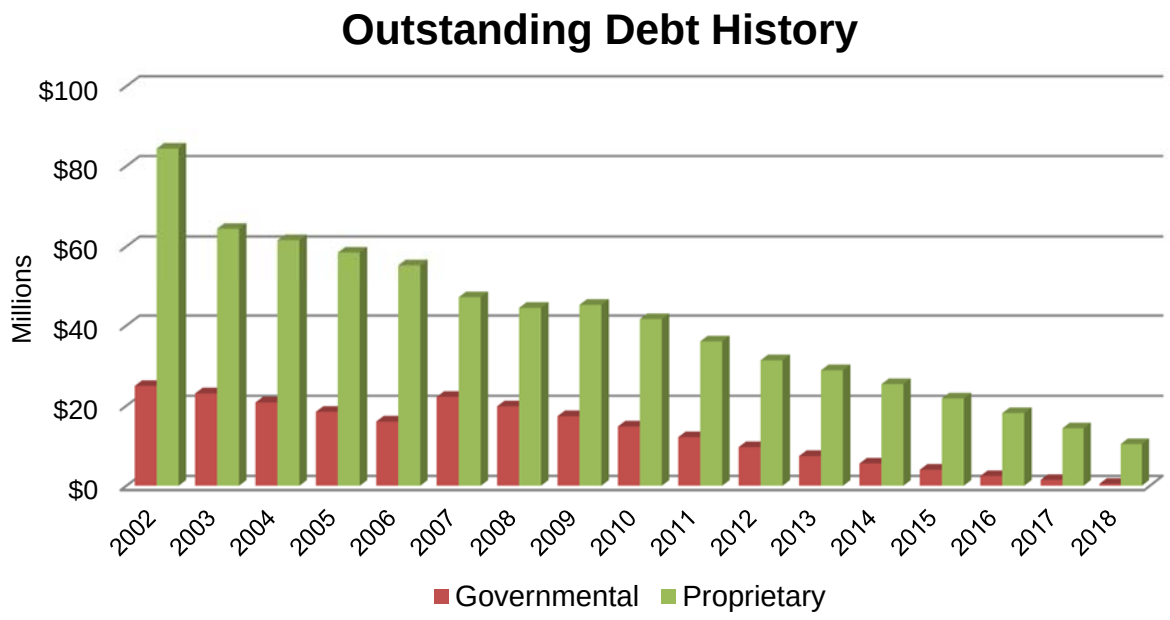
The City of Jacksonville Beach minimizes the need for future debt through long-term planning and capital budgeting. Consistent with this policy, the City established and maintains capital projects funds whose purpose is to accumulate funds to pay for expenditures on governmental capital projects, including 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.

	2014	2015	2016	2017	2018	2019
Principal paid	$5,325,465	$5,100,799	$5,261,881	$4,755,000	$4,905,000	$4,550,000
Interest paid	$1,087,507	$923,512	$764,359	$596,491	$462,874	$304,927
Outstanding Debt	$30,932,680	$25,831,880	$20,570,000	$15,815,000	$10,910,000	$6,360,000

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 90% 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.



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.

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.

DEBT SERVICE REQUIREMENTS: ½ Cent Infrastructure Surtax Revenue Bonds			
	Principal	**Interest**	**Total**
2019	490,000	4,227	494,227
Total	$490,000	$4,227	$494,227

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	$490,000
Total Governmental Bonds				$490,000

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	2019 Budget
General	Transfers from operating funds; grants; interest	Major repairs and replacements.	$1,374,938
½ Cent Infrastructure Surtax	Receipts from 1/2-Cent Infrastructure Surtax	Debt service payments on bonds; new roads and sidewalks (when funds are available).	$756,500
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
			$2,131,438

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
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
	$6,137,380	$366,962	$4,282,620	$256,063	$10,420,000	$623,025

The City's outstanding proprietary debt at September 30, 2018 is:

OUTSTANDING PROPRIETARY BONDS			
	Year of Maturity	Original Issue	Outstanding
2012 Utility Revenue Bonds – varies 2.0-4.0%	2020	$37,285,000	$10,420,000
Total Proprietary Bonds			$10,420,000

Debt service requirements to maturity on all of the City's bonds at September 30, 2018 are as follows:

DEBT SERVICE REQUIREMENTS TO MATURITY						
	Governmental		**Proprietary**		**TOTAL**	
	Principal	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
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
	$490,000	$4,227	$10,420,000	$623,025	$10,910,000	$627,252

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

Summary of Budgeted Debt Payments	Principal	Interest & Other	**FY2019 Total**	% of total	Current Year Budget	Incr / (Decr)	% change	Date Paid Off
Sales Surtax (Better Jax Beach)	490,000	9,227	**499,227**	10.2%	1,006,224	(506,997)	-50.4%	3/31/2019
TOTAL GOVERNMENTAL	**490,000**	**9,227**	**499,227**	10.2%	1,006,224	(506,997)	-50.4%	
Electric	2,391,340	184,167	**2,575,507**	52.8%	2,579,012	(3,505)	-0.1%	10/1/2020
Water & Sewer	1,668,660	131,533	**1,800,193**	36.9%	1,802,639	(2,446)	-0.1%	10/1/2020
TOTAL PROPRIETARY	**4,060,000**	**315,700**	**4,375,700**	89.8%	4,381,651	(5,951)	-0.1%	
TOTAL DEBT SERVICE	**$4,550,000**	**$324,927**	**$4,874,927**	100%	$5,387,875	(512,948)	-9.5%	

Transfers to/from Other Funds

Transfers are used to 1) move revenues from the fund where they are collected to the appropriate debt service fund as debt service principal and interest payments become due, 2) move restricted amounts related to debt in order to establish mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, 4) move restricted special revenues to the fund from which the related expenditures will be paid or 5) to move returns on investment from City enterprise funds to the General Fund.

Schedule of Transfers In and Transfers Out - FY2019	**To:**					
From:	**General Fund**	**Infrastructure Surtax Debt Service**	**General Capital Projects**	**Beaches Energy Services**	**Golf Course**	**Total**
General Fund						
Deposits to reserves for fire truck replacement, street maintenance heavy equipment replacement, and major building systems maintenance			$495,000			$645,000
Partial funding for operations during greens redevelopment					$150,000	
Local Option Gas Tax						
Partial funding for street maintenance	372,000					$372,000
Half-cent Infrastructure Surtax						
Payment of principal and interest on bonds		$485,000				$485,000
Community Development Block Grant						
Funding for CAPE officer and Carver Center programs	138,000					$138,000
Beaches Energy Services						
Return on investment	3,701,171					$3,831,171
Partial funding for building system replacements and technology improvements			130,000			
Natural Gas Fund						
Return on investment	111,950					$274,047
Repay advance for construction of natural gas system				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			$110,000			$110,000
Finance Internal Service Fund						
Partial funding for information technology major replacements			50,000			$50,000
Total	**$4,323,121**	**$485,000**	**$880,000**	**$162,097**	**$150,000**	**$6,000,218**

Capital Improvement Plan: FY2019-2023

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: FY2019-2023

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 209
Beaches Energy Services	Page 210
Finance	Page 236
Police & Fire	Page 249
Parks & Recreation	Page 256
Community Redevelopment Agency	Page 263
Public Works	Page 273

Capital Improvement Plan: FY2019-2023

CIP Summary, All Departments		2019	2020	2021	2022	2023	Total
Funding Sources:							
Beaches Energy Services Operating Revenues	410	$10,187,000	$5,738,500	$5,607,500	$4,680,000	$6,155,000	$32,368,000
Convention Development	130	135,000	-	-	-	-	135,000
Downtown Redevelopment Tax Increment Fund	181	5,732,400	5,414,600	4,014,600	32,400	-	15,194,000
General Capital Projects Fund	315	1,229,938	1,660,968	1,581,482	782,521	120,228	5,375,137
General Fund Operating Revenues	001	427,764	371,000	440,500	358,000	255,000	1,852,264
Golf Course Fund	440	15,000	79,500	15,000	15,000	15,000	139,500
1/2 Cent Infrastructure Surtax	151	270,000	70,000	70,000	70,000	70,000	550,000
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	-	35,000	-	-	-	35,000
Natural Gas Fund	411	140,000	140,000	140,000	140,000	140,000	700,000
Sanitation Fund	430	-	290,000	-	40,000	160,000	490,000
Southend Redevelopment Tax Increment Fund	182	825,000	2,355,000	2,389,000	4,586,000	55,000	10,210,000
Stormwater Operating Revenues	423	538,000	963,000	765,000	1,365,000	295,000	3,926,000
Unfunded - City of Jacksonville	-	-	825,000	-	-	-	825,000
Water & Sewer Utility Operating Revenues	420	3,159,070	3,299,068	2,000,000	610,000	325,000	9,393,138
Total CIP Funding Sources - All Departments		**$22,969,172**	**$21,551,636**	**$17,333,082**	**$15,988,921**	**$7,900,228**	**$85,743,039**
Expenses:							
Beaches Energy Services		10,327,000	5,913,500	5,747,500	4,820,000	6,295,000	33,103,000
Finance Department		969,938	1,102,968	1,000,232	730,021	120,228	3,923,387
Police & Fire Departments		445,764	360,500	705,750	212,500	160,000	1,884,514
Parks & Recreation Department		307,000	206,000	196,000	173,000	30,000	912,000
Community Redevelopment Agency		6,357,400	7,769,600	6,703,600	7,618,400	55,000	28,504,000
Public Works Department		4,562,070	6,199,068	2,980,000	2,435,000	1,240,000	17,416,138
Total CIP - All Departments		**$ 22,969,172**	**$ 21,551,636**	**$ 17,333,082**	**$ 15,988,921**	**$ 7,900,228**	**$ 85,743,039**

Capital Improvement Plan: FY2019-2023

Beaches Energy Services		2019	2020	2021	2022	2023	Total
Funding Sources:							
Beaches Energy Services Operating Revenues	410	10,187,000	5,738,500	5,607,500	4,680,000	6,155,000	32,368,000
Meter Division-Internal Service Charges	541	-	35,000	-	-	-	35,000
Natural Gas Fund	411	140,000	140,000	140,000	140,000	140,000	700,000
Total CIP Funding Sources		**$10,327,000**	**$5,913,500**	**$5,747,500**	**$4,820,000**	**$6,295,000**	**$33,103,000**
Expenses:	Fund						
Engineering:							
Vehicle Replacement Program	410	35,000	70,000	-	-	-	105,000
Automated Meter Infrastructure	410	187,000	147,500	147,500			482,000
Replace Switchgear at Water Plant #2	410	200,000					200,000
		422,000	217,500	147,500	-	-	787,000
Construction & Maintenance:							
Vehicle Replacement Program	410	560,000	230,000	210,000	45,000	-	1,045,000
		560,000	230,000	210,000	45,000	-	1,045,000
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	1,800,000	1,700,000	1,700,000	1,700,000	1,700,000	8,600,000
		3,050,000	2,950,000	2,950,000	2,950,000	2,950,000	14,850,000
System Operations:							
Outage Management System	410	250,000	-	-	-	-	250,000
Distribution Management System	410	-	-	-	50,000	300,000	350,000
SCADA Server Upgrade	410	-	331,000	-	-	-	331,000
		250,000	331,000	-	50,000	300,000	931,000
Relay / Substations:							
Substation 26kV Breaker Upgrades	410	150,000	300,000	350,000	-	-	800,000
Substation 26kV Relay Upgrades	410	35,000	80,000	95,000	-	-	210,000
Substation Capacitor Bank Upgrades	410	100,000	-	-	-	-	100,000
Substation Battery Bank Replacement	410	-	30,000	-	35,000	35,000	100,000
		285,000	410,000	445,000	35,000	35,000	1,210,000
Transmission:							
Transformer Bushing Replacements	410	225,000	-	-	-	-	225,000
Subst. 230kV & 138kV Relay Upgrades	410	230,000	230,000	230,000	230,000	230,000	1,150,000
Substation Transformers	410	3,000,000	-	-	-	1,185,000	4,185,000
Sampson 138kV Circuit Breaker Upgrades	410	-	-	255,000	-	85,000	340,000
Install Fiber & Eqp Sampson to Diego	410	60,000	-	-	-	-	60,000
Motor Switch Replacement	410	185,000	-	-	-	-	185,000
Transmission Line Hardware Renewal & Replacement	410	1,050,000	500,000	500,000	500,000	500,000	3,050,000
		4,750,000	730,000	985,000	730,000	2,000,000	9,195,000
Regulatory Compliance:							
Regulatory Compliance Plan Cyber Security	410	20,000	20,000	20,000	20,000	20,000	100,000
Regulatory Compliance Plan **(not capital)**	410	850,000	850,000	850,000	850,000	850,000	4,250,000
		870,000	870,000	870,000	870,000	870,000	4,350,000
Total CIP - Electric		10,187,000	5,738,500	5,607,500	4,680,000	6,155,000	32,368,000
Natural Gas Fund:							
Natural Gas Distribution System	411	140,000	140,000	140,000	140,000	140,000	700,000
Total CIP - Natural Gas		140,000	140,000	140,000	140,000	140,000	700,000
Meter Division Internal Service Fund:							
Vehicle Replacement Program	541	-	35,000	-	-	-	35,000
Total CIP - Meter Division		-	35,000	-	-	-	35,000
Total CIP - Beaches Energy Services		**$10,327,000**	**$5,913,500**	**$5,747,500**	**$4,820,000**	**$6,295,000**	**$33,103,000**

Capital Improvement Plan: FY2019-2023

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

Division (FY Replacement)	Truck#	Model Year	Description	Mileage/hours 02/13/2018	Estimated Replacement Cost
Engineering (2019)	210	2004	GMC Sierra	66,542	$35,000
C&M (2019)	202*	2008	40' Bucket Truck	62,589	$200,000
C&M (2019)	216	2008	Chevy 2500 4X4	145,594	$35,000
C&M (2019)	236	2004	Flatbed Truck 4X4	27,884	$75,000
C&M (2019)	255	2007	Digger Derrick Truck**	35,764	$250,000
Engineering (2020)	258	2010	Ford F150 XL	53,427	$35,000
Engineering (2020)	207	2005	GMC Sierra	32,968	$35,000
C&M(2020)	230	2010	Bucket Truck	61,287	$230,000
Meter (2020)	275	2010	Ford F150 4x4	64,754	$35,000
C&M (2021)	227	2011	Chevy 2500 4X4	76,635	$35,000
C&M (2021)	241	2011	Chevy 2500 4X4	78,091	$35,000
C&M (2021)	273	2011	40' SM: Bucket Truck 4X4	75,693	$140,000
C&M (2022)	240	1993	High-top Van	9,191	$45,000
Total					$1,185,000

**When truck #202 is replaced in FY2019, the 2008 40' bucket truck will be transferred to the Relay/Substation division to support that division's operations increasing the overall Electric fleet.*
***Truck #255 will be upgraded to a Digger Derrick from a line truck when it is replaced.*

Vehicle Replacement Summary:

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Engineering	$35,000	$70,000				$105,000
Construction & Maintenance	$560,000	$230,000	$210,000	$45,000		$1,045,000
Total Electric Fund	$595,000	$300,000	$210,000	$45,000	$0	$1,150,000
Total Meter Fund	$0	$35,000	$0	$0	$0	$35,000
Total	$595,000	$335,000	$210,000	$45,000	$0	$1,185,000

Project Title: **Advanced Smart Grid Infrastructure**

Department/Division: Beaches Energy Services / Engineering

Project Description and Reason Necessary:

Modernizing the grid to make it "smarter" and more resilient through the use of cutting-edge technologies, equipment, and controls that communicate and work together to deliver electricity more reliably and efficiently can greatly reduce the frequency and duration of power outages, reduce storm impacts, and restore service faster when outages occur.

"Smart grid" technologies are made possible by two-way communication technologies, control systems, and computer processing. These advanced technologies include advanced sensors known as Phasor Measurement Units (PMUs) that allow system operators to assess grid stability, advanced digital meters that provide better information and automatically report outages, relays that assist to identify and recover from faults, automated feeder switches that re-route power around problems, and batteries that store excess energy and make it available later to the grid to meet customer demand.

We have begun to research opportunities in this arena that will increase reliability and/or reduce costs. The first phase of this project will be completed in FY2018 with the installation of 2,000 remote read/disconnect meters. Over the next three (3) years we plan to install 270 residential smart meters (9 per each of our 30 circuits) to strategically collect data that will assist our system operators to better manage our electric system. This data will also allow us to predict potential failures before they occur allowing us to schedule repairs prior to failure which will reduce unplanned outages. Lastly, we will also be installing intelligent SCADA devices (approximately 9 units per circuit) that predict potential failures, and automatically re-route power preventing an extended outage.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Automated Meter Infrastructure	$187,000	$147,500	$147,500			$482,000

Project Title: **Replace Switchgear at Water Plant #2**

Department/Division: Beaches Energy Services / Engineering

Project Description and Reason Necessary:

The switchgear that controls the entire electrical system for the Water Plant #2 was installed in 2011 as part of a demand management program. That program has since ended and the warranty for this equipment expired. Critical nature of the water plant operation 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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Siemens Switchgear	$200,000					$200,000

Capital Improvement Plan: FY2019-2023

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, 2017 there were 5,559 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 3,485.

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	FY2019	FY2020	FY2021	FY2022	FY2023	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**

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

2019

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

Overhead Line Rebuild (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.

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.

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

Convert Overhead Lines to Underground - $200,000 each year 2019/2020/2021: Convert OH to UG in wooded areas / miscellaneous system improvement. ***$550,000 in 2022 and $800,000 in 2023***: As problem areas are discovered every year; either due to vegetation or other issues; Engineering and Construction and Maintenance will implement the necessary system improvement actions.

Cable Replacement Plan - $550,000 each year 2019/2020/2021/2022/2023: 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 2019/2020/2021/2022/2023: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - $150,000 each year 2019/2020/2021/2022/2023: Install gang operated switches to improve sectionalizing of power lines and provide faster power restoration.

Switch Gear Replacement - $100,000 in each year 2019/2020/2021/2022/2023: 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: FY2019-2023

Summary of Major Replacement Projects:

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Storm Hardening Plan						
Overhead Line Rebuild (10th 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	**$700,000**	**$600,000**	**$600,000**	**$250,000**	**$0**	**$2,150,000**
Convert OH to UG / Miscellaneous System Improvement	$200,000	$200,000	$200,000	$550,000	$800,000	$1,950,000
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
Subtotal - Major Replacement Projects	**$1,800,000**	**$1,700,000**	**$1,700,000**	**$1,700,000**	**$1,700,000**	**$8,600,000**
Infrastructure to Support System Growth and Maintenance Projects	**$1,250,000**	**$1,250,000**	**$1,250,000**	**$1,250,000**	**$1,250,000**	**$6,250,000**
TOTAL	**$3,050,000**	**$2,950,000**	**$2,950,000**	**$2,950,000**	**$2,950,000**	**$14,850,000**

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). 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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Outage Management System	$250,000					$250,000

Future Operating Budget Impact:

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Software Maintenance		$20,000	$20,000	$20,000	$20,000	$80,000

Capital Improvement Plan: FY2019-2023

Project Title: **Distribution Management System**

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

Purchasing, installing, and integrating a Distribution Management System (DMS) Application into the existing Outage Management System (OMS) and the Supervisor Control and Data Acquisition System (SCADA).

Beaches Energy is continually striving to offer its customers the best in electric service availability, advanced options when it comes to integrating the rapidly increasing Distributed Energy Resources (DERs), and optimizing the system to keep costs low. DMS is an application that analyzes all available data from the electric system including SCADA, an advanced metering infrastructure, and distribution automation. It uses this data to predict specific outage areas and determine advanced switching plans. It is also able to detect imminent failures; such as, using power quality data from substation relays to predict a load-tap changer failure. Furthermore, DMS provides capabilities for detailed resource models that accurately profile load and generations, provide price-sensitive forecasting, and interface with controllers for various types of DERs like rooftop solar. Finally, DMS allows BES to optimize its grid by providing capabilities for load profiling, volt/volt-ampere reactive optimization, and distribution power flow. In conclusion, this will improve storm outage restoration, support the rapid increase in DERs and support demands response, and defer capital investments.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Distribution Management System				$50,000	$300,000	$350,000

Future Operating Budget Impact:

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
System Software Licensing, Support & Upgrades					$24,000	$24,000

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 users 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 FY2020.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
SCADA Server Upgrade		$331,000				$331,000

Future Operating Budget Impact:

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Annual Support Maintenance			$39,600	$39,600	$39,600	$118,800

Capital Improvement Plan: FY2019-2023

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 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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Engineering and Testing	$50,000	$50,000	$50,000			$150,000
26kV Circuit Breakers	$100,000	$250,000	$300,000			$650,000
Total	$150,000	$300,000	$350,000	$0	$0	$800,000

Capital Improvement Plan: FY2019-2023

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 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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Relay Upgrades	$35,000	$80,000	$95,000			$210,000

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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Substation Capacitor Bank Upgrades	$100,000					$100,000

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, Jacksonville Beach in FY2022, and in FY2023 Fort Diego will reach its life expectancy. Recommend replacing during the applicable fiscal year.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Penman Substation		$30,000				$30,000
Jacksonville Beach Substation				$35,000		$35,000
Fort Diego					$35,000	$35,000
TOTAL	$0	$30,000	$0	$35,000	$35,000	$100,000

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 2019 Sampson TR-2 Diego T-1

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Transformer Bushing Replacement	$225,000					$225,000

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 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 (ongoing project)
FY 2023 Electromechanical to Microprocessor Relay Upgrades (ongoing project)

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Relay Upgrades	$230,000	$230,000	$230,000	$230,000	$230,000	$1,150,000

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. 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.

2019

Design, Purchase, and Installation of new 224 MVA transformer for Sampson Substation $3,000,000: 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.

2023

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 2024.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Design, Purchase, and Installation of new 224 MVA Transformer for Sampson Substation	$3,000,000					$3,000,000
Design, Purchase, and Installation of new 50 MVA Transformer for Penman Substation (Phase 1)					$1,185,000	$1,185,000
TOTAL	$3,000,000	$0	$0	$0	$1,185,000	$4,185,000

Guana Substation:

Penman Substation:

Project Title: **Sampson 138kV Transmission Circuit Breaker Upgrades**

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

There are two (2) 138kV transmission gas (SF-6) circuit breakers nearing 30 years old and will be at the end of their useful life by FY2021. If a catastrophic failure were to occur rendering a breaker inoperable, replacement parts for the OCB breakers are no longer manufactured. These breakers will be upgraded to gas (SF-6) circuit breakers and are used on the transmission system for line protection and isolation. Industry recommends replacement of breakers in general after 30 years of service or 1000 operations. Therefore, the SF-6 breakers are scheduled to be replaced in FY2021. Misoperations are monitored by the North American Electric Reliability Corporation (NERC) and the Florida Reliability Coordinating Council (FRCC). Failure to maintain breaker equipment can lead to misoperations of the equipment. This can lead to fines by the NERC/FRCC. The reliability of these breakers must not be compromised.

FY 2021 Circuit Breaker Numbers: 8W85, 805NT1, and 805N
FY 2023 Circuit Breaker Numbers: 805W

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Engineering and Testing			$75,000		$25,000	$100,000
Transmission Circuit Breakers			$180,000		$60,000	$240,000
Total	$0	$0	$255,000	$0	$85,000	$340,000

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 within a three-year period ending in FY2019. Parts and service for tone equipment is unavailable and obsolete. Fiber has proven to be a more reliable means of communications.

Fiber was 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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Install Fiber and Equipment	$60,000					$60,000

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. Procurement of all major equipment was completed in FY2017. Procurement of construction materials and installation of major equipment will be completed between FY2018 and FY2019.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Ft. Diego MOS Replacement	$185,000					$185,000
TOTAL	$185,000					$185,000

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.

FY2019 funding includes the replacement of static wire and associated hardware for Transmission Line 804. The Transmission Line 805 static wire was replaced in FY2017.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Transmission Line Hardware Renewal and Replacement	$1,000,000	$500,000	$500,000	$500,000	$500,000	$3,000,000
Engineering	$50,000					$50,000
Total	$1,050,000	$500,000	$500,000	$500,000	$500,000	3,050,000

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 $20,000 in FY 2019 - FY 2023 : 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. NERC continues to make requirements changes as the Cyber threats changes. Florida Municipal Power Agency (FMPA) provides assessment of our existing 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 2019 - FY 2023: 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 $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.

Regulatory Compliance Plan Summary:

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Cyber Physical Security	$20,000	$20,000	$20,000	$20,000	$20,000	$100,000
Consulting Fees	$100,000	$100,000	$100,000	$100,000	$100,000	$500,000
Centralized TOP - Annual Operating Costs	$750,000	$750,000	$750,000	$750,000	$750,000	$3,750,000
Total	$870,000	$870,000	$870,000	$870,000	$870,000	$4,350,000

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 South Loop extension added FY2017, has generated substantial growth to the system and with the Marina project ongoing, it continues to allow Beaches Energy to expand its services to commercial and residential customers.

Funding Source: Natural Gas Beaches Energy Services Operating Revenues

Cost Item	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Capital Improvements	$140,000	$140,000	$140,000	$140,000	$140,000	$700,000

Capital Improvement Plan: FY2019-2023

Finance Department		2019	2020	2021	2022	2023	Total
Funding Sources:							
General Fund	001	32,000	-	32,000	-	-	64,000
General Capital Projects Fund IT Reserve	315	486,938	834,968	654,707	280,021	70,228	2,326,862
General Capital Projects Fund Utility Billing	315	-	33,000	7,525	-	-	40,525
General Capital Projects Fund Building Systems	315	483,000	235,000	338,000	450,000	50,000	1,556,000
Operations & Maintenance Fund	550	-	32,000	-	-	-	32,000
Total CIP Funding Sources		**$969,938**	**$1,102,968**	**$1,000,232**	**$730,021**	**$120,228**	**$3,923,387**
Expenses:	Fund						
Information Systems:							
Information Systems Master Plan	315	140,000	165,000	75,000	210,000	-	590,000
Annual Computer Replacement Plan	315	69,811	69,968	70,126	70,021	70,228	350,154
Enterprise Resource Planning System	315	277,127	600,000	509,581	-	-	1,386,708
		486,938	834,968	654,707	280,021	70,228	2,326,862
Utility Billing:							
Major Equipment Replacements	315		33,000	7,525			40,525
		-	33,000	7,525	-	-	40,525
Property & Procurement							
Vehicle Replacement Program	001/550	32,000	32,000	32,000	-	-	96,000
Major Bldg Systems repairs/replacements	315	401,000	153,000	256,000	400,000	-	1,210,000
Major Bldg Systems repairs/replacements **(not capital)**	315	50,000	50,000	50,000	50,000	50,000	250,000
		483,000	235,000	338,000	450,000	50,000	1,556,000
Total CIP - Finance		**$969,938**	**$1,102,968**	**$1,000,232**	**$730,021**	**$120,228**	**$3,923,387**

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 - $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.*

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	2019	2020	2021	2022	2023	2024	2025	2026	2027
Replace Core Routers		X					X		
Replace EIS Servers (Police Department)	X								
Replace Firewalls		X					X		
EIS Servers									
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	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Replace Core Routers		$120,000				$120,000
Replace Firewalls		$45,000				$45,000
EIS Servers	$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	$0	$590,000

Capital Improvement Plan: FY2019-2023

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 FY2018 quoted/actual pricing.

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

By Department:	2019		2020		2021		2022		2023		TOTAL	
	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
BES	7	$3,360	10	$8,454	8	$9,691	15	$15,450	14	$9,205	54	$46,160
City Manager	1	$840	2	$1,680	0	$0	1	$840	0	$0	4	$3,360
City Clerk	0	$0	3	$3,098	1	$840	0	$0	0	$0	4	$3,938
Finance	14	$11,448	8	$6,458	7	$8,258	19	$16,496	13	$10,034	61	$52,694
Fire	1	$840	2	$2,836	5	$7,630	0	$0	1	$1,418	9	$12,724
HR	0	$0	4	$4,516	2	$1,680	3	$2,520	0	$0	9	$8,716
Parks	1	$840	2	$1,680	7	$6,053	6	$4,200	10	$8,878	26	$21,651
Planning	3	$2,520	1	$1,418	0	$0	2	$1,680	4	$3,360	10	$8,978
Police	31	$45,763	29	$30,047	23	$26,305	21	$20,006	30	$31,237	134	$153,358
PW	5	$4,200	12	$9,781	7	$9,669	10	$8,829	6	$6,096	40	$38,575
TOTAL	63	**$69,811**	73	**$69,968**	60	**$70,126**	77	**$70,021**	78	**$70,228**	351	**$350,154**

By Device Type:	2019		2020		2021		2022		2023		TOTAL	
	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
Enhanced Desktop	0	$0	1	$905	3	$5,400	3	$2,750	1	$905	8	$9,960
Laptop w/dock	0	$0	14	$19,852	10	$14,508	8	$11,344	8	$11,344	40	$57,048
Rugged	11	$34,243	1	$3,113	5	$15,565	2	$6,226	2	$6,226	21	$65,373
Laptop	0	$0	18	$19,422	15	$16,185	15	$16,185	15	$16,185	63	$67,977
Standard Desktop	52	$35,568	39	$26,676	27	$18,468	49	$33,516	52	$35,568	219	$149,796
TOTAL	63	**$69,811**	73	**$69,968**	60	**$70,126**	77	**$70,021**	78	**$70,228**	351	**$350,154**

Capital Improvement Plan: FY2019-2023

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 April 2018
- Phase 2 - Human Resources and Payroll – target online date April 2019
- Phase 3 - Utility Billing – target online date April 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 $1,109,581 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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Software	$615,561		$400,000	$150,000			$550,000
Hardware	$123,050						$0
Services	$1,214,706	$277,127	$200,000	$359,581			$836,708
TOTAL	$1,953,316	**$277,127**	**$600,000**	**$509,581**	**$0**	**$0**	**$1,386,708**

Future Operating Budget Impact:

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Annual Maintenance on New ERP Applications	$241,460	$277,370	$285,691	$294,259	$303,088	$1,401,868

Project Title: **Utility Billing – Major Equipment Replacement Program**

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The Utility Billing division of the Finance Department operates specialized equipment needed for customer billing, check imaging, and postage processing. The cost of this equipment makes it important to plan for and set aside reserves its replacement. Within the next five years, the following equipment will need to be replaced:

- The Planet Press Riso Printer is used 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 2020, approximately 2,400,000 documents will have been processed utilizing the Riso printer.

- Utility Billing utilizes mail-metering equipment to weigh and prepare postage for the mailing of all City department mail. The current equipment was purchased in October 2016 and will no longer be supported by the manufacturer, Neopost, after October 2021.

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

	FY2019	FY2020	FY2021	FY2022	FY2023	5-Year Total **SUMMARY TOTAL**	
Balance, beginning of year:	$168,035	$168,035	$135,035	$127,510	$127,510	*Begin:*	$168,035
Deposits, from Finance Internal Service Fund	$0	$0	$0	$0	$0	*Add:*	$0
Est. Available Balance	$168,035	$168,035	$458,260	$127,510	$127,510	*Total:*	
Withdrawals:							
• Pitney Riso Printer		$33,000					
• Neopost Postage Machine			$7,525			*Less:*	$40,525
Balance, end of year:	**$168,035**	**$135,035**	**$127,510**	**$127,510**	**$127,510**	*End:*	**$127,510**

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	325 2nd 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 5th 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 16th Avenue South
20	Ocean Front Restrooms	2nd Avenue North 5th Avenue North Oceanfront Park
21	H. Warren Smith Memorial Cemetery	1538 2nd 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.
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						
	2019	**2020**	**2021**	**2022**	**2023**	**TOTALS**
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	**$56,000**	**$118,000**	**$56,000**	**$400,000**	**$0**	**$630,000**

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:
Install Trane Tracer Ensemble Server software for the Police Station, Operation & Maintenance Facility and the Carver center. The new Trane Ensemble will be connected to the City's network for control and monitoring of HVAC systems. This is the same controls software replaced at City Hall in 2018 and will tie-in HVAC controls into one platform. Replacing this system would enable greater energy efficiency- Cost to upgrade is $40,000. The purchase of similar automation control at the Fire Department and Parks and Recreation is scheduled in 2020 at a cost of $35,000.

O&M Fire Alarm System:
The Fire Alarm system at the O&M Facility is reaching the end of its useful life and will need to be replaced in 2019. Cost to replace is approximately $45,000.

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.

Fire Station Doors:
The existing roll-up doors at Fire Station #1 are over 30 years old (original construction 1984). The doors are showing extensive wear on the individual slats as well as the torsion springs. Repairs to the drums that house the torsion springs are over half of the cost to replace the entire door assembly. Cost to replace six (6) roll-up doors with 145 mph rated doors is $38,000.

Fuel Tanks:
The two aboveground storage tanks (10,000 gal and 6,000 gal) at the O&M facility have excessive rusting and water in the interstitial space. As a result, fuel samples taken contain water and heavy rust sediments. The tanks are over 20+ years old, do not have warranty and any extensive rehabilitation is cost prohibitive and may lead to further lining damage. Independent inspections by two consultants recommended tank replacement. Cost to replace the two fuel tanks (10,000 gal and 6,000 gal) is $100,000.

Golf Course Maintenance Building Roof:
The Golf Course maintenance building has a 6,500sf leaking metal roof with skylights and rusting fasteners. It is recommended to remove all skylights, infill the openings with similar profile panels and restore the entire metal roof system with Tremco Alumanation 301 metal roof coating system. The manufacturer will provide a 12-year labor/material warranty for leaks. Cost to restore metal roof system is $30,000.

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

Project	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Major Building Maintenance Repair/Replacement Projects						
HVAC Replacements	$56,000	$118,000	$56,000	$400,000	$0	$630,000
Repair and Replace Curbing at O&M	$50,000					$50,000
Airflow Automation Controls	$40,000	$35,000				$75,000
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
Fire Station Doors	$38,000					$38,000
Fuel Tanks	$100,000					$100,000
Golf Course Maintenance Building Roof	$30,000					$30,000
Generator Replacement - O&M Facility			$200,000			$200,000
SUBTOTAL CAPITAL	$401,000	$153,000	$256,000	$400,000	$0	$1,210,000
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	$451,000	$203,000	$306,000	$450,000	$50,000	$1,460,000

Project Title: **Vehicle Replacement Program**

Department/Division: Finance/Property & Procurement

Project Description and Reason Necessary: This is a program to replace vehicles due to age and condition while maintaining cost-effective fleet performance. Vehicles included are those that cost at least $25,000 each. Vehicles recommended for replacement are identified based on a combination of mileage, age, condition and cost-effective performance. The preferred replacement vehicle style is the Ford F250 SD ¾ ton pickup truck.

Funding Sources: General Fund and Operations and Maintenance Fund

Division (FY Replacement)	Fund Source	Vehicle #	Model Year	Description	Mileage 2/14/18	Estimated Replacement Cost
Property and Procurement (FY19)	001	#315	2008	Ford F150 Pickup	154,384	$32,000
Property and Procurement (FY20)	550	#311	2006	Ford E350 Van	68,774	$32,000
Property and Procurement (FY21)	001	#312	2007	Ford F150 Pickup	119,014	$32,000
TOTAL						**$96,000**

Vehicle Replacement Summary by Funding Source:

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
General Fund	$32,000		$32,000			$64,000
Operations and Maintenance Fund		$32,000				$32,000
TOTAL	**$32,000**	**$32,000**	**$32,000**	**$0**	**$0**	**$96,000**

Capital Improvement Plan: FY2019-2023

Police & Fire Departments		2019	2020	2021	2022	2023	Total
Funding Sources:							
General Fund	001	$235,764	$199,500	$199,500	$160,000	$160,000	$954,764
Gen. Capital Projects Fire Apparatus Reserve	315	-	-	375,000	-	-	375,000
Gen. Capital Projects Radio Reserve	315	210,000	161,000	131,250	52,500	-	554,750
Total CIP Funding Sources		**$445,764**	**$360,500**	**$705,750**	**$212,500**	**$160,000**	**$1,884,514**
Expenses:	Fund						
Police:							
Vehicle Replacement Program-Police	001	160,000	160,000	160,000	160,000	160,000	800,000
Fire:							
Fire Apparatus Replacement/Maintenance	315	-	-	375,000	-	-	375,000
Radio System Upgrade	315	210,000	161,000	131,250	52,500	-	554,750
Zoll Cardiac Monitor Replacement	001	39,500	39,500	39,500	-	-	118,500
SBCA Compressor & Fill Station Replacement	001	36,264	-	-	-	-	36,264
Sub-Total Fire:		285,764	200,500	545,750	52,500	-	1,084,514
Total CIP - Police & Fire		**$445,764**	**$360,500**	**$705,750**	**$212,500**	**$160,000**	**$1,884,514**

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) 2/2018	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				

Funding Sources: General Fund

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Police	$160,000	$160,000	$160,000	$160,000	$160,000	$800,000
Police-DT CAPE (Downtown Redevelopment)	See Community Redevelopment Agency section of this plan for details					
TOTAL General Fund	$160,000	$160,000	$160,000	$160,000	$160,000	$800,000

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

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 FY2021, Engine-22, a 2006 Emergency-1 Custom Pumper is scheduled to 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:

	FY2019	FY2020	FY2021	FY2022	FY2023	5-Year Total **SUMMARY TOTAL**	
Balance, beginning of year:	$233,260	$308,260	$383,260	$83,260	$158,260	*Begin:*	$233,260
Deposits, from General Fund	$75,000	$75,000	$75,000	$75,000	$75,000	*Add:*	$375,000
Est. Available Balance	$308,260	$383,260	$458,260	$158,260	$233,260	*Total:*	
Withdrawals:							
• Fire Apparatus Replacement			$375,000			*Less:*	$375,000
Balance, end of year:	**$308,260**	**$383,260**	**$83,260**	**$158,260**	**$233,260**	*End:*	**$233,260**

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

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 and recording equipment were not included in this purchase.

All emergency services radio transmissions are recorded in accordance with City policy and CALEA standards. The current recording system requires additional conversion equipment to monitor the radios in the field. Motorola no longer supports the convertors and the City has a limited amount of spare parts on hand. Upgrading to APX Consolettes would replace the older non-serviceable equipment.

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 – reserve cash on hand and annual transfer from the General Fund

General Capital Projects Fund - Radio Reserve Funding Progress:

	FY2019	FY2020	FY2021	FY2022	FY2023	5-Year Total **SUMMARY TOTAL**	
Balance, beginning of year:	$283,995	$173,995	$112,995	$81,745	$79,245	*Begin:*	$283,995
Deposits, from General Fund	$100,000	$100,000	$100,000	$50,000	$50,000	*Add:*	$400,000
Est. Available Balance	$383,995	$273,995	$212,995	$131,745	$129,245	*Total:*	
Withdrawals:							
• APX Consolettes		$56,000					
• APX Radios (Police count)	$210,000 (40)		$26,250 (5)	$26,250 (5)			
• APX Radios (Fire count)		$105,000 (20)	$105,000 (20)	$26,250 (5)		*Less:*	$554,750
Balance, end of year:	**$173,995**	**$112,995**	**$81,745**	**$79,245**	**$129,245**	*End:*	**$129,245**

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

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Zoll Cardiac Monitor	$39,500	$39,500	$39,500			$118,500

Project Title: SCBA Compressor and Fill Station Replacement

Department/Division: Fire

Project Description and Reason Necessary:

A self-contained breathing apparatus (SCBA) is worn by firefighters to provide breathable air in a hazardous environment. A compressor and fill station are used in combination to refill SCBA bottles. The City's current compressor is a 4-stage 5000-psi unit purchased in 1994. This particular model has been discontinued by the manufacturer making it difficult to find replacement parts. The current 2-bottle fill station was manufactured prior to 1994 NFPA recommendations and does not meet current testing regulations.

Replacing the current SCBA compressor and fill station with a new Breathing Air Systems 4-stage 6000-psi compressor and a Bauer 2-bottle Fill Station will meet current standards, allow staff to fill SCBA bottles faster and more efficiently, and provide flexibility for the future if increases to bottle sizes are needed.

Funding Source: General Fund

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
SCBA Air Compressor / Fill Station	$36,264					$36,264

Capital Improvement Plan: FY2019-2023

Parks & Recreation		2019	2020	2021	2022	2023	Total
Funding Sources:							
General Fund	001	157,000	126,500	181,000	158,000	15,000	637,500
Convention Development Fund	130	135,000	-	-	-	-	135,000
Golf Course Fund	440	15,000	79,500	15,000	15,000	15,000	139,500
Total CIP Funding Sources		**$307,000**	**$206,000**	**$196,000**	**$173,000**	**$30,000**	**$912,000**
Expenses:	Fund						
Ocean Rescue:							
Vehicle Replacement Program	001	34,000	19,000	34,000	68,000		155,000
		34,000	19,000	34,000	68,000	-	155,000
Grounds Maintenance:							
Vehicle Replacement Program	001	30,000	60,000	30,000	-	-	120,000
Heavy Equipment Replacement Program	001	78,000	-	32,000	-	-	110,000
Tall Pines Park Playground Equipment	130	65,000	-	-	-	-	65,000
A1A Landscape Beds	001		-	70,000	-		70,000
		173,000	60,000	132,000	-	-	365,000
Tennis:							
Huguenot Park Tennis Facility	130/001	70,000	-	-	75,000	-	145,000
		70,000	-	-	75,000	-	145,000
Golf Course:							
Heavy Equipment Replacement Program	440		32,000	-	-	-	32,000
Golf Course & Grounds Irrigation Control System **(not capital)**	001/440	30,000	95,000	30,000	30,000	30,000	215,000
		30,000	127,000	30,000	30,000	30,000	247,000
Total CIP - Parks & Recreation		**$307,000**	**$206,000**	**$196,000**	**$173,000**	**$30,000**	**$912,000**

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 2/2018	Estimated Replace. Cost
Ocean Rescue (2019)*	610	2011	Chevy Silverado	20,031	$34,000
Ocean Rescue (2020)	614	2014	Kubota RTV 1140 CPX	(748)	$19,000
Ocean Rescue (2021)	604	2014	Chevy Silverado	9,016	$34,000
Ocean Rescue (2022)	606	2015	Chevy Silverado	7,669	$34,000
Ocean Rescue (2022)	601	2015	Chevy Silverado	4,411	$34,000
Grounds Maintenance (2019)	904	2003	Ford F-250 truck	38,540	$30,000
Grounds Maintenance (2020)	901	2005	Ford F-250 4x4	32,518	$30,000
Grounds Maintenance (2020)	902	2001	Ford F-250 4x4	36,802	$30,000
Grounds Maintenance (2021)	908	2005	Ford F-150	56,515	$30,000
TOTAL					**$275,000**

Due to the beach environment, 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.

*Beginning in 2019, two trucks will be transferred from Ocean Rescue to Grounds Maintenance. During the summer, the trucks will be used by Ocean Rescue to assist with the peak beach season. On the off-season, Grounds will utilize the trucks in this division's daily work.

Funding Sources: General Fund

Division	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Ocean Rescue	$34,000	$19,000	$34,000	$68,000		$155,000
Grounds Maintenance	$30,000	$60,000	$30,000			$120,000
TOTAL	**$64,000**	**$79,000**	**$64,000**	**$68,000**	**$0**	**$275,000**

Project Title: **Heavy Equipment Replacement Program**

Department/Division: Parks and Recreation

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.

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).

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).

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: 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 - $32,000).

Description	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Sand Pro	$25,000					$25,000
5-Gang Self Propelled Mower	$53,000					$53,000
Triplex Mower		$32,000				$32,000
Top Dresser			$32,000			$32,000
TOTAL	**$78,000**	**$32,000**	**$32,000**	**$0**	**$0**	**$142,000**

Funding Sources:

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
General Fund	$78,000		$32,000			$110,000
Golf Course Fund		$32,000				$32,000
TOTAL	**$78,000**	**$32,000**	**$32,000**	**$0**	**$0**	**$142,000**

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.

***Eighth Tennis Court* ($70,000) -** There are currently seven **tennis courts** at Huguenot Tennis Center. An eighth court will provide more flexibility in hosting tennis matches and teaching clinics while accommodating the increase in court usage. The court construction will include vinyl coated fencing, windscreens and lighting.

2021

There are six **landscape islands along A1A** between 16th Avenue South and J Turner Butler that should be rejuvenated. This would include the removal of excess soil and mulch, and the replanting ornamental grasses and install new irrigation with associated controller **($70,000)**.

2022

The **tennis court lights** for the three east courts at Huguenot will need replacement in about four years **($75,000)**.

Capital Improvement Plan: FY2019-2023

Funding Sources: General Fund and Convention Development Funds

Description	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Tall Pines Park-playground equipment	$65,000					$65,000
8th Court at Huguenot	$70,000					$70,000
A1A Landscape beds			$70,000			$70,000
Tennis Court Lights				$75,000		$75,000
TOTAL	**$135,000**	**$0**	**$70,000**	**$75,000**	**$0**	**$280,000**

Summary by Funding Source:

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
GENERAL FUND: Grounds Maintenance Division			$70,000	$75,000		$210,000
CONVENTION DEVELOPMENT FUND:	$135,000					$70,000
TOTAL	**$135,000**	**$0**	**$70,000**	**$75,000**	**$0**	**$280,000**

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. An estimated two hundred control valves need to be replaced. There are also twelve gate valves that separate the golf course irrigation zones.

The existing computer control system is a Toro "Osmac", purchased about fourteen 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 FY2020 estimated cost.

Funding Sources: Distributed equally between General Fund and Golf Course Fund

	FY2019	FY2020	FY2021	FY2022	FY2023	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.

Community Redevelopment Agency		2019	2020	2021	2022	2023	Total
Funding Sources:							
Downtown Redevelopment Tax Increment Fund	181	5,532,400	5,414,600	4,014,600	32,400	-	14,994,000
Southend Tax Increment Fund	182	825,000	2,355,000	2,389,000	4,586,000	55,000	10,210,000
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		**$6,357,400**	**$7,769,600**	**$6,703,600**	**$7,618,400**	**$55,000**	**$28,504,000**
Expenses:	Fund						
Downtown Redevelopment District							
Road & Associated Infrastructure Imprvmnts	181,317, & 420	5,500,000	5,400,000	4,300,000	3,000,000	-	18,200,000
Downtown CAPE Vehicle & Heavy Equipment Replacement Program	181	32,400	14,600	14,600	32,400	-	94,000
South Beach Redevelopment District	182	750,000	2,300,000	2,334,000	4,136,000	-	9,520,000
South Beach Park Improvements	182	35,000	15,000	15,000	410,000	15,000	490,000
South Beach Park Maintenance (not capital)	182	40,000	40,000	40,000	40,000	40,000	200,000
Total CIP - Community Redevelopment Agency		**$6,357,400**	**$7,769,600**	**$6,703,600**	**$7,618,400**	**$55,000**	**$28,504,000**

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.

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 4 will include CRA funding for 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. This work will be part of Phase H in the Public Works Distribution & Collection improvement plan.

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

[1] The scope of downstream improvements have been based on the design consultant's stormwater modeling & analysis results. The design and construction work may be incorporated into Projects 3 through 5.

Capital Improvement Plan: FY2019-2023

PROJECT *(Fund Source)*	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Phase 3A *(DT TIF)* **6th Avenue North**							
Design	$152,454						
Construct	$1,919,683						
Phase 3B *(DT TIF)*							
Design	$155,061						
Construct	$867,403						
Const. Admin.	$110,808						
Phase 3C *(DT TIF)*							
Project 1 Design	$336,093						
Project 1Const.	$6,354,864						
Project 2Design	$1,072,000						
Project 2 Const.	(est.)$11,073,488						
Projects 3-5 Design	$500,000	$500,000	$400,000				$900,000
Projects 3-5 Const.		$5,000,000	$5,000,000	$4,000,000			$14,000,000
Phase3D							
Design(W/S)				$300,000			$300,000
Construct (BJB)					$3,000,000		$3,000,000
TOTAL *DT TIF*	$22,571,854	**$5,500,000**	**$5,400,000**	**$4,000,000**			**$14,900,000**
TOTAL *W/S*				**$300,000**			**$300,000**
TOTAL *BJB*					**$3,000,000**	**$0**	**$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.

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 to ten 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) 2/2018	Estimated Replacement Cost
Police-DT CAPE (2019)	1052	2010	Chevrolet Impala	39,309	$32,400
Police-DT CAPE (2020)	3	2010	Segway	1,545 (Hours)	$7,300
Police-DT CAPE (2020)	4	2010	Segway	1,516 (Hours)	$7,300
Police-DT CAPE (2021)	5	2010	Segway	1,317 (Hours)	$7,300
Police-DT CAPE (2021)	6	2010	Segway	1,091 (Hours)	$7,300
Police-DT CAPE (2022)	1343	2013	Chevrolet Impala	39,000	$32,400
TOTAL					**$94,000**

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Vehicles	$32,400			$32,400		$64,800
Segways		$14,600	$14,600			$29,200
TOTAL	**$32,400**	**$14,600**	**$14,600**	**$32,400**	**$0**	**$94,000**

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.

- **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 also Beaches Energy Services installation of two underground distribution circuits along South Beach Parkway. ***Construction completed.***

  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. ***Construction of pond to be delayed until further evaluation of the pond is conducted.***

- **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. ***Ocean Terrace Drainage Study is underway.***

- **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.

PROJECT *(Fund Source)*	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
South Beach Parkway Road Imps (Phase 3) *(SE TIF)*							
Design	$190,496						
Construct	$858,885						
Ocean Terrace Pond Evaluation/Design		$50,000					
Ocean Terrace Pond Const.		$500,000					$550,000
Stormwater/ Road Imps (Phase 4) *(SE TIF)*							
Study							
Design	$81,000	$200,000					
Construct			$2,000,000				$2,200,000
Stormwater/Road Imps (Phase 5) *(SE TIF)*							
Design			$300,000				
Construct				$1,750,000			$2,050,000
Stormwater/Reuse Imps (Phase 6) *(SE TIF)*							
Design				$584,000			
Construct					$4,136,000		$4,720,000
TOTAL	**$1,130,381**	**$750,000**	**$2,300,000**	**$2,334,000**	**$4,136,000**	**$0**	**$9,520,000**

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.

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.

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

The South Beach Park area includes recreational opportunities for all ages. Beginning with the land acquisition for the park area, the South Beach Redevelopment plan has provided for the Skate Park, tennis courts, beach volleyball, exercise trails, splash pad, basketball courts, multi-use play field, picnic shelters, and restrooms. In March 2017, the Plan was amended to include maintenance of these Tax Increment Funded facilities and improvements.

Park Lighting: Lamp posts that light the walking trail will need to be replaced with new wiring, poles and lamps. There are twenty light posts around the park and the projection below includes replacing five light posts each year beginning in 2020.

Irrigation System: This project will consolidate three separate irrigation systems into one system and should reduce repair and maintenance as piping will be sized to match flow pressure.

Sunshine Park Playground Replacement: Due to its current age, condition and usage, the wood structure will need to be replaced in about three years. Screws, bolts and swing mechanisms are showing signs of age and corrosion. A replacement structure will include the rejuvenation of fall zone material and sand replacement.

Skate Park Maintenance: Maintenance of the Skate Park includes periodic applications of concrete sealer, repairing concrete cracks, sanding and paint coping rails, inspecting and repairing shade sail mechanisms as well as sanding and painting shade structures.

Artificial Turf: Annual recurring maintenance costs for the artificial turf include cleaning, brushing, and the addition of infill.

Splash Pad, Restroom and Building Maintenance: Annually the Splash Pad and expanded Toddler Section will need the water features and fencing pressured washed and painted. The two pump stations and filtration system require annual preventative maintenance and servicing. Restrooms will require ongoing graffiti removal as well as pressure washing and painting. The Community Service building requires annual preventative maintenance on hurricane devices and generator system etc.

South Beach Park **IMPROVEMENTS**	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Park Lighting Replacement		$15,000	$15,000	$15,000	$15,000	$60,000
South Beach Park Irrigation System	$35,000					$35,000
Sunshine Park Playground Replacement				$395,000		$395,000
TOTAL	**$35,000**	**$15,000**	**$15,000**	**$410,000**	**$15,000**	**$490,000**

South Beach Park **MAINTENANCE PROGRAM**	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Skate Park Maintenance	$15,000	$15,000	$15,000	$15,000	$15,000	$75,000
Artificial Turf Maintenance	$5,000	$5,000	$5,000	$5,000	$5,000	$25,000
Splash Pad, Restroom and Bldg. Maintenance	$20,000	$20,000	$20,000	$20,000	$20,000	$100,000
TOTAL (Not Capital)	**$40,000**	**$40,000**	**$40,000**	**$40,000**	**$40,000**	**$200,000**

Capital Improvement Plan: FY2019-2023

Public Works		2019	2020	2021	2022	2023	Total
Funding Sources:							
Downtown Redevelopment Tax Increment Fund	181	200,000	-	-	-	-	200,000
General Capital Projects Heavy Vehicle Reserve	315	-	60,000	75,000	-	-	135,000
General Capital Projects Road Reserve	315	50,000	337,000	-	-	-	387,000
General Fund Operating Revenues	001	35,000	45,000	60,000	40,000	80,000	260,000
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	270,000	70,000	70,000	70,000	70,000	550,000
Sanitation Fund	430	-	290,000	-	40,000	160,000	490,000
Stormwater Operating Revenues	423	538,000	963,000	765,000	1,365,000	295,000	3,926,000
Unfunded - City of Jacksonville	-	-	825,000	-	-	-	825,000
Water & Sewer Utility Operating Revenues	420	3,159,070	3,299,068	1,700,000	610,000	325,000	9,093,138
Total CIP Funding Sources		**$4,562,070**	**6,199,068**	**$2,980,000**	**$2,435,000**	**$1,240,000**	**$17,416,138**
Expenses:	Fund						
Streets:							
Vehicle Replacement Program	001	35,000	45,000	60,000	40,000	80,000	260,000
Heavy Vehicle Replacement Program	315	-	60,000	75,000	-	-	135,000
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	200,000	825,000	-	-	-	1,025,000
Total CIP - Roads & Streets		615,000	1,310,000	515,000	420,000	460,000	3,320,000
Distribution & Collection:							
Vehicle Replacement	420	42,000	70,000	60,000	35,000	-	207,000
Water Distribution & Sanitary Sewer Collection Systems Improvements:							
Water Main Replacement	181/ 420	860,000	460,000	400,000	-	-	1,720,000
Water Valve/ Sewer Maint Programs **(not capital)**	420	325,000	325,000	325,000	325,000	325,000	1,625,000
Water, Sewer & Stormwater Improvements	315/420/ 423	220,000	1,465,000	-	-	-	1,685,000
		1,447,000	2,320,000	785,000	360,000	325,000	5,237,000
Pollution Control Plant:							
Vehicle Replacement Program	420	-	35,000	-	-	-	35,000
Sewer Rehabilitation Program-Lift Stations	420	345,000	345,000	340,000	250,000	-	1,280,000
Wastewater Treatment Facility Improvements	420	520,000	665,000	575,000	-	-	1,760,000
		865,000	1,045,000	915,000	250,000	-	3,075,000
Water Plant:							
Raw Water Wells Improvement Program	420	60,000	-	-	-	-	60,000
Elevated Water Tank Exterior Renovation	420	-	320,000	-	-	-	320,000
Water Plant #1 & #2 Security Cameras	420	92,070	-	-	-	-	92,070
Water Plant #2 Generator Replacement			319,068				319,068
		152,070	639,068	-	-	-	791,138
Capital Projects							
Relocate/ Rebuild Stations #7 & #8 and Demolish existing lift stations #7 & #20	420	1,000,000	-	-	-	-	1,000,000
		1,000,000	-	-	-	-	1,000,000
Total CIP - Water & Sewer		3,464,070	4,004,068	1,700,000	610,000	325,000	10,103,138
Stormwater							
Vehicle Replacement Program	423	38,000	-	70,000	70,000	-	178,000
Stormwater Collection & Treatment Impr.	423	150,000	300,000	400,000	1,000,000	-	1,850,000
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		483,000	595,000	765,000	1,365,000	295,000	3,503,000
Sanitation							
Vehicle Replacement Program	430	-	290,000	-	40,000	160,000	490,000
Total CIP - Public Works		**$4,562,070**	**$6,199,068**	**$2,980,000**	**$2,435,000**	**$1,240,000**	**$17,416,138**

Capital Improvement Plan: FY2019-2023

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 2/2018	Estimated Replacement Cost
Streets (2019)	001	511	2010	Ford F-150	136,200	$35,000
Streets (2020)	001	505	2003	Dodge, Durango 4X4	57,000	$45,000
Streets (2021)	001	515	2009	Ford Ranger	67,200	$30,000
Streets (2021)	001	550	2009	Ford Ranger	88,446	$30,000
Streets (2022)	001	565	2010	F-150 4x4	82,000	$40,000
Streets (2023)	001	ST-73	2003	Hamm HD-Roller	(143hrs)	$45,000
Streets (2023)	001	514	2011	F-150	46,000	$35,000
Sanitation (2020)	430	546	2015	Schwarze A7 Tornado Street Sweeper	21,200/ (3,900 hrs)	$290,000
Sanitation (2022)	430	555	2010	F-150 4x4	65,700	$40,000
Sanitation (2023)	430	510	2013	International 4300 Clam Bucket Truck	49,400	$160,000
Stormwater (2019)	423	591 (WP)	2004	2019 Dodge Ram 2500 4x4 w/ aluminum Utility body	64,375	$38,000
Stormwater (2021)	423	ST-91 (Streets)	1997	Acme Trailer Mounted 8” Pump	(1,585hrs)	$70,000
Stormwater (2022)	423	ST-95 (Streets)	2001	Acme Trailer Mounted 8”/10” Pump	(1,205hrs)	$70,000
D&C (2019)	420	595	2011	Ford F-250-3/4-ton Truck w/utility body	80,804	$42,000
D&C (2020)	420	506	2008	Ford F-250 ¾-ton Truck w/utility body	56,755	$35,000
D&C (2020)	420	540	2009	Ford F-250 ¾-ton Truck w/utility body	54,635	$35,000
D&C (2021)	420	502	2006	Ford F-150 1/2- ton Pickup truck	77,634	$30,000
D&C (2021)	420	523	2007	Ford F-150 ½-ton Pickup Truck	79,683	$30,000
D&C (2022)	420	590	2011	Ford F-250 ¾-ton Truck w/utility body	63,046	$35,000

Division (FY Replacement)	Fund Source	Truck #	Model Yr.	Description	Mileage (Hours) at 2/2018	Estimated Replacement Cost
PCP (2020)	420	508	2005	Ford F-150 ½ ton Pickup Truck	46,993	$35,000
					TOTAL:	**$1,170,000**

Vehicle Replacement Summary:

DIVISION *(Fund Source)*	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
STREETS DIVISION						
General Fund:	$35,000	$45,000	$60,000	$40,000	$80,000	$260,000
Sanitation Fund:		$290,000		$40,000	$160,000	$490,000
Stormwater Fund:	$38,000		$70,000	$70,000		$178,000
Streets Division Subtotal:	$73,000	$335,000	$130,000	$150,000	$240,000	$928,000
WATER & SEWER FUND						
D&C Division:	$42,000	$70,000	$60,000	$35,000		$207,000
PCP Division:		$35,000				$35,000
Water & Sewer Fund Subtotal:	$42,000	$105,000	$60,000	$35,000	$0	$242,000
TOTAL:	$115,000	$440,000	$190,000	$185,000	$240,000	**$1,170,000**

Project Title: **Heavy Equipment and 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 and equipment 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 major equipment items makes it important to plan for their replacement by reserving a portion of their replacement cost on an annual basis until the vehicle or heavy equipment's replacement cost has been accumulated. The estimated life for each of these items are approximately 5-10 years. Vehicles and heavy equipment included in this program are those costing more than **$50,000**.

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	Replace-ment Yr.	Mileage (hours) at 2/2018	Estimated Replacement Cost	Estimated Trade-in Value	Net Est. Cost
John Deere 4320 4X4 Tractor	ST-88	2005	2020	908	$60,000		$60,000
John Deere Tractor & Bushhog	ST-32	2005	2021	1,116 hrs.	$75,000		$75,000
				TOTAL	**$135,000**	**$0**	**$135,000**

General Capital Projects Fund – Streets Heavy Equipment Reserve Funding Progress:

	2019	2020	2021	2022	2023	5-Year SUMMARY TOTAL	
Balance, beginning of year	**$72,409**	**$172,409**	**$212,409**	**$237,409**	**$337,409**	*Begin:*	**$72,409**
Deposits (from General Fund into Streets Cap. Proj. Reserve)	$100,000	$100,000	$100,000	$100,000	$100,000	*Add:*	**$500,000**
Est. Available Balance	$172,409	$272,409	$312,409	$337,409	$437,409	*Total:*	**$572,409**
Withdrawals:							
• John Deere 4320 4X4 Tractor		$60,000					
• John Deere 5520 Tractor & Bushhog			$75,000			*Less:*	**$135,000**
Balance, end of year	**$172,409**	**$212,409**	**$237,409**	**$337,409**	**$437,409**	*End:*	**$437,409**

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 A1A 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.

	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
LOGT (Not Capital) Street Maintenance	$275,000	$275,000	$275,000	$275,000	$275,000	$1,375,000
LOGT (Not Capital) 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

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, ½-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, replacement of old deteriorated force main, feasibility of connecting six residences on septic tanks and drainage improvements. Project is centered on the 15th Avenue North intersection with general north-south limits approximately 11th to 18th Avenue North. Project includes traffic study and design, followed by construction. Study is underway with design start to follow soon after.

Funding Source(s): ½-cent Infrastructure Surtax (BJB) for design work. City of Jacksonville funding for construction costs.

Penman Rd. Commercial Area	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Study/Conceptual Design *(BJB)* *Design (BJB)*	$117,758	$200,000					$200,000
Construction (City of Jacksonville)			$825,000				$825,000
TOTAL	$117,758	$200,000	$825,000	$0	$0	$0	$1,025,000

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.

Project Title: **Relocate / Rebuild Sanitary Sewage Lift Stations #7 & #8 In order to Demolish Existing Lift Stations #7 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 abandoning the existing LS#7, constructing a new LS#7, abandoning the existing L#20, and rehabbing the existing LS#8. The locations of these lift station sites are:

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

Abandoning the existing LS#7, constructing a new LS#7, abandoning the existing LS#20, and rehabbing the existing LS#8 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:

PHASE	OVERVIEW
Phase A: • Build New LS #7 • Demolish Old LS #7 and Old LS #20	*Design underway; Construction programmed for FY2018* o Build new LS #7 with generator on city property (N. 4th St. & 18th Ave.) o Build new wastewater gravity main on North 18th Avenue (State Road A1A to 4th Street) to discharge into new LS #7 o Replace wastewater gravity main on N. 4th Street (13th to 18th Ave.) o Build new wastewater force main on N. 4th Street o Replace & upgrade stormwater gravity mains o Replace & upgrade potable water mains o Demolish old LS #7 & old LS #20 o Rebuild roadway and curbing o Stormwater improvements on N. 13th & 14th Avenues (3rd to 4th Streets)
Phase B: • Rehabilitate Existing LS #8 • Construct new sewer force main to manifold with new LS #7	*Design underway; Construction programmed for FY2019* o Rehabilitate existing LS #8 o Rebuild roadway and curbing
NOTE: *Phasing is necessary so that project is flexible to integrate with possible route(s) for FDOT A1A Drainage Improvement Project.*	

Funding Source: Water & Sewer Fund

PROJECT *(Fund Source)*	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Phase A *(W/S; SW)* *Design* *Construct*	$205,220 $2,200,000						
Phase B *(W/S; SW)* *Design* *Construct*	$152,997	$1,000,000					$1,000,000
TOTAL CAPITAL:	$2,558,217	$1,000,000					$1,000,000

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 B D(2013) & C(2018)	2" galvanized 6"/8" cast iron	11,200 ft.	• A1A ***Delayed to coordinate with the FDOT Drainage Project***	6th Ave. N.	20th Ave. N.
Phase F D(2018) & C(2019)	2" galvanized 4" cast iron	3,700 ft.	• 16th St. North • 17th St. North • 11th Ave. N. • Azalea • 21st St. North	9th Ave. North 9th Ave. North 2nd St. North 23rd St. North 11th Ave. North	Dead End Dead End 3rd St. North Dead End 12th Ave. North
Phase G Design (2019) & Const. (2020)	2" pipe	Install 2500 ft of 8" PVC pipe *(to be sized for future development)*	• 2nd Ave. N.	20th St. North	Dead end (boat ramp)
Phase H Design In-House & Const. (2019) **CRA and W/S funding**		Install 8" water main Install 8" sewer main Install 8" sewer main	• 7th Ave. South • 8th Avenue N. • Shetter Avenue	1st Street S. 1st Street N. 6th Street. S.	End Zone 2nd Street N. 5th Street. S.
Phase I D(2020) & C(2021)	2" galvanized	3,700 ft.	• 21st St. North • 20th St. North • Seagrape Dr. • Rita Rae Ln. • 21st Ave. So. • 36th Ave So. • 9th St. North	9th Ave. North 9th Ave. North Seabreeze Ave. Seabreeze Ave. 1st St. 1st St. 16th Ave.	Dead End Dead End Trudee Dee Ln. Seagrape Dr. 2nd St. Ocean Dr. 17th Ave.

<u>Sanitary Sewer Collection System Improvements</u>: *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.**

Project *(Fund Source)*	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Water Main Replacement							
Phase B (W/S-78.5%, DT TIF-21.5%,) *W/S Construct* *DT TIF Construct*	 $1,200,000 $300,000						
Phase F (W/S) *Design* *Construct*	$75,000	$500,000					$500,000
Phase G (W/S) *Design* *Construct*		$60,000	$400,000				$460,000
Phase H (W/S) *Design* *Construct*		In-House $300,000					$300,000
Phase I (W/S) *Design* *Construct*			$60,000	$400,000			$460,000
TOTAL *W/S* *DT TIF*	$8,601,852 $300,000	$660,000 $200,000	$460,000	$400,000	$0	$0	$1,720,000

NOT CAPITAL	FY2019	FY2020	FY2021	FY2022	FY2023	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)*	$300,000	$300,000	$300,000	$300,000	$300,000	$1,500,000
TOTAL NOT CAPITAL	$325,000	$325,000	$325,000	$325,000	$325,000	$1,625,000

[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, lining clay sewer mains in backyard easements to reduce infiltration, and making point repairs as necessary.

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.

		Project Area		
Type of work	**Description of work**	**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	• 10th St. S. • 11th St. S. • 1st Ave. S. • 2nd Ave. S.	Beach Blvd. 1st Ave. S. 10th St S. 10th St S.	5th Ave. S. 2nd Ave. S. 11th St. S. 11th St. S.
Sewer	Construct new, and remove existing, sewer mains in alleys; add new sewer services, manholes and concrete pavement	• Between 9th and 10th St. S.	Beach Blvd.	5th Ave. S.
Stormwater/ Roadways	Construct new, and remove existing, stormwater piping; add new curb and gutter; add new asphalt pavement	• 10th St. S. • 11th St. S. • 2nd Ave. S. • 3rd Ave. S. • 4th Ave. S.	2nd Ave. S. 4th Ave. S. 9th St. S. 9th St. S. 9th St. S.	5th Ave. S. 5th Ave. S. 10th St. S. 10th St. S. 11th 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)*	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
Design *(W/S)* *(SW)* *(GCP)*	$115,000 $55,000 $50,000					$115,000 $55,000 $50,000
Construction *(W/S)* *(SW)* *(GCP)*		$760,000 $368,000 $337,000				$760,000 $368,000 $337,000
TOTAL:	$220,000	$1,465,000	$0	$0	$0	$1,685,000

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 #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.

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	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
LS #29 *(W/S)*	*Design*	$45,000						
	Construct		$300,000					$300,000
LS #23 *(W/S)*	*Design*		$45,000					
	Construct			$300,000				$345,000
LS #27 *(W/S)*	*Design*			$45,000				
	Construct				$300,000			$345,000
LS #34 (*W/S*)	*Design*				$40,000			
	Construct					$250,000		$290,000
TOTAL CAPITAL:		$45,000	$345,000	$345,000	$340,000	$250,000	$0	$1,280,000

Project Title: Wastewater Treatment Facility Improvements Program

Department/Division: Public Works / Pollution Control Plant

Project Description and Reason Necessary: During the design of the Advanced Treatment Plant, the digester tanks and the digester stairway were determined to be adequate and were not replaced with the new plant was constructed. After 10 years, condition of the Digester tanks and the digester stairway have deteriorated and attempts at repairs have not been successful. The belt press is 22 years old and is at the end of its serviceable life. A more modern and efficient method of residual drying should be considered.

- **North Digester Tanks and Air Piping:** The digester was constructed with cast in place concrete in the 1940's. Due to the age and internal pressure of the tank, the concrete surface had cracked around the perimeter of the tank. During the recent PCP upgrade, replacement of the digester air piping was included in the project. The plans called for ductile iron pipe to be used below ground to supply air to the tanks. The piping prematurely failed, in multiple places, after ten years in service. The cause of the corrosion appears to be the result of the combination of the moisture, salt content of the soil and the high heat (150+ degrees) of the air from the digester blowers. Although repairs of the air piping has been completed, these failures have caused a loss of air to the digesters and sand to be sucked into the air piping system. The constant sand blasting of the internal parts is causing valve and process issues since the tanks are accumulating large quantities of sand.

- **Digester Stair**s: The existing digester access stairs, originally installed in 1970, are composed of an upper and lower galvanized stairway with an intermediate aluminum platform that has rusted over time. The stairs have a steep incline angle of approximately 51 degrees. City staff are required to gain access to the digesters on a daily basis. The new stairs would be similar to the anodized aluminum access stairs installed for the new Sequencing Batch Reactors (SBR) with two platforms and three tiers. A stainless steel motorized gearbox crane will be included in the budget estimate to assist with lifting equipment up to 1-ton, to the top of the digester.

- **Effluent Basin Blower:** There are two rectangular re-aeration basins each with a volume of 46,914gallons (112ft by 8ft and 7ft water depth) consisting of six modules (E-Flex tubes). Each module consists of 18 membrane tubes. The FDEP permit requires a minimum of concentration of 5.0mg/L of dissolved oxygen in the effluent tank to maintain the mixing zones for recoverable copper and total cyanide. Currently, air from the SBR blowers is being utilized. The SBR blowers cycle on and off according to dissolved oxygen levels in the SBR tanks. The effluent tank reduces the amount of air the SBRs receive to provide the most optimal treatment possible.

- **Sludge Dewatering Facility Replacement**: The Pollution Control Plant currently uses a belt filter press system for residual (sludge) dewatering. This facility was installed in 1996. It included a steel building with a lean-to, stairway with platform an overhead conveyer system for truck loading and a 1.5 meter belt filter press with appurtenances. The building, lean-to and

stairs/platform have significantly deteriorated due to corrosion from exposure to sludge operations. During the PCP upgrade in 2009, the building's "skin" was removed and replaced with concrete block. The roof, ventilation fan substructure and metal supports (plus the previously mentioned stairs and lean-to) are deteriorated to the point that structural integrity is questionable. Due to the age of the facility (22 years, the belt press and conveyer are reaching the end of their useful life. Staff recommends that the existing facility be replaced with a centrifuge dewatering system including a closed pipe screw mechanism with an overhead telescoping discharge manifold for filling trucks.

- **Modifications to the Chlorine Contact Tanks and Chlorination/De-Chlorination Systems:** 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 chlorine contact tanks. In addition, the flow inside the square tank is circular and does not efficiently mix the chlorine with the effluent. Planned improvements to the chlorination/de-chlorination systems and chlorine 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

IMPROVEMENT PROJECT	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Digester Tank and Air Piping		$345,000					$345,000
Digester Stairs		$175,000					$175,000
Effluent Basin Blower			$90,000				$90,000
Sludge Dewatering Facility Replacement			$575,000				$575,000
Modifications to Chlorine Contact Tanks and Chlorination/ De-Chlorination Systems				$575,000			$575,000
WWTP Permit Renewal	$50,000						
TOTAL:	$50,000	$520,000	$665,000	$575,000	$0	$0	$1,760,000

The above planning costs are variable until project scope, design, bid / quotes advertisement, and quotes / bid awards are complete.

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:

Planning Commission granted Conditional Use Approval. At Well #16 location, drill new well to 900 feet and construct on site header (well house, pumps, piping, etc.). Extend / construct new Raw Water Main (2,400 feet +/-) from Well #15 site (southeast part of Gonzales Park) to the new Well #16 site (11th St. S. & 8th Ave.). 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.

Funding Source: Water & Sewer Fund

PROJECT	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Well #16 - Drill well to 900 ft. / Construct On-site Header *(pump, motor, piping)*	$530,000						
Extend/Construct Raw Water Main from Existing Well #15 to New Well #16 Site	$310,000						
Well #11 - Complete back-plug and abandon		$60,000					$60,000
TOTAL CAPITAL:	$940,000	$60,000	$0	$0	$0	$0	$60,000
The above planning costs are variable until project scope, design, bid advertisement & bid award are complete.							

Project Title: Elevated Water Tanks Maintenance (Exterior Renovation)

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

The City's water system includes two elevated water tanks that require ongoing maintenance and periodic renovation. 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.

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. The long-term effect is reduced corrosion of metal and reinforcement steel that could ultimately compromise the structural integrity of the elevated tank.

South Elevated Tank

The last exterior renovation of the South Elevated Tank (2120 Gordon Ave.) was in December 2007. 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. The long-term effect is reduced corrosion of metal and reinforcement steel that could ultimately compromise the structural integrity of the elevated tank.

The South Elevated Tank was inspected in January 2017 for the required 5-year, DEP washout and engineer inspection. The engineer's inspection determined that the exterior coating is in fair condition having multiple areas where the coating has failed. The original inspection revealed at a minimum for a paint, spot-prime and overcoat system in order to delay the corrosion advancement. The Division solicited quotes and budgeted for the latter.

A more extensive inspection performed by both Tank Rehab and Utility Service Co. Both inspections recommended to drape, prepare and have the tank blasted and a high quality coating system applied, increasing the service life to greater than 10 years. It is recommended that a Tnemec Hydroflon topcoat system be used because it would extend the color, gloss, and life cycle of the paint up to 30 years.

The original renovation project was scheduled to begin in FY2018. Upon further inspection, additional repairs are necessary at an increased cost of $307,535. The South Elevated Tank exterior renovation is now projected to begin in November 2018 after the end of hurricane season. The contractor estimates 120 days to complete the project.

North Elevated Tank

The North Elevated Tank (1320 11th Avenue North) was last renovated in 2010 with a touch up in 2017. The inspection, conducted in May 2017 by Tank Rehab, LLC, found 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 original inspection revealed at a minimum for a paint, spot-prime and overcoat system in order to delay the corrosion advancement.

By fiscal year 2020, the project will require similar drape preparation, sand blast, and high quality coating system as recommended for the South tank. The work on the North tank is planned for November 2019 (after hurricane season) and will take approximately 4 months to complete. Estimated costs are $320,000.

Both tanks are covered by Verizon antenna mounts. The current configuration of this equipment limits access to corroded areas of the tanks. As part of both tanks projects, it is recommended that the best solution would be to remove the antennas during renovation, then fabricate and install "corral" type mount systems. This will allow the best access for the tank / coating system maintenance in the future.

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

Funding Source: Water & Sewer Fund

PROJECT	PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	Total
South Elevated Tank Exterior Renovation (2018)	$307,535						
North Elevated Tank Exterior Renovation (2020)	$0		$320,000				$320,000
TOTAL	$307,535	$0	$320,000	$0	$0	$0	$320,000

Project Title: Water Plant #1 & #2 Security Camera Replacement Project

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

The Water Plant Division currently has eleven wall mounted cameras and a pole mount non-functioning security camera. The AXIS camera system installed in approximately 2003 is antiquated, non-adaptable to system upgrades and needs replacing.

The proposed upgrade / replacement will provide components and materials to replace all existing cameras with (13) 3MP HD Dome and (1) 5MP HD Dome cameras. Two additional cameras will be added, one at each of the Chlorination Facilities. The new camera system will include the Aviqilon NVR control center, with 12TB of effective recording, for 20-30 Days of video retention. This system can support additional cameras if needed for future upgrades and is compatible with the Police Department's system.

A significant investment of a critical security camera system requires proactive and routine maintenance for reliability. Siemens Industry, Inc. can provide a 5-year service agreement to ensure the system is dependable and operational at all times.

Cost estimates were obtained from Siemens Industry to the City of Jacksonville Beach, by utilizing the contract through the National Joint Powers Alliance (NJPA), NJPA Contract #: 031517-SIE

Funding Source: Water & Sewer Fund

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Water Plant # 1 & #2 Security Camera replacement Project	$92,070					$92,070

Future Operating Budget Impact:

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Camera System Maintenance Agreement	$9,500	$9,500	$9,500	$9,500	$9,500	$47,500

Project Title: Water Plant #2 Generator Replacement Project

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary:

The current 440kV 480/277 three phase generator at Water Plant #2 was originally installed in 1983 and is now in need of replacement. Spare parts are becoming difficult to locate and some components are no longer available from the manufacturer or after-market. The replacement 450kV Caterpillar C15 generator will use the existing fuel tank at Water Plant #2. Cost estimate information comes from National Joint Powers Alliance Contract.

Funding Source: Water & Sewer Fund

	FY2019	FY2020	FY2021	FY2022	FY2023	Total
Water Plant #2 Generator		$319,068				$319,068

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 approximately 175 linear feet of 48-inch RCP storm sewer piping, two (2) inlets, filling in of existing ditch, and sodding removal and replacement.

- **Isabella Boulevard (35th Avenue South to Jacksonville Drive):** Project consists of installation of approximately 450 linear feet of 42-inch RCP storm sewer piping, three (3) manholes, filling in of existing ditch, and sodding removal and replacement.

- **Republic Drive (Constitution Cove Pond Outfall west to City Ditch):** Extend approximately 600 linear feet of 24-inch PVC storm sewer piping from the outfall of Constitution Cove Pond to the westerly end of Republic Drive continuing west to outfall into city drainage ditch. Includes investigation of the route, design modification and construction.

- **4th Street South (1st Avenue South to 6th Avenue South):** Project consists of removal and replacement of approximately 2,100 linear feet of 24 to 48 inch storm sewer piping, manholes, inlets, curb and gutter and asphalt pavement. Water and sewer mains may also have to be replaced in this area.

Funding Sources: Stormwater Fund

Project		PRIOR	FY2019	FY2020	FY2021	FY2022	FY2023	TOTAL
o **4th St. S.** (10th -12th Ave.) *To be constructed under Phase IIIC-Project 2, Part C*	*Construct*	$305,446						
o **4th St. S.** (15th -16th Ave.)	*Design* *Construct*	$20,000	$100,000					$100,000
o **Isabella** (35th Ave to Jax Dr)	*Design* *Construct*			$40,000	$200,000			$240,000
o **Republic Dr.** (Constitution Cove Pond west to City ditch)	*Design* *Construct*		$50,000	$260,000				$310,000
o **4th St S.** (1st - 6th Ave.)	*Design* *Construct*				$200,000	$1,000,000		$1,200,000
TOTAL CAPITAL		$325,446	$150,000	$300,000	$400,000	$1,000,000		$1,850,000

Project (NOT CAPITAL)	FY2019	FY2020	FY2021	FY2022	FY2023	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

JACKSONVILLE BEACH, FLORIDA • FIRST COAST'S FINEST BEACH •

Glossary of Budgetary and Financial Terminology and Acronyms

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

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

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

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

AFG – Aid to Firefighters Grant

AICPA – American Institute of Certified Public Accountants

ALS — Advanced Life Support

Amendment - a change to the adopted budget which may increase or decrease a fund's total appropriation.

Amortization - gradual reduction of an amount over time. An example is amortized principal and interest payments on debt. An asset or liability with a limited life is usually amortized over the period benefitted (i.e., the life of the loan).

APPA — American Public Power Association

Appropriation - a specific amount of funds authorized by the City Council with which financial obligations may be made.

ARP – All Requirements Project

ARRA – American Recovery and Reinvestment Act

Assessed Valuation - the value placed on property for the purpose of taxation. The City of Jacksonville Beach accepts the assessment of real and personal property as determined by the Duval County Property Appraiser.

AWT – Advanced Waste Treatment

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

BLS — Basic Life Support

BMAP – Basin Management Action Plan

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

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

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

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

Budget Message - a brief written statement presented by the City Manager to the City Council and incorporated into the budget document which highlights budget issues and policy recommendations.

Budget Process - the established procedures and calendar for the tasks which are to be completed prior to the adoption of the annual operating budget.

Budget Resolution - the official enactment by the City Council legally authorizing City officials to obligate and expend City resources.

Budgetary Solvency - a governmental unit's ability to generate sufficient cash revenues to pay its bills over a thirty to sixty day time frame.

CAD — Computer-Aided Dispatch

CAFR — Comprehensive Annual Financial Report

CALEA — Commission on Accreditation for Law Enforcement Agencies

CAPE – Community Assisted Policing Effort

Capital (Fixed) Asset – Land, improvements to land, easements buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure and all other tangible or intangible assets costing $1,000 or more that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Expenditure/Capital Outlay - an expenditure for the acquisition of, or addition to a 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.

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.

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

GASB – Governmental Accounting Standards Board

General Fund - the governmental accounting fund supported by ad valorem property taxes, licenses and permits, service charges and other general revenues to provide City-wide operating services. This may be referred to as the Operating Fund.

General Obligation Bonds (GOB) - bonds whose principal and interest are paid from property tax for debt service and are backed by the City's full faith and credit. Approval by referendum vote is required for GOBs to be issued.

GFOA - Government Finance Officers' Association

GIS — Geographic Information System

Governmental Funds - funds used to account for the acquisition, use and balances of expendable financial resources and related liabilities. Governmental funds include the General Fund, Special Revenue Fund(s), Debt Service Fund(s) and Capital Projects Fund(s).

GPS — Geographic Positioning System

Homestead Exemption - pursuant to the Florida State Constitution, the first $25,000 of assessed value of a home which the owner occupies as principal residence is exempt from property tax.

HTE – The name of the City of Jacksonville Beach's operating software for general ledger, utility billing, building permit, occupational license and other applications.

IAFF — International Association of Firefighters

Impact Fees - monetary payments made by developers or builders to defray the public costs of providing infrastructure capital to a development.

Infrastructure - public support structures such as roads, street lighting, water and sewer lines.

Intergovernmental Revenue - Revenue received from another governmental unit in the form of entitlements, shared revenues or payment in lieu of taxes.

IRB – Inflatable Rescue Boat

JAG – Justice Assistance Grant

JTA — Jacksonville Transportation Authority

Kw, Kwh — Kilowatt, kilowatt hour, respectively

LAN — Local Area Network

Levy - to impose taxes, special assessments or service charges. Another term used for millage rates.

LIUNA — Laborers International Union of North America

LOGT – Local Option Gas Tax

Major Funds – Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments* sets forth minimum criteria (percentage of assets, liabilities, revenue or expenditures/expenses) for the determination of major funds. Based on that criteria, the City reports the following major funds: General Fund, General Capital Projects Fund, Community Redevelopment Fund and Electric Fund. The City has elected to report the Water & Sewer Fund as a major fund.

Mandate - any responsibility, action or procedure that is imposed by one sphere of government on another through constitutional, legislative, administrative, executive or judicial action as a direct order or that which is required as a condition of aid.

Matching Requirement - a contribution to a project or program required by a funding source as a basis for the grantor's contribution. Matching requirements are frequently imposed as a proportionate share of the overall contribution.

MCP – Mobile Command Post

MGD — Million Gallons per Day

MHz — Megahertz

Mill – amount per $1,000 of value

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.

SAN — Storage Area Network

SCBA – Self-contained Breathing Apparatus

Sinking Fund - a reserve fund accumulated over a period of time used for the periodic retirement of debt.

SLEP - Service Life Extension Program

Special Assessment - a compulsory levy imposed on certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund - a governmental fund in which the revenues are designated for use for a specific purpose or activity.

STAG – State and Tribal Assistance Grant

SWAT — Special Weapons and Tactics

Taxes - compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Tax Year - the calendar year in which ad valorem taxes are levied to finance the ending fiscal year budget. For example, the tax roll for the 2009 calendar year would be used to compute the ad valorem taxes levied for the 2009-2010 budget.

TCEA – Transportation Concurrency Exception Area

TECO – Tampa Electric Company

Tentative Millage - the tax rate adopted in the first public hearing of a taxing authority. Under state law, the agency may reduce, but not increase, the millage during the final budget hearing without extensive re-advertising and property owner notification.

TIF — Tax Increment Fund(s)

TMDL – Total Maximum Daily Load. TMDL refers to the maximum amount of a pollutant such as nitrogen, copper, phosphorous or other specified nutrient that a water body can receive and still meet water quality standards, and an allocation of that amount is made to the pollutant's sources, such as wastewater plants.

Transfers – are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

TRIM – Truth in Millage Act - a 1980 law enacted by the Florida legislature which changed the budget process for local taxing authorities. It was designed to keep the public informed about the taxing intentions of the various authorities.

Uniform Accounting System - the chart of accounts prescribed by the State of Florida, Office of the Comptroller which is designed to standardize financial information to facilitate comparison and evaluation of various reports.

User Charges/Fees - fees charged for the direct receipt of public service.

VECHS — Volunteer Employee Criminal History System

Voted Millage - property tax levies authorized by voters within a taxing authority. Bond issues that are backed by property taxes are a common form of voted millage in the State of Florida. Such issues are called general obligation bonds.

WQBEL – Water Quality Based Effluent Limit

WTP – Waste Treatment Plant

WWTP – Waste Water Treatment Plant