

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

MEMORANDUM TO:

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

SUBJECT: Special Council Meeting
Monday, September 18, 2017 at 6:00 p.m.
Council Chamber, 1st Floor,
City Hall, Jacksonville Beach

Councilmembers:

There will be a **Special Meeting of the City Council on Monday, September 18, 2017, at 6:00 p.m.**, in the Council Chamber, located on the 1st Floor of City Hall, 11 North 3rd Street, Jacksonville Beach, Florida.

The purpose of this meeting will be for adoption of the 2017–2018 Fiscal Year Millage Rate (Resolution 1988-2017) and Operating Budget (Resolution 1989-2017).

cc: 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 15, 2017.



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

SPECIAL COUNCIL MEETING - September 18, 2017, 6:00 p.m.

Synopsis of required action for the adoption of the proposed operating millage rate and the tentative operating budget for the 2017-2018 fiscal year.

Call to Order

Roll Call

The purpose of this meeting is to:

- adopt a Millage Rate (Resolution 1988-2017) and
- adopt an Operating Budget (Resolution 1989-2017)

Mayor Reads Statement - Attached

Mayor Opens Public Hearing

Public Hearing on the Millage Rate and the Operating Budget

Mayor Closes Public Hearing

Motion to adopt the Millage Rate for Operating Purposes of \$3.9947, Resolution 1988-2017.

Discussion and Vote

Motion to adopt the Operating Budget for fiscal year 2017-2018 of \$164,505,457, Resolution 1989-2017.

Discussion and Vote

Adjourn



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



MEMORANDUM

TO: Mayor Latham
City Council Members

FROM: George D. Forbes, City Manager

SUBJECT: SPECIAL COUNCIL MEETING, September 18, 2017 at 6:00 p.m.

DATE: September 5, 2017

ACTION REQUESTED

The purpose of this meeting is to hold a public hearing for the adoption of the Millage Rate and Operating Budget for the fiscal year beginning October 1, 2017 and ending September 30, 2018.

BACKGROUND

The first item to be discussed is the Millage Rate. The tentative operating budget has been prepared using a millage rate of \$3.9947 per \$1,000 of assessed taxable value, which is less than both the 2014 rate of \$4.0947 and the current statewide average of \$4.8178. For the past three consecutive years, the City has reduced its millage rate. However, this year the City is proposing an increase in its millage for the primary purpose of adjusting its Public Safety salaries. This millage increase is necessary so that the City can be competitive and continue to recruit and retain the highest caliber Police and Fire personnel.

The following additional points should be considered:

- The total millage levied by all taxing authorities in the County continues to decline. In 2014, the total millage was \$19.9967. The proposed total millage for the 2018 budget year is \$18.9353. Therefore, the overall tax rate to our citizens, including our proposed millage rate adjustment, continues to be reduced. (See attached page, *Points to keep in mind.*)
- Total assessed value increased by \$222,980,005 or 7.1%, which includes new construction of \$44,682,551. In 2008, our taxable property values were \$3.2 Billion; in 2017, they are \$3.35 Billion. It has taken 10 years for the City's property values to recover from the Great Recession.

- Although property values have increased, the ‘Save Our Homes’ amendment limits the increase in the taxable value of your home to 3% or the percentage increase in CPI, whichever is less.

The second item to be discussed is the Operating Budget. The Tentative Operating Budget for Fiscal Year 2017-2018 is \$164,505,457. The tentative operating budget is 3.67% more than the current year’s budget.

The **General Fund’s** proposed budget is \$21,520,576 (6.7%) more than the current year. 58.5% (\$12,598,048) of this fund’s costs and 70% of its authorized positions are dedicated to the police and fire departments.

Garbage and Stormwater rates have not been changed in over 24 years. Electric rates have been reduced by a total of \$21 per 1,000 kilowatt hours since 2010 saving our customers hundreds of dollars per year. Through continuing sound financial management the City’s government debt will be retired in March 2019 followed by the utility debt in October 2020.

This budget makes it possible to continue to provide a level of services that our citizens expect and to set aside funds for longer term projects such as facilities and park maintenance.

The staff and City Council held five workshops to discuss all facets of the budget.

RECOMMENDATIONS

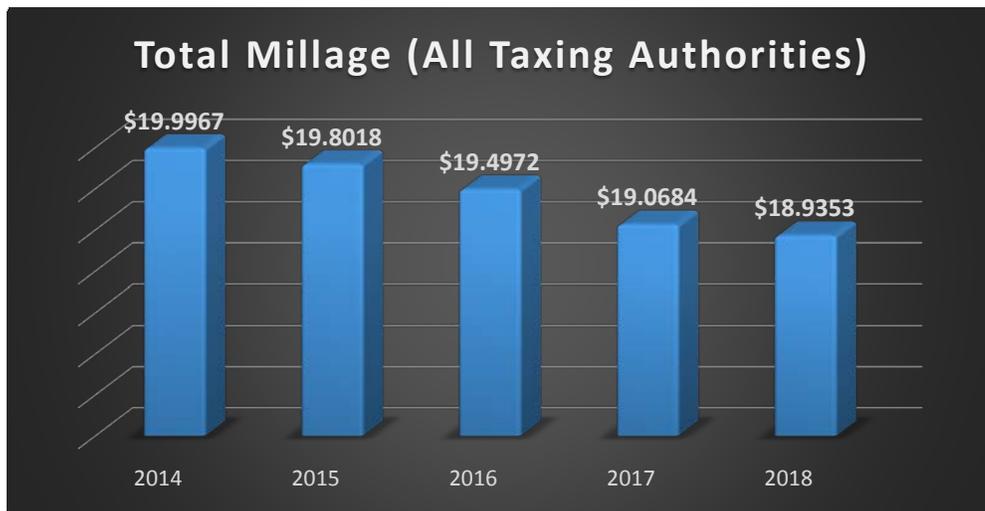
- 1. Adopt Resolution No. 1988-2017 adopting the Millage Rate for fiscal year 2017-2018 of \$3.9947 mills.**
- 2. Adopt Resolution No. 1989-2017, adopting the Operating Budget for fiscal year 2017-2018 of \$164,505,457.**

GDF:ag

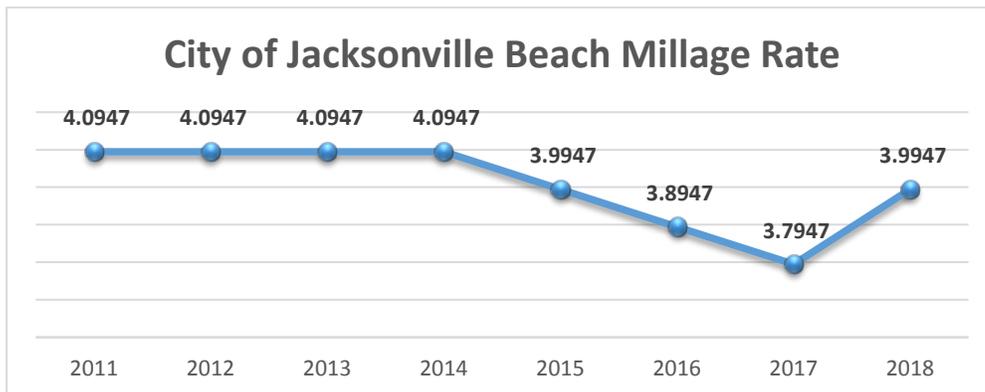
COJB 2018 Budget

Points to keep in mind

- The total millage rate paid by our citizens will decrease next year, as it has for the previous three years.



- The 2014 overall tax rate to our citizens was \$19.9967. The proposed millage for the 2018 budget year, including our millage rate adjustment, is \$18.9353.



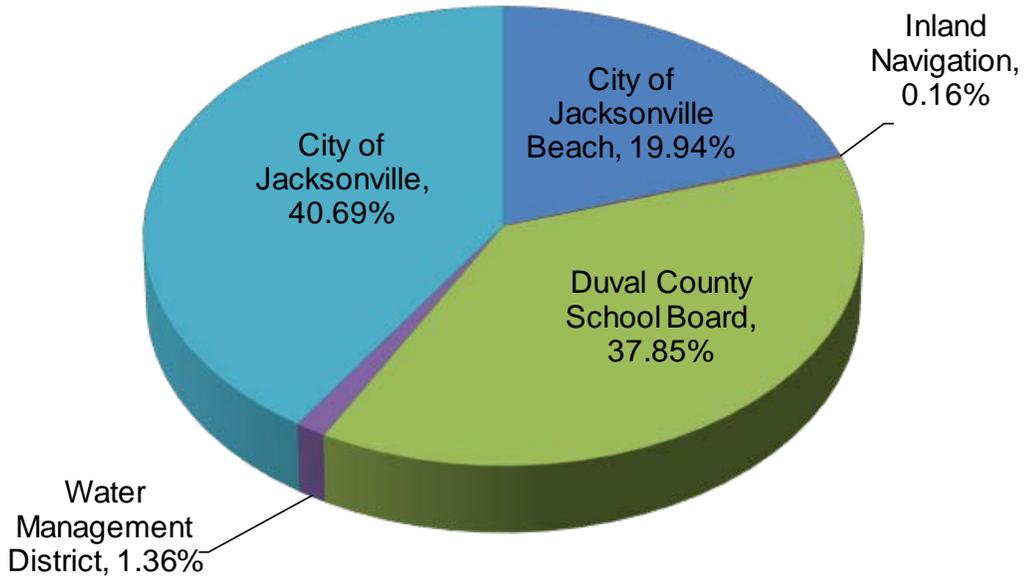
- In order for Jacksonville Beach to keep its public safety wages competitive so that we can continue to attract and retain high quality police and fire personnel, an increase to the City's millage rate is necessary.
- The City's proposed millage rate is \$3.9947 per each \$1,000 of taxable value; the statewide average is \$4.8178.
- The City's proposed millage rate is lower than it was in 2011 through 2014.
- Although property values have increased, the Save Our Homes amendment limits the increase in the taxable value of your home to the 3% or the percentage increase in CPI, whichever is LESS.
- Garbage and Stormwater rates have not been changed in over 24 years. Electric rates have been reduced by a total of \$21 per 1,000 kilowatt hours since 2010 saving our customers hundreds of dollars per year.

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

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

Where Your Property Tax Dollars Go
 Property Taxes on a home with Homestead Exemption*
 (\$50,000; \$25,000 for school districts)

Current Millage Rate			Proposed Millage Rate	
Millage Rate	Property Tax		Millage Rate	Property Tax
\$3.7947	\$560	City of Jacksonville Beach	\$3.9947	\$589
0.0320	\$5	Inland Navigation	0.0320	\$5
6.8020	\$1,174	Duval County School Board	6.4850	\$1,119
0.2885	\$43	Water Management District	0.2724	\$40
8.1512	\$1,203	City of Jacksonville	8.1512	\$1,203
\$19.0684	\$2,983	TOTAL	\$18.9353	\$2,956



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