



City of

Jacksonville Beach

City Hall

11 North Third Street

Jacksonville Beach

FL 32250

Phone: 904.247.6268

Fax: 904.247.6276

[www.jacksonvillebeach.org](http://www.jacksonvillebeach.org)

## MEMORANDUM TO:

The Honorable Mayor and  
Members of the City Council  
City of Jacksonville Beach, Florida

**SUBJECT:** Special Council Meeting  
Wednesday, September 7, 2011, at 6:00 p.m.  
Council Chamber, 1<sup>st</sup> Floor,  
City Hall, Jacksonville Beach

Councilmembers:

There will be a Special Meeting of the City Council on Wednesday, September 7, 2011, at 6:00 p.m., in the Council Chamber, located on the 1<sup>st</sup> Floor of City Hall, 11 North 3<sup>rd</sup> Street, Jacksonville Beach, Florida.

The purpose of this meeting will be for adoption of the 2011–2012 Fiscal Year Proposed Millage Rate and Tentative Operating Budget.

c: George Forbes, City Manager  
News Media

If a person decides to appeal any decision made by the City Council with respect to any matter considered at any meeting, such person may need a record of the proceedings and, for such purpose, such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

The public is encouraged to speak on issues on this Agenda that concern them. Anyone who wishes to speak should submit the request to the City Clerk prior to the beginning of the meeting. These forms are available at the entrance of the City Council Chambers for your convenience.

In accordance with the Americans With Disabilities Act and Section 286.26, Florida Statute, persons with disabilities needing special accommodation to participate in this meeting should contact the City Clerk's Office no later than 5:00 P.M., September 2, 2011.





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## **SPECIAL COUNCIL MEETING - September 7, 2011, 6:00 p.m.**

### **SYNOPSIS OF REQUIRED ACTION FOR THE ADOPTION OF THE PROPOSED OPERATING MILLAGE RATE AND TENTATIVE OPERATING BUDGET FOR THE FISCAL YEAR 2011-2012**

#### **Call to Order**

#### **Roll Call**

#### **The purpose of this meeting is to:**

- adopt a proposed Millage Rate, Resolution No. 1884-2011 and
- adopt a tentative Operating Budget, Resolution No. 1885-2011 for fiscal year 2011-2012.

#### **Mayor Reads Statement - Attached**

#### **Mayor Opens Public Hearing**

Public Hearing on the Proposed Millage Rate and the Tentative Operating Budget

#### **Mayor Closes Public Hearing**

#### **Motion to adopt the Proposed Millage Rate for Operating Purposes of 4.0947.**

Discussion and Vote

#### **Motion to adopt the Tentative Operating Budget for fiscal year 2011-2012 of \$161,095,934.**

Discussion and Vote

#### **Adjourn**

**THIS STATEMENT MUST BE READ BEFORE PUBLIC HEARING**

**SPECIAL COUNCIL MEETING - September 7, 2011 - 6:00 p.m.**

**The first item to be discussed is the Proposed Millage Rate.**

The budget for the City of Jacksonville Beach was prepared using the millage rate of 4.0947 mills. The rolled back rate is 4.4391 mills. The proposed rate of 4.0947 mills is 7.76% less than the rolled back rate.

**The second item to be discussed is the Tentative Operating**

**Budget.** The Tentative Operating Budget for Fiscal Year 2011-2012 is \$161,095,934.



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MEMORANDUM

TO: Mayor Fland O. Sharp  
City Council Members

FROM: George D. Forbes, City Manager

SUBJECT: SPECIAL COUNCIL MEETING – September 7, 2011 – 6:00 p.m.

DATE: August 12, 2011

ACTION REQUESTED

The purpose of this meeting is to hold a public hearing for the adoption of the Proposed Millage Rate and Tentative Operating Budget for the fiscal year beginning October 1, 2011 and ending September 30, 2012.

BACKGROUND

**The first item to be discussed is the Proposed Millage Rate.** The tentative operating budget has been prepared using a millage rate of \$4.0947, which is equal to the current millage rate and less than the 1986 rate of 4.4790 mills. The proposed millage rate is 7.76% less than the rolled back rate.

Total assessed value decreased by \$212,338,561 or 7.6%. Taxable values in the redevelopment districts decreased by \$61,900,603 or 8.2%; taxable values for the rest of the City decreased by \$150,437,958 or 7.3%.

**The second item to be discussed is the Tentative Operating Budget.** The Tentative Operating Budget for Fiscal Year 2011-2012 is \$161,095,934. The tentative operating budget is \$20,022,371 (11.1%) less than the current year's budget. The staff and City Council held five workshops to discuss all facets of the budget.

The General Fund's proposed budget of \$18,119,689 decreased by \$471,037. Over 62% (\$11,267,838) of the General Fund's budget is used to pay for the cost of police and fire services.

At the start of this budget process, proposed expenditures in the General Fund exceeded estimated revenues by \$625,350. We were able to close that deficit by making changes such as reducing capital outlay, eliminating some positions, reducing hours or replacing full time with part time positions. Where possible, we are using alternate funding sources, such as Convention



Development dollars to offset the cost of special events and by reducing the number of special events. Employee turnover has also helped us to reduce costs. We are striving to work smarter with fewer in all funds, and savings in other funds are often shared with the General Fund.

This proposed budget makes it possible to continue to provide a level of services that our citizens expect, however, future budget reductions will continue to require some difficult choices. We have been reducing budgets for several years now, and further reductions will likely require adjustments in the levels of service that our citizens and customers have come to expect.

#### RECOMMENDATIONS

- 1. Adopt the Proposed Millage Rate of 4.0947 mills.**
- 2. Adopt the Tentative Operating Budget for FY 2011-2012 of \$161,095,934.**

GDF:tr

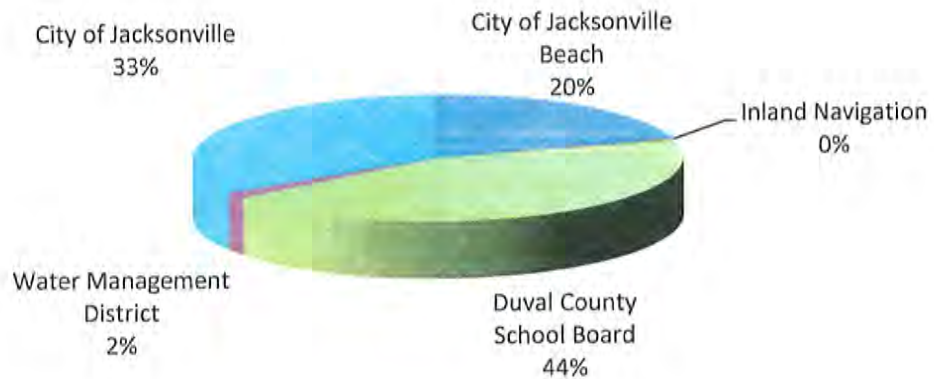
City of Jacksonville Beach - All Funds  
Combined Summary of Revenues and Expenditures

	Actual 2009	Actual 2010	Original Budget 2011	Proposed Budget 2012	Increase (Decrease)	% Change
Restricted Fund Balance	\$ 83,606,840	\$ 78,521,629	\$ 79,858,471	\$ 74,304,640	\$ (5,553,832)	-7.0%
Unrestricted Fund Balance	55,936,649	63,680,124	66,722,390	59,234,741	(7,487,649)	-11.2%
<b>Beginning Fund Balance</b>	<b>139,543,489</b>	<b>142,201,753</b>	<b>146,580,861</b>	<b>133,539,381</b>	<b>(13,041,481)</b>	<b>-8.9%</b>
<b>Revenues</b>						
Taxes	20,024,475	19,531,762	18,865,996	18,906,904	40,908	0.2%
Permits & fees	349,571	229,565	323,800	328,800	5,000	1.5%
Intergovernmental	6,530,767	12,045,726	5,155,699	4,222,132	(933,567)	-18.1%
Charges for services	125,300,882	127,590,454	125,487,705	125,948,914	461,209	0.4%
Fines & forfeitures	298,613	510,579	187,500	196,500	9,000	4.8%
Interest & other	9,007,391	10,394,759	8,423,477	8,627,076	203,599	2.4%
Transfers in	14,533,120	9,792,787	9,632,648	5,702,366	(3,930,282)	-40.8%
<b>Total Revenues</b>	<b>176,044,819</b>	<b>180,095,632</b>	<b>168,076,825</b>	<b>163,932,692</b>	<b>(4,144,133)</b>	<b>-2.5%</b>
<b>Other Financing Sources</b>	<b>1,759,024</b>	<b>7,950,703</b>				
<b>Expenditures</b>						
Personal Services	25,005,241	25,302,663	26,814,729	26,165,172	(649,557)	-2.4%
Operating-Energy	79,974,262	76,591,941	75,740,105	76,921,105	1,181,000	1.6%
Operating-All Other	27,875,229	33,985,930	35,690,099	35,503,597	(186,502)	-0.5%
Capital Outlay	16,075,301	26,632,494	24,728,874	8,934,359	(15,794,515)	-63.9%
Debt Service	8,458,095	8,488,662	8,500,313	7,857,798	(642,515)	-7.6%
Grants to Others	21,691	23,168	11,537	11,537	0	0.0%
Transfers	14,533,120	9,792,787	9,632,648	5,702,366	(3,930,282)	-40.8%
<b>Total Expenditures</b>	<b>171,942,939</b>	<b>180,817,645</b>	<b>181,118,305</b>	<b>161,095,934</b>	<b>(20,022,371)</b>	<b>-11.1%</b>
<b>Other Financing Uses</b>	<b>3,202,640</b>	<b>2,849,582</b>				
<b>Change in Fund Balance</b>	<b>2,658,264</b>	<b>4,379,108</b>	<b>(13,041,480)</b>	<b>2,836,758</b>	<b>15,878,238</b>	<b>-121.8%</b>
Restricted Fund Balance	78,521,629	79,858,471	74,304,640	74,668,291	363,651	0.5%
Unrestricted Fund Balance	63,680,124	66,722,390	59,234,741	61,707,848	2,473,107	4.2%
<b>Ending Fund Balance</b>	<b>\$ 142,201,753</b>	<b>\$ 146,580,861</b>	<b>\$ 133,539,381</b>	<b>\$ 136,376,139</b>	<b>\$ 2,836,758</b>	<b>2.1%</b>
<b>Expenditures by Department:</b>						
Executive & Legislative	1,321,648	1,285,265	1,486,157	1,454,213	(\$31,944)	-2.1%
Finance	3,731,302	3,675,501	4,254,759	4,145,059	(109,700)	-2.6%
Planning & Development	6,334,725	9,896,730	8,892,901	2,686,723	(6,206,178)	-69.8%
Parks & Recreation	5,391,273	5,053,292	5,180,451	4,662,199	(518,252)	-10.0%
Public Works	19,174,329	27,895,563	25,698,969	18,834,284	(6,864,685)	-26.7%
Police	7,953,600	8,662,230	8,729,452	8,602,779	(126,673)	-1.5%
Fire	3,219,276	3,336,674	3,523,816	3,467,784	(56,032)	-1.6%
Beaches Energy Services	106,338,554	102,729,940	105,888,094	102,924,014	(2,964,080)	-2.8%
Human Resources	1,749,612	6,127,768	4,673,448	4,178,278	(495,170)	-10.6%
Non-Departmental	16,728,620	12,154,682	12,790,258	10,140,601	(2,649,657)	-20.7%
<b>Total Expenditures</b>	<b>\$ 171,942,939</b>	<b>\$ 180,817,645</b>	<b>\$ 181,118,305</b>	<b>\$ 161,095,934</b>	<b>\$ (20,022,371)</b>	<b>-11.1%</b>
<b>Expenditures by Major/Nonmajor Fund:</b>						
General Fund	18,230,993	17,718,623	18,590,726	18,119,689	(\$471,037)	-2.5%
Redevelopment	5,919,335	9,674,653	8,636,623	2,530,345	(6,106,278)	-70.7%
General Capital Projects	3,165,287	2,598,409	1,104,282	235,762	(868,520)	-78.7%
Electric	103,767,349	98,525,396	99,722,628	98,560,887	(1,161,741)	-1.2%
Water & Sewer	12,665,651	20,874,219	17,552,618	11,951,418	(5,601,200)	-31.9%
<b>Total Major Funds</b>	<b>143,748,615</b>	<b>149,391,300</b>	<b>145,606,877</b>	<b>131,398,101</b>	<b>(14,208,776)</b>	<b>-9.8%</b>
Nonmajor Governmental	8,211,474	5,583,604	6,775,767	3,514,886	(3,260,881)	-48.1%
Nonmajor Enterprise	6,865,316	7,907,391	11,545,503	8,552,589	(2,992,914)	-25.9%
Internal Service	8,566,216	12,916,623	11,891,740	11,116,364	(775,376)	-6.5%
Pension	4,551,318	5,018,727	5,298,418	6,513,994	1,215,576	22.9%
<b>Total Nonmajor Funds</b>	<b>28,194,324</b>	<b>31,426,345</b>	<b>35,511,428</b>	<b>29,697,833</b>	<b>(5,813,595)</b>	<b>-16.4%</b>
<b>Total Expenditures</b>	<b>\$ 171,942,939</b>	<b>\$ 180,817,645</b>	<b>\$ 181,118,305</b>	<b>\$ 161,095,934</b>	<b>\$ (20,022,371)</b>	<b>-11.1%</b>
Total Expenditures	\$171,942,939	\$180,817,645	\$181,118,305	\$161,095,934	(\$20,022,371)	-11.1%
less: Internal Service Charges	8,566,216	12,916,623	11,891,740	11,116,364	(\$775,376)	-6.5%
less: Transfers	14,533,120	9,792,787	9,632,648	5,702,366	(\$3,930,282)	-40.8%
<b>Net Budgeted Expenditures</b>	<b>\$148,843,603</b>	<b>\$158,108,235</b>	<b>\$159,593,917</b>	<b>\$144,277,204</b>	<b>(\$15,316,713)</b>	<b>-9.6%</b>

## Where Your Tax Dollars Go

Property Taxes on a home with Homestead Exemption  
(\$50,000; \$25,000 for school districts)

FY2011 Millage Actual	FY2012 Planned Millage		FY2011 Tax Generated*	FY2012 Estimated Tax**
4.0947	4.0947	<b>City of Jacksonville Beach</b>	\$696	\$606
0.0345	0.0345	Inland Navigation	\$6	\$5
7.8440	7.4700	Duval County School Board	\$1,530	\$1,292
0.4158	0.3313	Water Management District	\$71	\$49
6.7446	6.7446	City of Jacksonville	\$1,147	\$998
<u>19.1336</u>	<u>18.6751</u>	<b>TOTAL</b>	<u>\$3,448</u>	<u>\$2,951</u>



\*Based on a median home price of \$220,000 (Zillow 1-1-2010)

\*\*Based on a median home price in Jacksonville Beach of \$198,000 (Zillow 1-1-2011)