

CITY OF JACKSONVILLE BEACH ANNUAL BUDGET



FISCAL YEAR ENDING SEPTEMBER 30, 2015

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
	Steve Hartkemeyer	Seat 4, District 1
	Jeanell Wilson	Seat 5, District 2
	Tom Taylor	Seat 6, District 3

City Clerk: Judy L. Bullock

City Attorney: Susan S. Erdelyi

City Manager: George D. Forbes

Department Directors:

Gary Frazier	Chief, Fire Department
Patrick K. Dooley	Chief, Police Department
Roy Trotter	Director of Beaches Energy Services
Karen Nelson	Director of Human Resources
Gary Meadors	Director of Parks & Recreation
Steven G. Lindorff	Director of Planning & Development
William T. Edwards, P.E.	Director of Public Works
Harry E. Royal, C.P.A.	Finance Officer

WORKING TOGETHER: COMMITTED TO THE CITIZEN

2015 ANNUAL BUDGET
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September 29, 2014

The 2015 Annual Budget and Capital Improvement Plan adopted on September 8, 2014, reduces the millage rate by 2.4% to \$3.9947 mills. The total adopted budget of \$153.9 million is \$25.1 million less than the 2014 budget. Most of the decrease results from the expected completion of redevelopment projects budgeted in 2014 and reductions in the cost of power for Beaches Energy Services. The General Fund's budget of \$19.5 million is \$435,321 more than this year's budget. The increase reflects \$617,053 of additional funding for road and drainage projects. Property taxes represent 40% of the General Fund's total revenue.

ECONOMIC AND DEMOGRAPHIC INFLUENCES

The City of Jacksonville Beach's economy and demographics reflect statewide and national trends. While statewide improvements in job prospects, tourism, personal income, and building permit activity indicate some recovery, for the first six months of 2014, 9 of the top 10 highest metro foreclosure rates nationally were in Florida (Jacksonville was number 9)*. The City of Jacksonville Beach's property values increased by 6.8% and 2015 budget projections for some property, sales and gas taxes have increased. However, while many indicators are improving, they have not recovered to pre-recession levels.

Another trend with implications for the future is changes in population demographics. Florida's population is projected to grow by 5 million to 24 million by 2030; its older population (age 60+) is expected to account for 56% of the gains*. The City's workforce is reflecting this trend as Baby Boomers become eligible for retirement, making it important to plan for the transition and develop the next generation of the City's workforce leaders. Some of the staffing changes included in the 2015 budget are being made specifically to address the economic and demographic changes the City is experiencing. 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, September 15, 2014**, The Florida Legislature Office of Economic and Demographic Research, <http://edr.state.fl.us>)

BUDGET ISSUES

For the first time since the recession, the budget includes merit increases that were negotiated with each of the City's three unions this year. During negotiations, the unions worked with the City on the difficult issues surrounding reductions in pension costs. The ratified contracts that resulted from those negotiations reduced budgeted pension costs by about \$1.0 million a year.

An improved economy, changes in the way the City will do business in the future and an aging workforce are all impacting staffing. The 2015 budget makes the following changes in authorized positions to address these issues:

- Reauthorizes 1 Building Codes Inspector position. This position has been vacant since 2010, the low point of the recession. Building activity has increased to a level that requires another inspector to handle the increased workload.
- Reauthorizes 1 Deputy City Manager, a position that has been vacant since 2009. The position was eliminated as part of a cost savings plan that reduced the City Manager's office from a staff of 5 to a staff of 2. As several senior staff have begun retiring, the reauthorization is necessary for workload management.
- Adds 1 part-time Community Redevelopment Specialist to provide continuity and mentorship during the next one to two years, for staff that is relatively new to the management of the City's two redevelopment districts. This position will be funded by the Community Redevelopment Agency.
- Adds 1 fulltime Engineer to focus primarily on projects in the two redevelopment districts. This work, along with water, sewer, roads and

drainage throughout the the rest of City has been managed for many years by the City's Public Works Director and 1 Engineer. The estimated \$30 million of construction work planned for the downtown area south of Beach Boulevard makes the addition of this position especially important. Because this engineer will be focused on redevelopment projects, 75% of the funding will come from the Community Redevelopment Agency.

- Adds 1 Geographic Information Systems Analyst to the City's Information Systems Division. The demand for geographic information both internally and externally has increased faster than our ability to provide the information, making this position critical to moving forward in this area.

Even with the addition of these positions, there are 19 fewer fulltime authorized positions than there were in the 2008 budget.

CITY COUNCIL PRIORITIES

At a workshop in November 2012, the City Council chose five areas that they wished to make priorities:

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

This 2015 budget provides funding for many programs, projects and events that further these priorities. For the status of programs related to these priorities, please see the Executive and Legislative section of this document, pages 36-37.

SOUND FINANCIAL MANAGEMENT

The budget process begins every year, with preparation of the 5-Year Capital Improvement Plan. Preparation of this plan starts with 5-year revenue projections for every major fund and a number of other, smaller funds that are

used to pay for major projects or repairs. Departments identify projects to be included in the plan (minimum cost is \$25,000) along with estimated costs. Revenue estimates are then matched to the cost estimates, and the project list is adjusted based on the revenue expected to be available to pay for those projects. This practice focuses attention and resources on expensive items separately from the operating budget and helps to alert managers to possible revenue deficiencies that may need to be addressed. Projects are not included in the plan if the revenue stream will not support the department's projected total operating and capital costs over the five-year period.

Sustainability adjustments to union contracts ratified this year have reduced the City's pension costs and its unfunded liabilities. Many people made some difficult decisions in order to improve the long-term health of the pension funds, including the City Council, unions, and a team of staff who worked on the project. A new agreement for health insurance was approved that increased rates by a very modest 1.7%. Our employees are required to attend periodic safety and accident training to keep accident and insurance rates low.

Due to consistent, sound financial management and conservative spending practices, the City of Jacksonville Beach has been able to weather the recession by limiting the rate of increases in spending and hiring, by building reserves in the years leading up to the recession, and by acting early to reduce spending and authorized positions before the recession began.

PUBLIC SAFETY

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

The Police Department continues to work closely with other local agencies to identify resources and provide assistance to vagrants who may be receptive to their efforts. In May, the City Council approved a one-year pilot program to partner with other agencies to assist vagrants through the Chronically Homeless Offender Project (CHOP). The program is designed to reduce crime by providing a residence and resources to homeless members of our community who have the willingness and desire to make a major change in their lives. The program's effectiveness will be analyzed during 2015.

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

The Police Department's Citizen Police Academy, its Alumni Association and the Citizens on Patrol programs all contribute to public safety efforts by educating participants about police operations and responsibilities and providing participants an opportunity to get involved in public safety. Volunteers in these programs continue to be a great asset to the Police Department and the community, providing about 13,400 hours of service to the department in 2013 – 2014, the approximate equivalent of 6.4 full time positions.

PARKING

Issues related to downtown parking and the adjacent residential areas have been the subject of discussion for a number of years. This year, the contract for the management of the downtown parking program was outsourced and the current vendor has improved management of the parking lots and security in them. The Police Department, working with downtown businesses, developed a 2-hour parking program in designated downtown areas. This program is underway, with the goal of moving those seeking long-term parking to the City's parking lots with 2-hour spaces available for downtown visitors seeking short-term parking options. Parking spaces at various locations throughout the City were marked as being specifically reserved for low-speed vehicles last year. In addition, the hours of operation for paid parking were successfully implemented with the

consent of the downtown business community. The paid parking program and the additional security it brings has been very successful.

BUSINESS GROWTH

In October, Trader Joe's, a specialty grocery chain, will open a 12,500 square foot store in Jacksonville Beach on October 3. The addition of the store to the South Beach Regional Shopping Center has been highly anticipated and is expected to bring additional traffic to the shopping center. Two multi-family properties containing a total of 44 units are currently being constructed in the Downtown area: one at 913 South 2nd Street and the other at 115 South 2nd Avenue. Another, multi-family property at 814 North 1st Street contains 18 units and 2,000 square feet of commercial space. In addition, the new BluWater Apartments on Beach Boulevard, constructed this year, began leasing its 170 apartments this summer.

Concurrent with the development of these retail and rental businesses, in April, the City engaged a retail consultant to identify and attract retail businesses that will diversify the mix of businesses throughout Jacksonville Beach. A few months later, the City began a public process to identify potential changes to the Downtown area that would help broaden its visitor base and improve its suitability for a greater diversity of businesses. The process began with a workshop, guided tours of the central business district and a survey of participants and the community. Results of the survey are being used to develop a list of actions that the City may consider taking, subject to further public discussion in the near future. As part of this project, we will be reviewing City ordinances or policies that may unduly restrict business activity.

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

Included in the 2015 budget is \$1.8 million for improvements to the 10th Street South Industrial Park area. Completion of these improvements to the road, stormwater, sanitary sewer, and water distribution systems, in addition to making the infrastructure work better, will also make the area more attractive to new and existing businesses.

COMMUNITY BUILDING

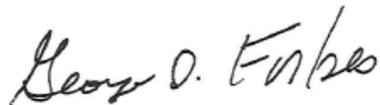
Our residents are engaged in a variety of cultural, social, service and recreational activities. As a local government, part of our business is to provide attractive, inviting spaces that create opportunities for community events and neighbors to gather. Special events are one way we create opportunities for people to connect. The budget funds the City-sponsored Jazz Series, 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 2015 budget includes initial funding for a skateboard park, installation of an irrigation system and sidewalk at the small dog park and new sidewalks in various parts of the City. The Public Works budget includes funding for beach and downtown cleanup, dumpster enclosures and street sweeping to keep Jacksonville Beach clean and debris-free. Funding to rebuild dune walkovers is also included in the budget.

Another way the City is working to build community is by encouraging more community participation. We are holding more workshops, using a variety of techniques designed to make participants more comfortable discussing sometimes politically divisive issues with the goal of obtaining as much thoughtful feedback as possible. The on-going process to develop an action plan for Downtown Jacksonville Beach is the most recent example of a process that will continue to rely on citizen participation.

A re-designed Beaches Energy websites was recently launched. The re-design of the website will make it easier to get information. Future planned improvements will give our customers more options to conduct their business electronically. Each year, following the development of the proposed budget, the City holds a budget tour, four budget review workshops, and two public hearings. This requires a significant investment of time on the part of the City Council, City staff, residents and business owners who participate in these meetings. We would like to thank everyone who gives of their time in order to participate in these processes.

Sincerely,



George Forbes
City Manager



Harry Royal
Finance Officer

Trish Roberts
Budget Officer

Summary of Changes in Fund Balance, Revenues and Expenditures:

Budget Development:

Revenues used to develop the budget were projected (see Funding Sources section) based on estimates from the State of Florida, Duval County Property Appraiser, current contracts, interlocal agreements, prescribed formulas and five-year cash flow projections. The preliminary estimate for property taxes was based on an assumption of no change in property values and no change in the millage rate (\$4.0947 mills). Subsequent estimates of increased property values led to a 2.4% reduction in the millage rate to \$3.9947.

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

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

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

Fund Balance – Unrestricted and All Other:

The City divides its funds into categories of major and nonmajor to comply with criteria established by governmental accounting standards (GASB 34). Almost 80% of 2015 budgeted revenue and expense can be found in the City’s five major funds. Of the City’s fund balance, about two-thirds is restricted or has some kind of limitation on how it can be used. In conjunction with the implementation of GASB 54, the City adopted Resolutions #1887-2011, #1890-2011 and #1934-2014, to specify its fund balance classifications and permitted uses for them in the General Fund and in all capital projects funds. Many other funds have legal limitations on the use of any revenues deposited into the funds, for example, special revenues, grants, forfeiture and seizure funds, and pension funds.

Ending Fund Balance	Unrestricted	All Other	Total Fund Balance	% of Total
General Fund	\$1,512,958	\$8,271,666	\$9,784,624	5.2%
Redevelopment	-	8,516,177	8,516,177	4.5%
General Capital Projects	-	3,897,896	3,897,896	2.1%
Electric	41,659,904	8,074,928	49,734,832	26.4%
Water & Sewer	6,747,991	1,406,715	8,154,706	4.3%
Total Major Funds	49,920,853	30,167,382	80,088,235	42.5%
Nonmajor Governmental	100,000	4,630,287	4,730,287	2.5%
Nonmajor Enterprise	9,608,672	-	9,608,672	5.1%
Nonmajor Internal Service	3,187,547	-	3,187,547	1.7%
Nonmajor Pension	-	90,895,146	90,895,146	48.2%
Total Nonmajor Funds	12,896,219	95,525,433	108,421,652	57.5%
TOTALS	\$62,817,072	\$125,692,815	\$188,509,887	100.0%
Percentage of total Fund Balance	33%	67%	100%	

Budgeted Changes in Fund Balance:

General Fund: Since budgeted revenues are equal to budgeted expenses, the General Fund’s budget anticipates no change in fund balance. Of the \$8.3 million of fund balance classified as “All Other”, about half has been committed for revenue stabilization and half has been assigned for emergencies and unanticipated events as described in Resolution #1887-2011, #1890-2011 and #1934-2014.

Major Fund or Nonmajor Fund Type	Revenues 2015	Expenses 2015	Budgeted Change in Fund Balance	% Change
General Fund	\$19,460,731	\$19,460,731	\$0	0.0%
Redevelopment	8,528,885	1,854,603	6,674,282	362.4%
General Capital Projects	939,053	1,390,702	(451,649)	-10.4%
Electric	86,846,742	89,178,388	(2,331,646)	-4.5%
Water & Sewer	10,431,548	11,194,680	(763,132)	-8.6%
Total Major Funds	126,206,959	123,079,104	3,127,855	4.1%
Nonmajor Governmental	2,811,216	3,130,414	(319,198)	-6.3%
Nonmajor Enterprise	8,492,812	9,063,084	(570,272)	-5.6%
Nonmajor Internal Service	11,612,615	12,180,310	(567,695)	-15.1%
Nonmajor Pension	9,507,927	6,495,060	3,012,867	3.4%
Total Nonmajor Funds	32,424,570	30,868,868	1,555,702	1.5%
TOTALS	\$158,631,529	\$153,947,972	\$4,683,557	2.5%

Redevelopment Fund: The increase in fund balance in the Redevelopment Fund is the result of a timing difference between the receipt of tax increment revenue and award of bids for design and construction of projects that have been approved by the Community Redevelopment Agency. Projects are budgeted once design is complete and the City has a construction estimate based on the design. The use of fund balance is restricted by Florida Statutes to be spent in the redevelopment district for purposes specified in its adopted redevelopment plan. Downtown, construction of Phase IIIB is substantially complete; and design of Phases IIIC-D of the Downtown Vision Plan is underway. Planning estimates for the work remaining in the Downtown Plan is approximately \$30 million. Construction of Phase 1 of the South Beach Infrastructure Project (in the area of Roberts Drive/13th Avenue South to Osceola) began in July with completion

expected in the fall. Design of Phase 2 (reuse in the medians from South Beach Park to Jacksonville Drive) is nearing completion. A drainage study is being conducted the results of which will influence the direction and cost of the remaining phases of the work in South Beach.

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. The primary source of budgeted revenue is a transfer from the General Fund for a fire truck replacement tentatively scheduled for 2015 (\$75,000), the heavy vehicle equipment replacement reserve (\$80,000) and road and drainage projects (\$617,053). Part of the cost of computer replacements (\$40,000) included in the information technology master plan will come from the Lease Facilities Fund. Also budgeted are transfers from Utility Billing and Information Systems to accumulate money to pay for future equipment replacements and interest earnings

Major budgeted capital expenses are for the reconstruction of some of the City's dune walkovers (\$100,000), annual computer replacements (\$60,702), replacement of a routers and firewalls (\$100,000), a portion of the cost the 10th Street South Industrial Park Area Project (\$810,000) and a skateboard park (\$250,000). 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 June of 2010, Beaches Energy has reduced the residential electric rate for 1,000 kilowatt hours of electricity to \$123.91, which is

\$14 less than it was in June 2010. The decrease in fund balance is primarily due to a reduction in revenues due to expected continued stable power costs.

Restrictions on fund balance in the Electric Fund exist to set aside balances required by bond covenants and for customer deposits.

Water & Sewer Fund: In early 2012, the city engaged a consultant to update the last water and sewer rate study and instituted 7.5% rate increases through 2014, with CPI increases thereafter. The rate increase was adopted to pay for needed water and sewer system improvements. The additional funding is enabling Public Works to move forward with projects in 2015 that include improvements to water and sewer mains, sewer lift stations, and extensions to reuse mains. Expanded programs for water valve and sewer system maintenance are also included in the budget. Restrictions on fund balance exist in compliance with bond covenants. Descriptions and estimated costs of identified projects are included in the Capital Improvement Plan.

Nonmajor Governmental Funds: Nonmajor governmental funds have dedicated revenues from taxes, grants, bond proceeds, or fines and confiscations. Revenues can vary greatly from year to year, as can the related spending in funds where the revenues are required to be spent on new equipment or programs. Ongoing grant funding for continuing programs such as the Carver Center (partial funding from the Community Development Block Grant), and police overtime for the Community Response Team (partial funding from a Justice Assistance Grant) has been decreasing. The budgeted decrease in nonmajor governmental funds resulted from the decision to spend down a portion of the balance that had accumulated in the debt service fund for the ½-Cent Infrastructure Surtax (Better Jax Beach) Bonds. Restrictions on most governmental funds come from state and federal law, enabling legislation, bond covenants and contractual obligations.

Nonmajor Enterprise Funds: The primary reason for the decrease in nonmajor enterprise fund balance is due to the decrease in Stormwater fund

balance caused by projects from the Stormwater master plan (\$705,000) and a portion of the cost of the 10th Street South project (\$380,000) against relatively flat revenues. Stormwater bonds were paid off in 2012, making an additional \$450,000 per year available for system improvements. The Sanitation budget's expenses also exceed its revenues. Although contract costs have risen slightly over the past several years, the City does not anticipate increasing its garbage rates to cover the cost increases. The current contract with the City's garbage provider expires in 2016. Estimates of natural gas revenues have been increased slightly and are budgeted to exceed the fund's expenses. The budget includes funding for system expansion (\$100,000) but this funding has been reduced as system growth has slowed.

Nonmajor Internal Service Funds: Internal service funds account primarily for the activities associated with providing services to other City departments, such as accounting, utility billing, information systems, purchasing, human resources, grounds maintenance and risk management (insurance). Budgeted revenues in internal service funds also represent budgeted expenses in the City's other operating funds, meaning that revenues equal expense and there is normally no change in fund balance. Interest earnings on the self-insurance reserve in the Workers' Comp Insurance Fund are used to reduce the cost for workers comp insurance charged to other departments. That cost reduction is the reason for the decrease in internal service fund balance.

Pension Funds: The City has three pension funds to account for its defined benefit pension plans for general, police and fire employees. Revenues are expected to exceed costs in 2015 by about \$3.0 million. All of the pension fund balances are restricted to payments for current and future retirees.

Revenues by Category:

Taxes: Increases in property value have offset a decrease in the millage rate, resulting in an increase in property tax revenue. Despite increases in property tax revenue of \$329,759 in the General Fund and \$1.3 million in the

Redevelopment Fund, budgeted tax revenue is \$133,319 less than 2011 tax revenue. Communication services tax revenue was increased by \$50,000.

Revenues	ALL FUNDS			
	Original Budget 2014	Approved Budget 2015	Increase (Decrease)	% Change
Taxes	\$18,314,213	\$20,039,527	\$1,725,314	9.4%
Permits & fees	358,600	561,250	202,650	56.5%
Intergovernmental	3,863,080	3,829,005	(34,075)	-0.9%
Charges for services	121,941,048	116,079,728	(5,861,320)	-4.8%
Fines & forfeitures	217,000	204,500	(12,500)	-5.8%
Interest & other	12,278,712	11,695,487	(583,225)	-4.7%
Transfers in	5,704,818	6,222,032	517,214	9.1%
Total Revenues	\$162,677,471	\$158,631,529	(\$4,045,942)	-2.5%

Permits & fees: An increase in building activity within the City resulted in an increase in revenue from permits & fees. Building permits make up the largest part of this revenue.

Intergovernmental: Intergovernmental revenue comes primarily from tax revenues that are collected by the State and distributed to counties and cities. The revenue is budgeted based on estimates from the Florida Department of Revenue's Office of Tax Research and recent receipt history. This revenue is expected to decrease slightly. Grant revenues, while not significant in the 2015 budget, are also included in this category. Grant revenues are budgeted based on a formal grant award that has been accepted by the City Council.

Charges for services: Changes in the cost of power are recaptured through the power cost adjustment on the customer's monthly bill (See Beaches Energy Services). Beaches Energy Services Fund budget (74% of this category) contains a reduction in revenue estimates based on current and projected consumption. With the exception of Water & Sewer rates, all other City utilities' rates are expected to remain stable. Water and Sewer rates will increase by the percentage change in CPI on October 1. The CPI rate increase is intended to

enable revenues to keep up with increases in the cost of on-going projects to rehabilitate the water and sewer system.

Fines & forfeitures: The budget anticipates a decrease in revenue from court fines. This revenue source has decreased by over half since FY2005, due to changes in the allocation of traffic fines made by the State legislature.

Interest & other: Sustainability adjustments to the City's three pension funds have resulted in a decrease of over \$1.0 million in the City's contribution to the pension funds. The adjustments were made and agreed to as part of the contract negotiations with the General, Police and Fire unions during the past year.

Transfers in: The increase in transfers in was driven by the need for future roads, drainage and equipment replacements throughout the City. The General Capital Projects fund will be receiving \$617,053 for road and drainage projects from the General Fund and \$77,000 for the replacement of Utility Billing and Information Systems equipment in future years. Reserving these funds eliminates the need to borrow money to pay for them.

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

Expenditures by Category:

Personal Services: The City's payroll budget includes the reauthorization of the Deputy City Manager (vacant since 2009) and Building Code Inspector (vacant since 2010) positions and the addition of three new positions: a part-time Community Redevelopment Specialist, an Engineer whose focus will be on redevelopment projects and a Geographic Information Systems/Network Administrator position. Even after making these changes there will be 19 fewer full time positions than were authorized in the 2008 budget. The cost of these

positions was offset by decreases in the City's pension contributions as a result of agreements reached with its three unions during contract negotiations.

Expenditures by Category	ALL FUNDS			
	Original Budget 2014	Approved Budget 2015	Increase (Decrease)	% Change
Personal Services	\$27,461,462	\$27,659,173	\$197,711	0.7%
Operating-Energy	72,184,977	65,157,375	(7,027,602)	-9.7%
Operating-All Other	35,643,147	37,013,382	1,370,235	3.8%
Capital Outlay	31,600,618	11,836,341	(19,764,277)	-62.5%
Debt Service	6,442,974	6,049,313	(393,661)	-6.1%
Grants to Others	11,537	10,356	(1,181)	-10.2%
Transfers out	5,704,818	6,222,032	517,214	9.1%
Total Expenditures	\$179,049,533	\$153,947,972	(\$25,101,561)	-14.0%

Operating-Energy: The City's electric utility, Beaches Energy Services, serves about 34,000 customers in Jacksonville Beach, Neptune Beach, Ponte Vedra, and Palm Valley. This year, the utility's budget includes \$65.1 million for the purchase of electricity from its supplier, Florida Municipal Power Agency whose primary fuel for generation is natural gas. Due to low natural gas prices, the budget anticipates a \$7.0 million savings in the cost of electricity. Savings in the cost of power are returned to our customers through reductions in the power cost portion of their rate. Since July 2010, that rate has fallen by \$14 per 1,000 kilowatt hours, saving residential customers, on average, between \$200 and \$300 per year. (See Beaches Energy Services.)

In June 2010, Beaches Energy Services began the construction of a natural gas distribution system. The system, designed to serve commercial customers, began operation in 2011 and currently serves 150 customers. Budgeted costs for this new service include \$1.1 million for the cost of natural gas, a decrease of about \$240,000.

Operating-All Other: Given that departments have been reducing budgets for several years, without looking at reductions in service, finding cost savings in this

category has become very difficult. Increases are budgeted for the costs of a variety of items primarily:

- Business, employee health and workers comp insurances
- As the City's pension funds mature, there has been an expected increase in the number of retirees, this year resulting in a \$541,000 increase in costs for pension benefits, which are paid out of the pension funds
- Beaches Energy created a new division to capture the costs of complying with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection standards. The standards are intended to help utilities provide reliable service and adequately maintain their systems. The initial budget for professional services to assist in developing procedures, risk assessments and documentation is \$484,700. Additional costs of this regulatory compliance are discussed below, under capital outlay.

Capital Outlay: Capital projects are budgeted for the life of the project. Projects are normally budgeted when design is complete and a bid award has been approved by the City Council. The 2014 budget included about \$14 million in construction costs for projects in the Downtown and South Beach redevelopment areas for the construction of Phase 3 of the Downtown Vision Plan Project and the South Beach Infrastructure Project. Although there are a number of Redevelopment projects being designed, there is no budget for these projects included in the 2015 budget. The projects being designed will be budgeted upon completion of design and after the project bids have been awarded by Council. There are decreases in both Electric and Water & Sewer Funds' capital outlay for the same reason. An itemized list of budgeted 2015 capital outlay can be found in the Budget Summaries section; descriptions of larger projects planned for completion between 2015 and 2019 can be found in the Capital Improvement Plan.

Debt Service: Debt service expense decreased because the Downtown Redevelopment bonds and Series 2003-2 of the Southend Redevelopment bonds were paid off in 2014. The remaining Southend Redevelopment bonds will be paid off in 2016. In 2012 the City refinanced its 2006 and 2007 Infrastructure Sales Surtax Bonds. The refinancing saves the City between \$280,000 and \$320,000 per year over the life of the bonds, which will be paid off in 2019. The combined Electric/Water & Sewer bonds will be paid off in 2020. The City expects to be completely debt-free in 2020. The Budget Summaries section has a more detailed discussion of the City's debt position.

Grants to Others: The City makes an annual contribution to fund minimum monthly pension benefits for certain retirees or their beneficiaries. This \$10,356 contribution is slightly reduced.

Transfers: The 2015 budget contains a transfer of \$617,053 from the General Fund to the General Capital Project Fund for roads and drainage projects. The Budget Summaries section has a complete list of all transfers included in the 2015 budget.

Expenditures-by Department:

Expenditures by Department	Original Budget 2014	Approved Budget 2015	Increase (Decrease)	% Change
Executive & Legislative	\$1,317,676	\$1,485,369	\$167,693	12.7%
Finance	3,838,809	4,023,524	184,715	4.8%
Planning & Development	16,269,967	1,824,869	(14,445,098)	-88.8%
Parks & Recreation	4,861,646	5,057,558	195,912	4.0%
Public Works	21,918,470	18,818,504	(3,099,966)	-14.1%
Police	9,356,382	9,079,021	(277,361)	-3.0%
Fire	3,657,487	3,562,019	(95,468)	-2.6%
Beaches Energy Services	102,443,276	93,829,041	(8,614,235)	-8.4%
Human Resources	10,529,619	11,284,991	755,372	7.2%
Non-Departmental	4,856,201	4,983,076	126,875	2.6%
Total Expenditures	\$179,049,533	\$153,947,972	(\$25,101,561)	-14.0%

The **Executive & Legislative Department** (which also manages the Nondepartmental functions), works with the City Council to develop policy and legislation that are administered and executed by the City Manager. Operating in this department are the City Council, City Attorney, City Manager, and City Clerk. The department's budget is increased for the re-authorization of a Deputy City Manager.

The **Finance Department** provides support services in the areas of accounting, utility billing/customer service, information systems and purchasing. The 2015 budget includes the addition of a GIS/Network Administrator in the Information Systems Division.

Planning & Development provides planning, building inspections, and code enforcement services. It also provides administrative support for the Community Redevelopment Agency's projects in the Downtown and South Beach redevelopment districts. This department's budget decrease is due to the timing of construction projects in the Redevelopment Districts included in the 2014 budget. Projects being designed have not been included in the 2015 budget. The project budgets will be added following the City Council's award of the construction bid.

Parks & Recreation manages the City's parks and recreation services which include tennis, golf, adult and youth athletic leagues, special events and all park, golf, oceanfront restroom and lifeguard services. 85% of the authorized positions in this department are part-time. The Parks & Recreation budget increase is due to the increase in the number of hours budgeted for lifeguards. The budget also includes the purchase of a pickup truck and storage structure for the Grounds Maintenance Division. The department has eliminated 7 full-time positions since 2008.

Public Works provides water, sewer, stormwater, and sanitation services to the citizens of Jacksonville Beach, along with street maintenance. The department's

capital outlay decreased, due to the size of water, sewer and stormwater projects included in the 2014 budget.

Despite the addition of a sergeant and three police officers to the Downtown CAPE program, the **Police Department's** budget decreased due to savings in pension costs that resulted from sustainability adjustments that were made this year to the police pension plan during union contract negotiations. Other police department spending in grant and special revenue funds was unchanged.

In addition to providing fire and rescue services, the **Fire Department** also manages the City's radio system. The Department reduced its overtime budget by \$100,000 (72%) in 2013; the 2015 budget adds back about half of that reduction. The decrease in the department's total budget is due to savings that resulted from sustainability adjustments that were made to the fire pension plan during union contract negotiations.

Beaches Energy Services operates and maintains the City's electric distribution system and provides facility management services for the City's buildings and rental properties. Its budget will decrease primarily due to expected decreases in the cost of power and natural gas due to low fuel prices. The City purchases its power through Florida Municipal Power Agency, whose primary generation fuel is natural gas.

Beaches Energy's budget reduction also reflects a reduction in capital outlay spending, as the construction of its natural gas lines slow. In the past 10 years, Beaches Energy has rebuilt many of the old distribution lines that had reached the end of their useful life, undergrounded most of the system east of A1A and converted the entire system to 26 kv. 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 pension administration. The Department

assumed responsibility for pension administration at the start of the 2014 fiscal year. The department's budget increase is due to expected increases in insurance costs and increases in pension benefit payments as anticipated with an increasing number of retirees.

The **Nondepartmental** department captures costs that are not directly attributable to any other department for items such as debt service, capital projects and the operation of the City's three pension funds. This department's budget increase is primarily due to the transfer of \$617,053 to the General Capital Projects Fund for road and drainage improvements. The Nondepartmental budget is included in the Executive & Legislative section of this document.

A summary of staffing levels by department and division since 2012 can be found in the Financial Summaries section of this book. A discussion of changes in 2015 budgeted revenues is located in the Funding Sources section. More discussion of expenditures/expenses, services provided and performance measures is in each department's business plan.

A Brief History of Jacksonville Beach

Although the French Huguenots led by Capt. Jean Ribault in 1562 laid claim to the First Coast area, it was the Spanish who first settled the area around Jacksonville Beach, establishing missions from Mayport to St. Augustine. The Spanish ceded East Florida to the English by treaty in 1763 only to regain control twenty years later. In 1821 the Spanish ceded Florida to the United States of America.

The area was settled by river pilots and fishermen as early as 1831 when Mayport, then known as Hazard, was established as a port. The Mayport lighthouse was erected in 1859 and still stands at the Naval Station Mayport. By 1885 Mayport had 600 inhabitants, a post office and a school. The town was also visited daily by steamships which brought beach-goers from Jacksonville down the St. Johns River.

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



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

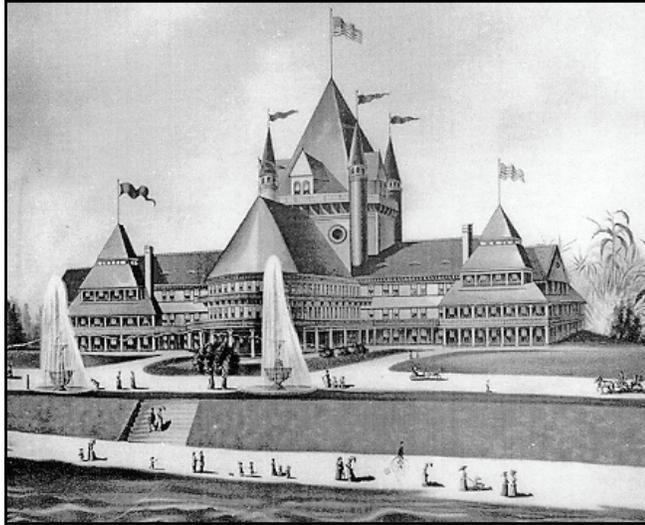
In 1884 William E. Scull, surveyor for the railroad, and his wife Eleanor, moved to the area now known as Jacksonville Beach. There

were already several tent houses in the vicinity. The Sculls lived in one tent and ran the first general store from another. Later the Sculls applied for a post office under the name of Ruby, a name chosen in honor of their oldest daughter, and ran the post office from their store. Mail was delivered by boat once a week from Jacksonville.

In 1886, Ruby was renamed Pablo Beach after the San Pablo River to the west that divides the island from the mainland.



The first sidewalk in Pablo Beach was a wooden boardwalk to the oceanfront on Ocean Avenue, which is now known as Pablo Avenue. Photo taken around 1898.



MURRAY HALL
FLORIDA'S SUMMER AND WINTER
RESORT

THE FINEST AND MOST ELEGANTLY
FURNISHED IN THE SOUTH.

Upon completion of the railway to Pablo Beach in mid 1886, the first resort hotel was built and opened to the public. The splendid multistory wooden structure, the Murray Hall hotel, had 192 rooms and could accommodate 350 guests. The Hotel advertised an elevator, electric bells, hot, cold and sulfur baths, bar, bowling and billiards. It also claimed it was located on "The Finest Beach in the World!" with "Surf Bathing the Year Round!" The construction cost was \$150,000. Unfortunately a fire in the boiler room around midnight on August 7, 1890 destroyed the hotel, the railway depot and surrounding buildings. However, the guests and their belongings were saved.

The Murray Hall was followed by other resort hotels: the Adams House, the Perkins House, the Continental, the Ocean View and the Palmetto Lodge. All were eventually destroyed by fire.



Above: One of many boarding houses opened to take advantage of the tourist trade. Photo to left is Hotel Pablo.





*Palmetto Avenue,
Pablo Beach, Florida
looking east from what is currently
the intersection of
Beach Boulevard and 2nd Street.
Photograph taken around 1906.*



The railway company soon met with financial difficulties and was taken over by the millionaire Henry M. Flagler as part of the Florida East Coast Railway System. Late in 1900 the railway was changed to standard gauge and extended to Mayport. Further transportation was added in 1910 when a winding oyster shell road was constructed near the present Atlantic Boulevard, dividing Neptune Beach and Atlantic Beach.



Pablo Beach was incorporated on May 22, 1907. In 1925 the name was changed to Jacksonville Beach.

The boardwalk era began in 1915 and 1916 when businessman Martin Williams, Sr. established dance pavilions, shooting galleries, boxing, wrestling, restaurants and other forms of entertainment on the new boardwalk.

Auto racing on the hard-packed sand of the beaches made the area popular for this spectator sport.

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





Photograph of the first City Hall built in Jacksonville Beach located on Pablo Avenue. Photo taken in 1927

Photograph of the second City Hall taken in 1920's.



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

On September 4, 1922, Pablo Beach came into the international limelight when First Lieutenant James H. Doolittle, after a previous abortive attempt, broke the transcontinental speed record. With only one stop at Kelly Field in Texas, he flew from Pablo Beach to San Diego in less than 24 hours. For this feat he was awarded his first Distinguished Flying Cross. On September 4, 1980, he returned to unveil a marker in Jacksonville Beach's Pablo Historical Park. James Doolittle had a distinguished military career, leaving service as a Lt. General.

Historical information and historical photographs courtesy of The Beaches Area Historical Society.



Welcome to Jacksonville Beach



Bordered by the City of Neptune Beach to the north, Ponte Vedra Beach to the south, the Intra-Coastal Waterway to the west, and the Atlantic Ocean to the east, the City of Jacksonville Beach occupies 8.06 square miles of land in northeast Florida. It is primarily a residential community located approximately 15 miles east of Jacksonville.

The City's mission statement is Working Together—Committed to Our Citizens. To keep its citizens informed, the City publishes an *Annual Report*, a monthly newsletter—*Jax Beach Briefs*, and a monthly newsletter *Tidings* distributed to its electric customers in 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 21,000. 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, a hospital, 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, Duval County School Board, 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)	335 / 136
Government Facilities and Services	
Miles of Streets	88.9
Number of Street Lights	5,433
Culture and Recreation	
Parks	11
Parks Acreage	86
Golf Course	1
Tennis Courts	8
Fire Protection	
ISO Fire Classification	3
Number of Stations	2
Number of Fire Personnel and Officers	31
Police Protection	
Number of Stations (Satellite Station included)	2
Number of Police Support Personnel and Officers	100
Number of Patrol Units	54
Beaches Energy Services	
Number of Electric Customers	33,688
Number of Residential Electric Customers	29,025
Average Monthly Consumption-Residential	1,243 kwh
Sewer System (MGD-million gallons per day)	
Number of Sewer Services	9,019
Number of Treatment Plants	1
Daily Average Flow in Gallons	2.7 MGD
Maximum Daily Capacity of Treatment in Gallons	4.5 MGD
Water System (MGD-million gallons per day)	
Number of Water Services	10,600
Number of Residential Customers	8,413
Average Monthly Consumption-Residential	4,308 gallons
Number of Artesian Wells	6
Number of Fire Hydrants	873
Daily Average Flow in Gallons	2.4 MGD
Maximum Daily Capacity of Treatment Plant in Gallons	7.0 MGD
Hospitals	1
Bond Ratings	
Moody's Investor Services	A-1
Fitch Investor Services	AA-

Miscellaneous Statistics
City of Jacksonville Beach, Florida

	<u>Population</u>	<u>Unemployment Rate</u>	<u>Duval County Per Capita Income</u>	<u>Budgeted Expenditures</u>	
				<u>Original</u>	<u>Final</u>
2004	21,544	6.0%	\$32,502	\$132,106,787	\$154,151,594
2005	21,531	4.5%	\$34,610	\$133,475,640	\$162,911,494
2006	21,544	3.3%	\$37,387	\$144,856,119	\$160,525,044
2007	22,253	3.4%	\$38,462	\$159,850,220	\$197,129,175
2008	22,749	5.7%	\$39,473	\$160,253,941	\$181,755,603
2009	22,715	9.7%	\$38,937	\$175,254,352	\$227,018,616
2010	21,362 (census)	12.9%	\$39,140	\$174,705,201	\$197,874,464
2011	21,441	10.3%	n/a	\$163,959,844	\$190,799,207
2012	21,615	9.3%	n/a	\$161,095,934	\$194,129,086
2013	21,713	7.5%	n/a	\$164,854,246	\$184,597,322

	<u>Residential</u>		<u>Commercial</u>		<u>Total Value of Permits</u>
	<u>Permits Issued</u>	<u>Value of Permits</u>	<u>Permits Issued</u>	<u>Value of Permits</u>	
2004	1298	\$184,659,701	707	\$32,790,775	\$217,450,476
2005	1354	\$66,518,829	670	\$52,068,967	\$118,587,796
2006	1452	\$56,912,030	272	\$28,415,437	\$85,327,467
2007	872	\$42,075,389	602	\$23,613,260	\$65,688,649
2008	967	\$10,716,776	361	\$16,509,065	\$27,225,841
2009	1105	\$27,410,365	335	\$26,007,679	\$53,418,044
2010	894	\$11,093,625	462	\$14,847,370	\$25,940,995
2011	983	\$15,743,052	387	\$11,327,860	\$27,070,912
2012	1121	\$24,527,261	412	\$14,738,020	\$39,265,281
2013	1207	\$53,085,256	443	\$20,132,691	\$73,217,947

<u>Principal Taxpayers:</u>	<u>2012 Assessed Valuation</u>	<u>2013 Assessed Valuation</u>	<u>Percentage of 2013 Total Assessed Valuation</u>
	Broadstone Beach House at Jax Beach	\$21,939,280	\$24,133,208
Ocean Park Partnership, Ltd.	\$17,122,710	\$18,100,000	0.8%
South Beach Regional Shopping Center	\$14,601,800	\$16,061,980	0.7%
Courtyard Marriott	\$14,111,587	\$15,522,745	0.6%
Pablo Plaza Shopping Center	\$15,010,000	\$14,306,400	0.6%
Beach Marine	\$11,503,800	\$11,425,300	0.5%
Gordon Bank	\$9,479,300	\$9,754,400	0.4%
Southbeach Parkway Shopping Center	\$8,862,800	\$9,618,600	0.4%
Adventure Landing Amusement Park	\$9,443,258	\$9,410,719	0.4%
Target	\$9,070,759	\$9,111,801	0.4%
	<u>\$131,145,294</u>	<u>\$137,445,153</u>	
Total Real Property Assessed Valuation	\$2,466,653,081	\$2,403,105,199	

<u>Principal Employers 2013:</u>	<u>Number of Employees</u>
Naval Station Mayport	15,170
Baptist Medical Center-Beaches	800
Ponte Vedra Inn & Club	650
PGA Tour	620
Honeywell	570
Sawgrass Marriott	450
City of Jacksonville Beach - fulltime	325
U.S. Coast Guard	320
Vicar's Landing	320
TPC Sawgrass	320



Government and Budget Overview



City Hall, located in downtown Jacksonville Beach

Form of Government

The City of Jacksonville Beach operates under the council-manager form of government. The City Council, consisting of a mayor and six council members is responsible for determining policy, passing ordinances and resolutions, adopting the annual budget, appointing committees and hiring the City Manager and City Attorney.

The City Manager is the Chief Administrative Officer of the City and is charged with carrying out the policies made by the City Council. He manages the day-to-day operations of the City, prepares the annual budget for City Council approval, and hires City employees.

City Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected to four year terms. Three council members are elected from within their districts. The mayor and the remaining three council members are elected at-large.

The City Council meets at 7:00 P.M. on the first and third Monday of each month (except January and July, 3rd Monday of the month only) at City Hall located at Eleven North Third Street. Council agendas and minutes can be found at <http://www.jacksonvillebeach.org/government/city-documents-public-records/agendas-minutes>.

Quality of Life Goals:

The City of Jacksonville Beach’s mission is **to improve our quality of life by building a strong community**. This mission is defined by the quality of life goals below.

	Mission	Supporting Services
Public Safety	To feel safe from crime and fire and have good emergency management services	Police, Fire, Building Inspection, Ocean Rescue
Environmental Protection	To live in a community that protects my health by providing safe water to drink, reliable garbage collection and clean waterways through the treatment of stormwater and wastewater, while preserving the environment for future generations	Water, Stormwater, Wastewater, Sanitation
Sense of Community	To live in a community that provides parks, open space and recreational opportunities for all ages that give us a sense of community	Parks & Recreation, Special Events, Golf Course
Sense of Place and Neighborhood Vitality	To live in a City of vibrant neighborhoods that are clean, safe, encourage a sense of place and preserve property values	Planning & Development, Code Enforcement, Street Maintenance, Redevelopment
Responsible Government	To live in a community that has a fiscally responsible government, maximizes the use of public funds, provides great customer service, and has dedicated employees	City Manager’s Office, Finance, Legal, City Clerk, Information Systems, Human Resources
Reliable Electric Service	To live in a city that delivers reliable energy services while encouraging conservation and environmental responsibility with service that is above and beyond the expected	Beaches Energy Services

Long-term Goals:	See the following section(s):
To maintain the <i>level of service</i> desired by our citizens.	Budget Message; Executive
To manage the City to be <i>competitive in all services</i> with respect to cost, service and reliability.	Beaches Energy Services
To make <i>redevelopment</i> work.	Planning & Development
To maintain an atmosphere in which all <i>citizens feel safe</i> in their homes, in public and on the beach.	Police; Fire; Parks & Recreation (Ocean Rescue)
To <i>protect the environment</i> through improvements to our water and sewer system, streets and sidewalks, tree protection, beach renourishment and compliance with all environmental hazard and waste regulations.	Public Works; Executive; 5-Year Capital Improvement Plan
To <i>manage growth</i> in a way that protects the quality of life and to maintain an ideal mix of commercial and residential uses.	Planning & Development
To <i>promote the City</i> as a family-oriented entertainment center of the beaches by improving the quality and scope of special events and through improved marketing of the area.	Parks & Recreation
To maintain the minimum <i>cash balances</i> which protect the City's financial integrity.	Finance
To implement a <i>comprehensive performance measurement</i> system which will give the public, City Council and department directors the ability to evaluate the level and value of the services the City provides to the community.	Performance measures are shown in each department's business plan.
To <i>emphasize employee safety</i> through proper supervision, training and equipping of all City employees at an appropriate level as to assure their safety and the safety of those around them.	Human Resources
To maintain a compensation and benefit package sufficient to attract and retain a <i>qualified and highly motivated workforce</i> .	Human Resources
To <i>eliminate deferred maintenance</i> in order to lengthen the life of City assets.	Executive; Beaches Energy Services (Property Mgt.) ; 5-Year Capital Improvement Plan

Each department's business plan contains its mission and information about its objectives and performance measures that support achieving the goals above. An overview can be found in the Budget Message section of this budget document.



City Services

The City provides a full range of services to its citizens:

- 24-Hour Police Protection
- 24-Hour Fire Protection
- Maintenance of city streets & lighting
- Building Inspection & Permitting Services
- Code Enforcement Services
- Animal Control Services
- 4.1 miles of lifeguard protected beach
- Oceanfront restrooms and showers
- 86 acres of park facilities including softball and football fields, basketball courts, playground and picnic equipment, South Beach Community Center, Carver Center, Huguenot Tennis Facility
- 18-hole professionally staffed golf course
- 2 City Cemeteries
- Electric, Water, Stormwater, Sewer and Sanitation services



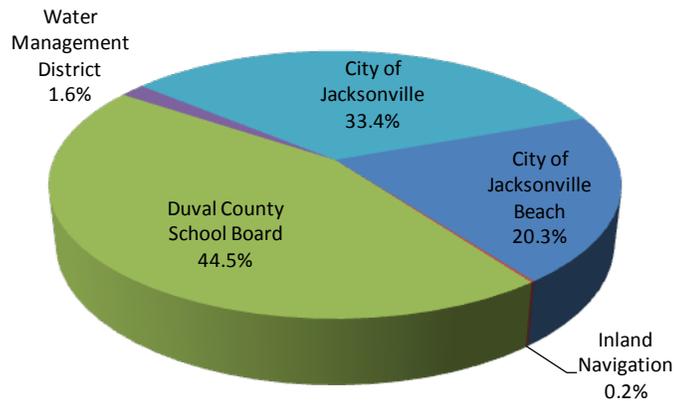
Funding City Services

City services are funded from a variety of sources including property taxes, local option taxes, state shared revenues and utility rates. The adopted ad valorem tax rate is \$3.9947 mills per thousand dollars of property value. The adopted rate is 2.4% less than last year’s rate.

Where Your Property Tax Dollars Go

Property Taxes on a home with Homestead Exemption*

Current Millage Rate			Adopted Millage Rate	
Millage Rate	Property Tax		Millage Rate	Property Tax
\$4.0947	\$707	City of Jacksonville Beach	\$3.9947	\$690
0.0345	\$6	Inland Navigation	0.0345	\$6
7.3880	\$1,460	Duval County School Board	7.3050	\$1,444
0.3283	\$57	Water Management District	0.3164	\$55
8.1512	\$1,407	City of Jacksonville	8.1512	\$1,407
\$19.9967	\$3,638	TOTAL	\$19.8018	\$3,602



*Based on a median home just value of \$222,669 (Property Appraiser)

A home valued at \$222,669 with a homestead exemption of \$50,000 has a net taxable value of \$172,669 (\$197,669 for schools). Based on 2015 millage rates, that homeowner will pay \$3,602 in property taxes. \$690 of that household’s taxes are paid to the City of Jacksonville Beach (about \$57.50 per month). By comparison, cable television and internet access can cost over \$100 per month.

Budget Process

<i>Approximate Date</i>	<i>Required Action</i>
January 31	Completion of preliminary revenue estimates and budget projections
March 15 Early March	Mid-year budget adjustment Departments submit 5-year capital improvement plans
April 1	Departments submit next year budget requests
April 15 through May	City Manager reviews all budget requests and business plans
June 1	Property Appraiser provides estimated preliminary taxable base for next budget year per FS 200.065
July 1	Property Appraiser submits Certificate of Taxable Value (DR420)
July 28	Proposed millage rate, calculation of rolled back rate and date for first public hearing on budget due to Property Appraiser (within 35 days of receipt of taxable value); proposed budget is finalized
August 1-14	City Council workshops to review budgets and business plans
September 3-6	First public hearing on budget; adoption of tentative millage rate and proposed operating budget
September 8-16	Second (final) public hearing on budget: adoption of millage rate and operating budget

Responsibility: Section 31 of the City of Jacksonville Beach’s Charter gives the City Manager the duty to prepare and submit the annual budget estimate to the City Council. Although not required to do so, the City prepares an operating budget for all funds. The City adopts its budget in accordance with Florida Statutes, Chapter 200, commonly referred to as TRIM (Truth in Millage). The budget calendar complies with TRIM requirements.

October: October 1 marks the start of the fiscal year. The previous year’s encumbrances (prior year’s purchase commitments) are reviewed and incorporated into the new budget, as appropriate.

November/December: The City’s *annual financial audit* for the previous fiscal year takes place.

January: *Revenue estimates* for the next fiscal year are updated using trend analysis, independent rate studies by financial advisors, known funding sources and estimates of distributions from other governmental units. *Five-year projections* are prepared for the City’s

major funds: the General Fund, Community Redevelopment Fund, General Capital Projects Fund, the Electric Fund and the Water & Sewer Fund. Five-year projections are also prepared for all nonmajor enterprise funds and certain special revenue funds. The projections include four or more years of historical data, current year original budget and five future years. **One-year projections** are prepared and reviewed for all remaining funds.

February: **Budget preparation instructions are updated** to reflect changes in economic condition, citywide priorities, goals and objectives, new or revised directives from the City Council.

March: **Five-year Capital Improvement Plan (CIP)** is prepared. This request is a tentative outline of major (cost greater than \$25,000) capital needs matched to the most likely funding source. In some cases, non-capital items are included in the CIP when the expected cost is significant (greater than \$100,000) or when the cost is for major on-going programs such as street resurfacing and sidewalk repair. City has established certain replacement cycles that are intended to keep the most critical equipment and infrastructure operating in reasonable repair. While there are no other recurring planning processes that affect the budget process, the CIP process is affected by other periodic planning processes related to such things as infrastructure improvements, Downtown redevelopment, utility rate adjustments or long-term capital planning.

March/April: **Cost allocations and payroll projections** are prepared for departments to integrate into their budget requests. Lapse is not budgeted. Cost allocations are prepared for items such as payroll, insurance, internal service charges, debt service and transfers. Other operating costs are budgeted according to need and the anticipated level of service. Depreciation is not budgeted. Budget requests are completed by each department for their respective division or program along with department-wide business plans. A summary of the department's budget request is also included in its business plan.

May: **Preliminary budget assessment** compares projected revenues and submitted expenditure requests for the purpose of determining the initial excess or shortage of available resources for appropriation. **Budget meetings** provide each department the opportunity to discuss their budget request and business plan with the City Manager. In these meetings, budget requests may be adjusted based upon each department's package of expected program service levels and anticipated funding.

July 1: Property Appraiser provides **estimates of property value** used to calculate millage rates (DR420).

August: **Proposed budget document** is updated for changes in state revenue estimates and posted on the City's website. **Budget workshops** are conducted by the City Manager during

which the City Council has the opportunity to review and revise the budgets. Budget issues are discussed along with levels of service. The workshops are open to the public.

September: *Two public hearings* concerning the Tentative Millage Rate and Tentative Operating Budget and are held in accordance with Florida's Truth in Millage requirements (Florida Statutes, Chapter 200). The *final budget* must be adopted by September 30 of each year and becomes effective on October 1.

Budget Adjustments: Council agendas are reviewed for any approved items that will impact the budget because the items were either not budgeted or were budgeted based on an estimate that was too low or too high. Occasionally, unexpected and unbudgeted costs will occur in amounts that are significant enough to warrant consideration for budget adjustment (for example, severe storms or hurricanes, unanticipated major infrastructure or equipment repairs or replacements).

Twice per year – **the mid-year adjustment** in March and the **year-end adjustment** in September – these budget adjustment items are aggregated and presented to the Council in the form of a resolution. The City Council may make supplemental appropriations during the year, up to the amount available for appropriation. It must approve budget amendments that increase a fund's total budget for all funds except the General Fund. City Council approval is required for increases to a *department's total budget within the General Fund*. Rarely, due to hurricanes or due to other unusual circumstances, an additional, retroactive budget adjustment may be necessary.

Budget, Accounting and Financial Policies

Budget Policies

The Budget is the City's plan of financial operations that provides for controlling and evaluating governmental activities. The budget process is the primary mechanism by which key decisions are made regarding the levels of service to be provided in light of the anticipated resources available. A budget policy states how this is to be accomplished in addition to addressing the need for financial strength and stability.

The City prepares budgets for each of its funds; all funds are included in the City's financial statements. No item or project is budgeted unless there are sufficient resources to pay for it. All unencumbered operating budget appropriations, except project budgets, expire at the end of each fiscal year.

Basis of Budgeting - All annual operating budgets will be adopted on a basis consistent with generally accepted accounting principles (GAAP), with certain exceptions. (See also Basis of Accounting.)

Governmental funds and expendable trust funds use the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available. Expenditures are recognized in the accounting period in which the related liability is incurred, except that principal and interest on general long-term debt are recognized when due. Compensated absences are budgeted in the year paid but recorded for financial statement purposes in the year earned.

In all funds, encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbered appropriations are carried forward into the subsequent year's budget without being re-budgeted. All unencumbered appropriations, except project budgets lapse at the end of each fiscal year. Unencumbered project budgets are carried forward for the life of the project.

Proprietary funds (electric, water & sewer, stormwater, sanitation, golf course, lease facilities and internal service) use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Depreciation and accruals related to amortization of bond discounts and issuance costs are not budgeted.

Balanced Budget – A balanced budget will be prepared for each and every fund. Balanced budget means that total anticipated revenues plus available fund balance in excess of authorized reserves will not be less than total budgeted expenditures plus required reserves for each fund.

Budgetary Level of Control - The budget is a spending plan, that requires adjustment from time to time, as circumstances change. The legal level of budgetary control is at the fund level, except for the General Fund, where it is maintained at the department level. This means that for any department within the General Fund, the department's expenditures may not exceed its total annual appropriation as adopted by the City Council. The City Manager has the authority to adjust the budget within departments as long as the adjustment does not increase the total level of appropriation approved by the City Council.

A system of budgetary controls is maintained to assure adherence to the budget. Timely monthly financial reports that compare revenues, expenditures and encumbrances with budgeted amounts in line-item detail are prepared and provided to department supervisors. Monthly financial reports to the City Council include summary budget reports, which compare current year revenues and expenditures to prior year activity at the same point in time.

Budget Amendment Process - When a change in funding needs such as the acquisition or loss of a revenue source or the unanticipated increase in the cost of providing a service occurs, the respective department head will make a formal request to the Budget Officer that the budget be amended. After analysis, this request is forwarded to the City Manager for approval. If the request is within the scope of the City Manager's authority, the request may be approved or denied immediately. If the request is approved by the City Manager, but requires City Council approval, it will be placed on a City Council agenda for their approval in the form of a resolution amending the operating budget. Resolutions adjusting the budget are prepared twice each year, except in unusual circumstances.

Budget Lapses at Year End - All unencumbered operating budget appropriations, except project budgets, will expire at the end of each fiscal year. In accordance with generally accepted accounting principles, the amount of budget related to purchases encumbered in the current year but not received until the subsequent year is added to the budget of the subsequent year. All purchase orders for the current year will be issued by September 15 except in unusual cases approved by the Finance Officer.

Budget Guidelines –

Personnel Costs - Personnel costs (payroll and benefits) will be budgeted in accordance with the City's adopted pay plans and union contracts, using wage rates consistent with the plan's grades

and steps appropriate for each employee. Cost of living adjustments, if any, will be budgeted separately and integrated into the final adopted budget.

Operating Costs - Operating costs will be budgeted according to need and based on the cost of providing a certain level of service. Priority is given to expenditures for the adequate maintenance of capital equipment, facilities and infrastructure, and for their orderly repair or replacement.

Capital Outlay - Capital outlay consists of costs associated with the acquisition of and improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, infrastructure and all other tangible assets costing \$1,000 or more that are used in operations and have initial useful lives lasting more than one year. The City does not budget depreciation.

5-Year Capital Improvement Program - Expenditures in the Capital Improvement Program will include capital outlay that costs \$25,000 or more. The operating expenditures associated with these items will be included in the operating budget in the current year. The future operating expenditures will be considered in the development of the time schedule for capital improvements along with resource availability. Projects will be scheduled for the current year if resources are available to cover capital outlay and the operating costs. Significant, recurring repair and maintenance items may also be included in the plan.

Business Plans – Each department will prepare an annual business plan that includes the following:

1. Organization – a description of the department, its programs and functions along with a schedule of authorized positions.
2. Mission – a statement of the department’s mission.
3. Recent accomplishments – significant accomplishments during the past budget year.
4. Objectives/outcomes – the larger purpose that the department or division aims to achieve.
5. Goals – a specific listing of what the department expects to achieve in the coming budget year.
6. Funding sources – a description of revenue sources that fund the department.
7. Financial summary – a three-year (prior year actual, current year revised budget, next year proposed budget) summary of the department’s expenditures for personal services, operating expenditures, capital outlay, debt service and transfers.
8. Major budget changes from last year – a description of the primary causes of increases or decreases in the department’s budget.
9. Budget issues – a description of items that may impact the department’s budget now or in the future.
10. Performance measures – indicators of the department’s efficiency and effectiveness.

Accounting and Financial Policies

Basis of Accounting – The City prepares its Comprehensive Annual Financial Report (CAFR) on the basis of Generally Accepted Accounting Principles (GAAP). Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Expenses are recognized when the related liability is incurred. Proprietary funds use the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred. Except as noted below, this conforms to the way the City prepares its budget.

Exceptions are:

- a. Compensated absence liabilities are accrued as earned under GAAP, but budgeted in the year paid.
- b. Principal payments on long-term debt in the Proprietary Funds are applied to the outstanding liability on a GAAP basis, but are budgeted as debt service in the year paid.
- c. Capital outlay in the Proprietary Funds are recorded as assets on a GAAP basis, but budgeted in the year paid.
- d. Other post-employment benefits and depreciation are only recorded on a GAAP basis and are not budgeted.
- e. Fund balances reported in the City’s financial statements comply with the provisions of GASB 54. For budget reporting, however, fund balances that would be reported in the financial statements as nonspendable, restricted, committed or assigned have been combined into a single category called “All other balances”.

Funds and Account Groups - The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenue and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. (See the following Fund Accounting pages.)

Major and Nonmajor Funds – GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City reports three major governmental funds: the General Fund, one special revenue fund, the Community Redevelopment Agency and one capital projects fund, the General Capital Projects Fund. The Electric Fund and the Water and Sewer Funds are reported as the City’s two major enterprise funds.

Governmental and enterprise funds which do not meet the criteria for reporting as major funds are grouped together for presentation purposes as nonmajor Governmental Funds and nonmajor Enterprise Funds, respectively. In addition, the City reports a nonmajor internal service fund type and a nonmajor fiduciary (pension) fund type. Budgets are prepared for all funds regardless of the fund's classification as a major or nonmajor fund and all budgeted funds are included in the City's Comprehensive Annual Financial Report (CAFR).

Cash and Investments - The City's investment policy (Resolution 1854-2010) was adopted on May 17, 2010 and revised on June 16, 2014 (Resolution 1934-2014). The policy authorizes the Finance Officer to invest public funds, contract for banking, investment and related services, establish internal controls and specifies the types of investments that may be purchased. Key objectives included in the policy are as follows:

1. Safety of principal.
2. Sufficient liquidity to allow for quick conversion of investments to cash easily and rapidly without loss of principal.
3. Attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.
4. Investments held should be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold.

The policy specifies requirements for financial institutions and broker/dealers which are approved for investment purposes, maturity and liquidity requirements, and competitive selection of investment instruments. It also specifies the type of authorized investments and portfolio composition, prohibited investments, performance measurements, monthly reporting requirements and third-party custodial agreements.

Debt Service - Debt service costs arise out of obligations to repay amounts borrowed (principal) with interest and any other related costs. Funds are to be borrowed for capital expenditures only. The City will not borrow funds to meet day-to-day operating expenditures. The City will seek to minimize the need for future debt through long term financial planning and capital budgeting. Neither the City Charter nor Code, nor Florida Statutes limit the amount of debt the City can issue.

Decisions to issue debt will be guided by the following policies:

1. The City will restrict the use of long-term debt to capital projects that cannot be funded from current revenues. The City will not use long-term debt to meet current operating expenditures.
2. Debt payments will not extend beyond the useful life of the capital investment being financed.
3. The City may issue refunding bonds provided such refunding does not result in an

increase in the interest rate.

4. Issuance of General Obligation Bonds (GOB) requires the approval of the City Council and an affirmative vote of a majority of electors voting at any specific general election.
5. The City may issue tax increment debt securities payable solely from the ad valorem tax increment proceeds within the area of authority created in accordance with City Ordinances for the Southend and Downtown Tax Increment Districts.
6. The City Council has the authority to obligate the City's resources for the issuance of Revenue Bonds. Issuance of additional revenue bonds for the utilities must not violate the terms of current bond covenants and comply with all the restrictions for parity, debt service coverage and reserve requirements.
7. The use of lease purchase obligations will be considered only when the useful life of the item is equal to or greater than the length of the lease. If the item becomes technologically obsolete or is likely to require extensive repairs during the lease period, then the City will purchase the item with current operating revenues.
8. As a part of the budget process, the Finance Officer annually reviews current and projected levels of debt, monitoring debt levels to assure that the City does not over-obligate its resources. Analysis of debt levels, along with long term revenue projections will both be considered when deciding if the City should incur new debt. Plans for long-term debt will vary depending upon funding source, its reliability and availability in the future and the priority of the capital project being considered. When considering if the City can afford the new debt, the City will also consider the added operating expenditures associated with the new capital asset and its long-term budget impact.

Transfers - Transfers are used to move monies from one fund to another without the intent of repayment. Transfers are made according to prescribed formula or legal requirements upon the availability of unrestricted fund balances. No transfer will be made in violation of the legal purpose or use of revenues from which the fund balance was created.

Fund Balance – The City implemented the provisions of GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2011 (Resolution 1887-2011, revised in Resolution 1890-2011), as required. The policy establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which the amounts in the funds can be spent.

For financial statement purposes, fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned. For budget purposes, fund balance is reported as either *Unrestricted/unassigned* or *All other balances*. Fund balances that would be reported in the financial statements as nonspendable, restricted, committed or assigned have been combined for budget reporting into a single grouping designated as “All other balances”.

The fund balance resolutions adopted in 2011 established a revenue stabilization fund balance reserve in the General Fund in an amount equal to 25% of subsequent year's general fund budgeted expenditures. The purpose of the stabilization fund is to provide sufficient working capital at the beginning of the fiscal year until the time the City begins receiving ad valorem taxes, usually toward the end of the first quarter. It is essentially sets a fund balance minimum. The stabilization balance can only be reduced with City Council approval or for budgeted expenditures when all other unrestricted or uncommitted fund balances have been exhausted, or there is a revenue shortfall resulting in a decrease in the stabilization fund.

The resolutions also established an assigned fund balance in the General Fund for unanticipated events or emergencies calculated as up to 25% of the subsequent year's General Fund budget (after the revenue stabilization reserve is funded). Expenditures for emergencies must be approved by the City Manager and reported to the City council within 30 working days of the emergency. Expenditures for major unanticipated, unbudgeted events require prior City Council approval and subsequent modification to the general fund budget.

In general, fund balances in special revenue funds are classified as restricted. Fund balances in debt service and capital projects funds are classified as assigned.

When both restricted (or committed, or assigned) and unrestricted resources are available for use, the City's policy as established in the resolution is to use the restricted (or committed, or assigned) resources first, then unrestricted resources as they are needed.

Fund Balance Reserves in Proprietary Funds – In addition to any legally restricted fund balances, the City maintains a fund balance reserve for working capital in all operating funds. The purpose of this reserve is to handle shortfalls from revenue deficiencies, costs from unforeseen emergencies, and to avoid the need for short term borrowing for cash flow purposes. This reserve is maintained at the approximate level of three to four months operating expenditures. The City's insurance internal service funds maintain minimum reserves of \$500,000 in the Property and Liability Insurance Fund and a minimum of \$1,500,000 in the Workers Comp Insurance Fund. The reserves were recommended as part of a plan for the City to become partially self-insured.

GFOA Award for Distinguished Budget Presentation - The City strives to improve its budget document in order to continue to meet the criteria for the Government Finance Officers' Association (GFOA) Award for Distinguished Budget Presentation. This award signifies that the City is communicating its spending plan to its citizens, elected and administrative officials, and to outside interested parties such as bond rating agencies, in an exemplary manner.

Fund Accounting

The City of Jacksonville Beach maintains its accounting system on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are typically segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The City uses three broad types of funds: governmental, proprietary and fiduciary.

Governmental funds are generally used to account for tax-supported government activities.

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprise; or where the periodic determination of net income is appropriate for accountability purposes. The City has two types of proprietary funds: enterprise funds which account for its utilities, golf course and lease facilities; and internal service funds, which account for centralized services that are provided on a cost-reimbursement basis. *Fiduciary* (pension) funds account for funds held by the government as a trustee; these assets cannot be used to support the government's own activities.

GASB Statement No. 54, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. Governmental and enterprise funds which do not meet the criteria for reporting as major funds are designated as nonmajor.

Revenues and Expenditures by Major/Nonmajor Fund

	Revenues	Expenditures	Revenues minus expenses	Exp. as a % of Total Budget
Major Funds:				
General Fund	\$19,460,731	\$19,460,731	\$0	12.6%
Community Redevelopment	8,528,885	1,854,603	6,674,282	1.2%
General Capital Projects	939,053	1,390,702	(451,649)	0.9%
Electric	86,846,742	89,178,388	(2,331,646)	57.9%
Water & Sewer	10,431,548	11,194,680	(763,132)	7.3%
	<u>126,206,959</u>	<u>123,079,104</u>	<u>3,127,855</u>	<u>79.9%</u>
Nonmajor Funds:				
Governmental	2,811,216	3,130,414	(319,198)	2.0%
Enterprise	8,492,812	9,063,084	(570,272)	5.9%
Internal Service	11,612,615	12,180,310	(567,695)	7.9%
Trust (pension)	9,507,927	6,495,060	3,012,866	4.2%
	<u>32,424,570</u>	<u>30,868,868</u>	<u>1,555,701</u>	<u>20.1%</u>
TOTAL - All Funds	<u>\$158,631,529</u>	<u>153,947,972</u>	<u>4,683,556</u>	<u>100.0%</u>

Governmental Funds

Major Governmental Funds

The **General Fund** accounts for resources traditionally associated with governments that are not required to be accounted for in another fund. Its primary funding sources are property taxes, revenue from other governments and transfers from other funds. The General Fund provides funding for the traditional services of municipal government: elected officials, police & fire, parks & recreation, planning and development, building inspection and street maintenance. Budget objective: to provide for the general government operations of the City and maintain the working capital necessary for the fund's financial health and stability.

The **Community Redevelopment Fund** accounts for the receipt and expenditure of ad valorem tax increment funds in a special revenue fund because use of the revenue is limited to purposes specified in its redevelopment plan. The Community Redevelopment Agency (CRA) uses these funds to pay for capital projects and to secure debt issued to pay for those projects benefitting the City's two redevelopment districts in accordance with adopted plans for each district: Downtown, which was created in 1984 and Southend, which was created in 1985. Other revenue sources include grant funds and interest earnings. Information about the Community Redevelopment Agency is reported in Planning & Development's section of this document. Budget objective: to show the legally restricted revenue sources and how these sources will be utilized and to demonstrate compliance with Florida Statutes.

The **General Capital Projects Fund** is the City's primary capital projects fund and accounts for the costs of various nonrecurring capital projects, major equipment purchases and major repairs and renovations. Due to the nature of the fund, its budget can fluctuate significantly from one year to the next. Primary funding sources are transfers from other funds, grants and interest earnings. Its budget is itemized and discussed in the Executive and Legislative section of the budget.

Budget objective: to account for all financial resources to be expended for the acquisition, construction or repair of major capital facilities or equipment used as capital assets in governmental funds.

Nonmajor Governmental Funds

Nonmajor Governmental Funds account for those special revenue, debt service and capital projects funds that do not meet government accounting standards criteria for inclusion as major funds.

Special revenue funds are used to account for specific revenues that are legally restricted to be spent for a particular purpose. Funding sources in these funds are largely grant and tax revenues. Budget objective: to show the legally restricted revenue sources, how these sources will be utilized and to demonstrate compliance with statutes, regulations and rules governing their use.

Debt service funds are used to account for the accumulation of resources for and payment of governmental bond principal and interest; funding for these funds comes from the revenue pledged as support for the debt.

Budget objective: to fund debt service expenditures and to provide for any cash flow deficiency that would occur prior to the receipt of tax increment revenues.

Capital projects funds are used to account for the acquisition and construction of major repairs, replacements and capital facilities other than those financed by proprietary funds and trust funds; funding sources are grants, transfers from other funds, interest earnings and bond proceeds.

Budget objective: to account for all financial resources to be expended for the acquisition or construction or repair of major capital facilities or equipment to be used as capital assets in governmental funds.

A summary of the city's governmental funds, budget, primary uses and the department responsible for managing the fund is on the next page.

Governmental Funds	Budget	Primary Uses	Department
General Fund (major)	\$19,460,731	Police, Fire, Parks & Recreation, Public Works-Street Maintenance, Planning & Development, Executive, Beaches Energy-Building Maintenance, Executive, Executive-Nondepartmental	All departments listed on the left
Special Revenue Funds			
Community Redevelopment (major)	1,854,603	Infrastructure improvements in Downtown and Sounthend districts; downtown policing initiative	Planning & Development, Police, Public Works
Convention Development	235,226	Tourism and convention development	Executive
Court Cost Training	60,000	Police training	Police
Local Option Gas Tax	724,355	Street and road maintenance	Public Works
Half-Cent Infrastructure Surtax	649,220	Infrastructure improvements specified in enabling legislation	Public Works
Community Development Block Grant	144,489	CAPE and Carver Center	Police, Finance, Parks & Recreation
Radio Communication	15,530	City's radio system	Fire
Justice Assistance Grant	85,539	Specific law enforcement uses	Police
Tree Protection	3,000	Tree replacement	Parks & Recreation
Law Enforcement Trust Fund	60,414	Specific law enforcement uses	Police
Equitable Sharing Fund	115,000	Specific law enforcement uses	Police
Debt Service Fund			
Half-Cent Infrastructure Surtax	1,002,641	Principal and interest payments	Executive
Capital Projects Funds			
General Capital Projects (major)	1,390,702	Major capital projects and repair/ replacement of equipment	Executive
Infrastructure Surtax Bond Proceeds	0	Infrastructure improvements specified in enabling legislation	Executive
Sunshine Park	5,000	Maintenance of Sunshine Park	Executive
Dog Park Project	30,000	Maintenance of Dog Park	Executive
TOTAL GOVERNMENTAL FUNDS	\$25,836,450		

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 Manger	Time allocation estimate
Accounting	Accounting - Department/division operating budgets; Utility Billing - Number of meters in each utility & degree of difficulty (time); Information Systems - Time and difficulty estimate; Purchasing - Number and value of purchase orders
Human Resources	Number of employees
Fleet Maintenance	Specific vehicle maintenance costs and overhead allocation based on number of vehicles
Grounds Maintenance	Time estimate and acreage
Meter Services	Number of meters read
Operations & Maintenance Facility	Square footage allocated to each department
Insurance Funds	Property value (general/liability); payroll costs and cost per \$1,000 (worker's comp); specific charges (employee life, health & dental insurance)

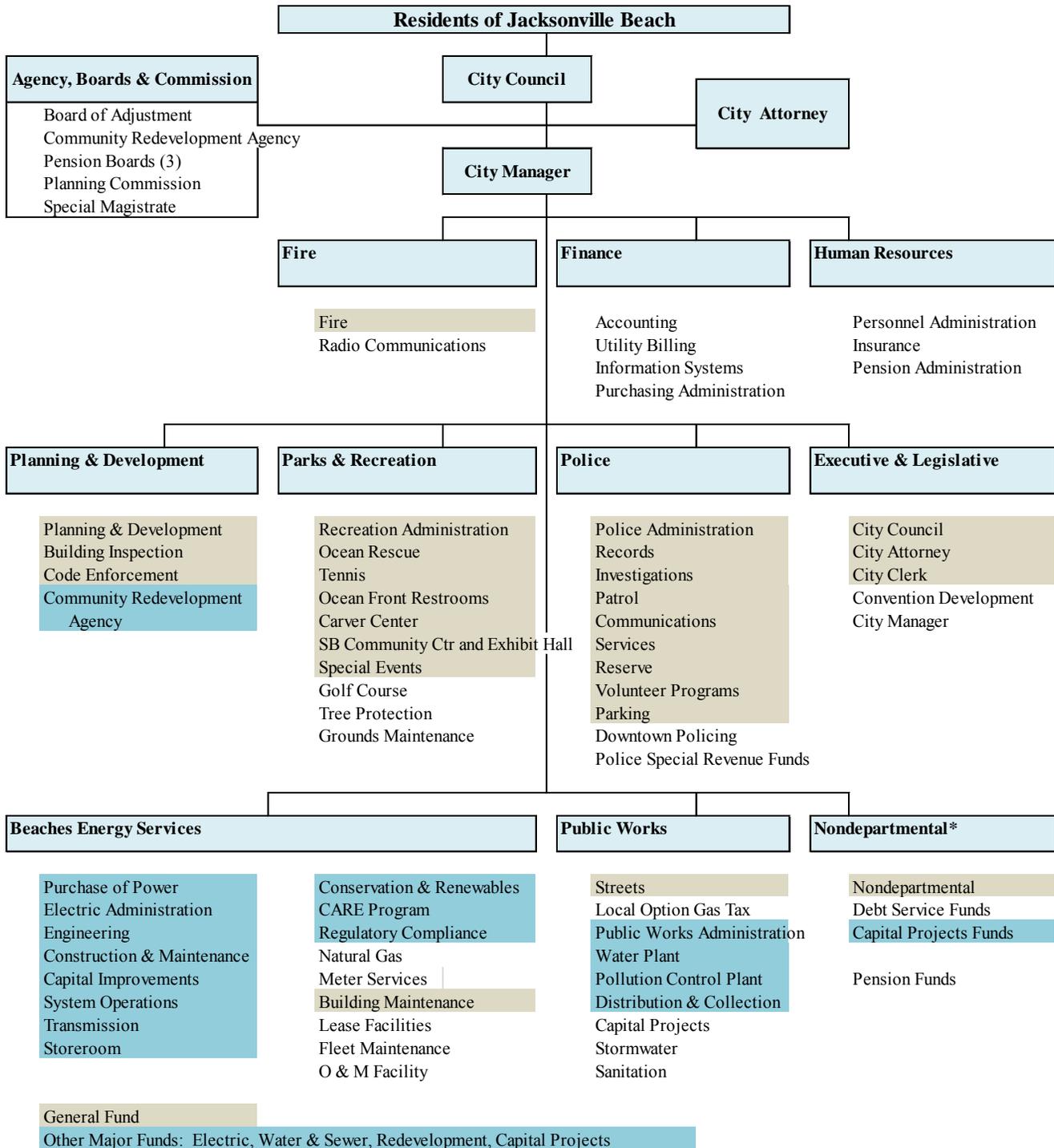
Proprietary Funds	Budget	Primary Uses	Department
Enterprise			
Electric (major)	89,178,388	Operations of Beaches Energy Services	Beaches Energy Services
Water & Sewer (major)	11,194,680	Operations of water and sewer system	Public Works
Natural Gas	1,785,256	Operations of natural gas system	Beaches Energy Services
Stormwater	1,979,323	Operations of stormwater system	Public Works
Sanitation	3,385,349	Garbage and sanitation operations	Public Works
Golf Course	1,355,505	Golf course operations	Parks & Recreation
Lease Facilities	557,651	Operations of lease facilities and funding for major projects and replacements	Beaches Energy Services
Internal Service			
City Manger	492,126	City Manager's office operations	Executive
Finance	4,023,524	Utility billing, accounting, purchasing and information systems operations	Finance
Human Resources	565,997	Human resources operations	Human Resources
Fleet Maintenance	580,792	Maintenance on City's vehicle fleet	Beaches Energy Services
Grounds Maintenance	1,058,912	City grounds maintenance services	Parks & Recreation
Meter Services	847,745	Meter reading services for electric, water and natural gas	Beaches Energy Services
Operations & Maintenance Facility	387,280	Maintenance costs of O&M buildings	Beaches Energy Services
Insurance & Risk Retention	4,223,934	Premiums and related costs for general, liability, workers comp and employee insurance	Human Resources
TOTAL PROPRIETARY FUNDS	\$121,616,462		

Fiduciary Finds:

Pension Trust Funds – Pension funds are the City’s only fiduciary funds. Pension Funds are used to account for assets held by the City as trustee for general, police and fire employees and retirees. Funding sources come from insurance premium taxes, City and employee contributions and investment earnings. Expenditures are used to pay retirement benefits to current and future retirees and to administer the three funds. Budget objective: to monitor revenues and control expenditures. Pension funds are reported in the Executive and Legislative department.

Pension	Budget	Primary Uses	Department
General	\$ 4,072,050	General employees' pension fund	Executive
Police	\$ 1,557,836	Police pension fund	Executive
Fire	\$ 865,174	Fire pension fund	Executive
TOTAL PENSION FUNDS	\$6,495,060		

City of Jacksonville Beach, Florida Organization Chart



* See Executive & Legislative Department for these divisions.

**Expenditure Summary by Business Plan and Fund
Fiscal Year 2015**

	General Fund	Other Govt. Funds	Enterprise	Internal Service	Trust (Pension)	Total
Executive & Legislative						
Governmental Debt Service		\$1,002,641				\$1,002,641
Executive & Legislative	758,017	235,226		492,126		1,485,369
Capital Projects		2,074,922				2,074,922
Nondepartmental	1,905,513					1,905,513
Total Executive & Legislative	2,663,530	3,312,789		492,126		6,468,445
Planning & Development						
Planning & Development	836,482					836,482
Downtown Redevelopment		214,662				214,662
Southend Tax Increment		773,725				773,725
Total Planning & Devel.	836,482	988,387				1,824,869
Parks & Recreation						
Recreation Administration	1,339,383					1,339,383
Ocean Rescue	743,731					743,731
Tennis	90,523					90,523
Oceanfront Restrooms	80,500					80,500
Carver Center-CDBG	83,015	144,489				227,504
Special Events	110,000					110,000
Exhibition Hall	48,500					48,500
Golf Course			1,355,505			1,355,505
Tree Protection		3,000				3,000
Grounds Maintenance				1,058,912		1,058,912
Total Recreation & Parks	2,495,652	147,489	1,355,505	1,058,912		5,057,558
Public Works						
Administration			3,184,465			3,184,465
Distribution and Collection			3,815,041			3,815,041
Pollution Control			2,701,619			2,701,619
Water Plant			1,493,555			1,493,555
Streets	1,534,797					1,534,797
Local Option Gas Tax		724,355				724,355
Stormwater Utility			1,979,323			1,979,323
Sanitation			3,385,349			3,385,349
Total Public Works	1,534,797	724,355	16,559,352			18,818,504
Police						
General Fund	7,891,852					7,891,852
Special Revenue Funds		1,187,169				1,187,169
Total Police	7,891,852	1,187,169				9,079,021
Fire						
	3,546,489	15,530				3,562,019
Beaches Energy Services						
Beaches Energy-Electric Division			89,178,388	847,745		90,026,133
Beaches Energy-Natural Gas Division			1,785,256			1,785,256
Property Management	491,929		557,651	968,072		2,017,652
	491,929		91,521,295	1,815,817		93,829,041
Finance						
				4,023,524		4,023,524
Human Resources						
Personnel Administration				565,997		565,997
Insurance & Risk Management				4,223,934		4,223,934
Pension Administration					6,495,060	6,495,060
Total Human Resources				4,789,931	6,495,060	11,284,991
Total Adopted Budget	\$19,460,731	\$6,375,719	\$109,436,152	\$12,180,310	\$6,495,060	\$153,947,972

Executive & Legislative Department

Mission

Improving quality of life and building community.

Organization

The Executive and Legislative Services Department consists of four General Fund divisions: City Council, City Attorney, City Clerk, and Non-Departmental. This department also manages the City Manager Internal Service Fund, Convention Development Fund, and Capital Projects Funds.

The City Council and City Manager are responsible for providing leadership that result in informed decision-making, exceptional customer service and a positive quality of life for the citizens of Jacksonville Beach.

Policy decisions and legislative actions, which are made by the City Council, are administered and executed by the City Manager. The City Attorney serves in an advisory role in the interpretation of ordinances adopted by the City Council, and other state and federal laws and regulations related to the business of City government. The City Clerk maintains City records in compliance with state and local laws.

Authorized Positions	FY2013	FY2014	FY2015
City Council	7	7	7
City Manager	1	1	1
Deputy City Manager	-	-	1
Assistant to the City Manager	1	1	1
City Clerk	1	1	1
Assistant City Clerk	1	1	1
Senior Secretary	1	1	1
Senior Secretary- part-time	1	1	1
TOTAL	13	13	14

Goals for FY2015-City Manager's Office

- Lead efforts to restructure City services to meet budgetary limitations.
- Provide leadership to implement business plan strategies and City Council priorities for all departments.
- Analyze levels of service and recommend changes in City programs to improve their effectiveness.
- Continue customer service emphasis to provide high quality services at a reasonable cost.
- Focus on sound financial management.

Executive & Legislative Department

City Manager's Performance Measures Priorities and Goals	Status
City Council Priorities	
Financially Sound City	
Sustainable pension plans	Adjustments to make City pension plans sustainable were implemented in 2014.
Provide competitive compensation & health care for employees	Adopted new pay plan in 2014
Develop potential alternate revenue sources to supplement the General Fund	The life of the redevelopment districts was extended by 30 years in 2014.
Ensure capital improvement planning is up to date	The 5-year capital improvement plan is updated annually and included as part of the City's budget and business plan.
Public Safety	
Ensure Downtown CAPE is enhancing citizen safety	Added 4 police positions to Downtown Policing Innovations Program in 2014.
Partner with other agencies to assist vagrants: CHOP Program (Chronically Homeless Offender Project)	One-year pilot program approved by City Council May 2014. Program effectiveness will be analyzed during 2015.
Work with neighborhood watch programs and other community organizations to prevent and reduce crime	On-going
Business Growth	
Support and work with business owners and Beaches Chamber of Commerce in developing a plan to identify, attract and retain a good mix of businesses for our City	Contract with retail consultant approved by City Council January 2014.
Work with Beaches Chamber of Commerce, Beaches Hospitality Network and Visit Florida to market our City and assist hospitality/tourism businesses	Public process to create action plan to broaden the City's visitor base and the Jacksonville Beach experience begun in May 2014.
Review City ordinances or policies that may unduly restrict business activity	On-going, will also be considered as part of the action plan.
Parking	
Provide spaces for low speed vehicles	Designated parking for low-speed vehicles implemented in March 2013.
Investigate the feasibility of a paid integrated parking program to encourage long-term parking in the lots and short-term parking on the streets	Development of 2-hour parking in designated downtown areas is underway. Paid parking program was approved in February 2014.
Provide security in City-owned parking lots	Contract with vendor approved by City Council in February 2014
Building Community	
Enhance web and social media presence to keep the public informed and invited to participate in decision making	Website upgrade completed in 2013, including an improved calendar function. Increased use of social media and website to notify citizens and customers about upcoming meetings and events.
Provide spaces, parks and events that create opportunities for friends and neighbors to connect with each other and with the community	Began Downtown "hospitality" program. Revised and updated special events policies; added and expanded "Deck the Chairs" as part of Christmas festivities.

Executive & Legislative Department

City Manager's Performance Measures

Effectiveness	
Accomplish business plan goals	Yes
Customer Service	
Customer service training and standards for all departments	Yes
Quality of Life	
Infrastructure:	
System improvements and maintenance for streets, sidewalks, water, sewer, stormwater, electric and natural gas as scheduled in the 5-year capital improvement plan	The 5-year capital improvement plan is updated annually and included as part the City's budget and business plans.
Water, Sewer & Stormwater:	
Rebuild Waste Treatment Plant to comply with federal/state limits on nitrogen	Complete
Water-consumptive use permit	Received 2-15-2013; Next renewal 4-9-2033
Sewer & Stormwater-NPDES permits	Received 12-1-2011; Next renewal 11-30-2016
Parks & Facilities:	
All parks and facilities in good condition; properly maintained and free of trash	Yes
Install bus shelters at selected locations as funding is available	Underway
Public Safety:	
Emergency Management	On-going
Redevelopment	
30-year redevelopment district renewal	The life of the Redevelopment Districts was extended by 30 years in 2014.
Projects:	
Downtown Redevelopment-Glatting Jackson, Phase 3 (2nd St. N., 5th Ave. N. & portions of 1st St., 1st & 2nd Sts. South and Aves. To 16th S.) (see 5-year Capital Improvement Plan)	First and Second Streets south of Beach Boulevard currently being designed.
10th Street South Industrial Park Area	Design 2015
Intergovernmental Relations	
Monitor & provide input on issues of importance to the City's future including: Federal: electric, internet tax, regulatory agencies, beach renourishment State: legislation, beach renourishment, DOT, regulatory agencies Local: City of Jacksonville, JTA, interlocal agencies	
Promote the City's interests in issues affecting the cost of power, integrated resource plan, natural gas, and legislative	
Marketing and Public Relations	
Communication with the media	On-going
Website management	On-going
Special Events: Jazz Concert Series, Moonlight Movies and others (see Parks & Recreation)	On-going

Executive & Legislative Department

City Clerk's Performance Measures	2013	2014	Target 2015
Customer survey satisfaction rating: Target is 95% Satisfactory, with at least 80% Exceeds Expectations:			
Internal Customer Service Survey - Satisfaction with service provided	95%	97%	95%
Local Business Tax Customer Service Survey - Satisfaction with responsiveness of Clerk's office	95%	99%	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 7-10 business days of request	95%	75%	95%
After receiving a completed application, process and issue Local Business Tax Receipt within 5 business days	95%	95%	95%

Goals for FY2015-City Clerk's Office

- Identify, protect, and preserve essential and historic City records.
- Ensure that all Council and Board meetings are attended and minutes are transcribed in a timely manner.
- Continue training and maintenance of document imaging program "Opti-View".
- Successfully coordinate and manage the 2014 Municipal Election.
- Maintain training and continue cross training of staff in the areas of Local Business Tax, and research and preparation of Lien Certificates. Conduct annual Public Records Laws, Records Management, and Sunshine Law training.
- Ensure that Local Business Tax Renewal Notices are sent to existing businesses by August 1, 2014.

Executive & Legislative Department

Funding Sources:

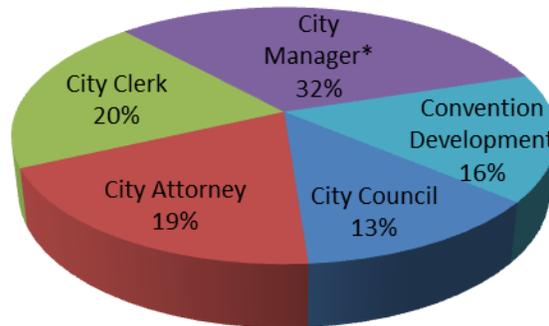
The **General Fund Executive and Non-Departmental Divisions** are supported by taxes, intergovernmental revenues, and transfers from other funds. The **City Manager Division** is funded by allocation of charges to departments served by the division. The **Convention Development Fund** receives half of the County’s 2% Bed Tax charged to each hotel room within the City’s corporate limits.

Half-Cent Infrastructure Tax Fund uses distributions from the *Better Jacksonville Plan* to fund:

- Street reconstruction and school sidewalks
- Water, sewer, stormwater improvements
- Capital improvements to recreational facilities
- Purchase of property for preservation and recreational purposes

Funding Uses:

Executive & Legislative Budget



Division	FY2014 Budget	FY2015 Budget	Increase (Decrease)
City Council	\$179,536	\$184,883	\$5,347
City Attorney	280,547	280,621	74
City Clerk	290,203	292,513	2,310
City Manager*	345,721	492,126	146,405
Convention Development	221,669	235,226	13,557
TOTAL	\$1,317,676	\$1,485,369	\$167,693

*City Manager budget increase resulted from the re-authorization of a Deputy City Manager position.

Executive & Legislative Department

Funding Uses (continued)

City Council

This division's expenses are essentially level in comparison to previous years. Total budget is \$184,883. The City Council budget includes funding assistance for:

Dial-a-Ride \$2,500

Beaches Resource Center \$500

BEAM \$500

Beaches Community Healthcare \$500

City Attorney/Legal and Legislative Services

The City Attorney division includes budgeted legal fees for legal matters affecting the City and its departments and for State and Federal legislative issues. This budget may require modification annually depending on the number of lawsuits. The total budget is \$280,621.

City Clerk

The City Clerk's office is responsible for maintaining the City's records and documents, keeping minutes of all City meetings, coordinating all municipal elections and publishing legal notices and advertisements. It also manages the City's business license program. The total budget is \$292,513.

City Manager

The City Manager's office runs the day-to-day operations of the City by overseeing the work of all City departments, manages inter-governmental (Federal, State and local) affairs, represents the Beaches Energy Services in the Florida Municipal Power Agency and on the board of the Florida Municipal Electric Association, is responsible for presenting the annual budget to the City Council and executes the directives of the City Council. The total budget is \$492,126.

Convention Development

The expenses of this division cover the maintenance and upkeep of the SeaWalk amphitheater and downtown entertainment center. This includes \$41,000 for SeaWalk maintenance, and \$79,226 for the Grounds Maintenance division to maintain landscaping in the SeaWalk Pavilion and downtown entertainment center. The Convention Development Fund transfers \$20,000 to provide partial funding for the maintenance and operation of the South Beach Recreation Center and Exhibit Hall and \$95,000 to partially fund Special Events. The total budget is \$235,226.

Executive & Legislative Department

Funding Uses (continued)

Non-Departmental

The Non-Departmental Division of the General Fund includes those expenses that are not attributable to any distinct area and unanticipated expenses that might come up during the year. Liability insurance coverage is also paid for in this cost area.

NON-DEPARTMENTAL BUDGET		
(General Fund)	FY2014	FY2015
Professional Services	\$51,364	\$7,500
Contract Services: Christmas lights	12,000	22,000
Contract Services: bank charges	35,000	35,000
Utilities (Downtown area)	20,000	21,600
Rental of South Beach Recreation Center	10,000	10,000
Liability Insurance	409,442	429,493
Printing and reproduction (Jax Beach Briefs)	2,000	2,000
Unanticipated:		
Unallocated	440,418	398,863
Customer Service Rewards	15,000	15,000
Internal Service Charges	173,246	181,648
Minimum monthly retiree benefits	11,537	10,356
Subtotal - operating	1,180,007	1,133,460
Capital outlay	0	0
Transfers from General Fund to General Capital Projects Fund:		
Capital Projects-equip. replacement		
Fire apparatus replacement	75,000	75,000
Streets heavy equipment replacement	90,000	80,000
Roads and drainage projects	0	617,053
Subtotal - transfers	165,000	772,053
TOTAL Non-departmental	\$1,345,007	\$1,905,513

Executive & Legislative Department

Funding Uses (continued)

Capital Projects Funds include ½ **Cent Sales Surtax** (also known as the Better Jacksonville Beach Fund) which are used to pay debt service and fund improvements to streets, sidewalks and recreation facilities. ½ **Cent Sales Surtax Bond Proceeds** accounts for \$10 million borrowed, in part, to partially fund the Waste Treatment Plant rebuild required to meet the City’s nitrogen allocation, along with the 9th Street, Avalon and Duval Drive projects.

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

Funding Source	Projects budgeted	Budget
½ Cent Sales Surtax Fund (Better Jax Beach)	Sidewalks	\$170,000
	Bank service charges	\$1,500
	Transfer to debt service fund	\$477,720
	Total 1/2 Cent Sales Surtax	\$649,220
General Capital Projects	Professional engineering services	\$30,000
	Skateboard Park	\$250,000
	10th St. S. Industrial Park Area Improvements	\$810,000
	Bank service charges	\$15,000
	Computer-related maintenance	\$25,000
	Replace computers (annual plan)	\$60,702
	Replace blade core routers and firewalls (IT master plan-phase 2)	\$100,000
Dune walkover maintenance	\$100,000	
Total General Capital Projects	\$1,390,702	
Sunshine Park	Park Maintenance	\$5,000
Paws Dog Park	Park Maintenance (\$15,000); sidewalk and irrigation for small dog park (\$15,000)	\$30,000
TOTAL CAPITAL PROJECTS		\$2,074,922

Capital Projects Funds

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Operating	\$63,802	\$304,256	\$191,500	-\$112,756	-37.1%
Capital Outlay	\$1,116,079	\$1,229,344	\$1,405,702	\$176,358	14.3%
Transfers	\$971,734	\$986,797	\$477,720	-\$509,077	-51.6%
TOTAL	\$2,151,615	\$2,520,397	\$2,074,922	-\$445,475	-17.7%

Executive & Legislative Department

Financial Summaries

Executive and Legislative Department

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$560,142	\$622,119	\$772,516	\$150,397	24.2%
Operating	\$383,250	\$580,557	\$597,853	\$17,296	3.0%
Capital Outlay	\$94,997	\$0	\$0	\$0	-
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$90,000	\$115,000	\$115,000	\$0	0.0%
TOTAL	\$1,128,389	\$1,317,676	\$1,485,369	\$167,693	12.7%

The budget increase is from the addition of a deputy city manager position.

Nondepartmental Division

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Operating	\$714,736	\$1,180,007	\$1,133,460	-\$46,547	-3.9%
Capital Outlay	\$0	\$0	\$0	\$0	-
Transfers	\$824,787	\$165,000	\$772,053	\$607,053	367.9%
TOTAL	\$1,539,523	\$1,345,007	\$1,905,513	\$560,506	41.7%

The budget increase is due to funding for road and drainage improvements. A detail of Non-departmental expenditures is on page 41.

Governmental Debt Service Funds

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Principal	\$875,000	\$900,000	\$925,000	\$25,000	2.8%
Interest & other charges	\$104,010	\$90,797	\$77,641	-\$13,156	-14.5%
TOTAL	\$979,010	\$990,797	\$1,002,641	\$11,844	1.2%

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

Executive & Legislative Department

Budget Issues for 2015

- Since FY2006, 26 full-time positions were eliminated in response to the effects of the recession. This budget proposes re-authorizing 2 positions, adding two positions funded by the Community Redevelopment Agency and adding 1 new position in the Information Systems division. All of these changes are being made to address workload demands in areas of critical importance to the City:
 - Reauthorize 1 Deputy City Manager (vacant since 2009)
 - Reauthorize 1 Building Codes Inspector (vacant since 2010)
 - Add 1 part-time Community Redevelopment Specialist (CRA funding)
 - Add 1 Engineer (CRA funding)
 - Add 1 Geographic Information Systems/Network Administrator
- Keeping a strong, well trained and highly motivated workforce while adjusting employee share of pension and insurance costs will be an ongoing challenge.
- The wage article for the LIUNA (General Employees) contract will re-open for negotiation on November 1, 2014. The wage articles for FOP (Police) and IAFF (Firefighters) will re-open in May, 2016 and June, 2016, respectively.
- State legislation imposing business and communications tax limitations for local governments along with reductions in property value caused by the recession have had a substantial effect on City operations.
- Budget pressure will come from costs associated with increasing federal and state water resource environmental oversight such as statutory minimum flows and levels for lakes and springs, numeric nutrient criteria, pollutants and other contaminants entering the fresh and marine waters of the state.
- Although the cost of natural gas is currently low and not expected to increase significantly in the next year, future cost volatility could drive the City's power costs higher. New regulations limiting carbon dioxide emissions could also increase those costs.
- Maintenance improvements to the City's 10+ year old dune walkovers are expected to cost \$100,000 per year for the next several years. \$100,000 is included in the 2015 budget for this purpose.

Planning & Development Department

Mission

Working together to build a better Jacksonville Beach.

Department Service Philosophy

- Ensure compliance with the City’s adopted development and construction standards.
- Communicate effectively with customers regarding the code requirements while implementing processes that are responsive to their particular needs.
- Provide assistance to the general public to aid in their understanding of the land planning, development and building permit processes.

Organization

The Planning & Development Department consists of three divisions: Planning & Development, Building Inspection, and Code Enforcement. In 2006, the Code Enforcement Division was formed out of the Building Inspection Division to conform to state mandates regarding financial management of permit fee revenues.

The department also provides administrative support to the Community Redevelopment Agency (CRA) for the City’s Downtown and South Beach Redevelopment Districts. The work of the department is carried out in coordination with the appointed Planning Commission, Board of Adjustment, Community Redevelopment Agency, and the Special Magistrate.

Authorized Positions	FY2013	FY2014	FY2015
Planning Division	2	2	3*
Building Inspection Division	4	4	5
Code Enforcement Division	2	2	2
TOTAL	8	8	10

*The proposed budget includes a part-time Community Redevelopment Specialist position, to be funded by the Community Redevelopment Agency. It is anticipated that this position will be funded for 1-2 years.

Planning & Development Department

Financial Summary - All Divisions

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$591,154	\$590,785	\$913,966	\$323,181	54.7%
Operating	\$208,995	\$199,372	\$205,593	\$6,221	3.1%
Capital Outlay	\$4,834,446	\$14,431,071	\$40,000	-\$14,391,071	-99.7%
Debt Service	\$1,488,876	\$1,048,739	\$665,310	-\$383,429	-36.6%
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$7,123,471	\$16,269,967	\$1,824,869	-\$14,445,098	-88.8%

The FY 2015 budget for the Department is decreased overall, in part, due to the manner in which tax increment revenues will be budgeted for capital projects. The year-to-year change in capital projects can create significant changes in this department's budget. Reserved funds are earmarked or committed to such projects when they reach the final design stage. The increase in Personal Service and Operating expenses results from (a) the addition of a part-time Redevelopment Coordinator position, (b) activating an unfunded Building Code Inspector position, and (c) the Community Redevelopment Agency funding a portion of the City Engineer's and a new Redevelopment Project Engineer's salaries and benefits for work directly related to the Downtown and South Beach redevelopment programs.

Financial Summary by Division

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Planning	\$159,370	\$159,838	\$234,506	\$74,668	46.7%
Building Inspection	\$295,249	\$319,235	\$435,520	\$116,285	36.4%
Code Enforcement	\$124,336	\$153,999	\$166,456	\$12,457	8.1%
Downtown Redevelopment	\$3,930,752	\$8,272,746	\$214,662	-\$8,058,084	-97.4%
South Beach Redevelopment	\$2,613,764	\$7,364,149	\$773,725	-\$6,590,424	-89.5%
TOTAL	\$7,123,471	\$16,269,967	\$1,824,869	-\$14,445,098	-88.8%

Planning & Development Department

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 Comprehensive Plan Elements and implementing the Land Development Code. This Division also provides administrative support for the City's community redevelopment efforts. This function includes developer relations, redevelopment agreement negotiations, and monitoring the implementation of projects.

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

Authorized Positions	FY2013	FY2014	FY2015
Director of Planning & Development	1	1	1
Senior Planner	1	1	1
Redevelopment Coordinator	-	-	1
TOTAL	2	2	3

Recent Accomplishments

- ✓ Processed 275 separate land development code approvals including four zoning changes, thirteen site plan approvals, two Concept Plans for New Subdivisions, 26 conditional use approvals, and 95 variance requests for public hearings by the Planning Commission or Board of Adjustment. The four rezoning's were for PUD's allowing the construction of a *176-unit apartment project* on Beach Boulevard, a *veterinary clinic* at Jacksonville Drive and South 3rd Street, the *59-lot Richmond American Ocean Terrace residential project*, and the *new Trader Joe's Store* in the Sandcastle Plaza on South 3rd Street. Administrative approvals of home occupations totaled 66. The Department also issued four Concurrency Certificates for pending projects and three Temporary Extension of Licensed Premises permits.
- ✓ Implemented the Mobility Fee System to replace the outdated pay and go concurrency fee ordinance, drafted and secured adoption of revised floodplain zoning provisions, and completed a draft package of regulations to allow food trucks to operate in Jacksonville Beach.
- ✓ Assisted in interdepartmental efforts related to capital project coordination, legislative monitoring, Council priorities such as paid public parking, drainage-related land acquisition project, and the GIS system.
- ✓ Maintained the City's involvement in the North Florida TPO transportation planning activities.
- ✓ Continued the Division's commitment to provide a 10-day turnaround time for the initial review of land development application plan submittals.

Planning & Development Department

Planning & Development Division Goals for FY 2015

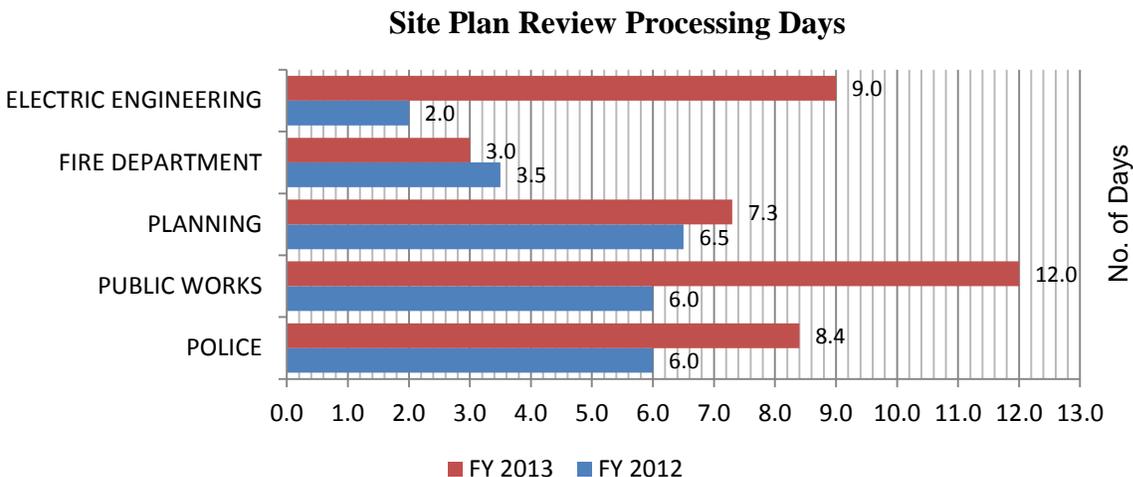
- Maintain current standard of distributing development plans to reviewing departments within two days of receipt and completing the initial review of the submittal within ten working days.
- Continue to work toward implementing on-line services and credit card payments for application and permit fees which are the most requested items in the departmental customer surveys.
- Continue working on Beaches transportation issues through participation on the North Florida Transportation Planning Organization (TPO) technical coordinating committee.
- Continue the evaluation of the City's land development code in terms of current conditions and trends, and recommend revisions to continue properly managing the future growth and development of the City.

Division Budget Issues for FY 2015

- The recovery in development and construction activity due to the slow but sure turnaround in the national economic situation that began in 2008 has resulted in a noticeable increase in the Department's workload. For example, the number of building inspections performed increased from 5,699 in FY 2012 to 6,871 in FY 2013, an increase of nearly 21%. The previous fiscal year showed a nearly 30% increase in the number of inspections. Between 2008 and 2012, the Department's staffing level was reduced from 11 to 8. Due to the significant increase in the workload, it is now time to reactivate the currently unfunded second building code inspector position.

Division Performance Measures

It is the goal of the Division to complete the initial review of all site development plan applications within 10 working days from receipt.



Planning & Development Department

Building Inspection and Code Enforcement Divisions

Organization of the Division

The Building Inspection Division is responsible for reviewing and approving all applications for permits, including new construction and remodeling, electrical, plumbing, mechanical, and miscellaneous work. This division also inspects all permitted jobs to ensure that they are carried out in accordance with the approved plans and adopted codes.

The Code Enforcement Division is responsible for enforcing the property maintenance ordinances of the City. This function includes clearing of vacant lots, abating general nuisances, and removal of junked or abandoned property. The Division works closely with the appointed Special Magistrate in carrying out this responsibility.

Authorized Positions	FY2013	FY2014	FY2015
Building Official	1	1	1
Building Code Inspector	1	1	2
Permit Specialist	2	2	2
Total, Building Inspection Division	4	4	5
Code Enforcement Inspector	1	1	1
Permit Specialist	1	1	1
Total, Code Enforcement Division	2	2	2
TOTAL, Building Inspection and Code Enforcement Divisions	6	6	7

The job description for the Building Code Inspector position has been revised to include general code enforcement duties. Going forward, all Building Code Inspectors will be cross-trained to work in the code enforcement areas.

Recent Accomplishments

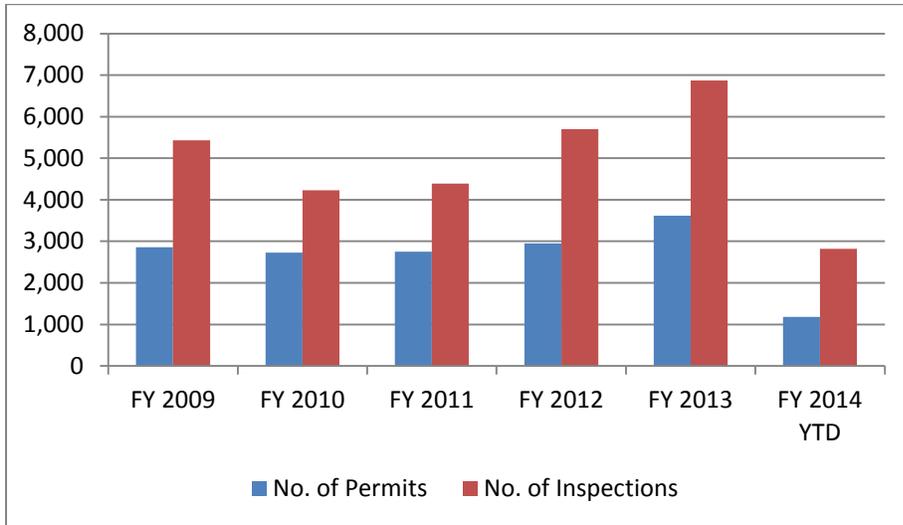
- ✓ The *Building Inspection Division* issued 3,615 building permits with a valuation of \$79,217,947. Building inspection personnel carried out 6,871 construction inspections during the fiscal year. Construction activity included 175 new dwelling units, and generated over \$571,000 in permit fees. All of these figures are up significantly from the prior fiscal year signaling a dramatic uptick from what occurred during the historical downturn in the construction industry that started in 2008.
- ✓ *Code enforcement staff* processed 1,166 property maintenance code cases. The Special Magistrate system, which began in 2007, has now been in place for over six years. The magistrate, who is trained in the law, hears and decides code violation cases. The Magistrate heard and decided 5 cases in FY 2013. The low number of magistrate cases stems from a combination of a high degree of voluntary compliance and the transition from one magistrate to a new one.
- ✓ The *Building Inspection Division* is meeting its objectives for turnaround times during the initial review of construction plans.
- ✓ The Divisions have been diligent in making sure that team members *attain and retain the proper licenses and credentials* under state law. Throughout FY 2013, all Building Inspection personnel devoted adequate time in building code administration classroom

Planning & Development Department

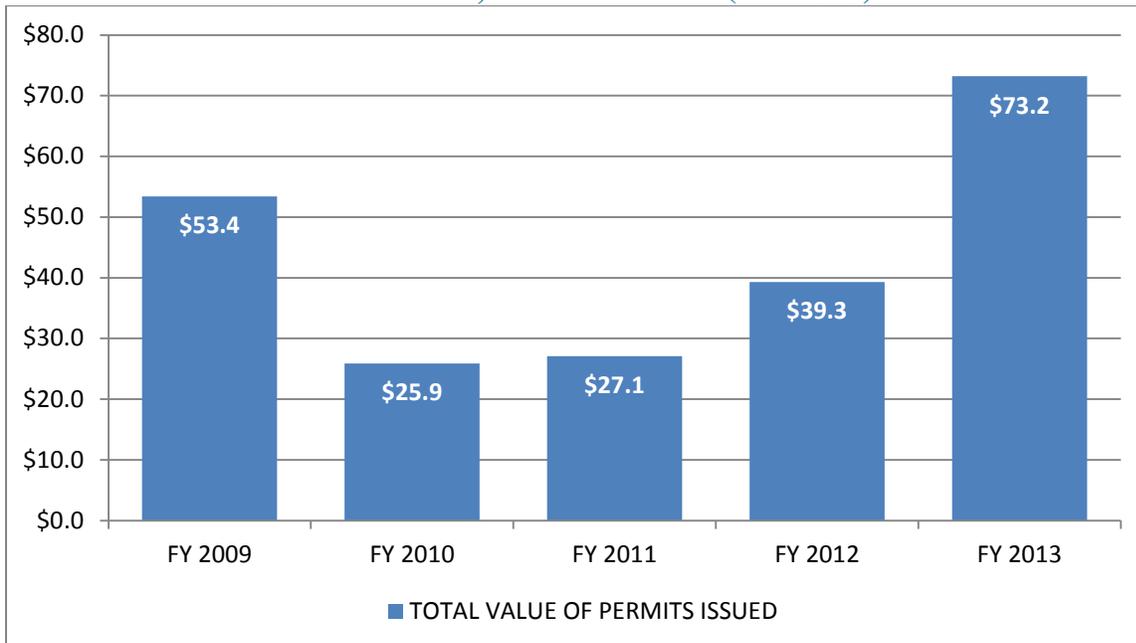
activities to maintain their certifications, and all of Department staff devoted some time to elective personal and professional development training seminars.

Building Inspection and Code Enforcement Divisions Performance Measures

Annual Number of Permits Issued and Inspections Made, FY 2009-2014 YTD



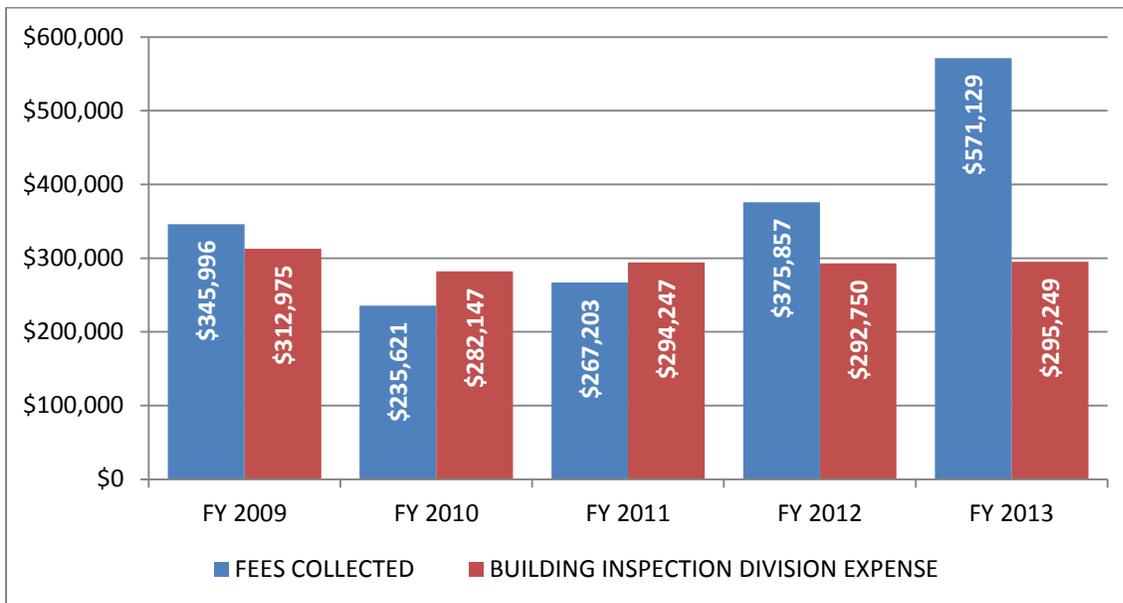
Total Dollar Value of Permits, FY 2009-2013 (millions)



Planning & Development Department

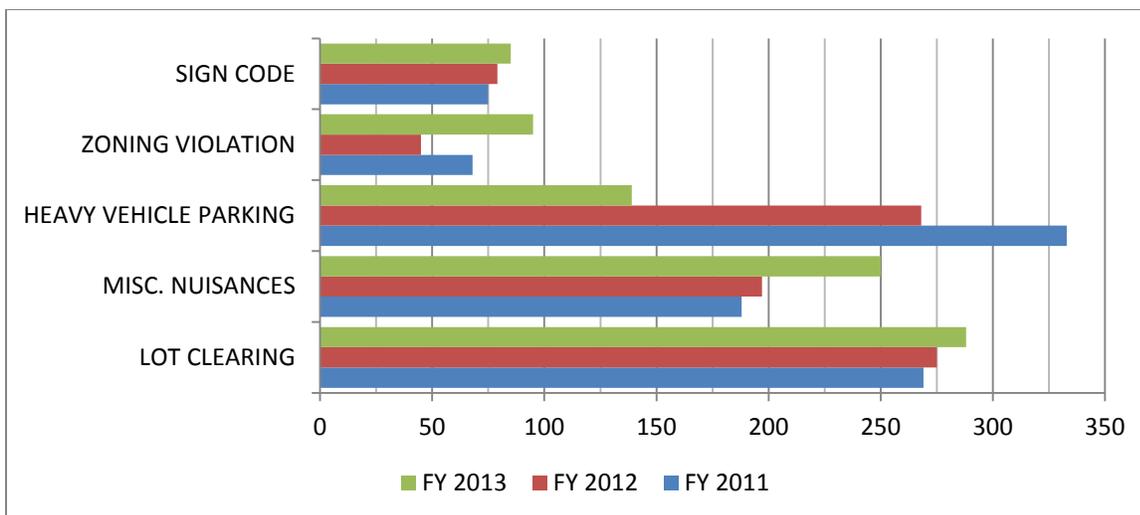
Building Inspection's objective is to maintain a level of service for building permitting, inspections and code enforcement to achieve a high degree of customer satisfaction.

Comparison of Permit Fees & Building Inspection Divisions Personnel and Operating Expenses, FY 2009-2013



In 2006, the Florida legislature passed a bill requiring local governments to earmark funds derived from permit fees to support the building permitting and inspection functions of the jurisdiction.

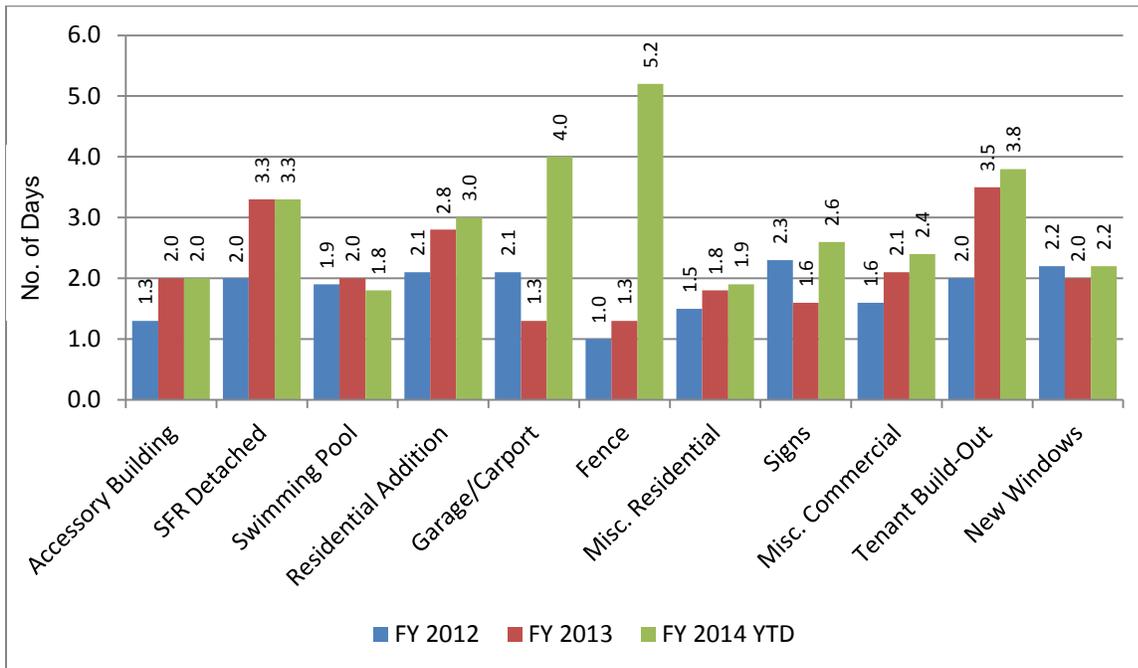
Five Most Frequent Code Enforcement Cases, FY 2011-FY 2013



Planning & Development Department

Building Inspection and Code Enforcement Divisions

Average Initial Review Time for Selected Permit Types, FY 2012-2014 YTD



*The Building Inspection Division's goal for the initial review of major projects is **10 working days** for commercial and multi-family projects and **3 working days** for single family residential projects.*

Building Inspection and Code Enforcement Division Goals for FY 2015

- Maintain the current standard of completing the initial plan review for single-family residential construction permits within three days of receipt.
- Maintain the current standard of completing initial plan review for large-scale projects within ten working days of receipt.
- Maintain the current standard of issuing trade permits for miscellaneous work within one working day of receipt.
- Continue providing “next day” service for all requests for building inspections.
- Continue studying and providing training opportunities for staff members to effectively manage the challenge of administering and enforcing the Florida Building Code.

Planning & Development Department

Building Inspection and Code Enforcement Divisions (continued)

PERFORMANCE MEASURES	FY2012	FY2013	2014 FYTD (thru 3/31/14)	FY2015 Target / Estimate
SITE PLAN REVIEWS:				
Number of applications	2	13	12	11
Plans routed within 48 hours of receipt	100%	100%	100%	100%
Average number of work days for initial review:				
Public Works – All Reviewers	6.0	11.9	10.0	10.0
Planning	6.5	7.3	6.3	10.0
Fire Department	3.5	2.9	3.7	10.0
Electric Engineering	2.0	8.9	8.7	10.0
NUMBER OF BUILDING PERMITS				
Building	1,533	1,650	804	1,595
Plumbing	497	499	195	476
Electrical	556	632	232	568
Mechanical	362	644	209	486
COMMON TYPES OF CONSTRUCTION PLAN REVIEWS:				
Single Family Dwellings				
Number of applications	51	108	59	87
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of work days for initial review:				
Code Enforcement	3.5	4.5	3.8	3.0
Inspection Division Plans Reviewer	3.6	3.3	3.3	3.0
Public Works	3.7	4.5	6.2	3.0
Miscellaneous Commercial				
Number of applications	79	82	43	82
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	3.1	2.1	2.4	3.0
Tenant Build-Out				
Number of applications	32	28	10	28
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	2.3	3.5	3.8	3.0
Signs				
Number of applications	63	130	87	112
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	1.5	1.6	2.6	3.0
Residential Additions				
Number of applications	18	24	11	21
Plans routed within 24 hours of receipt	100%	100%	100%	100%
Average number of days for initial review	1.9	2.8	3.0	3.0

Planning & Development Department

Community Redevelopment Program

The five-member Jacksonville Beach Community Redevelopment Agency (CRA) was established in 1978, pursuant to Chapter 163, Part III of the Florida Statutes. The CRA was created for the purpose of carrying out a community redevelopment program for the City. The Jacksonville Beach program consists of a variety of redevelopment activities in two districts: Downtown and South Beach.

Both Community Redevelopment District programs are funded from property tax revenues generated from within the two districts. The funds derived from the tax increments are held in separate trust funds administered by the Agency. The Downtown District generated \$4,909,602 for FY 2014 and the South Beach District generated \$3,019,392 for the same period.

Both districts are expected to continue fully funding their operations and planned projects for the foreseeable future. The Downtown District will be debt-free in FY 2014 and the South Beach TIF revenue bonds will be retired in FY 2016. For the past 21 years, the Planning and Development Division has provided the administrative support for the City's community redevelopment efforts.

Community Redevelopment Program Management

Since 1993, the City's two community redevelopment programs have been managed on behalf of the Community Redevelopment Agency by the City's Department of Planning and Development. Prior to that time, the Agency had its own staff or contracted for program management services.

Through this period, the CRA has funded 67 percent of the Department Director's salary and benefits and the equivalent of 72 percent of a Permit Specialist's salary and benefits to provide administrative support for the program. In addition, the CRA provided funding for operating expenses related to carrying out our community redevelopment efforts, including a proportionate share of internal services such as city Administration, Human Resources, Finance, Information Technology, and Purchasing. Support of the program by the Public Works Department was provided by the City without charge to the Agency. The funding for the redevelopment program administration provided by the City was further divided between the Downtown (63%) and South Beach (37%) Tax Increment Trust Funds. This division is roughly comparable to percentages of the total annual appropriations to the trust funds for each of the two districts.

This arrangement has functioned very well for the past 20 plus years as the CRA has been able to avail itself of the time and expertise of the City staff at a minimal cost to the Agency. This mutually beneficial cooperative arrangement is recommended to continue with the City supplying administrative and program management support and office space for work that will include, but not be limited to, the following:

- General administrative oversight of the City's Community Redevelopment programs
- Internal service support – general city administration, finance and accounting, human resource management, and purchasing

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- 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 as may be required from time to time in managing the CRA activities.

FY 2014-2015 Budget Issues

For a variety of reasons, significant changes are proposed for FY 2014-2015 to the manner in which the city and its CRA cooperatively manage the community redevelopment program. Among the factors generating a need for fundamental changes are:

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

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

- The heavy and ever-increasing community redevelopment workload that has borne by the Public Works Department at no cost to the Agency is no longer sustainable. This, coupled with the fact that the City and CRA are embarking on one of the largest – if not the largest – public infrastructure improvement projects ever undertaken in the City creates a need for expanded in-house engineering support going forward.
- The on-going update of the current Downtown Community Redevelopment Plan and other City activities, such as the retail recruitment program, that relate to and involve the CRA will likely require greater involvement by City administrative staff.

Recommended Redevelopment Management Program Revisions

The City and CRA have already addressed public safety concerns by expanding and making permanent the Downtown Community Assisted Policing Effort. The nine-officer unit will be fully staffed and funded before the beginning of FY 2014-2015. In addition, the following staffing changes are proposed:

- Establish a part-time Community Redevelopment Coordinator position to assist the City and CRA in planning, organizing, directing, coordinating and supervising city redevelopment programs. This will be a City position fully funded by CRA (Up to 24 hours per week, 62% Downtown TIF/38% South Beach TIF).

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- Provide CRA funding to pay 25% of the current City Engineer's salary and benefits for work performed on Community Redevelopment projects (split 62% Downtown TIF/38% South Beach TIF).
- Create a new Redevelopment Project Engineer's position in the City's Public Works Department – Water and Sewer Administration Division who will be assigned work the majority of the time on Downtown and South Beach capital improvement projects. Seventy-five percent (75%) of the funding for this new City position will be provided by the CRA (split 62% Downtown TIF/38% South Beach TIF).
- Eliminate current CRA funding of 72% of a Permit Specialist position.
- Adjust the Downtown and South Beach annual operating expense budgets as needed to fund costs directly related to the above staff persons work on the Community Redevelopment program.

Downtown Redevelopment District

The initial focus of the CRA was the rejuvenation of the Downtown District. The plan for the redevelopment of the Downtown District was adopted in January 1987, following the creation of the TIF District in 1984. In 2008, the Downtown Plan was amended to incorporate the Vision Plan prepared with the assistance of the consulting firm, Glatting Jackson Kercher and Anglin (now AECOM, Inc.).

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

Community Redevelopment-Recent Program Accomplishments-Downtown

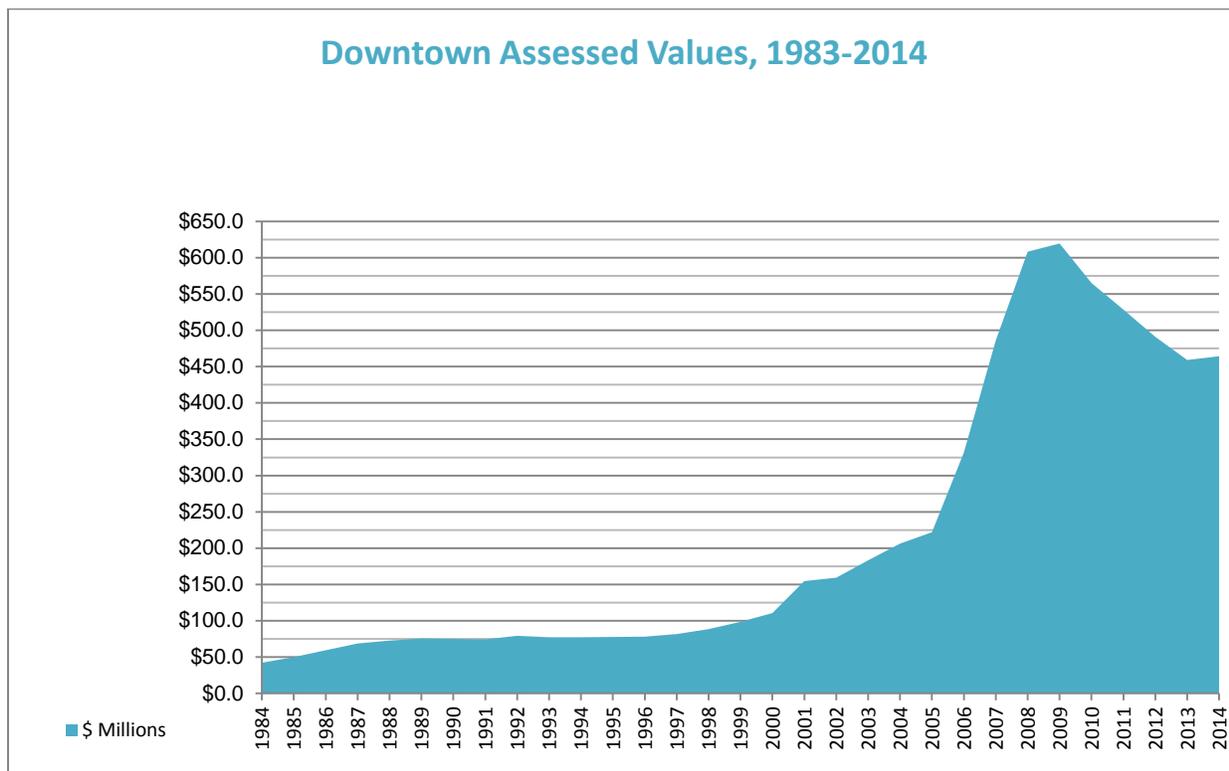
- During FY2013, the CRA and staff continued its involvement in implementing the Vision Plan for the core of the Downtown area. The Vision Plan was adopted by the Community Redevelopment Agency and City Council as an amendment to the Downtown Plan in late 2007. The CRA and city staff are diligently pursuing the implementation of the Vision Plan proposals, including:
- Work on the basic Phase II Project (North 1st Street from Beach to the Pier entry, Beach Boulevard, and 4th Avenue North) began in December 2011 complete.
- Two projects were extracted from Phase III and are labeled Phase III-A and III-B. These included the design and construction of the balance of the 1st Street destination street from

Planning & Development Department

the Pier to 6th Avenue North, and reconstruction of 5th and 6th Avenue North. This work has been completed.

- The combined Phase II and parts of Phase III received the Best Public Project Award from the Northeast Chapter of the Florida Planning & Zoning Association.
- The installation of the surfboard-themed signs at Beach Boulevard, 4th Avenue North Pier entry, and the 6th Avenue North intersection was completed.
- Work has begun on the utility and road reconstruction on North 1st Street from 6th Avenue North to 9th Avenue North, and 7th Avenue North between North 1st and North 2nd Streets. When complete and with the exception of reconstructing North 2nd Street, this finishes the major elements of the Phase III streetscape and infrastructure project north of Beach Boulevard.
- Work has begun by the engineering and design contractor on a major utility and road reconstruction effort for the balance of Phase III which primarily includes utility and road reconstruction south of Beach Boulevard.
- Work continued under a continuing services agreement for refurbishing/replacing damaged or missing Beach Rules and other Downtown wayfinding signage.
- Concluded communications with the City of Jacksonville regarding the statutory provisions governing the life of a tax increment trust fund with the result that the City and its CRA will continue to receive appropriations to the two tax increment trust funds for as long as 60 years from the date that the original redevelopment plans were adopted.
- Continued financial support of the Police Department's Community Policing Initiative in the Downtown District, including the approval to add a supervisory corporal position to the CAPE unit.

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Infrastructure projects have increased the value of property in the Downtown Redevelopment District since its inception. Following the peak year of 2009, the assessed values declined as result of national real estate economic situation. However, a slight increase occurred in 2013.

Program Goals for FY 2015 – Downtown

- Completion of the engineering design, permitting and awarding of the construction contract for Phase IV of the implementation of the Downtown Vision Plan, based on the annual availability of tax increment trust funds. This includes 1st and 2nd Streets from Beach Boulevard to 13th Avenue South.
- Continue the *Downtown Community Policing Initiative* (Downtown CAPE) to ensure the safety of visitors to the Downtown Community Redevelopment District.
- Complete and secure the adoption of required amendments to the Downtown Vision Plan to include projects and programs rising out of the process to develop a “Vision Plan for a Hospitable Downtown Jacksonville Beach.”

Planning & Development Department

Financial Summary-Downtown Redevelopment

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$84,650	\$77,786	\$163,445	\$85,659	110.1%
Operating	\$70,127	\$49,561	\$51,217	\$1,656	3.3%
Capital Outlay	\$3,147,531	\$7,963,192	\$0	-\$7,963,192	-100.0%
Debt Service	\$628,444	\$182,207	\$0	-\$182,207	-100.0%
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$3,930,752	\$8,272,746	\$214,662	-\$8,058,084	-97.4%

The 2015 budget will be increased when construction bids are awarded for Downtown projects.

Downtown Community Policing Innovations

The Downtown Community Policing Initiative, or Downtown CAPE, began a pilot project in November of 2006. The program initially consisted of two officers and was expanded to four officers in FY 2009. A fifth position, a corporal is included in the FY2014 budget. The five officers provided a concentrated presence in the Central Business District, but are authorized to provide police services throughout the Downtown Redevelopment District.

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

Financial Summary-Downtown Community Policing Innovations

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$326,356	\$553,251	\$782,244	\$228,993	41.4%
Operating	\$43,076	\$76,873	\$83,972	\$7,099	9.2%
Capital Outlay	\$4,090	\$35,981	\$0	-\$35,981	-100.0%
TOTAL	\$373,522	\$666,105	\$866,216	\$200,111	30.0%

Funding for the nine police officers who comprise the Community Policing Initiatives ("Downtown CAPE") is authorized under Chapter 163, Florida Statutes. This financial information is also included in the Police Department budget.

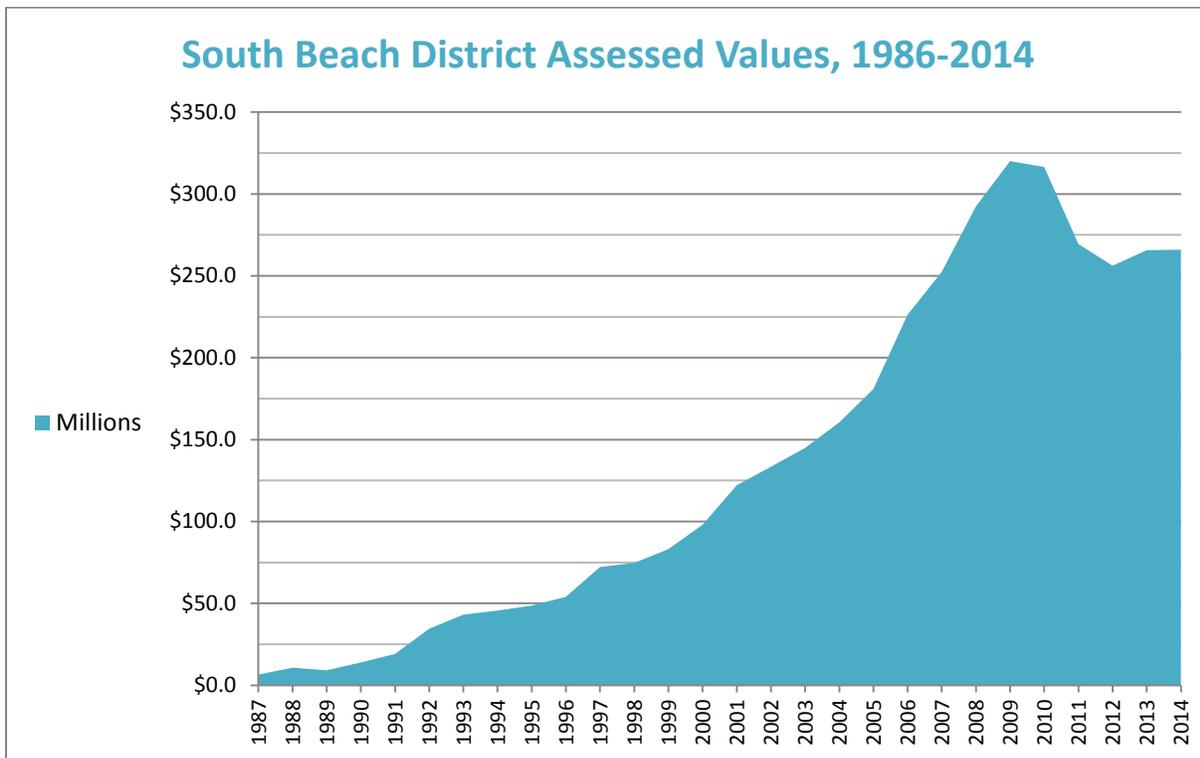
Downtown FY 2015 Budget Issues

- Planning and programming of available tax increment trust funds to ensure the continuation of construction of the streetscape, landscaping, and infrastructure improvements for Phase III of the Vision Plan work as described in the Downtown Community Redevelopment Plan Capital Improvement Plan that is now in the engineering design stage.
- Planning and programming of available tax increment trust funds to fund any program activities that might arise during the "revisions" of redevelopment plan to address on-going quality of life issues and work toward establishing a "Hospitable Downtown Jacksonville Beach."

Planning & Development Department

South Beach Redevelopment District

In November of 1985, the South Beach district was designated for redevelopment. A plan for the redevelopment of the area was adopted and a tax increment trust fund was established in June 1987. Since the adoption of the South Beach redevelopment plan, six major public-private projects have been completed (Riptide, South Beach Regional Shopping Center, South Beach Parkway Shopping Center, Ocean Cay, South Beach Mixed Use Development, and Paradise Key). In addition to the projects involving private enterprises, numerous public infrastructure projects have been constructed to support the redevelopment activity in the district.



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

Planning & Development Department

Recent Program Accomplishments - South Beach

- ✓ The ±9.9 acre Perry Family LLC parcel went under contract to be sold for its underlying single family residential use and the PUD rezoning was completed. This is the last remaining development parcel in the District. The project will consist of development of 59 residential lots.
- ✓ Completed the engineering plans and specifications and bid the Phase 1 infrastructure *reconstruction project*. The project includes water, sewer, wastewater reuse, storm drainage, and paving in the Jacksonville Beach Heights and Williams Coastal Boulevard Heights areas of the District. This project is well underway and due to be completed in mid-year 2014.
- ✓ Authorized the preparation of engineering plans and specifications for the following new capital improvement projects in the South Beach District:
 - Phase 2 of the Capital Improvement Plan including construction of maintenance manholes to facilitate access to the *twin 72” stormwater pipes passing through the South Beach Regional Shopping Center* property within the South Beach Redevelopment District.
 - Phase 3 of the Capital Improvement Plan including *reconstruction of the segment of South Beach Parkway* from north of Jacksonville Drive through the intersection of Marsh Landing Parkway south of J. Turner Butler Boulevard. This congestion management and traffic safety project includes installing a dedicated right turn lane to facilitate the free flow of southbound to westbound motorists entering Sanctuary Parkway and Butler Boulevard.
 - A smaller project to design an interconnection of the stormwater pipes between the Rip Tide subdivision and South Beach Park was also authorized.
- ✓ As noted above, staff concluded communications with the City of Jacksonville regarding the statutory provisions governing the life of a tax increment trust fund with the result that the City and its CRA will continue to receive appropriations to the tax increment trust funds for as long as 60 years from the date that the original redevelopment plans were adopted.

Community Redevelopment-Program Goals for FY 2015 - South Beach

- Complete the engineering design, award bids, and complete construction of the Phase 2 and 3 projects described in the Accomplishments section above.

Budget Issues-South Beach

- Complete the construction of the *Phase 1* work under the South Beach Capital Improvements Plan (Bid awarded 5/20/2013. Total amount \$3.88 Million, including CEI services). Work includes construction of a reuse water main from the Wastewater Treatment Plant to South

Planning & Development Department

Beach Park; and replacement of water and sanitary sewer lines and road reconstruction in on Merrill Boulevard and throughout Williams Coastal Boulevard Heights.

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$41,760	\$38,848	\$96,535	\$57,687	148.5%
Operating	\$25,730	\$10,890	\$11,880	\$990	9.1%
Capital Outlay	\$1,685,842	\$6,447,879	\$0	-\$6,447,879	-100.0%
Debt Service	\$860,432	\$866,532	\$665,310	-\$201,222	-23.2%
Transfers	\$0	\$0	\$0	\$0	-
TOTAL	\$2,613,764	\$7,364,149	\$773,725	-\$6,590,424	-89.5%

South Beach – Future Phases

ESTIMATED COST

- **Phase 2:** Complete the engineering design, provide funding, and construct:
 - The connection of the reuse water main for irrigation in South Beach Park.
 - Design and installation of “Florida Friendly” landscaping and a reuse water irrigation system in South Beach Parkway and Jacksonville Drive.
 - Design and installation of manholes for access to maintain and de-silt the twin 72” storm drainage pipes through the South Beach Regional Shopping Center site.

- **Phase 3:** Complete the engineering design, provide funding, and construct the traffic safety improvement on South Beach Parkway between Jacksonville Drive and J. Turner Butler Boulevard. \$2.66 Million

- **Phases 4-7:** To Be Determined
 - Drainage piping in existing swale between Palm Way and Grande Boulevard. North of Jacksonville Drive.
 - Roadway reconstruction – Jacksonville Drive, America Avenue, Grande Boulevard, Palm Way. And Sanctuary Parkway.
 - Secure engineering consultant and provide funding for design and construction for remaining items set out in the South Beach Redevelopment Area Capital Improvements Plan, including Osceola drainage ditch desiltation, miscellaneous road reconstruction, additional stormwater management projects, and sanitary sewer work.
 - Consider construction of a bicycle/pedestrian path along the Osceola drainage ditch.

Parks & Recreation Department

Mission

Providing safe and enjoyable leisure opportunities for all citizens.

Organization

Recreation Administration directs the City’s overall recreation functions, including the following divisions: Ocean Rescue, Special Events, Huguenot Tennis Center, Oceanfront Restroom Facilities, Carver Recreation Center, Community Center & Exhibition Hall, and all Park Maintenance citywide. Recreation operations are funded by the General Fund, Community Development Block Grant and bed tax.

The Golf Course is an 18-hole facility that is open year-round. It operates as an Enterprise Fund.

Grounds Maintenance maintains the City’s parks, golf course, grounds and cemetery. This division operates as an Internal Service Fund.

Authorized Positions	2013	2014	2015
Recreation – full-time	5	5	6
Recreation – part-time	94	93	92
Recreation Total	99	98	98
Golf Course – full-time	8	8	7
Golf Course – part-time	18	18	18
Golf Course Total	26	26	25
Grounds – full-time	8	7	7
Grounds – part-time	0	1	0
Grounds Total	8	8	7
Total full-time	21	20	20
Total part-time	112	112	110
TOTAL	133	132	130

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$2,143,282	\$2,102,367	\$2,201,736	\$99,369	4.7%
Operating	\$2,280,291	\$2,561,374	\$2,597,733	\$36,359	1.4%
Capital Outlay	\$163,250	\$71,090	\$113,600	\$42,510	59.8%
TOTAL	\$4,728,691	\$4,861,646	\$5,057,558	\$195,912	4.0%

Parks & Recreation’s budget increase is for additional lifeguard hours, and the replacement of two trucks and a mower.

Parks & Recreation Department

Recreation Administration

The Recreation Administration Division is responsible for the management of all park facilities, special events and recreation activities throughout the city. The staff manages all adult active sports and coordinates youth sports. The staff also administers the Community Development Block Grant, which provides funding for the Carver Center, including the Pablo Beach Community Assisted Policing Effort (CAPE).

The division manages the overall operation of the City's public golf course, Ocean Rescue, Carver Center Recreation Center, and Huguenot Tennis Center. Also, the division is responsible for several other facilities which include: Lee Kirkland & Warren Smith Cemeteries, Oceanfront Restrooms, and Community Center.

Administration	2013	2014	2015
Director	1	1	1
Recreation Superintendent	1	1	1
Administrative Secretary (fulltime)	0	0	1
Administrative Secretary (part-time)	1	1	0
Senior Secretary (part-time)	1	1	1
Recreation Program Assistant (part-time)	1	1	1
TOTAL	5	5	5

Recent Accomplishments

Administered & coordinated:

- Carver Center
- Surf Camps
- Autism Surf Camp
- Opening Day Parade
- Easter Egg Hunt
- 4th of July Celebration
- Adult Softball League (Spring & Fall) – 29 Teams
- Adult Flag Football League (Fall) – 45 Teams
- Youth Sports Programs in conjunction with the parent organization ~ Little League, Girls Softball, Pop Warner and Babe Ruth

Recreation Administration Goals for FY2015

1. Provide Recreation programs and facilities that are meeting the needs of the community.
2. Maintain safe facilities, parks, and playgrounds.
3. Survey customer satisfaction with league play and use of facilities; striving for an 80% satisfaction rating.

Parks & Recreation Department

Recreation Administration Performance Measures

Performance measures are tracked on a monthly and yearly basis. In addition, performance is also measured by ratings on customer service satisfaction surveys.

Sports Programs Offered:	Estimated # of participants
Youth Spring Girls Softball	240
Youth Fall Girls Softball	168
Youth Spring Baseball	332
Youth Fall Baseball	290
Spring Babe Ruth Baseball	60
Fall Babe Ruth Baseball	60
Pop Warner Football & Cheerleading	200
Adult Fall Men & Co-ed Softball	500
Adult Fall/Winter Flag Football	864
Tennis Members	250
Tennis Walkups	200
Super Surf Camp	200
Carver Center	30
Easter Egg Hunt	400

Survey Questions	YTD 3-31-14	Target FY2015
% of customers who rated playing fields as being in good condition	55% Football 55% Softball	90% Football 90% Softball
% of customers who are satisfied with the way the leagues are run	95% Football 97% Softball	90% Football 90% Softball

Performance Measure	FY2013	YTD 3-31-14	Target FY2015
Ensure parks and other facilities are cleaned and inspected weekly	Yes	Yes	Yes
Playground safety inspections conducted monthly	Yes	Yes	Yes
Number of accidents at parks and other recreation facilities	1	0	0
Number of sports programs administered to adult and youth	6	6	6

Parks & Recreation Department

Recreation Administration (continued)

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$350,260	\$362,486	\$360,763	-\$1,723	-0.5%
Operating	\$805,471	\$932,773	\$978,620	\$45,847	4.9%
Capital Outlay	\$42,805	\$0	\$0	\$0	-
Transfers	\$141,868	\$126,815	\$144,489	\$17,674	13.9%
TOTAL	\$1,340,404	\$1,422,074	\$1,483,872	\$61,798	4.3%

The Community Development Block Grant Program is funded by an Inter-local Agreement with Jacksonville that allows Jacksonville Beach to share a per capita portion of its entitlement funding. The requested Community 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. FY2013 funding request amount and priority for each program is:

<u>Priority</u>	<u>Program</u>	<u>Request</u>
1	Carver Center	\$82,174
2	CAPE	\$62,311
	TOTAL	<u>\$144,485</u>

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

Budget Issues FY2015

Budgets for the Carver Center and CAPE programs are based on the expectation of continued funding from CDBG.

Parks & Recreation Department

Ocean Rescue

The Ocean Rescue Division is responsible for supervising approximately 4.1 miles of municipal beach. Responsibilities include ensuring the maximum efficiency of the ocean rescue operations, beach safety and services to the public.

Division personnel must have advanced knowledge of ocean tides and currents and know how to properly use lifesaving equipment. The Division also offers a Junior Lifeguard Program.

Ocean Rescue	2012	2013	2014
Supervisor	1	1	1
Lieutenants (part-time)	3	3	3
Rescue Swimmers (part-time)	3	3	3
Tower Guards (part-time)	80	80	80
TOTAL	87	87	87

Recent Accomplishments

- ✓ Successful completion of eight Junior Lifeguard Programs.
- ✓ U.S. Lifesaving Association accreditation.
- ✓ Certified Inflatable Rescue Boat Operators (IRB).
- ✓ Certified Emergency Medical Technicians (EMT).
- ✓ Supervisors trained in USLA “Beach Driving Safety Course”.
- ✓ Delivered beach safety lectures to elementary students.
- ✓ Completed in-service training for lifeguards.

Goals for FY2015

1. Zero drowning’s at the beach while lifeguards are on duty.
2. Continue in-service training hours for lifeguards.
3. Maintain training for Inflatable Rescue Craft Operators.
4. Distribute Ocean Safety Brochures to hotels.
5. Annual meeting with Jax Beach Fire Rescue.
6. Distribute surveys and receive an 85% approval rating.

Parks & Recreation Department

Performance Measures-Ocean Rescue

	Performance Measure	FY2013	YTD	Target	
			3-31-14	FY2015	
<i>Performance is measured by accident report sheets and customer satisfaction surveys.</i>	Number of drownings while Ocean Rescue on duty	1*	1	0	
	Successful first-aid cases	100%	90%	90%	
	Respond to major surf-related rescue calls within two minutes	100%	90%	90%	
	Average lifeguard to tower ratio (one guard on-duty and one guard off-duty per tower)	2:1	2:1	2:1	
	Maintain USLA Certification	Yes	Yes	Yes	
	Customer Survey Results:				
	Confidence in lifeguard's abilities	95%	90%	90%	
	Lifeguards are kind and courteous	95%	90%	90%	
	Lifeguards provide professional care while providing first aid	95%	90%	90%	

**In 2013, there was 1 drowning when Ocean Rescue was not on duty.*

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$504,454	\$458,084	\$571,199	\$113,115	24.7%
Operating	\$128,269	\$149,676	\$137,432	-\$12,244	-8.2%
Capital Outlay	\$33,302	\$34,090	\$35,100	\$1,010	3.0%
TOTAL	\$666,025	\$641,850	\$743,731	\$101,881	15.9%

Budget Issues

- ✓ Tower Guards are budgeted for 23,100 hours per year. It takes roughly 80 part-time employees to achieve this level of coverage. This budget includes \$20,000 in funding for 1,700 additional hours for tower guards.
- ✓ In the future, if the Red Cross cannot provide full coverage on Sundays and holidays, it will significantly increase costs.
- ✓ Replacement of 1998 pickup truck 4x4 (\$25,500).
- ✓ Purchase jet-ski, trailer and sled (\$9,600).

Parks & Recreation Department

Tennis Center

The Huguenot Tennis Center is responsible for managing adult men’s and women’s tennis teams, for managing a complete junior program, and for promoting tennis throughout the beach community. This also includes maintaining the building, courts, fences, and surrounding grounds. The Tennis Center staff is responsible for supervising seven lighted tennis courts.

The division also provides free clinics for children and adults throughout the year. The clinics are mainly for handicapped and financially less fortunate adults and children. The Tennis Center also hosts a free clinic for the children attending Carver Center summer camp.

Tennis	2013	2014	2015
Tennis Professional	1	1	1
Asst. Tennis Pro (part-time)	1	0	0
Court Attendant (part-time)	2	2	2
TOTAL	4	3	3

Recent Accomplishments

- ✓ The Tennis Center hosted approximately 7,769 players in the first six months of this year.
- ✓ Added lights to the 7th tennis court.
- ✓ Offered Senior Day on Friday mornings.
- ✓ Offered physically-challenged tennis clinic.
- ✓ Offered an Ironwoman & Ironman Tournament.
- ✓ Continued USTA Junior tennis team.
- ✓ Offered Friday night “Round Robin” tournaments during the months of May, June, & July.

Parks & Recreation Department

Tennis Center Goals for FY2015

- Increase the number of members and matches played. Current number of members is 234.
- Keep the courts and grounds in good condition at all times.
- Receive a customer satisfaction rating of 85% or higher.

Survey Results

Tennis facility satisfaction was measured by customer service surveys.

Performance Measure	YTD 3-31-14	Target FY2015
Level of customer service satisfaction with tennis facilities	90%	95%
Level of customer service satisfaction with tennis programs	90%	95%
Tennis court condition rated good	90%	90%
Building condition rated good	85%	100%

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$82,342	\$74,581	\$74,023	-\$558	-0.7%
Operating Capital Outlay	\$22,355	\$16,500	\$16,500	\$0	0.0%
	\$34,250	\$0	\$0	\$0	-
TOTAL	\$138,947	\$91,081	\$90,523	-\$558	-0.6%

Tennis Center Budget Issues

- ✓ This year's estimated revenue is \$38,714.
- ✓ Current six month revenue is \$19,754

Parks & Recreation Department

Oceanfront Restrooms

This operation provides public restroom facilities at 5th Avenue North and 2nd Avenue North. All facilities include outdoor showers. An additional shower facility is located at 7th Avenue South.

Goals for FY2015

Maintain clean restroom facilities and operating showers.

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Operating	\$72,765	\$80,500	\$80,500	\$0	0.0%
TOTAL	\$72,765	\$80,500	\$80,500	\$0	0.0%

Expenses include contract for restroom cleaning & staffing. Other expenses include: utilities – electric, water, and sewer. Maintenance consists of yearly painting, plumbing and vandalism repairs.

Performance Measures

- Restrooms should be in good working order; clean and sanitary for the public.
 - Hours of operation: March-Sept: 10 am to 7 pm (7 days a week)
October: Closed on Monday & Tuesday
Nov-Feb: 10 am to 6 pm: (7 days a week) keep 2nd Avenue North restroom open during winter months.

Budget Issues

- ✓ Request to have restrooms stay open later hours during the entire year.

Parks & Recreation Department

Carver Center

The Carver Center provides activities and functions to the South Pablo Beach neighborhood, focusing primarily on summer and after school programs for disadvantaged youth.

Carver Center	2013	2014	2015
Recreation Supervisor	1	1	1
Recreation Leader (part-time)	0	0	0
Tutor (part-time)	2	2	2
TOTAL	3	3	3

Recent Accomplishments

- ✓ Continued Mentor programs for both young men's group "YMC" (Young Men of Carver) and "Ladies of Carver" to teach values and goals setting.

- ✓ Events and Projects:
 - Golf Clinic with the First Tee at TPC
 - McKenzie Noelle Wilson sponsorship of teen summer camp counselors
 - Health clinic sponsored by Mayo Clinic
 - After school exercise program
 - Annual Christmas dinner for parents and children of Carver
 - Jacksonville Beach Elementary School 3rd grade class school supply donations
 - Christmas toy drive sponsored by Beaches Women's Club
 - After school healthy snacks program sponsored by a local company
 - Water Safety class
 - Halloween function

Parks & Recreation Department

Carver Center Program Goals

- Explore opportunities for community volunteer participation in programs.
- Focus on coaching, mentoring, and providing activities for young people.
- Offer counseling on jobs, employment and career goals.
- In conjunction with Rhoda Martin Heritage Museum, retired teachers provide help with studies to 3rd through 5th graders.
- Evaluate activities to continue to improve programs and ensure customer satisfaction.

Performance Measures

	2013	Estimate 2014	Target 2015
Avg. # children attending	45	45	45

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change	
Personal Services	\$100,392	\$83,640	\$83,015	-\$625	-0.7%	<i>The Community Development Block Grant is expected to provide \$82,174 for this program in 2015.</i>
Operating	\$0	\$0	\$0	\$0	-	
TOTAL	\$100,392	\$83,640	\$83,015	-\$625	-0.7%	

Budget Issues

Community Development Block Grant funding for this program from CDBG has been reduced and may be subject to further federal budget reductions.

Parks & Recreation Department

Community Center and Exhibition Hall

This facility, opened in September 2007, is located at South Beach Park along with the Recreation office. The Community Center & Exhibition Hall is available to host many types of events such as trade shows, art exhibits, wedding receptions, parties, seminars, homeowners association and club meetings, school functions and shows. The facility may be rented on an hourly basis and is operated by the Recreation Department staff.

Recent Accomplishments

- ✓ Groups renting the facility include: Weekly Business Networking groups and local homeowners associations for meetings; local school for graduation, wedding receptions and Christmas parties.

Goals for FY2015

1. Rent building to offset the facility's operating costs.
2. Maintain a clean and professionally operated facility.
3. Replace vinyl flooring in community center room.

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	-
Operating Capital	\$34,443	\$41,000	\$48,500	\$7,500	18.3%
Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$34,443	\$41,000	\$48,500	\$7,500	18.3%

Revenues are currently estimated to cover approximately half of the facility's expenses such as insurance, security, cleaning, set-up/tear-down and supplies.

Performance Measures

Objective	FY2013	YTD 3-31-14	Target FY2015
15 surveys; 5 returned			
Customer Survey - % satisfaction with building, equipment and operation	95%	95%	95%
Rental Events	149	88	145

Parks & Recreation Department

Special Events

The Special Events budget includes a contribution to the Springing the Blues Festival and City-managed events including: the Summer Jazz, Moonlight Movies and July 4th fireworks.

SPECIAL EVENTS	2014	2015	Incr. / (Decr.)	% change
Funding Sources				
Facility rentals and fees	\$ 7,500	\$ 7,500	\$ -	0.0%
Contributions	7,500	7,500	-	0.0%
General Fund	-	-	-	0.0%
Convention Development	95,000	95,000	-	0.0%
Total Sources	\$ 110,000	\$ 110,000	\$ -	0%
Funding Uses				
Springing the Blues	8,000	8,000	-	0.0%
4th of July Fireworks	25,000	25,000	-	0.0%
Jazz Concerts (2)	57,000	57,000	-	0.0%
Moonlight Movies (3)	12,000	12,000	-	0.0%
Opening of the Beaches Parade	7,000	7,000	-	0.0%
Contingency	1,000	1,000	-	0.0%
Total Uses	\$ 110,000	\$ 110,000	\$ -	0%

In addition to City-sponsored events, the Parks & Recreation Department provides logistical support for many fundraising and awareness events that take place in Jacksonville Beach. Logistical support includes assistance with site setup, trash collection, traffic management and securing the event route, among other things (see next page).

Parks & Recreation Department

Special Events (continued)

Other annual events that are scheduled for 2014 include:

- Octoberfest
- Jacksonville Celtic Festival
- Chariots of Fur 5-K Dog Run
- 26.2 with Donna
- Beach Volleyball Tournament
- St. Paul's Carnival
- Sandcastle Contest
- Easter Sunrise Service
- Kids Fishing Rodeo
- Jax Beach Paddle Challenge
- Jax Beach Surf Camp
- Festival of Chariot
- Pancreatic Cancer Walk
- Winter Beaches Run
- Right Whale
- Buddy Walk
- Great Atlantic Seafood Festival
- Lifesaving Corps Opening Day
- Junior Lifeguard Camp
- Never Quit
- Hammerhead Marathon
- FSA Pro-Am Surf Contest
- Out of Darkness

Budget Issues

- Funding for the Sea & Sky Spectacular in October 2015 (\$60,000)
- Because there are now a number of private providers of surf camps, the City-sponsored surf camp will be discontinued in 2015.

Parks & Recreation Department

Golf Course

*“A Great Product
at a Great Price”*

The Golf Course division is responsible for the daily operation of the golf course. It ensures that the use of the facility is maximized and that all revenues are collected. The division also monitors the quality of the playing conditions. The Jacksonville Beach Golf Course operates as an enterprise fund.

Golf Course	2013	2014	2015
Golf Professional	1	1	1
Golf Course Superintendent	1	1	1
Lead Equipment Mechanic	1	1	1
Maintenance Workers I, II, III (full-time)	5	5	4
Maintenance Workers (part-time)	2	2	1
Shop Attendant – part-time	8	8	8
Cart Attendant - part-time	5	5	5
Starter – part-time	3	3	3
TOTAL	26	26	25

Recent Accomplishments

- ✓ Hosted the North/South Collegiate Tournament.
- ✓ Hosted Ladies Golf League for third year.
- ✓ Continued program with “Golf Now” to promote play.

Goals for FY2015

1. Insure the Golf Course pays its own way with great customer service and well maintained playing conditions.
2. Maintain competitive position with local golf facilities.
3. Increase the Golf Course’s visibility and play through continued efforts to market the facility.

Parks & Recreation Department

Golf Course Performance Measures

	Actual FY2013	YTD 3-31-14	Target FY2015
Course condition-survey rating of above average	91%	8%	25%
Operating Revenue Per Round	\$27.23	\$26.22	\$26.88
Operating Cost Per Round	\$30.80	\$26.22	\$25.73

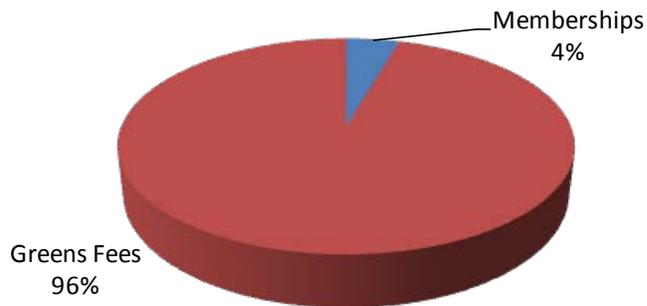
Survey Results (December 2014)

47 surveys returned	Above Average	Satisfactory	Needs Improvement	No Opinion
Service inside Pro Shop?	81%	18%	1%	-
Service given by our starters?	72%	25%	3%	-
Overall service?	68%	25%	7%	-
Condition of our golf course?	8%	54%	38%	-
Restaurant operation?	8%	47%	11%	34%
Menu selection?	39%	34%	15%	12%

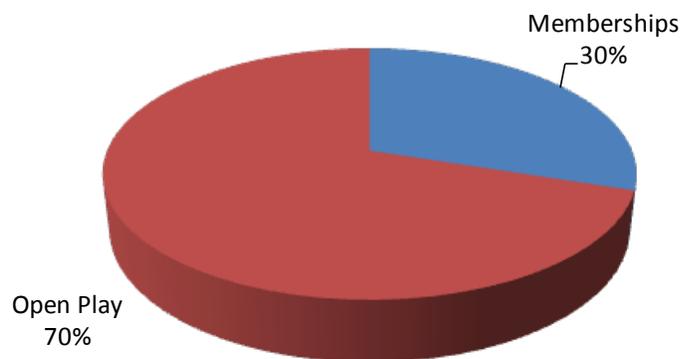
Play Statistics

These charts show the composition of our players.

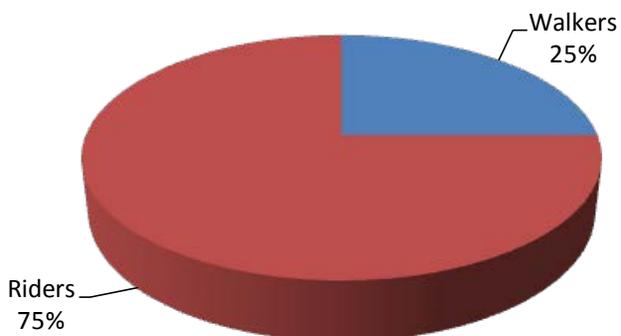
Revenues from Greens Fees & Memberships



Players

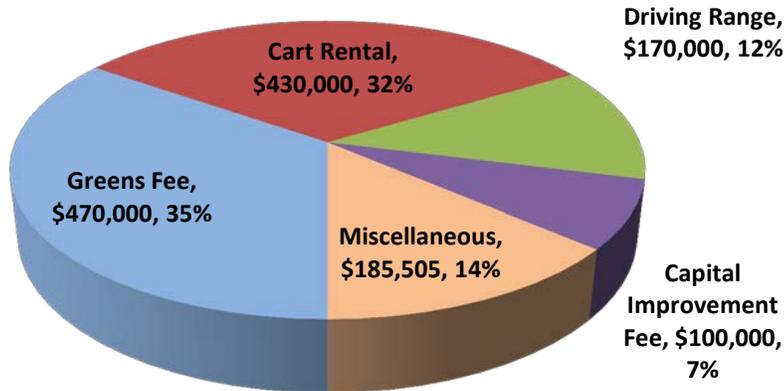


Walkers and Riders



Parks & Recreation Department

Golf Course Revenues: \$1,355,505



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

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$683,836	\$660,764	\$664,811	\$4,047	0.6%
Operating	\$608,010	\$659,039	\$662,694	\$3,655	0.6%
Capital Outlay	\$40,544	\$37,000	\$28,000	-\$9,000	-24.3%
TOTAL	\$1,332,390	\$1,356,803	\$1,355,505	-\$1,298	-0.1%

Budget Issues

Operations Issue: The Golf Course is operated as an enterprise fund and is intended to generate sufficient revenues to cover its operating costs. Budgeted 2015 revenues of \$1,355,096 are expected to be equal to expenses.

Maintenance and Equipment Issues:

- Golf Course Irrigation Main Line-replacement of rusting fittings that are failing (\$15,000).
- Replacement of Triplex Greens Mower and purchase of a walking greens mower (\$28,000).

Parks & Recreation Department

Grounds Maintenance

The Grounds Maintenance Division is an internal service fund. This division is responsible for the maintenance and upkeep of the ball fields, parks, cemeteries, landscape, grounds and common areas. In addition, this division assists with construction projects and special events as needed.

Recent Accomplishments

- ✓ Completed Warren Smith Cemetery improvements
- ✓ Completed Dog Park Improvements

Grounds Maintenance	2013	2014	2015
Maintenance Superintendent	1	1	1
Crew Supervisor	2	1	2
Equipment Operator (FT)	2	0	0
Equipment Operator (PT)	0	1	0
Equipment Mechanic	0	1	1
Maintenance Workers I, II, III (FT)	3	4	3
TOTAL	8	8	7

Funding Sources:

Grounds Maintenance costs are allocated to a variety of City departments and divisions as internal service charges:

Grounds Maintenance Cost Allocation			
Divisions Charged	Areas Maintained	Costs	
General Fund-Nondepartmental	Cemeteries (Warren Smith and Lee Kirkland: \$100,000), Jacksonville Drive, South Beach Parkway, A1A at Fletcher Middle School, City Hall, Penman Road and south A1A welcome signs	14.7%	\$155,660
Parks & Recreation	City parks: Wingate, Cradle Creek, Tall Pines, Carver, South Beach, Huguenot, Gonzales, Ocean Front, Penman, Seabreeze field, dog parks	70.7%	\$748,757
Streets	15th Ave N, 10th St N cul-de-sacs, Mills Lane, end of America at Butler, grass circle at 10th Place & 5th Ave, 18th & Eastern, Coral Way, Tanglewood & Tallwood	2.1%	\$21,919
Police	Police facility	1.1%	\$11,224
Fire	Fire facilities	1.2%	\$12,283
General Fund TOTAL		89.7%	\$949,843
Convention Development Tax	Downtown including: Beach Blvd-A1A to the ocean, 1st St and the Avenues from Beach Blvd to 6th Ave, Latham Plaza, SeaWalk, downtown parking lots (Latham, Pier, 1st St), vacant lots	7.3%	\$77,089
Community Service	Community Services Center	0.9%	\$9,213
Penman Park	Penman Park	1.0%	\$10,166
O/M Facility	O&M Facility grounds	1.2%	\$12,601
TOTAL		100.0%	\$1,058,912

Parks & Recreation Department

Financial Summaries

Tree Protection

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Operating	\$25	\$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 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$421,998	\$462,812	\$447,925	-\$14,887	-3.2%
Operating Capital Outlay	\$533,647	\$568,886	\$560,487	-\$8,399	-1.5%
	\$12,349	\$0	\$50,500	\$50,500	-
TOTAL	\$967,994	\$1,031,698	\$1,058,912	\$27,214	2.6%

Grounds Maintenance budget change is primarily due to decreases in payroll and increase in capital

Goals for FY2015

- ✓ Keep all facilities well maintained and free of trash and debris.
- ✓ Keeping facilities and equipment in good condition.

Budget Issues for FY2015

- Truck replacement 1998 2-wheel drive $\frac{3}{4}$ ton pickup truck (\$25,500).
- Equipment storage structure (\$25,000).

Public Works Department

Mission

To protect the health, safety, environment, and quality of life in our community by:

- Providing safe drinking water in volumes necessary for fire suppression.
- Providing proper collection, treatment, disposal, and reuse of wastewater.
- Maintaining roadways and sidewalks in good repair with appropriate traffic control signs.
- Providing effective removal and treatment of stormwater runoff.
- Providing for the timely removal and disposal of garbage and recyclables.

“We Make It So.”

Organization

The Public Works Department manages the City’s drinking water system, sewage collection system, stormwater collection system, street and rights-of-way maintenance, traffic control, signage and garbage collection.

Authorized Positions by Division	FY2013	FY2014	FY2015
Distribution & Collection	14	14	14
Pollution Control Plant	15	15	15
Water Plant	13	13	13
Streets	18	18	18
Administration	5	5	6
TOTAL	65	65	66

Recent Accomplishments

- ✓ Rebuilt, improved and enhanced infrastructure supporting our citizens by construction of:
 - *Downtown Redevelopment District Vision Plan Improvements Program*
 - Phase 3A Project: 1st St. N. (4th to 6th Ave.) and 5th & 6th Ave. N. (1st to 3rd St.)
 - Phase 3B Project: 7th Avenue N. (1st to 2nd St.) and 1st Street N. (6th to 9th Ave.)
 - *South Beach Redevelopment District Master Plan Improvements Program*
 - Phase 1 Project: Wms Coastal–Jax Beach Heights, Reuse Water Main Extension
 - *Water, Wastewater, Stormwater Infrastructure Improvements Program*
 - Water Main Project: Phase C-Streets (N 11th-12th, S 5th-7th), Palm Circ., St. August.
 - Wastewater Main Project: 2nd Street North (14th to 20th Ave.)
 - Water Facility Project: Construct New Utility & Storage Building at Water Plant #2
 - Wastewater Lift Station Projects: #1 (363 S. 2nd Ave.), #7 (301 N. 18th Ave.), #9 (1850 Tanglewood Rd.)

Public Works Department

Recent Accomplishments (continued)

- ✓ Cleaned /televised 24,440 feet of storm pipe and 43,988 feet of sanitary pipe.
- ✓ Achieved high levels of service in oceanfront cleaning, garbage collection & sweeping.
- ✓ Received 5-year National Pollutant & Discharge Elimination System (NPDES) Wastewater Permit from the U.S. Environmental Protection Agency and the Florida Department of Environmental Protection.

Goals for FY2015

- Design and/or construct:
 - *Downtown Redevelopment District* Improvements Program
 - Phase 3C Project: Beach Blvd. to 16th Ave. S. & A1A to the beach
 - *South Beach Redevelopment District* Improvements Program
 - Reuse/Landscape Project: South Beach Parkway & Jacksonville Drive
 - Intersection/Turn Lane Project: South Beach Pkwy (Jax Dr. to Marshlanding Blvd.)
 - *Industrial Area* Improvements Program
 - Road & Utilities Project: 10th Street S. (5th - 12th Ave.) & 5th to 12th Ave. to 9th St.
 - *Water, Wastewater, Stormwater Infrastructure* Improvements Program
 - Water Main Project: Phase B - A1A (6th to 20th Ave. N.)
 - Water Main Project: Phase D - Streets (S 8th & 11th), Avenues (S 1st & N 13th), Oakwood Court, Rannie Street
 - Wastewater Main Project: 4th Street N. (13th to 18th Ave.)
 - Wastewater Main/Lift Station #8 Project: N. 15th to 20th Ave. & Penman to 8th St.
 - Wastewater Facility Project: Effluent Outfall Modifications at St. Johns River
 - Wastewater Facility Project: Modify Chlorine Contact Tanks & System
 - Stormwater Project: Ocean Forest Area
 - Stormwater Project: 4th Street South (10th to 12th Avenue)
- 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, garbage collection, dumpster enclosure & sweeping programs.
- Maintain **performance measures** as shown on the next page.

Public Works Department

Performance Measures

Outcomes	Level of Service	Actual 2013	As of 3/2014	Target 2015
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 15% of total produced	7.9%	10.7%	15%
	Replace 2,500 ft. of old 2" & larger galvanized & cast iron water mains	6,500	5,979	2,500
	Install/replace 150 water services	202	96	150
	Operate (replace) water valves	331 (40)	15 (0)*	663
	Flush all fire hydrants	100%	10%	100%
Wastewater / Stormwater:				
➤ Keep our waterways clean	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
➤ Preserve our environment	Achieve removal so that:			
	➤ Total Suspended Solids (TSS): < 5mg/l	N/A**	3.1 mg/l	5 mg/l
	➤ Carbonaceous Biochemical Oxygen Demand (CBOD): < 5mg/l	N/A**	3.1 mg/l	5 mg/l
	➤ Total Nitrogen (N) < 46,233 lbs Rolling Year Average:	N/A**	29,191 #	46,233 #
	Clean 20,000 ft. sanitary/storm mains	68,428	23,943	20,000
	Inspect (rehab) sewer manholes	(27)	188 (1)	200
	Refurbish sewer lift stations numbered: (electric, pumps, pipes, wetwells, concrete, mechanical, generators, fencing, etc.)	15	1,7,9	8
Streets:				
➤ Keep our streets well maintained for driving and free of trash	Seal coat/resurface 7 to 10 road miles	16.3	1.3	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	5,153	1,200
➤ Keep our drainage system well maintained	Achieve regulatory compliance for normal operating conditions	Yes	Yes	Yes
	Mow/clean 5,000 ft. of ditch	21,140	4,500	10,000
Sanitation:				
➤ Keep our city and beach clean	Recycle/mulch 25% of residential solid waste to reduce landfill impact	26%	28%	25%
	Clean the beach at least once per week by mechanical means (raking)	Yes	Yes	Yes
	Respond to garbage inquiries by 2 days & complete by next scheduled pickup	Yes	Yes	Yes

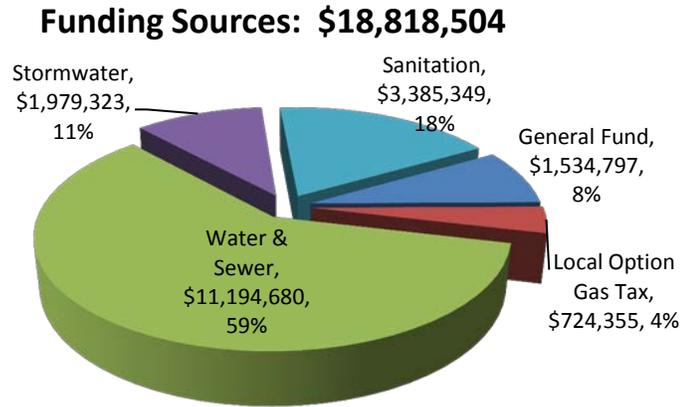
* We expect to meet the target by the end of the fiscal year subject to having all positions filled.

** January 2014, performance measures revised with new Wastewater Treatment Facility fully operational.

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 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$4,052,322	\$4,185,783	\$4,154,265	-\$31,518	-0.8%
Operating	\$7,693,540	\$8,271,836	\$8,444,692	\$172,856	2.1%
Capital Outlay	\$1,859,314	\$7,277,258	\$4,044,000	-\$3,233,258	-44.4%
Debt Service	\$1,800,524	\$1,811,593	\$1,803,547	-\$8,046	-0.4%
Transfers	\$413,465	\$372,000	\$372,000	\$0	0.0%
TOTAL	\$15,819,165	\$21,918,470	\$18,818,504	-\$3,099,966	-14.1%

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

Public Works Department

Budget Issues and Uncertainties

- Mandated costs to upgrade/maintain/inspect wastewater/stormwater facilities to meet stricter standards for federal EPA/FDEP Total Maximum Daily Load limits for nitrogen in the Lower St. Johns River and fecal coliform in Hopkins Creek.
- Future unfunded mandates related to the:
 - Increasing federal and state restrictive standards for nutrients and other contaminants entering the fresh and marine waters of the state.
 - Growing regional demands for high quality water from the Floridan Aquifer. The Florida Department of Environmental Protection and Water Management Districts are moving forward in setting minimum flows and levels for lakes and springs.
 - U.S. Environmental Protection Agency being more active in regulatory oversight of Wastewater and Stormwater National Pollutant Discharge Elimination Permits and Drinking Water Consumptive Use Permits.
- Pressure on customer utility rates due to the ever increasing costs of providing services and operating/maintaining the city's infrastructure systems – water production and distribution, wastewater collection and treatment, stormwater collection and treatment, and roadways, curbing and sidewalks.
 - Stormwater rates were set in 1990 (24 years ago).
 - Garbage rates were set in 1993 (21 years ago).
 - Water & Sewer rates were set in 2012.
- Local Option Gas Tax was recently extended through 2036. Retaining this funding source is important for the City's ability to maintain its streets and roads.

Public Works Department

Distribution & Collection Division

The Distribution & Collection Division operates and maintains **109 miles of water mains, 85 miles of sewer mains, 18 miles of force mains, 1,990 sewer manholes, 873 fire hydrants, 2,652 water valves, 10,600 water services, and 9,019 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 200 sewer manholes per year. Reline or reconstruct as necessary.
- Flush 100% of fire hydrants annually.
- Exercise an average of 663 valves in the water distribution system per year. Repair by replacement as necessary.

Division Organization

Authorized Positions	FY2013	FY2014	FY2015
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 FY2015

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

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change	
Personal Services	\$162,526	\$104,086	\$135,726	\$31,640	30.4%	<ul style="list-style-type: none"> Operating expenses increased with an additional \$100,000 in the Sanitary Sewer System Maintenance Program in the 2015 budget.
Operating	\$1,085,535	\$1,152,207	\$1,245,192	\$92,985	8.1%	
Capital Outlay	\$161,381	\$296,744	\$0	-\$296,744	-100.0%	
Debt Service	\$1,800,524	\$1,811,593	\$1,803,547	-\$8,046	-0.4%	
TOTAL	\$3,251,431	\$3,364,630	\$3,184,465	-\$180,165	-5.4%	

Division Budget Issues

Capital Outlay:

- Funding **\$60,000** to design **Phase D** Water Main Improvements Project (S. 8th & S. 11th Streets, S. 1st & N. 13th Avenues, Oakwood Court, Rannie Street)
- Funding **\$200,000** for start of Automated Water Meter Reading Upgrade Program.
- Funding **\$500,000** to design and construct Sewer Main Imps. Proj. - 4th St. N. (13th to 18th Ave)
- Funding **\$305,000** to replace Vac-Con Truck (2002), used for pipe and wetwell cleaning.
- Funding **\$170,000** for City portion of the Beach Cities' Combined Effluent Outfall Modifications Project at the St. Johns River
- Funding design of Wastewater Main / Lift Station Improvements Project (LS #8 Service Area - N. 15th to 20th Aves. & Penman to 8th St.) - **\$550,000**.
- Funding construction of 10th Street South Industrial Area Improvements Project: **\$640,000** (Water & Sewer), \$380,000 (Stormwater), \$810,000 (General Capital Projects).

Operating:

- Funding **\$25,000** for the **Water Valve Maintenance Program**, which includes exercising water valves and replacing deteriorated/broken valves as necessary.
- Funding **\$220,000** for the **Sanitary Sewer System Maintenance Program**, which includes inspecting sewer manholes and cleaning/televising sewer mains/services. It also includes subsequent manhole relining/reconstructing and system point repairs as necessary.

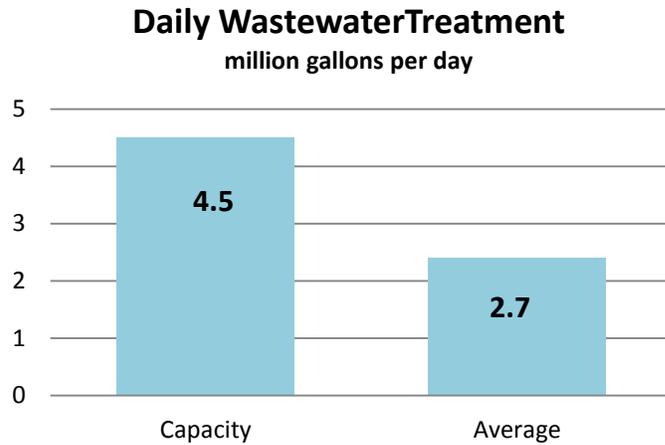
Public Works Department

Pollution Control Plant Division

The Pollution Control Plant Division operates and maintains the wastewater transmission system of **38 sewage pump stations** and the **4.5 million gallons per day (MGD)** capacity new 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.
- Conserve drinking water by providing quality reclaimed water for irrigation of the Golf Course, the Wingate Sports Complex, the Operations and Maintenance Facility, the Police Station, Penman Alignment Area, Lee Kirkland & Warren Smith Cemeteries, South Beach Park, Stormwater Central Stilling Basin, within the Wastewater Treatment Facilities and future extensions of the reclaimed water main system to other areas.
- Achieve less than 5mg/l total suspended solids, less than 5 mg/l carbonaceous biological oxygen demand, and less than 46,233 lbs. of total nitrogen rolling 12-month average (permit requirements).
- Complete construction of Rehabilitation Project for Lift Station #1 (363 S. 2nd Ave.). Design rehabilitation project for Lift Station #8 (825 18th Ave. N.)

Division Organization

Authorized Positions	FY2013	FY2014	FY2015
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 FY2015

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

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$892,158	\$1,001,042	\$1,007,419	\$6,377	0.6%
Operating	\$1,431,036	\$1,455,501	\$1,414,200	-\$41,301	-2.8%
Capital Outlay	\$510,447	\$2,324,393	\$280,000	-\$2,044,393	-88.0%
TOTAL	\$2,833,641	\$4,780,936	\$2,701,619	-\$2,079,317	-43.5%

Division Budget Issues

Capital Outlay:

- Funding design of Wastewater Main / Lift Station Improvements Project (LS #8 Service Area - N. 15th to 20th Aves. & Penman to 8th St.) - **\$100,000**.
- Funding **\$150,000** for Operational Improvements to Chlorine Contact Tanks and Chlorination System at the Wastewater Treatment Facility (910 S. 10th Street).
- Funding **\$30,000** to purchase actuators, soft starts and variable frequency drives.

Operating:

- Funding **\$24,000** for technical support on Software/Human Machine Interface/Operations Control.

Uncertainty

- ⇒ Operating costs for the new wastewater treatment plant may increase for utilities and chemicals. Closely monitoring/adjusting operations for efficiency to minimize cost impact.
- ⇒ Uncertainty about increasing unfunded mandates due to changes and increased restrictions from the U.S. Environmental Protection Agency (EPA).

Public Works Department

Water Plant Division

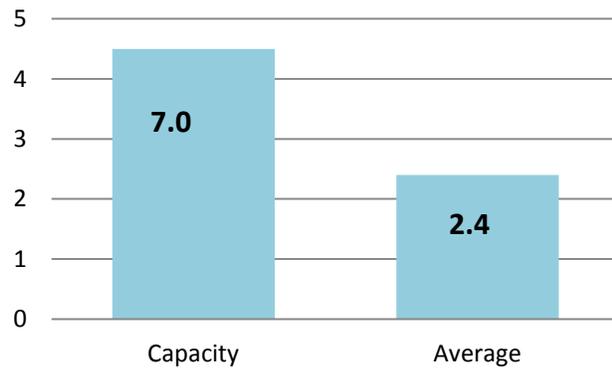
The Water Plant Division operates and maintains the City’s water system that consists of **6 wells**, **2 water treatment facilities**, and **3 ground and 2 elevated water storage tanks**. The water system has a total capacity to produce 7.0 million gallons of water daily. This division also operates and maintains the stormwater treatment facilities for the City consisting of **21 ponds**, **2 stilling basins** each with a weir, the **downtown underground stormwater collection vault** with 2 sand traps, **8 stormwater pump stations**, and the **water play feature** at Sunshine Park.

Division Mission

To provide safe drinking water in volumes and pressures sufficient for effective fire suppression; and to improve the quality of receiving waters by effective treatment of stormwater.

Daily Water Production

million gallons per day



Division Objectives

- Maintain local, state, and federal regulatory compliance.
- Treat, store, and protect nearly 1 billion gallons of drinking water annually. Make available quantities of water needed for fire protection.
- Operate and maintain the system of stormwater treatment facilities, pumping stations and ponds.

Division Organization

Authorized Positions	FY2013	FY2014	FY2015
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 FY2015

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

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$851,785	\$882,050	\$859,705	-\$22,345	-2.5%
Operating	\$321,397	\$526,662	\$524,850	-\$1,812	-0.3%
Capital Outlay	\$180,887	\$686,648	\$109,000	-\$577,648	-84.1%
TOTAL	\$1,354,069	\$2,095,360	\$1,493,555	-\$601,805	-28.7%

Division Budget Issues

Capital Outlay:

- Funding **\$22,000** for 3rd of 3 programmed years for the Raw Water Well Flow Meter Upgrade Project.
- Funding **\$87,000** for roof replacement at Water Plant #1 (337 S. 1st Avenue)

Operating:

- Funding **\$20,000** for annual elevated tank maintenance program.

Uncertainty

- ⇒ Northeast Florida water issues are increasingly more complex and intertwined due to:
- Decline of Floridan Aquifer resource.
 - State setting statutory minimum flows and levels for lakes and springs.
 - High quality water resources used for non-potable uses (irrigation, agriculture & industry).

The outcomes and their impact on the City are very uncertain. Water resources unfunded mandates are likely to be in our future.

Public Works Department

Streets Division

The Streets Division of Public Works maintains the City’s roadways, traffic control signage and markings, sidewalks, and stormwater collection system. These networks consist of **88 road miles** including curbs and gutters, **33.7 miles of sidewalks**, **1,644 street lights**, **3,087 stormwater inlets/catch basins/grates**, **70 stormwater outfalls** to the adjacent estuaries and ocean, **71.3 miles of stormwater gravity mains**, **4.0 miles of stormwater force mains**, **2.1 miles of drainage channels**. The division also manages **collection of garbage, recycling and yard waste**, and **beach cleaning**.

Division Mission

To provide safe, well maintained road systems and an effective stormwater drainage system.

Division Objectives

- Seal coat or resurface 7 to 10 miles of roads annually.
- Repair and maintain stormwater drainage system.
- Install and maintain traffic and pedestrian control signage and markings.
- Maintain pedestrian safe sidewalks. Repair 2,000 feet of sidewalk.
- Maintain community environment by collecting garbage.

Division Organization

Authorized Positions	FY2013	FY2014	FY2015
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
Sign Maintenance Technician	1	1	1
Maintenance Worker I, II, III	5	5	5
Staff Assistant	1	1	1
TOTAL	18	18	18

Public Works Department

Division Funding Sources and Budget FY2015

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 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$912,562	\$895,268	\$900,402	\$5,134	0.6%
Operating	\$563,004	\$590,510	\$599,395	\$8,885	1.5%
Capital Outlay	\$0	\$22,000	\$35,000	\$13,000	59.1%
TOTAL	\$1,475,566	\$1,507,778	\$1,534,797	\$27,019	1.8%

Local Option Gas Tax:

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$32,897	\$45,928	\$41,355	-\$4,573	-10.0%
Operating	\$346,835	\$387,334	\$311,000	-\$76,334	-19.7%
Capital Outlay	\$0	\$0	\$0	\$0	-
Transfers	\$372,000	\$372,000	\$372,000	\$0	0.0%
TOTAL	\$751,732	\$805,262	\$724,355	-\$80,907	-10.0%

Division Budget Issues

General Fund

- Funding **\$35,000** to replace truck with utility body (2003).
- Funding **\$100,000** for Dune Walkover Rehabilitation Project. (see Executive & Legislative - General Capital Projects)
- Funding construction of 10th Street South Industrial Area Improvements Project: \$640,000 (Water & Sewer), \$380,000 (Stormwater), **\$810,000** (General Capital Projects).

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.
- Funding **\$170,000** for new sidewalk which may include:
 - 15th Avenue N. (3rd Street N. to Penman Rd)
 - 2nd Street S. (38th to 37th Ave. S.) (north end of Avalon Subdivision area)
 (See Executive & Legislative - 1/2 Cent Sales Surtax Fund [Better Jax Beach])

Public Works Department

Stormwater Utility Program

Program Mission – *To provide funding to operate, maintain and improve the stormwater collection & treatment infrastructure.*

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 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$155,341	\$178,807	\$166,269	-\$12,538	-7.0%
Operating	\$419,012	\$577,225	\$618,054	\$40,829	7.1%
Capital Outlay	\$958,070	\$870,641	\$1,195,000	\$324,359	37.3%
TOTAL	\$1,532,423	\$1,626,673	\$1,979,323	\$352,650	21.7%

Program Budget Issues

Capital Outlay

- Funding **\$550,000** to construct Stormwater Improvements Project (Ocean Forest - Phase 2)
- Funding **\$155,000** to design & construct Stormwater Imps. Proj.- 4th St. S. (10th-12th Ave)
- Funding construction of 10th Street South Industrial Area Improvements Project: \$640,000 (Water & Sewer), **\$380,000** (*Stormwater*), \$810,000 (General Capital Projects)
- Funding **\$110,000** for purchase of replacement boom arm mower (2001)

Operating

- Funding **\$95,000** for stormwater pipe and vault cleaning services, **\$20,000** for drainage system repairs and **\$50,000** for erosion control repairs.
- Funding **\$16,000** for stormwater analysis for the NPDES Monitoring Plan & Lower St. Johns River Tributaries BMAP 2 (Hopkins Creek sampling).

Uncertainty

- ⇒ Stormwater utility rates were set 24 years ago.
- ⇒ Anticipate budget pressures due to increasing federal/state environmental regulation / oversight - Numeric Nutrient Criteria, Pollutant Total Maximum Daily Load limits, statutory minimum flows and levels for lakes and springs, and aging stormwater infrastructure.
- ⇒ Pursuing State cooperation for study and project to improve the stormwater drainage system for State Road A1A and U.S. 90 (Beach Boulevard), north of Beach Boulevard.

Public Works Department

Sanitation Utility Program

Program Mission – *To provide funding for the collection, transportation, and disposal of garbage, yard waste, debris and recyclables.*

Program Objectives

- Collect garbage, yard waste, and recyclables from residential and small commercial customers via weekly curbside service.
- Collect garbage from commercial customers via dumpster and compactor service on a weekly routine basis.
- Collect recyclables from commercial multiplex dwelling units on voluntary basis.
- Keep Jacksonville Beach beautiful through the oceanfront and downtown cleaning and street sweeping programs.

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

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$205,366	\$217,147	\$196,698	-\$20,449	-9.4%
Operating	\$2,946,856	\$3,129,744	\$3,188,651	\$58,907	1.9%
Capital Outlay	\$0	\$200,000	\$0	-\$200,000	-100.0%
TOTAL	\$3,152,222	\$3,546,891	\$3,385,349	-\$161,542	-4.6%

Program Budget Issues

Operating

- Anticipate annual CPI increase and bi-annual fuel cost adjustments, which are included in mid-year and year-end budget adjustments.

Uncertainty

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

Public Works Department

Administration Division

Division Mission

To protect public health, safety and quality of life through the delivery of Public Works services.

Division Objectives

- Implement departmental business plan.
- Implement departmental capital projects as scheduled by each division.
- Implement capital master plans for the 2 redevelopment districts.
- Effectively address all customer service requests.

Division Organization

Authorized Positions	FY2013	FY2014	FY2015
Public Works Director	1	1	1
City Engineer	1	1	1
Project Engineer	-	-	1
Administrative Assistant	1	1	1
Construction Project Manager	1	1	1
Construction Inspector part-time	1	1	1
TOTAL	5	5	6

Division Funding Sources and Budget FY2015

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 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$162,526	\$104,086	\$135,726	\$31,640	30.4%
Operating Capital Outlay	\$1,085,535	\$1,152,207	\$1,245,192	\$92,985	8.1%
Debt Service	\$161,381	\$296,744	\$0	-\$296,744	-100.0%
Debt Service	\$1,800,524	\$1,811,593	\$1,803,547	-\$8,046	-0.4%
TOTAL	\$3,251,431	\$3,364,630	\$3,184,465	-\$180,165	-5.4%

▪ Increase in personal services with the addition of a project engineer whose primary focus will be projects in the redevelopment districts.

Police Department

Mission

Working with Citizens for a Safe Community

Organization

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

Authorized Positions	FY2013	FY2014	FY2015
Chief of Police	1	1	1
Commander	3	3	3
Sergeant/Corporal	17	18	19
Patrol Officer/Detective	39	39	42
Police Total	60	61	65
Accreditation Manager	1	1	1
Communications Supervisor	1	1	1
Communications Officer	10	10	10
Records Supervisor	1	1	1
Records Specialist	2	2	2
Records Specialist part-time	1	1	1
Parking Enforcement Coordinator	1	1	1
Community Service Officer	1	1	1
Secretary	4	4	4
Property/Evidence Officer	1	1	1
Property/Evidence Officer part-time	1	1	1
Animal Control Officer	1	1	1
School Crossing Guard part-time	9	9	9
Volunteer Coordinator part-time	1	1	1
Civilian Total	35	35	35
Financial Total Full-time	83	84	88
Total Part-time	12	12	12
TOTAL POSITIONS	95	96	100

*See the section entitled "Budget Issues" for more information on authorized positions.

Professional Standing

The police department was initially accredited in 1995 by the national Commission on Accreditation for Law Enforcement Agencies. Since then, 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 partnership 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 proactively work to prevent crimes from occurring. When crimes do occur, citizens expect the police to solve those crimes.

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

Because of its easy accessibility and substantial parking, Jacksonville Beach is the primary beach community in the Jacksonville metropolitan area. Consequently, it becomes more difficult for the Police Department to keep citizens safe, especially on weekends, holidays, and during special events when the city is overflowing with visitors.

Over time, the Police Department has responded with many innovative programs. Those include both the Downtown CAPE and South Pablo Beach CAPE community policing programs, the Community Response Team, and specialized DUI and traffic enforcement programs. Details of these and other policing programs created specifically for the community are provided in this business plan.

Patrol Division/Costs

Patrol Division

The Patrol Division responded to 44,864 calls for service in calendar year 2013. 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 2013, there were 76,104 officer responses to those 44,864 calls, all this in a city with a permanent population of approximately 23,000 citizens. Many service calls are generated by non-residents who come to Jacksonville Beach to visit the beach, shops, restaurants, and nightclubs.

The Patrol Division has the largest complement of police personnel (40 full-time positions), since most calls for service are handled at that level. Officers are split evenly into two patrol groups and six squads consisting of four or five officers per squad.

Police Department

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

FY2015 estimated budget for the Patrol Division, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$3,438,917.**

Traffic Unit

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

FY2015 estimated budget for the Traffic Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$186,018.**

K-9 Unit

The estimated budget for the K-9 Unit, staffed by two officers, including salaries and benefits, overtime, operating costs, and supplies: **\$155,824.**

Part-Time Police Officer Program

FY2015 estimated budget for the Part-time Police Officer program, including salaries, operating costs, supplies, etc.: **\$60,000.**

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 senior secretary performs typical secretarial duties as well as crime analysis.

FY2014 estimated budget for the General Investigations Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$551,574.**

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.

FY2015 estimated budget for the Community Response Team, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$675,194.**

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 FY2015 budgets.

Police Department

Carver Center / Community Assisted Policing Effort (CAPE) Program

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

The FY2015 estimated budget for the CAPE Program, including salaries, benefits: **\$84,029.**

Downtown CAPE Program

The Jacksonville Beach Community Redevelopment Agency (CRA) provides funding for seven police officers, one corporal, and one sergeant for an innovative community policing program known as Downtown CAPE. Three officers and a sergeant position were added to the pilot program during FY2014. The officers patrol the core downtown area, pier parking lot, and the beachfront on foot, bicycles, Segways, and in vehicles. They interact closely with business people, residents of the downtown area, and visitors, as they focus on issues of public safety and quality-of-life crimes. The officers are trained in crime prevention and assist with code enforcement. The CRA also provides funding for additional officers working in an overtime capacity during peak workload times.

FY2015 estimated budget for the Downtown CAPE Program including salaries and benefits, overtime, equipment, operating costs, supplies, etc.: **\$866,216.**

Services Division Units/Costs

Ancillary Services Section

The Ancillary Services section consists of one Commander, a Sergeant, a Community Service Officer and nine part-time school crossing guards that are assigned to elementary schools and Fletcher Middle School to assist children in safely crossing busy roadways. The Services Commander serves as budget officer for the police department, oversees the Records Section, Communications Section, Property/ Evidence, Paid Parking program, Training & Recruiting, Animal Control, as well as grant management. FY2015 estimated budget for salaries and benefits; **\$355,735.**

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-

Police Department

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.

FY2015 estimated budget for the Communications Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$816,896.**

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.

FY2015 estimated budget for the Records Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$192,235.**

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.

FY2015 estimated budget for the Property/Evidence Section, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$64,849.**

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 (CALEA). The Police Department was initially accredited in 1995 and has been successfully re-accredited five times. Compliance with the CALEA accreditation process 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.

FY2015 estimated budget for the Accreditation Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$80,916. (\$23,045 in accreditation fees, travel and traveling, 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

Police Department

dogs. The Animal Control Officer also responds to citizen complaints of wild animals, reptiles, and stray animals. The animals are held in pens at the Animal Control Office until a City of Jacksonville Animal Control officer responds to take custody of them.

FY2015 estimated budget for the Animal Control Officer program, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$38,573.**

Paid Parking/Security Unit

The Parking Enforcement Unit is comprised of one supervisor and ten part-time Community Service Officer II. The unit is responsible for parking enforcement throughout the City, with particular emphasis on parking issues in the downtown business district. The supervisor oversees the City's parking enforcement program in three city-owned parking lots downtown. The CSOII provide security and informational services to the visitors in the paid parking lots. This also includes overtime for one police officer to provide additional security, roving in the three paid parking lots during peak hours. The parking division is under the supervision of the Services Division Commander. FY2015 estimated budget for the Parking Enforcement Unit, including salaries and benefits, overtime, operating costs, supplies, etc.: **\$136,756. (This program is fully funded through parking revenues.)**

Volunteer Programs

The volunteer program consists of Citizen Police Academy Alumni members and 17 Citizen 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 (**\$14,914**). The unit provided over 12,300 hours of volunteer service for the Police Department in 2014. The uniformed COPs have two vehicles used for patrol. FY2015 the unit estimated budget for operating supplies, vehicle maintenance, fuel, uniforms, etc.: (**\$20,000**) for a combined total of **\$34,914**.

Police Administration

The Police Administrative Division consists of the Chief of Police, one Administrative Assistant, and two Staff Assistants. Salaries and benefits: **\$484,547**. The Administrative Division is responsible for all software fees, professional services, internal service charges, utilities, legal fees, etc.: **\$549,788**. The Court Costs Training Fund is a special revenue that helps pay for training and related costs: **\$60,000**. Total Administration Division costs: **\$1,094,335**. Lease Facilities funds maintenance costs of security cameras: **\$15,000**.

Police Department

Recent Accomplishments

- ☑ Conducted **41** community relations programs directly impacting **1,000** citizens (e.g., firearms safety, bicycle safety, Neighborhood Watch, DUI prevention, etc.)
- ☑ Removed **279** intoxicated drivers from the roadways, making Jacksonville Beach safer for vehicles, bicyclists, and pedestrians.
- ☑ Completed Citizen Police Academy classes **XXXII** and **XXXIII**, achieving high approval ratings. Through 33 academies, **921** citizens have gained a better understanding of law enforcement and the Jacksonville Beach Police Department.
- ☑ Benefited from Citizen Police Academy Alumni Association members, who volunteered **12,233** hours in **2013**, assisting the department in its mission.
- ☑ Continued the Citizens On Patrol (COP) Program. **Eighteen** graduates of the COP Training Academy assisted the Patrol Division with traffic direction, property checks, neighborhood notifications of sex offenders, and completing reports of minor offenses such as gas drive offs, etc.
- ☑ Participated for the second time in the annual **National Night Out** event. Sponsored by Target, 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 **20th Annual Kids Fishing Rodeo** at the Huguenot Park lagoon. Approximately **700** children and parents attended the event.
- ☑ Hosted the annual **Kids Halloween Party** and **Kids Christmas Party**. Approximately **550** children and parents attended the two events.

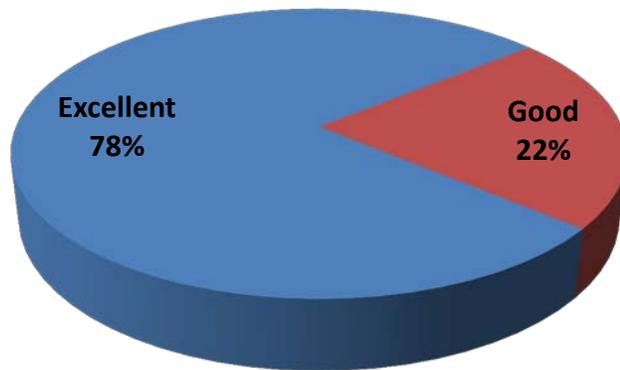
Note: See performance measures on page 107 for additional accomplishments.

Police Department

Customer Service Surveys

Each quarter, the police department conducts a random survey of 30 citizens who have encountered a member of the department within the preceding three months. The survey asks respondents to rate the employee's professionalism and helpfulness to the citizen during the encounter.

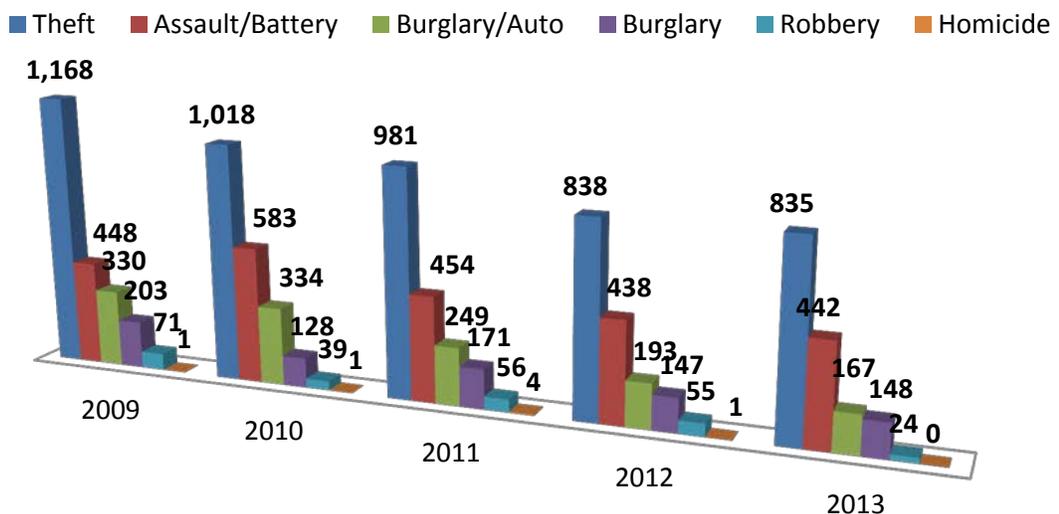
Quarterly Customer Service Survey



Crime Prevention Services

The Police Department provides crime prevention services designed to make the community safer. Those services include Neighborhood Watch, sex offender and sexual predator neighborhood notifications, robbery prevention seminars, and personal, business, and home safety classes, among many others.

Selected Crime Statistics: 2009-2013



Police Department

Performance Measures

Outcomes	Performance Measure	Actual FY2013	FYTD through 3/15/14	Target FY2015
<i>Continually seek new and better methods to improve citizens' safety.</i>	Maintain four minute or less average response time to emergency calls	2.07 minutes	2.29 minutes	4.00 minutes
	Maintain six minute or less average response time to non-emergency calls	4.37 minutes	5.02 minutes	6.00 minutes
	Continue strict enforcement of DUI laws to improve safety of city roadways	279 arrests	101 arrests	150 arrests
	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	18	2	6
<i>Maintain strong partnerships with citizens to improve public safety.</i>	Complete two Citizen Police Academy classes with a positive rating of 95% or higher (51 surveys)	100%	100%	95%
	Continue crime prevention and youth-oriented services offered through the CAPE program	Yes	Yes	Yes
	Complete one Youth Police Academy with a positive participant rating of 95% or higher	Yes	Yes	Yes
	Involve CPA Alumni Association members in community relations and crime prevention programs	29	8	10
	Use Citizens On Patrol (COP) volunteers to enhance services	Yes	Yes	Yes
<i>Develop professional employees through competent hiring practices, ongoing training and career development.</i>	Continue emphasis on career development through training	10,005 hours	3,964 hours	9,000 hours
	Attend five job fairs to expand the pool of exceptional candidates for employment	6	3	4
	Number of consecutive years accredited through the national Commission on Accreditation for Law Enforcement Agencies (CALEA)	18	19	20
<i>Continue the strong commitment to outstanding customer service.</i>	Achieve positive ratings of 90% or higher on quarterly customer service surveys (120 surveys completed each year)	98%	100%	90%
	Conduct triennial citywide customer service survey; Achieve overall positive rating of 90% or higher	95%	NA	90%

Police Department

Financial Summary

General Fund

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal					
Services	\$6,602,902	\$6,905,906	\$6,468,509	-\$437,397	-6.3%
Operating	\$1,131,277	\$1,267,061	\$1,273,343	\$6,282	0.5%
Capital Outlay	\$177,739	\$176,541	\$150,000	-\$26,541	-15.0%
TOTAL	\$7,911,918	\$8,349,508	\$7,891,852	-\$457,656	-5.5%

A reduction in pension costs and officer turnover resulted in a decrease in payroll. Reductions in capital outlay were made to offset increases in operating costs.

Special Revenue Funds

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal					
Services	\$371,075	\$567,810	\$797,158	\$229,348	40.4%
Operating	\$101,735	\$268,791	\$249,472	-\$19,319	-7.2%
Capital Outlay	\$41,540	\$99,468	\$70,539	-\$28,929	-29.1%
Transfers	\$101,684	\$70,805	\$70,000	-\$805	-1.1%
TOTAL	\$616,034	\$1,006,874	\$1,187,169	\$180,295	17.9%

The primary special revenue funding source is the Community Redevelopment Agency. A sergeant and 3 officers were added to Downtown CAPE during 2014.

Other Funding Sources

Other Funding Source	Use	2014 Budget	2015 Budget
Community Development Block Grant (Federal)*	CAPE Program in Pablo Beach, South Neighborhood	\$79,310	\$63,982
Total-General Fund		\$79,310	\$63,982
Community Redevelopment Agency	Nine (four in 2014) Downtown CAPE officers, operating supplies and overtime	\$666,105	\$866,216
Law Enforcement Trust Fund (State)	Equipment Grant Matches and Crime Prevention Programs	\$80,077	\$60,414
Equitable Sharing Fund (Federal)	Equipment Grant Matches and Crime Prevention Programs	\$114,899	\$115,000
Court Costs Training Fund (State)	Employee Training	\$60,400	\$60,000
Justice Assistance Grant (State)*	Street Crimes Task Force overtime	\$70,805	\$70,000
Justice Assistance Grant (Local)	Equipment Purchases	\$14,588	\$15,539
TOTAL OTHER FUNDING SOURCES		\$1,006,874	\$1,187,169
Lease Facilities**	Security camera maintenance	\$27,091	\$15,000

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

* Assistance is dependent on continued Federal funding.

**Included in Beaches Energy Services Property Maintenance Division budget

Police Department

Budget Issues

Vehicle Replacement: Replacement of **five or six** police vehicles in FY2015. Total cost for vehicles: **\$150,000.**

Unmarked Vehicles for CRT: The Community Response Team will require the replacement of **two covert vehicles** in FY2015. These vehicles can be replaced with Federal Equitable Sharing funds. Total cost for replacement vehicles: **\$55,000.**

Part-time Police Program: Part-time fully certified police officers augment services of the Patrol Division and are an excellent resource at a relatively low cost. Currently, one part-time police officer is employed in this capacity, and efforts are ongoing to increase that number. Recommended funding level for FY2015: **\$60,000.**

Reserve Police Officer Volunteer Program: The Police Department started a new Reserve Police Officer program in 2013. These officers are required to be certified by the State of Florida as Reserve Police Officers. The required training currently consists of 319 hours at a certified academy. These officers will not be paid, and will only have law enforcement powers while in the company of a fully certified full-time police officer. This program is intended to be a cost effective force multiplier for the police department. The program is funded with Federal Equitable Sharing Trust Funds (equipment and uniforms). There are currently three officers in this program. There should be very little reoccurring costs for the program.

Justice Assistance Grant/Byrne (Local): This grant is earmarked for municipalities and requires no local matching funds. Grant funds have been used in the past to purchase equipment. Grant amount for FY2015 is estimated to be **\$15, 539**, and will also be used to pay for equipment.

Justice Assistance Grants (State): This grant is earmarked for municipalities and routed through the state. Appropriations from this grant must be approved by a minimum of 51% of the law enforcement agencies in Duval County (Jacksonville Sheriff's Office, Jacksonville Beach Police Department, Atlantic Beach Police Department, and Neptune Beach Police Department). In past fiscal years, the Police Department has used this grant to provide overtime funds for a downtown Street Crimes Task Force. FY2015 grant will be used to partially fund overtime for Street Crimes Task Force. Grant amount for FY2015 is estimated to be approximately **\$70,000.**

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

Police Department

In order to be able to communicate with radio systems in neighboring jurisdictions, to remain P-25 compliant, and because the manufacturer will no longer support our current radio components, a new radio system is required. Funding for the replacement of the radio system components can be set aside over several years. The general fund will make a series of transfers to the General Capital Projects Fund to build a reserve to pay for the replacement radios and radio equipment. The initial expenditure is anticipated in FY2018 to be approximately **\$755,000**. In future years, continue the radio replacement program until all radios are replaced.

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

Fire Department

Mission

To protect the lives and property of citizens, by providing professional fire and life safety services to people in need.

Fire Department Priorities

- Emergency Response
- Training
- Fire Prevention and Inspections
- Public Education

Emergency Response

The Fire Department is staffed and equipped to respond to:

- One single serious fire/EMS event.
- Two simultaneous emergency calls.
- A major event utilizing all fire department and city resources.
- Auto/mutual aid is necessary and normally available for major events.

Organization

The Fire Department is responsible for providing emergency services, administering prevention and inspection programs, overseeing disaster management, and handling the City's radio system. Three shifts comprised of a Shift Commander, two Lieutenants, and six Firefighter/Engineers provide fire/medical/rescue and other services. State certified Auxiliary Firefighters supplement staffing and assist combat personnel. The Fire Marshal is responsible for inspections, plans review, public education, and code enforcement and is assisted by the Shift Commanders. The Training/Safety Lieutenant is responsible for coordinating training activities, serves as the safety officer during major emergencies, maintains medical quality control, and coordinates the safety program.

Authorized Positions	FY2013	FY2014	FY2015
Fire Chief	1	1	1
Fire Captain	3	3	3
Fire Marshal	1	1	1
Fire Lieutenant	7	7	7
Firefighter/Engineer	18	18	18
Administrative Assistant	1	1	1
TOTAL	31	31	31

Fire Department

Primary Services

- Mitigating fires, medical emergencies response, vehicle accidents, technical rescue, and other 911 emergencies.
- Fire prevention and safety through plans review, public education programs, and fire safety inspections.
- Emergency disaster management and hurricane preparedness.
- Managing the City's 800 MHz radio system.

Normally the Fire Department operates two engines a quint, and a mobile command vehicle daily. On-duty staffing may be reduced to one engine, quint, and a mobile command vehicle unless additional overtime funding is provided. Supplemental staffing may be available from the Auxiliary Firefighter Program. The fire department provides basic and advanced life-support with medical transport provided by the City of Jacksonville as part of an inter-local agreement. Automatic/mutual aid is available from Jacksonville or St. Johns County Fire & Rescue.

The City operates its own 800 MHz radio system and radio tower. The City has just completed the upgrade of the system to an analogue/digital P-25 capable system. This allows encryption and communication abilities with Jacksonville and surrounding counties. The First Coast Radio system and the State's mutual aid frequencies are used as a back-up system. Satellite phones are available for communication during a disaster when other means of communication are unavailable.

CY2013 Accomplishments

- Zero fire deaths in 2013, and an average response time of 4 minutes.
- 100% of the 35 structure fires responded to were confined to the area involved upon arrival.
- 100% of the customer surveys returned indicated excellent or good service.
- Conducted 882 fire safety surveys, 325 high hazard inspections and updated 1,207 pre-plans.
- Conducted 283 new construction/remodel inspections, reviewed 283 sets of plans, and 204 consultations.
- Conducted 104 fire drills in public and private schools and inspected 870 fire hydrants.
- Installed 149 smoke detectors in homes and checked or installed batteries in 549 smoke detectors.

Fire Department

CY2013 Accomplishments (continued)

- Provided education to over 3,633 adults/children in fire safety, prevention, and/or hurricane preparedness.
- Members conducted over 9,274 hours of in-service training.
- Installed and educated 207 families on the proper use and installation of child safety seats.

Other Fire Department Accomplishments:

- Conducted city wide training and exercises in hurricane preparedness and terrorism, with this year's focus on an active shooter in a city facility.
- Upgraded Quint -11 and Sq-13 to advanced life support (ALS) units.
- Updated the City's Municipal Comp. Emergency Management plan.
- Upgraded the City's 800 MHz radio system to an analogue/digital P-25 system.
- Conducted a Point of Dispensing exercise simulating a pandemic outbreak.

Goals for FY2014/2015

1. Prevent fire related deaths in Jacksonville Beach by a quick response, commitment to inspections and code enforcement, and an aggressive smoke detector program.
2. Confine 90 percent of all building fires to the area involved upon arrival by a quick response and effective fire ground tactics.
3. Maintain excellent fire/EMS/technical rescue capabilities and safety by expanded monthly in-house training, challenging scenarios, and technical rescue training.
4. Continue supporting the Firefighter Auxiliary program. (2,597 volunteered hours)
5. Maintain the city's preparedness capabilities by updating and exercising the City's emergency operational and communication plans.
6. Continue the strong commitment to customer service by receiving 100 % customer survey reports of excellent or good service.

Fire Department

Performance Measures	CY2012	CY2013	* FY13 10-01-13 through 3-1-14	Target for CY2015
			Yes	Yes
Prevent all fire deaths in Jacksonville Beach	Yes	Yes	Yes	No fire deaths
Confine 90% of all building fires in Jax Beach to area involved upon arrival. (35)	100%	100%	100%	90%
Provide Basic or Advanced Life Support service to all calls for Emergency Medical Services (of the 3,060 total calls in 2013, 69% were rescue).	2,250	2,121	776	2,000
Respond to emergencies within 6 minutes (m) for 90%, and within 4 minutes (m) for 70% of all 911 emergency calls.	4m/72% 6m/90%	4m/71% 6m/91%	4m 72% 6m 94%	4m/70% 6m/90%
Complete fire safety surveys and update pre-plans of commercial buildings once every 2 years (718 per year).	916	882	363	718
Conduct high hazard inspections and update pre-plans of schools, churches, hotels, restaurants, and high rise buildings.	268	325	127	189
Conduct 80 fire evacuation drills in schools.	105	104	53	80
Educate 3,500 citizens/children in fire safety and/or hurricane preparedness each year.	3,283	3,633	2,104	3,500
Install or replace 80 smoke detectors in unprotected homes of elderly, disabled, or fixed income citizens.	214	149	81	80
Check, test or replace batteries in 375 existing smoke detectors.	583	549	222	375
Inspect all city and private fire hydrants annually.	860	870	870	860
Complete 7,000 in-service training hours.	9,534	9,274	3,903	7,000
Receive a 100% excellent or good evaluation by citizens. (243 survey cards received in CY2013)	100%	100%	100%	100%
Install/inspect/educate families on child safety seats.	105	207	73	NA

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

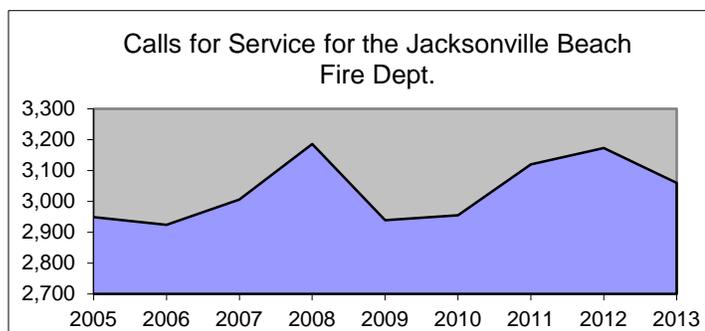
* The first 5 months of FY2014 (Oct-Feb) is indicated in column three (**bold**) on the chart.

Fire Department

Annual Calls for Service

The fire department responded to 3,060 responses in CY2013.

- *3% Structural Fires*
- *69% Rescue*
- *28% Hazardous Conditions*



- **In 2013, the Fire Department experienced a slight decrease in call volume over 2012:** 3,060 calls for service in 2013 and 3,173 in 2012.

Funding Sources

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

Firefighter Auxiliary Program

The Fire Department has developed a Firefighter Auxiliary program to supplement staffing needs. We utilize a maximum of 8 Auxiliary personnel who are State of Florida certified firefighters and EMTs or Paramedics. Due to the economic up-swing we are losing our auxiliary members as they move to paid fire departments or seek alternate professions. \$5,000 is included in the fire department budget for insurance, uniforms, physical, and other associated costs.

2014/15 Grants

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

- **Fire House Subs:** 2- refurbished advanced life support (ALS) defibrillators to replace the auto external defibrillators currently used on Sq-13 and Q-11. The cost of these two refurbished units is \$16,000. No match money is required.
- **Assistance to Firefighters Grant:** A diesel emission removal system for Sta #1 has been requested to remove the potential toxic by-products of diesel exhaust at the station. The cost is \$35,000. The \$3,500 or 10% match is not included in the 2015 budget.

Fire Department

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change	
Personal Services	\$3,127,810	\$3,181,521	\$3,074,203	-\$107,318	-3.4%	<i>Budget decrease is from reductions in the City's pension contribution as a result of recent contract settlement.</i>
Operating	\$418,107	\$475,966	\$487,816	\$11,850	2.5%	
Capital Outlay	\$43,650	\$0	\$0	\$0	-	
TOTAL	\$3,590,124	\$3,657,487	\$3,562,019	-\$95,468	-2.6%	

Budget Issues

Overtime: Due to economic conditions, the fire department lost the Fire Safety Specialist position in 2010-11. In 2012 overtime was reduced \$100,000 which resulted in reducing the daily minimum staffing for the fire department. As a result when personnel are off on sick leave, an emergency apparatus must be taken out of service. Auxiliary firefighters are sometimes available to assist with the staffing, however recently this has been greatly reduced. We are requesting that the overtime budget be increased back to the pre-2012 level to be able to use one overtime personnel to assist the Fire Marshal, as well as to maintain daily staffing levels for three combat fire apparatus. **\$50,000 additional overtime has been included in the fire department budget.**

Mobile Data System: In an effort to modernize technology resulting in the ability to quickly retrieve important information to fire units in the field, we are requesting the purchase of the Street-wise CAD-Link program and 6 smart tablets with 4G wireless capabilities. This program will link up with our Fire-House Cloud system data base as well as the CAD system in the dispatch center. Crews will have the response on screen in the unit as well as mapping, hydrants, preplans and other information for immediate access. The tablets are mobile allowing for inspections, preplans, and other functions in the field. The startup cost for the CAD-Link system and six smart tablets is \$5,530 which can come from the Radio Fund. The \$255 monthly charge for the 4G wireless service and CAD-Link will come from the current fire department's budget. E-mail texting will be used for staffing and the CAD-Link system for alarm notification, replacing the pagers and providing a better service with no increase in monthly service fees.

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

Fire Department

Fire Apparatus Replacement Program

In order to maintain an efficient fleet of fire apparatus, a planned capital improvement program is required. This replacement program has been funded annually by the City Council. Because of the cost of new apparatus and the economic conditions, the goal of this program and the life of apparatus has had to be extended. The goal of the program is to keep apparatus in front-line service for approximately 12-14 years and then place them in reserve for approximately 4-5 years.

This schedule can be attained by committing \$75,000 per year. The replacement schedule is included in the 2015 Capital Improvement plan (CIP). E-25 or Sq-13 was scheduled to be replaced in 2015, however it has been pushed back another year to 2016.

Fire Apparatus Replacement Program

Engine	Description	Model Year	Age
Q-11	Ferrara Ladder (Quint)	2010	4
E-14	Pierce Pumper (reserve)	1996	18
SQ-13	Freightliner Pumper	2001	13
E-22	E-1 Rescue/Pumper	2006	8
E-25	Pierce Pumper (reserve)	1993	21

Replacement Schedule

Year	Replace Apparatus	Cost	CIP Budget
FY2013			\$75,000
FY2014			\$75,000
FY2015			\$75,000
FY2016	E-25 or Sq-13	\$332,000	\$75,000
FY2017			\$75,000

Fire Department

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 update the municipal comprehensive emergency management plan.
- Conducting annual city exercises on hurricane preparedness/planning and terrorism.
- Ensuring all National Incident Management System training requirements and criteria are met.

In the event of a major storm or other similar emergency, the City Manager may authorize the use of the General Fund's unanticipated budget to fund purchases such as:

- Rental equipment: Trucks/trailers, portable shelters, generators, and port-a-lets.
- Supplies: Fuel, food, water, and medical supplies.
- Staffing and Communications equipment.

Comparison Survey

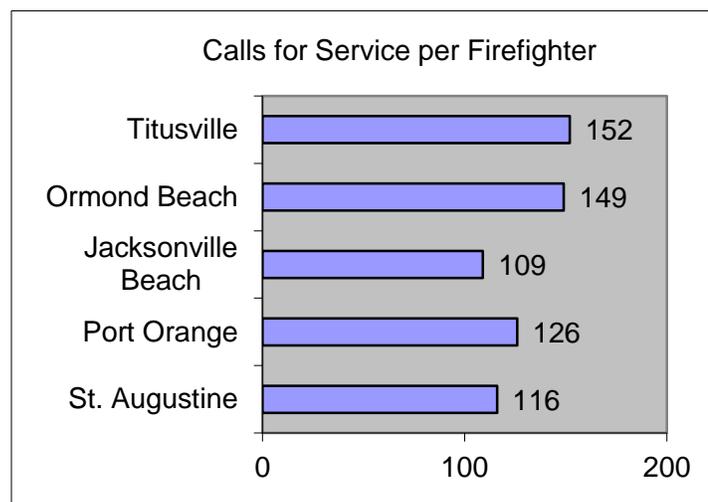
The Jacksonville Beach Fire Department does a comparison survey annually with similar sized cities and fire departments to determine how efficient our department is in comparison to the other departments. Statistics assessed include the assessed valuation of property, fire department budget, number of calls responded to, number of firefighters, and the population. This comparison survey is based on the 2013 calendar year statistics.

This data does not reflect the actual minimum staffing per shift. The following graphs illustrate the findings:

Calls for Service 2013

Average number of calls for service per firefighter: = 130.4

The Jacksonville Beach Fire Department responded to 3,060 calls for service in CY2013.

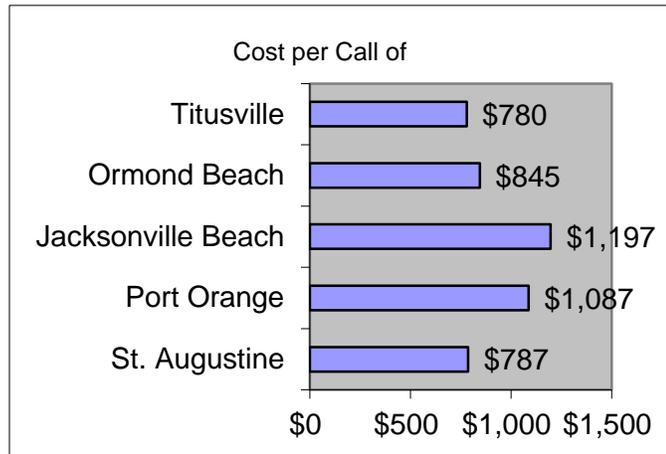


Fire Department

Comparison Survey (continued)

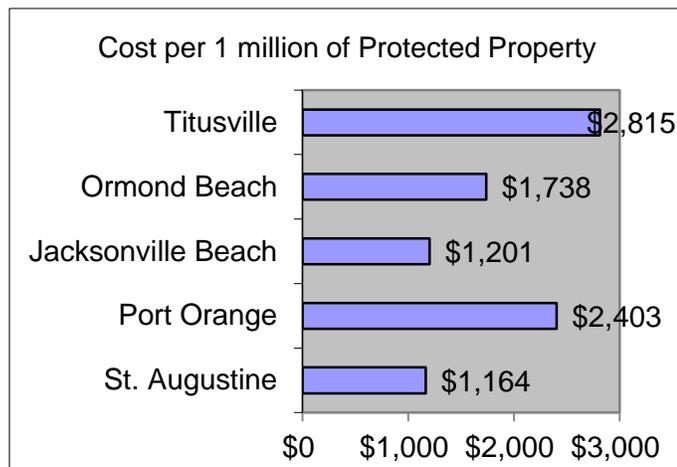
Cost per Call 2013

Average cost per call for service: = \$932.20



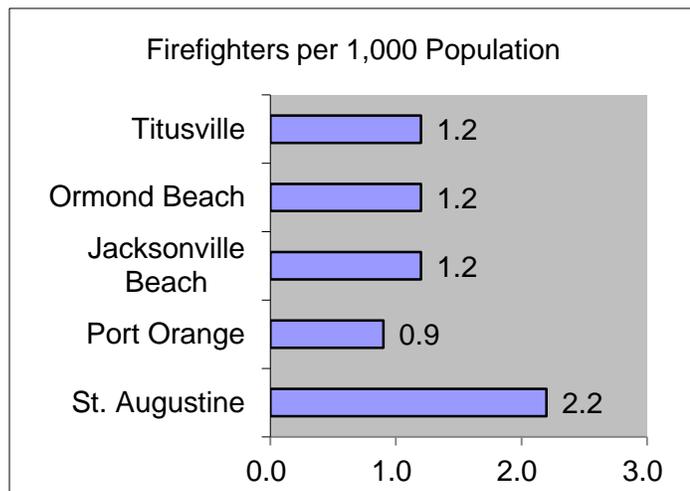
Cost per \$1 million of Protected Property 2013

Average cost per \$1 million of protected property = \$1,864.20



Firefighters per 1,000 Population 2013

Average number of firefighters per 1,000 population: = 1.34





Beaches Energy Services

Mission

*To provide reliable energy services at a competitive price with superior customer service.
“Above and Beyond the Expected.”*

Organization

Beaches Energy Services provides electric service to more than 34,000 customers and 24-hour customer service outage restoration. The Department is responsible for designing, constructing, operating, and maintaining electric service facilities and managing natural gas service in Jacksonville Beach, Neptune Beach, Ponte Vedra Beach, Palm Valley and other areas as designated by our service territory. The Department is also responsible for the Property Management Division.

Beaches Energy Services has ten Divisions which are funded by the Enterprise Fund, the Internal Service Fund, and the General Fund.

Authorized Positions	FY2013	FY2014	FY2015
Administration	4	4	4
Engineering	8	8	7**
Relay/Substation	6	6	6
Construction & Maintenance	34	32*	32*
System Operations	10	10	10
Storeroom	3	3	3
Regulatory Compliance	-	-	1**
Meter Services	12	12	12
TOTAL	77	75	75

* Two Construction & Maintenance positions eliminated.

** One Engineering position was transferred to Regulatory Compliance.

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.

Beaches Energy Services

Organization (continued)

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

Storeroom Division

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

Regulatory Compliance

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

Natural Gas Division

Provides contract management administration and oversight for all activities in the delivery of natural gas.

Meter Services Division

Provides support services for all meter reading and meter service functions.

Property Management Division

Provides all City Departments with building maintenance, leased properties management, and fleet maintenance.

Recent Accomplishments: FY2014-2015

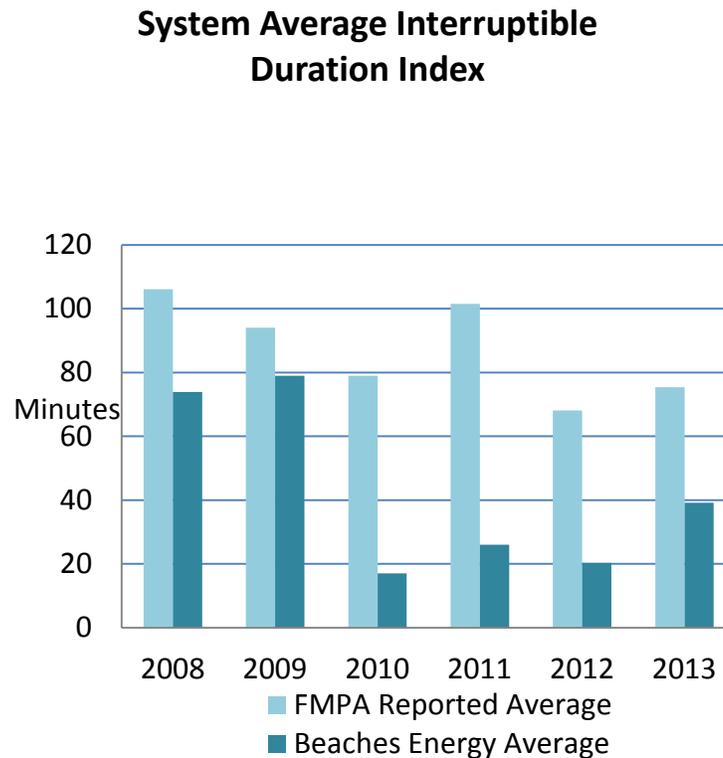
- Designed and installed new 26kV underground systems:
 - Underground Feeder Circuit #528
 - Odom's Mill Feeder Upgrade
- Designed and installed overhead line rebuilds:
 - Palm Valley Road Phase 3 in St. Johns County
 - A1A Phase 3 in St. Johns County
- Designed and installed system improvement projects:
 - Cable Replacements
 - Switchgear Replacements
- Implemented Storm Hardening and Distribution Maintenance Plans.
- Completed Distribution Automation Plan.
- Developed program documents within the electric substation work station section describing operation, maintenance and testing processes.
- Received Diamond designation from the American Public Power Association (APPA) for our Reliable Public Power Provider (RP₃) submission.
- Received APPA Community Service Award.

Beaches Energy Services

Recent Accomplishments (continued)

System Reliability

Beaches Energy Services maintained a System Average Interruptible Duration Index of 39.21 minutes for each customer from January 2013 to December 2013. Twenty-five cities reported average by FMPA for the same period was 75.44.



Customer Service

Each year, the Billing Office mails out customer service surveys. The following represents the customers' ratings. The 2013 surveys were sent to 720 customers and 108 customers responded. The 2014 surveys were sent to 360 customers and 82 customers responded.

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

Customer Service	Actual FY2012	Actual FY2013	FYTD 3/31/14	Target FY2015
The utility bill is easy to understand.	98%	92%	99%	95%
Our service is reliable.	98%	99%	99%	95%
I was treated courteously.	100%	99%	100%	95%
The service was prompt.	99%	99%	100%	95%
The employee was helpful.	98%	100%	100%	95%
The employee was knowledgeable.	99%	99%	100%	95%
The employee referred to me by name.	85%	86%	96%	95%
The employee thanked me for my business.	95%	91%	99%	95%

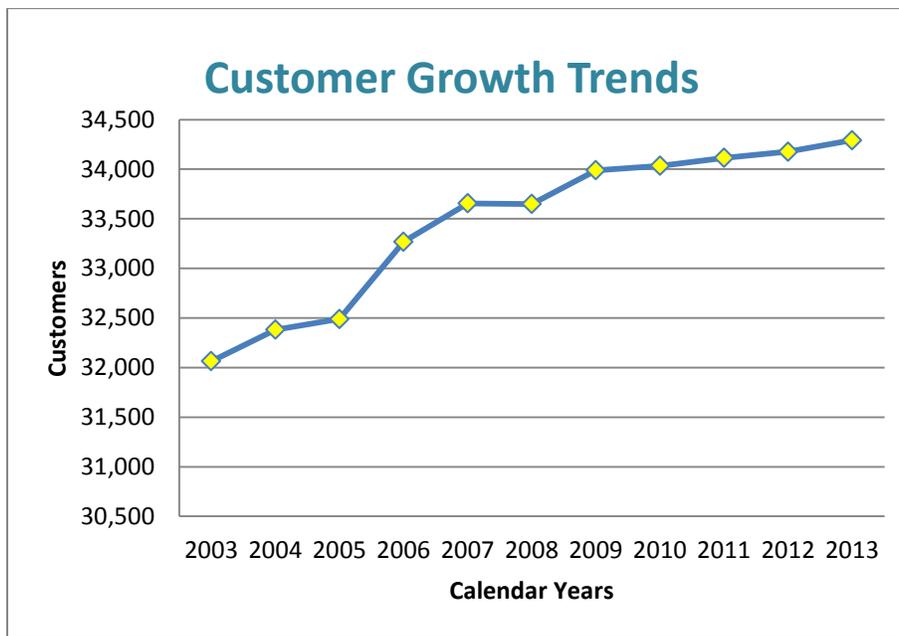
Beaches Energy Services

Customer Service (continued)

Each year, Beaches Energy Services mails surveys to our energy audit customers. The following represents the customers' ratings. The 2013 surveys were sent to 418 customers and 136 responded. The 2014 surveys were sent to 220 customers and 39 responded.

Energy Audits	Actual FY2012	Actual FY2013	FYTD 3/31/14	Target FY 2015
Energy Audit Survey	Percent Agree	Percent Agree	Percent Agree	Target Agree
Was the Utility Auditor on time for your scheduled audit?	98%	99%	97%	95%
Was the Utility Auditor polite and courteous?	100%	100%	100%	95%
Was the Utility Auditor knowledgeable and helpful when explaining the results of the audit?	100%	100%	100%	95%
Did the Utility Auditor provide you with tips to conserve energy?	99%	100%	100%	95%
Would you recommend this audit service for other customers?	88%	97%	100%	95%
Did you find the Beaches Energy Gift Bag and DVD useful?	-	89%	81%	95%

The number of total customers served has grown from 32,065 in 2003 to 34,293 in 2013. This increase represents a seven percent increase over the past ten years.



Beaches Energy Services

Cost

- Beaches Energy Services residential rate for 1,000 kWh remains below the State average (see rate schedule, page 10).
- Beaches Energy Services provides a monthly credit for customers on the demand rate. Customers receive a monthly credit on demand charges which ranges from \$2.00/kW for a 75 percent load factor to \$0.50/kW for a 60 percent load factor.

Energy Efficiency and Conservation

- Electric conservation and informing customers on how to conserve has become an important part of our business. Beaches Energy Services is working on conservation, energy efficiency, demand-side management and renewable energy initiatives so that all programs are coordinated to achieve optimal results and benefits.
- Conservation tips can be found on Beaches Energy Services website at www.beachesenergy.com and in the monthly Tidings newsletter.
- Energy saving rebates are offered for residential energy-efficient improvements. For more details about available rebates, visit our website (shown above).
- Our Energy Auditors provide specific suggestions customized to the homeowners audit results.
- Energy Toolkits and Energy Conservation DVDs were provided to 402 customers from October 2012 to September 2013.
- As of December 31, 2013 there were 30 solar net-metering customers who delivered over 92,000 kWh to the electric grid during the 2013 calendar year.
- During FY2013 voltage optimization and distributed generation shaved peak energy demands resulting in power and cost savings of over 60 MW and \$1.3 million respectively.

Goals for FY2015

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 less than the average annual survey results for participating FMPA cities.
- Complete all facility improvements listed in the Capital Improvement Plan.
- Limit energy losses to less than 6 percent.
- Attain a zero employee loss time accident rate by implementing an intensive safety training program.
- Continue to add and improve customer service programs that provide enhanced services and more convenience to our customers. Such as, the ability to make debit/credit card payments at the Utility Billing office.

Beaches Energy Services

Performance Measures

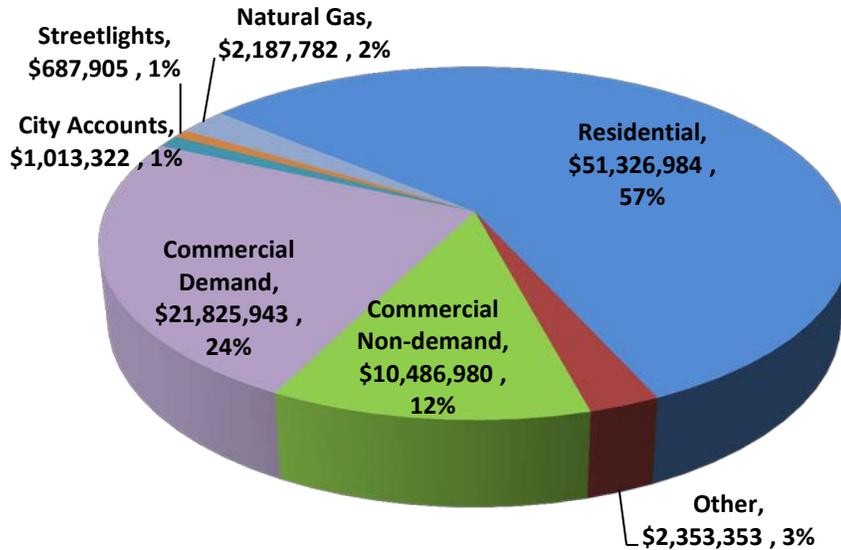
	Actual FY2012	Actual FY2013	FYTD 3/31/14	Goal FY2015
COST				
Residential rates for 1000 kWh below the State average	Yes	Yes	Yes	Yes
Energy losses not to exceed 6 percent (see below)	Yes	Yes	Yes	Yes
Retail customers per employee* Reported on a calendar year .	468	472	510	449
Employee lost time accidents	0	2	0	0
SERVICE				
Reviewed commercial engineering plans.	51	128	73	Review all plans.
Provide 500 customer energy audits	558	418	220	500
Provide 950 surge protection devices	938	945	933	950
Energy Conservation Program: Rebates Issued	1,243	1,288	582	1,000
Dollar Amount	\$228,956	\$228,737	\$103,102	\$296,724
RELIABILITY				
Annual average outage time per customer. Reported on a calendar year .	20.35	39.21	1.34	Less than FMPA Average
Apprentices in Training Programs.	3	3	7	Progress in program.
Budgeted facility improvements completed for projects.	Yes	Yes	Yes	Yes

* American Public Power Association (APPA) Annual Statistical Report published January 2014; average is 289 Retail Customers per Employee.

Energy losses represent the difference between megawatt hours purchased and megawatt hours sold. Industry system losses range between 3 percent and 6 percent, depending upon the service voltage provided and the geographical location in the United States. Beaches Energy Services' two year average energy loss is 4%.

Beaches Energy Services

Funding Sources: Total projected revenue for FY2015 is \$89,882,269.



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

Financial Summary

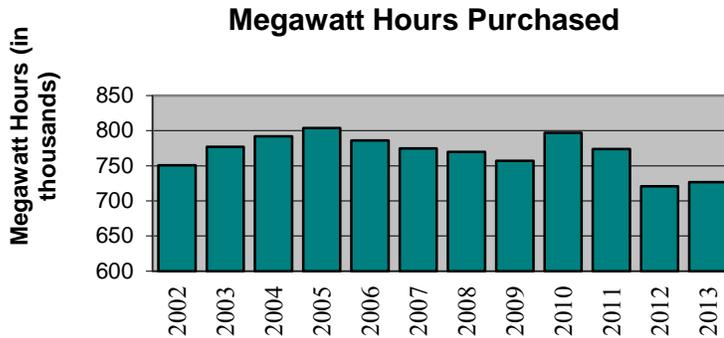
Electric and Natural Gas

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$5,746,459	\$6,410,016	\$6,274,531	-\$135,485	-2.1%
Purchased Power	\$65,957,074	\$72,184,977	\$65,157,375	-\$7,027,602	-9.7%
Operating	\$5,929,951	\$7,356,519	\$7,863,398	\$506,879	6.9%
Capital Outlay	\$5,076,363	\$8,310,846	\$6,002,000	-\$2,308,846	-27.8%
Debt Service	\$2,580,341	\$2,591,845	\$2,580,315	-\$11,530	-0.4%
Transfers	\$3,294,311	\$3,608,401	\$3,933,770	\$325,369	9.0%
TOTAL	\$88,584,500	\$100,462,604	\$91,811,389	-\$8,651,215	-8.6%

Beaches Energy Services

Budget Issues

Florida Municipal Power Agency and the Cost of Power

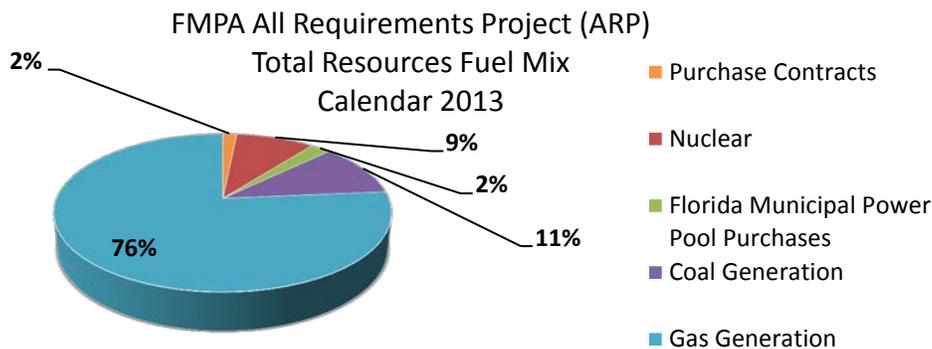


The variation in Beaches Energy's purchase of power from year to year occurs largely as a result of weather conditions and the state of the economy.

FMPA is a wholesale power agency owned by municipal electric utilities. FMPA provides economies of scale in power generation and related services to support community-owned electric utilities. The City of Jacksonville Beach joined the FMPA May 1, 1986 and is one of the 14 all-requirements members. Current long range load projection studies indicate FMPA has adequate generation resources for the next 10 years.

Providing reliable electric services is a continuous activity that requires long-term vision. Pending governmental regulations regarding CO2 and mercury could have a major impact on deciding future power supply options. There are several generating plants that will have to close beginning in 2015 due to more stringent air quality standards. This national trend coupled with uncertainty at the federal level regarding natural gas hydraulic fracturing has resulted in many electric utilities delaying decisions on capital expenditures for generation resources. According to the Energy Information Administration (EIA) the cost of natural gas is expected to average \$4.74 per MMBtu in 2014 up from 2013's average price of \$3.84. The outlook for 2015 is \$4.23 if stockpiles are refilled.

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



Beaches Energy Services

Regulatory Issues

Beaches Energy Services has undergone dramatic regulatory changes that continue to evolve. Regulatory mandates to improve the reliability of the bulk power system are placing more requirements on our resources. NERC (North American Electric Reliability Corporation) and FRCC (Florida Reliability Coordinating Council) work in concert for the purpose of proposing and enforcing reliability standards that impact the operations of transmission providers in Florida.

As a transmission owner, Beaches Energy Services is obligated to comply with these standards or be subjected to financial penalties. In order to achieve zero-defect compliance to NERC and FRCC reliability standards, Beaches Energy Services must develop a comprehensive process that will continually monitor industry developments and implement cost effective measures responding to actions required by regulatory agencies.

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

In order to mitigate the impact of CIP5, Beaches Energy Services has been working with FMPA on developing a tiered registration approach for Transmission Operators (TOP). The foundation of this approach is a transmission operations Alliance Agreement to facilitate centralized TOP Control Center operations. Secondly, as a registered Transmission Operator and a Transmission Owner, Beaches Energy Services has the obligation to provide interconnection service and transmission service to other entities.

It is unclear whether municipal electric systems must register as a Transmission Service Provider. However, to mitigate compliance risk and continue the benefits of economic dispatching generating resources, Beaches Energy Services has been working with FMPA on a coordinated approach to transmission service. This approach establishes an agreement with FMPA to become the Transmission Service Provider as well as the companion Open Access Transmission Tariff (OATT) Transmission Provider Agreement.

Modernizing Electric System Infrastructure

Ensuring the reliability and security of electric service to our customers is essential to Beaches Energy Services operations. A field inventory of assets has been completed that provides an accurate assessment of age, condition, and configuration of the existing distribution system. Programs have been developed to systematically address maintenance and underground cable replacement. These programs provided the details and processes required to address our aging infrastructure and improve service reliability.

Beaches Energy Services

Beaches Energy Services will continue strengthening its infrastructure and evaluating the application of new technology that supports improved electric operations and customer service today and in the future. Expanding SCADA (System Control and Data Acquisition) intelligence into the distribution system will be methodical, focusing on installing field devices that improve system reliability and delivery of electric service.

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.

Electric Utility	1000 kWh Total	Local Taxes & Fees	Total Cost
Bushnell	\$143.05	\$14.31	\$157.36
Bartow	141.82	14.18	156.00
Gainesville	139.15	13.92	153.07
Fort Meade	137.56	13.76	151.32
Newberry	135.50	13.55	149.05
Leesburg	131.88	13.19	145.07
Florida Public Utilities-NW **	128.98	15.94	144.92
Gulf Power **	128.70	15.91	144.61
Williston	134.54	6.73	141.27
Havana	139.39	0.00	139.39
Moore Haven	126.70	12.67	139.37
Duke Energy **	122.16	15.10	137.26
Alachua	124.75	12.48	137.23
Florida Public Utilities-NE **	121.33	15.00	136.33
Vero Beach	123.93	12.39	136.32
Fort Pierce	122.84	12.28	135.12
Starke	120.95	12.10	133.05
Green Cove Springs	132.50	0.00	132.50
Mount Dora	120.38	12.04	132.42
Key West	132.00	0.00	132.00
State Average	121.19	10.62	131.81
Homestead	119.02	11.90	130.92
Ocala	118.64	11.86	130.50
Winter Park	110.67	18.37	129.04
JEA ****	115.96	11.60	127.56
Tallahassee	115.94	11.59	127.53
Wauchula	113.62	11.36	124.98
Blountstown	118.85	5.94	124.79
Beaches Energy	123.91	0.00	123.91
St. Cloud	113.81	9.10	122.91
Clewiston	110.13	11.01	121.14
Orlando	109.43	10.94	120.37
Tampa Electric **	97.07	23.01	120.08
Kissimmee	110.41	8.83	119.24
New Smyrna Beach	107.06	9.90	116.96
Lake Worth	105.00	10.50	115.50
Quincy	115.25	0.00	115.25
Lakeland	102.99	10.30	113.29
Florida Power & Light ** ***	99.19	12.26	111.45
Chattahoochee	111.16	0.00	111.16

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

** Local taxes estimated at 6%.

Source: June 2014 FMEA Published Rate Schedule.

Beaches Energy Services

Capital Projects: 2015

Overhead Line Rebuild (CKT 556 & 558) - \$400,000: Replace existing 22nd Street North and 20th Street North wood pole line with concrete poles beginning from Azalea Drive to Pinewood Rd. This includes converting the existing 19th Street North overhead wood pole line between 2nd Avenue North to Azalea Drive to underground cable due to tree problems.

Back-Up/Loop Feed for A1A South of Mickler Road - \$350,000: Install underground conduits and cable to improve service reliability for the underground system along A1A from Mickler Road to the south end of the BES system.

Cable Replacement Plan - \$550,000 in 2015 and \$800,000 each year 2016/2017/2018/2019: 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: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - \$100,000 in 2015 and \$150,000 each year 2016/2017/2018/2019: Install remote controlled motor operated gang switches to improve sectionalizing of power lines and provide faster power restoration. The automated switches will provide data for voltage optimization.

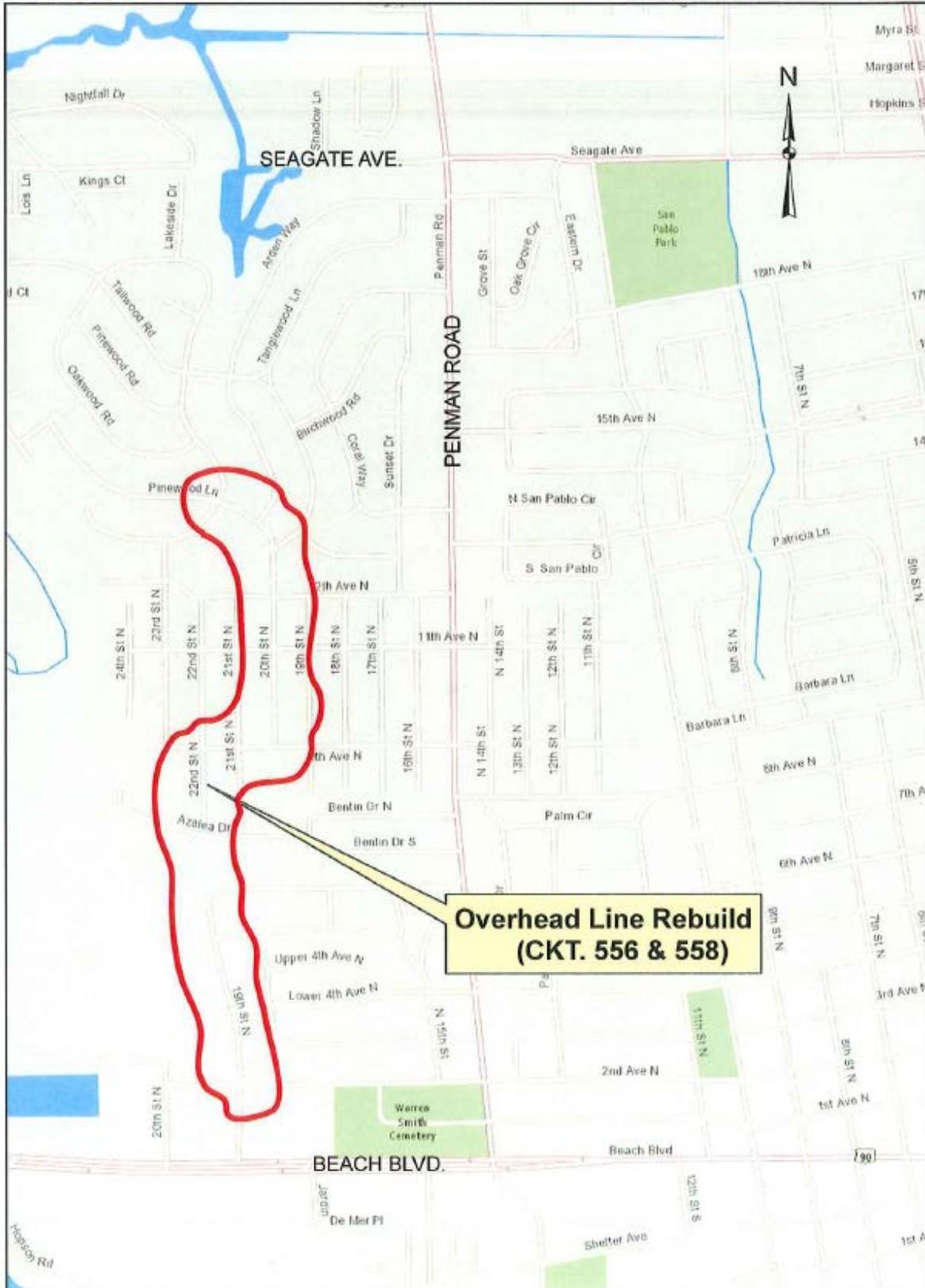
Switch Gear Replacement - \$100,000 in 2015 and \$200,000 in each year 2016/2017/2018/2019: Replace existing SF6 pad mounted switchgear at various locations throughout the system with oil filled Vacuum Fault Interrupters (VFI). This project will create uniformity of all switchgear on the distribution system. VFI units have more programming capabilities than fuses and will coordinate better with other protective devices increasing system reliability. The top priorities for FY 2015 are the following:

1. Switchgear 5UP245 at Harbourview Dr. & Harbour Master Ct.
2. Switchgear 5UP310 at Ponte Vedra Blvd. & Pablo Road
3. Switchgear 5UP 260 at South Nine Dr. & Light House Bend Dr.

Unplanned Projects - \$158,000 in 2015 and \$200,000 each year 2016/2017/2018/2019: This budget provides BES with the flexibility to address unscheduled major repair and replacement projects that arise each year.

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

2015 Electric Capital Improvement Projects



Beaches Energy Services

2015 Electric Capital Improvement Projects



Beaches Energy Services

Natural Gas

Beaches Energy Services owns the natural gas distribution system in select locations within Beaches Energy Services' territory. The system is primarily for commercial customers along the main gas line route.

Natural gas service began in June 2010 and customers will continue to be connected as the system expands. Beaches Energy Services has contracted with Tampa Electric Company (TECO) to provide engineering design, construction management, operations and maintenance of the natural gas system. Tampa Electric Company (TECO) currently has contracts to provide natural gas management services for Beaches Energy Services. These contracts have a 5 year term with an option to renew. All contracts are scheduled to expire in 2015. Beaches Energy Services will continue providing management oversight to these activities as well as marketing, billing and other required services.

Natural Gas Financial Summary

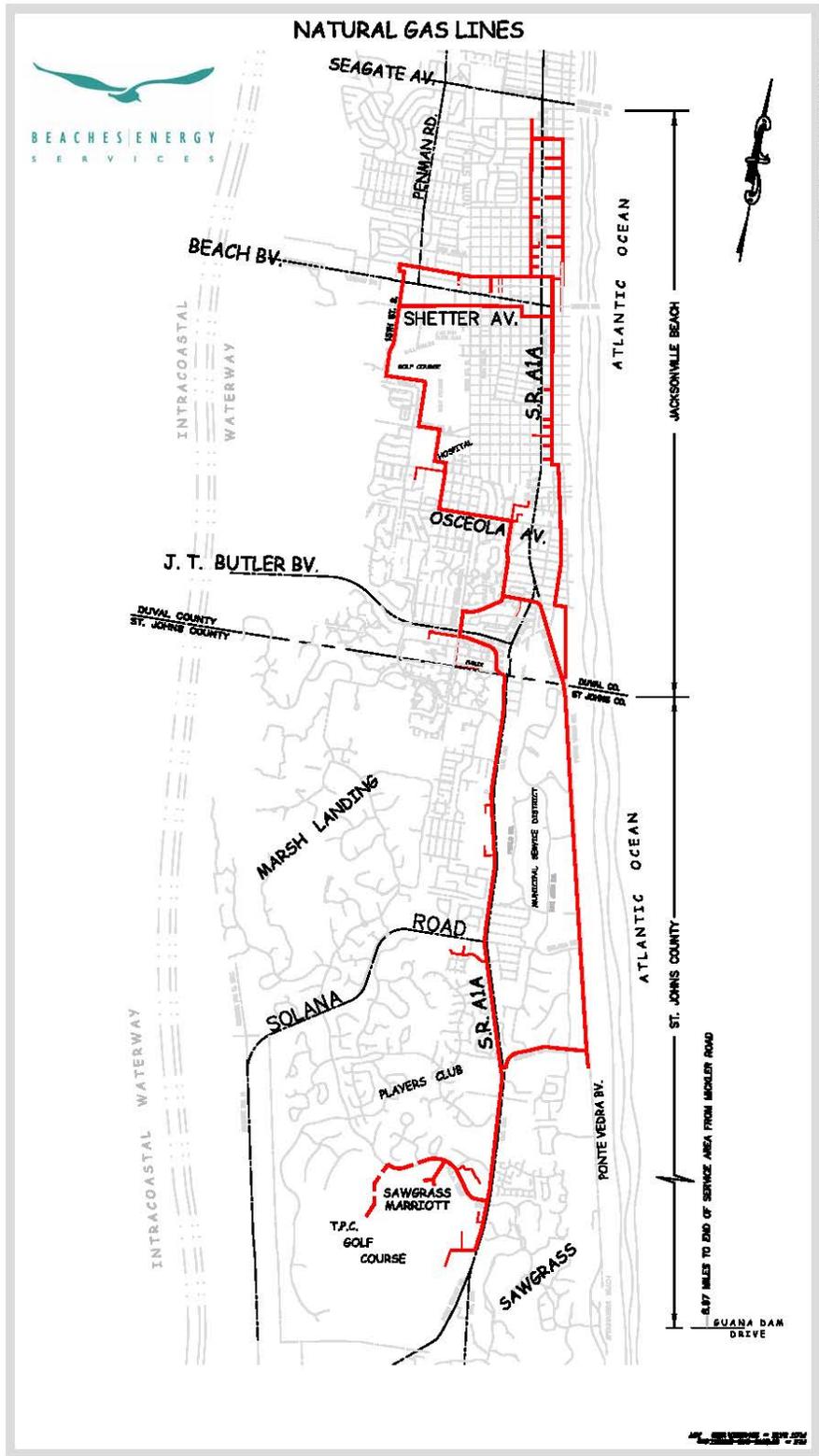
Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$0	\$0	\$0	\$0	-
Purchased Gas	\$998,810	\$1,331,659	\$1,086,892	-\$244,767	-18.4%
Operating	\$249,814	\$321,899	\$334,718	\$12,819	4.0%
Capital Outlay	\$183,143	\$422,526	\$100,000	-\$322,526	-76.3%
Debt Service	\$0	\$0	\$0	\$0	-
Transfers	\$0	\$0	\$264	\$264	-
TOTAL	\$1,431,767	\$2,076,084	\$1,521,874	-\$554,210	-26.7%

Infrastructure to support the addition of customers in FY2015, including service lines, main extensions, and meter sets, is budgeted in capital outlay (\$100,000). The natural gas system was designed to provide approximately 3,000,000 therms annually to our customers. As of the fiscal year ended September 30, 2013, there were 177 customers who purchased 1,832,411 therms during the year. As of the calendar year ended December 31, 2013, there were 182 customers who purchased 1,820,950 therms during the year.

Beaches Energy Services

2013 DATA FOR FLORIDA PUBLIC GAS SYSTEMS*		
FL Public Gas System Name	Customers 12/31/2013	2013 System Total Throughput (DTh**)
Pensacola Energy	42,853	3,859,042
Okaloosa Gas District	40,164	3,091,385
Tallahassee Gas Utility Department	28,981	2,810,297
Clearwater Gas System	20,377	2,331,585
Reedy Creek Improvement District	159	2,005,898
Gainesville Regional Utilities	33,450	1,995,673
Leesburg, City of	10,813	1,307,912
Lake Apopka Natural Gas District	16,081	1,300,604
Sunrise Gas System	9,535	485,447
Lake City Regional Utilities	2,413	416,696
Fort Pierce Utilities Authority	4,209	412,548
Milton Natural Gas System	4,021	257,322
Marianna, City of	1,505	229,832
Perry Gas Division	1,666	187,188
Beaches Energy Services	182	182,095
Palatka Gas Authority	3,442	152,279
Gulf Breeze, City of	3,519	145,517
Quincy, City of	1,205	141,644
DeFuniak Springs Natural Gas	1,180	120,253
Madison, City of	923	100,516
Live Oak, City of	1,004	96,788
Century, Town of	567	52,019
Jasper Municipal Utilities	309	51,359
Chattahoochee, City of	486	49,936
Starke Natural Gas Department	728	49,733
Blountstown, City of	701	48,430
Chipley Gas Department	648	37,963
Williston, City of	609	36,016
Crescent City Natural Gas	1,335	30,479
Havana Gas System	479	18,441
Jay Utilities	262	16,378
Total of All Florida Public Systems	233,806	22,021,275
* Data provided by Florida Municipal Natural Gas Association, inc.		
** Decatherm		

Beaches Energy Services



Beaches Energy Services

Property Management

Mission

To provide building maintenance services to our customers.

Objective

City facilities are kept in very good condition at all times.

Organization

The Property Management Division is responsible for the maintenance and upkeep of City buildings. It is also responsible for keeping the City's leased facilities fully occupied and for supervising the contracted services for fleet maintenance.

Authorized Positions	FY2013	FY2014	FY2015
Property Management Supervisor	1	1	1
Building Maintenance Supervisor	1	1	1
Building Maintenance Mechanic	1	1	2
Building Attendant	1	1	0
TOTAL	4	4	4

Recent Accomplishments

- Conducted bi-annual inspections of City facilities and managed extensive maintenance and cleaning services at the O&M Facility, City Hall, Police Department, Police Property/Animal Control, Archive, and Fire Stations #1 and #2.
- Completed the replacement of the roof system at ARC (former Parks & Recreation Building) on Penman Road.
- Overseen the quote process, public meetings and installation of Christmas lighting around City Hall, Latham Plaza and Third Street North and South. Feedback from our citizens was positive.
- Completed the upgrade of our Energy Management Systems for City Hall, Police, and O&M Facility. This enhanced system provides a training webinar tool to make repairs to the HVAC systems and allows for enhanced programming capabilities.
- Completed the upgrade of our security camera system at the O&M Facility to allow for increased memory to record data from 12 to 21 days.

Beaches Energy Services

Recent Accomplishments (continued)

- Annual Internal Customer Service Survey:
Each year the Property Management Division conducts an internal customer service survey. The following represents the respondents' ratings of good or excellent for each division. The March 2014 survey was sent to 124 employees and 42 employees responded.

<i>% Respondents rating Property Management and Fleet Maintenance services GOOD or EXCELLENT</i>	2013	2014	2015 Target
PROPERTY MANAGEMENT			
How would you rate your overall experience with Property Management?	93%	93%	95%
Timeliness of Property Management staff to your request?	93%	95%	97%
Overall appearance and condition of your building?	89%	95%	97%
Professionalism of Property Management staff responding to your request?	94%	95%	97%
FLEET MAINTENANCE			
Quality of service provided by Fleet Maintenance?	76%	77%	79%
Did Fleet Maintenance personnel explain the necessary repairs?	75%	73%	75%
Timeliness of service provided by Fleet Maintenance?	79%	88%	90%
Knowledge and competence of Fleet Maintenance Staff?	79%	85%	87%

Property Management Goals FY2015

- Achieve increased occupancy for all leased facilities and renegotiate lease facility contracts as necessary. Currently working on a request for proposal for a master plan for real property assets due to potential loss of tenants at the Industrial Park and Tower sites
- Meet with contractor and citizens to discuss enhanced Christmas lighting, decorations and music at City Hall, Latham Plaza and Third Street North and South.
- Conduct bi-annual inspections of each City facility and implement program to eliminate deficiencies. Keep all facilities well maintained and in very good condition.
- Monitor electrical usage for City facilities and maintain a consistent usage based on weather conditions and potential maintenance issues.
- Evaluate HVAC (heating, ventilation, air conditioning) systems at City facilities for replacement due to age.

Budget Issues

- Potential loss of revenue associated with leased properties.
- Replacement of HVAC (heating, ventilation, air conditioning) systems due to age (15+) and maintenance expenses.

Beaches Energy Services

Property Management Financial Summary

Internal Service Fund

*Fleet Maintenance
O&M Facility*

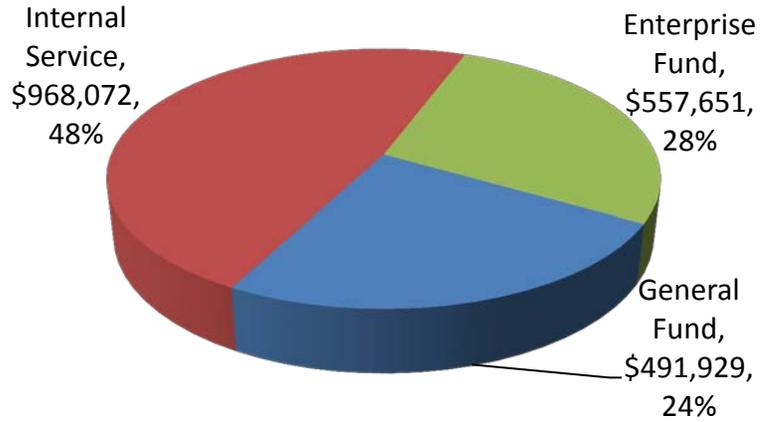
General Fund

Building Maintenance

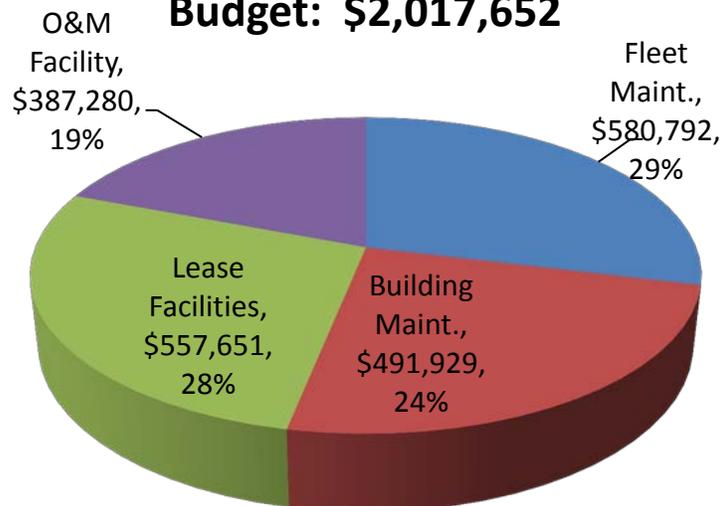
Enterprise Fund (Lease Facilities)

*Industrial Park
Community Services Center
Penman Park Building
Marina Building (Crazy Fish)
Communications Tower*

Funding Sources: \$2,017,652



Budget: \$2,017,652



Beaches Energy Services

Property Management Cost Allocation:

Property Management costs are allocated to its divisions based primarily on usage. Building Maintenance costs are allocated to the General Fund; Lease Facilities costs to businesses leasing these facilities; and O&M Facility and Fleet Maintenance costs are charged to City Departments based on their usage (per square foot).

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$253,524	\$307,682	\$308,644	\$961	0%
Operating	\$1,301,318	\$1,407,990	\$1,449,008	\$41,018	3%
Capital Outlay	\$0	\$5,000	\$0	-\$5,000	-100%
Transfers	\$1,110,000	\$260,000	\$260,000	\$0	0%
TOTAL	\$2,664,842	\$1,980,672	\$2,017,652	\$36,980	2%

Performance Measures

Measurement	Actual FY2013	Budget 3/31/14	Target FY2015
LEASED PROPERTIES			
Industrial Park, Community Services Center, Penman Park Building, Marina Building (Fish Camp) and Communication Tower			
Land Total Square Footage Leased (Avail. 190,037)	161,306	142,936	20,192
*Buildings Total Square Footage Leased (Avail. 17,311)	17,311	17,311	16,431
Telecommunications Tower Leased Spaces	7	7	6
REVENUE			
Industrial Park	\$192,111	\$194,744	\$51,138
Community Services Center	\$95,830	\$101,357	\$105,430
Penman Park Building	\$35,563	\$37,287	\$38,771
Marina Building (Fish Camp)	\$41,392	\$43,040	\$44,768
Telecommunications Tower	\$227,031	\$236,112	\$245,556
TOTAL REVENUE	\$591,927	\$612,540	\$485,663
FLEET MAINTENANCE			
Service Statistics:			
Annual Average Maintenance Costs Per Vehicle	\$774	\$784	\$739
Fleet Downtime Percentage (3-5% Acceptable)	0.5%	1%	1%

* Student Transportation terminating lease July 31, 2014.

Beaches Energy Services

Performance Measures (continued)

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

Measurement	FYTD 3/31/14	Target FY2015
Overall 95% average or above ratings on annual customer survey for Building Maintenance Services.	93%	95%
Overall 95% average or above average ratings on annual Fleet Maintenance Services customer survey.	81%	95%
Conduct on-site inspections of all facilities and grounds twice each year and correct deficiencies.	Yes	Yes
Except for emergencies, respond to requests for facility maintenance services within 48 hours of request.	Yes	Yes
Zero employee lost time accidents.	-0-	-0-



Finance Department

Mission

To maintain long-term financial stability for the City by managing its financial operations in a fiscally sound manner and to provide accurate financial information to all customers.

Organization

The Finance Department is comprised of four divisions: Accounting, Utility Billing, Information Systems and Purchasing and Procurement. The Divisions operate as an Internal Service Fund and provide services to all City departments.

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

Utility Billing employees provide customer support, including collection, billing and related services for the City's approximately 34,000 utility customers. Utility Billing also receipts items such as: building permits, occupational licenses, recreation fees, dog tags, and other payments made to the City.

Information Systems provides the overall management of information and data processing for all City departments. Its employees maintain the City's i-520 IBM computer, operating software and Sungard business computer applications, e-mail services, network and geographic information system administration as well as provide technical support to users citywide. Long range information system planning and maintenance of services are the primary concerns of this division.

Purchasing and Procurement ensures that all purchases made by the City comply with State law, City ordinances and purchasing procedures. This division processes requisitions and purchase orders from their creation through approving them for payment. Managing the use of purchasing cards is also a function of this division.

Authorized Positions	FY2013	FY2014	FY2015
Accounting	8	8	8
Utility Billing	17	17	17
Information Systems	5	5	6
Purchasing	3	3	3
TOTAL	33	33	34

Finance Department

Objectives

- ❖ Maintain the City's accounting records in accordance with generally accepted governmental accounting principles.
- ❖ Provide management with accurate and reliable budgetary and financial information.
- ❖ Minimize the need for future debt through long-term financial planning and capital budgeting for major capital improvements.
- ❖ Comply with federal, state, and local laws and regulations related to purchasing and grant activities.
- ❖ Further develop the City's ability to measure the cost of providing services.
- ❖ Acquire new equipment or software that can provide higher levels of customer service through automation.
- ❖ Assess and plan for technological improvements with regard to the City's overall data processing capabilities and needs.
- ❖ Provide training to employees for current or new data processing hardware or software improvements.

Recent Accomplishments

- ✓ Received the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and for the Annual Budget.
- ✓ Received an A-1 rating from Moody's Investor Services and an AA- rating from Fitch Investor Services for the 2010 Utility Revenue Bonds.
- ✓ Purchased an affordable cemetery software system that has all the technological features we need to properly manage records related to cemetery operations including integration capability with our current GIS system. We are currently in the implementation phase of populating the system with population and status data.
- ✓ Completed Phase I of the City's strategic technology plan to close the gap with current technology and move the City forward with industry best practices. Phase I included replacing switches, upgrading personal computers, replacing storage area network device, upgrading geographic information system, implementing information technology work order system, establishing a disaster recovery site, changing internet connection provider, and acquiring and installing new web monitoring software.

Finance Department

- ✓ Hired auditors to perform a rate review which enabled us to increase the base energy rate by while decreasing the bulk power cost adjustment rate resulting in a net decrease in a Beaches Energy customer's total electric bill. The change in the base rate will also allow the City to allocate more of its electric revenues to operations and maintenance costs for the purpose of continuing our reliability and maintenance projects.
- ✓ Continued a free e-check program, allowing customers to pay by check, electronically and through the IVR automated phone system. This program has been highly successful. In 2013, 40,260 customer payments were received through e-check, allowing customers who made payments avoid about \$200,000 in credit card convenience fees.
- ✓ Implemented the new utility bill design that provides customers with an updated look emphasizing the utility bill's most important features and highlights new pieces of information such as consumption graphs, an explanation of how to read a meter, bill payment options, and a monthly information section.
- ✓ Implemented the new e-bill design where customers can view their bill in an electronic format that displays the new bill design and provides a link to the Beaches Energy payment site. Customers can choose to pay on-line by check at no cost or pay by credit card for a fee of \$4.95 through a third party credit processor. The e-bill program is saving the City \$28,300 a year in postage costs.
- ✓ Finalized the network disaster recovery plan, moving an identical set of servers and storage network (SAN) equipment off-site to a hardened shelter 20 miles inland. This ensures all of our data is safe even in the event of a disaster affecting the City of Jacksonville Beach.
- ✓ Worked with a vendor to convert all of the Public Works J-Maps to the GIS platform. This consolidates the platform used to map city assets and helps with inventory reconciliation as field equipment is replaced.

Goals for FY2015

1. Maintain adequate cash reserves to fund emergencies and capital purchases in order to minimize the issuance of new debt. The exception to this goal is when the debt issued for capital improvements is to be funded by Better Jacksonville Beach or tax increment revenues.
2. Continue to receive the Government Finance Officers Association Awards for both the Comprehensive Annual Financial Report and for the Annual Budget.
3. Continue the development and implementation of new technology and customer service programs that provide enhanced services and convenience to our customers.
4. Continue to upgrade the City's Internet and Intranet websites to provide better information and services to our citizens, customers, and employees.

Finance Department

5. Continue to implement the strategic technology information plan ensuring that the City is progressing in its technological advancement in accordance with industry best practices and with goals which are achievable and economically feasible.
6. Implementation of a credit/debit card program that allows customers the convenience of making credit/debit card payments at City Hall for all city services.

Performance Measures

Accounting	Actual FY2013	FYTD 3-31-14	Target FY2015
Percent of monthly financial reports delivered to City Council by 2 nd meeting in each month	100%	100%	100%
Number of Years CAFR Awards received	20	21	22
Number of Years GFOA Budget Award received	19	20	21
Unqualified Audit Opinion	Yes	Yes	Expected
Grant and other financial reports submitted to other government agencies accurately and on time	100%	100%	100%
Cash working capital reserves are 25% or greater as a percentage of budgeted operating expenses	Yes	Yes	Expected
Bad debt expense as a percentage of utility revenues	0.09%	0.25%	0.25%

Purchasing and Procurement	Actual FY2013	FYTD 3-31-14	Target FY2015
All purchases comply with City Ordinances and State Statutes	Yes	Yes	Yes
Number of errors on Bid and RFP Evaluations	0	0	0
Number of Successful Bid and RFP Protests	0	0	0
Bid evaluation and acceptance processing time (from date of acceptance to date of Council approval)	100% 21 Days	100% 21 Days	100% 21 Days
Purchasing card users do not exceed \$2,500 monthly purchasing limit	Yes	Yes	Yes
No single card purchase exceeds \$500	Yes	Yes	Yes
All purchasing card transactions are for a legitimate City purpose	Yes	Yes	Yes

SURVEY RESULTS (30 responses in 2013; 32 in 2014):

<ul style="list-style-type: none"> • Overall 90% average or above average ratings on annual internal customer service survey 	87%	93%	90%
<ul style="list-style-type: none"> • Prompt response to inquiries from other departments 	83%	100%	95%

Finance Department

Performance Measures (continued)

Utility Billing	Actual FY2013	FYTD 2-28-14	Target FY2015
<i>Customer Payment Options:</i>			
Avg. # monthly payments through Beaches Energy website	2,666	3,090	3,000 or >
Avg. # monthly IVR payments	1,819	2,089	2,000 or >
Avg. # monthly bank draft payments	6,116	6,207	6,000 or >
Avg. # monthly online payments made through customer's bank	6,389	6,430	6,000 or >
Avg. # monthly mail-in payments	8,985	8,529	9,000 or <
Avg. # monthly walk-up or drive-through payments	6,306	5,977	6,500 or <
Number of monthly E-bills	5,384	6,051	6,000 or >
Number of Deposit Errors > \$20	0	0	0
<i>Average telephone calls per month:</i>			
Average call length (in minutes)	2.23	2.29	2.5 or <
Average answer time (in seconds)	8	8	10 or <
<i>Energy Conservation Programs Offered:</i>			
Online energy audits	Yes	Yes	Yes
In-person energy audits	Yes	Yes	Yes
Rebates for energy efficiency improvements to residences	Yes	Yes	Yes
Distribute CFLs	Yes	Yes	Yes
Distribute energy conservation toolkits	Yes	Yes	Yes

Information Systems (32 responses in 2013; 30 in 2014)	Actual FY2013	FYTD 3-31-14	Target FY2015
% of departmental customers rating service as satisfactory and better	97%	100%	95%
Major occurrences of unscheduled downtime for e-mail, internet, and server access (more than 4 hours)	0	0	0

Finance Department

Funding Sources

The cost of the Finance Department divisions is charged to other City departments based on their estimated use of each division's services. Repair and maintenance expenditures for the annual renewal of the Microsoft programs and server licenses, GIS (mapping) and API (scanning and data storage) licenses are supplemented from the Lease Facilities Fund. In addition, Utility Billing manages a utility payment assistance program for those utility customers experiencing a serious financial emergency. It is funded by donations from other customers; customer donations are matched dollar for dollar by Beaches Energy Services.

Financial Summary

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change	
Personal Services	\$2,062,694	\$2,138,539	\$2,225,836	\$87,297	4.1%	<i>Budget was increased to fund a new network administrator position and to fund future equipment purchases.</i>
Operating	\$1,426,425	\$1,700,270	\$1,710,188	\$9,918	0.6%	
Capital Outlay	\$29,879	\$0	\$10,500	\$10,500	-	
Debt Service	\$0	\$0	\$0	\$0	-	
Transfers	\$0	\$0	\$77,000	\$77,000	-	
TOTAL	\$3,518,998	\$3,838,809	\$4,023,524	\$184,715	4.8%	

- The increase in personal services was mostly due to the addition of a network administrator position in the Information Systems Division.
- The decrease in operating expenses is mostly due to decreases in contract services for the off-site location of our network computer system and a decrease in annual maintenance for our Microsoft Office software.
- The increase in transfers is to accumulate reserves to purchase equipment for Utility Billing (\$32,000) and a new phone system for City Hall (\$45,000).

Budget Issues

1. **Information Systems Division.** The workload in this division has increased incrementally over the years because of the implementation and growing reliance on information technology systems by the City. The information systems division staff is stretched thin because of the various and complex technology infrastructure they now maintain. Included in the budget is a new network administrator position which will improve network and GIS operations by dedicating additional manpower that is necessary to properly manage and fully utilize the technology in both of these technology areas.

Finance Department

- 2. Business Applications on I-520.** In the foreseeable future it is expected that SunGard (formerly HTE) will cease support of their legacy systems (green screen and Naviline). The City needs to plan for and set aside adequate funds now for the cost of the migration of the SunGard applications from the IBM iSeries server to a Windows-based server platform.

By 2016 SunGard will have completed their project to have all their modules on a Windows-based server platform and will have completed beta site testing them to eliminate and correct any initial coding problems.

- 3. Automated Agenda Preparation Software.** The City's present agenda preparation process from inception to publication is manual and cumbersome. During the process, it is possible for documents to become scattered or missing and problems with version control have become public. Any error in the agenda becomes public when they are published to the web for public viewing.

The automation of the agenda preparation process will greatly expedite the process for all public forum meetings such as City Council, Board of Adjustment, Planning Commission, Community Redevelopment Agency and Pension Boards. The acquisition of a cloud-based automated agenda preparation product can automate the preparation and publication of agendas and minutes and allow them to be streamed and stored in the internet cloud if desired. It allows management and storage of an unlimited amount of government public meeting data and seamless publication to the web of agenda packages once the package has been approved.

The staff has evaluated various automated agenda solutions and found an agenda preparation software solution available that is very comprehensive for a cost of approximately \$10,500.

- 4. City-Wide Telephone System Replacement.** The City currently has one or more telephone systems in each of its buildings. The systems do not work the same way or have the same features. Multiple vendors service these telephone systems. Each of these telephone systems has a different city staff point of contact. Managing and coordinating service for these phone systems is difficult and time consuming.

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

Expanding that system would provide the following benefits:

- Long-term cost savings (see future operating budget impact, below);
- Centralized voicemail, with indicators on the telephone instrument signifying waiting messages;
- City-wide intercom, with 4-digit dialing;
- Ability for calls to roll to an available extension on busy;

Finance Department

- Voicemail messages can be sent to users as an e-mail;
- Ability to track phone calls;
- Statistical analysis of calls, to include number of calls/day, and time to answer;
- State of Florida contract pricing.

Because of fiscal constraints, staff is recommending that we make a transfer of \$45,000 per year for four years to the capital projects fund to accumulate sufficient monies to purchase a city-wide phone system.

Human Resources Department

Mission

Supporting departments, employees, retirees and their families.

Organization

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

Objectives:

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

Authorized Positions	FY2013	FY2014	FY2015
Human Resources Director	1	1	1
Administrative Assistant	1	1	1
Payroll/Benefits Administrator	-	1	1
Payroll Specialist	1	1	1
Personnel/Payroll Technician	1	-	-
Human Resources Generalist	1	1	1
Staff Assistant part-time	1	1	1
Project/Safety Coordinator part-time	1	1	1
TOTAL	7	7	7

Human Resources Department

Recent Accomplishments

- ✓ Processed 1,253 applications for employment and received the highest possible customer service rating from 99.49% of applicants.
- ✓ Processed 38 new full-time employees within an average of 1.8 business days per hire.
- ✓ Coordinated and/or conducted 26 employee training classes, including general safety, driving safety, drug and alcohol awareness and new employee orientations.
- ✓ Issued 13,820 payroll and pension checks with an accuracy level of 99.99%.
- ✓ Prepared and awarded an RFP for employee health insurance benefits, providing a significant improvement in benefits with minimal increase in cost.
- ✓ Developed a competitive pay plan that aligns all positions with the average for the market.
- ✓ Successfully negotiated and implemented the new pay plan for LIUNA and nonunion employees.
- ✓ Successfully negotiated and implemented changes to the General, Police and Fire Retirement Systems, maintaining a defined benefit plan and ensuring sustainability in the future.
- ✓ Proposed and implemented 10 amendments to the ordinances for the three retirement systems.
- ✓ Rewrote the summary plan descriptions for all three pension plans and made available to employees in electronic format.

Goals for FY2015

1. Negotiate labor contracts or re-openers for Police, Fire and General Employees labor unions.
2. Assess and make adjustments to address the impact of health care reform.
3. Implement wellness initiatives to improve the health of employees and dependents and lower the overall cost of health care plans.
4. Secure quality insurance coverage for property, liability and employee benefits at an affordable cost.
5. Rewrite the ordinances for the three pension plans to remove ambiguities and simplify them so they are easy to navigate and understand.

Human Resources Department

Performance Measures

Objective	Actual FY2013	FYTD 3-31-14	Target FY2015
Recruiting and Hiring Qualified Employees			
Applicant satisfaction surveys with a rating of satisfactory or above (1,039 responses 2013; 600 in 2014)	99.5%	99.1%	95%
Average number of business days to process a new hire	1.8	1.4	3
Providing Affordable Quality Health Benefits			
Number of employees & retirees enrolled in health plans	330	332	330
City contribution for employee health benefit plans	\$1,688,800	\$899,107	\$2,138,000
Providing Accurate Payroll Services			
Number of payroll and pension checks processed	13,820	7,281	13,000
Accuracy of payroll and pension checks	99.0%	100%	95.00%
Enhancing Employee Development			
Total number of training classes offered	26	11	24
Percentage of employees successfully completing probation	74.00%	73.00%	90.00%
Total annual employee separation rate	9.10%	8.40%	N/A
<i>*Industry standard average</i>	<i>16.05%</i>	<i>16.00%</i>	<i>N/A</i>
Maintaining Stable Comprehensive Insurance Coverage			
Total liability premiums and claims paid	\$1,010,909	\$1,079,849	\$1,133,841
Total workers' comp premiums and claims paid	\$281,534	\$135,655	\$289,980
Workers' comp self-insurer experience modification rate	.77	.88	<1.00
Providing Reliable and Accurate Pension Administration Services			
Number of accurate benefit estimates provided	N/A	33	30
Employee ratings of satisfactory or above	N/A	95.0%	95.0%

Human Resources Department

Performance Measures – Pension Plans

			Actual		
	2009	2010	2011	2012	2013
Percentage funded (historical)¹:					
General	81.3%	78.7%	74.2%	77.7%	79.1%
Police	76.4%	75.6%	71.5%	84.0%	87.1%
Fire	73.8%	70.4%	66.8%	80.1%	83.5%
Accrued unfunded liability (in thousands)¹:					
General	\$9,580	\$11,279	\$14,166	\$12,149	\$11,904
Police	\$4,741	\$5,042	\$6,172	\$3,126	\$2,594
Fire	\$3,004	\$3,553	\$4,149	\$2,213	\$1,918
Net assets held for pension benefits (in thousands)²:					
General	\$37,249	\$39,015	\$37,834	\$42,760	\$47,024
Police	\$13,751	\$14,616	\$14,336	\$16,530	\$18,210
Fire	\$7,595	\$7,875	\$7,759	\$8,979	\$10,098
Market rate of return (all pension funds combined)³:					
All pension funds	5.4%	8.2%	-0.1%	16.4%	11.9%
Number of retirees & beneficiaries receiving benefits²:					
General	135	142	151	160	169
Police	35	36	40	40	42
Fire	24	23	21	21	23
Annual benefits paid (in thousands)²:					
General	\$2,201	\$2,490	\$2,608	\$3,011	\$2,902
Police	\$1,012	\$1,040	\$1,120	\$1,131	\$1,367
Fire	\$718	\$724	\$700	\$660	\$670

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

² Audited financial statements dated September 30

³ Investment manager report dated September 30

Annual City Contribution ⁴	2011	2012	2013	2014	2015
General	\$971,717	\$1,132,385	\$1,490,902	\$1,205,756	\$1,387,165
Police	\$609,116	\$653,602	\$764,988	\$326,017	\$345,079
Fire	\$291,996	\$388,143	\$449,185	\$222,859	\$177,736

⁴ Audited financial statements dated 9.30.11 - 9.30.13 and actuarial valuation reports dated 10.1.12 and 10.1.13 as amended by Actuarial Impact Statements.

Human Resources Department

Funding Sources

Personnel Services costs are funded through internal service charges to all departments. Insurance costs are charged directly to each department based on insurable interests. Retirement Systems costs are funded by city and member contributions, investment earnings and through state insurance premium tax dollars for the Police Officers' and Firefighters' pension funds.

Financial Summary – Personnel Services

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$360,367	\$372,176	\$387,417	\$15,241	4.1%
Operating	\$162,115	\$174,474	\$178,580	\$4,106	2.4%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$522,482	\$546,650	\$565,997	\$19,347	3.5%

The increase in the budget is due to monthly maintenance costs for e-mail notification services and an increase in pension costs for two employees exiting DROP.

Personnel Services Budget Issues for FY2015

Labor Relations – The entire contracts for FOP (Police Officers) and IAFF (Firefighters) are currently under negotiation. The wage article for LIUNA (General Employees) will re-open on November 1, 2014.

Financial Summary – Insurance and Risk Management

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$13,961	\$16,184	\$18,484	\$2,300	14.2%
Operating	\$3,108,010	\$4,031,246	\$4,205,450	\$174,204	4.3%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$3,121,971	\$4,047,430	\$4,223,934	\$176,504	4.4%

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

Human Resources Department

Estimated Insurance Premiums & Deductibles			
Coverage/Limits & Deductibles	Budgeted 2014 Premiums	Projected 2015 Premiums	Increase / (Decrease)
Property (\$25,000 deductible/wind separate)	\$652,400	\$687,600	\$35,200
Liability -\$2,000,000 per occurrence: Deductibles: General Liability: \$10,000 Law Enforcement: \$25,000 Public Officials: \$25,000 Employment Practice: \$25,000	\$276,400	\$288,183	\$11,783
Auto (\$1,000,000 per occurrence/ \$1,000 deductible)	\$119,880	\$128,070	\$8,190
Workers' Comp (\$150,000 retention)	\$495,598	\$506,257	\$10,659
Life, Health & Dental	\$2,156,794	\$2,217,920	\$61,126
Other Insurance: Flood, faithful performance, pollution, pension, fiduciary, fuel tanks, police & fire death benefit	\$144,072	\$134,303	(\$9,769)
Other Costs*: Personnel and professional services, deductibles, coinsurance, brokerage fees and consulting services, training, professional dues and publications (increased salary allocation)	\$202,286	\$261,601	\$59,315
TOTAL	\$4,047,430	\$4,223,934	\$176,504

Projected premiums for property insurance increased due to the inclusion of flood coverage, which was formerly covered under a separate policy as "other insurance". Workers' Comp and health premiums are estimated at a 3% increase over the current year.

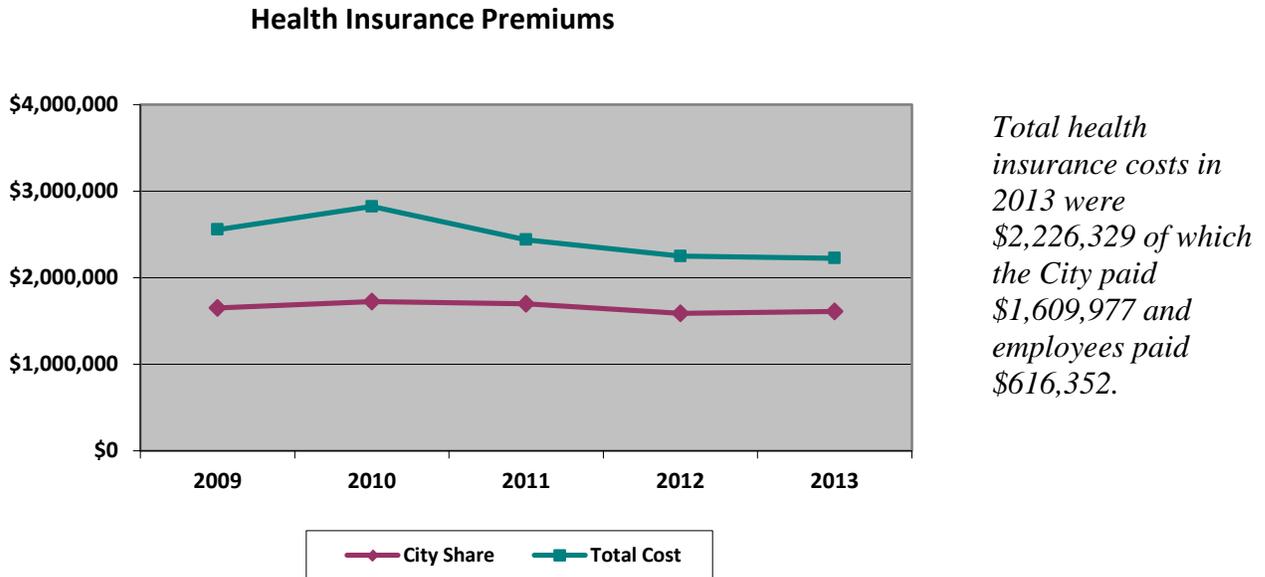
*Includes \$40,000 for wellness programs funded by Florida Blue and an increase in broker fees to include administration fees for retirees.

Human Resources Department

Insurance and Risk Management Budget Issues for FY2015

Health Insurance

We are still monitoring the impact of health care reform. The City has complied with all provisions required as of this date.



The City contracted with Florida Blue to provide healthcare benefits in 2014. Florida Blue offers employees a base HMO Plan and a PPO Plan at an additional cost. Both plans provide a greater level of benefits than prior year plans with a minimal increase in cost. The City continues to provide single coverage under the base plan at no cost to employees.

Florida Blue provided the City with \$50,000 for wellness initiatives. These funds will be used for various wellness programs and any unused balance at year end will remain in the City's health insurance fund to be carried over into future years. This will allow the City to further expand the health fair and wellness passport programs.

Business Insurance and Workers' Comp

The City renewed with Preferred Governmental Insurance Trust (PGIT) for general liability, property, crime, police and auto policies in 2013. This renewal expires on September 30, 2014. We continue to budget for professional services to assist with workers' compensation safety and risk issues. \$5,000 is currently budgeted for this purpose.

Human Resources Department

Workers' Comp and Property & Liability Premiums

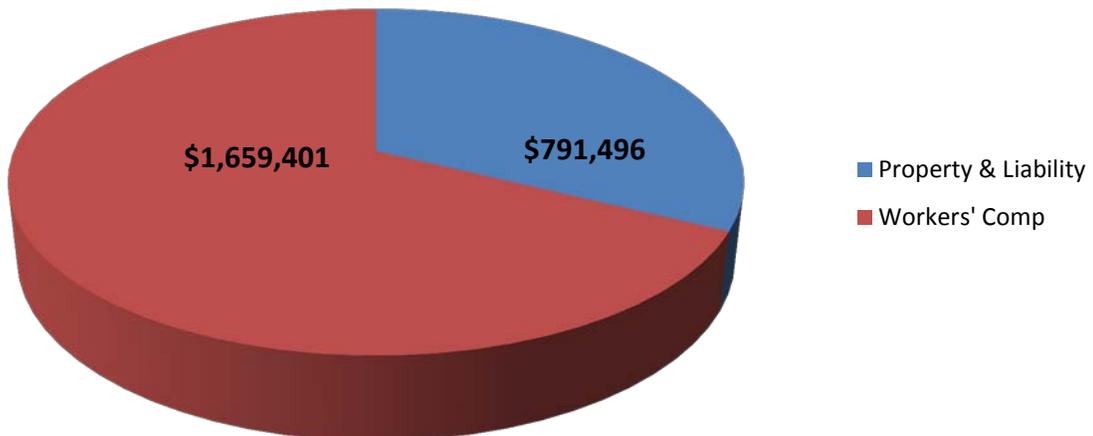


Actual costs are shown in 2010 through 2013. Budgeted costs are shown in 2014 and include an estimated cost increase of 8%.

Fund Balance

The self-insurance fund maintains a balance that exceeds the goal of \$1,500,000. The total fund balance was \$2,450,897 in 2013. The fund balance in the Health Insurance Fund was \$318,212 and may be used to offset City healthcare costs in future years.

Self Insurance Fund Balance



Human Resources Department

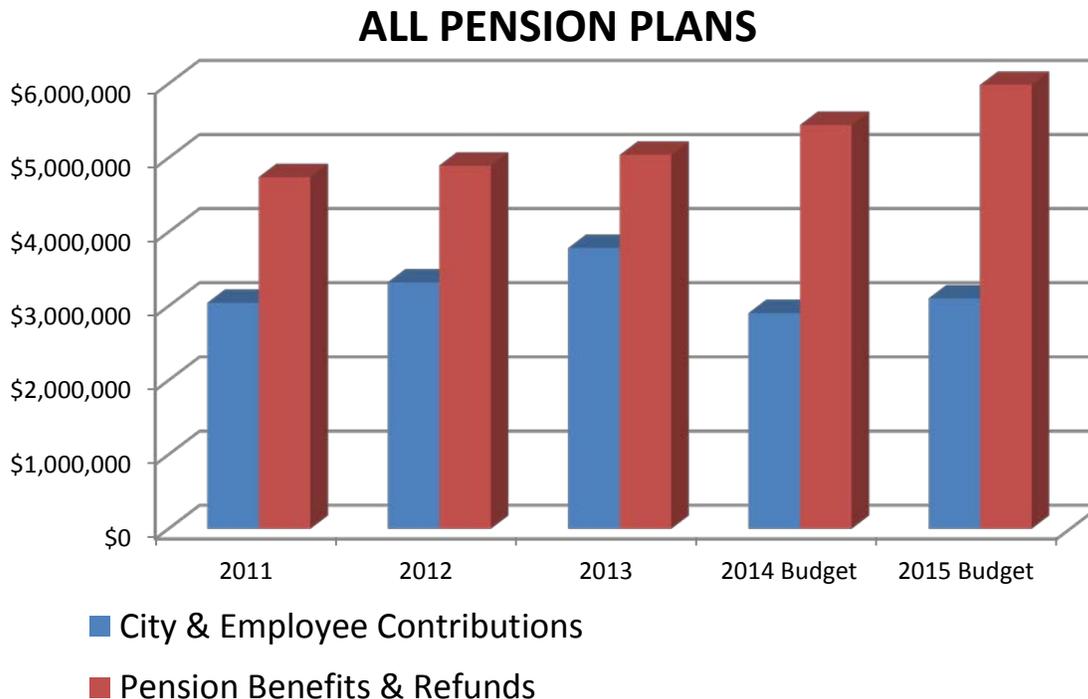
Financial Summary – Pension Plans

Resource Allocation	Actual 2013	Budget 2014	Budget 2015	Increase -Decrease	% Change
Personal Services	\$51,722	\$60,574	\$61,908	\$1,334	2.2%
Operating	\$5,417,466	\$5,874,965	\$6,433,152	\$558,187	9.5%
Capital Outlay	\$0	\$0	\$0	\$0	-
TOTAL	\$5,469,188	\$5,935,539	\$6,495,060	\$559,521	9.4%

The increase in operating expenses is due to the number of employees who entered DROP in 2014 and an increase in the projected number of employees that will be retiring in 2015.

Pension Budget Issues for FY2015

Maturing of the Pension Plans and Cash Management – For the first time in the plans’ existence, the number of current retirees will soon approach the number of active working members. More monies are currently required to be paid out in pension benefits than contributions coming in. This is to be expected as a plan matures. However, for investment purposes, the investment portfolio must be managed to make cash available when pension benefits become due.



Human Resources Department

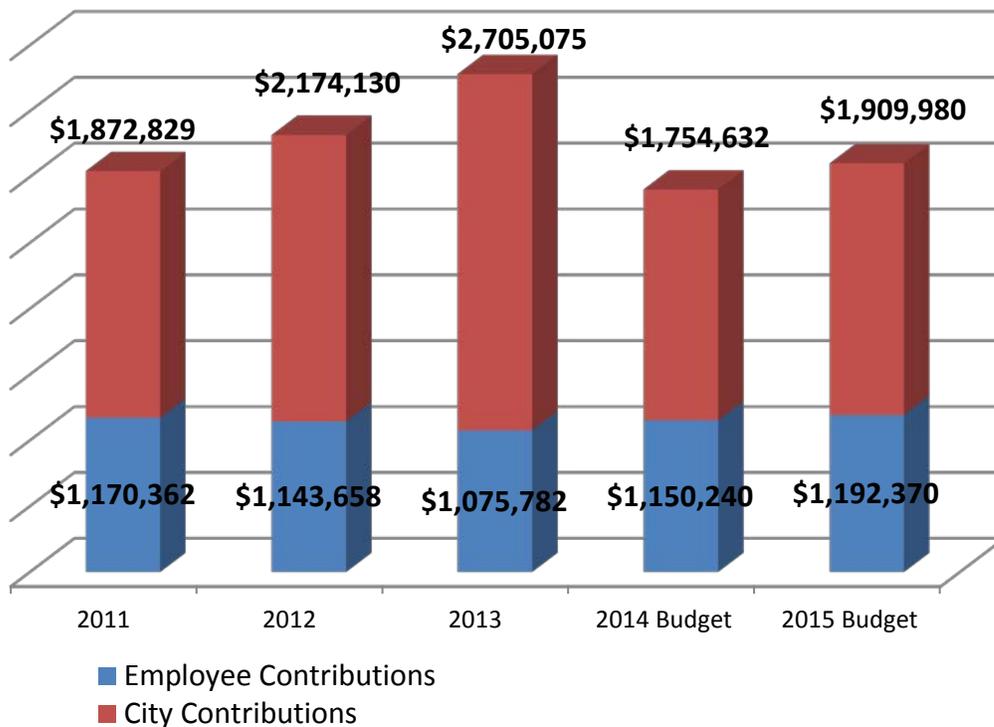
Pension Budget Issues for FY2015

Containing the Cost of City Contributions to the Pension Plans – City contributions to the pension plans are based on an actuarial calculation, which takes into consideration many factors such as the benefits offered in the plans, life expectancy of the members, employee contributions and earnings on the pension investments.

Employee pension contributions are based on a percentage of their wages and tend to remain relatively flat. When investment returns or other factors do not meet actuarial assumptions, the City absorbs the additional amount that is required to be contributed to the pension plans. This has resulted in significant increases in City’s pension contributions since 2011.

In order to combat escalating pension costs, the City negotiated with the labor unions and was successful in reaching an agreement with LIUNA to increase employee contributions and reform existing benefits. The combination of these changes resulted in a reduction in the City’s pension contributions for FY2015 and will help to stabilize the pension costs in the future. However, containment of the City pension costs will continue to be an ongoing goal. Following is a summary of the City and the employee contributions from FY 2011 to the amount projected for FY 2015.

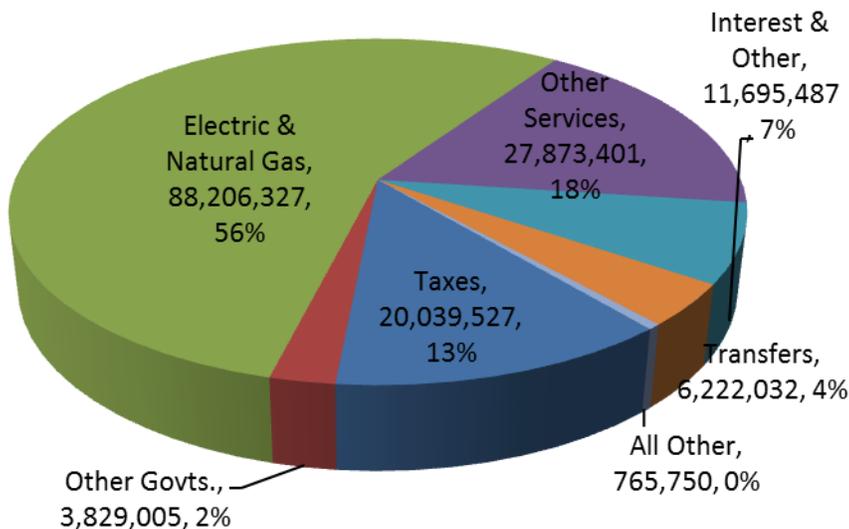
Pension Contributions - All Pension Plans



Funding Sources

The City's revenues come from a wide variety of sources. Revenues and expenses are categorized according to the State of Florida Uniform Accounting System chart of accounts. These standard classifications help facilitate comparability with other local governments. Revenues are classified by fund and source to provide information necessary to prepare and control the budget, to record the collection of revenues, and to prepare financial statements and statistics. Major revenue categories, assumptions, estimation methods and trends are described below. Because revenues are budgeted with only about 6 months of current year history, the estimates for the next budget year may not reflect significant increases or decreases in a particular revenue source that occur before the end of the current year.

Funds used to pay for the obligations and services provided by the City of Jacksonville Beach come from three main sources: current year revenues, transfers from other funds and beginning fund balance. Some revenues and fund balances are available only for specific purposes and may not be available to pay for general services.



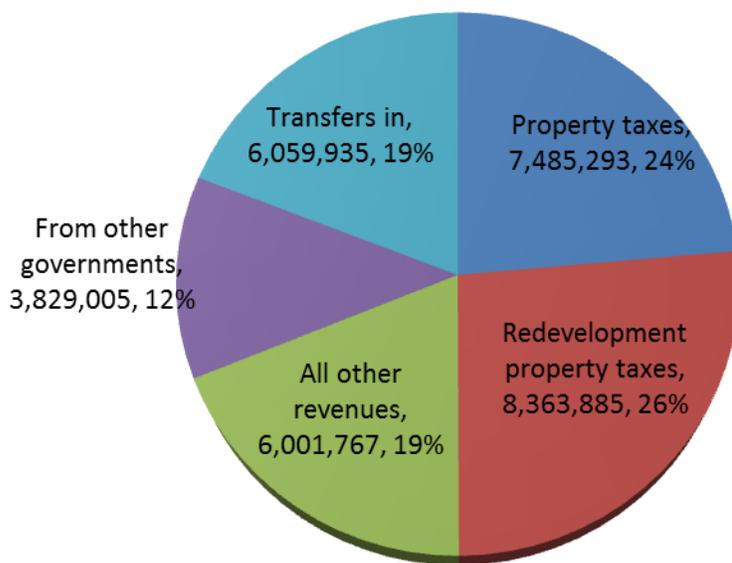
Total Revenues

Total budgeted revenues for fiscal year 2015 are \$158,631,529. 56% of total revenue is generated by Beaches Energy Services, the City's electric utility, through sales of electricity and

natural gas. Beaches Energy Services provides electricity to approximately 34,000 customers in Jacksonville Beach, Neptune Beach, Ponte Vedra and Palm Valley.

Of the remaining \$70 million, 28% comes from taxes (primarily ad valorem, including redevelopment) and 40% from other charges for services: water, sewer, stormwater, garbage, sales at the City’s golf course and internal service charges. Transfers include \$3.7 million paid to the General Fund from Beaches Energy as a return on the City’s investment in the electric utility. Other amounts transferred are from Convention Development (support for tourism, parks and special events), Local Option Gas Tax (support for street and sidewalk maintenance), Half-cent Infrastructure Surtax (supporting infrastructure projects), Community Development Block Grant (support for CAPE and the Carver Center), and a Justice Assistance Grant (supporting the Police Department). Investment earnings include \$9.5 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 (\$561,250) and fines and forfeitures (\$204,500).

Revenues Funding Governmental Services:



Total budgeted revenues for fiscal year 2015 in governmental funds are \$31,739,885. Property taxes recorded in the General Fund (\$7.5 million) account for 40% of its total revenue.

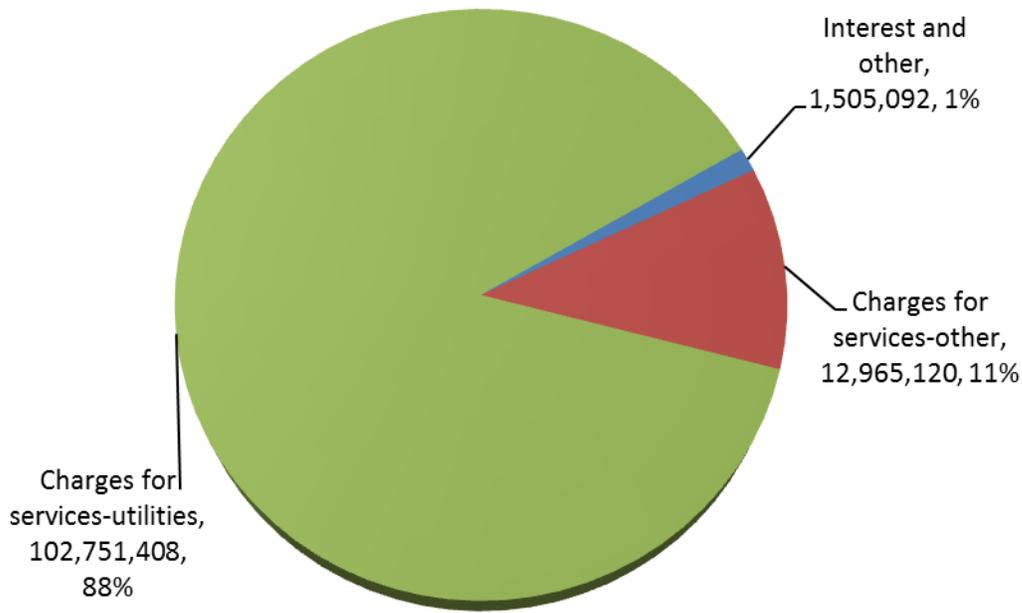
Redevelopment property taxes in the Redevelopment Fund (\$7.5 million) are restricted for use on projects to improve the City's two redevelopment districts: Downtown and South Beach.

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 (\$3.8 million) consist mainly of state shared sales taxes (\$2.7 million), but also include local shared revenues and grants (\$1.2 million).

All other revenues include Communications Services Tax (\$1.4 million), Local Business Tax (\$270,000), Local Option Gas Tax (\$720,000), Convention Development Tax (\$225,000), Half-cent Infrastructure Surtax (\$1,050,000), insurance premium tax (\$350,069-for police and fire pension contributions) fines and forfeitures (\$204,500), building and other permits (\$561,250), recreation registrations for leagues and camps (\$92,000), parking revenue (\$200,000), other charges for service, interest earnings and miscellaneous revenues (\$978,948).

Revenues Funding Proprietary Services:



Total 2015 budgeted revenues in proprietary funds are \$117,383,717. 88% of total revenue is generated by the City's utilities, which provide electric (\$86,018,545), natural gas (\$2,187,782), water & sewer (\$10,198,219), stormwater (\$1,246,333) and garbage services (\$3,100,529). Of the total utility charges for services, 84% is from sales of electricity and natural gas by Beaches Energy Services. Charges for services-other, include internal service charges (\$11.6 million) and sales at the City's golf course (\$1.4 million).

Revenues in Pension Funds:

Total 2015 budgeted pension revenues are \$9,507,927. Pension fund revenues come from interest and investment earnings (\$6,026,527), city contribution (\$1,910,424), employee contributions (\$1,192,370), state insurance premium tax for police and fire pensions (\$350,069) and other (\$28,537). This year, the City reached agreement with its three unions to make sustainability adjustments to each of its three pension funds. The adjustments included increasing the vesting period, increasing the employee contribution, capping the retirement benefit, and eliminating overtime and other additional pay amounts from inclusion in pensionable pay. These adjustments and others are expected to make the pension funds sustainable into the future.

Revenue Summary - by Type

	General Fund	Governmental	Proprietary	Pension	Total
Taxes					
Ad Valorem	7,485,293				\$7,485,293
Ad Valorem-Redevelopment		8,363,885			8,363,885
Convention Dev. Tax		225,000			225,000
Local Option Gas Tax		720,000			720,000
Half Cent Infrastructure Tax		1,050,000			1,050,000
Local Communications Tax	1,350,000				1,350,000
Other	845,349	-	-	-	845,349
Total Taxes	9,680,642	10,358,885	-	-	20,039,527
Permits	561,250	-	-	-	561,250
Intergovernmental					
State 1/2 Cent Tax	2,000,000				2,000,000
Sales Tax Distribution	486,384				486,384
8th Cent Motor Fuel Tax	168,660				168,660
Duval Cnty in Lieu of Tax	671,877				671,877
Other	272,056	230,028	-	-	502,084
Total Intergov.	3,598,977	230,028	-	-	3,829,005
Charges for Services					
Electric			86,018,545		86,018,545
Natural Gas			2,187,782		2,187,782
Water / Sewer			10,198,219		10,198,219
Stormwater			1,246,333		1,246,333
Sanitation			3,100,529		3,100,529
Recreation / Golf	92,000		1,352,505		1,444,505
Internal Services			11,612,615		11,612,615
Miscellaneous	256,200	15,000	-	-	271,200
Total Services	348,200	15,000	115,716,528	-	116,079,728
Fines and Forfeitures	168,500	36,000	-	-	204,500
Miscellaneous					
Debt Proceeds		-			-
Interest and Other	410,000	272,468	1,505,092	9,507,927	11,695,487
Total Miscellaneous	410,000	272,468	1,505,092	9,507,927	11,695,487
Transfers	4,693,162	1,366,773	162,097	-	6,222,032
Total Revenues	\$19,460,731	12,279,154	117,383,717	\$9,507,927	158,631,529

Revenue Summary - by Fund
Major Funds are shaded

	Taxes	Permits & Governmental	Charges for Services	Fines and Forfeitures	Interest & Other	Transfers	TOTAL
General Fund	\$ 9,680,642	\$ 4,160,227	\$ 348,200	\$ 168,500	\$ 410,000	\$ 4,693,162	\$ 19,460,731
Special Revenue Funds							
Comm. Redevelopment Agency	8,363,885	-	-	-	165,000	-	8,528,885
Convention Development	225,000	-	-	-	3,500	-	228,500
Court Costs Training	-	-	-	6,000	1,500	-	7,500
Local Option Gas Tax	720,000	-	-	-	2,368	-	722,368
Half-cent Sales Surtax	1,050,000	-	-	-	2,500	-	1,052,500
CDBG	-	144,489	-	-	-	-	144,489
Radio Communication	-	-	-	14,000	1,000	-	15,000
Justice Assistance Grant	-	85,539	-	-	-	-	85,539
Tree Protection	-	-	-	1,000	100	-	1,100
Law Enforcement Trust	-	-	-	5,000	1,000	-	6,000
Equitable Sharing Trust	-	-	-	10,000	7,000	-	17,000
Total Special Revenue	10,358,885	230,028	-	36,000	183,968	-	10,808,881
Debt Service Fund	-	-	-	-	3,000	477,720	480,720
Capital Projects Funds							
General	-	-	-	-	50,000	889,053	939,053
Infrastructure	-	-	-	-	35,000	-	35,000
Other	-	-	15,000	-	500	-	15,500
Total Capital Projects	-	-	15,000	-	85,500	889,053	989,553
Enterprise Funds							
Electric	-	-	86,018,545	-	666,100	162,097	86,846,742
Natural Gas	-	-	2,187,782	-	-	-	2,187,782
Water & Sewer	-	-	10,198,219	-	233,329	-	10,431,548
Stormwater	-	-	1,246,333	-	35,000	-	1,281,333
Sanitation	-	-	3,100,529	-	65,000	-	3,165,529
Golf Course	-	-	1,352,505	-	3,000	-	1,355,505
Lease Facilities	-	-	-	-	502,663	-	502,663
Total Enterprise	-	-	104,103,913	-	1,505,092	162,097	105,771,102
Internal Service Funds							
City Manager	-	-	492,126	-	-	-	492,126
Finance	-	-	4,023,524	-	-	-	4,023,524
Human Resources	-	-	565,997	-	-	-	565,997
Fleet Maintenance	-	-	580,792	-	-	-	580,792
Meter Services	-	-	847,745	-	-	-	847,745
Operations & Maintenance Facility	-	-	387,280	-	-	-	387,280
Grounds Maintenance	-	-	1,058,912	-	-	-	1,058,912
Insurance-Property & Liability	-	-	1,300,519	-	-	-	1,300,519
Insurance-Workers Comp	-	-	-	-	-	-	-
Insurance-Health, Life, Dental	-	-	2,355,720	-	-	-	2,355,720
Total Internal Service	-	-	11,612,615	-	-	-	11,612,615
Trust Funds (Pension)							
General Employees	-	-	-	-	5,995,842	-	5,995,842
Police Employees	-	-	-	-	2,222,717	-	2,222,717
Fire Employees	-	-	-	-	1,289,368	-	1,289,368
Total Trust	-	-	-	-	9,507,927	-	9,507,927
Total Revenues	\$ 20,039,527	\$ 4,390,255	\$ 116,079,728	\$ 204,500	\$ 11,695,487	\$ 6,222,032	\$ 158,631,529

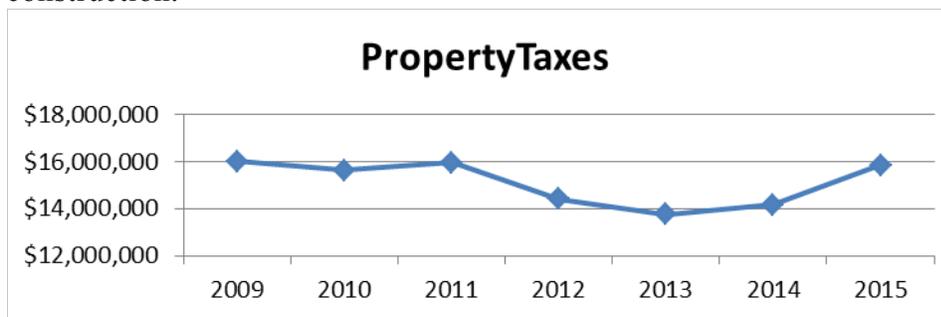
Revenue Summary

Tax Revenues

The City has two main sources of tax revenue: ad valorem taxes and sales taxes. Although property values citywide increased 6.8% (\$170 million) since last year, they are still 16.8% (\$538 million) lower than they were at their height prior to the recession. Of the \$15,849,178 in budgeted property taxes, 47% (\$7.5 million) supports the General Fund and 53% (\$8.4 million) is legally restricted for use in the City's two redevelopment districts. Ad valorem taxes are budgeted based on the certification of taxable value provided each year by the Duval County Property Appraiser and are calculated as a percentage of the value of real or personal property expressed in mills (dollars per \$1,000 of value). Chapters 192-197 and 200, Florida Statutes govern the property tax process and require municipalities to budget at least 95% of this anticipated revenue.

	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Ad Valorem	\$15,625,045	\$15,969,619	\$14,412,386	\$13,770,664	\$14,173,864	\$15,849,178
Local Option Gas Tax	747,903	742,602	712,396	711,817	720,000	720,000
Convention Development	220,694	221,009	224,402	278,858	225,000	225,000
Infrastructure	950,140	975,611	995,077	1,047,321	1,050,000	1,050,000
Local Communications	1,287,419	1,074,935	1,231,709	1,442,566	1,300,000	1,350,000
Other	700,561	607,927	616,461	893,260	845,349	845,349
Total Taxes	\$19,531,762	\$19,591,703	\$18,192,431	\$18,144,486	\$18,314,213	\$20,039,527

The City's adopted millage rate for 2015 is \$3.9947 mills per \$1,000 of assessed value and will provide approximately \$15,849,178 property tax revenue shared by the General Fund and the Community Redevelopment Fund, representing 10% of total revenues. The City has no debt service millage. Decreasing the millage rate by 2.4% resulted in an increase in property tax revenue of \$329,759 in the General and an increase of \$1,345,555 in redevelopment property tax revenue due to a rise in property value and the addition of \$35.7 million in new construction.

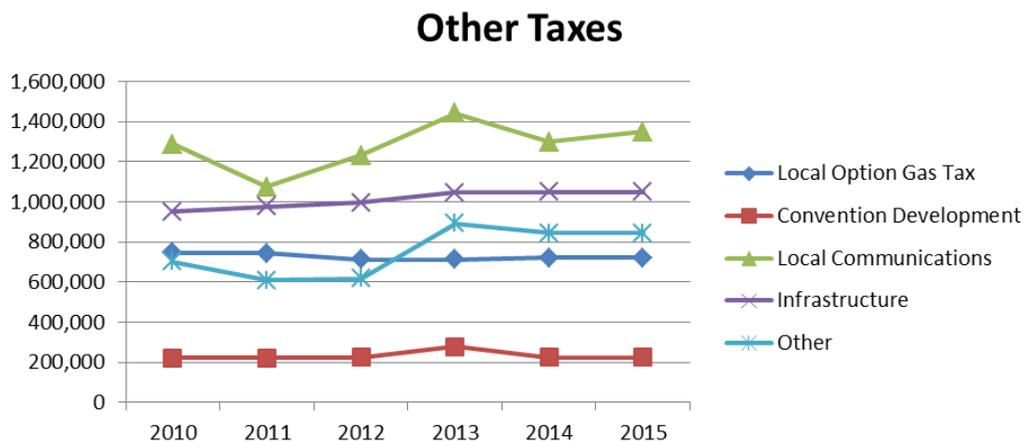


Local Option Gas Tax revenues are used to fund the maintenance of roads, streets and sidewalks. The tax, generated by a \$0.06 tax on sales of diesel or motor fuel sold within Duval County, is distributed monthly by the Florida Department of Revenue. Allocation to the City is based on its

proportionate share of the county’s population, as specified in an interlocal agreement with Duval County. From a high of \$836,717 in 2006, it has fallen to a 4-year annual average of about \$716,000. Decreases in the Local Option Gas Tax have reduced the amount of street and sidewalk maintenance that can be performed. This revenue source, which was scheduled to end in 2016, was extended this year by Duval County until 2036. It supplements the General Fund by providing about \$700,000 per year to pay for street and sidewalk maintenance projects. Local Option Gas Tax is budgeted based on estimates from the State of Florida Office of Economics and Demographic Research (EDR), historical trends and variance analysis. (Motor Fuel and Diesel Fuel Taxes: Sections 206.41(1) (d)-(e), 206.87(1) (b)-(c), 336.021 and 336.025 Florida Statutes.)

Duval County collects Convention Development Tax revenues resulting from a 2% tax on transient rental (lodging less than 6 months) transactions. One-half of the proceeds collected within Jacksonville Beach’s municipal boundaries are remitted to it by the county to be used to promote tourism and to fund the maintenance and upkeep of the SeaWalk and Amphitheater area, in accordance with Florida Statutes (Section 212.0305(4) (a)). This revenue is estimated based on historical trends as influenced by economic forecasts. In recent years, this revenue has fluctuated between \$220,000 and \$175,000. It is budgeted for 2015 at \$225,000.

The Half-Cent Local Discretionary Sales (Infrastructure) Surtax is specifically restricted to be used for: street reconstruction, water, sewer and stormwater improvements, school sidewalks, capital improvements to recreational facilities and the purchase of property for preservation and recreational purposes. 1.5% of the gas tax collected by the county is distributed to Jacksonville Beach as stated in an interlocal agreement. These revenues are budgeted using information from the Florida Office of Economic and Demographic Research (EDR) and historical trends. Both the Local Option Gas Tax and the Half-Cent Sales Surtax have decreased with the economic downturn. See Sections 212.054-.055, Florida Statutes. In years prior to 2008, the Infrastructure Surtax was generating about \$1.1 million per year. However, decreases in this revenue due to the economy have been significant enough that in recent years, it has only paid for debt service (about \$980,000 per year) on the revenue bonds it is pledged against, leaving no additional funds for infrastructure projects. Information from EDR showed an upturn in this expected revenue and the budget for 2015 has been increased to \$1,050,000.



The Communications Services Tax (Chapter 202, Florida Statutes) simplified the way communications (telecommunications, cable, direct-to-home satellite and related services) taxes are collected and distributed by combining seven different types of communications taxes and fees into a two-tiered tax composed of a state tax and a local tax on communications services. The tax of 5.22% on retail telecommunications sales which originate and terminate within the state of Florida and/or are billed to an address within the state is collected and distributed by the Florida Department of Revenue. Revenues are budgeted to increase this year, after having fallen in 2009 through 2012. 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 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Licenses & Permits	\$229,565	\$261,308	\$367,856	\$570,915	\$358,600	\$561,250

Permits are primarily composed of building-related permit revenue, which make up \$518,000 of this category's 2015 revenues. From a 2006 high of \$643,468, fees for building-related permits fell during the recession but have been increasing since 2012. Fees are recorded in the General Fund and represent a fraction (3%) of its revenues. Budgets for permits and fees are based on historical trends and construction estimates from the Planning and Development Department. (Chapter 7, City of Jacksonville Beach Code of Ordinances)

Intergovernmental Revenues

This category includes all revenues received from federal, state and local governmental units in the form of shared sales and fuel tax revenues, grants and payments in lieu of taxes. The state collects and distributes a portion of the taxes for half-cent sales taxes, municipal revenue

sharing and alcoholic beverage licenses to the City. The Local Government Half-Cent Sales Tax Program combined with the Municipal Revenue Sharing Program provide over two-thirds of the General Fund’s intergovernmental revenue. Both revenues are administered by the state Department of Revenue (DOR) and are estimated based on information from the Florida Office of Economics and Demographic Research (EDR), and historical trends. These revenues have begun to trend upward in the last two years.

	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Local 1/2 Cent Tax	\$1,736,711	\$1,805,663	\$1,815,844	\$1,937,423	\$1,903,202	\$2,000,000
Sales Tax Distribution	450,897	455,212	466,002	486,316	640,071	486,384
Duval Cnty in Lieu of Tax	579,968	596,955	614,864	633,309	652,308	671,877
Other	9,278,149	2,759,510	1,470,808	1,092,882	667,499	670,744
Total Intergovernmental	\$12,045,725	\$5,617,340	\$4,367,518	\$4,149,930	\$3,863,080	\$3,829,005

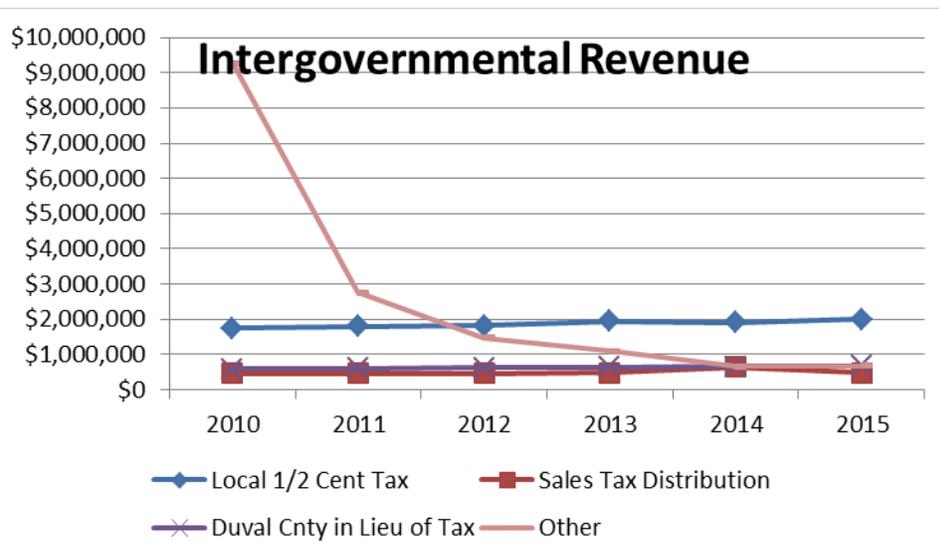
Through an interlocal agreement, the City also receives a payment in lieu of tax from Duval County to provide partial funding for beach cleanup and lifeguards. The City makes a request for these funds based on its actual eligible program expenses. The amount budgeted is equal to the amount of the request.

“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 \$168,660, 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 2015 budget for this charge is \$159,356, 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 \$45,000, based on historical trends.

In recent years, the City has aggressively sought grant revenue to offset part of the cost of major construction projects. After peaking in 2010 when the City received \$11 million in grants to help fund the construction of a new waste treatment facility, grant revenues have fallen sharply and are not expected to increase in the near future. Intergovernmental revenues have decreased by 59% (\$2.7 million) since 2009.



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

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

Fines and Forfeitures

Fines and penalties imposed for the commission of statutory offenses and violations of lawful administrative rules and regulations are included in this revenue category along with revenues from the sale of confiscated money and property and service charges on bad checks. The total revenues for this category are \$204,500 and represent only a small portion (0.1%) of total City revenues. The General Fund portion of this total is \$168,500 (0.9% of total General Fund revenues). Fines and forfeitures are budgeted based on historical trends and have been decreasing for many years due to changes in state law related to how the fines are allocated between state and local governments. Budgeted revenue for 2015 is less than half of the amount the City received in 2006.

	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Fines and Forfeitures	\$510,579	\$234,427	\$702,393	\$275,863	\$217,000	\$204,500

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 2015 budget, these revenues are estimated to be \$11,695,487, representing 7.4% of the City's budgeted revenues. 60% of this revenue is interest, investment earnings and pension contributions belonging to the pension funds. These revenues have been decreased due to historic low interest rates, decreases in earnings on pension fund investments and rental of City property. Miscellaneous revenues are budgeted based on historical trends, rental contracts and current or estimated future interest rates and cash balances.

	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Debt Proceeds	0	0	6,495,000	0	0	0
Interest	6,375,974	1,700,686	11,048,321	8,516,574	6,367,387	6,969,695
Other	4,018,785	3,890,025	5,842,850	4,300,084	5,911,325	4,725,792
Total Miscellaneous	\$10,394,759	\$5,590,711	\$23,386,171	\$12,816,658	\$12,278,712	\$11,695,487

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 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Transfers	\$9,792,787	\$11,556,366	\$5,783,983	\$7,224,507	\$5,704,818	\$6,222,032

Total budgeted transfers for 2015 are \$6,222,032 (3.9% of total revenue); transfers into the General Fund (\$4,693,162) make up 24% of its total revenue. Transfers to the General Fund include contributions from enterprise funds and special revenue (grant) funds used to provide partial funding for its programs as specified in grant agreements.

Charges for Services

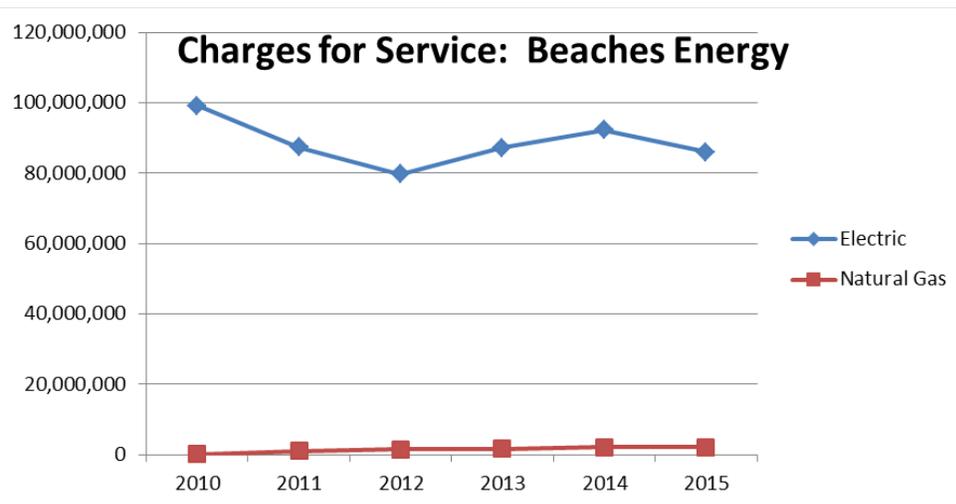
Charges for services are generated primarily by the operation of the City's enterprise funds: electric, water & sewer, natural gas, stormwater and sanitation and represent charges for utility services provided to customers. Charges for use of the City's tennis and golf facilities are also included in this category. Charges for services revenues represent 73.2% of the City's total

revenues, but only 2% of the General Fund's revenues. Total revenues from charges for services are anticipated to be \$116,079,728 (\$348,200 in the General Fund).

	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Approved Budget 2015
Electric	99,205,550	87,327,368	79,748,437	87,181,601	92,249,224	86,018,545
Natural Gas	62,801	1,015,367	1,559,994	1,695,815	2,168,162	2,187,782
Water / Sewer	8,724,409	8,952,816	9,204,727	10,084,347	10,000,599	10,198,219
Stormwater	1,242,265	1,232,484	1,249,583	1,262,660	1,246,333	1,246,333
Sanitation	3,141,500	3,091,841	3,116,900	3,177,369	3,084,514	3,100,529
Recreation / Golf	1,336,437	1,439,711	1,472,675	1,313,852	1,510,275	1,444,505
Internal Services	13,587,812	10,862,103	10,144,036	10,607,985	11,417,341	11,612,615
Miscellaneous	289,680	677,050	609,851	465,176	264,600	271,200
Charges for Services	\$127,590,454	\$114,598,740	\$107,106,203	\$115,788,805	\$121,941,048	\$116,079,728

The City's electric utility, Beaches Energy Services, provides power to more than 34,000 customers in Neptune Beach, Jacksonville Beach, Ponte Vedra and Palm Valley. Beaches Energy is a member of and obtains its power through Florida Municipal Power Agency (FMPPA), a consortium of municipal utilities located throughout the state. Because its primary fuel source is natural gas, changes in the cost of natural gas significantly affect electric rates. Natural gas prices have recently been stable and are projected to remain stable in the next year.

Beaches Energy has implemented energy efficiency rebates, conservation programs, demand management and renewable resource programs in order to keep its rates below the state average and to help its customers manage their electric bills. Recently, natural gas prices have been low resulting in reductions in power costs and savings to Beaches Energy's residential customers of about \$200-\$300 per year. At this point, it is difficult to tell whether flattening consumption is a result of trends in energy conservation or the relatively mild winters and summers of recent years. Revenue estimates are based on estimated consumption, historical trends and projected power cost prices from FMPPA.



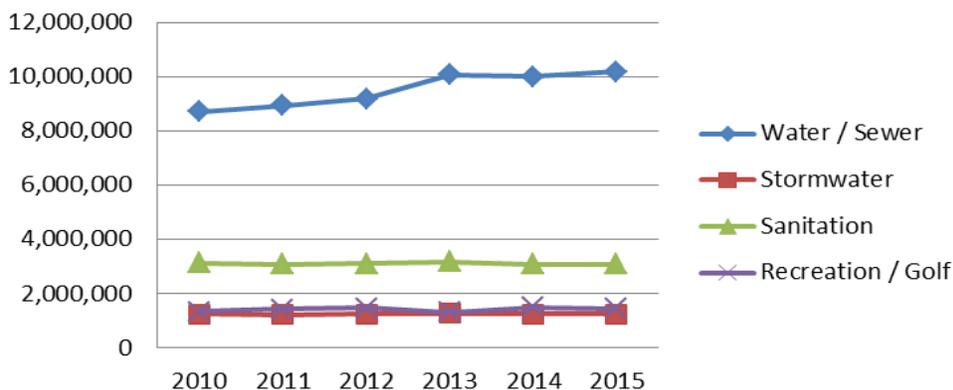
In 2010, the City activated a natural gas distribution system intended to primarily serve commercial customers. The first service was activated in June 2010, with construction continuing and included in the 2015 budget. Revenues for this year’s budget have been estimated by the City’s gas management consultant, reviewed and adjusted by the City.

In 1995, the City adopted an inclining block rate structure for its water and sewer rates. The intent behind these rates is to encourage conservation by charging a higher rate for customers who use higher amounts of water. Since 1995, the total number of gallons billed has decreased, despite increases in the number of customers.

In 2007, water and sewer rates were increased by 5% for the first time in 10 years. Additional 5% rate increases were approved through 2010, with increases equal to the percentage increase in the CPI after that. Two years ago, an additional 7.5% rate increase was approved through 2014 with CPI rate adjustments after that. The rate increases were necessary to pay for needed maintenance and improvements to the system. Water and sewer revenues have been estimated based on historical trends, with adjustments made for this year’s rate increase and the effects of water conservation.

Stormwater results when an impervious surface covers the ground (roads and parking lots, for example), preventing it from absorbing rain or other water from storms. The stormwater system drains excess water to prevent flooding. Stormwater charges, which fund maintenance and improvements to the stormwater system, are based on the amount of each customer’s impervious area. The rate of \$5.00 per equivalent residential unit (ERU) has remained constant since the charge was enacted in 1991. Commercial customers are charged a based on the percentage of impervious area at their place of business.

Charges for Service: Other Utilities and Golf Course



Sanitation rates have not increased since 1993, although the City may have to consider rate increases or adjustments in the level of service when the next garbage contract is awarded. Stormwater and sanitation revenues are budgeted based on rates expected to be in effect in the coming year and historical consumption trends.

Five years ago, concurrent with a major drainage project, the Golf Course was improved and greens rebuilt. During that time, the combination of construction, national trends and economic conditions, have caused a decrease in the number of rounds played, resulting in the need for staffing and operating cost decreases in order to balance the budget. The City has had to transfer funds to the Golf Course to provide cash flow for operations (\$185,000 in 2010; \$210,000 in 2011). At this time, revenues appear to have stabilized and with careful cost management, the golf course is breaking even. Golf revenues are estimated based on the expected number of rounds to be played and historical trends.

Revenues in the internal service funds are budgeted to cover the costs of operations and therefore are equal to the approved expenditure budget. Internal service fund expenses are allocated to other City departments based on each department’s proportionate share of those costs. Administrative operations providing services through internal service funds and the allocation basis used to distribute their costs are shown above.

Internal Service Fund	Allocation Basis
City Manger	Time estimate
Accounting	Department/division operating budgets
Utility Billing	Number of meters in each utility & degree of difficulty (time)
Information Systems	Time and difficulty estimate
Purchasing	Number and value of purchase orders
Human Resources	Number of employees
Fleet Maintenance	Specific vehicle maintenance costs and overhead allocation based on number of vehicles
Grounds Maintenance	Time estimate and acreage
Meter Services	Number of meters read
Operations & Maintenance Facility	Square footage allocated to each department
Insurance Funds	Property value (general/liability); payroll costs and cost per \$1,000 (worker’s comp); specific charges (employee life, health & dental insurance)

Because internal service funds usually do not spend all authorized budget, revenues in "actual" years (2010-2013) are noticeably lower than revenues in "budgeted" years (2014 and 2015). Because internal service charges, like transfers, are revenues to one fund and expenditures to another fund, they are considered to be "paper revenue". In determining the net budget, these transfers are deducted from the total expenditures.

Fund Balance

Fund Balance refers to the excess of assets over liabilities and, therefore, is considered to be available for appropriation to the extent that it is not reserved. Another way of describing fund balance is the difference between all the revenue the fund has received and all the expenditures made from the fund since its inception.

The City implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011, as required. The statement establishes fund balance classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the

specific purpose for which amounts in governmental funds can be spent. Under this standard, fund balance is reported in five classifications – nonspendable, restricted, committed, assigned and unassigned. A discussion of GASB 54 and its effect on fund balance classifications can be found at: <http://www.gasb.org/st/summary/gstsm54.html>. For simplification of presentation in the budget, beginning and ending fund balances are shown in the financial summaries as either “unrestricted/unassigned” or “all other balances”. Fund balances shown as “all other balances” have conditions attached to their use, either by federal, state or local law, grant or bond agreements or interlocal contract.

Unrestricted/unassigned fund balance represents an amount available to be budgeted. When utilized in this fashion, the unreserved portion of the fund balance is considered revenue for purposes of balancing the budget. For example, because the City does not receive property tax until about a third of the way through the year, the revenue is unavailable to fund general fund operations for the first 3-4 months of the year. Unrestricted fund balance can be used to cover this temporary revenue shortage and to pay for costs for major, unexpected events, like tropical storms and hurricanes, without having to borrow money or wait for FEMA reimbursement.

	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015
Ending Fund Balance						
Unrestricted/unassigned	\$58,185,708	\$57,517,495	\$74,407,983	\$76,535,599	\$67,571,738	\$62,791,379
All other	87,045,981	108,286,298	114,167,373	122,332,642	114,924,442	124,362,664
Total Fund Balance	\$145,231,689	\$165,803,793	\$188,575,356	\$198,868,241	\$182,496,180	\$187,154,043

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. 66% of the City's fund balance is set aside for such purposes. All of the nonmajor governmental funds have spending restrictions attached to their revenue sources. Also, many grant revenues are received on a reimbursement basis, after the City has paid for the grant-related item or project. In such instances, beginning fund balance is used to cover cash shortages due to differences in the timing of grant-funded expenses and the related grant reimbursement.

In FY2015, total budgeted revenues are more than total budgeted expenditures, meaning that the City expects its total fund balance to increase. Fund balance is not normally used to pay for routine, recurring operating expenditures. The budgeted fund balance increase of \$4.7 million shown in the table on the following page, is expected to come from net earnings in redevelopment and pension funds. Except for the General Fund, all other funds are expected to have reductions in their fund balances. The percentage change in fund balance is calculated as the amount of revenues over (under) expenditures, divided by the beginning fund balance.

Explanation of Budgeted Changes in Fund Balance - Major Funds:

The **General Fund’s** fund balance is budgeted to remain unchanged. The primary cost in this fund is personnel; representing 66% of the 2015 budgeted expenditures. Costs to provide police and fire services represent 59% of the General Fund’s total budget. Improvements in property

value and changes to the City’s pension funds, reducing its funding obligations have improved the outlook for the General Fund.

	Major Funds				
	General Fund	Community Redevel.	General Cap. Projects	Electric	Water & Sewer
Beg. Fund Balance	\$9,784,624	\$1,841,895	\$4,349,545	\$52,066,478	\$8,917,838
Revenues	19,460,731	8,528,885	939,053	86,846,742	10,431,548
Expenditures	19,460,731	1,854,603	1,390,702	89,178,388	11,194,680
Revenues over (under) expenditures	0	6,674,282	(451,649)	(2,331,646)	(763,132)
Ending Fund Balance	<u>\$9,784,624</u>	<u>\$8,516,177</u>	<u>\$3,897,896</u>	<u>\$49,734,832</u>	<u>\$8,154,706</u>
Unrestricted/unassigned	1,512,958	0	0	41,659,904	6,747,991
All other	<u>\$8,271,666</u>	<u>\$8,516,177</u>	<u>\$3,897,896</u>	<u>\$8,074,928</u>	<u>\$1,406,715</u>
	<u>\$9,784,624</u>	<u>\$8,516,177</u>	<u>\$3,897,896</u>	<u>\$49,734,832</u>	<u>\$8,154,706</u>
Change in fund balance	0.0%	362.4%	-10.4%	-4.5%	-8.6%

	Nonmajor Funds				
	Govt.	Enterprise	Internal Service	Pension Funds	ALL FUNDS
Beg. Fund Balance	\$5,049,485	\$10,178,944	\$3,755,242	\$87,882,279	\$183,826,330
Revenues	2,811,216	8,492,812	11,612,615	9,507,927	158,631,529
Expenditures	3,130,414	9,063,084	12,180,310	6,495,060	153,947,972
Revenues over (under) expenditures	(319,198)	(570,272)	(567,695)	3,012,867	4,683,557
Ending Fund Balance	<u>\$4,730,287</u>	<u>\$9,608,672</u>	<u>\$3,187,547</u>	<u>\$90,895,146</u>	<u>\$188,509,887</u>
Unrestricted/unassigned	\$100,000	\$9,608,672	\$3,187,547	\$0	\$62,817,072
All other	<u>4,630,287</u>	<u>0</u>	<u>0</u>	<u>90,895,146</u>	<u>125,692,815</u>
	<u>\$4,730,287</u>	<u>\$9,608,672</u>	<u>\$3,187,547</u>	<u>\$90,895,146</u>	<u>\$188,509,887</u>
Change in fund balance	-6.3%	-5.6%	-15.1%	3.4%	2.5%

Community Redevelopment Fund’s fund balance is expected to grow, due to the timing of capital outlay expenditures. Construction of Phase 3B of the Downtown Vision Plan is expected to be completed in the fall. Design for Phases 3C and 3D is about 50% complete. Construction of Phases 3C and 3D will be budgeted when design is complete and the construction bid is awarded. Fund balance in this fund is designated for projects that will have a long-term benefit in the City’s two redevelopment districts and for other allowed costs that are consistent with the redevelopment plan and requirements in Chapter 163 of the Florida Statutes.

General Capital Projects Fund’s fund balance is budgeted to decrease due to the timing of major expenditures and projects paid for from this fund. All budgeted projects in this fund were funded in previous years. Projects budgeted are the street improvements portion of the 10th Street South Infrastructure Improvements project, a skateboard park, and various information systems project. Transfers from the General Fund are this fund’s primary source of revenue.

Electric Fund's fund balance is expected to decrease due to decreases in revenues. The decrease is largely related to a timing difference between billed power costs and paid power costs and is expected to be temporary. Budgeted expenses for 2015 are 8.6% less than in 2014 because of decrease in expected power costs and capital outlay.

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

Explanation of Budgeted Changes in Fund Balance - Nonmajor Funds:

Governmental Funds will show a decrease in fund balance due to the use of accumulated fund balance to pay for allowed expenses. Included in the budgets for these funds are things such as police training, special events, road and street maintenance and equipment purchases. Grant revenues are not budgeted until formal notice is received from the grantor. This notice often does not arrive in time for the funds to be included in the original budget. In such cases, the budget is adjusted at mid-year or at the end of the year.

Nonmajor Enterprise Funds consist of the Natural Gas, Stormwater, Sanitation, Golf Course and Lease Facilities Funds. These funds recover their costs through user charges and are not expected to have a major change in their fund balances from year-to-year. The substantial completion of the natural gas distribution system means that capital outlay in that fund will decrease significantly. The decrease in fund balance is due to the stormwater portion of the 10th Street South project.

Internal Service Funds recover their costs through charges to internal customers and are budgeted to break even. The fund balance decrease is a consequence of using interest earnings in the Workers' Comp Insurance Fund to reduce the cost of workers comp insurance charged to City departments.

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 2015.



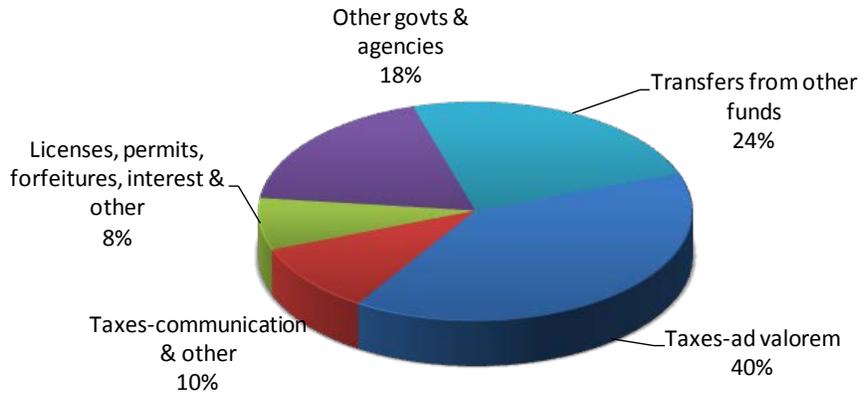
**City of Jacksonville Beach - All Funds
Combined Summary of Revenues and Expenditures**

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 61,026,361	\$ 74,407,983	\$ 76,535,599	\$ 67,571,738	\$ (8,963,861)	-11.7%
All other balances	104,777,432	114,167,373	123,662,793	116,254,592	(7,408,201)	-6.0%
Beginning Fund Balance	165,803,793	188,575,357	200,198,392	183,826,330	(16,372,062)	-8.2%
Revenues						
Taxes	18,192,431	18,144,486	18,314,213	20,039,527	1,725,314	9.4%
Permits & fees	367,856	570,915	358,600	561,250	202,650	56.5%
Intergovernmental	4,367,518	4,149,930	3,863,080	3,829,005	(34,075)	-0.9%
Charges for services	107,106,203	115,788,805	121,941,048	116,079,728	(5,861,320)	-4.8%
Fines & forfeitures	702,393	275,863	217,000	204,500	(12,500)	-5.8%
Interest & other	23,386,171	12,816,658	12,278,712	11,695,487	(583,225)	-4.7%
Transfers in	5,783,983	7,224,507	5,704,818	6,222,032	517,214	9.1%
Total Revenues	159,906,555	158,971,164	162,677,471	158,631,529	(4,045,942)	-2.5%
Other Financing Sources	11,622,562	3,480,616				
Expenditures						
Personal Services	25,621,500	25,937,414	27,461,462	27,659,173	197,711	0.7%
Operating-Energy	60,612,740	65,957,074	72,184,977	65,157,375	(7,027,602)	-9.7%
Operating-All Other	30,884,796	30,332,499	35,643,147	37,013,382	1,370,235	3.8%
Capital Outlay	10,024,845	13,437,257	31,600,618	11,836,341	(19,764,277)	-62.5%
Debt Service	13,844,494	6,845,733	6,442,974	6,049,313	(393,661)	-6.1%
Grants to Others	111,537	11,537	11,537	10,356	(1,181)	-10.2%
Transfers	5,783,983	6,948,406	5,704,818	6,222,032	517,214	9.1%
Total Expenditures	146,883,895	149,469,920	179,049,533	153,947,972	(25,101,561)	-14.0%
Other Financing Uses	1,873,658	1,358,824				
Change in Fund Balance	22,771,564	11,623,035	(16,372,062)	4,683,557	21,055,619	-128.6%
Unrestricted/unassigned	74,407,983	76,535,599	67,571,738	62,817,072	(4,754,666)	-7.0%
All other balances	114,167,373	123,662,793	116,254,592	125,692,815	9,438,223	8.1%
Ending Fund Balance	\$ 188,575,357	\$ 200,198,392	\$ 183,826,330	\$ 188,509,887	\$ 4,683,557	2.5%
Expenditures by Department:						
Executive & Legislative	1,230,263	1,128,389	1,317,676	1,485,369	\$167,693	12.7%
Finance	3,359,932	3,518,998	3,838,809	4,023,524	184,715	4.8%
Planning & Development	6,433,579	7,123,471	16,269,967	1,824,869	(14,445,098)	-88.8%
Parks & Recreation	4,813,101	4,728,691	4,861,646	5,057,558	195,912	4.0%
Public Works	15,482,810	15,819,165	21,918,470	18,818,504	(3,099,966)	-14.1%
Police	8,523,224	8,527,952	9,356,382	9,079,021	(277,361)	-3.0%
Fire	3,610,612	3,590,124	3,657,487	3,562,019	(95,468)	-2.6%
Beaches Energy Services	83,727,421	91,249,341	102,443,276	93,829,041	(8,614,235)	-8.4%
Human Resources	8,463,894	9,113,641	10,529,619	11,284,991	755,372	7.2%
Non-Departmental	11,239,059	4,670,148	4,856,201	4,983,076	126,875	2.6%
Total Expenditures	\$ 146,883,895	\$ 149,469,920	\$ 179,049,533	\$ 153,947,972	\$ (25,101,561)	-14.0%
Expenditures by Major/Nonmajor Fund:						
General Fund	17,544,559	18,262,593	19,025,410	19,460,731	\$435,321	2.3%
Redevelopment	6,194,544	6,918,038	16,303,000	1,854,603	(14,448,397)	-88.6%
General Capital Projects	1,379,711	343,431	1,329,349	1,390,702	61,353	4.6%
Electric	79,931,483	86,389,607	97,552,550	89,178,388	(8,374,162)	-8.6%
Water & Sewer	9,364,165	8,907,222	14,431,866	11,194,680	(3,237,186)	-22.4%
Total Major Funds	114,414,462	120,820,891	148,642,175	123,079,104	(25,563,071)	-17.2%
Nonmajor Governmental	10,575,285	4,247,759	3,686,341	3,130,414	(555,927)	-15.1%
Nonmajor Enterprise	7,070,630	8,796,989	9,173,418	9,063,084	(110,334)	-1.2%
Internal Service	9,484,819	10,135,093	11,612,060	12,180,310	568,250	4.9%
Pension	5,338,699	5,469,188	5,935,539	6,495,060	559,521	9.4%
Total Nonmajor Funds	32,469,433	28,649,029	30,407,358	30,868,868	461,510	1.5%
Total Expenditures	\$ 146,883,895	\$ 149,469,920	\$ 179,049,533	\$ 153,947,972	\$ (25,101,561)	-14.0%
Total Expenditures	\$146,883,895	\$149,469,920	\$179,049,533	\$153,947,972	(\$25,101,561)	-14.0%
less: Internal Service Charges	9,484,819	10,135,093	11,612,060	12,180,310	\$568,250	4.9%
less: Transfers	5,783,983	6,948,406	5,704,818	6,222,032	\$517,214	9.1%
Net Budgeted Expenditures	\$131,615,093	\$132,386,421	\$161,732,655	\$135,545,630	(\$26,187,025)	-16.2%

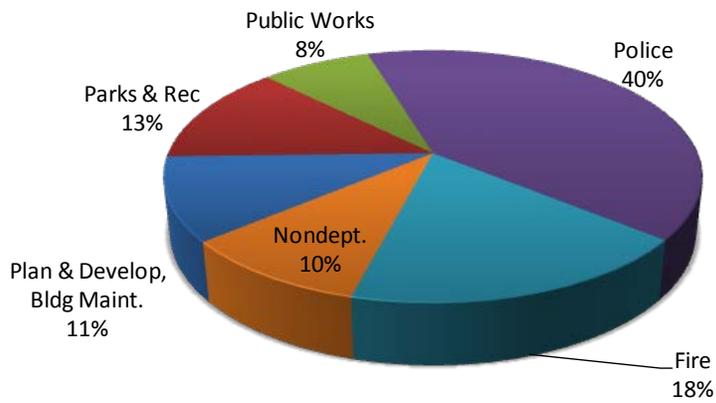
General Fund
Combined Summary of Revenues and Expenditures

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 781,230	\$ 4,255	\$ 984,114	\$ 1,512,958	\$ 528,844	53.7%
All other balances	8,271,666	9,753,311	9,041,079	8,271,666	(769,413)	-8.5%
Beginning Fund Balance	\$ 9,052,896	\$ 9,757,566	\$ 10,025,193	\$ 9,784,624	\$ (240,569)	-2.4%
Revenues						
Taxes	9,068,880	9,222,513	9,300,883	9,680,642	379,759	4.1%
Licenses & permits	367,856	559,485	358,600	561,250	202,650	56.5%
Intergovernmental	3,411,784	3,538,261	3,642,687	3,598,977	(43,710)	-1.2%
Charges for services	366,278	316,225	371,650	348,200	(23,450)	-6.3%
Fines & forfeitures	182,646	155,340	188,000	168,500	(19,500)	-10.4%
Interest & other	417,927	154,911	410,000	410,000	-	0.0%
Transfers in	4,526,543	4,260,420	4,513,021	4,693,162	180,141	4.0%
Total Revenues	18,341,914	18,207,155	18,784,841	19,460,731	675,890	3.6%
Other Financing Sources	-	323,065				
Expenditures						
Personal Services	12,361,966	12,634,773	13,007,326	12,766,848	(240,478)	-1.8%
Operating-All Other	4,735,490	4,497,069	5,588,916	5,651,374	62,458	1.1%
Capital Outlay	247,206	294,427	252,631	260,100	7,469	3.0%
Grants to Others	11,537	11,537	11,537	10,356	(1,181)	-10.2%
Transfers	188,360	824,787	165,000	772,053	607,053	367.9%
Total Expenditures	17,544,559	18,262,593	19,025,410	19,460,731	435,321	2.3%
Other Financing Uses	92,685					
Change in Fund Balance	704,670	267,627	(240,569)	-	240,569	-100.0%
Unrestricted/unassigned	4,255	984,114	1,512,958	1,512,958	-	0.0%
All other balances	9,753,311	9,041,079	8,271,666	8,271,666	-	0.0%
Ending Fund Balance	\$ 9,757,566	\$ 10,025,193	\$ 9,784,624	\$ 9,784,624	\$ -	0.0%
Expenditures by Department:						
Executive & Legislative	\$ 615,025	\$ 551,290	\$ 750,286	\$ 758,017	\$ 7,731	1.0%
Planning & Development	591,021	578,955	633,072	836,482	203,410	32.1%
Parks & Recreation	2,228,140	2,286,414	2,343,330	2,495,652	152,322	6.5%
Public Works	1,441,038	1,475,566	1,507,778	1,534,797	27,019	1.8%
Police	7,847,768	7,911,918	8,349,508	7,891,852	(457,656)	-5.5%
Fire	3,553,899	3,540,423	3,657,487	3,546,489	(110,998)	-3.0%
Beaches Energy Services	419,357	378,504	438,942	491,929	52,987	12.1%
Non-Departmental	848,311	1,539,523	1,345,007	1,905,513	560,506	41.7%
Total Expenditures	\$ 17,544,559	\$ 18,262,593	\$ 19,025,410	\$ 19,460,731	\$ 435,321	2.3%

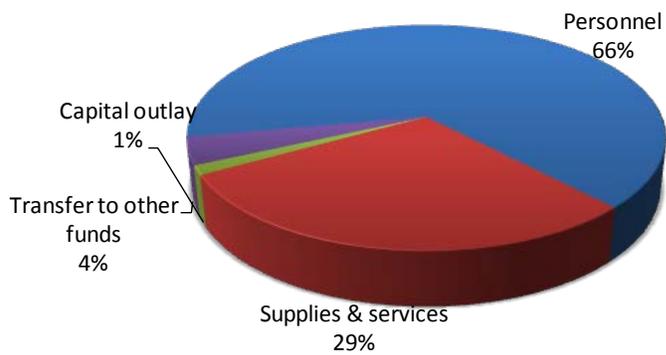
Where the money comes from:



What it pays for-by department:



What it pays for-by category:



**General Fund
Summary of Revenues**

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
<u>Taxes</u>						
Property Tax	\$ 7,220,710	\$ 7,145,994	\$ 7,375,534	\$ 7,705,293	\$ 329,759	4.5%
Local Communications Services	1,231,709	1,442,566	1,300,000	1,350,000	50,000	3.8%
Other taxes	616,461	633,953	625,349	625,349	-	0.0%
Total Taxes	9,068,880	9,222,513	9,300,883	9,680,642	379,759	4.1%
<u>Licenses & Permits</u>						
Building permits	259,307	410,430	250,000	420,000	170,000	68.0%
Other licenses and permits	108,549	149,055	108,600	141,250	32,650	30.1%
Total Licenses and Permits	367,856	559,485	358,600	561,250	202,650	56.5%
<u>Intergovernmental Revenues</u>						
8th cent motor fuel	178,808	174,268	184,000	168,660	(15,340)	-8.3%
Sales tax distribution	466,002	486,316	640,071	486,384	(153,687)	-24.0%
State 1/2 cent tax	1,815,844	1,937,423	1,903,202	2,000,000	96,798	5.1%
Other intergovernmental revenues	130,243	98,784	108,750	112,700	3,950	3.6%
Duval county in Lieu of Taxes	614,864	633,309	652,308	671,877	19,569	3.0%
911 Rebate	206,023	208,161	154,356	159,356	5,000	3.2%
Total Intergovernmental Revenues	3,411,784	3,538,261	3,642,687	3,598,977	(43,710)	-1.2%
<u>Charges for Services</u>						
Lien Certificates	27,760	37,880	15,000	30,000	15,000	100.0%
Cemetery services	1,950	1,995	10,000	1,500	(8,500)	-85.0%
Recreation programs	86,462	81,038	110,690	86,500	(24,190)	-21.9%
Contracted services	-	-	1,360	500	(860)	-63.2%
Other Charges and Fees	250,106	195,312	234,600	229,700	(4,900)	-2.1%
Total Services	366,278	316,225	371,650	348,200	(23,450)	-6.3%
<u>Fines & Forfeitures</u>						
Court Fines	45,653	65,234	48,000	65,000	17,000	35.4%
Parking violations	86,784	51,265	84,500	50,000	(34,500)	-40.8%
Code enforcement board	9,856	4,700	12,500	12,500	-	0.0%
Other Fines and Forfeits	40,353	34,141	43,000	41,000	(2,000)	-4.7%
Total Fines & Forfeitures	182,646	155,340	188,000	168,500	(19,500)	-10.4%
<u>Interest & Other Revenue</u>						
Interest on investments	198,082	41,108	200,000	200,000	-	0.0%
Other revenues	219,845	113,803	210,000	210,000	-	0.0%
Total Other Revenues	417,927	154,911	410,000	410,000	-	0.0%
<u>Transfers In</u>						
Transfer from Electric Utility	3,518,258	3,294,311	3,608,401	3,670,124	61,723	1.7%
Transfer from Gas Tax	372,000	372,000	372,000	372,000	-	0.0%
Transfer from Others Misc.	636,285	594,109	532,620	651,038	118,418	22.2%
Total Transfers	4,526,543	4,260,420	4,513,021	4,693,162	180,141	4.0%
<u>Total Revenue</u>	\$ 18,341,914	\$ 18,207,155	\$ 18,784,841	\$ 19,460,731	\$ 675,890	3.6%

**General Fund
Summary of Expenditures**

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
<u>Executive & Legislative</u>						
City Council	\$ 164,566	\$ 166,253	\$ 179,536	\$ 184,883	\$ 5,347	3.0%
City Attorney	236,748	160,206	280,547	280,621	74	0.0%
City Clerk	213,711	224,831	290,203	292,513	2,310	0.8%
Total	<u>615,025</u>	<u>551,290</u>	<u>750,286</u>	<u>758,017</u>	<u>7,731</u>	1.0%
<u>Beaches Energy Services</u>						
Building Maintenance	419,357	378,504	438,942	491,929	52,987	12.1%
<u>Planning & Development</u>						
Planning & Development	159,260	159,370	159,838	234,506	74,668	46.7%
Building Inspections	292,749	295,249	319,235	435,520	116,285	36.4%
Code Enforcement	139,012	124,336	153,999	166,456	12,457	8.1%
Total	<u>591,021</u>	<u>578,955</u>	<u>633,072</u>	<u>836,482</u>	<u>203,410</u>	32.1%
<u>Parks & Recreation</u>						
Administration	1,232,203	1,198,536	1,295,259	1,339,383	44,124	3.4%
Ocean Rescue	611,190	666,025	641,850	743,731	101,881	15.9%
Tennis	103,528	138,947	91,081	90,523	(558)	-0.6%
Oceanfront Restrooms	58,522	72,765	80,500	80,500	-	0.0%
Carver Center	94,909	100,392	83,640	83,015	(625)	-0.7%
Special Events	96,147	75,306	110,000	110,000	-	0.0%
Exhibition Hall	31,641	34,443	41,000	48,500	7,500	18.3%
Total	<u>2,228,140</u>	<u>2,286,414</u>	<u>2,343,330</u>	<u>2,495,652</u>	<u>152,322</u>	6.5%
<u>Public Works</u>						
Streets	1,441,038	1,475,566	1,507,778	1,534,797	27,019	1.8%
<u>Police</u>						
Administration	960,928	900,968	1,061,293	1,057,380	(3,913)	-0.4%
Records	192,435	169,055	194,181	192,235	(1,946)	-1.0%
Investigative	1,572,365	1,574,176	1,394,491	1,310,796	(83,695)	-6.0%
Patrol	3,789,414	3,868,605	4,145,460	3,780,760	(364,700)	-8.8%
Communications	633,697	695,368	764,560	816,896	52,336	6.8%
Ancillary Services	506,922	481,042	537,823	517,029	(20,794)	-3.9%
Police Reserves	53,719	46,952	88,645	60,000	(28,645)	-32.3%
Parking	120,248	164,074	143,055	136,756	(6,299)	-4.4%
Volunteer Programs	18,040	11,678	20,000	20,000	-	0.0%
Total	<u>7,847,768</u>	<u>7,911,918</u>	<u>8,349,508</u>	<u>7,891,852</u>	<u>(457,656)</u>	-5.5%
<u>Fire</u>						
Fire Department	3,553,899	3,540,423	3,657,487	3,546,489	(110,998)	-3.0%
<u>Non-departmental</u>						
Non-departmental	848,311	1,539,523	1,345,007	1,905,513	560,506	41.7%
Total Expenditures	<u>\$ 17,544,559</u>	<u>\$ 18,262,593</u>	<u>\$ 19,025,410</u>	<u>\$ 19,460,731</u>	<u>\$ 435,321</u>	2.3%
<u>Resource Allocation:</u>						
Personal Services	\$ 12,361,966	\$ 12,634,773	\$ 13,007,326	\$ 12,766,848	\$ (240,478)	-1.8%
Operating-All Other	4,735,490	4,497,069	5,588,916	5,651,374	62,458	1.1%
Capital Outlay	247,206	294,427	252,631	260,100	7,469	3.0%
Grants to Others	11,537	11,537	11,537	10,356	(1,181)	-10.2%
Transfers	188,360	824,787	165,000	772,053	607,053	367.9%
Total Expenditures	<u>\$ 17,544,559</u>	<u>\$ 18,262,593</u>	<u>\$ 19,025,410</u>	<u>\$ 19,460,731</u>	<u>\$ 435,321</u>	2.3%

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

	<u>Actual 2012</u>	<u>Actual 2013</u>	<u>Original Budget 2014</u>	<u>Adopted Budget 2015</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	7,752,727	9,387,213	11,081,565	1,841,895	(9,239,670)	-83.4%
Beginning Fund Balance	7,752,727	9,387,213	11,081,565	1,841,895	(9,239,670)	-83.4%
<u>Revenues</u>						
Taxes	7,191,676	6,883,977	7,018,330	8,363,885	1,345,555	19.2%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	-	422	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	235,502	135,553	45,000	165,000	120,000	266.7%
Transfers in	17,160	44,356	-	-	-	0.0%
Total Revenues	7,444,338	7,064,308	7,063,330	8,528,885	1,465,555	20.7%
Other Financing Sources	384,692	1,548,082				
<u>Expenditures</u>						
Personal Services	419,251	452,766	669,885	1,042,224	372,339	55.6%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	167,726	138,933	137,324	147,069	9,745	7.1%
Capital Outlay	3,732,185	4,837,463	14,447,052	-	(14,447,052)	-100.0%
Debt Service-Principal	1,654,675	1,368,580	965,465	620,799	(344,666)	-35.7%
Debt Service-Interest & Other	179,242	120,296	83,274	44,511	(38,763)	-46.5%
Grants to Others	-	-	-	-	-	0.0%
Transfers	41,465	-	-	-	-	0.0%
Total Expenditures	6,194,544	6,918,038	16,303,000	1,854,603	(14,448,397)	-88.6%
Other Financing Uses	-	-				
Change in Fund Balance	1,634,486	1,694,352	(9,239,670)	6,674,282	15,913,952	-172.2%
Unrestricted/unassigned	-	-	-	-	-	0.0%
All other balances	9,387,213	11,081,565	1,841,895	8,516,177	6,674,282	362.4%
Ending Fund Balance	\$ 9,387,213	\$ 11,081,565	\$ 1,841,895	\$ 8,516,177	\$ 6,674,282	362.4%
<u>Expenditures by Department:</u>						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	5,842,558	6,544,516	15,636,895	988,387	(14,648,508)	-93.7%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	351,986	373,522	666,105	866,216	200,111	30.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 6,194,544	\$ 6,918,038	\$ 16,303,000	\$ 1,854,603	\$ (14,448,397)	-88.6%
<u>Expenditures by Fund:</u>						
Downtown Tax Increment	5,038,391	4,304,274	8,938,851	1,080,878	(7,857,973)	-87.9%
Southend Tax increment	1,156,153	2,613,764	7,364,149	773,725	(6,590,424)	-89.5%
Total Expenditures	\$ 6,194,544	\$ 6,918,038	\$ 16,303,000	\$ 1,854,603	\$ (14,448,397)	-88.6%

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

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	%
						Change
Unrestricted/unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
All other balances	5,209,106	4,102,584	5,443,894	4,349,545	(1,094,349)	-20.1%
Beginning Fund Balance	5,384,937	4,102,584	5,443,894	4,349,545	(1,094,349)	-20.1%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	40,000	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	75,726	21,548	30,000	50,000	20,000	66.7%
Transfers in	171,200	1,662,137	205,000	889,053	684,053	333.7%
Total Revenues	286,926	1,683,685	235,000	939,053	704,053	299.6%
Other Financing Sources		1,056				
Expenditures						
Personal Services	-	-	-	-	-	0.0%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	851,945	51,606	297,756	170,000	(127,756)	-42.9%
Capital Outlay	527,766	291,825	1,031,593	1,220,702	189,109	18.3%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	1,379,711	343,431	1,329,349	1,390,702	61,353	4.6%
Other Financing Uses	13,737					
Change in Fund Balance	(1,106,522)	1,341,310	(1,094,349)	(451,649)	642,700	-58.7%
Unrestricted/unassigned					-	0.0%
All other balances	4,102,584	5,443,894	4,349,545	3,897,896	(451,649)	-10.4%
Ending Fund Balance	\$ 4,102,584	\$ 5,443,894	\$ 4,349,545	\$ 3,897,896	\$ (451,649)	-10.4%
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%
Personnel	-	-	-	-	-	0.0%
Non-Departmental	1,379,711	343,431	1,329,349	1,390,702	61,353	4.6%
Total Expenditures	\$ 1,379,711	\$ 343,431	\$ 1,329,349	\$ 1,390,702	\$ 61,353	4.6%
EXPENDITURES BY FUND						
General Capital Projects	1,379,711	343,431	1,329,349	1,390,702	\$61,353	4.6%
Downtown Capital Projects					0	0.0%
Infrastructure Capital Projects					0	0.0%
Parks Capital Projects					0	0.0%
Beaches Park Project for Kids					0	0.0%
Dog Park					0	0.0%
TOTAL	\$ 1,379,711	\$ 343,431	\$ 1,329,349	\$ 1,390,702	\$ 61,353	5%

Major Fund - Electric Utility
Combined Summary of Revenues and Expenses

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted	\$ 36,556,026	\$ 48,090,607	\$ 48,504,591	\$ 43,991,550	\$ (4,513,041)	-9.3%
Restricted	7,709,221	7,936,993	8,074,928	8,074,928	-	0.0%
Beginning Fund Balance	44,265,247	56,027,600	56,579,519	52,066,478	(4,513,041)	-8.0%
<u>Revenues</u>						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	79,748,437	87,181,601	92,249,224	86,018,545	(6,230,679)	-6.8%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	1,009,632	318,109	790,285	666,100	(124,185)	-15.7%
Transfers in	-	-	-	162,097	162,097	0.0%
Total Revenues	80,758,069	87,499,710	93,039,509	86,846,742	(6,192,767)	-6.7%
Other Financing Sources	10,935,767					
<u>Expenses</u>						
Personal Services	5,419,372	5,177,156	5,771,004	5,648,327	(122,677)	-2.1%
Operating-Energy	59,747,595	64,958,264	70,853,318	64,070,483	(6,782,835)	-9.6%
Operating-All Other	5,727,588	5,516,415	6,839,662	7,337,139	497,477	7.3%
Capital Outlay	2,870,702	4,863,120	7,888,320	5,872,000	(2,016,320)	-25.6%
Debt Service-Principal	1,984,930	1,984,930	2,037,940	2,093,895	55,955	2.7%
Debt Service-Interest & Other	650,538	595,411	553,905	486,420	(67,485)	-12.2%
Grants to Others	-	-	-	-	-	0.0%
Transfers	3,530,758	3,294,311	3,608,401	3,670,124	61,723	1.7%
Total Expenses	79,931,483	86,389,607	97,552,550	89,178,388	(8,374,162)	-8.6%
Other Financing Uses		558,184				
Change in Fund Balance	11,762,353	551,919	(4,513,041)	(2,331,646)	2,181,395	-48.3%
Unrestricted	48,090,607	48,504,591	43,991,550	41,659,904	(2,331,646)	-5.3%
Restricted	7,936,993	8,074,928	8,074,928	8,074,928	-	0.0%
Ending Fund Balance	\$ 56,027,600	\$ 56,579,519	\$ 52,066,478	\$ 49,734,832	\$ (2,331,646)	-4.5%
<u>Expenses by Division</u>						
Purchased Power	\$ 59,747,595	\$ 64,958,264	\$ 70,853,318	\$ 64,070,483	\$ (6,782,835)	-9.6%
Administration	10,886,852	10,093,200	10,857,444	11,195,334	337,890	3.1%
Engineering	895,116	858,082	1,018,596	869,802	(148,794)	-14.6%
Relay & Substations	774,111	591,325	733,755	1,209,131	475,376	64.8%
Construction & Maintenance	3,899,465	4,086,181	4,354,514	4,182,769	(171,745)	-3.9%
Capital Projects	1,926,662	3,708,223	6,544,773	3,643,000	(2,901,773)	-44.3%
System Operations	1,046,016	1,265,655	1,208,831	1,221,454	12,623	1.0%
Transmission	270,441	206,204	1,068,753	687,500	(381,253)	-35.7%
Conservation & Renewables	269,509	276,962	554,519	495,985	(58,534)	-10.6%
Storeroom	172,653	292,636	238,047	233,234	(4,813)	-2.0%
CARE	43,063	52,875	120,000	70,000	(50,000)	-41.7%
Regulatory Compliance	-	-	-	1,299,696	1,299,696	0.0%
Total Expenses	\$ 79,931,483	\$ 86,389,607	\$ 97,552,550	\$ 89,178,388	\$ (8,374,162)	-8.6%

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

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted	\$10,789,531	\$11,283,432	\$11,709,061	\$ 7,511,123	\$(4,197,938)	-35.9%
Restricted	1,435,783	1,405,492	1,406,715	1,406,715	-	0.0%
Beginning Fund Balance	12,225,314	12,688,924	13,115,776	8,917,838	(4,197,938)	-32.0%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	647,701	344,276	-	-	-	0.0%
Charges for services	9,204,727	10,084,347	10,000,599	10,198,219	197,620	2.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	531,553	(1,113,204)	233,329	233,329	-	0.0%
Transfers in	41,465	-	-	-	-	0.0%
Total Revenues	10,425,446	9,315,419	10,233,928	10,431,548	197,620	1.9%
Other Financing Sources		18,655				
Expenses						
Personal Services	2,631,320	2,746,156	2,848,633	2,849,541	908	0.0%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	3,216,776	3,417,833	3,587,023	3,727,592	140,569	3.9%
Capital Outlay	1,677,255	901,244	6,184,617	2,814,000	(3,370,617)	-54.5%
Debt Service-Principal	1,385,070	1,385,070	1,422,060	1,461,105	39,045	2.7%
Debt Service-Interest & Other	453,744	415,454	389,533	342,442	(47,091)	-12.1%
Grants to Others	-	-	-	-	-	0.0%
Transfers	-	41,465	-	-	-	0.0%
Total Expenses	9,364,165	8,907,222	14,431,866	11,194,680	(3,237,186)	-22.4%
Other Financing Uses		597,671				
Change in Fund Balance	463,610	426,852	(4,197,938)	(763,132)	3,434,806	-81.8%
Unrestricted	11,283,432	11,709,061	7,511,123	6,747,991	(763,132)	-10.2%
Restricted	1,405,492	1,406,715	1,406,715	1,406,715	-	0.0%
Ending Fund Balance	\$12,688,924	\$13,115,776	\$ 8,917,838	\$ 8,154,706	\$ (763,132)	-8.6%
Expenses by Division						
Administration	\$ 3,051,372	\$ 3,090,050	\$ 3,097,157	\$ 3,184,465	\$ 87,308	2.8%
Water Plant	1,326,756	1,354,069	2,095,360	1,493,555	(601,805)	-28.7%
Pollution Control Plant	2,394,741	2,833,641	4,780,936	2,701,619	(2,079,317)	-43.5%
Distribution & Collection	1,329,557	1,468,081	4,190,940	3,815,041	(375,899)	-9.0%
Capital Projects	1,261,739	161,381	267,473	-	(267,473)	-100.0%
Total Expenses	\$ 9,364,165	\$ 8,907,222	\$14,431,866	\$11,194,680	\$(3,237,186)	-22.4%

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

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 642,191	\$ 628,489	\$ 622,921	\$ 621,921	\$ (1,000)	-0.2%
All other balances	4,921,006	4,919,728	4,798,635	4,427,564	(371,071)	-7.7%
Beginning Fund Balance	5,563,197	5,548,217	5,421,556	5,049,485	(372,071)	-6.9%
Revenues						
Taxes	1,931,875	2,037,996	1,995,000	1,995,000	-	0.0%
Licenses & permits	-	-	-	-	-	0.0%
Intergovernmental	268,033	266,971	220,393	230,028	9,635	4.4%
Charges for services	330,035	148,951	15,000	15,000	-	0.0%
Fines & forfeitures	519,747	120,523	29,000	36,000	7,000	24.1%
Interest & other	6,656,973	103,173	68,080	57,468	(10,612)	-15.6%
Transfers in	1,015,115	1,257,594	986,797	477,720	(509,077)	-51.6%
Total Revenues	10,721,778	3,935,208	3,314,270	2,811,216	(503,054)	-15.2%
Other Financing Sources	2,777	477,467				
Expenditures						
Personal Services	71,176	77,616	60,487	56,269	(4,218)	-7.0%
Operating-Power	-	-	-	-	-	0.0%
Operating-All Other	573,977	521,772	702,402	639,256	(63,146)	-9.0%
Capital Outlay	530,437	995,093	261,238	255,539	(5,699)	-2.2%
Debt Service-Principal	7,325,000	875,000	900,000	925,000	25,000	2.8%
Debt Service-Interest & Other	211,295	100,992	90,797	75,141	(15,656)	-17.2%
Transfers	1,763,400	1,677,286	1,671,417	1,179,209	(492,208)	-29.4%
Total Expenditures	10,575,285	4,247,759	3,686,341	3,130,414	(555,927)	-15.1%
Other Financing Uses	164,250	291,577				
Change in Fund Balance	(14,980)	(126,661)	(372,071)	(319,198)	52,873	-14.2%
Restricted Fund Balance	628,489	622,921	621,921	100,000	(521,921)	-83.9%
Unrestricted Fund Balance	4,919,728	4,798,635	4,427,564	4,630,287	202,723	4.6%
Ending Fund Balance	\$ 5,548,217	\$ 5,421,556	\$ 5,049,485	\$ 4,730,287	\$ (319,198)	-6.3%
Expenditures by Department:						
Executive & Legislative	\$ 302,539	\$ 264,988	\$ 221,669	\$ 235,226	\$ 13,557	6.1%
Finance	20,000	10,296	6,981	-	(6,981)	-100.0%
Parks & Recreation	158,350	141,893	129,815	147,489	17,674	13.6%
Public Works	730,822	751,732	805,262	724,355	(80,907)	-10.0%
Police	323,470	242,512	340,769	320,953	(19,816)	-5.8%
Fire	29,067	49,144	-	15,530	15,530	0.0%
Non-Departmental	9,011,037	2,787,194	2,181,845	1,686,861	(494,984)	-22.7%
Total Expenditures	\$ 10,575,285	\$ 4,247,759	\$ 3,686,341	\$ 3,130,414	\$ (555,927)	-15.1%
Expenditures by Fund:						
Convention Development	\$ 302,539	\$ 264,988	\$ 221,669	\$ 235,226	\$ 13,557	6.1%
Court Cost Training	50,680	25,680	60,400	60,000	(400)	-0.7%
Local Option Gas Tax	730,822	751,732	805,262	724,355	(80,907)	-10.0%
Half-cent Infrastructure Surtax	1,082,858	972,117	986,797	649,220	(337,577)	-34.2%
Community Develop. Block Grant	171,485	152,164	133,796	144,489	10,693	8.0%
Radio Communication	29,067	49,144	-	15,530	15,530	0.0%
Justice Assistance Grant	96,548	114,807	85,393	85,539	146	0.2%
Tree Protection	6,865	25	3,000	3,000	-	0.0%
Law Enforcement Trust Fund	72,977	64,733	80,077	60,414	(19,663)	-24.6%
Equitable Sharing Fund	103,265	37,292	114,899	115,000	101	0.1%
1/2 Cent Sales Surtax Debt Service	7,538,928	979,010	990,797	1,002,641	11,844	1.2%
Infrastructure Capital Projects	380,540	835,584	185,101	-	(185,101)	-100.0%
Beaches Park Project	19	22	3,500	5,000	1,500	42.9%
Dog Park Project	8,692	461	15,650	30,000	14,350	91.7%
Total Expenditures	\$ 10,575,285	\$ 4,247,759	\$ 3,686,341	\$ 3,130,414	\$ (555,927)	-15.1%

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

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted Fund Balance	\$ 8,748,517	\$ 10,623,453	\$ 10,764,951	\$ 10,178,944	\$ (586,007)	-5.4%
Restricted Fund Balance	1,209,261	-	-	-	-	0.0%
Beginning Fund Balance	9,957,778	10,623,453	10,764,951	10,178,944	(586,007)	-5.4%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	11,430	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	7,312,690	7,449,696	7,887,234	7,887,149	(85)	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	726,084	651,423	700,177	605,663	(94,514)	-13.5%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	8,038,774	8,112,549	8,587,411	8,492,812	(94,599)	-1.1%
Other Financing Sources	220,261	825,938				
Expenditures						
Personal Services	1,042,387	1,050,793	1,088,756	1,061,080	(27,676)	-2.5%
Operating-Natural Gas	865,145	998,810	1,331,659	1,086,892	(244,767)	-18.4%
Operating-All Other	4,476,640	4,455,629	4,962,836	5,068,466	105,630	2.1%
Capital Outlay	426,458	1,181,757	1,530,167	1,323,000	(207,167)	-13.5%
Debt Service-Principal	-	-	-	-	-	0.0%
Debt Service-Interest & Other	-	-	-	-	-	0.0%
Grants to Others	-	-	-	-	-	0.0%
Transfers	260,000	1,110,000	260,000	523,646	263,646	101.4%
Total Expenditures	7,070,630	8,796,989	9,173,418	9,063,084	(110,334)	-1.2%
Other Financing Uses	522,730	-				
Change in Fund Balance	665,675	141,498	(586,007)	(570,272)	15,735	-2.7%
Unrestricted Fund Balance	10,623,453	10,764,951	10,178,944	9,608,672	(570,272)	-5.6%
Restricted Fund Balance	-	-	-	-	-	0.0%
Ending Fund Balance	\$ 10,623,453	\$ 10,764,951	\$ 10,178,944	\$ 9,608,672	\$ (570,272)	-5.6%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,400,158	1,332,390	1,356,803	1,355,505	(1,298)	-0.1%
Public Works	3,946,785	4,684,645	5,173,564	5,364,672	191,108	3.7%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	1,723,687	2,779,954	2,643,051	2,342,907	(300,144)	-11.4%
Human Resources	-	-	-	-	-	0.0%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 7,070,630	\$ 8,796,989	\$ 9,173,418	\$ 9,063,084	\$ (110,334)	-1.2%
Expenditures by Fund:						
Natural Gas Fund	\$ 1,236,369	\$ 1,431,767	\$ 2,076,084	\$ 1,785,256	\$ (290,828)	-14.0%
Stormwater Fund	733,943	1,532,423	1,626,673	1,979,323	352,650	21.7%
Sanitation Fund	3,212,842	3,152,222	3,546,891	3,385,349	(161,542)	-4.6%
Golf Course Fund	1,400,158	1,332,390	1,356,803	1,355,505	(1,298)	-0.1%
Lease Facilities Fund	487,318	1,348,187	566,967	557,651	(9,316)	-1.6%
Total Expenditures	\$ 7,070,630	\$ 8,796,989	\$ 9,173,418	\$ 9,063,084	\$ (110,334)	-1.2%

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

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Unrestricted/unassigned	\$ 3,508,866	\$ 3,777,747	\$ 3,949,961	\$ 3,755,242	\$ (194,719)	-4.9%
<u>REVENUES</u>						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	10,144,036	10,607,985	11,417,341	11,612,615	195,274	1.7%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	54,099	13,711	-	-	-	0.0%
Transfers in	12,500	-	-	-	-	0.0%
Total Revenues	10,210,635	10,621,696	11,417,341	11,612,615	195,274	1.7%
Other Financing Sources	25,650	194,674				
<u>EXPENDITURES</u>						
Personal Services	3,625,108	3,746,432	3,954,797	4,172,976	218,179	5.5%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	5,846,875	6,315,776	7,652,263	7,839,334	187,071	2.4%
Capital Outlay	12,836	72,328	5,000	91,000	86,000	1720.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	557	-	77,000	77,000	0.0%
Total Expenditures	9,484,819	10,135,093	11,612,060	12,180,310	568,250	4.9%
Other Financing Uses	482,585	509,063				
Change in Fund Balance	268,881	172,214	(194,719)	(567,695)	(372,976)	191.5%
Unrestricted/unassigned	\$3,777,747	\$3,949,961	\$3,755,242	\$3,187,547	\$ (567,695)	-15.1%
<u>Expenditures by Department:</u>						
Executive & Legislative	312,699	312,111	345,721	492,126	\$146,405	42.3%
Finance	3,339,932	3,508,702	3,831,828	4,023,524	191,696	5.0%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	1,026,453	967,994	1,031,698	1,058,912	27,214	2.6%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	27,646	557	-	-	-	0.0%
Beaches Energy Services	1,652,894	1,701,276	1,808,733	1,815,817	7,084	0.4%
Human Resources	3,125,195	3,644,453	4,594,080	4,789,931	195,851	4.3%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 9,484,819	\$ 10,135,093	\$ 11,612,060	\$ 12,180,310	\$ 568,250	4.9%
<u>EXPENDITURES BY FUND:</u>						
City Manager	312,699	312,111	345,721	492,126	\$ 146,405	42.3%
Finance	3,339,932	3,508,702	3,831,828	4,023,524	191,696	5.0%
Human Resources	519,887	522,482	546,650	565,997	19,347	3.5%
Fleet Maintenance	561,965	543,883	578,492	580,792	2,300	0.4%
Meter Services	729,054	763,125	833,970	847,745	13,775	1.7%
Radio System	27,646	557	-	-	-	0.0%
Operations & Maintenance Facility	361,875	394,268	396,271	387,280	(8,991)	-2.3%
Grounds Maintenance	1,026,453	967,994	1,031,698	1,058,912	27,214	2.6%
Insurance & Risk Retention	2,605,308	3,121,971	4,047,430	4,223,934	176,504	4.4%
Total Expenditures	\$ 9,484,819	\$ 10,135,093	\$ 11,612,060	\$ 12,180,310	\$ 568,250	4.9%

All Pension Funds
Combined Summary of Revenues and Expenses

	Actual 2012	Actual 2013	Original Budget 2014	Adopted Budget 2015	Increase (Decrease)	% Change
Restricted Fund Balance	\$ 68,268,662	\$ 76,662,052	\$ 83,815,977	\$ 87,882,279	\$ 4,066,302	4.9%
Revenues						
Taxes	-	-	-	-	-	0.0%
Permits & fees	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	0.0%
Charges for services	-	-	-	-	-	0.0%
Fines & forfeitures	-	-	-	-	-	0.0%
Interest & other	13,678,675	12,531,434	10,001,841	9,507,927	(493,914)	-4.9%
Transfers in	-	-	-	-	-	0.0%
Total Revenues	13,678,675	12,531,434	10,001,841	9,507,927	(493,914)	-4.9%
Other Financing Sources	53,415	91,679				
Expenditures						
Personal Services	50,920	51,722	60,574	61,908	1,334	2.2%
Operating-Energy	-	-	-	-	-	0.0%
Operating-All Other	5,287,779	5,417,466	5,874,965	6,433,152	558,187	9.5%
Capital Outlay	-	-	-	-	-	0.0%
Debt Service-principal	-	-	-	-	-	0.0%
Debt Service-interest & other	-	-	-	-	-	0.0%
Grants	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	0.0%
Total Expenditures	5,338,699	5,469,188	5,935,539	6,495,060	559,521	9.4%
Other Financing Uses	-	-				
Change in Fund Balance	8,393,390	7,153,924	4,066,302	3,012,867	(1,053,436)	-25.9%
Restricted Fund Balance	\$ 76,662,052	\$ 83,815,977	\$ 87,882,279	\$ 90,895,146	\$ 3,012,867	3.4%
Expenditures by Department:						
Executive & Legislative	\$ -	\$ -	-	\$ -	\$ -	0.0%
Finance	-	-	-	-	-	0.0%
Planning & Development	-	-	-	-	-	0.0%
Parks & Recreation	-	-	-	-	-	0.0%
Public Works	-	-	-	-	-	0.0%
Police	-	-	-	-	-	0.0%
Fire	-	-	-	-	-	0.0%
Beaches Energy Services	-	-	-	-	-	0.0%
Human Resources	5,338,699	5,469,188	5,935,539	6,495,060	559,521	9.4%
Non-Departmental	-	-	-	-	-	0.0%
Total Expenditures	\$ 5,338,699	\$ 5,469,188	\$ 5,935,539	\$ 6,495,060	\$ 559,521	9.4%
Expenditures by Fund:						
Pension Fund-General	\$ 3,301,314	\$ 3,192,389	\$ 3,474,457	\$ 4,072,050	\$ 597,593	17.2%
Pension Fund-Police	1,255,794	1,525,585	1,492,649	1,557,836	65,187	4.4%
Pension Fund-Fire	781,591	751,214	968,433	865,174	(103,259)	-10.7%
Total Expenditures	\$ 5,338,699	\$ 5,469,188	\$ 5,935,539	\$ 6,495,060	\$ 559,521	9.4%

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

	Actual	Actual	Actual	Budget 2015				Payroll
	2012	2013	2014	Part time	Full time	Total	FTEs	Budget
Executive								
City Council	7	7	7	7	0	7	0.0	\$143,193
City Manager	2	2	2	0	3	3	2.8	411,193
City Clerk	5	4	4	1	3	4	3.4	218,130
	14	13	13	8	6	14	6.2	772,516
Finance								
Accounting	8	8	8	1	7	8	7.3	661,154
Utility Billing	17	17	17	1	16	17	15.6	831,032
Data Processing	5	5	5	0	6	6	5.8	541,206
Purchasing Admin.	3	3	3	0	3	3	3.0	192,444
	33	33	33	2	32	34	31.7	2,225,836
Planning & Development								
Planning and Development	2	2	2	0	2	2	1.9	188,395
Building Inspection	4	4	4	0	5	5	5.0	337,793
Code Enforcement	2	2	2	0	2	2	2.2	127,798
Redevelopment	0	0	0	1	0	1	1.8	259,980
	8	8	8	1	9	10	10.9	913,966
Recreation & Parks								
Administration	5	5	5	2	3	5	4.7	360,762
Ocean Rescue	87	87	87	86	1	87	14.5	571,199
Tennis	4	3	3	2	1	3	1.5	74,023
Carver Center	3	3	3	2	1	3	2.0	83,016
Golf Course	26	26	25	18	7	25	15.7	664,812
Grounds Maintenance	8	8	7	0	7	7	7.0	447,924
	133	132	130	110	20	130	45.4	2,201,736
Public Works								
Administration	4	4	4	0	5	5	1.6	135,728
Water Plant	13	13	13	0	13	13	13.3	859,708
Pollution Control Plant	15	15	15	0	15	15	14.9	1,007,417
Distribution and Collection	14	14	14	0	14	14	14.3	846,689
Stormwater	0	0	0	0	0	0	2.2	166,268
Sanitation	2	2	2	0	2	2	2.7	196,699
Street Maintenance	16	16	16	0	16	16	14.7	900,401
Local Option Gas Tax	1	1	1	1	0	1	0.8	41,355
	65	65	65	1	65	66	64.5	4,154,265

Employees by Department



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

	Actual 2012	Actual 2013	Actual 2014	Budget 2015			FTEs	Payroll Budget
				Part time	Full time	Total		
Police								
Administration	4	4	4	0	4	4	4.0	484,547
Records	4	4	4	1	3	4	3.5	170,655
Investigations	14	14	14	0	14	14	14.0	1,214,755
Patrol	40	40	40	0	40	40	40.0	3,134,525
Communications	11	11	11	0	11	11	11.0	785,068
Ancillary	16	16	16	10	6	16	9.2	489,313
Part-time Officers	0	0	0	0	0	0	1.2	60,000
Parking	1	1	1	0	1	1	2.2	131,756
Downtown Policing	4	4	5	0	9	9	9.0	780,134
Law Enforcement Trust Fund	1	1	1	1	0	1	0.5	14,914
	95	95	96	12	88	100	94.6	7,265,667
Beaches Energy								
Administration	5	4	4	0	4	4	4.0	369,311
Engineering	8	8	8	0	7	7	7.0	653,002
Relay & Substations	6	6	6	0	6	6	6.0	502,255
Construct. & Maint.	34	34	32	0	32	32	32.0	2,885,770
System Operations	10	10	10	0	10	10	10.0	890,988
Storeroom	3	3	3	0	3	3	3.0	186,969
Conservation & Renewables	0	0	0	0	0	0	1.0	60,036
Regulatory Compliance	0	0	0	0	1	1	1.0	99,996
Meter Services	12	12	12	0	12	12	12.0	626,204
	78	77	75	0	75	75	76.0	6,274,531
<u>Central Services Division:</u>								
Building Maintenance	3	3	3	0	3	3	3.0	219,426
Lease Facilities (Tech.)	0	0	0	0	0	0	1.2	33,301
O & M Facility	1	1	1	0	1	1	1.0	55,917
	4	4	4	0	4	4	5.2	308,644
	82	81	79	0	79	79	81.2	6,583,175
Fire								
Fire / Rescue, Safety Services	31	31	31	0	31	31	42.2	3,074,203
Human Resources								
Personnel Administration	8	7	7	2	5	7	5.4	387,417
Insurance	0	0	0	0	0	0	0.4	18,484
	8	7	7	2	5	7	5.8	405,901
Pension Funds	0	0	0	0	0	0	0.6	61,908
Total Authorized Positions	469	465	462	136	335	471	383	\$27,659,173
Total Authorized Positions FY2014				135	327	462		
Add Downtown CAPE Sergeant and 3 Officers (previously approved)					4	4		
Add Deputy City Manager					1	1		
Add Building Codes Inspector					1	1		
Add CRA Administrator				1		1		
Add Engineer					1	1		
Add GIS/Network Administrator					1	1		
Total Authorized Positions FY2015				136	335	471		
Change in positions since 2008				-2	-19	-21		

Denotes divisions operating in the General Fund

**Capital Outlay Detail by Department
Fiscal Year 2015**

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
<u>Executive & Legislative</u>					
Non-Departmental					
1/2-cent Sales Surtax Fund (Better Jacksonville Beach)					
New sidewalks	\$ 170,000				\$ 170,000
General Capital Projects					
Annual computer replacement plan				60,702	60,702
IT Master Plan-replace core routers and firewalls				100,000	100,000
Road & infrastructure improvements-10th Street					
South Commercial District	810,000				810,000
Skateboard Park	250,000				250,000
1/2-cent Infrastructure Surtax Bond Proceeds (BJB)					
Bus Stops					-
Dog Park Fund					
Small dog park-install sidewalk and irrigation	15,000				15,000
Total Non-Departmental	1,245,000	-	-	160,702	1,405,702
<u>Planning & Development</u>					
Building Inspection					
Replace 1999 Ford Expedition			20,000		20,000
Purchase used vehicle for new building inspector position			20,000		20,000
Total Planning & Development	-	-	40,000	-	40,000
<u>Beaches Energy Services</u>					
Administration					
Wi-fi canopy coverage	350,000				350,000
Relay & Substations					
Substation 26kV breaker upgrades	200,000				200,000
Butler circuit numbers: 541, 540, 534, and 532					
Substation 26kV relay upgrades	100,000				100,000
Butler circuit numbers: 541, 540, 534, and 532					
Construction & Maintenance					
Replace 2003 Digger Derrick truck			225,000		225,000
Replace 2008 pickup truck			20,000		20,000
Capital Improvements					
Projects for System Growth/Maintenance	1,200,000				1,200,000
Major Replacement Projects	1,758,000				1,758,000
Automated Meter Reading	685,000				685,000
System Operations					
Outage management system				100,000	100,000
Linux workstation replacement				9,000	9,000
Transmission					
Substation 138kV circuit breaker replacements	280,000				280,000
Ft. Diego circuit numbers: 804W, 80304, 803E and 805T1					
Substation 230kV and 130kV relay upgrades	230,000				230,000
Sampson to Switzerland Line					
Regulatory Compliance					
Annual projects-NERC required	715,000				715,000
Total Electric Fund	5,518,000	-	245,000	109,000	5,872,000
Natural Gas					
Natural Gas Distribution System	100,000				100,000
Meter Services					
Replace two small pickup trucks (contingent on progress of automated meter reading installation)			30,000		30,000
Total Beaches Energy Services	5,618,000	-	275,000	109,000	6,002,000
<u>Finance</u>					
Information Systems					
Agenda Preparation Service/Software			10,500		10,500
Total Finance	-	-	10,500	-	10,500

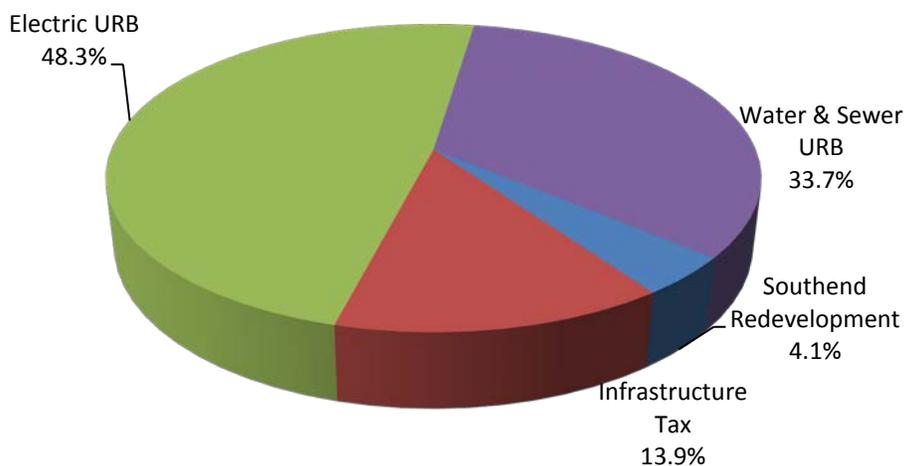
**Capital Outlay Detail by Department
Fiscal Year 2015**

	Land, Buildings & Improvements	Equipment	Vehicles	Computer Equipment	Total
Police					
Patrol					
Replace patrol vehicles			150,000		150,000
Equitable Sharing Fund					
Purchase two detective vehicles			55,000		55,000
Justice Assistance Grant					
Equipment purchase		15,539			15,539
Total Police	-	15,539	205,000	-	220,539
Parks and Recreation					
Ocean Rescue					
Replace jet-ski, trailer and sled		9,600			9,600
Replace 4 x 4 pickup truck			25,500		25,500
Golf Course					
Triplex riding Greens Mower		28,000			28,000
Grounds Maintenance					
Replace 1998 3/4-ton pickup truck			25,500		25,500
Equipment Storage Structure	25,000				25,000
Total Parks & Recreation	25,000	37,600	51,000	-	113,600
Public Works					
Streets					
Replace 2001 Dodge 4x4 pickup truck			35,000		35,000
Distribution and Collection					
Replace 2002 L7501 Ford (vac-con) truck			305,000		305,000
Water distribution improvements	260,000				260,000
Sewer collection improvements	670,000				670,000
Multi-infrastructure improvements (LS #8 area)	550,000				550,000
Road & infrastructure improvements-10th Street South Commercial District	640,000				640,000
Pollution Control					
Sewer rehabilitation program-Lift Station #8 design	100,000				100,000
Actuators, soft starts and variable frequency drives	30,000				30,000
Wastewater treatment facility improvements (chlorine contact system)	150,000				150,000
Water Plant					
Raw water (well) improvement program	22,000				22,000
Replace roof-Water Plant #1	87,000				87,000
Total Water & Sewer	2,509,000	-	305,000	-	2,814,000
Stormwater					
Replace John Deere bom arm mower		110,000			110,000
Stormwater collection & treatment improvements	705,000				705,000
Road & infrastructure improvements-10th Street South Commercial District	380,000				380,000
Total Stormwater	1,085,000	110,000	-	-	1,195,000
Total Public Works	3,594,000	110,000	340,000	-	4,044,000
Total Projects Funded:	\$ 10,482,000	\$ 163,139	\$ 921,500	\$ 269,702	\$ 11,836,341

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: 9-30-2014



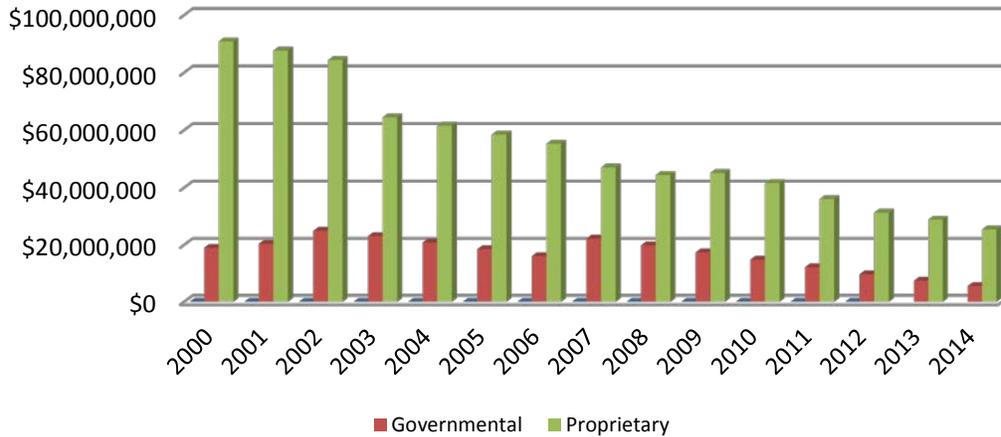
The City of Jacksonville Beach minimizes the need for future debt through long-term planning and capital budgeting. Consistent with this policy, the City established and maintains capital projects funds whose purpose is to accumulate funds to pay for expenditures on governmental capital projects, including major equipment purchases, major repairs and renovations. Funds are accumulated through a series of annual transfers into the fund until a sufficient balance is accumulated to pay for budgeted items or projects. Pay-as-you-go financing is the preferred financing method and is used where possible.

Authority to borrow funds is granted to municipalities in the Florida Statutes. Issuance of general obligation bonds requires an affirmative vote of the municipality's electorate; the City has no outstanding general obligation debt. Neither City Charter/Code nor Florida Statutes limit the amount of debt the City can issue. There are no plans to issue additional debt in the near future.

	2010	2011	2012	2013	2014	2015
Principal paid	\$6,107,244	\$6,388,082	\$6,275,715	\$5,613,580	\$5,325,465	\$5,100,799
Interest paid	\$3,035,024	\$2,154,907	\$1,566,742	\$1,230,576	\$1,087,507	\$923,514
Outstanding Debt	\$56,400,520	\$48,177,439	\$40,992,022	\$36,258,145	\$30,932,680	\$25,831,881

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 70% since 2002. The City expects to be debt-free in 2020. Explanations for budgeted capital projects, their expected or committed funding source and the expected purchase or construction year are included in the City's five-year Capital Improvement Plan (CIP) located in the back of this document.

Outstanding Debt History



Governmental Debt and Major Capital Projects

Governments frequently incur long-term debt that they intend to repay from the financial resources of the general government rather than from those of proprietary funds. The City of Jacksonville Beach has pledged its ½ Cent Infrastructure Tax, Downtown Tax Increment and South End Tax Increment to pay principal and interest on the related long-term debt used for governmental purposes.

2012 ½ Cent Infrastructure Surtax Revenue Bonds

Debt proceeds totaling \$10,000,000 were borrowed in 2007 to partially fund the planned upgrades for the waste treatment plant required to meet the federally mandated nutrient allocation requirements for the St. Johns River (total maximum daily load, or TMDL). The project, budgeted at over \$21 million, used about \$4.9 million of the bond proceeds in combination with St. Johns River Water Management District and State grants (\$11 million) and redevelopment funds (\$5.5 million). This combination of funds enabled the City to pay for these mandated improvements to its wastewater treatment system without having to increase sewer rates due to the project's cost. Without the grants, if the City had to finance the project, water and sewer customers could have faced sewer rate increases of \$6-\$8 per month for the next 20-30 years to pay debt service. The bonds were refinanced in 2012 to obtain more favorable interest rates.

DEBT SERVICE REQUIREMENTS: ½ Cent			
Infrastructure Surtax Revenue Bonds			
	Principal	Interest	Total
2015	925,000	75,141	1,000,141
2016	935,000	54,146	989,146
2017	955,000	37,804	992,804
2018	980,000	21,224	1,001,224
2019	490,000	4,227	494,227
Total	\$4,285,000	\$192,542	\$4,477,542

About \$700,000 of the Infrastructure Surtax debt was used to pay for the City’s portion of the 9th Street South Improvement Project, with the bulk of the economic stimulus funding coming through the Florida Department of Transportation (\$5.1 million). A separate portion of the 9th Street Project was funded by the Community Redevelopment Agency. The project dramatically improved road condition, appearance and drainage along the City’s alternate north/south corridor.

Revenues from this tax have previously been used to fund the 11th Street North rebuild project, Wingate Park parking and road improvements, Duval Drive improvements, construction of school sidewalks and a new cart storage facility for the Golf Course. The debt service is reported in the Executive and Legislative section of this document.

Community Redevelopment Bonds

The City of Jacksonville Beach has two areas designated as Community Redevelopment Districts under Chapter 163, Florida Statutes. The statute specifically grants cities the power to issue redevelopment revenue bonds to finance community redevelopment projects. The Community Redevelopment Fund is reported as a major fund for financial statement purposes.

The Downtown and South Beach redevelopment districts have benefited from the funding provided by redevelopment bonds. Downtown, the primary focus of projects continues to be the rebuilding and improvement of infrastructure. In 1994, a \$7.4 million infrastructure improvement project replaced the public water, sewer, storm drainage and electric systems in a fifteen square block area of the central city. This project was the catalyst for many other projects, both public and private. Also downtown, an amphitheatre, parking facility and public plaza were completed in 2001. Land for an Oceanfront Park was purchased in 2001 and the completed park was dedicated in 2003. Aided by a grant from the State of Florida, the City has built dune walkovers to preserve the dunes and prevent beach erosion. A new oceanfront parking lot was completed following the construction of a new Pier by the City of Jacksonville in 2004. The 4th Avenue South Streetscape Improvement Project was completed in 2008.

Projects recently completed include the 2nd Street North Drainage Project and the A1A Improvements project (medians, landscaping and signal relocation). Phase 3B of the Downtown Vision Plan, focusing on the area north of Beach Boulevard, is expected to be complete in the fall. Phase 3C and 3D, focused on the area south of Beach Boulevard is being designed. These

projects consist largely of making improvements to the roads, drainage, water and sewer systems in the Downtown area. Completion of these projects will continue to bring commercial activity to the downtown area.

South Beach redevelopment activities to date include five major public-private projects: Riptide, South Beach Regional Shopping Center, South Beach Parkway Shopping Center, Ocean Cay and the South Beach Mixed Use Development. Paradise Key was completed early in FY2007. In addition to these projects, numerous public infrastructure projects supporting the redevelopment activity in the district have been constructed. A second fire station adjacent to the South Beach Park was completed in 2005.

A new Community Center was completed in late 2007. Improvements to South Beach Park, consisting of a practice field, restroom facility and volleyball facility were constructed in 2008. An engineering study has identified priority infrastructure projects that will be engineered starting in 2010. A water feature at South Beach Park and improvements to the park's play structure, Sunshine Park were completed in 2011. The Agency provided funding for improvements to the section of 9th Street that runs through the tax increment district. Projects to improve the infrastructure in the South Beach redevelopment district are currently being designed.

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

DEBT SERVICE REQUIREMENTS: Redevelopment Bonds						
	Downtown		Southend		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$0	\$0	\$620,799	\$44,511	\$620,799	\$44,511
2016	0	0	646,881	19,479	646,881	19,479
2017	0	0	0	0	0	0
2018	0	0	0	0	0	0
2019	0	0	0	0	0	0
	\$0	\$0	\$1,267,680	\$63,990	\$1,267,680	\$63,990

Payment of debt service is funded by pledged tax increment funds (TIF). These revenues are calculated as 95% of the difference between ad valorem taxes levied in a given year on taxable real property within the redevelopment area and the amount of ad valorem taxes which would have been levied on the same property in the year prior to its designation as a redevelopment area. Maturity dates for these bonds range between 2011 and 2019. All Downtown revenue bonds were paid off in 2014. Debt service is shown in the Community Redevelopment Program reported in the Planning and Development Department's section of the budget.

ALL OUTSTANDING GOVERNMENTAL BONDS

	Interest Rate	Year of Maturity	Original Issue	Outstanding
2003 Downtown	3.28%	2014	\$1,697,411	\$0
2003B&C Downtown	3.05%	2013	\$3,892,515	\$0
2003 Southend (AMT)	4.53%	2016	\$1,543,022	\$301,600
2003-1 Southend	3.83%	2016	\$4,986,347	\$966,080
2003-2 Southend	3.70%	2014	\$1,698,749	\$0
2012 Infrastructure	1.73%	2019	\$6,495,000	\$4,285,000
Total Governmental Bonds				\$5,552,680

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	2015 Budget
General	Transfers from operating funds; grants; interest	Major repairs and replacements.	\$1,390,702
½ Cent Infrastructure Surtax	Receipts from 1/2-Cent Infrastructure Surtax	Debt service payments on bonds; new roads and sidewalks (when funds are available).	\$649,220
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
Sunshine Park	Donations, proceeds from community fundraisers	Maintenance of large play structure in South Beach Park	\$5,000
Paws Dog Park	Donations, proceeds from community fundraisers	Small maintenance projects and purchase of supplies for the park	\$30,000
			\$2,074,922

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
2015	2,093,895	486,420	1,461,105	342,442	3,555,000	828,862
2016	2,167,520	406,815	1,512,480	283,873	3,680,000	690,688
2017	2,238,200	373,831	1,561,800	260,857	3,800,000	634,688
2018	2,311,825	293,451	1,613,175	204,768	3,925,000	498,219
2019	2,391,340	216,119	1,668,660	150,806	4,060,000	366,925
2020	2,479,690	125,516	1,730,310	87,584	4,210,000	213,100
2021	1,266,350	25,327	883,650	17,673	2,150,000	43,000
	\$14,948,820	\$1,927,478	\$10,431,180	\$1,348,003	\$25,380,000	\$3,275,482

2003 Stormwater Revenue Bonds were paid off on October 1, 2011, freeing about \$450,000 per year to use for improvements to the system.

The City's outstanding proprietary debt at September 30, 2014 is:

OUTSTANDING PROPRIETARY BONDS

	Year of Maturity	Original Issue	Outstanding
2012 Utility Revenue Bonds – varies 2.0-4.0%	2020	\$37,285,000	\$25,380,000
Total Proprietary Bonds			<u>\$25,380,000</u>

Debt service requirements to maturity on all of the City’s bonds at September 30, 2014 are as follows:

DEBT SERVICE REQUIREMENTS TO MATURITY						
	Governmental		Proprietary		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$1,545,799	\$119,652	\$3,555,000	\$828,862	\$5,100,799	\$948,514
2016	1,581,881	73,625	\$3,680,000	\$690,688	5,261,881	764,313
2017	955,000	37,804	\$3,800,000	\$634,688	4,755,000	672,492
2018	980,000	21,224	\$3,925,000	\$498,219	4,905,000	519,443
2019	490,000	4,227	\$4,060,000	\$366,925	4,550,000	371,152
2020	0	0	\$4,210,000	\$213,100	4,210,000	213,100
2021	0	0	\$2,150,000	\$43,000	2,150,000	43,000
	\$5,552,680	\$256,532	\$25,380,000	\$3,275,482	\$30,932,680	\$3,532,014

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

Summary of Budgeted Debt Payments	Principal	Interest & Other	FY2015 Total	% of total	Current			Date Paid Off
					Year Budget	Incr / (Decr)	% change	
Sales Surtax (Better Jax Beach)	925,000	75,141	1,000,141	16.5%	990,797	9,344	0.9%	3/31/2019
DT Redevelopment	0	0	0	0.0%	182,207	(182,207)	-100.0%	9/30/2014
SE Redevelopment	620,799	44,511	665,310	11.0%	866,532	(201,222)	-23.2%	9/30/2016
TOTAL GOVERNMENTAL	1,545,799	119,652	1,665,451	27.5%	2,039,536	(374,085)	-18.3%	
Electric	2,093,895	486,420	2,580,315	42.7%	2,591,845	(11,530)	-0.4%	10/1/2020
Water & Sewer	1,461,105	342,442	1,803,547	29.8%	1,811,593	(8,046)	-0.4%	10/1/2020
TOTAL PROPRIETARY	3,555,000	828,862	4,383,862	72.5%	4,403,438	(19,576)	-0.4%	
TOTAL DEBT SERVICE	5,100,799	948,514	6,049,313	100.0%	6,442,974	(393,661)	-6.1%	

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-FY2015 From:	To:					Total
	General Fund	Infrastructure Surtax Debt Svc.	General Capital Projects	Beaches Energy Services	Water & Sewer	
General Fund Deposits to reserves for fire truck replacement, street maintenance heavy equipment replacement and road and drainage projects			\$772,053			\$772,053
Convention Development Funding for special events and partial funding for maintenance of the Community Center	\$115,000					\$115,000
Local Option Gas Tax Partial funding for street maintenance	372,000					\$372,000
Half-cent Infrastructure Surtax Payment of principal and interest on bonds		\$477,720				\$477,720
Community Development Block Grant Funding for CAPE officer, Carver Center and utility assistance programs	144,489					\$144,489
JAG Grant Partial funding for overtime for task force	70,000					\$70,000
Beaches Energy Services Payment in lieu of taxes	3,670,124					\$3,670,124
Natural Gas Fund Payment in lieu of taxes Repay advance for construction of natural gas system	101,549			162,097		\$101,549 \$162,097
Lease Facilities Funding for General Fund capital outlay	220,000		40,000			\$260,000
Finance Internal Service Fund Funding for Utility Billing equipment replacement (remittance processor and bill folder/insertor) Funding for City-wide telephone system (replacement of various current systems)			32,000 45,000			\$32,000 \$45,000
	\$4,693,162	\$477,720	\$889,053	\$162,097	\$0	\$6,222,032



Capital Improvement Plan: FY2015-2019

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, Finance 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: FY2015-2019

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 3
Beaches Energy Services	Page 4
Finance	Page 32
Police & Fire	Page 44
Parks & Recreation	Page 51
Public Works	Page 59

Capital Improvement Plan: FY2015-2019

CIP Summary, All Departments

Funding Sources:	2015	2016	2017	2018	2019	Total
Beaches Energy Services Operating Revenues	\$6,447,000	\$7,124,000	\$6,059,000	\$4,775,000	\$4,779,000	\$29,184,000
Downtown Redevelopment Tax Increment Fund	5,300,000	4,527,500	4,500,000	4,539,500	4,527,500	23,394,500
Finance/Information Systems Internal Service Charges	10,500	-	-	-	-	10,500
General Capital Projects Fund	1,220,702	977,301	479,341	1,409,139	694,504	4,780,987
General Fund Operating Revenues	185,000	208,000	208,000	150,000	333,000	1,084,000
Golf Course Fund	-	35,000	40,000	95,000	-	170,000
Grants	-	-	-	-	-	-
Grounds Maintenance Internal Service Charges	25,000	-	-	-	-	25,000
1/2 Cent Infrastructure Surtax	70,000	70,000	70,000	70,000	70,000	350,000
1/2 Cent Infrastructure Surtax Bond Proceeds	-	-	-	-	-	-
Lease Facilities Reserve	-	-	-	-	180,000	180,000
Local Option Gas Tax Revenues	310,000	310,000	310,000	310,000	310,000	1,550,000
Meter Division-Internal Service Charges	30,000	55,000	20,000	-	-	105,000
Natural Gas Fund	100,000	100,000	100,000	100,000	100,000	500,000
Southend Redevelopment Tax Increment Fund	3,645,766	2,285,000	1,750,000	300,000	1,750,000	9,730,766
Stormwater Operating Revenues	1,290,000	799,476	165,000	400,000	95,000	2,749,476
Utility Billing Capital Projects Reserve	-	168,120	-	-	-	168,120
Water & Sewer Utility Operating Revenues	2,729,000	2,064,524	2,481,000	2,949,000	855,000	11,078,524
Total CIP Funding Sources - All Departments	\$21,362,968	\$18,723,921	\$16,182,341	\$15,097,639	\$13,694,004	\$85,060,873

Expenses:	2015	2016	2017	2018	2019	Total
Beaches Energy Services	\$6,577,000	\$7,279,000	\$6,179,000	\$4,875,000	\$4,879,000	\$29,789,000
Finance Department	171,202	678,421	109,341	59,139	711,754	1,729,857
Police & Fire Departments	150,000	541,500	182,000	944,500	378,250	2,196,250
Parks & Recreation Department	275,000	80,000	40,000	95,000	65,000	555,000
Public Works Department	14,189,766	10,145,000	9,672,000	9,124,000	7,660,000	50,790,766
Total CIP - All Departments	\$21,362,968	\$18,723,921	\$16,182,341	\$15,097,639	\$13,694,004	\$85,060,873

Capital Improvement Plan: FY2015-2019

Beaches Energy Services						
Funding Sources:						
	2015	2016	2017	2018	2019	Total
Beaches Energy Services Operating Revenues	6,447,000	7,124,000	6,059,000	4,775,000	4,779,000	29,184,000
Meter Division-Internal Service Charges	30,000	55,000	20,000	0	0	105,000
Natural Gas Fund	100,000	100,000	100,000	100,000	100,000	500,000
Total CIP Funding Sources	6,577,000	7,279,000	6,179,000	4,875,000	4,879,000	29,789,000
Expenses:	Fund					
Administration:						
Wi-Fi Canopy Coverage for BES Service Area	410	350,000	350,000	350,000	0	0
		350,000	350,000	350,000	0	0
Engineering:						
Vehicle Replacement Program	410	0	0	20,000	40,000	20,000
System Planning (not capital)	410	50,000	25,000	25,000	50,000	50,000
		50,000	25,000	45,000	90,000	70,000
Relay / Substations:						
Vehicle Replacement Program	410	0	0	90,000	0	0
Substation 26kV Breaker Upgrades	410	200,000	200,000	200,000	200,000	200,000
Substation 26kV Relay Upgrades	410	100,000	100,000	100,000	100,000	100,000
Repair 3 Distribution Transformer Load Tap Changers (not capital)	410	75,000	0	0	0	0
Substation Capacitor Bank Relay Upgrades	410	0	80,000	0	0	0
Substation Capacitor Bank Upgrades	410	0	0	0	100,000	100,000
		375,000	380,000	390,000	300,000	400,000
Construction & Maintenance:						
Vehicle Replacement Program	410	245,000	260,000	180,000	310,000	350,000
		245,000	260,000	180,000	310,000	350,000
Electric Capital Projects:						
Infrastructure to Support System Growth	410	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Major Replacement Projects	410	1,758,000	2,200,000	2,200,000	2,200,000	2,200,000
Subtotal		2,958,000	3,400,000	3,400,000	3,400,000	3,400,000
Automated Meter Reading	410	685,000	685,000	685,000	0	0
		3,643,000	4,085,000	4,085,000	3,400,000	3,400,000
System Operations:						
Vehicle Replacement Program	410	0	0	0	15,000	0
Outage Management System	410	100,000	190,000	0	0	0
Linux Workstation Replacement	410	9,000	9,000	9,000	0	9,000
ICCP Server Replacement	410	0	25,000	25,000	0	0
		109,000	224,000	34,000	15,000	9,000
Transmission:						
Substation 138kV Circuit Breaker Upgrades	410	280,000	0	0	0	0
Repair Autotransformer Load Tap Changers (not capital)	410	25,000	0	0	0	0
Substation 230kV and 130kV Relay Upgrades	410	230,000	230,000	230,000	230,000	230,000
230kV Lines Wave Trap Upgrades	410	0	180,000	0	0	0
230kV Transmission Circuit Breaker Upgrades	410	0	250,000	250,000	0	0
138kV Line 805 Relay and Wave Trap Upgrades	410	0	0	130,000	0	0
Existing 138kV Line 802 and 803 Relay and Tone Carrier Upgrades	410	0	0	0	110,000	0
		535,000	660,000	610,000	340,000	230,000
Conservation:						
Vehicle Replacement Program	410	0	0	20,000	0	0
Regulatory Compliance:						
Regulatory Compliance Plan	410	715,000	715,000	20,000	20,000	20,000
Regulatory Compliance Plan (not capital)	410	425,000	425,000	325,000	300,000	300,000
		1,140,000	1,140,000	345,000	320,000	320,000
Total CIP - Electric		6,447,000	7,124,000	6,059,000	4,775,000	4,779,000
Natural Gas Fund:						
Natural Gas Distribution System	411	100,000	100,000	100,000	100,000	100,000
Meter Division Internal Service Fund:						
Vehicle Replacement Program	541	30,000	55,000	20,000	0	0
Total CIP - Meter Division		30,000	55,000	20,000	0	0
Total CIP - Beaches Energy Services		6,577,000	7,279,000	6,179,000	4,875,000	4,879,000

Capital Improvement Plan: FY2015-2019

Project Title: Vehicle Replacement Program

Department/Division: Beaches Energy Services / All Divisions

Project Description and Reason Necessary:

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

Funding Source: Beaches Energy Services Operating Revenues

<u>Division</u> (FY Replacement)	<u>Truck#</u>	<u>Model</u> <u>Year</u>	<u>Description</u>	<u>Mileage/hours</u> <u>1/2/2014</u>	<u>Estimated</u> <u>Replacement</u> <u>Cost</u>
C&M (2015)	254	2003	Digger Derrick Truck	55,580	\$225,000
C&M (2015)	284	2008	Pickup	133,106	\$20,000
Meter (2015)	293	2001	Small Pickup	90,463	\$15,000
Meter (2015)	295	2001	Small Pickup	92,394	\$15,000
C&M (2016)	212	2005	Utility One Ton Truck	122,773	\$35,000
C&M (2016)	205	2005	Pickup 4x4	77,881	\$25,000
C&M (2016)	219	2005	Pickup	98,324	\$20,000
C&M (2016)	237	2003	Aerial Bucket Truck 4x4	96,018	\$180,000
Meter (2016)	294	2001	Small Car	81,068	\$15,000
Meter (2016)	247	2004	Pickup	84,234	\$20,000
Meter (2016)	287	2002	Pickup	75,760	\$20,000
Engineering (2017)	220	2002	Pickup	56,466	\$20,000
Relay (2017)	217	2006	Van	65,180	\$20,000
Relay (2017)	271	2004	Utility Truck	71,974	\$35,000
Relay (2017)	291	2005	Utility Truck	69,159	\$35,000
C&M (2017)	223	2006	Aerial Bucket Truck 4x4	44,991	\$180,000
Conservation (2017)	208	2000	Pickup	61,824	\$20,000
Meter (2017)	280	2007	Pickup	83,864	\$20,000
Engineering (2018)	209	2004	Pickup	60,661	\$20,000
Engineering (2018)	210	2004	Pickup	46,200	\$20,000
C&M (2018)	229	1988	High Aerial Bucket Truck	60,381	\$250,000
C&M (2018)	265	2008	Pickup 4x4	83,062	\$25,000
C&M (2018)	277	2008	Utility Truck	54,071	\$35,000
System Operations	257	2000	Small Car	77,503	\$15,000
Engineering (2019)	207	2005	Pickup	19,968	\$20,000
C&M (2019)	202	2008	High Aerial Bucket Truck	39,253	\$130,000
C&M (2019)	216	2008	Pickup	80,497	\$20,000

Capital Improvement Plan: FY2015-2019

C&M (2019)	236	2004	Flatbed Utility Truck	23,911	\$60,000
C&M (2019)	255	2008	Digger Derrick Truck	24,421	\$140,000
Total					\$1,655,000

Vehicle Replacement Summary:

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Engineering			\$20,000	\$40,000	\$20,000	\$80,000
Relay			\$90,000			\$90,000
Construction & Maintenance	\$245,000	\$260,000	\$180,000	\$310,000	\$350,000	\$1,345,000
System Operations				\$15,000		\$15,000
Conservation			\$20,000			\$20,000
Total Electric Fund	\$245,000	\$260,000	\$310,000	\$365,000	\$370,000	\$1,550,000
Total Meter Fund	\$30,000	\$55,000	\$20,000	\$0	\$0	\$105,000
Total	\$275,000	\$315,000	\$330,000	\$365,000	\$370,000	\$1,655,000

Capital Improvement Plan: FY2015-2019

Project Title: Wi-Fi/Canopy Coverage for BES Service Area

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: A wireless communications network throughout the Beaches Energy Services service area is required in order to advance toward a remotely controlled/automated distribution system. Such a communications system will provide Beaches Energy with the system infrastructure that will allow it to remotely control devices and gather system information such as voltage on the line, load information, and, eventually, meter readings. In addition, a wireless canopy will improve service restoration times by enabling crews to identify and isolate a faulted line and partial restore electric service prior to dispatching any personnel and to limit the extent of an outage, in terms of both the number of customer affected and the geographic area. Once dispatched, crews can access real-time maps of the Beaches Energy electric system, identify and correct the problem. The wireless network system will include encryption and segregation in order to meet NERC and FRCC cyber-security standards.

This wireless network would also be available to other City departments to support operations including Police and Fire, Water Plant, Wastewater Treatment Plant, Building Inspection and Code Enforcement by providing benefits such as:

- Access geographic information system (GIS) data in real-time from any part of the City in order to perform building and fire inspections and notify property owners of inspection results, and complete incident reports at the scene, without having to return to an office to do so;
- Eliminate the need for current stand-alone systems at the waste treatment and water plants that are used to control those systems through a Wi-Fi hotspot on their cellular telephones;
- Interface with the proposed city-wide (voice-over-internet-protocol, or VOIP) telephone system, allowing a City employee to use a City-issued cordless phone to answer their office telephone number anywhere in the coverage area.

Funding Source: Beaches Energy Services Operating Revenues

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Wi-Fi Implementation	\$350,000	\$350,000	\$350,000	\$0	\$0	\$1,050,000
TOTAL	\$350,000	\$350,000	\$350,000	\$0	\$0	\$1,050,000

Operating costs: Until a site survey and quote are completed, operating and maintenance costs cannot be determined. No additional staffing is anticipated for this project.

Capital Improvement Plan: FY2015-2019

Project Title: System Planning

Department/Division: Beaches Energy Services / Engineering

Project Description and Reason Necessary:

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

Funding Source: Beaches Energy Services Operating Revenues

2015

Evaluate Feeder Pairing - \$50,000: Analyze the loading of feeders and placement of switches to enable better balancing of feeder loads optimizing assets and to help with system restoration during emergencies and other system disturbances.

2016

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

2017

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

2018

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

2019

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

Capital Improvement Plan: FY2015-2019

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Evaluate Feeder Pairing	\$50,000					\$50,000
Determine the Need/Placement for Additional Feeder Circuits		\$25,000				\$25,000
Determine the Need for Additional Substation Transformers			\$25,000			\$25,000
Conduct Single-Contingency Analysis for Reliability				\$50,000		\$50,000
Develop Computer Model of System					\$50,000	\$50,000
TOTAL (not capital)	\$50,000	\$25,000	\$25,000	\$50,000	\$50,000	\$200,000

Capital Improvement Plan: FY2015-2019

Project Title: Substation 26kV Breaker Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

Circuit breakers are required to provide system protection at the distribution circuit level. The existing nineteen (19) 26kV circuit breakers are SF6 breakers that require a special interrupter located inside these units. The current interrupters can no longer be produced or rebuilt by the manufacturer. Currently three (3) spare interrupters are in inventory available for replacement until the breakers with associated relays will be replaced. The existing nineteen (19) circuit breakers with electromechanical relays are over 20 years old and will be replaced with vacuum breakers and microprocessor relays as follows:

FY 2015 Circuit Numbers Butler: 541, 540, 534, and 532

FY 2016 Circuit Numbers Butler: 531, 5C1, 5C2, and 536

FY 2017 Circuit Numbers Butler: 533 and 539 and Ft. Diego: 518 and 517

FY 2018 Circuit Numbers Ft. Diego: 514, 512, 511, and 509

FY 2019 Circuit Numbers Ft. Diego: 508, 5C1, and 5C2

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

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Engineering and Testing	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
26kV Circuit Breakers	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Total	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000

Capital Improvement Plan: FY2015-2019

Project Title: Substation 26kV Relay Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

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

FY 2015 Circuit Numbers Butler: 541, 540, 534, and 532

FY 2016 Circuit Numbers Butler: 531, 5C1, 5C2, and 536

FY 2017 Circuit Numbers Butler: 533 and 539 and Ft. Diego: 518 and 517

FY 2018 Circuit Numbers Ft. Diego: 514, 512, 511, and 509

FY 2019 Circuit Numbers Ft. Diego: 508, 5C1, and 5C2

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

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Relay Upgrades	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Capital Improvement Plan: FY2015-2019

Project Title: **Repair Three (3) Distribution Transformer
Load Tap Changers (LTC)**

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

Load Tap Changers (LTC) regulate voltage in our system. They are located on all Beaches Energy Services (BES) substation transformers (Inspection and service on these LTCs are recommended after 100,000 operations (movement of the mechanism that regulates the voltage). Currently, we have three (3) LTCs that have exceeded the 100,000 operation threshold. Failure to inspect and repair these LTCs could result in a catastrophic failure causing an unscheduled outage for several hundred customers. Two (2) LTCs at Jacksonville Beach substation and one (1) LTC at Ft. Diego substation are required for service at this time.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
LTC repair/inspection (<i>not capital</i>)	\$75,000					\$75,000

Capital Improvement Plan: FY2015-2019

Project Title: Substation Capacitor Bank Relay Upgrades

Department/Division: Beaches Energy Services / Relay

Project Description and Reason Necessary:

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

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Relay Upgrades		\$80,000				\$80,000

Capital Improvement Plan: FY2015-2019

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	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Relay Upgrades					\$100,000	\$100,000

Capital Improvement Plan: FY2015-2019

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, 2013 there were 5,479 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 3,405.

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	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Transformers	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000	\$2,750,000
Electric Meters	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Streetlights	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Residential and Commercial	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Trouble Calls and Miscellaneous	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Total	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,000,000

Capital Improvement Plan: FY2015-2019

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

2015

Overhead Line Rebuild (CKT 556 & 558) - \$400,000: Replace existing 22nd Street North and 20th Street North wood pole line with concrete poles beginning from Azalea Drive to Pinewood Rd. This includes converting the existing 19th Street North overhead wood pole line between 2nd Avenue North to Azalea Drive to underground cable due to tree problems.

Back-Up/Loop Feed for A1A South of Mickler Road - \$350,000: Install underground conduits and cable to improve service reliability for the underground system along A1A from Mickler Road to the south end of the BES system.

2016

Overhead Line Rebuild (15th Street South) - \$450,000: Replace existing wood pole line with concrete poles from Beach Blvd. to Plantation Oaks Dr. This includes the conversion of overhead wood pole line to underground along the golf course area.

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

2017

Overhead Line Rebuild (Fairway Lane Phase 2) - \$250,000: Replace existing wood pole line with concrete poles from Declaration Dr. to Jacksonville Dr.

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

Overhead Line Rebuild (Canal Blvd and Roscoe Blvd South Phase 1) - \$400,000: Replace existing wood pole line along Canal Blvd. from Palmetto Landing to Palm Valley Rd. with concrete poles. This will also include replacing existing wood pole line along Roscoe Blvd. South from #50 Roscoe Blvd. South to Canal Blvd. to concrete poles.

Capital Improvement Plan: FY2015-2019

2018

Overhead Line Rebuild (Roscoe Blvd North Phase 1) – \$500,000: Replace existing wood pole line with concrete poles from Solana Road to Ft. Diego S/S Entrance.

Overhead Line Rebuild (Roscoe Blvd North Phase 2) - \$250,000: Replace existing wood pole line with concrete poles from Ft. Diego S/S Entrance to Canal Blvd.

2019

Overhead Line Rebuild (Landrum Lane and Roscoe Blvd South) - \$750,000: Replace existing wood pole line along Landrum Lane from South Roscoe Blvd. to Palm Valley Rd. with concrete poles and Roscoe Blvd. South from Landrum Lane to #50 Roscoe Blvd South with concrete poles.

Annual Projects

Cable Replacement Plan - \$550,000 in 2015 and \$800,000 each year 2016/2017/2018/2019: 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: Replacement of underground secondary connection boxes/blocks, overhead service cable/connections, and overhead/underground arrestors.

Distribution Automation Plan - \$100,000 in 2015 and \$150,000 each year 2016/2017/2018/2019: Install remote controlled motor operated gang switches to improve sectionalizing of power lines and provide faster power restoration. The automated switches will provide data for voltage optimization.

Switch Gear Replacement - \$100,000 in 2015 and \$200,000 in each year 2016/2017/2018/2019: 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. VFI units have more programming capabilities than fuses and will coordinate better with other protective devices increasing system reliability. The top priorities for FY 2015 are the following:

1. Switchgear 5UP245 at Harbourview Dr. & Harbour Master Ct.
2. Switchgear 5UP310 at Ponte Vedra Blvd. & Pablo Road
3. Switchgear 5UP 260 at South Nine Dr. & Light House Bend Dr.

Unplanned Projects - \$158,000 in 2015 and \$200,000 each year 2016/2017/2018/2019: This budget provides BES with the flexibility to address unscheduled major repair and replacement projects that arise each year.

Capital Improvement Plan: FY2015-2019

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

	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Storm Hardening Plan						
Overhead Line Rebuild (CKT 556 & 558)	400,000					400,000
Back-Up/Loop Feed for A1A South of Mickler Road	350,000					350,000
Overhead Line Rebuild (15th Street South)		450,000				450,000
Overhead Line Rebuild (Fairway Lane Phase 1)		300,000				300,000
Overhead Line Rebuild (Fairway Lane Phase 2)			250,000			250,000
Overhead Line Rebuild (10th Avenue South)			100,000			100,000
Overhead Line Rebuild (Canal Blvd and Roscoe Blvd South Phase 1)			400,000			400,000
Overhead Line Rebuild (Roscoe Blvd North Phase 1)				500,000		500,000
Overhead Line Rebuild (Roscoe Blvd North Phase 2)				250,000		250,000
Overhead Line Rebuild (Landrum Lane and Roscoe Blvd South)					750,000	750,000
Subtotal - Storm Hardening Plan	750,000	750,000	750,000	750,000	750,000	3,750,000
Cable Replacement Plan	550,000	800,000	800,000	800,000	800,000	3,750,000
Distribution Renewal and Replacement Plan	100,000	100,000	100,000	100,000	100,000	500,000
Distribution Automation Plan	100,000	150,000	150,000	150,000	150,000	700,000
Switchgear Replacement Program	100,000	200,000	200,000	200,000	200,000	900,000
Unplanned Projects	158,000	200,000	200,000	200,000	200,000	958,000
Total Major Replacement Projects	1,758,000	2,200,000	2,200,000	2,200,000	2,200,000	10,558,000
Total Infrastructure to Support System Growth and Maintenance	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Total	2,958,000	3,400,000	3,400,000	3,400,000	3,400,000	16,558,000

Capital Improvement Plan: FY2015-2019

Project Title: Automated Meter Reading

Department/Division: Beaches Energy Services / Capital Improvements

Project Description and Reason Necessary:

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

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	Total
AMR	\$675,000	\$675,000	\$675,000			\$2,025,000
Surge Protection	\$10,000	\$10,000	\$10,000			\$30,000
Total	\$685,000	\$685,000	\$685,000	\$0	\$0	\$2,055,000

Capital Improvement Plan: FY2015-2019

Project Title: Outage Management System

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

Currently outage notification relies on calls from customers. Major feeder outages are displayed by Supervisory Control and Data Acquisition System (SCADA) at System Operations. At that time crews are physically dispatched to identify and locate the problem. Given the technical complexity and proprietary nature of the computer systems, additional engineering expertise is necessary to review legacy systems and develop the interoperability requirements to integrate the existing geographic information system (GIS) with the SCADA system. With an outage management application this roadmap is critical to integrate the systems, providing real-time information for service restoration and system control. The real-time automation and analysis will satisfy North American Electric Reliability Corporation (NERC) / Florida Reliability Coordinating Council (FRCC) regulatory standards and enhance call center operations by providing system status indication instantaneously to system operators.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Map Integration	\$100,000					\$100,000
OMS		\$190,000				\$190,000
Total	\$100,000	\$190,000	\$0	\$0	\$0	\$290,000

Future Operating Budget Impact:

	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Annual Support Maintenance	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000

Capital Improvement Plan: FY2015-2019

Project Title: Electric System Operator Linux Workstation Replacement

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

System Operations SCADA workstations have an average life expectancy of 5 years. System Operations has 5 Linux workstations running the Efacec-ACS PRISM proprietary software in service at this time. These units are used to monitor and control the reliability of the Beaches Energy Services (BES) electric system.

We have been replacing one workstation on an annual basis. Over the next 3 years we need to replace one (1) workstation per year which will have been in service for 6 years of service at the time of that fiscal year's budget.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	Total
System Operator SCADA Station Upgrade	\$9,000	\$9,000	\$9,000	\$0	\$9,000	\$36,000

Capital Improvement Plan: FY2015-2019

Project Title: Electric System Operator ICCP Server Replacement

Department/Division: Beaches Energy Services / System Operations

Project Description and Reason Necessary:

The ICCP (Inter-Control Center Communications Protocol) Servers transmit our current system status to Orlando Utility Commission (OUC), our Balancing Authority, which then transfers all of the Florida Municipal Power Agency (FMPA) data to the Florida Reliability Coordinating Council (FRCC) Reliability Coordinator. We currently have two (2) such servers in service; one (1) at the Primary Control Center and one (1) at the Backup Control Center. These units are required by North American Electric Reliability Corporation (NERC).

The ICCP at the primary Site will have been in service for 9 years when it is projected to be replaced in 2016. The ICCP at the Backup Control Center will have been in service for 7 years when it is scheduled to be replaced in 2017.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	Total
ICCP Link Upgrade		\$25,000				\$25,000
Backup ICCP Link Upgrade			\$25,000			\$25,000
Total	\$0	\$25,000	\$25,000	\$0	\$0	\$50,000

Capital Improvement Plan: FY2015-2019

Project Title: 138kV Transmission Circuit Breaker Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Seven (7) 138kV transmission line gas circuit breakers were installed at Sampson and Jacksonville Beach Substations in FY2013 and FY2014. There are four (4) remaining 138kV transmission line oil circuit breakers that are over 30 years old that need to be upgraded to gas circuit breakers. These circuit breakers are used on the transmission system for line protection and replacement parts are no longer manufactured. The reliability of these breakers must not be compromised. Given the regulatory standards that transmission owners must comply with to secure the operation of the transmission grid, the breakers must be replaced. This project will be coordinated with the relay upgrade project (page 25).

FY 2015 Circuit Numbers Ft. Diego: 804W, 80304, 803E, and 805T1

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Engineering and Testing	\$40,000					\$40,000
Four 138kV Circuit Breakers and Relays	\$240,000					\$240,000
Total	\$280,000	\$0	\$0	\$0	\$0	\$280,000

Capital Improvement Plan: FY2015-2019

Project Title: Repair One (1) Autotransformer Load Tap Changers (LTC)

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

Load Tap Changers (LTC) are used to regulate voltage in our system. They are located on all three 230/138 kV autotransformers at the Sampson substation. Inspection and service on these LTCs are recommended after 100,000 operations (movement of the mechanism that regulates the voltage). Currently, one of the three units has exceeded the 100,000 operation threshold. Failure to inspect and repair these LTCs would result in a catastrophic failure rendering the autotransformer inoperable. Depending upon system conditions and time of year, the lack of capacity from this unit would compromise electric service delivery.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
LTC repair/inspection <i>(not capital)</i>	\$25,000					\$25,000

Capital Improvement Plan: FY2015-2019

Project Title: Substation 230kV and 138kV Relay Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

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

This will be a multiple year project that is coordinated with the breaker replacement project (page 23). Beaches Energy Services (BES) as a transmission owner/operator is regulated by North American Electric Reliability Corporation (NERC) and Florida Reliability Coordinating Council (FRCC). Given the regulatory standards that transmission providers must comply with to secure the operation of the bulk electric system, the existing electromechanical relays must be replaced.

FY 2015 Sampson to Switzerland Line
FY 2016 Sampson to Milcreek Line
FY 2017 Sampson to Ft. Diego Line 805
FY 2018 Jacksonville Beach to Butler Line 802
FY 2019 Butler to Ft. Diego Line 803

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Relay Upgrades	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$1,150,000

Capital Improvement Plan: FY2015-2019

Project Title: 230kV Lines Wave Trap Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

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

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Engineering		\$40,000				\$40,000
230kV Lines Wave Traps		\$140,000				\$140,000
Total	\$0	\$180,000	\$0	\$0	\$0	\$180,000

Capital Improvement Plan: FY2015-2019

Project Title: 230kV Transmission Circuit Breaker Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

There are four (4) 230kV transmission line oil circuit breakers located at Sampson Substation that are over 30 years old and are at the end of their useful life. If a catastrophic failure were to occur rendering the breaker inoperable, replacement parts for these breakers are no longer manufactured. These breakers will be upgraded to gas circuit breakers and are used on the transmission system for line protection. The reliability of these breakers must not be compromised. Given the regulatory standards that transmission owners must comply with to secure the operation of the transmission grid, the breakers must be replaced.

FY 2016 Circuit Numbers Sampson: 8W138 and 8W143

FY 2017 Circuit Numbers Sampson: 8W40 and 8W71

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Engineering and Testing		\$50,000	\$50,000			\$100,000
Four 230 kV Circuit Breakers		\$200,000	\$200,000			\$400,000
Total	\$0	\$250,000	\$250,000	\$0	\$0	\$500,000

Capital Improvement Plan: FY2015-2019

Project Title: 138kV Transmission Line 805 Wave Trap Upgrades

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

In FY 2017 the existing transmission line 805 wave traps for relay communications and system protection will be approximately 25 years old, outdated, and will require upgrading to support modern technology. Four microprocessor relays with associated wave traps for the bus are budgeted in FY 2017 for circuit 805 from Sampson to Ft. Diego substations.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Engineering			\$30,000		\$30,000	\$30,000
138kV Line 805 Relay and Wave Trap			\$100,000		\$100,000	\$100,000
Total	\$0	\$0	\$130,000	\$0	\$130,000	\$130,000

Capital Improvement Plan: FY2015-2019

Project Title: Existing 138kV Transmission Line 802 and 803 Relay and Tone Carrier Upgrade

Department/Division: Beaches Energy Services / Transmission

Project Description and Reason Necessary:

In FY 2018 the existing transmission lines 802 and 803 tone equipment for relay communications and system protection will be approximately 25 years old, outdated, and will require upgrading to support modern technology. Tone carriers are budgeted in FY 2018 for the transmission lines: 802 from Butler to Jacksonville Beach substations and 803 from Butler to Ft. Diego substation.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Engineering				\$30,000		\$30,000
138kV Line Relays and Tone Carriers				\$80,000		\$80,000
Total	\$0	\$0	\$0	\$110,000	\$0	\$110,000

Capital Improvement Plan: FY2015-2019

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 are system.

Funding Source: Beaches Energy Services Operating Revenues

Annual Projects

Cyber Security \$200,000 in FY 2015, \$200,000 in FY 2016, \$15,000 in FY 2017, \$15,000 in FY 2018 and \$15,000 in FY 2019: NERC standards CIP 002 through CIP 011 “Cyber Security” are expected to become effective starting in 2015. The standards require additional security measures for critical assets including control centers and substations. Beaches Energy Services (BES) and Florida Municipal Power Agency (FMPA) are currently working on an assessment of the critical elements necessary to meet these requirements such as a “high tech” locks with difficult to impossible to copy keys, a “card reader” security access to substations control room doors and control center doors along with data recording, logging, and associated security systems with an electronic security perimeter in and around the substation properties.

Physical Security \$15,000 in FY 2015, \$15,000 in FY 2016, \$5,000 in FY 2017, \$5,000 in FY 2018 and \$5,000 in FY 2019: The NERC definition for a “critical” facility is defined as any facility or combination of facilities, that, if severely damaged or destroyed, would have a significant impact on the ability to serve large quantities of customers for an extended period of time, would have a detrimental impact on the reliability or operability of the electric grid, or would cause significant risk to public health and safety. NERC cyber security standards specifically address many of the physical security needs of attended facilities in the following sections: Physical Security Perimeter[s], Physical Access Controls, Personnel, Monitoring Physical Access, Systems Management and Physical Incident Response Actions. Installation of hardware for security appliances to manage electronic Relay Access and Security Monitoring systems are required to become compliant.

Consulting Fees \$125,000 in FY 2015, \$125,000 in FY 2016, \$125,000 in FY 2017: 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

Capital Improvement Plan: FY2015-2019

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

Centralized TOP (Transmission Operator) \$800,000 in FY 2015 and FY 2016; \$300,000 in FY 2017 through FY 2019: 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.

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Cyber Security	\$200,000	\$200,000	\$15,000	\$15,000	\$15,000	\$445,000
Centralized TOP	\$500,000	\$500,000	-	-	-	\$1,000,000
Physical Security	\$15,000	\$15,000	\$5,000	\$5,000	\$5,000	\$45,000
Total (capital)	\$715,000	\$715,000	\$20,000	\$20,000	\$20,000	\$1,490,000
Centralized TOP (<i>not capital</i>)	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Consulting Fees (<i>not capital</i>)	\$125,000	\$125,000	\$25,000	\$0	\$0	\$275,000
Total (not capital)	\$425,000	\$425,000	\$325,000	\$300,000	\$300,000	\$1,775,000
Total	\$1,140,000	\$1,140,000	\$345,000	\$320,000	\$320,000	\$3,265,000

Capital Improvement Plan: FY2015-2019

Project Title: Natural Gas Distribution System

Department/Division: Beaches Energy Services / Natural Gas

Project Description and Reason Necessary:

The infrastructure for the natural gas distribution system's growth may include service lines, main extensions, meter sets, and conversions of equipment if determined feasible.

Funding Source: Beaches Energy Services Operating Revenues

Cost Item	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Capital Improvements	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Capital Improvement Plan: FY2015-2019

Finance Department							
Funding Sources:		2015	2016	2017	2018	2019	Total
Finance/Information Systems Internal Service Charges		10,500	0	0	0	0	10,500
General Capital Projects Fund IT Reserve		160,702	510,301	109,341	59,139	531,754	1,371,237
Lease Facilities Fund		0	0	0	0	180,000	180,000
Utility Billing Capital Projects Reserve		0	168,120	0	0	0	168,120
Total CIP Funding Sources		171,202	678,421	109,341	59,139	711,754	1,729,857
Expenses:	Fund						
Information Systems:							
Information Systems Master Plan, Phase 2	315	100,000	450,000	50,000	0	490,000	1,090,000
Annual Computer Replacement Plan	315	60,702	60,301	59,341	59,139	41,754	281,237
Automated Agenda preparation Service/Software	511	10,500	0	0	0	0	10,500
Citizen Engagement Service/Software	511	0	0	0	0	0	0
City-wide Telephone System Replacement	460	0	0	0	0	180,000	180,000
		171,202	510,301	109,341	59,139	711,754	1,561,737
Utility Billing:							
Replace Utility Bill Folder/Inserter	315		68,120				68,120
Remittance Processor Replacement	315		100,000				100,000
		0	168,120	0	0	0	168,120
Total CIP - Finance		171,202	678,421	109,341	59,139	711,754	1,729,857

Capital Improvement Plan: FY2015-2019

Project Title: Information Systems Master Plan, Phase 2

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: In 2011, the City completed a master plan to guide the purchase and replacement of its information systems. Phase 1 of this plan includes the implementation of a disaster recovery solution involving the purchase and installation of equipment at an offsite location that permits the City to continue to operate its information systems following the occurrence of a hurricane or other similar significant event. The equipment has been purchased and the City is currently in negotiation with vendors for an offsite location.

Phase 2 of the plan consists of the following equipment upgrades and replacements:

2015

Replace Core Routers - \$75,000: Routers control the flow and volume of data traffic between intersection points (nodes). The City's primary nodes are City Hall, O&M Facility, and Parks Department. The current three core routers were purchased in 2008. With a 5 to 6-year life expectancy, they will need to be replaced in 2014. *Annual maintenance costs are expected to increase by \$200 to \$300 per year.*

Replace Firewalls - \$25,000: Firewalls are physical appliances containing software that protects data and data systems from outside intrusions such as viruses, hackers, and other destructive actions. The current firewalls were purchased in 2009. The current models will be considered end-of-life in 2015 and will need to be replaced/upgraded. The current/future budget impact is for LiveSecurity service, which allows us to maintain the latest security and anti-virus signatures. *Annual maintenance costs of \$5,900 are expected to remain unchanged.*

2016

Upgrade SunGard Applications (\$400,000) and Servers (\$50,000): This project migrates the SunGard applications from the IBM iSeries server to a Windows based server platform. By 2016 SunGard will have completed their OneSolution Windows-based project and have all their modules operational. OneSolution will have been deployed by other SunGard customers long enough to identify and make any corrections to the application. This project could be moved to 2015 depending on the performance of the iSeries server where the current applications reside. *The move to the OneSolution Windows-based platform is expected to reduce current annual maintenance costs (approximately \$100,000 per year) by more than half (to \$48,500 per year).*

Capital Improvement Plan: FY2015-2019

2017

Replace Switches - \$50,000: A switch is used to move data traffic between locations within the confines of the city network. Based on recommendations from the eGov study, seven switches throughout the city were replaced at the beginning of the 2011/2012 fiscal year. The new switches have a 10 Gbps (giga-bit per second) capacity, and replaced switches with a 1Gbps capacity. The higher capacity ensures data traffic can travel between locations in a more efficient manner, without causing bottlenecks. Switches should always have a higher capacity rating than the devices connected to them. The desktop computers are rated at a 1Gbps capacity. With an average lifespan of 5-6 years, the switches we recently purchased will need periodic replacement in 2017 to ensure the city maintains currency in technology within the network architecture structure. *This purchase will not produce any future operating budget impact for annual maintenance because the equipment will be purchased with a 5-year warranty.*

2019

Replace Blade Center - \$350,000: Blade centers provide consolidated power and network connections to servers (blades) housed inside a chassis. The current blade center was purchased in 2014. With a 5-year life expectancy, it will need to be replaced in 2019. The blade centers house operational servers and data, over and above what is housed on the Storage Area Network (SAN). *As the equipment will be purchased with a 5-year support agreement, annual maintenance costs of \$11,712 per year will be eliminated.*

Replace EIS Server/SAN at Police Department - \$140,000: *The current EIS Server and storage area network (SAN) were purchased in 2014. The EIS server houses the Police Department's report generating, evidence tracking and operational software. With a 5-year life expectancy, they will need to be replaced in 2019. There are no current or expected future budget impacts, as the equipment is purchased with a 5-year warranty.*

Anticipated 10-year replacement cycle:

Project	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Replace Blade Center					X					X
Replace Core Routers	X					X				
Replace EIS Servers (Police Department)					X					X
Replace Firewalls	X					X				
Upgrade Operating Apps & Servers		X					X			
Replace Switches			X					X		

Capital Improvement Plan: FY2015-2019

Funding Source: For equipment and software purchases and replacements: Governmental Capital Projects Fund; for operating costs: Finance Department Internal Service Fund.

Project	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Replace Blade Center					\$350,000	\$350,000
Replace Core Routers	\$75,000					\$75,000
Replace EIS Server/SAN at Police Department					\$140,000	\$140,000
Replace Firewalls	\$25,000					\$25,000
Upgrade SunGard Operating Applications and Servers						
Applications		\$400,000				\$400,000
Servers		\$50,000				\$50,000
Replace Switches			\$50,000			\$50,000
Totals	\$100,000	\$450,000	\$50,000		\$490,000	\$1,090,000

Increase (decrease) in future operating budget:

Project	2015	2016	2017	2018	2019	TOTAL
Core Routers	\$300	\$300	\$300	\$300	\$300	\$1,500
Firewalls	No change	No change	No change	No change	No change	No change
Sungard Applications		(\$51,500)	(\$51,500)	(\$51,500)	(\$51,500)	(\$206,000)
Switches			No change	No change	No change	No change
Blade Center					(\$11,712)	(\$11,712)
EIS Server/SAN					No change	No change
Net Operating Cost (Savings)	\$300	(\$51,200)	(\$51,200)	(\$51,200)	(\$62,912)	(\$216,212)

Capital Improvement Plan: FY2015-2019

Project Title: Annual Computer Replacement Plan

Department/Division: Finance/Information Systems

Project Description and Reason Necessary: The City's 2011 eGov study recommended a 4-year replacement cycle for computers in order to maintain currency in technology throughout the city.

Maintaining current technology assures the interoperability of the City's software and operating systems with those of other federal, state and local agencies with whom the City exchanges information. By implementing a 4-year replacement plan, computers can be purchased with a 4-year warranty, ensuring none of the city computers are ever out of warranty, reducing repair costs. This also helps eliminate the need to replace computers on an emergency basis and minimizes staff downtime caused by unplanned, emergency computer replacements or repairs.

Prior years' versions of this plan anticipated spending approximately \$100,000 per year to replace computers, however, changing police laptops to a different product has enabled the plan's annual cost to be reduced by \$30,000 to \$40,000 per year. In addition, because the City has continued to fund the replacement of computers, future spending plans may be able to lengthen the replacement period, further reducing costs. All costs are based on FY2014 quoted/actual pricing.

Funding Source: General Capital Projects Fund

By Department:	2015		2016		2017		2018		2019		TOTAL	
	Qty.	Cost	Qty.	Cost								
BES	18	\$16,371	17	\$16,590	10	\$8,626	15	\$12,374	1	\$763	61	\$54,990
City Manager	1	\$995	-	\$0	1	\$763	1	\$1,150	1	\$763	4	\$3,672
City Clerk	4	\$3,671	2	\$1,758	-	\$0	1	\$995	-	\$0	7	\$6,424
Finance	1	\$763	13	\$12,097	16	\$12,219	12	\$9,157	3	\$2,289	45	\$36,526
Fire	4	\$4,282	7	\$7,494	-	\$0	3	\$3,136	1	\$995	15	\$15,908
HR	1	\$1,150	4	\$3,052	1	\$763	-	\$0	1	\$763	7	\$5,728
Parks	4	\$3,516	7	\$5,342	2	\$1,526	4	\$3,825	9	\$6,868	26	\$21,077
Planning	-	\$0	-	\$0	2	\$1,526	6	\$4,965	2	\$1,526	10	\$8,017
Police	31	\$29,191	2	\$2,141	29	\$27,050	20	\$18,261	23	\$24,040	105	\$100,685
PW	1	\$763	12	\$11,560	9	\$6,868	6	\$5,274	4	\$3,746	32	\$28,212
TOTAL	65	\$60,702	64	\$60,301	71	\$59,341	68	\$59,139	45	\$41,754	312	\$281,238

Capital Improvement Plan: FY2015-2019

By Device Type:	2015		2016		2017		2018		2019		TOTAL	
	Qty.	Cost	Qty.	Cost								
Enhanced Desktop	1	\$1,078	6	\$6,470	-	\$0	-	\$0	4	\$4,313	11	\$11,862
Laptop	14	\$13,931	21	\$20,896	1	\$995	10	\$9,951	1	\$995	47	\$46,768
Laptop w/dock	2	\$2,299	5	\$5,748	2	\$2,300	4	\$4,599	1	\$1,150	14	\$16,096
Police Laptop	22	\$23,554	9	\$9,636	16	\$17,130	11	\$11,777	18	\$19,271	76	\$81,367
Standard Desktop	26	\$19,840	23	\$17,551	51	\$38,917	43	\$32,812	21	\$16,025	164	\$125,145
TOTAL	65	\$60,702	64	\$60,301	71	\$59,342	68	\$59,139	45	\$41,754	312	\$281,238

Capital Improvement Plan: FY2015-2019

Project Title: Automated Agenda Preparation Service/Software

Department/Division: Finance/Information Systems

Project Description: Automation of the agenda preparation process will greatly expedite the process for all public forum meetings such as City Council, Board of Adjustment, Planning Commission, Community Redevelopment Agency and Pension Boards.

Problem: Currently, the agenda preparation process from inception to publication is manual and cumbersome. During the process, it is possible for documents to become scattered or missing and problems with version control have become public. Any error in the agenda becomes public when they are published to the web for public viewing.

Recommended Solution: Acquire a cloud-based automated agenda preparation product. The Granicus Open Platform is a cloud-based foundation consisting of a suite of fully integrated products that can automate the preparation and publication of agendas and minutes and allow them to be streamed, if desired. It allows management and storage of an unlimited amount of government public meeting data and seamless publication to the web of agenda packages once the package has been approved. The Legislative Management Suite offers a complete document management and automated agenda solution, which increases staff efficiency, organization, and the ease of search capabilities, while also promoting a paperless workflow. Agenda items can be created and assigned to the appropriate agenda, reviewed and revised as necessary, without paper or emailing files back and forth, making agenda creation seamless. Individuals are notified when it's their turn to review and item or package. All documents are automatically tagged and indexed, making search and retrieval easy. This Suite also allows legislation to be tracked from inception through approvals and actions taken.

The other automated solutions have been evaluated by staff members, and found to not be as comprehensive as the Granicus solution. Also, the Granicus solution is fully integrated with its citizen engagement (next project page) product.

Funding Source: Finance/Information Systems Internal Service Charges

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Initial installation and setup cost	\$10,500	\$0	\$0	\$0	\$0	\$10,500

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Annual Maintenance Cost	\$3,996	\$3,996	\$3,996	\$3,996	\$3,996	\$15,984

Capital Improvement Plan: FY2015-2019

Project Title: City-Wide Telephone System Replacement

Department/Division: Finance/Information Systems

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

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

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

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

Funding Source: Annual transfers of \$45,000 from the Information Systems Division in the Finance Department Internal Service Fund to the General Capital Projects Fund

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Unified Communication System	\$0	\$0	\$0	\$0	\$180,000	\$180,000

Capital Improvement Plan: FY2015-2019

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

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Maint. Costs-existing/month	-	-	-	-	(\$6,650)	(\$6,650)
Maint. Costs-new/month	-	-	-	-	\$3,300	\$3,300
(Savings)/month	-	-	-	-	(\$3,350)	(\$3,350)
Savings/year	-	-	-	-	(\$40,200)	(\$40,200)

Capital Improvement Plan: FY2015-2019

Project Title: Utility Bill Folder/Inserters (Pitney Bowes DI950 Smart-Mailer Zip+4)

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The Folder/insert machines are necessary to mail utility bills and delinquent notices, miscellaneous billings, and bulk mail from other City Departments.

The Pitney Bowes DI950 was purchased in 2008. It prints, folds and inserts utility bills, and inserts newsletters & return envelopes. Utilization of the DI950 mailer has a postal cost savings of approximately \$25,000 yearly. Based on the life expectancy for equipment of this kind the Pitney DI950 will require replacement in 2016. By then, approximately 2,000,000 bills, return envelopes, and fliers will have been folded and inserted.

The DI600 Folder/Inserter used for miscellaneous mail and back-up postal mailings was surplused January 2010 (saving \$2,300 in annual maintenance). The Pitney DI950 has been programmed to process all types of bulk mailings for the City and with the addition of the Planet Press Software and printing solution, we are now able to customize utility bills, e-bills and other documents.

Funding Source: General Capital Project Fund Utility Billing Reserves

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Pitney D1950		\$68,120				\$68,120

Future Operating Budget Impact:

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Pitney D1950 maint. agreement	-	\$2,442	\$2,442	\$2,442	\$2,442	\$12,210
Total/(Savings)	-	\$2,442	\$2,442	\$2,442	\$2,442	\$12,210

Capital Improvement Plan: FY2015-2019

Project Title: Remittance Processor Replacement

Department/Division: Finance/Utility Billing

Project Description and Reason Necessary: The remittance processor was purchased in 2006. It automates the processing of mail-in payments (approximately 400,000 checks & stubs yearly). The processor reads payment and account information from the stub, endorses the check, encodes then verifies amount of the check, sorts the stubs and checks into separate pockets, and images each document. It provides reports and imaged records on all documents. This is an essential utility billing process that helps reduce bank fees, improves accuracy and reduces labor costs. By 2016, approximately 2,000,000 documents will have been processed utilizing the present equipment.

There would be no future impact on the operating budget as this would be a replacement machine and monies are already included in the operating budget for maintenance.

Funding Source: General Capital Project Fund Utility Billing Reserves

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Remittance Processor		\$100,000				\$100,000

Future Operating Budget Impact:

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Maintenance	-	\$13,300	\$13,300	\$13,300	\$13,300	\$53,200
Total/(Savings)	-	\$13,300	\$13,300	\$13,300	\$13,300	\$53,200

Capital Improvement Plan: FY2015-2019

Police & Fire Departments

Funding Sources:		2015	2016	2017	2018	2019	Total
General Fund		150,000	182,000	182,000	150,000	188,000	852,000
Downtown Redevelopment Fund		0	27,500	0	39,500	27,500	94,500
General Capital Projects Reserve		0	332,000	0	755,000	162,750	1,249,750
Total CIP Funding Sources		150,000	541,500	182,000	944,500	378,250	2,196,250

Expenses:		Fund	2015	2016	2017	2018	2019	Total
Police:								
Vehicle Replacement Program-Police	001		150,000	150,000	150,000	150,000	150,000	750,000
Vehicle Replacement Program-Police DT CAPE	181		0	27,500	0	39,500	27,500	94,500
			150,000	177,500	150,000	189,500	177,500	844,500
Fire:								
Vehicle Replacement Program-Fire	001			32,000	32,000		38,000	102,000
Fire Apparatus Replacement/Maintenance	315			332,000				332,000
Radio System Upgrade	315					755,000	162,750	917,750
			0	364,000	32,000	755,000	200,750	1,351,750
Total CIP - Police & Fire			150,000	541,500	182,000	944,500	378,250	2,196,250

Capital Improvement Plan: FY2015-2019

Project Title: Vehicle Replacement Program

Department/Division: Police & Fire

Project Description and Reason Necessary: This is a program to replace vehicles due to age and condition and to maintain adequate and cost-effective fleet performance. Vehicles included are those that cost at least \$25,000 each. Vehicles to be replaced each year are identified for replacement based on a combination of mileage, condition and cost-effective performance.

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

Division (FY Replacement)	Vehicle #	Model Year	Description	Mileage (Hours) 2/1/13	Estimated Replacement Cost
Police-General Fund	various	various	Replace 4-6 patrol vehicles	-	\$150,000 annual; \$750,000 five years
Police-DT CAPE (2016)	69	2007	Chevrolet Impala		\$27,500
Police-DT CAPE (2018)	0953	2009	Chevrolet Impala		\$27,500
Police-DT CAPE (2018)		2018	ATV		\$12,000
Police-DT CAPE (2019)	1052	2010	Chevrolet Impala		\$27,500
Police-DT CAPE (future year)	1343	2013	Chevrolet Impala		-
Fire Marshal (2019)	#708	2003	Ford Excursion 4x4	58,483	\$38,000
Fire Training / Safety (2016)	#716	2001	Ford F150 utility/crew truck	75,979	\$32,000
Fire Inspector (2017)	#718	2002	Dodge Dakota crew cab	66,533	\$32,000
				TOTAL:	\$946,500

Capital Improvement Plan: FY2015-2019

Funding Sources: General Fund via transfer from Lease Facilities Fund and Downtown Redevelopment Fund.

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Police	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Fire		\$32,000	\$32,000		\$38,000	\$102,000
<i>Total General Fund</i>	<i>\$150,000</i>	<i>\$182,000</i>	<i>\$182,000</i>	<i>\$150,000</i>	<i>\$188,000</i>	<i>\$852,000</i>
Police-DT CAPE (Downtown Redevelopment)		\$27,500		\$39,500	\$27,500	\$94,500
TOTAL	\$177,500	\$209,500	\$209,500	\$162,000	\$215,500	\$946,500

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

Capital Improvement Plan: FY2015-2019

Project Title: Fire Apparatus Replacement/Maintenance

Department/Division: Fire

Project Description and Reason Necessary: In order to maintain an efficient fleet of fire apparatus, a planned replacement program is essential to minimize budgetary impact. Since 1998, the Fire Department has submitted and the City Council has approved an annual vehicle replacement plan as part of its business plan in order to distribute the cost of replacement at approximately \$75,000 per year. Normally each apparatus is used in front-line status for 11-12 years and then used as a reserve apparatus for approximately 4-5 years. After approximately 15-17 years, units are considered for replacement. This timetable has been extended using maintenance upgrades due to the high cost of replacement apparatus.

In 2016, a new rescue/pumper will be purchased and placed in front line service. It will replace either E-25 or Sq-13 and one of the two apparatus will be moved to reserve status. Sq-13, a 2001 rear-mount pumper, which has a much shorter life span due to the commercial chassis, will have been in service 13 years. E-25, a 1993 pumper, will have been in service 22 years. One of the two units will be used for a trade-in.

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

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Fire Apparatus Replacement		\$332,000				\$332,000

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Beginning balance:	\$332,004	\$407,004	\$150,004	\$225,004	\$300,004	\$332,004
Deposits, from General Fund	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Balance, prior to withdrawals	\$407,004	\$482,004	\$225,004	\$300,004	\$375,004	\$707,004
Withdrawals:						
Rescue / pumper E-25		\$332,000				\$332,000
Ending balance	\$407,004	\$150,004	\$225,004	\$300,004	\$375,004	\$375,004

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

Capital Improvement Plan: FY2015-2019

Project Title: Public Safety Radio System Replacement

Department/Division: Police & Fire

Project Description and Reason Necessary:

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

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

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

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

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

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

Capital Improvement Plan: FY2015-2019

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

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

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

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
911 Dispatch Consoles (3) MCC7500				\$285,000		\$285,000
ASR (controller and repeater)				\$235,000		\$235,000
APX Radios (Police-40 in 2018; 22 in 2019)				\$210,000	\$57,750	\$267,750
Microwave*				\$25,000		\$25,000
APX Radios (fire 20 in FY2020)					\$105,000	\$105,000
Total				\$755,000	\$162,750	\$917,750

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

Future Operating Budget Impact:

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

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
New consoles				\$0	\$22,000	\$22,000
Existing consoles	\$22,000	\$22,000	\$22,000	\$0	\$0	\$66,000
Total Cost	\$22,000	\$22,000	\$22,000	\$0	\$22,000	\$88,000

Capital Improvement Plan: FY2015-2019

Parks & Recreation

Funding Sources:	2015	2016	2017	2018	2019	Total
General Fund					65,000	65,000
Southend Redevelopment Fund		45,000				45,000
General Capital Projects Fund	250,000	0	0	0	0	250,000
Golf Course Fund	0	35,000	40,000	95,000	0	170,000
Grounds Maintenance Internal Service Charges	25,000					25,000
Total CIP Funding Sources	275,000	80,000	40,000	95,000	65,000	555,000

Expenses:	Fund	2015	2016	2017	2018	2019	Total
Playground & Parks Equipment Replacement	001 & 182		45,000			65,000	110,000
Equipment Storage Structure	526	25,000					25,000
Skateboard Park	315	250,000					250,000
Point of Sale and Telephone Tee Time Software	440		35,000				35,000
Golf Course Sand Bunker Renovation	440			40,000			40,000
Golf Course & Grounds Irrigation Control System	440				95,000		95,000
Total CIP - Parks & Recreation		275,000	80,000	40,000	95,000	65,000	555,000

Capital Improvement Plan: FY2015-2019

Project Title: Playground and Parks Equipment and Equipment Replacement

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

This is a program to periodically add or replace equipment and structures and the City's parks and recreation facilities. The decision to add new equipment or replace existing equipment is made after considering safety, demand for the equipment and its current condition, age and amount of use.

South Beach Park – addition of shade structure (2016):

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

Tall Pines Park – addition of playground system and swing set (2019):

Tall Pines Park is located at corner of 9th Avenue North and 17th Street North. This neighborhood is adding new houses and families. The Tall Pines Park is becoming a popular play site for neighborhood children and also the Montessori school that is located on Penman Road.

This project would add a playground system and swing set to the existing playground equipment.

Funding Source: General Fund and South Beach Redevelopment Fund

Description (funding source)	FY2015	FY2016	FY2017	FY2018	FY2019	Total
South Beach Park-shade structure (South Beach Redevelopment)		\$45,000				\$45,000
Tall Pines Park-playground equipment (General Fund)					\$65,000	\$65,000
	\$0	\$45,000	\$0	\$0	\$65,000	\$110,000

Future Operating Budget Impact: No anticipated operating budget increase.

Capital Improvement Plan: FY2015-2019

Project Title: Equipment Storage Structure

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

The Parks & Recreation Department has a combined maintenance facility located at the golf course. The facility houses repair and maintenance areas for equipment maintenance along with storage for fertilizer, pesticides, paints, materials, and an estimated seventy pieces of equipment. A structure such as a cantilever cover will help extend the life of the equipment that cannot fit in the existing buildings by providing shelter and protection from rain and salt air.

Funding Source: Grounds Maintenance Internal Service Fund

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Equipment Storage Structure	\$ 25,000					

Future Operating Budget Impact: No additional impact on operating budget.

Capital Improvement Plan: FY2015-2019

Project Title: Skateboard Park

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

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

Funding Source: General Capital Projects Fund

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Skateboard Park	\$250,000					\$250,000

Future Operating Budget Impact:

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Maintenance		\$4,000	\$4,000	\$4,000	\$4,000	\$16,000
Total/(Savings)		\$4,000	\$4,000	\$4,000	\$4,000	\$16,000

Capital Improvement Plan: FY2015-2019

Project Title: Golf Course Point of Sale Software & Telephone Tee Times

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

The City of Jacksonville Beach has a very popular eighteen-hole golf course that is used by an estimated 50,000 golfers each year. The technology wave of people using smart phones, iPads, and other electronic devices is moving into the golf business.

The new software point of sale system will allow customers to book tee times online using mobile devices. It will also allow customers to check in and pay using these same mobile devices, improving customer service and reducing labor costs. In addition the software will interface with the 3rd party tee time sales services that are a popular method used to sell last minute tee times. The software system will download and interface with the City's current business applications.

Funding Source: Golf Course Fund Balance

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Point of Sale Software		\$ 35,000				\$35,000

Future Operating Budget Impact: No impact

Capital Improvement Plan: FY2015-2019

Project Title: Golf Course Sand Bunker Renovation

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

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

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

Funding Source: Golf Course Fund Balance/Operating Revenues OR General Capital Projects

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Sand Bunker Renovation			\$ 40,000			\$ 40,000

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

Capital Improvement Plan: FY2015-2019

Project Title: Golf Course & Grounds Irrigation Control System

Department/Division: Parks / Golf Course

Project Description and Reason Necessary:

The grounds at City facilities, parks and the golf course cover an estimated 135 acres, of which an estimated 80 acres have irrigation sprinklers. These sprinklers are controlled and activated by a central computer that relays signals to the sixteen satellites. Each satellite has the space to control up to sixty different electric valves. The system is used to schedule irrigation cycles at various locations and is continuing to be expanded. The current system is being used at the golf course, Wingate Park, landscape at O/M and Police, and both cemeteries. The next location to be added will be South Beach Park.

The existing system is a Toro “Osmac” was purchased about twelve years ago and has become obsolete and needs to be replaced. Replacement parts are no longer being manufactured for it.

Funding Source: Golf Course Fund Balance/Operating Revenues OR General Capital Projects

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Golf Course Irrigation System				\$ 95,000		\$ 95,000

Future Operating Budget Impact: No anticipated operating budget increase.

Capital Improvement Plan: FY2015-2019

Project Title: Bus Stops

Department/Division: Parks & Recreation

Project Description and Reason Necessary:

There are 109 bus stops located throughout the City. This project is intended to replace existing shelters or add new ones at selected locations with low-maintenance shelters that will provide overhead cover from the elements. Bus stop locations with the highest usage will be given priority over those with less usage.

The City is currently identifying the shelter options available. Pending specific identification of the location of structures to be added, funding has been tentatively identified in the ½ Cent Infrastructure Bond Proceeds Fund but may also be from both the Downtown and Southend Tax Increment Funds, upon identification and prioritization of specific shelters to be built/replaced.

As a pilot project, the City installed a bus shelter on Penman Road, adjacent to Beaches Energy Services' Penman Road Substation. Additional locations on Penman Road, along with stops on 9th Street and South Beach Parkway are all being considered, to be coordinated with Jacksonville Transportation Authority (JTA).

Funding Source: Anticipated funding sources are ½ Cent Infrastructure Bond Proceeds, Downtown Redevelopment and Southend Redevelopment, **however, until a final determination of specific bus stop types and the locations where they will be constructed, this project will remain unfunded in 2015 and later years.**

Funding Source: Half-cent Infrastructure Surtax Bond Proceeds

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Bus Stops						

Future Operating Budget Impact: As specific types of stops have not been identified, operating costs for routine maintenance also have not been quantified.

Capital Improvement Plan: FY2015-2019

Public Works							
Funding Sources:		2015	2016	2017	2018	2019	Total
Downtown Redevelopment Tax Increment Fund	181	5,300,000	4,500,000	4,500,000	4,500,000	4,500,000	23,300,000
General Capital Projects Heavy Vehicle Reserve	315	0	135,000	70,000	295,000	0	500,000
General Capital Projects Streets Reserve	315	810,000	0	300,000	300,000	0	1,410,000
General Fund Operating Revenues	001	35,000	26,000	26,000	0	80,000	167,000
Local Option Gas Tax Revenues	150	310,000	310,000	310,000	310,000	310,000	1,550,000
1/2 Cent Infrastructure Surtax	151	70,000	70,000	70,000	70,000	70,000	350,000
Southend Redevelopment Tax Increment Fund	182	3,645,766	2,240,000	1,750,000	300,000	1,750,000	9,685,766
Stormwater Operating Revenues	423	1,290,000	799,476	165,000	400,000	95,000	2,749,476
Water & Sewer Utility Operating Revenues	420	2,729,000	2,064,524	2,481,000	2,949,000	855,000	11,078,524
Total CIP Funding Sources		14,189,766	10,145,000	9,672,000	9,124,000	7,660,000	50,790,766
Expenses:							
Streets:							
Vehicle Replacement Program	001	35,000	26,000	26,000	0	80,000	167,000
Heavy Vehicle Replacement Program	315	0	135,000	70,000	295,000	0	500,000
Pavement and 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 Improvements: Downtown	181	5,000,000	4,500,000	4,500,000	4,500,000	4,500,000	23,000,000
Road & Infrastructure Improvements: Downtown (W&S)	420	0	0	0	0	0	0
Road & Infrastructure Improvements: Southend	182	3,645,766	2,050,000	1,750,000	300,000	1,750,000	9,495,766
Road & Infrastructure Improvements: 10th Street South							
Water & Sewer	420	640,000	0	0	0	0	640,000
Stormwater	423	380,000	0	0	0	0	380,000
Roads	315	810,000	0	0	0	0	810,000
10th Street South Total		<u>1,830,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,830,000</u>
Total CIP - Roads & Streets		10,890,766	7,091,000	6,726,000	5,475,000	6,710,000	36,892,766
Distribution & Collection:							
Vehicle Replacement	420	305,000	31,000	31,000	55,000	25,000	447,000
Water Distribution & Sanitary Sewer Collection Systems Improvements							
Water Distribution Improvements	420	260,000	1,020,000	400,000	400,000	400,000	2,480,000
Sewer Collection Improvements	420	670,000	0	0	0	0	670,000
Multi-Infrastructure Improvements	420/315	550,000	0	1,500,000	1,500,000	0	3,550,000
Subtotal, capital outlay		<u>1,480,000</u>	<u>1,020,000</u>	<u>1,900,000</u>	<u>1,900,000</u>	<u>400,000</u>	<u>6,700,000</u>
Water Valve and Sanitary Sewer System Maintenance Program (not capital)	420	245,000	245,000	245,000	245,000	245,000	1,225,000
Subtotal-D&C Systems Improvements		<u>1,725,000</u>	<u>1,265,000</u>	<u>2,145,000</u>	<u>2,145,000</u>	<u>645,000</u>	<u>7,925,000</u>
Reuse Implementation Program	420/182						0
		<u>2,030,000</u>	<u>1,296,000</u>	<u>2,176,000</u>	<u>2,200,000</u>	<u>670,000</u>	<u>8,372,000</u>
Pollution Control Plant:							
Vehicle Replacement Program	420	0	19,000	30,000	24,000	0	73,000
Sewer Rehabilitation Program-Lift Stations	420	100,000	750,000	0	1,025,000	185,000	2,060,000
Wastewater Treatment Facility Improvements	420	150,000	0	35,000	0	0	185,000
		<u>250,000</u>	<u>769,000</u>	<u>65,000</u>	<u>1,049,000</u>	<u>185,000</u>	<u>2,318,000</u>
Water Plant							
Vehicle Replacement Program	420	0	0	0	0	0	0
Raw Water Wells Improvement Program	420	22,000	500,000	0	0	0	522,000
Water Plant #2 Improvements	420	0	0	360,000	0	0	360,000
Water Plant #1 Roof Replacement	420	87,000	0	0	0	0	87,000
		<u>109,000</u>	<u>500,000</u>	<u>360,000</u>	<u>0</u>	<u>0</u>	<u>969,000</u>
Total CIP - Water & Sewer Fund		2,389,000	2,565,000	2,601,000	3,249,000	855,000	11,659,000
Stormwater							
Vehicle Replacement Program	423	110,000	0	0	0	0	110,000
Stormwater Collection & Treatment Improvements	423	705,000	204,000	250,000	305,000	0	1,464,000
Stormwater Collection & Treatment Impr-Southend	182	0	190,000	0	0	0	190,000
Stormwater Master Plan-clean pipe (not capital)	423	95,000	95,000	95,000	95,000	95,000	475,000
Total CIP - Stormwater		<u>910,000</u>	<u>489,000</u>	<u>345,000</u>	<u>400,000</u>	<u>95,000</u>	<u>2,239,000</u>
Sanitation							
Vehicle Replacement Program	430	0	0	0	0	0	0
Total CIP - Public Works		14,189,766	10,145,000	9,672,000	9,124,000	7,660,000	50,790,766

Capital Improvement Plan: FY2015-2019

Project Title: Vehicle Replacement Program

Department/Division: Public Works / All Divisions

Project Description and Reason Necessary: This is a program to replace vehicles due to increasing annual operating expenses, age, and condition.

Division FY Replacement	Fund Source	Truck #	Model Yr.	Description	Mileage (Hours) at 2/2014	Estimated Replacement Cost
Streets 2015	001	533	2003	Ford 250 ¾-ton Truck with utility body	150,200	\$35,000
Streets 2016	001	-	-		-	-
Streets 2017	001	503	2003	Ford 250 4X4	94,500	\$26,000
Streets 2019	001	505	2003	Dodge, Durango 4X4	40,000	\$35,000
Streets 2019	001	ST-88	2005	John Deere, 4320 4X4 Tractor with Box Blade	750 hrs	45,000
Stormwater 2015	423	535	2001	John Deere Boom Arm Mower	1,600 hrs	\$110,000
D&C 2015	420	542	2002	L7501 Ford (Vac-con): Truck \$95,300 Equipment \$209,700	9,144 (3,245 hrs).	\$305,000
D&C 2016	420	504	2006	Ford F-250 ¾-ton Truck w/utility body	58,283	\$31,000
D&C 2017	420	572	2004	Ford F-250 ¾-ton Truck w/utility body	74,079	\$31,000
D&C 2018	420	502	2006	Ford F-150 1/2- ton Pickup truck	55,492	\$20,000
D&C 2018	420	522	1994	Chevy 1-Ton Van: Truck \$25,000 Equipment \$10,000	5,194	\$35,000
D&C 2019	420	523	2007	Ford F-150 ½-ton Pickup Truck	47,624	25,000
PCP 2016	420	517	2000	Dodge ½ -ton Pickup Truck	68,000	\$19,000
PCP 2017	420	507	2000	Ford F250 ¾-ton Pickup Truck	71,000	\$30,000
PCP 2018	420	508	2005	Ford F150 ½ ton Pickup Truck	36,000	\$24,000
TOTAL:						\$797,000

Vehicle Replacement Summary:

Capital Improvement Plan: FY2015-2019

DIVISION (<i>Fund Source</i>)	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
STREETS DIVISION						
General Fund:	\$35,000	\$26,000	\$26,000	\$0	\$80,000	\$167,000
Stormwater Fund:	\$110,000	\$0	\$0	\$0	\$0	\$110,000
Sanitation Fund:	\$0	\$0	\$0	\$0	\$0	\$0
Streets Division Subtotal:	\$145,000	\$26,000	\$26,000	\$0	\$80,000	\$277,000
WATER & SEWER FUND						
D&C Division:	\$305,000	\$31,000	\$31,000	\$55,000	\$25,000	\$447,000
PCP Division:	\$0	\$19,000	\$30,000	\$24,000	\$0	\$73,000
WP Division:	\$0	\$0	\$0	\$0	\$0	\$0
Water & Sewer Fund Subtotal:	\$305,000	\$50,000	\$61,000	\$79,000	\$25,000	\$520,000
TOTAL:	\$450,000	\$76,000	\$87,000	\$79,000	\$105,000	\$797,000

Capital Improvement Plan: FY2015-2019

Project Title: Heavy Vehicle Replacement/Maintenance and Funding Program

Department/Division: Public Works / Streets

Project Description and Reason Necessary: The Streets Division of the Public Works Department operates a number of specialized vehicles that are necessary to move debris and to maintain the City's roads and utility systems. The cost of these vehicles makes it important to plan for their replacement by reserving a portion of their replacement cost on an annual basis until the vehicle's replacement cost has been accumulated. The estimated life for each of these vehicles is approximately 5-10 years. Vehicles included in this program are those costing more than **\$50,000**. Due to their cost, the City only owns and operates one of each kind of vehicle. The plan below estimates most replacements on a 10-year cycle. However, in order to make the most economical use of the vehicle, its life may be extended, depending on its annual repair and maintenance costs. This planned replacement program also minimizes the need to borrow money to replace expensive vehicles. Estimated replacement costs are updated annually and it is prudent to plan for an average annual cost increase of three percent (3%) when determining annual reserves. No significant operating budget impact will occur.

Description	Truck #	Year	Replacement Yr.	Mileage (hours) at 2/2014	Estimated Replacement Cost	Estimated Trade-in Value	Net Est. Cost
Kenworth 18yd Dump Truck	545	2000	2016	133,186	\$135,000		\$135,000
International 4700 Flatbed	569	2000	2017	50,700	\$70,000		\$70,000
International 4200 Flatbed	551	2003	2018	41,280	\$70,000		\$70,000
Caterpillar 4x4 Backhoe	527	2013	2018	514	\$110,000	\$35,000	\$75,000
Caterpillar Excavator	534	2013	2018	81	\$225,000	\$75,000	\$150,000
				TOTAL	\$610,000	\$110,000	\$500,000

	2015	2016	2017	2018	2019	SUMMARY TOTAL
Balance, beginning of year	\$273,476	\$363,476	\$318,476	\$338,476	\$133,476	<i>Begin:</i> \$273,486
Deposits (from General Fund into Streets Cap. Proj. Reserve)	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	<i>Total:</i> \$450,000
Est. Available Balance	\$363,476	\$453,476	\$408,476	\$428,476	\$223,476	
Withdrawals:	\$0					
• International 4700 Flatbed			\$70,000			
• International 4200 Flatbed				\$70,000		
• Kenworth 18yd Dump Truck		\$135,000		\$75,000		
• Caterpillar 4x4 Backhoe				\$150,000		
• Caterpillar Excavator						
						<i>Total:</i> \$500,000
Balance, end of year	\$363,476	\$318,476	\$338,476	\$133,476	223,476	<i>End:</i> \$223,486

Capital Improvement Plan: FY2015-2019

Project Title: Pavement Maintenance, Striping, and Sidewalk Program

Department/Division: Public Works / Streets

Project Description and Reason Necessary: The City has an inventory of about 88 miles of road and 33.7 miles of sidewalk. The City programs annual maintenance on a portion of its public pavement (streets, parking lots, and sidewalks).

- Street Maintenance:
 - Roadway: Over the past decade or so, this program has consisted of a combination of hot-in-place recycling, mill & overlay, overlay, resurfacing or sealing, and asphalt rejuvenation. In the past, maintenance was programmed for an average of approximately 10% to 15 % of the inventory. The continuous rise in costs of petroleum related products (such as asphaltic concrete) in the past years, and as markedly experiencing now, has caused this percentage to decline due to budget constraints. On the short to intermediate term, staff anticipates that mill & overlay, overlay and asphalt rejuvenation approaches will be the primary focus.
 - Traffic Striping: The City restripes streets that are resurfaced or overlaid, and restripes existing striping on streets as necessary.
- Sidewalk Maintenance: The sidewalk maintenance program consists of repairing existing sidewalks, based on the severity of deterioration.
- New Sidewalk: In the past, the City annually funded programs to construct new sidewalks for the City’s Safety Sidewalk Master Plan and other key sections that connect to the master plan or that prudently connect existing sidewalk sections. Locations being considered include:
 - 15th Avenue N. (3rd Street N. to Penman Rd)
 - 2nd Street S. (38th to 37th Ave. S.) (north end of Avalon Subdivision area)
 - 37th Ave. S. (1st Street S. to the streetend at the beach)

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

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

	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
<u>LOGT (Not Capital)</u> Street Maintenance	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$1,375,000
<u>LOGT (Not Capital)</u> Sidewalk Maintenance	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
BJB/LOGT (Capital) New Sidewalks	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$350,000
TOTAL	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$1,900,000

Capital Improvement Plan: FY2015-2019

Project Title: Road & Associated Infrastructure Improvements

Department/Division: Public Works / Streets

Project Description and Reason Necessary: Within the City there are roads which need to be rebuilt because of deterioration caused by aging, compromise of the base and excess elevation due to many overlays. The degree of required rebuilding differs with the condition of each road. It is recommended that rebuilding of roads be accomplished in conjunction with improvements to underground utilities when possible.

Downtown Redevelopment Infrastructure Improvements Program: *Recommended Funding Source – Downtown Redevelopment Tax Increment Fund (DT TIF) with Water / Sewer & 1/2 Cent Infrastructure Surtax (BJB) Bonds funding work adjacent to the district's south boundary. See the summary project limits / descriptions that begin following the table below.*

PROJECT (Fund Source)	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL	
Downtown Redevelopment District Improvements Program								
Phase 3A (DT TIF) + 6 th 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)	Design	\$405,846						
	Construct	\$208,114	\$500,000 \$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000 (FY2020-22 \$12,500,000)	\$23,000,000
Phase 3D	Design (W/S, BJB)	\$137,560						
	Construct (W/S- 55%; BJB-45%)	\$46,262					FUTURE	
TOTAL	DT TIF W/S	\$4,003,191	\$5,000,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$23,000,000

- **Phase 3A Project:** Limits are 1st St. N. from 4th Ave. N. to 6th Ave. N., 5th Ave. N. from 1st to 3rd Sts. and 6th Ave. N. from 1st St. N. to 3rd St. N. *Construction complete.*
- **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 underway in FY2014. NOTE:* Another project on 2nd St. N. from Beach Boulevard to 6th Ave. N. will be designed and constructed at a future date.

Capital Improvement Plan: FY2015-2019

- Phase 3C Project:** Limits include 3rd Street, Beach Boulevard, Street Ends, and 13th Avenue South. The scope of work for these phases include improvements to sanitary sewer, water distribution, stormwater, roadways, alleys, street ends, stormwater modeling and permitting, and stormwater pumping stations and force mains throughout the area plus other identified ancillary public improvements throughout the area. Due to funding constraints, the construction of Phase 3C may be divided into phases.
- Phase 3D Project:** Limits include 3rd Street, 13th Avenue South, Street Ends, and 16th Avenue South (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. Phase D work is anticipated to be incorporated into one of the Phase 3C phases.

South Beach Redevelopment Infrastructure Improvements Program: *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. See summary project limits / descriptions that begin after the following table.

PROJECT (<i>Fund Source</i>)	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
South Beach Redevelopment District (SED) Improvements Program (SE-TIF, W/S)							
SBRD Area Imps (Phase 1) (<i>SE TIF, W/S</i>) Design Construct	\$218,817 \$3,302,694						-
Reuse/Landscape/Irrigate Imps (Ph 2) (<i>SE TIF</i>) Design Construct	\$184,671	\$1,845,766					\$1,845,766
Road Imps (Concept B) (<i>SE TIF</i>) Design Construct	\$117,867	\$1,500,000					\$1,500,000
Stormwater/ Road Imps (Phase 3) (<i>SE TIF</i>) Design Construct		\$300,000	\$1,750,000				\$2,050,000
Stormwater/Road Imps (Phase 4) (<i>SE TIF</i>) Design Construct			\$300,000	\$1,750,000			\$2,050,000
Stormwater/Reuse Imps (Phase 5) (<i>SE TIF</i>) Design Construct					\$300,000	\$1,750,000	\$2,050,000
TOTAL	\$3,824,049	\$3,645,766	\$2,050,000	\$1,750,000	\$300,000	\$1,750,000	\$9,495,766

- Reuse, Landscaping and Irrigation Improvements Project (Phase 2):** Limits include South Beach Parkway (Osceola Avenue to Jacksonville Drive) and Jacksonville Drive (South Beach

Capital Improvement Plan: FY2015-2019

Parkway to A1A). *Design underway in FY2014.* Project consists of constructing new landscaping, irrigation system, reuse system, stormwater access manholes on existing stormsewer in South Beach regional Shopping Center. Also includes milling and overlay and new sidewalk along Jacksonville Drive. Riptide pond interconnection to existing stormwater system on South Beach Parkway to be included under this project.

- **Roadway Improvements Project (Concept B):** Limits include South Beach Parkway from J. Turner Butler Blvd to Jacksonville Drive. *Design underway in FY2014.* 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 modifying the existing traffic signal to create a controlled intersection at the entrance to the South Beach Regional Shopping Center and the replat of part of the Ocean Terrace subdivision. The design of improvements to the stormwater pond that receives Ocean Terrace stormwater is anticipated to be incorporated prior to construction bid. Project estimate includes \$650,000 for Beaches Energy Services to underground two distribution circuits that run along South Beach Parkway.
- **Stormwater Piping and Roadway Improvements Project (Phase 3):** Drainage and roadway study, drainage easement and stormwater improvements for north of Jacksonville Drive from Palm Way to Grande Boulevard, milling and resurfacing Jacksonville Drive from South Beach Parkway to Sanctuary Boulevard, roadway reconstruction on America Avenue from Jacksonville Drive to Republic Drive, roadway reconstruction on Grande Boulevard from Sanctuary Parkway to north end, and roadway reconstruction on Palm Way from Sanctuary Parkway to north end.
- **Stormwater/Roadway Improvements (Phase 4):** Roadway improvements include Marsh Landing Parkway, Isabella Boulevard from Jacksonville Drive to Osceola Avenue, and 34th Avenue South from Isabella Boulevard to deadend. Stormwater Improvements include South Basin Canal modifications and outfall ditch improvements from Osceola Avenue to Jacksonville Drive.
- **Stormwater/Reuse Improvements (Phase 5):** Stormwater system improvements include Osceola Avenue from South Beach Parkway east to Sandra Drive, and Osceola Regional Pond modifications. 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.

10th Street South Industrial Park Area Improvements: *Project funding will be from the General Capital Projects Fund road reserve, Water & Sewer Fund and Stormwater Fund.* The scope of work for this project includes improvements to the road, stormwater, sanitary sewer and water distribution systems plus other ancillary public improvements throughout and nearby the project area. Project area encompasses 10th Street South from 5th to 12th Avenues and the avenues connecting 9th and 10th Streets. **NOTE:** There is an area of contaminated soil that must be addressed for which it is difficult to estimate cost.

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10 th Street South Industrial Park Area	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Design (W/S)	\$73,270						
(SW)	\$42,338						
(GCP)	\$91,609						
Construction (W/S)		\$640,000					\$640,000
(SW)		\$380,000					\$380,000
(GCP)		\$810,000					\$810,000
TOTAL	\$207,217	\$1,830,000					\$1,830,000

Summary of Road & Associated Infrastructure Improvements:

	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Downtown Redevelopment District	\$5,000,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$23,000,000
South Beach Redevelopment District	\$3,645,766	\$2,050,000	\$1,750,000	\$300,000	\$1,750,000	\$9,495,766
10 th Street South Industrial Park Area	\$1,830,000	-	-	-	-	\$1,830,000
TOTAL	\$10,475,766	\$6,550,000	\$6,250,000	\$4,800,000	\$6,250,000	\$34,325,766

NOTES:

(These following notes are applicable to the Downtown Redevelopment District Program, the South Beach Redevelopment District Program and other Road & Associated Improvements projects.)

1. The above estimated planning costs are variable until project scope, design, bid advertisement and bid award are complete.
2. When roads are identified for reconstruction, Public Works reviews other utility and traffic systems (water, wastewater, stormwater, pavement and road base, sidewalk, etc.) in the right-of-way for prudent upgrades and repairs to maximize return on investment.
3. Other projects may be added in the future from the master plans for the Downtown/Southend Redevelopment Districts and other necessary road reconstruction, and in the future, listed projects may be deleted and/or shifted on time-line due to budgetary constraints.

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Project Title: Water Distribution & Sanitary Sewer Collection Systems Improvements

Department/Division: Public Works / Distribution & Collection

Project Description and Reason Necessary:

Water Distribution System Improvements: *Recommended Funding Source – Water/Sewer.* The City’s water distribution system consists of approximately 109 miles of water mains, 2,652 water valves, 10,502 water service laterals, 867 fire hydrants and two (2) elevated water tanks. Various existing water mains in some areas require replacement because they are old, tuberculated, galvanized 2”and/or unlined/deteriorated cast iron 4” or larger in size. Tuberculation is the development of small mounds of corrosion products (rust) on the inside of galvanized or unlined cast iron pipes, decreasing the diameter. This causes significant loss of water pressure and volume. The water lines are to be replaced with varied sizes of PVC pipes (6” or larger when needed for firefighting requirements). Subject to available time and funding resources, the City programs a major water main replacement project to be contracted and one or two small water line replacement projects for City or contract forces to accomplish. **The City has made great strides over the past years in replacing old tuberculated, galvanized and unlined cast iron lines. This is an ongoing, multi-year program.**

Water Main Replacement Projects at Various Locations: *Recommended funding source – Water & Sewer Fund.* Each project includes replacing old galvanized, old cast iron, and asbestos cement (AC) water mains with new 6” or greater PVC water mains and valves. New fire hydrants installed as necessary. Ancillary sidewalk and asphalt road crossing work as necessary.

Project	Water Main Replacement		Project Area		
	Old Type	Est. Length	ALONG	FROM	TO
Phase A	2” galvanized	4,625 ft	<i>Completed</i>		
Phase B (2013 & 2014)	2” galvanized 6”/8” cast iron	11,200 ft	• A1A	6 th Ave. N.	20 th Ave. N.
Phase C (2014 & 2016)	2” galvanized	3,700 ft	• 12 th St. N.	12 th Ave. N.	12 th St. dead end
			• 5 th St. S.	16 th Ave. S.	5 th St. dead end
			• Palm Circle	Holly Dr.	Palm Tree
			• 11 th St. N.	12 th Ave. N.	San Pablo Circle
Phase D (2015 & 2016)	2” galvanized	3,000 ft	• 7 th St. S.	16 th Ave. S.	Millie Dr.
			• Rannie St.	9 th Ave. N.	11 th Ave. N.
			• Oakwood Ct.	16 th Ave. S.	Cul-de-sac
			• 8 th St. S.	16 th Ave. S.	8 th St. dead end
			• 1 st Ave. S.	10 th St. S.	11 th St. S.
			• 11 th St. S.	1 st Ave. S.	2 nd Ave. S.
• 13 th Ave. N.	2 nd St. N.	3 rd St. N.			

Automated Meter Reading (AMR) Meter Upgrade Program: To increase efficiency and accuracy in reading and billing of utility services, the City intends to upgrade its inventory of meters and transition to automated meter reading over the next several years. In 2014, Beaches Energy

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Services (BES) executed a study that is to result in a meter upgrade and automation implementation plan. Subsequently, BES will budget the portion for electric and gas meters. Public Works will budget the portion for the 10,000 +/- inventory of water meters.

Sanitary Sewer Collection System Improvements: *Recommended Funding Source – Water/Sewer.* The City's wastewater collection system consists of approximately 85 miles of sewer mains and 1,698 manholes, 38 sewage lift stations with 18 miles of force mains. Manholes are routinely being identified for rehabilitation. Sewer mains identified in previous studies (1989 Water & Wastewater Study, 1992 & 1995 Infiltration & Inflow Studies, and 2004 Hydraulic Study) are deteriorated, cracked and leaking clay / cast iron pipes, constructed many decades ago, and are well beyond the normal life cycle. **Relining and replacing as necessary reduces sewer backups and infiltration and inflow from groundwater and rains, which in turn reduces the operational load and long-term wear and tear on the sewage lift stations and the city's wastewater treatment facility.** This places less pollution load upon the environment. **This is an ongoing, multi-year program.**

- **4th Street North Sewer Improvements (13th Ave. N. to 18th Ave. N.):** *Recommended funding source – Water & Sewer Fund.* Project is estimated to consist of removal/ replacement of 500 LF of 8" gravity sewer main; removal/replacement of 1,300 LF of 12" sewer main; manholes; sewer services; removal/replacement of 200 LF of curb and gutter; removal/replacement of 4,500 SY of asphalt pavement.
- **Repairs to the effluent outfall at the St. Johns River.** *Recommended funding source – Water & Sewer Fund.* The Cities of Atlantic Beach, Neptune Beach and Jacksonville Beach discharge treated effluent to the St. Johns River via a common effluent force main. This force main is both singly and jointly owned by the three cities. The singly-owned portion is the segments which carry only treated wastewater generated by that city; the jointly-owned portions are those segments that are common to two or more of the respective cities. The common 24" diameter portion carries effluent from all three beaches communities and discharges to the St. Johns River at Sherman's Point near the village of Mayport. The original 12" and 24" outfall force mains have been in service since the late-1980s. At the river's edge there is an existing wood pile structure that supports both the 12" and 24" outfall pipes. This outfall is in dire need of repair and a recent consultant report recommends replacement. Design is underway. Estimated total replacement cost is approximately \$400,000 +/- and the City's portion (41.3%) is \$165,200.

Multi-Infrastructure Improvements Projects: In the past, priority has been to upsize/replace/ rehabilitate water & sewer mains and services as needed in conjunction with programmed stormwater and roadway projects for cost effectiveness.

- **LS # 8 (825 18th Ave. N.) Area Water / Sewer Improvements:** Project consists of: abandon/removal of 11,000 LF of 8" sewer main; abandon 4,500 LF of 2" water main; construct 3,800 LF of 2"/6" water main; construct 13,500 LF of 8"/12" sewer main; construct 100 LF 2"

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force main; construct 200 LF of 15" storm sewer; construct 37,500 LF of 6" sewer services; valves, manholes, and inlets; remove/replace 35,000 SY of asphalt pavement.

Funding Sources: Water & Sewer Fund (W/S); General Capital Projects Fund (GCP)

Project (Fund Source)	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Water Distribution System Improvements							
Water Main Replacement							
Phase A (W/S)							
<i>Design</i>	\$48,950						
<i>Construct</i>	\$400,000						
Phase B (W/S-78.5%, DT TIF-21.5%,)							
<i>Design</i>	\$175,000						
<i>W/S Construct</i>	\$1,095,000						
<i>DT TIF Construct</i>	\$300,000						
Phase C (W/S)							
<i>Design</i>	\$46,000						
<i>Construct</i>			\$330,000				\$330,000
Phase D (W/S)							
<i>Design</i>		\$60,000					
<i>Construct</i>			\$290,000				\$350,000
AMR Water Meter Upgrade (W/S)		\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$1,800,000
Water SUB-TOTAL							
W/S	\$1,764,950	\$260,000	\$1,020,000	\$400,000	\$400,000	\$400,000	\$2,480,000
DT TIF	\$300,000						
Sanitary Sewer Collection Improvements							
N. 4th St. Sewer Imps. (13th - 18th Ave.) (W/S)							
<i>Design</i>	\$66,000	\$500,000					
<i>Construct</i>							\$500,000
Effluent Outfall Modifications							
<i>Design</i>	\$10,500	\$170,000					\$170,000
<i>Construct</i>							
Sewer SUB-TOTAL							
W/S	\$76,500	\$670,000					\$670,000
Multi-Infrastructure Improvements							
LS #8 Area Water/Sewer Imps							
(W/S) <i>Design</i>		\$550,000					\$550,000
<i>Construct</i> (W/S- 80%)				\$1,200,000	\$1,200,000		\$2,400,000
(GCP-20%)				\$300,000	\$300,000		\$600,000
Other W/S Mains (W/S)							
Multi SUB-TOTAL (W/S)		\$550,000		\$1,200,000	\$1,200,000		\$2,950,000
(GCP)				\$300,000	\$300,000		\$600,000
TOTAL CAPITAL							
W/S		\$1,480,000	\$1,020,000	\$1,600,000	\$1,600,000	\$400,000	\$6,100,000
GCP				\$300,000	\$300,000		\$600,000

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¹ The above estimated planning costs are variable until project scope, design, bid advertisement & bid award are complete.

NOT CAPITAL	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	FY2016
Water Valve Maintenance Program ¹ (WS)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Sanitary Sewer System Maintenance Program ² (W/S)	\$120,000	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000	\$1,100,000
TOTAL NOT CAPITAL	\$145,000	\$245,000	\$245,000	\$245,000	\$245,000	\$245,000	\$1,225,000

¹ In 2013, the Distribution & Collection Division began ramping up its **Water Valve Maintenance Program** with a project to repair by replacement a backlog inventory of 40 or so damaged/broken valves in the City's water distribution system. Going forward, this program is to include annually exercising 25% of the valve inventory and subsequently replacing damaged/broken valves as necessary.

² Since 1997, the Distribution & Collection Division's annual budget for the **Sanitary Sewer System Maintenance Program** has included \$20,000 for cleaning sewer pipe and \$20,000 for lining manholes. Going forward, the division is ramping up its program towards an **annual budget of \$220,000 by 2015**. Next year is a transition year and is budgeted at \$120,000. Going forward, this program is to include annually inspecting 10% of the manhole inventory and subsequently relining/reconstructing manholes as necessary. It also includes cleaning/televising sewer mains/services and making point repairs as necessary.

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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 2,126 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 Spectrashield, having a 10-yr warranty, (or similar product). In addition, pumps, piping, controls, fencing, & surface improvements at the lift stations are to be replaced/maintained as necessary. The current program strategy is to rehabilitate lift stations on an average of every 10 years.

- **LS #7:** *Design start scheduled for FY2013; construction start scheduled for FY2014.* This station is located at 301 N. 18th Avenue on the corner of 3rd Street and 18th Avenue. The station was commissioned in 1984. It is a Smith and Loveless duplex lift station utilizing old vacuum assist technology which is very problematic and labor intensive. The flow enters the station through a manhole in 3rd Street and discharges to a manhole in 18th Avenue that gravity flows to Lift Station #20. The control cabinet, piping and structure are corroded and deteriorating and it is difficult to get replacement parts. The wet well is 6' X 16' concrete coated with Spectrashield. This station is literally located in the Fletcher Middle School parking lot. The station should be replaced with a duplex submersible lift station.
- **LS #9:** *Design start scheduled for FY2013; construction start scheduled for FY2014.* This station is located at 1850 Tanglewood Road and discharges into a manhole on 10th Street North at 13th Avenue and gravity flows to lift station #2. It is one of two above grade duplex self-priming lift stations left in our system. It is equipped with 2 Gorman Rupp pumps installed in 2000/2001. This lift station is seriously impacted and very problematic during rain events. The pumps have great difficulty keeping up with the flows during these high demand periods. The pumps are noisy and we have received numerous complaints from the neighborhood about the racket. Over the past couple of years the station has required more and more attention and repair just to keep the pumps operational. This station should be replaced with a duplex submersible lift station.
- **LS #8:** *Design start scheduled for FY2015; construction start scheduled for FY2015.* This station is located at 825 18th Avenue North. The force main discharges into a manhole and into lift station #20. This station is impacted by infiltration and inflow issues. This station should be replaced with a duplex submersible lift station in conjunction with the lift station #8 Sewer Improvements project.
- **LS # 2:** *Design start scheduled for FY2016; construction start rescheduled for FY2018.* This lift station is located at 6th Ave. N. at 4th St. N. It is a dry-pit submersible lift station below grade. This station needs to be replaced with a submersible type station including: 1) modifying the

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existing generator building, 2) demolishing the existing lift station building, 3) construct a new wet well with spectra shield coating, 4) new flow meter. City has recently installed new variable frequency drives and a used/refurbished generator.

- **LS #17:** *Design start scheduled for FY2018.* The station is a duplex submersible pump station with two Gorman-Rupp submersible pumps located at 3351 Anhinga Court. The force main discharges to a manhole, which is located on Osceola Avenue at Merrill Boulevard, and then flows by gravity to Lift Station # 14. The lift station has an 8-foot diameter wet well, which has been coated with Spectrashield and appears to be in reasonably good condition. The control cabinet is deteriorated. Discharge piping is PVC with the exception of the discharge elbows, which are ductile/cast iron, and show signs of rust. Replace existing storm sewer pipe with larger piping and provide access and gate to lift station site.
- **LS #19:** This station is located at 33 Rosewood Drive. It is a duplex submersible station which was converted in 2001. It has Hydromatic pumps that are prone to clogging due to low flow conditions. The wet well has been coated with Spectrashield and valve box is in good condition. The existing submersible pumps and motors, pump rail system, piping, valves, and control panel need to be replaced. The existing Dataflow PCU also needs to be replaced with a new TacPac. Add a new pump-out connection outside of the valve vault and a new light pole needs to be added for maintenance at night.
- **LS #5:** This station is located at 50 S. 37th Ave. It was converted to a submersible station in 1993. The existing 10-foot diameter wet well was coated with a Spectrashield coating system in 2004. The existing 60 KW Kohler generator was installed in 1984, has numerous oil leaks, and needs to be replaced. Also replace existing day tank and 500 gallon steel fuel tank with new Convault tank for generator. Relocate existing irrigation pump and control system. The existing pump building needs to be demolished and the existing generator building is to remain. Replace submersible pumps and motors; replace the pump rail system; replace discharge valves and piping and control panel; replace Dataflow PCU with new TacPac (SCADA). A light pole also needs to be added for maintenance at night.
- **LS #20:** This is a duplex submersible station located at 400 N. 15th Ave. It was constructed in 1997 and the wet well has been rehabilitated with Spectrashield. This station also has a difficult time pumping due to the downstream sewer system during wet weather conditions. Replace pumps and motors, pump rail system, pump piping and force main piping to manhole, valves, fencing, and the control panel. Recoat the existing valve vault, and a new light pole needs to be added for maintenance at night.
- **LS #24:** This station is located at 3750 South Third Street. It is a duplex submersible station constructed in 1990. This station has never been rehabilitated. Piping from the wetwell to the valve box was replaced in 2004 by PCP personnel. The piping inside the wetwell has begun to develop problems and has several pipe repair clamps installed to stop leaks. The isolation and check valves are greatly deteriorated as well as the piping from the isolation valves to the

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manhole. The control panel is old and debilitated and has become problematic requiring regular attention. This station needs to be replaced with a new duplex submersible station with above ground discharge piping as is our new rehab protocol.

- **LS #25:** This station is located at 1781 The Greens Way. It is a duplex submersible station built in 1992. This station seems to have an inordinate amount of electrical issues with BES. They have been there to look at our problems but no conclusion was reached but this station has had many Dataflow power problems. The pumps were taken out of LS #21 and installed at LS #25 during the Valencia Condominium Project. The pumps do not fit in the well properly (they are too big for the well) which won't even allow us to put lifting bales on them (requiring use of cables instead). This will be a big problem if a cable breaks. The flows are also higher than when these pumps were put in. This station needs to be replaced with a new duplex submersible station with above ground discharge piping as is our new rehab protocol.
- **LS # 21:** This station is located at 4235-50 Marsh Landing Blvd. It is a duplex submersible station built in 1997. This station has not been rehabbed since its installation. The pumps were upgraded to larger pumps as part of the Valencia Condominium Project. The isolation and check valves are deteriorating and piping repairs between the wetwell and valve box were made in 2013 after leaks developed. The wetwell is uncoated concrete but can probably be repaired and coated. We also had a rat problem there with the rats using the electrical conduit as a highway into the wet well. We do not know what if any damage was done to the wiring. This station needs to be replaced with a new duplex submersible station with above ground discharge piping as is our new rehab protocol.
- **LS # 33:** This station is located at Ocean Cay Unit 2 SD (at Isabella Blvd.). It is a duplex submersible station built in 1998. This station is obsolete. The pumps are too small for the flows and have a hard time keeping up during heavy rains. The rails are old "T" type rails which make removing and reinstalling the pumps labor intensive. The control panel is outmoded and becoming problematic. The fencing is in bad shape and the valves are deteriorating. This station needs to be replaced with a new duplex submersible station with above ground discharge piping as is our new rehab protocol.
- **LS #30:** This station is located at the existing BES building at the substation located at 4400 South Beach Parkway. It only serves the BES facility and is occupied only several times a day. It is a duplex submersible station and has never been rehabilitated. This station has maintenance issues since it operates infrequently due to extremely low flow conditions (a couple of times a year). When the level in the wetwell reaches the pump "on" level, the pump usually freezes up and requires service. This is also one of only two stations in the system that has single phase power. There is no telemetry at this station. This station needs to be investigated to determine if it can be eliminated.

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Funding Source: Water & Sewer Fund

PROJECT (Fund Source)	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
LS #15 <i>Design</i> (W/S) <i>Construct</i>	\$33,000 \$278,499						
LS #1 <i>Design</i> (W/S) <i>Construct</i>	\$86,054 \$1,420,435						
LS #7 <i>Design</i> (W/S) <i>Construct</i>	\$33,000 \$278,735						
LS #9 <i>Design</i> (W/S) <i>Construct</i>	\$57,750 \$600,967						
LS #8 <i>Design</i> (W/S) <i>Construct</i>		\$100,000					
			\$650,000				\$750,000
LS #2 <i>Design</i> (W/S) <i>Construct</i>			\$100,000				
					\$1,000,000		\$1,100,000
LS #17 <i>Design</i> (W/S) <i>Construct</i>					\$25,000		
						\$150,000	\$175,000
LS #19 <i>Design</i> (W/S) <i>Construct</i>						\$35,000 TBD	\$35,000
LS# 5 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
LS #20 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
LS #24 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
LS #25 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
LS #21 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
LS #33 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
LS #30 <i>Design</i> (W/S) <i>Construct</i>						FUTURE	
TOTAL CAPITAL:	\$2,788,440	\$100,000	\$750,000	-	\$1,025,000	\$185,000	\$2,060,000

¹ The above planning estimated costs are variable until project scope, design, bid advertisement and bid award are complete.

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Project Title: Reuse Implementation Program

Department / Division: Parks and Recreation & Public Works / Distribution & Collection

Project Description and Reason Necessary: In the Master Plan to Upgrade the Wastewater Treatment Facility (previous page) all plant effluent will be reuse quality. Under the provisions of Amendment 1 to the SJRWMD Cost-Share Agreement for the Wastewater Treatment Plant Improvements Project the City agreed to construct projects to utilize more plant effluent as reuse. The schedule in the agreement had all Short-Term and Mid-Term projects completed by end 2014. Amendment 1 also states that that the initial milestones and projected project activity descriptions may be updated/revised/added to as the project progresses. Subsequently, staff revised / updated reuse projects as shown below.

Mid-Term Reuse (agreement suspense end 2014):

- Warren Smith Cemetery Connection, Kirkland Cemetery (new part), WWTF Reuse Related *Complete*
- Extend Reuse to Stormwater Central Basin at 12th Ave S. & 9th St. (replaces Beach Blvd. Medians). *Complete*
- Extend Reuse to South Beach Park (replaces Additional Golf Course Area). *Complete*

Long-Term Reuse (revised as shown):

- Extend Reuse to Penman Park and Gonzales Park (replaces South Beach Park, which moved to Mid-Term Project) - **Not scheduled at this time due to budget constraints.**

Funding Sources: Water/Sewer (W/S); Southend Redevelopment Tax Increment Fund (SE TIF)

PROJECT (Fund Source)		PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Near Term								
○ Golf Course (west side)		\$39,770						
○ Golf Course (east side)		\$67,273						
○ Beach Blvd. to Warren Smith Cemetery		\$26,696						
○ Kirkland Cemetery (old part)		\$2,465						
Mid Term								
○ New WWTF Reuse Related		\$8,036,443						
○ Warren Smith		\$10,000						
○ Kirkland Cemetery (new part)		\$2,564						
○ Reuse Main to Stormwater Central Basin ¹ (W/S)	<i>Design</i>	\$25,000						
	<i>Construct</i>	\$150,000						
○ Reuse Main to S Bch Park ¹ (SE TIF)	<i>Design</i>	\$75,000						
	<i>Construct</i>	\$500,000						
Long Term (beyond FY2019)								
○ Gonzales Park & Penman Park (?)								
TOTAL		\$8,935,211						

¹ These estimated costs are incorporated into the estimates for the Southend Redevelopment District Infrastructure Improvements Project currently under design and previously described under the Roads & Associated Infrastructure Program.

² The above estimated costs are variable until project design, bid advertisement and bid award are complete.

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Project Title: Wastewater Treatment Facility Improvements Program

Department/Division: Public Works / Pollution Control Plant

Project Description and Reason Necessary: The design of the new Advanced Wastewater Treatment (AWT) Plant incorporated the existing chlorine contact tanks and chlorination system which had been in use in the old plant. The effluent from the treatment process flows to the contact tank for chlorination and the wasted sludge flows to the digesters for further reduction. The waste sludge and effluent flowed in a fairly low, continuous manner from the treatment processes of the old plant. However, the waste sludge and effluent flow in higher surges from sequential batch reactor tanks of the new plant. Subsequently, modifications are necessary to these two systems.

- **Modifications to the Chlorine Contact Tanks and Chlorination System:** Scheduled for design in FY2014 and construction through FY2015. The existing chlorination system was sized for the lower, continuous flow of the old plant. The new plant releases effluent in larger volumes, which must be chlorinated immediately, causing inefficient overuse of chlorine and thus a higher rate of deterioration of the chlorination system and contact tanks. Planned improvements to the chlorination system and contact tanks will improve the efficiency of disinfection of the treated effluent, reducing chemical, repair and maintenance costs.
- **Modifications to the Digesters:** *The most critical improvements are being done in FY2014 by purchasing materials and using in-house labor.* The waste activated sludge (WAS) from the treatment process is pumped into Digester No. 1 for initial thickening. Sludge is then transferred into Digester No. 2 for additional thickening and finally to Digester No. 3 for final thickening. The thickened sludge from Digester No. 3 is pumped to the existing Belt Filter Press for dewatering and ultimately for final landfill disposal. In the thickening process in each digester tank, liquid rises to the top of the tank and is decanted from the tank and flows to the head of the plant to enter the SBR treatment process again. The existing digester system was sized for the lower, continuous flow of the old plant. The new plant releases waste activated sludge in larger volumes in surges.

Funding Source: Water & Sewer Fund

Project (Fund Source)		PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Modifications to Chlorine Contact Tanks & Chlorination System (W/S)	<i>Design</i>	\$80,000						
	<i>Construct</i>	\$280,000	\$150,000					\$150,000
Modifications to Digesters		In-house						
Replace PCP Garage Roof (W/S)					\$35,000			\$35,000
TOTAL:		<i>W/S</i>	\$360,000	\$150,000		\$35,000		\$185,000

The above estimated costs are variable until project investigation analysis, design, bid advertisement and bid award are complete.

Capital Improvement Plan: FY2015-2019

Project Title: Raw Water Wells Improvements Program

Department/Division: Public Works / Water Plant

Project Description and Reason Necessary: Raw Water Wells Flow Meter Upgrade Project

In an effort to improve reporting of finished water flow, the Division has purchased and installed Magnetic Flow Meters (mag-meters). This increased the accuracy of the plant effluent numbers that are used in the Water Management District Consumptive Use Permit Audit as well as other reports. The units have no moving parts resulting in low maintenance and minimal usage of low voltage electricity, reducing damaging heat as well as lowering operational costs.

The Division plans to implement a flow meter replacement program at its other locations. Replacement of existing, old pressure differential and paddle wheel meters with magnetic meters will be incremental and based on budget year. The plan is to address the influent (raw) water source first, hopefully reducing the perceived losses between raw and finished water.

The City has 2 raw water wellfields comprised of 3 wells each. Each well has a meter and a fourth meter is located where the well flows combine. Thus, the 2 wellfields have a total of 8 meters. This multi-year project projects to replace all 8 meters over a three year period (FY2013 thru FY2015).

Raw Water Well #11 Improvements Project

Each of the City's two (2) water treatment plants is supplied with raw water from three (3) wells. Constructed in the late 1950s, Well #11 is the deepest of the City's wells at a depth of 1,204 feet. The five (5) other wells average 900 feet in depth. Well #11 has become a target of concern for the Health Department, St. Johns River Water Management District and the City. Water quality has declined and is continuing to decline significantly. Chlorides are salts that are monitored as a standard for quality. The chloride levels in Well #11 averaged 51 milligrams per liter (mg/l) in year 2000, while the other wells averaged 13 mg/l. Well #11's chlorides have increased to an average of 155 mg/l in 2011 while the remaining wells averaged 14.5 mg/l. Well #11 is being infiltrated by chlorides, from salt water intrusion, and is approaching the maximum contaminant level (MCL) of 250 mg/l.

Replacing Well #11 with a new 900-foot depth well and its appurtenances, land acquisition, additions to the raw water transmission main, and abandonment of the existing well is estimated to cost over \$1.5 million. A cost-effective alternative would be to modify the existing well by sand/grout filling to a depth of 900 feet, replacing the motor controls, and install a deep well submersible pump and motor assembly. The projected cost for design and construction would be approximately \$500,000.

Capital Improvement Plan: FY2015-2019

Funding Source: Water & Sewer Fund

PROJECT <i>(Fund Source)</i>	PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	Total
Flow Meter Upgrade (W/S)	\$25,500 \$33,000	\$22,000					\$22,000
Well #11 Improvements (W/S)			\$500,000				\$500,000
TOTAL	\$58,500	\$22,000	\$500,000	\$0	\$0	\$0	\$522,000

Future Operating Budget Impact:

Fund	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Water & Sewer	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0

Capital Improvement Plan: FY2015-2019

Project Title: Water Plant #2 Improvements Program (Osceola Ave.)

Department/Division: Public Works/Water Plant

Project Description and Reason Necessary:

Upgrade Interior Roofs of the Two (2) Above Ground Storage Tanks

Three (3) 900-foot deep artesian wells supply raw water from the Floridan Aquifer to two (2) 500,000 gallon concrete ground storage tanks for treatment at Water Plant #2. The raw water has high contents of hydrogen sulfide as well as other sulfides and sulfates. To remove these compounds, each tank is equipped with an aerator to allow suspended gases to escape. This is supplemented with retention time and chlorination. The residual compounds accumulate in the form of acids on the interior surfaces of the tanks' dome roofs. Even with cleaning and recoating, the acid has had a deleterious effect on the dome's cement. The long term effect results in erosion of the reinforcement steel and at some point the roof may fail. This has been reported to have occurred on two (2) tanks operated by a neighboring utility, which also removed 2 additional tanks from service to prevent the catastrophic failure of the tank roofs.

Water Plant #2's storage tanks are exhibiting this type of erosion and are in need of advanced maintenance. All deteriorated cement and steel must be removed, repairs made, and an advanced coating system installed.

Funding Source: Water & Sewer Fund (W/S).

PROJECT (<i>Fund Source</i>)		PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Water Plant #2 Improvements Program								
o Division Maintenance Facility (W/S)	<i>Design</i>	\$82,930						
	<i>Construct</i>	\$783,014						
o Interior Roofs Upgrade, Grd Storage Tanks (W/S)					\$360,000			\$360,000
TOTAL		\$865,944	\$0	\$0	\$360,000	\$0	\$0	\$360,000
The above estimated planning costs are variable until project scope, design, bid advertisement & bid award are complete.								

Future Operating Budget Impact: For utilities and phone.

Fund	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
TOTAL	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$18,000

Capital Improvement Plan: FY2015-2019

Project Title: Roof Replacement Water Plant #1

Department/Division: Public Works/Water Plant

Project Description and Reason Necessary: The flat asphalt membrane roof at Water Plant #1 was found during a routine inspection to be notably deteriorating. The 23 year old roof can be patched to prevent possible upcoming leakage but the asphalt surface will continue to fail. Solar exposure, algae, and hydrogen sulfide gases should terminate the roof within 5 years. Replacement with a polymer based system; the same as recently applied at Water Plant #2 would be utilized. The proposed system should be serviceable for an estimated 40 or more years with only limited maintenance.

Funding Source: Water and Sewer

Fund	FY2015	FY2016	FY2017	FY218	FY2019	Total
Water & Sewer	\$87,000					\$87,000
Total	\$87,000	\$0	\$0	\$0	\$0	\$87,000

Capital Improvement Plan: FY2015-2019

Project Title: Stormwater Collection & Treatment System Improvements Program

Department / Division: Public Works / Stormwater

Project Description and Reason Necessary:

For over a decade, the City has been steadily improving its stormwater collection systems through a program of study, design, and construction under the auspices of Phases 1, 2 & 3 of its Stormwater Master Plan and staff field experiences and history. Project priorities and design approaches may be adjusted based on field-collected data, funding availability, and estimated project costs. Projects are funded one at a time as funds are available. Project costs have continually been increasing over the past several years. Fund cash balance is carefully monitored. Some major projects are anticipated to be deferred / delayed due to funding constraints.

Central/South Stormwater Basins Improvements: This is a multi-year program to rehabilitate & improve these two primary stormwater retention facilities & conveyance systems to the west for stormwater collected south of Beach Blvd. The Central Basin facilities are located at 9th St. S. & 12th Ave. The South Basin facilities are located at JT Butler Blvd. & South Beach Parkway.

- **Central/South Basins Facilities Operational Improvements:** Construction of valve operator deck and installation of valves at the Central facility; installation of level controls at the Central & South facilities, fabrication & installation of safety/maintenance catwalk at the South facility weir, fabrication & installation of sampling platform & access at the South facility, and fabrication & installation of debris collection & removal system at the South facility, eastside of South Beach Parkway.

Stormwater Improvements at Various Locations

- **Penman Road – 8th Avenue North to 9th Avenue North:** Project consists of installation of approximately 350 linear feet of 15-inch PVC storm sewer piping, three (3) inlets, filling in of existing swale, and driveway and sodding removal and replacement.
- **Lake Sanctuary north to Republic Drive and east to Sanctuary Way N.:** At these two locations, extend piping (about 24" dia; total of 500 +/- LF) from the named roads to Lake Sanctuary. This project was originally scheduled in 2013 and is being deferred to 2015. Further investigation is needed to check positive flow and elevations between Lake Sanctuary and Constitution Cove Pond and to coordinate more closely with residents about concerns.
- **4th Street South - 10th Avenue South to 12th Avenue South:** Project consists of installation of approximately 525 linear feet of 24-inch PVC storm sewer piping, 175 linear feet of 15-inch PVC storm sewer piping, nine (9) inlets, filling in of existing ditches, and driveway and sodding removal and replacement.

Capital Improvement Plan: FY2015-2019

- **4th Street South - 15th Avenue South to 16th Avenue South:** Project consists of installation of approximately 175 linear feet of 48-inch RCP storm sewer piping, two (2) inlets, filling in of existing ditch, and sodding removal and replacement.
- **Isabella Boulevard - 35th Avenue South to Jacksonville Drive:** Project consists of installation of approximately 450 linear feet of 42-inch RCP storm sewer piping, three (3) manholes, filling in of existing ditch, and sodding removal and replacement.

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

PROJECT (Fund Source)		PRIOR	FY2015	FY2016	FY2017	FY2018	FY2019	TOTAL
Ocean Forest Stormwater Improvements								
○ Study (SW)		\$167,000						
○ Phase 1 Imps. (SW)	Design	\$50,000						
	Construct	\$550,000						
○ Phase 2 Imps. (SW)	Design	\$24,621	\$550,000					
	Construct							\$550,000
Central/South Basins Improvements								
○ Central/South Basin Combined Permit		\$68,018						
○ Central Basin Erosion Control Imps (SW)	Design	\$31,228						
	Construct	\$506,145						
○ Basins Opn. Imps. (SW-50% SE TIF-50%)				\$190,000				\$190,000
				\$190,000				\$190,000
Stormwater Improvements Various Locations								
○ Penman Rd. (SW)	Design	\$11,100						
	Construct	\$62,000						
○ Lake Sanctuary north to Republic Dr. & east to Sanctuary Way N.	Design	\$32,968			\$130,000			\$130,000
	Construct							
○ 4 th Street S., 10 th to 12 th Ave. (SW)	Design		\$25,000					\$25,000
	Construct		\$130,000					\$155,000
○ 4 th Street S., 15 th to 16 th Ave. (SW)	Design			\$14,000				\$14,000
	Construct			\$95,000				\$109,000
○ Isabella Blvd, 35 th S Ave. to Jax Dr (SW)	Design			\$30,000				\$30,000
	Construct				\$200,000			\$230,000
○ 4 th Street S., 1 st to 6 th Ave. (SW)	Design				\$105,000		TBD	\$105,000
	Construct							
TOTAL CAPITAL	SW SE TIF	\$1,445,491	\$705,000	\$204,000 \$190,000	\$255,000	\$305,000	TBD	\$1,469,000 \$190,000

¹The above estimated planning costs are variable until project scope, design, bid advertisement & award are complete.

Pipe Cleaning (Not Capital)		\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$475,000
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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

Glossary and list of acronyms

by the Duval County Property Appraiser.

AWT – Advanced Waste Treatment

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

BLS — Basic Life Support

BMAP – Basin Management Action Plan

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

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

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

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

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

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

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

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

CAD — Computer-Aided Dispatch

CAFR — Comprehensive Annual Financial Report

CALEA — Commission on Accreditation for Law Enforcement Agencies

CAPE – Community Assisted Policing Effort

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

Capital Expenditure/Capital Outlay - an expenditure for the acquisition of, or addition to a fixed asset. Items acquired for less than \$1,000 are not considered to be capital expenditures.

Capital Improvement Plan (CIP) - a plan for capital expenditures to be incurred each year over a fixed period of several years. The plan sets forth each capital project and identifies the expected beginning and ending date for each project, the amount to be expended in each year and the method of financing for those expenditures.

Capital Project - Projects which result in the acquisition or construction of fixed assets which are of long term and permanent nature. Such assets include land, buildings and related improvements.

Cash Balance Forward - funds on hand at the end of a fiscal year resulting from collections of revenues in excess of expenditures or unexpended appropriations which are included as a revenue source in the budget of the following fiscal year.

CDBG — Community Development Block Grant

CFL – Compact Florescent Light

CIP — Capital Improvement Plan

CIS – Customer Information System

Contingency - a budgetary reserve to provide for emergency or unanticipated expenditures during the fiscal year.

COP — Citizens on Patrol

COPS – Community Oriented Policing Services

CPI — Consumer Price Index

CRA - Community Redevelopment Agency

Glossary and list of acronyms

Credit Rating - an independent rating service's evaluation of the credit worthiness of notes and bonds. Such ratings influence the cost of borrowing.

CRT - Community Response Team

CUP – Consumptive Use Permit

DARE - Drug Abuse Resistance Education

Debt - funds owed as a result of borrowing.

Debt Service - the payment of principal and interest on borrowed funds, such as bonds.

Debt Service Fund - the fund used to account for the accumulation of resources for the payment of principal and interest on long term debt, specifically, bond issues.

Deficit - the excess of expenditures over revenues during a fiscal year.

Department - a major administrative division of the City with overall management responsibility for an operation or a group of related operations within a related program area.

Depreciation - the periodic expiration of an asset's useful life. Depreciation is a requirement in proprietary funds such as internal service and enterprise funds.

EAR – Evaluation and Appraisal Report

EMS — Emergency Medical Services

EMT – Emergency Medical Technician

EPA – Environmental Protection Agency

EVOC – Emergency Vehicle Operators Course

Encumbrance/encumbered - a commitment of funds through appropriation in which the expenditure has not actually been made at the time of recording. It may be represented by a purchase order, purchase requisition or contract for goods and services.

Enterprise Fund - a fund in which the activities are supported wholly or primarily by charges and fees paid by the users of the services.

ESCO – Electric Service Corporation

Glossary and list of acronyms

Expenditure/Expense - the outflow of funds paid or to be paid for an asset obtained or for goods and services provided regardless of when the expense is actually paid. The term expenditure applies to governmental funds and the term expense applies to proprietary funds.

FCC – Federal Communications Commission

FDEP — Florida Department of Environmental Protection

FDOT – Florida Department of Transportation

FERC — Federal Energy Regulatory Commission

FMPA - Florida Municipal Power Agency

Fiduciary Fund – used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government’s own programs. The City of Jacksonville Beach’s pension funds are accounted for and budgeted as fiduciary funds.

Fiscal Year - the time period designated by the City signifying the beginning and ending of its annual period for recording financial transactions. The City of Jacksonville Beach's fiscal year is October 1 through September 30.

Fixed Asset – a financial resource that is tangible, has an expected life of more than one year, costs more than \$750 and is not a repair or supply item. Items meeting the fixed asset criteria are classified by major categories: land, building, improvements other than building, equipment and vehicles and construction-in-progress.

FOP — Fraternal Order of Police

Franchise - an agreement between the City and a provider of public services, such as cable television or garbage collection, which imparts certain standards on the provider and is a contract which requires payments to the City.

FRCC — Florida Reliability Coordinating Council

FRDAP – Florida Recreation Development Assistance Program

FS - Florida Statutes

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts. These accounts record cash and other assets together with all related liabilities, obligations, reserves and equities. Funds are segregated so that revenues will be used

Glossary and list of acronyms

only for the purpose of carrying out specific activities in accordance with special regulations, restrictions or limitations.

Fund Balance - refers to the excess of assets over liabilities and, therefore, is generally known as the amount available for appropriation to the extent that it is not reserved.

GAAP - Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

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

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

GFOA - Government Finance Officers' Association

GIS — Geographic Information System

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

GPS — Geographic Positioning System

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

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

IAFF — International Association of Firefighters

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

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

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

IRB – Inflatable Rescue Boat

JAG – Justice Assistance Grant

JTA — Jacksonville Transportation Authority

Kw, Kwh — Kilowatt, kilowatt hour, respectively

LAN — Local Area Network

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

LIUNA — Laborers International Union of North America

LOGT – Local Option Gas Tax

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

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

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

MCP – Mobile Command Post

MGD — Million Gallons per Day

MHz — Megahertz

Mill – amount per \$1,000 of value

Glossary and list of acronyms

Millage Rate - The ad valorem tax rate expressed in the amount levied per \$1,000 of assessed taxable value of the property, or 1 mill = \$1.00 per \$1,000 of assessed value.

MPO — Metropolitan Planning Organization

Mw, Mwh — Megawatt (1,000 kilowatts), Megawatt hour (1,000 kilowatt hours)

NERC — North American Electric Reliability Corporation

NFPA – National Fire Prevention Association

NFTPO – North Florida Transportation Planning Organization

Nonmajor Funds – any fund that does not meet Governmental Accounting Standards Board (GASB) criteria (percentage of assets, liabilities, revenue or expenditures/expenses) for classification as a major fund or that the City does not elect to report as a major fund.

NPDES — National Pollutant Discharge Elimination System

O&M Facility – Operations and Maintenance Facility.

Operating Expenditures - also known as operating and maintenance costs, these are day-to-day expenses excluding capital outlay, debt service and transfers.

Performance Indicators - special qualitative and quantitative measures of work performed as an objective of a department.

Proprietary Funds - used to account for a government's ongoing organizations and activities that are similar to those found in the private sector. Proprietary funds include Enterprise and Internal Service Funds.

PUD – Planned Unit Development

PWRCA – Priority Water Resource Caution Area

Reserve - an account used to indicate that a portion of funds has been legally restricted for a specific purpose or not available for appropriation and subsequent spending. A reserve for working capital is a budgetary reserve set aside for cash flow needs, emergencies, unforeseen expenditures or revenue shortfalls.

Retained Earnings - a fund equity account which reflects accumulated net earnings (or losses) of a proprietary fund. As in the case of fund balance, retained earnings may include certain fund balance reserves.

Glossary and list of acronyms

RFP - Request for Proposal

RFQ — Request for Qualifications

Rolled-back Millage Rate – The millage rate calculated to provide the same amount of property taxes as the previous year, excluding new taxable value (new construction/additions) and amounts paid as the result of obligations measured by dedicated tax increment value.

Revenue - funds which the City receives as income. Revenue categories include taxes, licenses, user fees, service charges, fines and penalties, interest, loan proceeds and grants.

SAN — Storage Area Network

SCBA – Self-contained Breathing Apparatus

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

SLEP - Service Life Extension Program

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

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

STAG – State and Tribal Assistance Grant

SWAT — Special Weapons and Tactics

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

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

TCEA – Transportation Concurrency Exception Area

TECO – Tampa Electric Company

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

TIF — Tax Increment Fund(s)

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

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

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

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

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

VECHS — Volunteer Employee Criminal History System

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

WQBEL – Water Quality Based Effluent Limit

WTP – Waste Treatment Plant

WWTP – Waste Water Treatment Plant