City of Jacksonville Beach

Amended Agenda

City Council

11 North Third Street
Jacksonville Beach, Florida

Monday, March 20, 2023	**6:00 PM**	**Council Chambers**

MEMORANDUM TO:

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

Council Members:

The following Agenda of Business has been prepared for consideration and action at the Regular Meeting of the City Council.

OPENING CEREMONIES: INVOCATION, FOLLOWED BY SALUTE TO THE FLAG

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

A. Regular City Council Meeting held on March 6, 2023

B. Council Briefing held on March 13, 2023

APPROVAL OF THE AGENDA

ANNOUNCEMENTS

COURTESY OF THE FLOOR TO VISITORS

CONSENT AGENDA

MAYOR AND CITY COUNCIL

CITY CLERK

CITY MANAGER/NEW BUSINESS

A. Accept/Reject the Annual Comprehensive Financial Report and Community Redevelopment Agency Financial Statements for the Fiscal Year ending September 30, 2022

B. Accept/Reject the Monthly Financial Reports for the month of February 2023

C. Approve/Reject purchase of Stormwater Pipe for Dune Outfall Replacement to Ferguson-Jacksonville in the amount of $48,800.60.

RESOLUTIONS

A. Adopt/Deny Resolution No. 2140-2023 amending the Position Classification and Pay Plan for Managerial, Professional and Administrative (Nonunion) Positions

B. Adopt/Deny Resolution No. 2142-2023 amending and extending the Contract Between the City of

Jacksonville Beach and Lewis, Longman & Walker, P.A., for Primary and Alternate Special Magistrate Services for Code Enforcement

ORDINANCES

A. Adopt/Deny Ordinance No. 2023-8194 on the second reading amending City Code of Ordinances Sec. 31-61 "Paid Parking Program"

B. Approve/Disapprove Ordinance No. 2023-8195 on the second reading for a Charter amendment to increase the building height limitation on City Property, Latham Plaza Parking Lot

C. Approve/Disapprove Ordinance No. 2023-8193 on the first reading approving the Downtown CRA Height Incentive, and schedule a second reading for April 3, 2023

ADJOURNMENT

NOTICE

In accordance with Section 286.0105, Florida Statutes, any person desirous of appealing any decision reached at this meeting may need a record of the proceedings. Such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

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

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing a special accommodation to participate in this meeting should contact the City Clerk's Office at (904) 247-6299 no later than one business day before the meeting.

You may use this website http://www.jacksonvillebeach.org/publichearinginfo to find information concerning the hearing process. This information is also available in the City Hall first floor display case.

Minutes of Regular City Council Meeting
held Monday, March 6, 2023, at 6:00 P.M.
in the Council Chambers, 11 North 3rd Street,
Jacksonville Beach, Florida

OPENING CEREMONIES: INVOCATION, FOLLOWED BY SALUTE TO THE FLAG

Council Member Janson provided the invocation, followed by the Pledge of Allegiance.

CALL TO ORDER:

Mayor Hoffman called the meeting to order at 6:00 P.M.

ROLL CALL:

Mayor:	Christine Hoffman		
Council Members:	Sandy Golding	Bill Horn	Dan Janson
	Fernando Meza	Cory Nichols	Greg Sutton

Also present were: City Manager Mike Staffopoulos, City Attorney Sandra Robinson, Director of Parks and Recreation Jason Phitides, Director of Planning and Development Heather Ireland, Police Services Division Commander Thomas Bingham, Community Redevelopment Agency (CRA) Coordinator Taylor Mobbs, and City Clerk Sheri Gosselin.

APPROVAL OF MINUTES:

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, and passed unanimously to approve the following minutes:

- Regular Council Meeting held on February 21, 2023
- City Council Workshop held on February 23, 2023

ANNOUNCEMENTS:

Council Member Golding announced early voting began today [March 6, 2023] and would continue through March 19, 2023. She noted Beaches Watch held a Mayoral Candidate Forum with all Jacksonville mayor candidates. She mentioned the State legislative session started March 7, 2023. Additionally, Ms. Golding stated she met with House Representative Kiyan Michael last week and encouraged constituents to email Ms. Michael. She announced citizens could receive Florida legislative alerts through the League of Cities. Finally, she shared Scott Dudley with the Florida League of Cities spoke at the most recent Beaches Watch meeting and provided an overview of some of the concerning bills.

Council Member Janson stated he participated in a Florida League of Cities call. He noted the bills concerning vacation rentals are Florida House Bill 833 and Florida Senate Bill 714. In the absence of Mayor Hoffman, Mr. Janson also participated in the Jacksonville Beaches Chamber of Commerce meeting. He noted the City Council held a planning workshop for parking [on February 23, 2023], but no one from the public attended.

Mayor Hoffman thanked Council Member Janson for attending the Chamber of Commerce meeting as she was in Washington, D.C., representing Beaches Energy Services at the American Public Power Association event. She announced the next round of the Citizen Information Academy would begin April 14, 2023.

COURTESY OF THE FLOOR TO VISITORS:

- Sarah Bryan, 403 12th Avenue South, Jacksonville Beach, shared her concerns about a possible conflict of interest for Council Member Meza voting on Ordinance No. 2023-8195.
- Kathy Hall, 1639 6th Street South, Jacksonville Beach, spoke about the citizens' opposition to the PUD development discussed during the February City Council meetings.

- Geoffrey Sandels, 501 15th Avenue South, Jacksonville Beach, shared his concerns about staff retention and the military and junior rates at the golf course.
- Jeramie Poore, 500 Penman Road, Neptune Beach, spoke about program and operational changes, and staff retention issues at the golf course.
- Ken Marsh, 2011 Gail Avenue, Jacksonville Beach, spoke about alcohol issues and the message portrayed by downtown businesses.

MAYOR AND CITY COUNCIL: *None*

CITY CLERK: *None*

CITY MANAGER:

Item A **Approve/Disapprove the purchase and installation of a mural on the Downtown CAPE building at 218 4th Avenue North by C. Stanley Creative for an amount not to exceed $30,000**

CRA Coordinator Taylor Mobbs provided background on the item.

Public Comment:

- Ken Marsh, 2011 Gail Avenue, Jacksonville Beach, spoke in opposition to the item.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to approve the purchase and installation of a mural on the Downtown CAPE building at 218 4th Avenue North by C. Stanley Creative for an amount not to exceed $30,000.

Discussion: A discussion ensued about a future parking garage, list of applicants, the selection criteria, maintenance, life span, cost breakdown, selection process, and the composition of the selection committee.

Roll Call Vote: Ayes – Golding, Horn, Janson, Meza, Nichols, Sutton, Mayor Hoffman
The motion passed unanimously.

Item B **Approve/Disapprove an Agreement with the Duval County Property Appraiser and Duval County Tax Collector for the use of property tax collections to fund business personal property tax audit services and authorize the Mayor and City Manager to execute the same**

City Manager Mike Staffopoulos provided background on the item.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to approve an Agreement with the Duval County Property Appraiser and Duval County Tax Collector for the use of property tax collections to fund business personal property tax audit services and authorize the Mayor and City Manager to execute the same**.**

Discussion: A brief discussion ensued about auditing citizens and the amount of revenue received.

Roll Call Vote: Ayes – Janson, Meza, Nichols, Sutton, Golding, Mayor Hoffman
Nays – Horn
The motion passed 6-1.

RESOLUTIONS:

Item A Adopt/Deny Resolution 2139-2023 approving the honorary street name designation application for Honoree Michael A. Bondanza

Director of Parks and Recreation Jason Phitides provided background on the item.

Mayor Hoffman requested the City Clerk read Resolution No. 2139-2023 by title only, whereupon Ms. Gosselin read the following:

> **"A RESOLUTION OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, APPROVING AN APPLICATION AND HONORARY STREET NAME DESIGNATION SIGN LOCATION FOR AN HONOREE UNDER THE HONORARY STREET NAME DESIGNATION POLICY; AUTHORIZING SIGN INSTALLATION; PROVIDING FOR ADOPTION OF RECITALS, REPEAL OF PRIOR INCONSISTENT RESOLUTIONS AND COUNCIL DECISIONS, SEVERABILITY, AND AN EFFECTIVE DATE."**

Public Comment:

- John Tipton, 503 6th Street North, Jacksonville Beach, spoke about street naming.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to adopt Resolution 2139-2023 approving the honorary street name designation application for Honoree Michael A. Bondanza.

Discussion: *None.*

Roll Call Vote: Ayes – Janson, Meza, Nichols, Sutton, Golding, Horn, Mayor Hoffman
The motion passed unanimously.

Item B Adopt/Deny Resolution No. 2141-2023 adopting the Legislative Policies Manual

City Attorney Sandra Robinson provided background on the item.

Mayor Hoffman requested the City Clerk read Resolution No. 2141-2023 by title only, whereupon Ms. Gosselin read the following:

> **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, ESTABLISHING AND ADOPTING A LEGISLATIVE POLICIES MANUAL; PROVIDING FOR ADOPTION OF RECITALS, REPEAL OF CONFLICTING RESOLUTIONS AND CITY COUNCIL DECISIONS, ADMINISTRATION ASSIGNMENT AND AUTHORIZATION, SEVERABILITY, AND AN EFFECTIVE DATE."**

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to adopt Resolution No. 2141-2023 adopting the Legislative Policies Manual.

Discussion: A brief discussion ensued about how the public can access the manual.

Roll Call Vote: Ayes – Meza, Nichols, Sutton, Golding, Horn, Janson, Mayor Hoffman
The motion passed unanimously.

<u>ORDINANCES</u>:

Item A Approve/Disapprove Ordinance No. 2023-8194 on the first reading amending City Code of Ordinances Sec. 31-61 "Paid Parking Program," and schedule a second reading for March 20, 2023

Police Services Division Commander Thomas Bingham provided background on the item.

Mayor Hoffman requested the City Clerk read Ordinance No. 2023-8194 by title only, whereupon Ms. Gosselin read the following:

> **"AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, AMENDING CODE OF ORDINANCES CHAPTER 31 "TRAFFIC AND MOTOR VEHICLES," ARTICLE III "STOPPING, STANDING AND PARKING," DIVISION 3 "PARKING REGULATIONS," SECTION 31-61 "PAID PARKING PROGRAM;" PROVIDING FOR LEGISLATIVE FINDINGS, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE."**

Mayor Hoffman read the following: "This ordinance is before this Council for a public hearing and consideration on its first reading.

I will now open the public hearing on Ordinance No. 2023-8184."

Public Hearing:

The following spoke in neither support or opposition to the ordinance:
- Gary Pateau, 725 Bonaire Circle, Jacksonville Beach

Mayor Hoffman closed the public hearing.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to approve Ordinance No. 2023-8194 on the first reading amending City Code of Ordinances Sec. 31-61 "Paid Parking Program," and schedule a second reading for March 20, 2023.

Discussion: A brief discussion ensued about the kiosks, surrounding area, effective date, fees, and locations.

Roll Call Vote: Ayes – Nichols, Sutton, Golding, Horn, Janson, Meza, Mayor Hoffman
The motion passed unanimously.

Item B Approve/Disapprove Ordinance No. 2023-8195 on the first reading for a Charter amendment to increase the building height limitation on City

Property, Latham Plaza Parking Lot, and schedule a second reading for March 20, 2023

Director of Planning and Development Heather Ireland provided background on the item.

Mayor Hoffman requested the City Clerk read Ordinance No. 2023-8195 by title only, whereupon Ms. Gosselin read the following:

> **"AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, SUBMITTING TO THE ELECTORS OF THE CITY OF JACKSONVILLE BEACH A PROPOSED AMENDMENT TO THE CHARTER OF THE CITY OF JACKSONVILLE BEACH; PROVIDING A BALLOT TITLE, SUMMARY, AND TEXT FOR THE PROPOSED AMENDMENT; PROVIDING DIRECTIONS TO THE CITY CLERK; PROVIDING FOR SEVERABILITY, AN EFFECTIVE DATE FOR APPROVED AMENDMENTS, AND AN EFFECTIVE DATE FOR THE ORDINANCE."**

Mayor Hoffman read the following: "This ordinance is before this Council for a public hearing and consideration on its first reading.

I will now open the public hearing on Ordinance No. 2023-8195."

Public Hearing:
The following spoke in support of the ordinance:
- Ken Marsh, 2011 Gail Avenue, Jacksonville Beach

The following did not wish to speak but submitted a speaker card in opposition to the ordinance:
- Mike Stang, 1020 19th Street North, Jacksonville Beach
- Roger Whiting, 1103 2nd Avenue North, Jacksonville Beach
- Luanne Lentz, 831 7th Avenue North, Jacksonville Beach
- Christa Murphy, 519 6th Street North, Jacksonville Beach
- Julia Samms, 501 6th Avenue South, Jacksonville Beach
- Ronda Steinke-McDonald, 1120 2nd Avenue North, Jacksonville Beach

The following spoke in opposition to the ordinance:
- Mary Phillips, 934 10th Street North, Jacksonville Beach
- John Tipton, 503 6th Street North, Jacksonville Beach
- Bobby Welton, 1032 1st Street South, Jacksonville Beach
- KC Braun, 804 13th Avenue North, Jacksonville Beach
- Kathy Hall, 1639 6th Street South, Jacksonville Beach
- Michelle Tipton, 2333 Azalea Drive, Jacksonville Beach
- Darrell Shields, 315 18th Street North, Jacksonville Beach
- Brenda Shields, 315 18th Street North, Jacksonville Beach
- Aaron Scott, 135 29th Avenue South, Jacksonville Beach
- Gary Pateau, 725 Bonaire Circle, Jacksonville Beach
- Barbara McCue, 616 Bonaire Circle, Jacksonville Beach

The following spoke in neither support or opposition to the ordinance:

- Georgette Dumont, 507 16th Avenue South, Jacksonville Beach

Mayor Hoffman closed the public hearing.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to approve Ordinance No. 2023-8195 on the first reading for a Charter amendment to increase the building height limitation on City Property, Latham Plaza Parking Lot, and schedule a second reading for March 20, 2023.

Discussion: A discussion ensued about the 2004 height referendum, downtown parking, downtown activation, P3 RFP (Request for Proposals), downtown restaurants, incentives, walkability, outdoor dining, citizen input, and activation of Latham Plaza.

Roll Call Vote: Ayes – Sutton, Janson, Meza, Nichols, Mayor Hoffman
Nays – Golding, Horn
The motion passed 5-2.

ADJOURNMENT:
There being no further business, the meeting adjourned at 8:00 P.M.

Submitted by: Sheri Gosselin
City Clerk

Approval:

____
Christine H. Hoffman, MAYOR

Date: __________________________

Minutes of City Council Briefing
Monday, March 13, 2023 – 5:30 P.M.
City Council Conference Room, 1st Floor
11 North 3rd Street, Jacksonville Beach, FL

The Council Briefing began at 5:30 P.M.

The following City Council Members were in attendance:

Mayor:	Christine Hoffman		
Council Members:	Sandy Golding	Bill Horn (absent)	Dan Janson
	Fernando Meza	Cory Nichols	Greg Sutton

Also present were City Manager Mike Staffopoulos, Deputy City Manager Karen Nelson, Director of Planning and Development Heather Ireland, Director of Parks and Recreation Jason Phitides, Ocean Rescue Division Lieutenant Maxwell Ervanian, City Attorney Sandra Robinson, and Assistant to the City Manager Molly Alleger.

Purpose of Briefing

The purpose of the Briefing was to update the Council members about ongoing items in the City.

City Manager

Special Events Policy

Assistant to the City Manager Molly Alleger provided the Council with an updated draft of the Special Events Policy. A conversation ensued regarding suggested edits and revisions. The consensus of the Council was for the City Attorney to review the final draft and for it to be presented to the Council at an upcoming Council meeting for formal consideration.

Amendments to Position Classification and Pay Plan for Managerial, Professional and Administrative (Nonunion) Positions

Deputy City Manager Karen Nelson explained the proposed amendments to the Position Classification and Pay Plan for Managerial, Professional and Administrative (Nonunion) Positions to Council. Director of Planning and Development Heather Ireland and Director of Parks and Recreation Jason Phitides spoke about their department-specific proposed changes and additions.

Additional information was requested for the proposed change of adding the Communications Manager to the list of eligible positions for an automobile allowance. Ms. Nelson stated she would provide the requested information to the Council for review. It was the consensus of the Council for the proposed amendments be presented for formal consideration at the March 20, 2023, Regular Council meeting.

Ocean Rescue Update

Ocean Rescue Division Lieutenant Maxwell Ervanian reviewed the State of the Ocean Rescue Division report [on file].

Miscellaneous City Manager's Items

City Manager Mike Staffopoulos spoke about recent communications from the Florida League of Cities regarding the J-Bill, a solid waste bill, and other bills being discussed at the state level in Tallahassee.

Community Assignment Report

Council Member Golding spoke about a program by the Northeast Florida League of Cities that offers $500 (per Member City) to non-profit organizations that "fills in the gaps" in communities. A conversation ensued regarding local non-profit organizations, and it was the consensus of the Council to nominate Beaches Go Green. Ms. Golding would complete and submit the nomination form.

Ms. Golding informed the Council that Short Term Vacation Rentals (STVR) would be a topic of discussion for the Senate Regulated Industries Committee meeting scheduled for March 14, 2023. Ms. Golding suggested the Council Members reach out to Senator Tracie Davis or all committee members showing support for further enforcement efforts regarding STVRs.

Ms. Golding brought up a bill which was being discussed at the state level in Tallahassee regarding current and upcoming City officials and Council and Board members to be required to complete Form 6 (Full and Public Disclosure of Financial Interests) instead of Form 1 (Statement of Financial Interests).

Council Member Janson updated the Council stating the City's Pension is solid and additional diversification models for future investments were discussed at a Pension Board meeting held on February 14, 2023.

A conversation ensued regarding the status of the Penman Road project. No updates have been given, but the project is scheduled to be packaged with other projects and should begin later this year.

Council Member Nichols stated he would meet with Erika Young (a representative from Washington, D.C.) on March 16, 2023, to discuss possible funding options to assist with the Urban Trails project.

Future Briefing Topics

Mr. Nichols spoke about different parking issues throughout the City, including semi-trucks parking along 3rd Street. Mr. Staffopoulos stated he and the Mayor received information from Police Chief Gene Paul Smith and summarized the information. He stated he would forward the information to all Council Members. Mr. Staffopoulos also stated Chief Smith was scheduled to be at the next Council Briefing on April 10, 2023, and would address the parking issues then.

Mr. Staffopoulos stated at the next Council Briefing, Chief Smith would provide an update on Commission on Accreditation for Law Enforcement Agencies (CALEA) standards, and there would be a drone and TASER demonstration. He stated Finance would present the FY 2024 Budget Assumptions.

The Briefing adjourned at 6:41 P.M.

Submitted by: Jodilynn Byrd
Deputy City Clerk

Approved:

____
Christine H. Hoffman, MAYOR

Date: ____________________________

City of Jacksonville Beach ● 11 North Third Street ● Jacksonville Beach, FL 32250

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Ashlie Gossett, Chief Financial Officer
DATE:	02/23/2023
SUBJECT:	Accept/Reject the Annual Comprehensive Financial Report and Community Redevelopment Agency Financial Statements for the Fiscal Year ending September 30, 2022

BACKGROUND

The City is required by State law to have an annual audit of our financial records by an independent Certified Public Accountant. The independent auditing firm, Purvis Gray and Company, has completed the FY2022 audit and will present an overview and financial highlights at the Council briefing preceding the regular meeting. The City once again received an unqualified audit opinion on our financial reports. In addition, the auditors found no major deficiencies in internal controls.

In advance of the meeting, Council was provided a copy of the City's Fiscal Year 2022 Annual Comprehensive Financial Report (ACFR). The ACFR was prepared at the conclusion of the audit, and includes the basic financial statements, management discussion and analysis, other financial and compliance reports, as well as reports by the independent auditor. The financial information for the Community Redevelopment Agency (CRA) is presented within the City's ACFR because the CRA is a dependent special district of the City. However, recent changes in Florida Statutes now require separate audits for CRAs. Therefore, the Council has also been provided with a copy of the FY2022 CRA Financial Statements and Independent Audit Report.

The Government Finance Officers' Association (GFOA) recently awarded a Certificate of Achievement Award for Excellence in Financial Reporting to the City for its FY2021 ACFR. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The City has received this award every year for the last 29 years. Staff believes that the FY2022 ACFR continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another certificate.

FINANCIAL IMPACT

For informational purposes only.

REQUESTED ACTION

Accept/Reject the Annual Comprehensive Financial Report and Community Redevelopment Agency Financial Statements for the Fiscal Year ending September 30, 2022

ATTACHMENTS

1. FY2022 Annual Comprehensive Financial Report ACFR
2. FY2022 Governance Communication ACFR

3. FY2022 CRA Financial Statements and Audit Report
4. FY2022 Governance Communication CRA

Annual Comprehensive Financial Report

City of Jacksonville Beach, Florida

Fiscal Year Ended September 30, 2022

CITY OF JACKSONVILLE BEACH, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Prepared by
Finance Department

CITY OF JACKSONVILLE BEACH, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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CITY OF JACKSONVILLE BEACH, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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March 10, 2023

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Jacksonville Beach, Florida:

Florida Statutes require that all general purpose local governments publish within nine months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report for the City of Jacksonville Beach, Florida, for the fiscal year ended September 30, 2022.

This report consists of management's representations concerning the finances of the City of Jacksonville Beach, Florida (the City). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the City's management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Purvis, Gray and Company, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2022, are free of material misstatement. The independent audit involved: examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit, that there is a reasonable basis for rendering unmodified opinions on the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City for the fiscal year ended September 30, 2022, and that the City's financial statements are presented fairly in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City is sometimes part of a broader federal and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. The City met the minimum expenditures required for a Federal Single Audit.

GAAP requires that management provide a narrative introduction, overview, including changes in financial policies, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Jacksonville Beach, Florida

The City was incorporated in 1907 and is located on the northeastern part of the state. The City currently occupies a land area of 8.06 square miles and serves a population of over 23,800. The City is empowered to levy a property tax on both real and personal properties located within its boundaries.

The City has operated under the council-manager form of government since 1937. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Council is elected on a nonpartisan basis. Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected to a four-year term. Three council members are elected from within their districts, and the mayor and the remaining three council members are elected at-large.

The City provides a full range of services that include police and fire protection, sanitation services, the maintenance of streets and infrastructure, recreational activities and cultural events. In addition to general government activities, the City provides a full range of utility services including electric, natural gas, stormwater drainage, water, and wastewater treatment.

The annual budget serves as the foundation for the City's financial planning and control. All City departments are required to submit requests for appropriation to the City Manager that align with the City's adopted strategic plan. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30 of each year. The City Council annually adopts a budget resolution for all funds of the City. A five-year capital improvement plan is prepared each year based on business requirements and internal five-year revenue and expenditure projections.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Management must seek City Council approval to make budgetary amendments at the departmental level in the general fund, and at the fund level for all other funds. Management may, however, make a budget adjustment as long as it does not increase the overall budget for a department within the general fund or for any other fund in total. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbered appropriations are carried forward into subsequent years' budget without being re-budgeted. All encumbered budget appropriations, except project budgets, lapse at the end of each fiscal year. Encumbrances existing at year-end are recorded as reservations of fund balance and do not require re-appropriation.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented as part of the basic financial statements for the governmental funds beginning on page 25. For other nonmajor governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual nonmajor fund subsection of this report, starting on page 83.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

The City, which is adjacent to the Atlantic Ocean, has grown into a solid business, resort, and residential community that is in close proximity to historical, entertainment, and tourism attractions. The City has a considerable commercial district that includes shopping centers, restaurants, and hotels, which contributes significantly to its economy. Major employers in the area include: the United States Navy and the Beaches Baptist Medical Center.

Even though the City is the economic center of the beaches area, housing is still the dominant land use, occupying well in excess of 66% of the developed land areas of the City. Approximately 55.5% of the City's housing is comprised of single-family homes and 44.5% is multifamily dwellings based on U.S. Census Bureau estimates. Generally, the quality of the housing is high, with approximately 50% of the housing built since 1980. The City is a mature community, which is experiencing re-development.

Long-Term Financial Planning

The City prepares a rolling five-year Capital Improvement Plan (CIP) each year. As part of this process, revenues and expenditures for key operating funds such as the General Fund, Community Redevelopment, Electric, and Water & Sewer are analyzed to ensure the financial sustainability of each fund over the long term. The goal is to ensure that a minimum reserve of 25% will be maintained at the end of each five-year period. This exercise allows the City to plan for major capital expenditures in a fiscally responsible manner, while consciously evaluating whether scheduled rate changes meet the needs of adequately maintaining assets. Therefore, during the fiscal year 2022-2026 capital budget process, various projects for continued electric improvements, public works infrastructure projects, technology improvements, parks projects, and equipment purchases were planned. The total projected cost for capital improvements identified in the 2022-2026 capital improvement plan totaled $141,394,142.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2021. This was the twenty-ninth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR that satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2021. This was the twenty-eighth consecutive year that the government has received this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories: as a policy document, a financial plan, an operations guide, and a communications device.

Preparation of the financial report would not have been possible without the commitment and dedication of the Finance Department. We would like to express our appreciation to members of all departments who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and City Council for their unfailing support in the management of the finances for the City.

Respectfully submitted,

Michael Staffopoulos
City Manager

Ashlie Gossett
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Jacksonville Beach
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO

CITY OF JACKSONVILLE BEACH

Government Organization

LEGISLATIVE BRANCH
City Council

Mayor Christine Hoffman

At-Large, Seat 1 Fernando Meza	At-Large, Seat 2 Dan Janson	At-Large, Seat 3 Greg Sutton
District 1, Seat 4 Cory Nichols	District 2, Seat 5 Bill Horn	District 3, Seat 6 Sandy Golding

- **Judicial Branch** – City Attorney
  - Sandra Robinson
- **Executive Branch** – City Manager
  - Michael Staffopoulos
  - **Deputy City Manager**
    - Karen Nelson
    - **Assistant to the City Manager** – Molly Alleger
    - **City Clerk** – Sheri Gosselin
    - **Finance** – Ashlie Gossett, CFO
    - **Police Department** – Chief Gene Paul Smith
    - **Beaches Energy Services** – Allen Putnam, Director
    - **Human Resources** – Kimberlee Bennett, Director
    - **Information Services** – Bill Reiger, CIO
    - **Parks & Recreation** – Jason Phitides, Director
    - **Planning & Development** – Heather Ireland, Director
    - **Public Works** – Dennis Barron, Director

CITY OF JACKSONVILLE BEACH, FLORIDA
CITY OFFICIALS

LEGISLATIVE BRANCH

City Council:

Mayor	Christine Hoffman
Seat 1, At-Large	Fernando Meza
Seat 2, At-Large	Dan Janson
Seat 3, At-Large	Greg Sutton
Seat 4, District 1	Cory Nichols
Seat 5, District 2	Bill Horn
Seat 6, District 3	Sandy Golding
City Attorney	Sandra Robinson
City Auditors	Purvis, Gray and Company, LLP

EXECUTIVE BRANCH

City Manager	Michael Staffopoulos
Deputy City Manager	Karen W. Nelson
Chief Financial Officer	Ashlie Gossett
Police Chief	Gene Paul Smith
Director of Beaches Energy Services	Allen Putnam
Director of Human Resources	Kimberlee Bennett
Director of Parks & Recreation	Jason Phitides
Director of Planning and Development	Heather Ireland
Director of Public Works	Dennis Barron
City Clerk	Sheri Gosselin

AGENCY, BOARDS, AND COMMISSION

Board of Adjustment
Community Redevelopment Agency
Planning Commission
General Employees' Pension Board
Police Officers' Pension Board
Firefighters' Pension Board
Special Magistrate

FINANCIAL SECTION

PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Jacksonville Beach, Florida, (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof, and the respective budgetary comparison for the general fund, the community redevelopment fund, and the ARPA grant fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and other postemployment benefit plan schedules as listed in the table of contents (collectively, the required supplementary information) be presented to supplement the

basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual non-major fund financial statements and other schedules, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and schedule of expenditures of grant funds per the City of Jacksonville's Ordinance Code Chapter 118.202(e), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and other schedules, the schedule of expenditures of federal awards, and schedule of expenditures of grant funds per the City of Jacksonville's Ordinance Code Chapter 118.202(e), are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Purvis Gray

March 10, 2023
Tallahassee, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

As the management of the City of Jacksonville Beach (the City), we offer readers of the City's financial statements this narrative overview and analysis of the City's activities for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, on pages vi-ix of this report, and the financial statements which immediately follow this discussion.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $491,839,459 (net position). Of this amount, $133,486,606 (unrestricted net position) is available to meet the City's obligations to provide ongoing services to our citizens and customers, to make payments to creditors, to pay for the projects in our capital improvement plan, or to establish reserves for emergencies or catastrophic events.

- The City's total net position increased by $29,490,867 or 6.4% over the prior year. The governmental net position increased by $16,378,422 (9.4%) and the business-type net position increased by $13,112,445 (4.6%). The increase in the governmental activities is due primarily to American Rescue Plan Act (ARPA) grant receipts and increased property and other tax revenues as property values continue to grow. The increase in the business-type activities is due also to ARPA grant proceeds and the continued positive business performed of the City's various services.

- Revenues and net transfers-in for the governmental activities totaled $42,353,721, an increase of $4,039,495 or 10.5% for the year. Total expenses were $25,975,299, a decrease of $516,174 or 1.9% for the year.

- Revenues in the business-type activities totaled $134,857,133, an increase of $25,070,426 or 22.8% from the prior year. The increase is primarily due to the rising bulk power cost adjustment which is the pass-through cost of power from the City's provider. Total expenses and transfers out were $121,744,688, an increase of $23,276,952 or 23.6% for the year. Again, the increase in expenses were largely driven by the rising cost of power and natural gas in both the electric and natural gas utilities.

- The City's total financed debt as of September 30, 2022, is zero.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) *government-wide financial statements*, 2) *fund financial statements*, and 3) *notes to the financial statements* that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

This report also contains other supplementary information that provides details about the City's non-major funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements are presented on pages 19-20 of this report.

The *statement of net position* presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. The governmental activities of the City include general government, law enforcement, fire control, building inspections, physical environment, roads and streets, and parks and recreation. The business-type activities of the City include electric, natural gas, water and sewer, stormwater, sanitation, golf course, and leased facilities.

Fund Financial Statements. A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The City's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The governmental fund financial statements consist of a *balance sheet* and a *statement of revenues, expenditures, and changes in fund balance.* The basic governmental fund statements are presented on pages 21-27 of this report.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains fifteen individual governmental funds. Information is presented separately in the governmental fund financial statements for the general fund, the capital projects fund, the community redevelopment fund, and the ARPA grant fund, which are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation.

The City adopts an annual appropriated budget for its various funds. To demonstrate compliance with the adopted budget, a budgetary comparison statement has been included with the basic financial statements for the general fund, the community redevelopment fund, and the ARPA grant fund.

Proprietary funds. The City maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the city-wide financial statements. The City uses enterprise funds to account for its utilities (electric, natural gas, water and sewer, stormwater, and sanitation) as well as its golf course and leased facilities operations. Internal service funds are an accounting classification used to allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, property maintenance, employment services, financial services, information technology services, and insurance programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the city-wide financial statements.

The proprietary fund financial statements provide separate information for the water and sewer utility and the electric utility. Data from the other enterprise funds is combined into a single, aggregated presentation. All internal service funds are combined into an aggregated presentation in the proprietary fund financial statements. The basic proprietary fund financial statements are presented on pages 28-32 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because their resources are not available to support the City's own programs. The City uses fiduciary funds to account for the activities of the police, fire, and general employees' pension trust funds. The basic fiduciary fund financial statements are presented on pages 33-34 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 35-71 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. Required supplementary information is presented on pages 72-77 of this report.

Individual fund data for the non-major funds is provided in the form of combining statements in the supplemental information section titled "Combining and Individual Non-Major Fund Statements and Other Schedules". Budgetary comparison statements for the non-major governmental funds are also included in this section, which begins on page 78.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. Over time, changes in net position serve as one useful measure of the City's financial condition. During fiscal year 2022, the City's net position for governmental activities increased by $16,378,422 or 9.4%. The increase in net position for business-type activities was $13,112,445 or 4.6%.

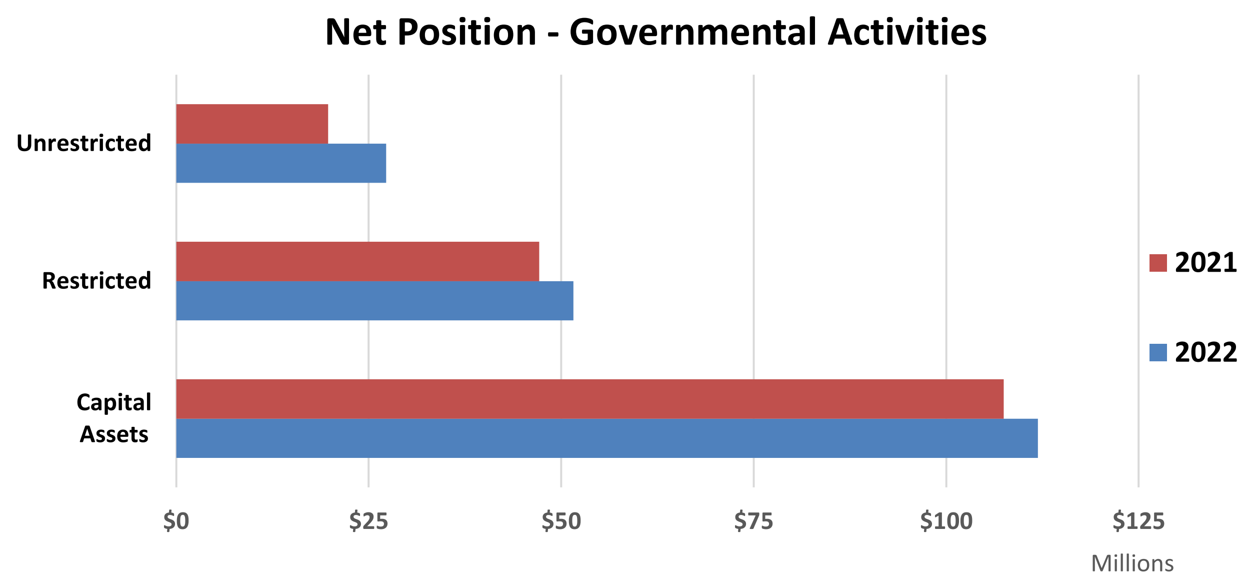
The following condensed comparison shows the City's net position for the two most recent fiscal years. The detailed statement of net position is presented on page 19 of this report.

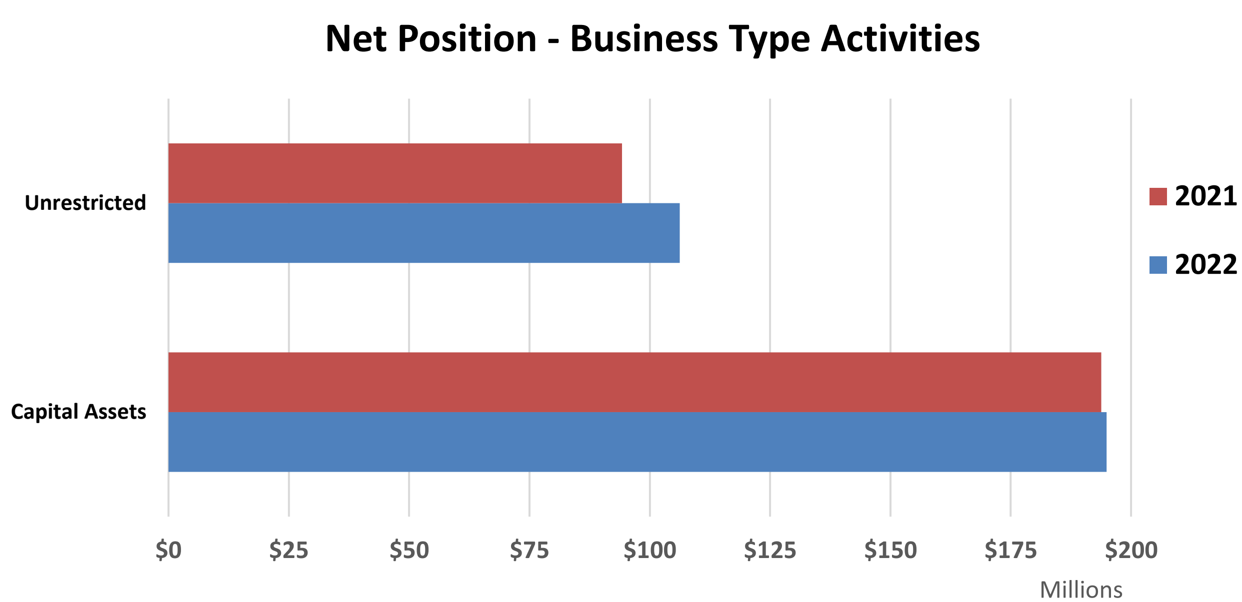
Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	$112,138,693	$87,712,202	$147,282,387	$152,291,394	$259,421,080	$240,003,596
Capital Assets, Net	111,901,718	107,483,303	194,884,830	193,783,121	306,786,548	301,266,424
Total Assets	224,040,411	195,195,505	342,167,217	346,074,515	566,207,628	541,270,020
Total Deferred Outflows of Resources	3,245,646	4,714,105	2,119,657	2,688,197	5,365,303	7,402,302
Current Liabilities	16,818,543	4,204,860	17,696,328	35,698,713	34,514,871	39,903,573
Non-Current Liabilities	11,351,764	18,671,232	5,912,263	10,455,382	17,264,027	29,126,614
Total Liabilities	28,170,307	22,876,092	23,608,591	46,154,095	51,778,898	69,030,187
Total Deferred Inflows of Resources	8,387,611	2,683,801	19,566,963	14,609,742	27,954,574	17,293,543
Net Position:						
Net Invested in Capital Assets	111,901,718	107,483,303	194,884,830	193,783,121	306,786,548	301,266,424
Restricted	51,566,305	47,141,320	-	-	51,566,305	47,141,320
Unrestricted	27,260,116	19,725,094	106,226,490	94,215,754	133,486,606	113,940,848
Total Net Position	$190,728,139	$174,349,717	$301,111,320	$287,998,875	$491,839,459	$462,348,592

- Current and Other Assets increased by $19,417,484, which is mostly from increased equity in pooled cash and investments due in large part to ARPA grant proceeds and the City continued effort to build up reserves as part of its pay-as-you-go strategy for future capital improvement projects.
- Deferred Outflows of resources decreased by $2,036,999, which includes the recording of Other Post Employment Benefit related outflows and actuarial changes to pension-related outflows.
- Current Liabilities decreased by $5,388,702 or 13.5%, which mainly reflects a reduction in power costs recovered in advance.
- Non-current Liabilities decreased by $11,862,587 or 40.7%, largely due to the reduction in the actuarially determined net pension liability.
- Deferred Inflows increased by 61.6% due to recording of other post-employment benefits and the actuarial changes to pension related inflows.

- The largest portion of the City's net position (62.4%) reflects its investment in capital assets (e.g., land, buildings, improvements, infrastructure, and equipment). The City uses these capital assets to provide services to citizens and customers; therefore, these assets are not available for future spending.
- An additional portion of the City's net position (10.5%) represents resources that are subject to external restrictions on how they may be used.
- The remaining balance of the City's net position (27.1%) may be used to meet the government's ongoing obligations to citizens, customers, and creditors.





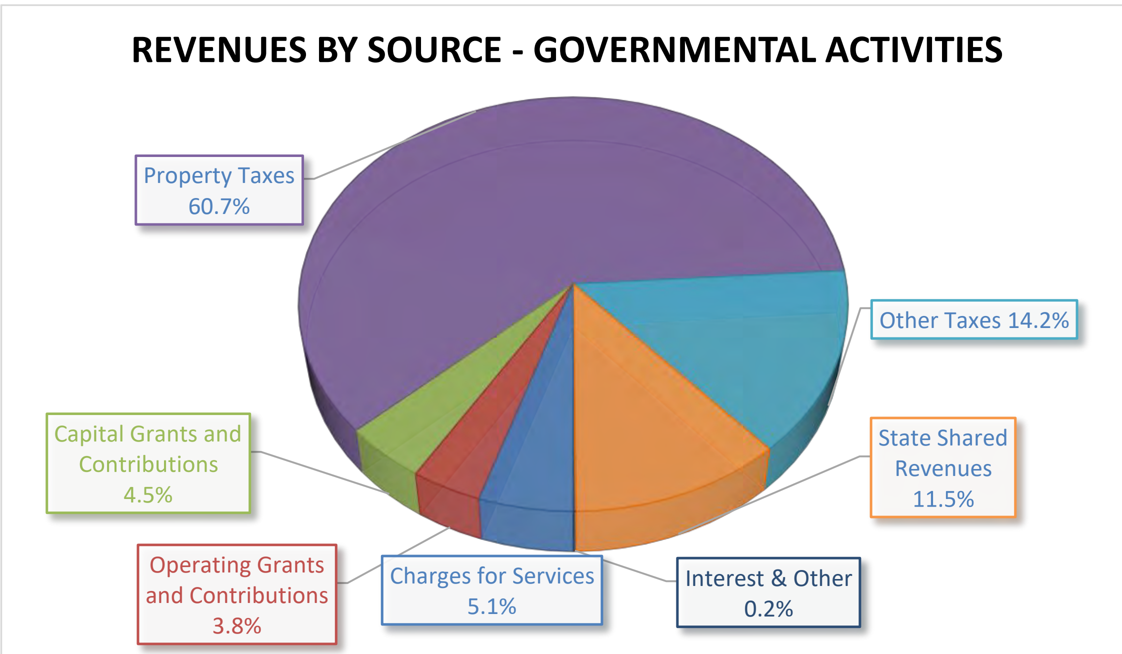
Statement of Activities. The following table illustrates the condensed statement of activities for the most recent fiscal year as compared to the prior year. The detailed statement of activities is presented on page 20 of this report.

Changes in Net Position

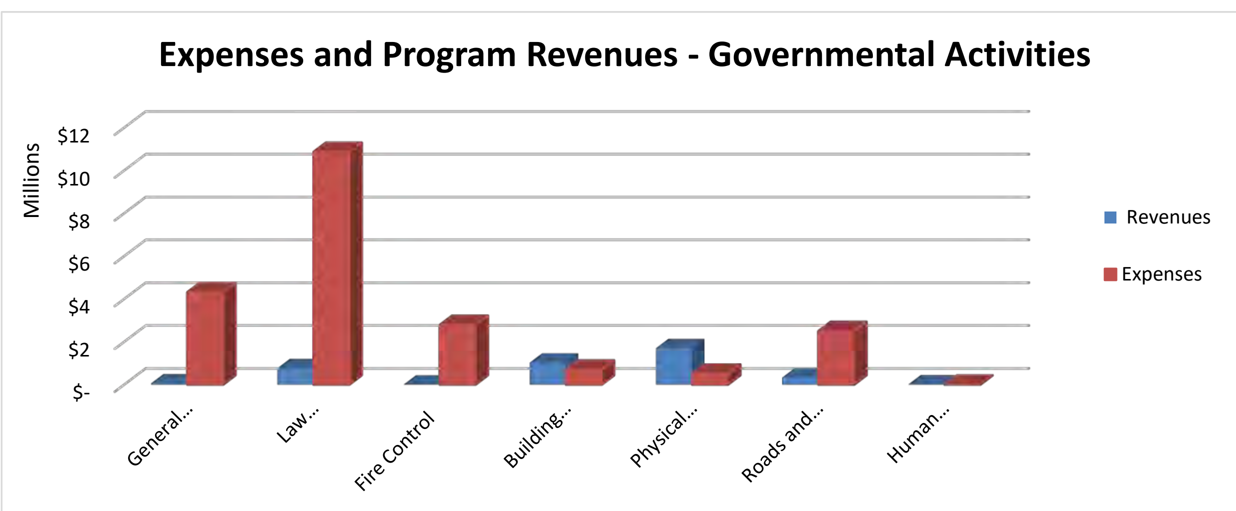
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charges for Services	$1,939,622	$1,742,450	$135,409,454	$108,949,610	$137,349,076	$110,692,060
Operating Grants and Contributions	1,440,547	1,229,351	11,910	2,580	1,452,457	1,231,931
Capital Grants and Contributions	1,707,747	292,208	2,629,206	665,695	4,336,953	957,903
General Revenues:						
Property Taxes	23,114,042	22,048,764			23,114,042	22,048,764
Other Taxes	5,519,166	4,601,059			5,519,166	4,601,059
State Shared Revenues	4,359,210	3,809,465			4,359,210	3,809,465
Other Intergovernmental Revenues	65,919	12,074			65,919	12,074
Investment Income (Loss)	(2,240,169)	99,731	(3,193,437)	155,103	(5,433,606)	254,834
Miscellaneous	2,233,444	509,738	-	13,719	2,233,444	523,457
Total Revenues	38,139,528	34,344,840	134,857,133	109,786,707	172,996,661	144,131,547
Program Expenses:						
General Government	4,319,646	4,974,593			4,319,646	4,974,593
Law Enforcement	10,871,090	11,033,893			10,871,090	11,033,893
Fire Control	2,790,961	2,758,059			2,790,961	2,758,059
Building Inspections	704,921	668,549			704,921	668,549
Physical Environment	511,929	491,317			511,929	491,317
Road and Street	2,506,098	3,051,233			2,506,098	3,051,233
Parks and Recreation	4,270,654	3,513,829			4,270,654	3,513,829
Electric			97,129,039	75,085,347	97,129,039	75,085,347
Water and Sewer			10,009,081	9,911,907	10,009,081	9,911,907
Stormwater			1,481,291	1,547,067	1,481,291	1,547,067
Sanitation			3,821,009	3,701,798	3,821,009	3,701,798
Golf Course			2,322,140	2,321,607	2,322,140	2,321,607
Leased Facilities			487,915	468,625	487,915	468,625
Natural Gas			2,280,020	1,461,999	2,280,020	1,461,999
Total Expenses	25,975,299	26,491,473	117,530,495	94,498,350	143,505,794	120,989,823
Change in Net Position Before Transfers	12,164,229	7,853,367	17,326,638	15,288,357	29,490,867	23,141,724
Net Transfers	4,214,193	3,969,386	(4,214,193)	(3,969,386)	-	-
Change in Net Position	16,378,422	11,822,753	13,112,445	11,318,971	29,490,867	23,141,724
Net Position-Beginning of Year	174,349,717	162,526,964	287,998,875	276,679,904	462,348,592	439,206,868
Net Position-End of Year	$190,728,139	$174,349,717	$301,111,320	$287,998,875	$491,839,459	$462,348,592

Governmental activities. Governmental activities for fiscal year 2022 increased the City's net position by $12,164,229 (before transfers). For purposes of this discussion, interfund transfers from business-type funds to governmental funds are not included in revenues from activities.

The chart below reflects the percentage of individual revenue sources to total revenue sources for governmental activities. Charges for services, grants, and contributions are considered program revenues. Taxes, intergovernmental revenues, and interest are considered general revenues.



The following chart compares the program revenues from governmental activities to the related expenses. Please note that expenses precede revenues as governments seek to identify the needs of citizens and then raise the resources needed to meet those needs. The excess of expenses over program revenues is then funded by the remaining general revenues of the government.



Key Elements of Governmental Activities Revenues and Expenditures:

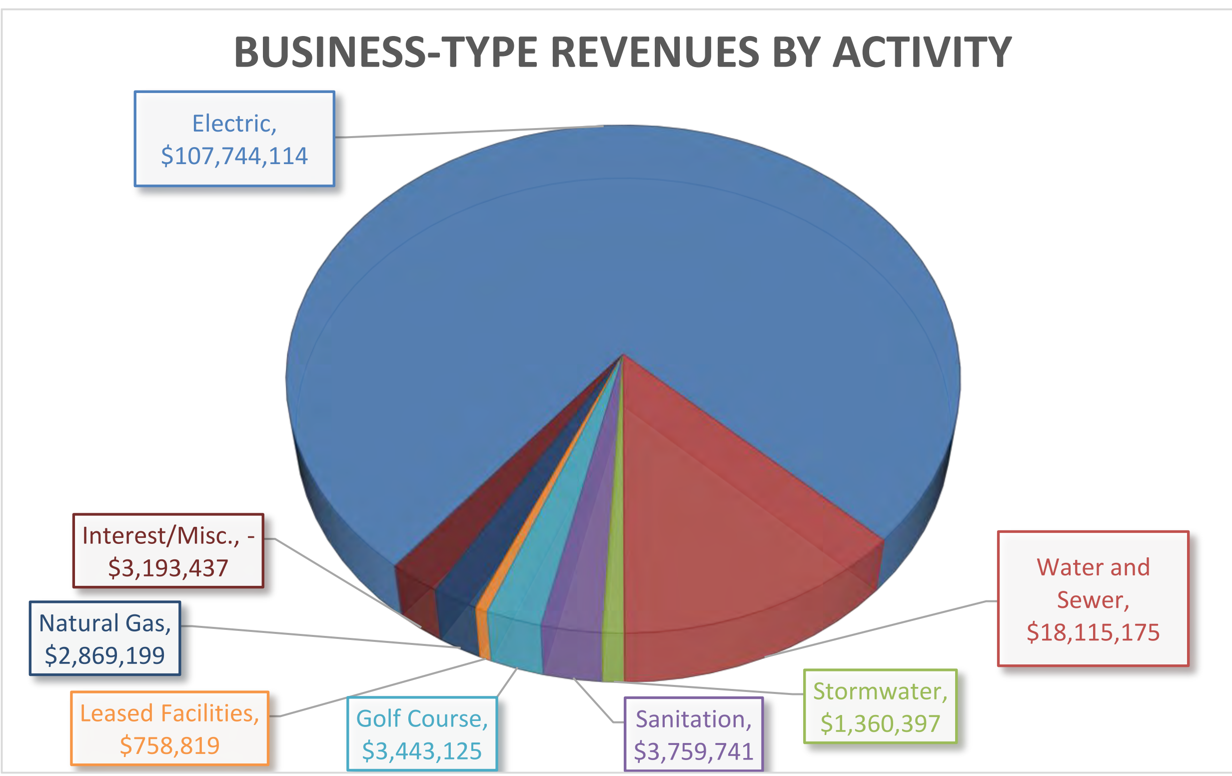
- Property taxes, which provided 60.6% of governmental revenues, increased by $1,065,278 or 4.8% in Fiscal year 2022 due to rising property values.

- Revenues from other taxes, including infrastructure surtax, communication service tax, convention development tax, and fuel taxes increased by $918,107 or 20% as the new Duval County gas tax took effect in January 2022.

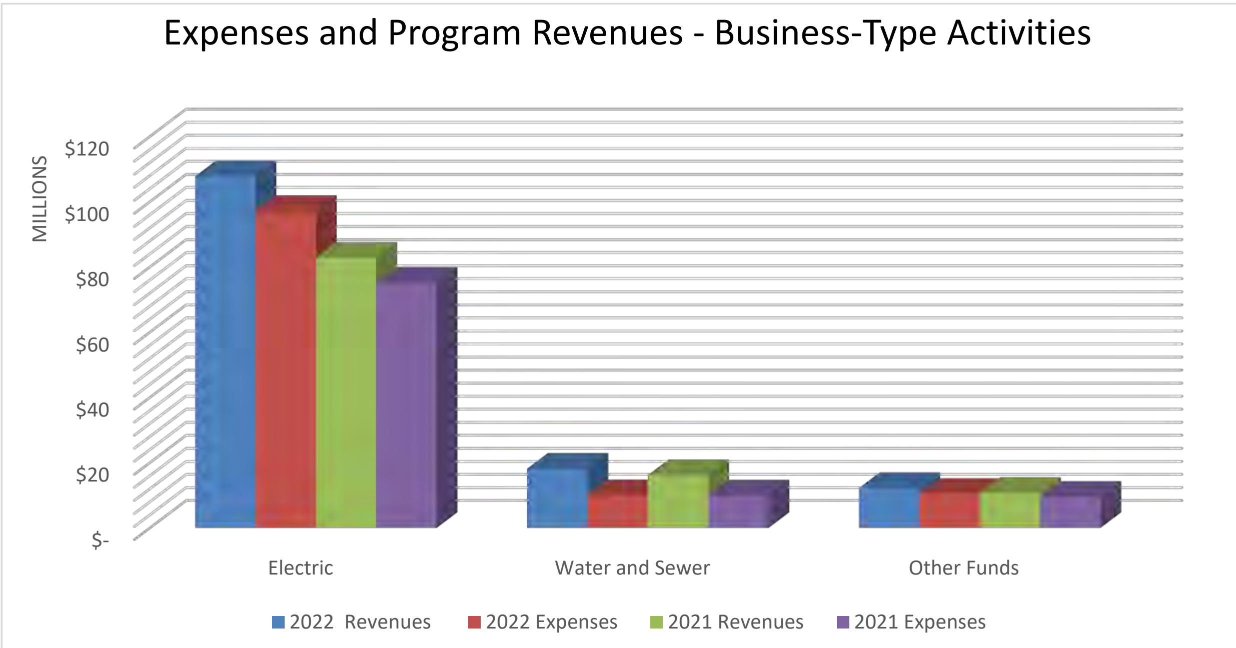
- Interest revenues decreased by $2,339,900 compared to the prior year due to unexpectedly high inflation and interest rate hikes. Investments are reported at fair value. The investment portfolio is managed by professional investment firms hired pursuant to the City's investment policy and monitored by an independent professional investment advisor.

- Total expenditures decreased by 1.9% to $25,975,299 due largely to the timing of capital projects in the previous year.

Business-type activities. Business-type activities for fiscal year 2022 increased the City's net position by $17,326,638 (before transfers). On the statement of activities, net revenues are reduced by transfers to the governmental funds of $4,214,193 to determine the change in net position. The following chart shows the composition of revenues from the City's business-type activities.



The following chart compares the program revenues from the City's business-type activities to the related expenses for fiscal years 2022 and 2021. Business-type activities differ from governmental activities in that charges for services are designed specifically to recover the cost of providing those services, including capital costs such as depreciation or debt service.



Key Elements of Business-Type Revenues and Expenditures:

- Charges for services in the business-type activities increased by $26,459,844 or 24.3% from the prior year. Of these program revenues, 78.9% comes from electric utility services and 12.2% from the water and sewer utility. Much of the increase is attributable to the bulk power cost adjustment, which is the pass-through cost of power to our customers. Additionally, rates for water and sewer services are adjusted annually in accordance with the Consumer Price Index (CPI). The increases in water and sewer rates are necessary to pay for needed maintenance and improvements to the system.

- Interest revenues decreased by $3,348,540 compared to the prior year due to unexpectedly high inflation and rising interest rates. Investments are reported at fair value. The investment portfolio is managed by professional investment firms hired pursuant to the City's investment policy and monitored by an independent professional investment advisor.

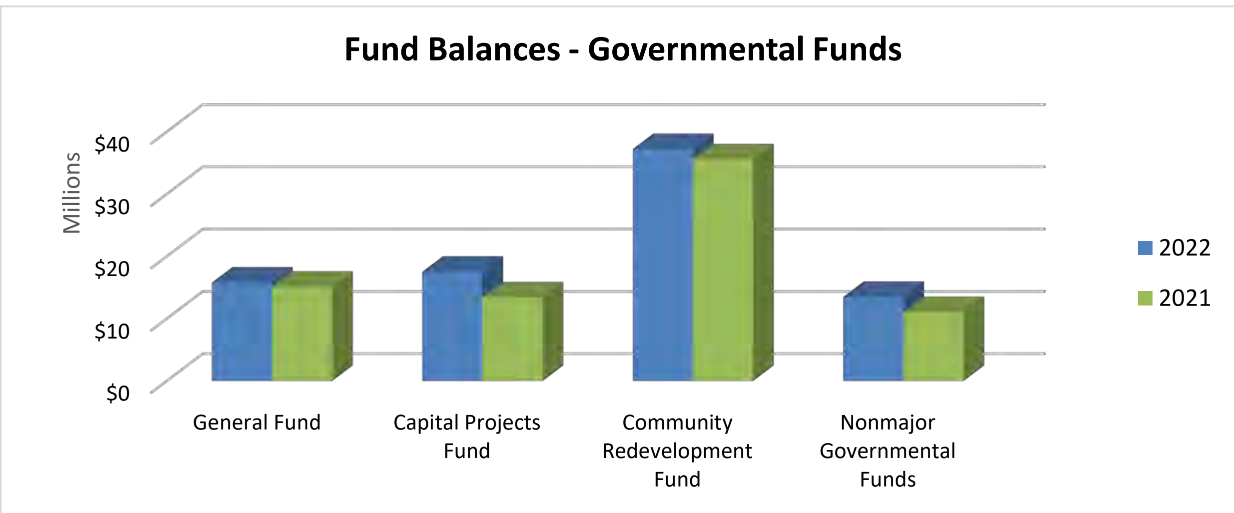
- Total expenses for the business-type activities increased by $23,032,145, due in large part to increases in the cost of purchased electricity and natural gas.

- Significant transfers out in business-type activities included a $3,707,642 transfer from the electric enterprise fund and $107,551 transfer from the natural gas fund to governmental funds in accordance with the City's policies on electric and natural gas transfers.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the portion of unrestricted fund balance the City has committed or assigned may serve as a useful measure of available resources at the end of the fiscal year.

At the end of fiscal year 2022 the City's governmental funds reported a combined ending fund balance of $83,952,939, an increase of $8,899,893 or 11.9% for the year. The growth in all funds is attributable to the City's pay-as-you-go funding strategy for capital improvements. In years where large capital projects take place, it is expected that fund balances will decrease. Of the total fund balance, $51,017,471 is restricted for specific uses related to redevelopment, tourism, transportation improvements, capital projects, law enforcement, and building permits; $7,905,479 is committed for revenue stabilization, cemetery improvements, parking and transportation, and tree replacement; $24,174,459 is assigned for capital projects and unanticipated events/emergencies; $4,219 is non-spendable; and $851,311 is unassigned.



General Fund. The general fund is the chief operating fund of the City. The financial operations of the general fund are reported separately in the *balance sheet* and the *statement of revenues, expenditures, and changes in fund balances*.

At the end of the fiscal year, the fund balance of the general fund was $15,771,562, of which $352,382 was restricted for building permits, $7,899,382 was committed for revenue stabilization, cemetery improvements, and parking and transportation improvements. An additional $6,664,268 was assigned to an unanticipated events/emergencies reserve account and $4,219 was reserved for prepaid expenditures. The remaining amount of $851,311 was unassigned. The City uses current revenue sources to fund budgeted expenditures in the general fund. When evaluating the general fund's liquidity, it should be noted that the revenue stabilization reserve serves as a working capital reserve and the unanticipated events/emergencies account may be used to supplement operating revenues if approved by the City Council. Combined, the general fund balances represent 74.1% of general fund expenditures for 2022.

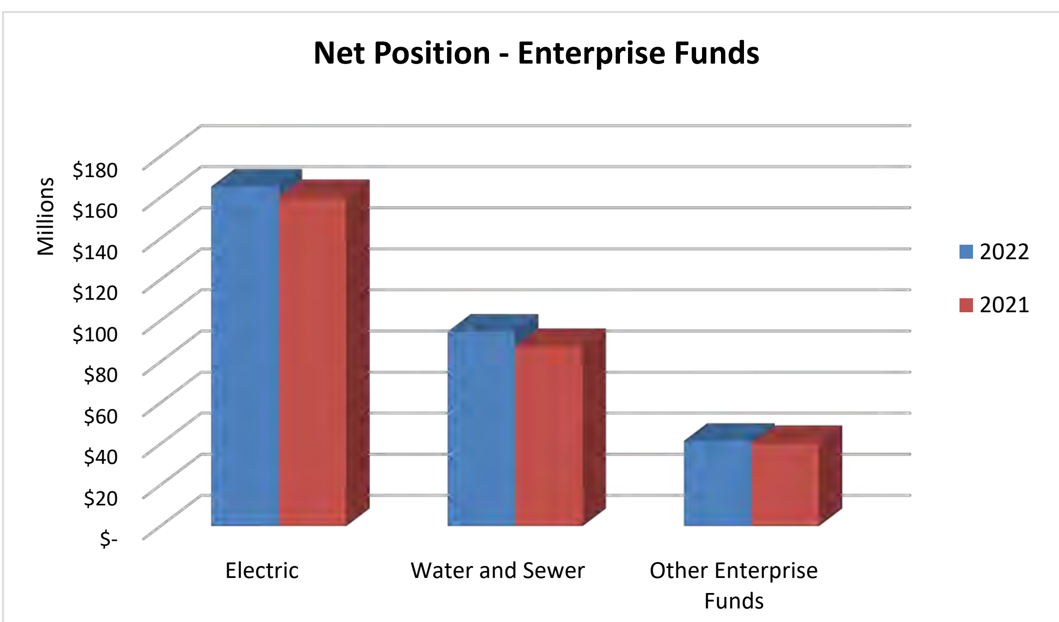
Other major governmental funds. Other major governmental funds include the capital projects fund, the community redevelopment fund, and the ARPA grant fund. The capital projects fund is used to account for various capital projects, major equipment purchases, and major repairs and renovations. These expenditures are funded by transfers from other funds or grants. The fund balance at year-end in the capital projects fund was $17,510,191. The increase of $4,127,730, or 30.8%, from the prior year reflects the accumulation of funds to be used for approved capital improvement projects or major equipment replacements in future years.

The community redevelopment fund is used to account for expenses in the City's two redevelopment districts, which are funded by tax increment revenues. The ending fund balance in the redevelopment fund was $37,203,211, an increase of $1,652,227 for the year. The FY2023-2028 5-year Capital Improvement Plan for both the Downtown and Southend Districts anticipate spending over $70 million for infrastructure, parks, and beautification projects. A more detailed summary of the activities in this fund can be found in the notes to the financial statements.

The ARPA grant fund is used to account for revenues and expenditures associated with grant funding received under the *American Rescue Plan Act*. There was no ending fund balance as revenues received during the year for which no matching expenditure has occurred are deferred for recognition in subsequent years, as expenditures occur. Unearned revenues at year-end were $11,586,213.

Proprietary Funds. The proprietary fund financial statements provide information related to activities in the City's enterprise funds and internal service funds. The proprietary fund financial statements are comprised of: 1) a *statement of net position*, 2) a *statement of revenues, expenses, and changes in fund net position*, and 3) a *statement of cash flows*.

At the end of fiscal year 2022, the City's enterprise funds reported a combined ending net position of $301,111,320, an increase of $13,112,445 or 4.6% for the year. The increase is attributable to savings realized with the retirement of the Electric and Water and Sewer revenue bond debt and the City's strategy to accumulate resources over a period of time to fund future capital improvements via pay-as-you-go financing.



GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget was an increase in net appropriations of $441,037 for expenditures and an increase of $3,342,296 for transfers out. Budget amendments were adopted anticipating using available fund balance or revenues in excess of the original budget projections. Major amendments are summarized in Note 3 of the notes to the financial statements.

In 2022, the total fund balance of the City's general fund increased by $679,661. Actual revenues were lower than final budgeted revenues by $80,545. This variance is largely due to unrealized investment losses recorded at September 30. Actual expenditures were under budget by $1,663,639 or 7.2%. This variance is attributable to personnel vacancies and the active management by departments of their individual budgets to ensure compliance with budgetary limits.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2022, totaled $306,786,548 (net of accumulated depreciation). Capital assets include land, buildings, equipment, infrastructure, and construction in progress. The City's total investment in capital assets increased $5,520,124 or 1.83% due in large part to the start of several ARPA funded water/sewer capital improvement projects.

Additional information on the City's capital assets is presented in Note 6 of the notes to the financial statements. As demonstrated in the schedule of capital activity in this note, the City has continued to invest significantly in its capital assets for both governmental and business-type activities.

The following table is a summary of the City's investment in capital assets for fiscal years 2022 and 2021:

Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	$ 29,373,496	$ 29,656,509	$ 4,388,198	$ 4,388,198	$ 33,761,694	$ 34,044,707
Buildings & Improvements	54,608,319	53,832,454	363,587,305	354,192,222	418,195,624	408,024,676
Equipment	19,215,218	18,265,434	12,900,662	12,433,106	32,115,880	30,698,540
Infrastructure	61,413,398	61,330,548			61,413,398	61,330,548
Construction in Progress	21,195,507	14,807,492	19,172,376	17,831,766	40,367,883	32,639,258
	185,805,938	177,892,437	400,048,541	388,845,292	585,854,479	566,737,729
Less: Accumulated Depreciation	(73,904,220)	(70,409,134)	(205,163,711)	(195,062,171)	(279,067,931)	(265,471,305)
Capital Assets, Net	**$ 111,901,718**	**$ 107,483,303**	**$ 194,884,830**	**$ 193,783,121**	**$ 306,786,548**	**$ 301,266,424**

Long-Term Debt. At September 30, 2022, the City had no outstanding bonded debt. The last utility revenue bond payment was made on October 1, 2020. The City seeks to minimize the need for future debt through long-term planning and capital budgeting. Pay-as-you-go financing is the preferred financing method and is used where possible.

Additional information on the City's long-term debt is presented in Note 7 of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Each year the City begins its annual budget process with an evaluation of its current financial position. This evaluation considers local and national economic trends, financial trend analysis, a five-year capital improvement plan, and a five-year cash flow analysis for major city operations. FY2023 is the third consecutive fiscal year that the City prepared the budget while continuing to deal with uncertainty stemming from the COVID-19 pandemic and the volatile recovery that follows. While the financial outlook has generally improved since the onset of the pandemic, the recovery remains challenging. Through careful and forward planning, we have been able to maintain and provide a level of services that our citizens expect.

The total adopted budget of $223,454,407 is 24.8% higher than the prior year and continues to provide the same service level our community expects. The increase is largely attributable to planned capital projects in the redevelopment districts and ARPA funded water and sewer projects. The general fund budget is $26,657,072, an increase of 6.9% from the prior year.

Factors considered in preparing the City's budget for the fiscal year 2023 included:

- The City Council adopted a new Vision statement for the community and Mission statement for the organization, while employees developed a set of core values. These three efforts were the foundational pillars for the Strategic Plan adopted during FY2022. Capital improvement projects and departmental service levels proposed during the budget process were evaluated based on their alignment with the new strategic plan.

- Jacksonville Beach's property values increased by 12.4%, and the millage rate remains the same at 3.9947 mills. However, this growth is expected to be offset by the escalating labor, operating, and capital outlay costs.

- A turbulent labor market coupled with the challenges of rapid inflation necessitated a citywide cost of living adjustment during FY2022. New union contracts were negotiated for FY2023 through FY2025 which include 3% annual escalators in addition to merit increases.

- As stewards of the taxpayer resources that make possible the services that are essential to our community, we will continue to manage these resources conservatively and responsibly.

REQUESTS FOR INFORMATION

This financial report is designed to provide users with a general overview of the City of Jacksonville Beach's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Chief Financial Officer
City of Jacksonville Beach
11 North Third Street
Jacksonville Beach, Florida 32250

Additional information can also be found on the City's website at www.jacksonvillebeach.org.

STATEMENT OF NET POSITION
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	$ 105,505,814	$ 102,491,553	$ 207,997,367
Other Cash and Investments	5,425	1,300	6,725
Accounts Receivable, Net	701,453	18,661,958	19,363,411
Assessments Receivable, Net	25,637	1,111	26,748
Due from Other Governments	2,619,532	2,768	2,622,300
Inventories		3,268,075	3,268,075
Prepaid Items	1,148,116	80,991	1,229,107
Net Pension Asset	2,132,716		2,132,716
Restricted Assets:			
Equity in Pooled Cash and Investments		19,951,954	19,951,954
Underrecovery of Power Costs		1,399,230	1,399,230
Leases Receivable		1,423,447	1,423,447
Capital Assets:			
Non-Depreciable	50,569,003	23,560,574	74,129,577
Depreciable, Net	61,332,715	171,324,256	232,656,971
Total Assets	224,040,411	342,167,217	566,207,628
Deferred Outflows of Resources			
Pension Related	2,796,198	1,801,755	4,597,953
OPEB Related	449,448	317,902	767,350
Total Deferred Outflows of Resources	3,245,646	2,119,657	5,365,303
Liabilities			
Accounts Payable	1,435,635	10,130,518	11,566,153
Accrued Interest		3,735	3,735
Other Accrued Liabilities	1,106,716	1,269,057	2,375,773
Due to Other Governments	2,338,382	3,563	2,341,945
Deposits	50,378	6,239,859	6,290,237
Unearned Revenues	11,748,092	49,596	11,797,688
Self-Insurance Claims Payable	139,340		139,340
Non-Current Liabilities:			
Due Within One Year	1,139,064	388,706	1,527,770
Due in More than One Year	10,212,700	5,523,557	15,736,257
Total Liabilities	28,170,307	23,608,591	51,778,898
Deferred Inflows of Resources			
Pension Related	7,787,249	4,098,654	11,885,903
OPEB Related	600,362	424,646	1,025,008
Lease Related		1,388,143	1,388,143
Rate Stabilization		13,655,520	13,655,520
Total Deferred Inflows of Resources	8,387,611	19,566,963	27,954,574
Net Position			
Investment in Capital Assets	111,901,718	194,884,830	306,786,548
Restricted for:			
Redevelopment	37,204,745		37,204,745
Tourism	2,364,325		2,364,325
Transportation Improvements	2,437,183		2,437,183
Capital Projects	8,711,644		8,711,644
Law Enforcement	496,026		496,026
Building Permits	352,382		352,382
Unrestricted	27,260,116	106,226,490	133,486,606
Total Net Position	$ 190,728,139	$ 301,111,320	$ 491,839,459

See accompanying notes.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Function/Program Activities	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Governmental Activities							
General Government	$ 4,319,646	$ 61,255			$ (4,258,391)		$ (4,258,391)
Law Enforcement	10,871,090	270,235	$ 442,359	$ 52,823	(10,105,673)		(10,105,673)
Fire Control	2,790,961				(2,790,961)		(2,790,961)
Building Inspections	704,921	1,027,742			322,821		322,821
Physical Environment	511,929	13,720	45,000	1,643,172	1,189,963		1,189,963
Roads and Streets	2,506,098	328,515		666	(2,176,917)		(2,176,917)
Human Services				11,086	11,086		11,086
Parks and Recreation	4,270,654	238,155	953,188		(3,079,311)		(3,079,311)
Total Governmental Activities	25,975,299	1,939,622	1,440,547	1,707,747	(20,887,383)	$ -	(20,887,383)
Business-Type Activities							
Electric	97,129,039	106,890,674	2,500	850,940		10,615,075	10,615,075
Water and Sewer	10,009,081	16,506,710		1,608,465		8,106,094	8,106,094
Stormwater	1,481,291	1,360,397				(120,894)	(120,894)
Sanitation	3,821,009	3,750,331	9,410			(61,268)	(61,268)
Golf Course	2,322,140	3,443,125				1,120,985	1,120,985
Leased Facilities	487,915	758,819				270,904	270,904
Natural Gas	2,280,020	2,699,398		169,801		589,179	589,179
Total Business-Type Activities	117,530,495	135,409,454	11,910	2,629,206	-	20,520,075	20,520,075
Total Primary Government	$ 143,505,794	$ 137,349,076	$ 1,452,457	$ 4,336,953	(20,887,383)	20,520,075	(367,308)
		General Revenues					
		Taxes:					
		Property Taxes			23,114,045		23,114,045
		Franchise Taxes			5,280		5,280
		Infrastructure Surtax			1,842,917		1,842,917
		Communication Service Tax			1,186,333		1,186,333
		Convention Development Tax			753,398		753,398
		Fuel Taxes			1,193,223		1,193,223
		Other Taxes			538,015		538,015
		State-Shared Revenues (Unrestricted)			4,359,210		4,359,210
		Other Intergovernmental Revenues (Unrestricted)			65,919		65,919
		Investment Income (Loss)			(2,240,169)	(3,193,437)	(5,433,606)
		Miscellaneous			2,233,441		2,233,441
		Net Transfers			4,214,193	(4,214,193)	-
		Total General Revenues and Transfers			37,265,805	(7,407,630)	29,858,175
		Change in Net Position			16,378,422	13,112,445	29,490,867
		Net Position, Beginning of Year			174,349,717	287,998,875	462,348,592
		Net Position, End of Year			$ 190,728,139	$ 301,111,320	$ 491,839,459

See accompanying notes.

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	General Fund	General Capital Projects Fund	Community Redevelopment Funds	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Investments	$ 15,368,028	$ 18,332,240	$ 40,253,812	$ 11,616,920	$ 13,416,125	$ 98,987,125
Other Cash and Investments	5,425					5,425
Receivables:						
Accounts, Net	700,724				500	701,224
Assessments, Net	31		1,534		24,072	25,637
Interfund Receivables	55,029					55,029
Due from Other Governments	1,906,379				713,153	2,619,532
Prepaid Expenditures	4,219					4,219
Total Assets	18,039,835	18,332,240	40,255,346	11,616,920	14,153,850	102,398,191
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts Payable	170,793	617,439	475,506	30,707	34,906	1,329,351
Other Accrued Liabilities	408,485	204,610	244,068		24,068	881,231
Due to Other Governments	7,355		2,331,027			2,338,382
Interfund Payables					55,029	55,029
Deposits	50,378					50,378
Unearned Revenue	161,879			11,586,213		11,748,092
Total Liabilities	798,890	822,049	3,050,601	11,616,920	114,003	16,402,463
Deferred Inflows of Resources						
Unavailable Revenues	1,469,383		1,534		571,872	2,042,789
Fund Balances						
Non-Spendable:						
Prepaid Expenditures	4,219					4,219
Restricted for:						
Redevelopment			37,203,211			37,203,211
Tourism Expenditures					2,302,825	2,302,825
Transportation Improvements					2,205,383	2,205,383
Capital Projects					8,457,644	8,457,644
Law Enforcement					496,026	496,026
Building Permits	352,382					352,382
Committed for:						
Revenue Stabilization	6,664,268					6,664,268
Cemetery Improvements	402,774					402,774
Parking and Transportation	832,340					832,340
Tree Replacement					6,097	6,097
Assigned for:						
Unanticipated Events/ Emergencies	6,664,268					6,664,268
Capital Projects		17,510,191				17,510,191
Unassigned	851,311					851,311
Total Fund Balances	15,771,562	17,510,191	37,203,211	-	13,467,975	83,952,939
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 18,039,835	$ 18,332,240	$ 40,255,346	$ 11,616,920	$ 14,153,850	$ 102,398,191

See accompanying notes.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

Fund Balance - Total Governmental Funds		$ 83,952,939
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Capital Assets	$ 184,778,572	
(Accumulated Depreciation)	(73,115,290)	111,663,282
Net Pension Assets available for satisfaction of long-term pension obligations are not current financial resources and, therefore, are not reported in the governmental funds:		
Net Pension Asset		2,132,716
Certain pension-related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the pension plan made after the measurement date:		
Deferred Outflows Related to Pensions and OPEB	2,580,179	
Deferred Inflows Related to Pensions and OPEB	(6,732,144)	(4,151,965)
Some revenues have been deferred on the balance sheet because they were not measurable and available at year-end.		2,042,789
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued OPEB	(1,723,349)	
Net Pension Liability	(1,232,876)	
Contractual Pension Liability	(4,080,706)	
Compensated Absences	(2,811,383)	(9,848,314)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows and liabilities, and deferred inflows of the internal service funds are reported with governmental activities.		4,936,692
Net Position of Governmental Activities		$ 190,728,139

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

	General Fund	General Capital Projects Fund	Community Redevelopment Funds	ARPA Grant Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 14,754,352		$ 10,078,422		$ 3,648,038	$ 28,480,812
Licenses and Permits	1,033,441					1,033,441
Intergovernmental	5,446,258	$ 1,184,305		$ 247,957	550,695	7,429,215
Charges for Services	614,126					614,126
Fines and Forfeitures	263,059				84,608	347,667
Interest and Other Revenue	(139,302)	(355,533)	(1,030,571)		(296,131)	(1,821,537)
Total Revenues	21,971,934	828,772	9,047,851	247,957	3,987,210	36,083,724
Expenditures						
Current:						
General Government	2,303,067	287,006	1,039,727		9,600	3,639,400
Public Safety	13,386,826		1,122,692		162,429	14,671,947
Physical Environment	108,118			24,000	4,837	136,955
Roads and Streets	1,622,488				88,542	1,711,030
Parks and Recreation	3,652,082				73,751	3,725,833
Capital Outlay	215,126	2,650,632	5,587,734	223,957	693,410	9,370,859
(Total Expenditures)	(21,287,707)	(2,937,638)	(7,750,153)	(247,957)	(1,032,569)	(33,256,024)
Excess (Deficiency) of Revenues Over (Under) Expenditures	684,227	(2,108,866)	1,297,698	-	2,954,641	2,827,700
Other Financing Sources (Uses)						
Transfers in	4,329,559	6,236,596				10,566,155
Transfers (out)	(5,767,596)				(514,366)	(6,281,962)
Sale of General Capital Assets	1,433,471		354,529			1,788,000
Total Other Financing Sources (Uses)	(4,566)	6,236,596	354,529	-	(514,366)	6,072,193
Net Change in Fund Balances	679,661	4,127,730	1,652,227		2,440,275	8,899,893
Fund Balances, Beginning of Year	15,091,901	13,382,461	35,550,984	-	11,027,700	75,053,046
Fund Balances, End of Year	$ 15,771,562	$ 17,510,191	$ 37,203,211	$ -	$ 13,467,975	$ 83,952,939

See accompanying notes.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

Net Change in Fund Balance - Total Governmental Funds		$ 8,899,893
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:		
Expenditures for Capital Assets	$ 9,370,859	
Disposals of Capital Assets	(423,655)	
(Current Year Depreciation)	(4,442,468)	4,504,736
Repayments of Debt are recorded as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:		
Payments related to the Contractual Pension Liability - Firefighters' Plan		440,691
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Change in Accrued Compensated Absences	(206,698)	
Change in Net Pension Liability and Deferred Inflows and Outflows Related to Pensions	1,495,112	
Change in Other Postemployment Benefits and Deferred Inflows and Outflows Related to OPEB	32,813	1,321,227
Some revenues have been deferred in the governmental funds because they were not available at year-end, but have been recognized in the statement of activities.		351,046
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		860,829
Change in Net Position of Governmental Activities		$ 16,378,422

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 14,898,395	$ 14,898,395	$ 14,754,352	$ (144,043)
Licenses and Permits	604,852	604,852	1,033,441	428,589
Intergovernmental	4,139,373	4,150,459	5,446,258	1,295,799
Charges for Services	469,568	469,568	614,126	144,558
Fines and Forfeitures	161,983	161,983	263,059	101,076
Interest and Other Revenue	332,245	1,767,222	(139,302)	(1,906,524)
Total Revenues	20,606,416	22,052,479	21,971,934	(80,545)
Expenditures				
Executive and Legislative	1,465,384	1,125,549	1,097,655	27,894
Finance	434,734	438,973	388,842	50,131
Planning and Development	1,205,520	1,525,919	1,096,162	429,757
Parks and Recreation	3,637,922	3,930,303	3,818,732	111,571
Public Works	1,901,602	1,930,487	1,699,201	231,286
Police	9,897,112	9,935,322	9,488,899	446,423
Fire	3,002,951	3,352,071	3,231,060	121,011
Non-Departmental	3,390,384	712,722	467,156	245,566
(Total Expenditures)	(24,935,609)	(22,951,346)	(21,287,707)	1,663,639
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,329,193)	(898,867)	684,227	1,583,094
Other Financing Sources (Uses)				
Transfers in	4,329,193	4,329,193	4,329,559	366
Transfers (out)		(5,767,596)	(5,767,596)	-
Sale of General Capital Assets			1,433,471	1,433,471
Total Other Financing Sources (Uses)	4,329,193	(1,438,403)	(4,566)	1,433,837
Net Change in Fund Balance	$ -	$ (2,337,270)	$ 679,661	$ 3,016,931

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 10,054,013	$ 10,054,013	$ 10,078,422	$ 24,409
Interest and Other Revenue	289,753	665,891	(1,030,571)	(1,696,462)
Total Revenues	10,343,766	10,719,904	9,047,851	(1,672,053)
Expenditures				
Current:				
General Government	1,446,848	1,498,213	1,039,727	458,486
Public Safety	1,220,413	1,168,083	1,122,692	45,391
Capital Outlay	10,138,900	18,826,835	5,587,734	13,239,101
(Total Expenditures)	(12,806,161)	(21,493,131)	(7,750,153)	13,742,978
Other Financing Sources (Uses)				
Sale of General Capital Assets			354,529	354,529
Total Other Financing Sources (Uses)	-	-	354,529	354,529
Net Change in Fund Balance	$ (2,462,395)	$ (10,773,227)	$ 1,652,227	$ 12,425,454

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ARPA GRANT FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental		$ 11,834,170	$ 247,957	$ (11,586,213)
Total Revenues	$ -	11,834,170	247,957	(11,586,213)
Expenditures				
Physical Environment		112,000	24,000	88,000
Capital Outlay		6,152,418	223,957	5,928,461
(Total Expenditures)	-	(6,264,418)	(247,957)	6,016,461
Net Change in Fund Balance	$ -	$ 5,569,752	$ -	$ (5,569,752)

See accompanying notes.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water and Sewer	Other Funds	Totals	
Assets					
Current Assets:					
Equity in Pooled Cash and Investments	$ 40,791,837	$ 43,084,859	$ 18,614,857	$ 102,491,553	$ 6,518,689
Other Operating Cash			1,300	1,300	
Receivables:					
Accounts, Net	15,756,889	2,014,344	890,725	18,661,958	229
Assessments, Net		1,111		1,111	
Leases, Current			151,961	151,961	
Due from Other Governments	2,768			2,768	
Inventories	3,183,830		84,245	3,268,075	
Prepaid Expenses	70,683		10,308	80,991	1,143,897
Restricted Assets:					
Equity in Pooled Cash and Investments	19,895,379		56,575	19,951,954	
Underrecovery of Power Costs	1,455,805			1,455,805	
Total Current Assets	81,157,191	45,100,314	19,809,971	146,067,476	7,662,815
Non-Current Assets:					
Leases Receivable, Non-Current			1,271,486	1,271,486	
Capital Assets:					
Land	2,551,256	361,970	1,474,972	4,388,198	
Buildings and Improvements	227,905,594	98,405,503	37,276,208	363,587,305	149,937
Equipment	7,795,102	2,876,259	2,229,301	12,900,662	884,444
Construction in Progress	11,178,361	6,029,373	1,964,642	19,172,376	
	249,430,313	107,673,105	42,945,123	400,048,541	1,034,381
(Accumulated Depreciation)	(130,557,912)	(54,914,044)	(19,691,755)	(205,163,711)	(795,945)
Total Capital Assets, Net of Accumulated Depreciation	118,872,401	52,759,061	23,253,368	194,884,830	238,436
Total Non-Current Assets	118,872,401	52,759,061	24,524,854	196,156,316	238,436
Total Assets	200,029,592	97,859,375	44,334,825	342,223,792	7,901,251
Deferred Outflows of Resources					
Pension Related	1,110,669	579,966	111,120	1,801,755	665,467
OPEB Related	180,875	106,881	30,146	317,902	
Total Deferred Outflows of Resources	1,291,544	686,847	141,266	2,119,657	665,467

See accompanying notes.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water and Sewer	Other Funds	Totals	
Liabilities					
Current Liabilities:					
Accounts Payable	$ 9,167,525	$ 379,749	$ 583,244	$ 10,130,518	$ 106,284
Power Costs Recovered in Advance			56,575	56,575	
Other Accrued Liabilities	650,309	509,941	108,807	1,269,057	225,485
Due to Other Governments			3,563	3,563	
Unearned Revenue			49,596	49,596	
Estimated Liability for Self-Insured Losses					139,340
Current Portion of Long-Term Debt:					
Compensated Absences	264,820	101,503	22,383	388,706	182,306
Current Liabilities Payable from Restricted Assets:					
Accrued Interest	2,241	1,494		3,735	
Customer Deposits	6,239,859			6,239,859	
Total Current Liabilities	16,324,754	992,687	824,168	18,141,609	653,415
Non-Current Liabilities:					
Accrued Compensated Absences	1,059,282	406,013	89,532	1,554,827	664,443
Other Postemployment Benefits	693,542	409,820	115,591	1,218,953	
Net Pension Liability	1,665,130	996,067	88,580	2,749,777	656,701
Total Non-Current Liabilities	3,417,954	1,811,900	293,703	5,523,557	1,321,144
Total Liabilities	19,742,708	2,804,587	1,117,871	23,665,166	1,974,559
Deferred Inflows of Resources					
Pension Related	2,507,602	1,029,352	561,700	4,098,654	1,655,467
OPEB Related	241,609	142,769	40,268	424,646	
Lease Related			1,388,143	1,388,143	
Rate Stabilization	13,655,520			13,655,520	
Total Deferred Inflows of Resources	16,404,731	1,172,121	1,990,111	19,566,963	1,655,467
Net Position					
Investment in Capital Assets	118,872,401	52,759,061	23,253,368	194,884,830	238,436
Unrestricted	46,301,296	41,810,453	18,114,741	106,226,490	4,698,256
Total Net Position	$ 165,173,697	$ 94,569,514	$ 41,368,109	$ 301,111,320	$ 4,936,692

See accompanying notes.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water and Sewer	Other Funds	Totals	
Operating Revenues					
Charges for Services	$ 106,701,782	$ 16,489,208	$ 11,194,389	$ 134,385,379	$ 13,002,831
Other	188,892	22,428	822,154	1,033,474	89,143
Total Operating Revenues	106,890,674	16,511,636	12,016,543	135,418,853	13,091,974
Operating Expenses					
Purchased Power	78,104,851		1,691,149	79,796,000	
Personal Services	5,047,214	2,974,263	1,466,885	9,488,362	4,491,754
Purchased Services	1,576,403	426,589	3,771,988	5,774,980	1,005,561
Repairs and Maintenance	621,730	780,467	598,774	2,000,971	360,545
Depreciation	6,398,976	3,082,852	1,428,168	10,909,996	84,450
Materials and Supplies	611,727	465,024	422,906	1,499,657	165,880
Other Expenses	5,119,442	2,279,886	1,012,505	8,411,833	5,969,713
(Total Operating Expenses)	(97,480,343)	(10,009,081)	(10,392,375)	(117,881,799)	(12,077,903)
Operating Income	9,410,331	6,502,555	1,624,168	17,537,054	1,014,071
Non-Operating Revenues (Expenses)					
Investment Earnings (Loss)	(1,777,030)	(990,204)	(454,143)	(3,221,377)	(81,371)
Interest from Leasing Activities			27,940	27,940	
Intergovernmental Revenue	2,500		9,410	11,910	
(Loss) Gain on Disposal of Capital Assets	351,304	(4,926)	(4,473)	341,905	(1,871)
Total Non-Operating Revenues (Expenses)	(1,423,226)	(995,130)	(421,266)	(2,839,622)	(83,242)
Income Before Contributions and Transfers	7,987,105	5,507,425	1,202,902	14,697,432	930,829
Capital Contributions					
Connection Fees	279,382	114,362	169,801	563,545	
Capital Grants		1,494,103		1,494,103	
Developer Contributions	571,558			571,558	
Total Capital Contributions	850,940	1,608,465	169,801	2,629,206	-
Transfers					
Transfers in	162,097			162,097	
Transfers (out)	(3,890,642)	(126,000)	(359,648)	(4,376,290)	(70,000)
Total Transfers	(3,728,545)	(126,000)	(359,648)	(4,214,193)	(70,000)
Change in Net Position	5,109,500	6,989,890	1,013,055	13,112,445	860,829
Total Net Position, Beginning of Year	160,064,197	87,579,624	40,355,054	287,998,875	4,075,863
Total Net Position, End of Year	$ 165,173,697	$ 94,569,514	$ 41,368,109	$ 301,111,320	$ 4,936,692

See accompanying notes.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water and Sewer	Other Funds	Totals	
Cash Flows from Operating Activities					
Cash Received from Customers and Users	$ 82,636,608	$ 16,456,624	$ 11,336,045	$ 110,429,277	$ 13,093,445
Cash Payments to Vendors for Goods and Services	(82,993,004)	(3,783,881)	(7,263,992)	(94,040,877)	(7,675,824)
Cash Payments to Employees for Services	(5,804,797)	(3,235,077)	(1,630,249)	(10,670,123)	(5,009,751)
Insurance Reimbursements Received (Claims Paid)					191,331
Net Cash Provided by (Used in) Operating Activities	(6,161,193)	9,437,666	2,441,804	5,718,277	599,201
Cash Flows from Non-Capital Financing Activities					
Transfers in	162,097			162,097	
Intergovernmental Revenue	432,600		9,410	442,010	
Transfers (out)	(3,890,642)	(126,000)	(359,648)	(4,376,290)	(70,000)
Interest from Leasing Activities			27,940	27,940	
Net Cash Provided by (Used in) Non-Capital Financing Activities	(3,295,945)	(126,000)	(322,298)	(3,744,243)	(70,000)
Cash Flows from Capital and Related Financing Activities					
Acquisition of Capital Assets	(6,582,979)	(3,572,380)	(1,026,381)	(11,181,740)	
Proceeds on Sale of Capital Assets	83,498			83,498	
Capital Grants		1,494,103		1,494,103	
Connection Fees	279,382	114,362	169,801	563,545	
Net Cash Provided by (Used in) Capital and Related Financing Activities	(6,220,099)	(1,963,915)	(856,580)	(9,040,594)	-
Cash Flows from Investing Activities					
Investment Earnings	(1,777,030)	(990,204)	(454,143)	(3,221,377)	(81,371)
Net Cash Provided by (Used in) Investing Activities	(1,777,030)	(990,204)	(454,143)	(3,221,377)	(81,371)
Net Increase (Decrease) in Cash and Cash Equivalents	(17,454,267)	6,357,547	808,783	(10,287,937)	447,830
Cash and Cash Equivalents, Beginning of Year	78,141,483	36,727,312	17,863,949	132,732,744	6,070,859
Cash and Cash Equivalents, End of Year	$ 60,687,216	$ 43,084,859	$ 18,672,732	$ 122,444,807	$ 6,518,689

See accompanying notes.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water and Sewer	Other Funds	Totals	
Included on the Accompanying Balance Sheet Under the Following Captions					
Current Assets					
Equity in Pooled Cash and Investments	$ 40,791,837	$ 43,084,859	$ 18,614,857	$ 102,491,553	$ 6,518,689
Other Operating Cash			1,300	1,300	
Restricted Assets					
Equity in Pooled Cash and Investments	19,895,379		56,575	19,951,954	
Total	$ 60,687,216	$ 43,084,859	$ 18,672,732	$ 122,444,807	$ 6,518,689
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ 9,410,331	$ 6,502,555	$ 1,624,168	$ 17,537,054	$ 1,014,071
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	6,398,976	3,082,852	1,428,168	10,909,996	84,450
Power Costs Recovered in Advance (Returned)	(22,097,103)		(597,184)	(22,694,287)	
Change in Estimated Liability for Self-Insured Losses					11,391
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):					
Accounts Receivable and Unbilled Revenue	(2,431,376)	(54,980)	(59,316)	(2,545,672)	1,471
Leases Receivable			(1,423,447)	(1,423,447)	
Amortization of Deferred Inflow of Resources - Leases			1,388,143	1,388,143	
Assessments Receivable		(32)		(32)	
Inventories	(313,436)		(23,357)	(336,793)	
Prepaid Expenses	(2,478)		(1,378)	(3,856)	(71,164)
Accounts Payable and Other Accrued Liabilities	3,357,063	168,085	258,065	3,783,213	76,979
Unearned Revenues			11,306	11,306	
Customer Deposits	274,413			274,413	
Accrued Compensated Absences	(20,988)	32,016	(4,410)	6,618	(23,129)
Other Postemployment Benefits and Related Deferred Inflows and Outflows	(13,204)	(7,803)	(2,200)	(23,207)	
Net Pension Liability and Pension Related Deferred Inflows and Outflows	(723,391)	(285,027)	(156,754)	(1,165,172)	(494,868)
Net Cash Provided by (Used in) Operating Activities	$ (6,161,193)	$ 9,437,666	$ 2,441,804	$ 5,718,277	$ 599,201
Supplemental Disclosure of Non-Cash Activities					
Contributed Assets	$ 571,558	$ -	$ -	$ 571,558	$ -

See accompanying notes.

STATEMENT OF FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS - PENSION TRUST FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

Assets	
Cash and Cash Equivalents	$ 5,900,883
Accrued Interest	112,473
Miscellaneous Receivables	4,623
Due from Other Governmental Units	373,584
Investments:	
Equities, Including Mutual Funds	62,385,537
Corporate Bonds	7,786,099
U.S. Government Obligations/Agencies	15,768,208
Real Estate	6,819,791
Total Investments	92,759,635
Total Assets	99,151,198
Liabilities	
Accounts Payable	3,485
Other Accrued Liabilities	1,900
Due to Other Governmental Units	130,000
Total Liabilities	135,385
Net Position	
Restricted for Pensions	$ 99,015,813

See accompanying notes.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS - PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

Additions	
Contributions:	
Employee	1,757,536
Employer:	
City of Jacksonville Beach	3,495,835
City of Jacksonville	410,437
State of Florida	243,584
Total Contributions	5,907,392
Investment Income:	
Investment Earnings (Loss)	(18,729,561)
(Investment Expenses)	(188,712)
Net Investment Income	(18,918,273)
Total Additions	(13,010,881)
Deductions	
Benefits	7,518,722
Refunds of Contributions	263,136
Administrative Expense	261,158
(Total Deductions)	(8,043,016)
Change in Net Position	(21,053,897)
Net Position, Beginning of Year	120,069,710
Net Position, End of Year	$ 99,015,813

See accompanying notes.

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The City of Jacksonville Beach, Florida, (the City) was founded in 1907 and operates under a City Council/City Manager form of government. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units.

The City has one blended component unit, the City of Jacksonville Beach Community Redevelopment Agency (CRA). The CRA was created in 1978 pursuant to Chapter 163, Florida Statutes and City Ordinance No. 6950. The CRA is being treated as a blended component unit and included as part of the primary government for financial reporting purposes because the City Council appoints the governing body for the CRA, and management of the City has operational responsibility for the CRA. The CRA is presented in the financial statements of the City as a special revenue fund. There are two redevelopment trust funds established by the CRA, the Downtown Redevelopment District and the Southend Redevelopment District. Both Districts issue a separate set of financial statements.

This report also includes the accounts and transactions of the following pension plans (collectively, the Plans), which are considered to be fiduciary component units of the City:

- City of Jacksonville Beach General Employees' Retirement System (the General Plan)
- City of Jacksonville Beach Police Officers' Retirement System (the Police Plan)
- City of Jacksonville Beach Firefighters' Retirement System (The Firefighters' Plan)

The Plans are being treated as fiduciary component units and included as part of the primary government for financial reporting purposes because the City may amend provisions of the Plans through a bargaining process with members and unions associated with the Plans, and a financial burden exists on the part of the City wherein the City is legally obligated or has otherwise assumed the obligation to make contributions to the Plans. Each individual pension plan issues its own separate set of financial statements. The General Plan and the Police Plan are considered to be fiscally dependent on the City. The Firefighters' Plan is substantially funded through contributions from the City of Jacksonville; obligated contributions to the Firefighters' plan by the City are contractual in nature.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements so as not to distort financial results. Fiduciary funds are also excluded from the government-wide financial statements since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements (fund financial statements) are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

A reconciliation is provided that converts the results of governmental fund accounting to the governmental activities in the government-wide presentations. The City's fiduciary funds are presented in the fund financial statements by type (pension trust funds only) but as noted above, are not included in the government-wide statements.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are allocated among the appropriate governmental and business-type activities.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements, the proprietary fund financial statements, and the fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as electric, water and sewer, stormwater, sanitation, natural gas, leased space/assets, and the golf course, or from interfund charges (internal service funds). Operating expenses for these operations include all costs related to providing the service or product. These costs include purchased power, personal and purchased services, repairs and maintenance, depreciation, materials and supplies, and other expenses directly related to costs of services. All other revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within thirty days of the end of the current fiscal period, except for grant revenues which are considered available if collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, accrued compensated absences, and expenditures related to claims and judgments, are recorded only when payment is due. Other postemployment benefits are accrued in governmental funds only if funded.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual as revenue of the current period. Only the portion of special assessments collectible within the current period is accrued as revenue of the current period. Grant revenues are considered earned and are accrued simultaneously with the grant expenditure. In applying the susceptibility-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance.

There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and substantially irrevocable, i.e., revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion. All other revenue items are considered to be measurable and available only when cash is received by the government.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, 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.

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 the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added certain funds as major funds.

The City reports the following major governmental funds:

- **General Fund—**is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Most of the essential governmental services such as public safety, street construction and maintenance, culture and recreation, and general administration are provided by the general fund.

- **General Capital Projects Fund—**is the City's primary capital projects fund. It accounts for the costs of various capital projects, major equipment purchases, and major repairs and renovations.

- **Community Redevelopment Fund—**accounts for the activities of the City's Community Redevelopment Agency, including the Downtown and Southend redevelopment districts. The primary revenue source is ad valorem tax increment funds, which are restricted for expenditures benefiting the redevelopment districts.

- **ARPA Grant Fund—**accounts for grant revenues received under the *American Rescue Plan Act* and related expenditures.

The City reports the following major enterprise funds:

- **Electric Fund—**accounts for the activities associated with providing electric service to its customers inside the City, as well as to its service territories in Neptune Beach and Ponte Vedra Beach. The electric fund is a distribution utility, with no significant power generation assets.

- **Water and Sewer Fund—**accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including the capital and operating costs associated with water supply, treatment and distribution, wastewater collection, treatment and disposal, and utility billing and collection.

Governmental and enterprise funds which do not meet the criteria for reporting as *major funds* are grouped together for financial reporting into one column.

In addition, the City reports the following fund types:

- **Internal Service Funds—**account for services provided to other departments within the City on a cost reimbursement basis. These services include: city manager, accounting, utility billing, information systems, human resources, fleet maintenance, purchasing administration, maintenance facility, and insurance. The internal service funds are included in governmental activities for government-wide reporting purposes, and the excess revenue or expenses for the funds are allocated to the appropriate functional activity.

- **Pension Trust Funds—**account for the activities of the general employees' pension, police officers' pension and firefighters' pension plans, which accumulate resources for defined benefit payments to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges of the City's enterprise activities, which are quasi-external transactions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The City does not charge user departments for indirect services provided by general fund departments.

D. Assets and Liabilities

- **Cash and Investments**

  - **Cash and Cash Equivalents—**for purposes of the statement of cash flows for the proprietary fund types, cash and cash equivalents include demand deposits, certificates of deposit, repurchase agreements with financial institutions, petty cash, state pool investments, mutual funds, and equity in pooled cash and investments. Equivalents are defined as short-term, highly-liquid investments that are both readily convertible to known amounts of cash and have an original maturity of three months or less. Cash equivalents may exclude certain liquid assets held in restricted investment accounts.

- **Equity in Pooled Cash and Investments—**the City maintains an accounting system in which substantially all cash and investments are recorded and are reflected as pooled cash and investments, except for the pension trust fund investments, and certain other investments purchased under the requirements of bond covenants. Investment earnings are distributed monthly in accordance with the participating funds' relative percentage of investments.

- **Restricted Cash and Investments—**represent equity in pooled cash and investments and separately identified investments which are restricted as to use.

  Investments are valued at fair value unless the investment qualifies as an external investment pool under guidance in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. These investments are valued at amortized cost.

■ **Receivables—**All receivables are reported at their gross value, and where appropriate are reduced by the estimated portion that is expected to be uncollectible. The allowance for doubtful accounts at September 30, 2022, is $189,034. Estimated unbilled revenues from the electric, water and sewer, stormwater, sanitation, and natural gas funds are recognized at the end of each fiscal year on a pro rata basis. Included in accounts receivable at September 30, 2022, are unbilled amounts totaling $8,238,011. The estimated amount is based on billings during the month following the close of the fiscal year.

■ **Interfund Receivables and Payables—**During the course of its operations, the City has numerous transactions between funds to provide services and construct assets. To the extent that certain transactions between funds were not paid for or received as of September 30, 2022, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year, if any, are recorded as advances to and advances from other funds. Balances of advances to other funds are offset by non-spendable fund balances in the respective funds since these receivables are not available for appropriation. Short-term interfund loans to eliminate cash deficits are classified as "interfund receivables/payable".

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

■ **Inventories and Prepaid Items**—Inventories are only significant to and reported in proprietary funds. Inventories in the Electric Fund are valued at the lower of average cost or net realizable value, using the first-in, first-out (FIFO) method. Inventories in the Golf Fund are held for resale and are reported at the lower of average cost or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the governmental-wide and fund financial statements.

- **Capital Assets—**Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial estimated useful life in excess of one year and individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

  Interest costs incurred before the end of a construction period are a financing activity separate from the related capital asset and are recognized as an expense in the period in which the cost is incurred. These interest costs are not capitalized as part of the historical cost of the capital asset.

  In proprietary fund types, capital assets are capitalized at cost in the fund which acquired or constructed them. Donated assets are recorded at acquisition value. Depreciation of exhaustible capital assets used by these funds is charged as an expense against operations, and accumulated depreciation is reported on the balance sheets of the funds in which the assets are capitalized. Depreciation has been provided over the estimated useful life of each asset using the straight-line method. The range of estimated useful lives of capital assets are:

Buildings and Improvements	30-35 Years
Infrastructure	15-75 Years
Vehicles and Equipment	3-15 Years

  Capital assets are not recorded on the balance sheet of governmental funds.

- **Long-Term Obligations**—In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and refunding losses are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are expensed as incurred.

  In the fund financial statements, governmental fund types record bond premiums and discounts, as well as bond issuance costs in the year incurred. The face amount of debt and premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

- **Compensated Absences**—City employees are entitled to certain compensated absences based on their length of employment. Accumulated unpaid vacation and sick pay are accrued when earned in the enterprise and internal service funds but are only recorded when paid in the governmental fund types.

City employees are permitted to accumulate two years of accrued vacation leave and an unlimited amount of accrued sick leave. If an employee retires from the City, he/she will be paid for unused sick leave up to ninety days not to exceed 720 hours. Additionally, employees retiring with twenty years' service may be eligible for a supplemental percentage payment of sick leave as outlined below.

The employee must:

1. Be retiring under the City's pension plan in "good standing"
2. Possess twenty years of service
3. Possess a sick leave balance of 720 hours

If the employee meets the above criteria, he/she is eligible for 25% of any hours accrued over 720 to a maximum of 2,880. Upon termination of employment, an employee is paid for his/her accrued vacation leave based on their current hourly rate of pay. If an employee has not used any sick leave for four consecutive calendar quarters, the employee may elect to convert two days of unused sick leave to either two days' vacation or two days' pay. In addition, employees using one day of sick leave or less in four consecutive calendar quarters may convert one day of unused sick leave to either one days' vacation leave or one days' pay.

- **Deferred Inflows/Outflows of Resources—**Deferred outflows of resources represent the consumption of net assets that applies to future periods. Deferred outflows have a positive effect on net position, similar to assets. Deferred inflows of resources represent an acquisition of net assets that applies to future periods. Deferred inflows have a negative effect on net position, similar to liabilities.

- **Unearned Revenue—**Governmental funds and business-type funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

- **Pensions—**For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's pension plans and additions to/deductions from pension plan net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

E. Fund Balances

- **Classifications—**The City has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), as required. The purpose of GASB 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.

- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution, which are considered equally binding) of the organization's governing authority (the City Council). These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) employed to constrain those amounts.

  Pursuant to a fund balance policy adopted under the City Council's Resolution No. 1887-2011, the City established a stabilization fund in the general fund that qualifies as a stabilization arrangement and is classified as committed fund balance under GASB 54. At each fiscal year-end, the stabilization fund is adjusted to an amount equal to 25% of the subsequent years' 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. 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.

- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund.

  Fund balance at year-end has been assigned within the general fund for unanticipated events or emergencies. The City's fund balance policy adopted under the City Council's Resolution No. 1887-2011 established the reserve. 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.

- **Unassigned—**This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the general fund that are not restricted, committed, or assigned.

- **Flow Assumption**
  When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in the general fund, it is the City's policy to use unassigned resources first, then assigned, and then committed, as needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any other governmental fund, it is the City's policy to use committed resources first, then assigned, and then unassigned, as needed.

F. Accounting Changes

GASB Statement No. 87
The GASB issued Statement No. 87, *Leases* (GASB 87), in June of 2017. This statement is effective for the current fiscal year ended September 30, 2022. The City reviewed the provisions of GASB 87 and compiled an inventory of agreements that would potentially be impacted by the implementation of this statement. An evaluation of each agreement was made, based on materiality to the City's financial statements. Based on this evaluation, the impact of the provisions of GASB 87 to the City was deemed not significant for agreements in which the City acts as lessee but was considered to be significant for agreements in which the city acts as lessor. All agreements were evaluated as of the implementation date of October 1, 2021. As such, no restatement of prior period balances related to affected agreements was required. See Note 15 for a description of the current year financial impact of the implementation of GASB Statement No. 87.

Change in Accounting Policy
In prior years, the City capitalized items with an original cost of $1,000 or more. Effective October 1, 2021, the City changed this threshold to items costing $5,000 or more. As the remaining book value of items below the new capitalization threshold are considered to be immaterial individually and in the aggregate and continue to be tracked for the purposes of physical inventory, the City elected not to remove fixed assets with original costs between $1,000 and $4,999.99 capitalized in prior years under the preceding policy from the fixed asset records. Therefore, no prior period adjustment was necessary as a result of this change in accounting policy.

Note 2 - <u>Property Tax Calendar</u>

The City levies property taxes each November 1, which become a lien on real and personal property located in the City. The assessment of all properties and the collection of all property taxes are made through the Property Appraiser and Tax Collector of Duval County, Florida.

Details of the tax calendar are presented below:

Lien Date	January 1, 2021
Levy Date	October 1, 2021

Installment Payments	
First Installment	No Later Than June 30, 2021
Second Installment	No Later Than September 30, 2021
Third Installment	No Later Than December 31, 2021
Fourth Installment	No Later Than March 31, 2022
Regular Payments	
Discount Periods	November 2021 Through February 2022
No Discount Period	After March 1, 2022
Delinquent Date	April 1, 2022

Note 3 - Stewardship, Compliance, and Accountability

Budgets

The City Council annually adopts a budget resolution for all funds of the City. A five-year capital improvement plan is prepared each year based on business requirements and internal five-year revenue and expense projections. Governmental fund annual operating budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Encumbrance accounting is employed in the governmental funds. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances outstanding at year-end are included in fund balances as restricted, assigned, or committed 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 years' budgets without being rebudgeted. All unencumbered budget appropriations, except project budgets, lapse at the end of each fiscal year.

All departments of the City submit requests for appropriation to the City Manager so that a budget may be prepared. The budget is prepared by fund, department, division, and object of expenditure, and includes information on the previous two years, current year budget, and proposed expenditures, and the means of financing them for the next fiscal year. Public hearings are conducted to obtain taxpayer comments.

Prior to October 1, the budget is legally enacted through passage of a resolution. Overall changes to the adopted budget must be approved by a majority vote of the City Council. The City Council may make supplemental appropriations during the year, up to the amount available for appropriation. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to further appropriation.

Budgets are monitored at varying levels of classification detail; however, budgetary control is legally maintained at the fund level, except for the general fund, where it is maintained at the departmental level. Management must seek City Council approval to make budgetary amendments at the departmental level in the general fund, and at the fund level for all other funds. Management may, however, make a budget adjustment as long as it does not increase the overall budget for a department within the general fund or for any other fund in total.

Listed below is a reconciliation of the original budget to final amended budget for the governmental fund types with legally adopted annual budgets:

	Original Budget	Encumbrances Rolled Forward	Supplemental Appropriations	Amended Budget
General Fund	$ 24,935,609	$ 122,143	$ 3,661,190	$ 28,718,942
Special Revenue Funds	15,626,311	9,740,650	6,225,029	31,591,990

Supplementary budgetary appropriations for the general fund include the following:

- $592,596 for the purchase of additional Police vehicle replacements.
- $500,000 in transfers from reserves to the general capital projects fund for partial funding of building renovations resulting from the space needs analysis.
- $317,088 for professional services for Comprehensive Plan and Land Development Code update.
- $1,506 for Carver Center donations to offset the cost of purchasing a storage shed for athletic equipment.
- $2,250,000 in transfers to the General Capital Projects Fund for the following reserve programs: ERP project, building renovations resulting from space needs analysis, citywide camera system replacement reserve, police vehicle replacement reserve, dune walkover replacement reserve, replacement of Police RMS and CAD systems, and Streets Division major equipment replacement reserve.

Supplementary budgetary appropriations for the special revenue funds include the following:

- $45,000 for grant funding from the St. Johns River Water Management District for the Penman Rd Septic to Sewer project.
- $38,381 for the radio tower antenna purchase and installation.
- $186,000 for roof restoration at the Seawalk Pavilion.
- ($1,000,000) to de-appropriate funding. The FY22 Capital Improvement Plan (CIP) appropriated $1M for the replacement of the Sunshine park playground structure. However, the project timeline was accelerated and funding was appropriated towards the end of FY21 in the amount of $1,379,292. This item de-appropriates the $1M appropriated as part of the FY22 original budget.
- $547,708 for the replacement of the Sunshine park playground structure to fund two additional features, add a 15% contingency, and revise cost estimates.
- $21,609 for insurance proceeds that will be used to offset the cost of vehicle repairs.
- $76,048 for consulting services for the purchase and installation of bicycle racks in the Downtown CRA district.
- $45,865 to appropriate JAG Grant# 2021-JAGC-DUVA-5-3B-020 and corresponding vehicle purchase.
- $1,117,206 for Pollution Control Plant (PCP) digester tank, air piping, and stairway modifications.
- $371,977 for sludge dewatering facility improvements.
- $4,663,235 for construction of 10th Street South infrastructure improvements Phase I.
- $112,000 for establishment of the septic tank phase-out rebate program.

Note 4 - Deposits and Investments

Equity in Pooled Cash and Investments
The City maintains a cash and investment pool that is available for use by all funds. Interest earned on pooled cash and investments is allocated to each fund based on the average equity balance. The balance in pooled cash and investments was $227,949,321 in governmental and business-type funds and $525,117 in the pension funds.

Deposits
The City's bank deposits are held in qualified public depositories (QPDs) pursuant to Florida Statutes, Chapter 280. The Act provides protection of public deposits by requiring each QPD to pledge collateral to the State Treasurer. The Treasurer shall establish minimum required collateral pledging levels ranging from 25% to 200% of public deposits held, depending on the depository's financial condition and establishment period. In the event of default by a QPD, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the QPD in default and, if necessary, assessments against other QPDs of the same type as the depositor in default. Therefore, all cash and time deposits held by QPDs are fully insured and collateralized.

Certain deposits held by trust companies and fully secured under trust business laws are exempt from Chapter 280 requirements. At year-end, the amount of City deposits held in trust was $3,386,356 and the amount of deposits held in the pension trust funds was $5,375,765.

The table below provides a reconciliation of City funds held in cash and investments to the amounts presented in the financial statements:

Cash Held in Banks	$ 20,538,092
Petty Cash	6,725
Investments	204,549,990
Deposits Held in Trust	3,386,356
Less Pooled Cash Held in Pension Trust Funds	(525,117)
Total	$ 227,956,046

As presented in the accompanying Statement of Net Position:

Equity in Pooled Cash and Investments	$ 207,997,367
Other Cash and Investments	6,725
Restricted Equity in Pooled Cash and Investments	19,951,954
Total	$ 227,956,046

Investments

Following are the investments held in the pooled cash fund, credit ratings, and maturities of the City's governmental and business-type activities at September 30, 2022:

			Investment Maturities			
Investment Type	S&P Credit Rating	Fair Value	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
U.S. Govt Obligations	AA+	$ 71,927,121	$ 1,621,771	$ 70,305,350		
Federal Agency Securities:						
Federal Agencies	N/A	6,939,293	1,003,805	5,935,488		
Federal Home Loan Mortgage Corporation	AA+	2,461,470	25,778	80,069		$ 2,355,623
Federal National Mortgage Association	AA+	3,570,243	95,151	564,521	$ 242,092	2,668,479
Government National Mortgage Association	AA+	17,596				17,596
Corporate ABSs	AAA	9,199,617	15,708	8,212,729	942,005	29,175
Corporate ABSs	Aaa (Moody's)	1,829,395		1,777,094		52,301
Corporate Bonds	AA+	414,295		414,295		
Corporate Bonds	AA	1,245,297	753,077	492,220		
Corporate Bonds	AA-	1,100,796	651,042	449,754		
Corporate Bonds	A+	4,167,799	179,838	3,766,556	221,405	
Corporate Bonds	A	7,464,126	1,478,749	5,976,570	8,807	
Corporate Bonds	A-	11,100,438	1,137,269	9,660,398	302,771	
Corporate Bonds	BBB+	5,892,847	648,207	5,003,340	241,300	
Corporate Bonds	BBB	20,079	20,079			
Municipal Bonds	AAA	1,442,796	464,277	978,519		
Municipal Bonds	AA+	567,983	100,131	467,852		
Municipal Bonds	AA	204,141		204,141		
Municipal Bonds	AA-	172,129	124,838	47,291		
Municipal Bonds	A+	96,874		96,874		
Municipal Bonds	A	112,313		112,313		
Municipal Bonds	Aaa (Moody's)	96,648	96,648			
Municipal Bonds	Aa1 (Moody's)	173,819			144,433	29,386
Florida State Board of Administration:						
Florida PRIME	AAAm	32,420,623	32,420,623			
Florida Trust - Day to Day Fund	AAAmmf (Fitch)	29,312,861	29,312,861			
Florida Municipal Investment Trust:						
Short-Term Bond Portfolio (0-2 Years)	AAA (Fitch)	12,599,391	12,599,391			
Total		$ 204,549,990	$ 82,749,243	$ 114,545,374	$ 2,102,813	$ 5,152,560

Listed below are the investments and maturities in the City's pension trust funds at September 30, 2022:

		Investment Maturities			
Investment Type	Fair Value	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
Equities	$ 62,385,537	$ 62,385,537			
U.S. Government Securities	6,790,377		$ 1,194,502	$ 4,195,763	$ 1,400,112
Federal Agency Securities:					
Federal Farm Credit Banks	1,409,683		98,046		1,311,637
Federal Home Loan Bank	223,149			223,149	
Federal Home Loan Mortgage Corporation	470,882		1,335		469,547
Federal National Mortgage Association	6,874,117	796	47,941	294,089	6,531,291
Corporate Bonds	7,786,099		2,575,760	5,210,339	
Real Estate	6,819,791	6,819,791			
Total	$ 92,759,635	$ 69,206,124	$ 3,917,584	$ 9,923,340	$ 9,712,587

Credit quality distribution for the City's pension trust fund investments with credit exposure as a percentage of the total pension investment is as follows:

Investment Type	Moody's Credit Rating	Percent of Total
U.S. Government Securities	Aaa	7.32%
Federal Agency Securities	Aaa	9.68%
Corporate Bonds	A1	2.37%
Corporate Bonds	A2	2.49%
Corporate Bonds	A3	1.23%
Corporate Bonds	Aa1	0.14%
Corporate Bonds	Aa3	0.60%
Corporate Bonds	Baa1	1.56%

Authorized Investments

Florida Statute 218.415 authorizes the City to invest in the state pools and in obligations of the United States Treasury and agencies. The City has adopted an investment policy for operating funds pursuant to state statutes that allows the City to contract for investment and related services, establish internal controls, and specifies the types of investments that may be purchased. Key objectives of the policy are as follows:

- Safety of principal is the foremost objective of the investment program.
- Provide sufficient liquidity to allow for quick conversion of investments to cash easily and rapidly without loss of principal to meet operating, payroll, and capital requirements.
- The investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.
- 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 also lists permitted types of investments, limitations as to amounts invested in each type, the amount invested with each issuer, the length of investment maturities, and other statutory or contractual restrictions for each type of investment. The investment in any derivative products or the use of reverse repurchase agreements is not permitted by this investment policy.

Chapters 175 and 185 of the Florida Statutes authorize the Police Officers' and Firefighters' pension trust funds to invest in time and savings accounts of banks insured by the Federal Deposit Insurance Corporation.

Under City Ordinance, the pension trust funds are also authorized to invest in obligations of the United States, in obligations guaranteed as to principal and interest by the United States, and in bonds issued by the State of Israel. Additional authorized investments include bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, provided the corporation is listed on one or more of the recognized national stock exchanges. Corporate fixed income securities must hold a rating of A or higher by Moody's or Standard & Poor's rating services.

Risk Disclosure
The City's investment policy does not address its exposure to interest rate changes, custodial credit risk, or quality credit risk. The following items discuss the City's operating funds' and pension funds' exposure to various risks in primarily the fixed rate portions of their investment portfolios:

- **Interest Rate Risk**—the City's fixed rate investments are generally tied to bond reserve requirements and are intended to be held until the funds are needed, at maturity. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's pension funds limit their risk by averaging investment maturities at approximately five to seven years.

- **Custodial Credit Risk**—for an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City generally utilizes third-party custodians to help manage custodial credit risk.

- **Concentration of Credit Risk**—the investment policy for the operating funds of the City define what percentage of the total investment portfolio may be invested in each type of investment vehicle. The City's policy states that these percentages may be further restricted based on market conditions, risk, and diversification investment strategies. The pension funds' investment policies and practices require investments to 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 purchased and sold. No more than 10% of an individual investment manager's total fixed income portfolio may be invested in securities of a single issuer (5% in the case of a corporate issuer). No more than 10% of plan assets may be in foreign securities.

Fair Value Measurements
The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs**—are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

- **Level 2 Inputs**—are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

- **Level 3 Inputs**—are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

The City's investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value in the hierarchy described above. The fair value measurements for the City's operating investments are as follows at September 30, 2022:

		Fair Value Measurements Using		
Investments by Fair Value Level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
U.S. Government Obligations	$ 71,927,121	$ 31,747,007	$ 40,180,114	
Federal Agency Securities:				
Federal Agencies	6,939,293		6,939,293	
Federal Home Loan Mortgage Corporation	2,461,470		2,461,470	
Federal National Mortgage Association	3,570,243		3,570,243	
Government National Mortgage Association	17,596		17,596	
Corporate ABSs	11,029,012		11,029,012	
Corporate Bonds	31,405,677		31,405,677	
Municipal Bonds	2,866,703		2,866,703	
Total Investments by Fair Value Level	$ 130,217,115	$ 31,747,007	$ 98,470,108	$ -

Investments Measured at Amortized Cost	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Florida State Board of Administration:				
Florida PRIME	$ 32,420,623		None	Daily
Florida Trust - Day to Day Fund	29,312,861		None	Daily
Florida Municipal Investment Trust:				
Short-Term Bond Portfolio (0-2 Years)	12,599,391		None	Daily
Total Investments Measured at Amortized Cost	$ 74,332,875			
Total Investments	$ 204,549,990			

The fair value measurements for the City's pension trust fund investments are as follows at September 30, 2022:

		Fair Value Measurements Using		
Investments by Fair Value Level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Equities	$ 62,385,537	$ 62,385,537		
U.S. Government Securities	6,790,377	1,015,092	$ 5,775,285	
Federal Agency Securities:				
Federal Farm Credit Banks	1,409,683		1,409,683	
Federal Home Loan Bank	223,149		223,149	
Federal Home Loan Mortgage Corporation	470,882		470,882	
Federal National Mortgage Association	6,874,117		6,874,117	
Corporate Bonds	7,786,099		7,786,099	
Total Investments Measured at Fair Value	85,939,844	$ 63,400,629	$ 22,539,215	$ -

Investments Measured at the Net Asset Value (NAV)	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Real Estate Fund	$ 6,819,791		Quarterly	45 days
Total Investments	$ 92,759,635			

Federal Agency Securities and U.S. Government Obligations are categorized as Level 1 or Level 2, depending on whether the individual securities are quoted in active markets, otherwise they are valued using matrix pricing techniques that value securities based on their relationship to benchmark quoted prices. Corporate bonds, corporate ABSs and municipal bonds are valued using quoted prices for similar securities in active markets and are categorized as Level 2 in the fair value hierarchy. The Real Estate Fund is valued at Net Asset Value (NAV) which is determined using certified annual appraisals of investment properties held by the fund.

Note 5 - Interfund Receivables, Payables and Transfers

Interfund receivables/payables represent short-term loans to cover other funds' deficits in pooled cash and investments. As of September 30, 2022, the balance in these accounts consists of the following:

	Receivable	Payable
General Fund	$ 55,029	
Community Development Block Grant		$ 2,206
J.A.G. Grant		52,823
Total	$ 55,029	$ 55,029

Interfund transfers during the year ended September 30, 2022, consist of the following:

	Transfers In			
	General Fund	General Capital Projects	Electric	Total
Transfers Out				
General Fund		$ 5,767,596 (1)		$ 5,767,596
Other Governmental	$ 514,366 (2)			514,366
Electric Fund	3,707,642 (3)	183,000 (1)		3,890,642
Water and Sewer		126,000 (1)		126,000
Other Enterprise	107,551 (3)	90,000 (1)	$ 162,097 (4)	359,648
Internal Service		70,000 (1)		70,000
Total Transfers Out	$ 4,329,559	$ 6,236,596	$ 162,097	$ 10,728,252

Transfer Purpose

(1) Capital Projects Funding
(2) Supplemental funding
(3) Return on Investment
(4) Repayment of Construction Advance

Note 6 - Capital Assets

Capital asset activity for the year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	$ 29,656,509		$ (283,013)	$ 29,373,496
Construction in Progress	14,807,492	$ 6,388,015		21,195,507
Total Capital Assets Not Being Depreciated	44,464,001	6,388,015	(283,013)	50,569,003
Capital Assets Being Depreciated:				
Buildings and Improvements	53,832,454	775,865		54,608,319
Equipment	18,265,434	2,124,123	(1,174,339)	19,215,218
Road Network	33,065,968	82,850		33,148,818
Other Infrastructure Networks	28,264,580			28,264,580
Total Capital Assets Being Depreciated	133,428,436	2,982,838	(1,174,339)	135,236,935
Less Accumulated Depreciation for:				
Buildings and Improvements	(21,718,263)	(1,814,453)		(23,532,716)
Equipment	(13,223,065)	(1,611,218)	1,031,832	(13,802,451)
Road Network	(13,208,480)	(419,897)		(13,628,377)
Other Infrastructure Networks	(22,259,326)	(681,350)		(22,940,676)
Total Accumulated Depreciation	(70,409,134)	(4,526,918)	1,031,832	(73,904,220)
Total Being Depreciated, Net	63,019,302	(1,544,080)	(142,507)	61,332,715
Governmental Activities Capital Assets, Net	$ 107,483,303	$ 4,843,935	$ (425,520)	$ 111,901,718

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land	$ 4,388,198			$ 4,388,198
Construction in Progress	17,831,766	$ 7,977,628	$ (6,637,018)	19,172,376
Total Capital Assets Not Being Depreciated	22,219,964	7,977,628	(6,637,018)	23,560,574
Capital Assets Being Depreciated:				
Buildings and Improvements	354,192,224	9,833,401	(438,320)	363,587,305
Equipment	12,433,104	936,608	(469,050)	12,900,662
Total Capital Assets Being Depreciated	366,625,328	10,770,009	(907,370)	376,487,967
Less Accumulated Depreciation for:				
Buildings and Improvements	(186,199,640)	(9,905,381)	345,331	(195,759,690)
Equipment	(8,862,531)	(1,004,615)	463,125	(9,404,021)
Total Accumulated Depreciation	(195,062,171)	(10,909,996)	808,456	(205,163,711)
Total Being Depreciated, Net	171,563,157	(139,987)	(98,914)	171,324,256
Business-Type Activities Capital Assets, Net	$ 193,783,121	$ 7,837,641	$ (6,735,932)	$ 194,884,830

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities	
General Government	$ 1,963,158
Law Enforcement	833,740
Building Inspections	8,211
Physical Environment	374,974
Roads and Streets	787,628
Parks and Recreation	474,757
Internal Service Funds	84,450
Total Depreciation Expense - Governmental Activities	$ 4,526,918
Business-Type Activities	
Electric	$ 6,398,976
Water and Sewer	3,082,852
Stormwater	936,042
Sanitation	64,275
Golf Course	258,682
Leased Facilities	14,828
Natural Gas	154,341
Total Depreciation Expense - Business-Type Activities	$ 10,909,996

Note 7 - Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2022:

	Balance September 30, 2021	Additions	Other Reductions	Balance September 30, 2022	Due Within One Year
Governmental Activities					
Accrued Compensated Absences	$ 3,474,563	$ 1,364,022	$ (1,180,452)	$ 3,658,133	$ 667,525
Accrued Other Postemployment Benefits	1,658,012	65,336		1,723,348	
Net Pension Liability	6,280,626		(4,391,049)	1,889,577	
Other Contractual Pension Obligation - Fire	4,521,397		(440,691)	4,080,706	471,539
Total Governmental Activities	15,934,598	1,429,358	(6,012,192)	11,351,764	1,139,064
Business-Type Activities					
Accrued Compensated Absences	1,936,914	906,959	(900,340)	1,943,533	388,706
Accrued Other Postemployment Benefits	1,172,739	46,214		1,218,953	
Net Pension Liability	7,348,729		(4,598,952)	2,749,777	
Total Business-Type Activities	10,458,382	953,173	(5,499,292)	5,912,263	388,706
Total Long-Term Obligations	$ 26,392,980	$ 2,382,531	$ (11,511,484)	$ 17,264,027	$ 1,527,770

Note 8 - Restricted Assets

The following table indicates the balances at September 30, 2022, for all restricted assets in the proprietary fund types:

	Electric Fund	Natural Gas Fund
Power Costs Recovered In Advance		$56,575
Rate Stabilization	13,655,520	
Customer Deposits	6,239,859	
Total Restricted Assets	$ 19,895,379	$56,575

Note 9 - Florida Municipal Power Affiliation

The City is a member of the Florida Municipal Power Agency (FMPA) and a participant in three of its projects: the St. Lucie Project, the All Requirements Project, and the Florida Municipal Solar Project. FMPA currently has six major power supply projects in operation: (1) the St. Lucie Project; (2) the Stanton Project; (3) the Tri-City Project; (4) the Stanton 2 Project; (5) the All Requirements Project and (6) the Florida Municipal Solar Project.

The St. Lucie Project

On May 12, 1983, FMPA acquired an 8.8% undivided ownership interest in the St. Lucie Unit 2, a 934 megawatt (MW) nuclear power plant operated by Florida Power & Light Company (FPL). The St. Lucie Unit 2 began operation in 1983. In 2003, the Nuclear Regulatory Commission extended the plant's operating license by twenty years. It is now licensed to operate until 2043.

Fifteen of FMPA's members, including the City, are participants in the St. Lucie Project. As a participant in the St. Lucie Project, the City is entitled to 5.4 MW of FMPA's 73.5 MW capacity and energy associated with the St. Lucie Project.

Total expense for 2022 under this contract was $3,142,805. The City's St. Lucie Power Supply and Sales contracts with FMPA extend through the later of: (1) the date on which related bond principal or other obligations are fully retired; (2) the date the St. Lucie Project is fully decommissioned or otherwise disposed of; or (3) the date all obligations of FMPA under its participation agreement with FPL have been fully satisfied.

The All Requirements Project

FMPA's All Requirements Project provides: (1) each Participant's power supply requirements above Excluded Power Supply Resources and Back-up and Support Services (capitalized terms are defined in the All Requirements Power Supply Contracts), if any, under All Requirements Services; and (2) reserves, losses, firming capacity, back-up energy, and certain associated transmission and dispatching services required for Excluded Power Supply Resources under Back-up and Support Services.

The All Requirements Project's current utility plant assets include varying ownership interests in Stanton Energy Center Units 1 and 2; Indian River Combustion Turbines A, B, C, and D; Stanton A, as well as a minority interest in the FPL St. Lucie nuclear plant. The All Requirements Project's current utility plant assets also consist of 100% ownership in Key West Stock Island Units 2, 3, and 4; the Treasure Coast Energy Center; and Cane Island Units 1, 2, 3, and 4.

In addition to its ownership facilities, FMPA has interchange and various power purchase contracts with Progress Energy, FPL, Southern Company and others.

The electric system's load in excess of that served from the St. Lucie Project is provided for by FMPA under the All Requirements Project. The City's highest system peak load for fiscal 2022 was in January 2022, at 167.058 MW. Total expense to the City under the All Requirements Project for 2022 was $74,850,738.

The City and FMPA have entered into an All Requirements Project (ARP) Power Supply Contract (effective March 22, 1985, as amended on May 24, 1991, and January 22, 1999) which requires: 1) FMPA to sell and deliver to the City, and 2) the City to purchase from FMPA, all electric power that the City requires. The initial term of the ARP contract is October 1, 2030; however, on each October 1st, after the effective date, the contract automatically extends for an additional one-year period unless either party, at least one year prior to such automatic extension date, notifies the other party in writing of its decision not to extend the contract.

The City pays for electric power under the contract at the rates set forth in the rate schedules to the ARP contract, which FMPA may revise from time to time in accordance with the contract. The contract provides the option for the City to withdraw from the All-requirements Project after notice and making the debt payment, provided for in Section 29 of the contract (which, generally, is equal to the City's portion of the ARP Debt and other costs incurred, or expected to be incurred, by the ARP as a result of the City's withdrawal).

The Florida Municipal Solar Project
The Florida Municipal Solar Project will generate zero-emission energy, using only the sun as fuel. When the sun is shining, solar panels absorb the sun and convert it to electricity. This energy is then distributed through the electric grid to homes and businesses. FMPA's Florida Municipal Solar Project is a joint project of 16 municipal electric utilities. It is one of the largest municipal-backed solar projects in the United States with approximately 1.5 million solar panels that will be installed at five sites. The project will consist of five solar farms that will generate nearly 375 megawatts of zero-emissions energy, enough to power approximately 75,000 Florida homes. Each site will generate between 74.5 and 74.9 megawatts.

Interconnect Services
The City also has a contract for backup interconnection and electric service with Jacksonville Electric Authority (JEA) through an interconnection point at the Neptune Beach Substation. Total expense for 2022 under this contract was $0.

Note 10 - <u>Power Costs</u>

The City uses a power true-up recomputed monthly in its electric rates. At September 30, 2022, the City was under-recovered from customers by $1,455,805. This amount is expected to be recouped from customers in future years. In 2013, the City adopted Resolution 1911-2013 establishing a rate stabilization reserve in order to reduce the impact of changes in power costs to the City's residents. The rate stabilization reserve is equal to three months of average power costs for the previous fiscal year. As of September 30, 2022, the rate stabilization reserve totaled $13,655,520. This amount is included as a Deferred Inflow of Resources in the accompanying financial statements.

The City also uses a cost of gas true-up recomputed monthly in its natural gas rates. At September 30, 2022, the City was over-recovered from customers by $56,575. This amount will be returned to customers in future years.

Note 11 - Retirement Systems

Plan Descriptions

Substantially all full-time employees of the City were covered by the City of Jacksonville Beach, Florida, Public Employees' Retirement System (the PERS) through March 31, 2000.

Effective April 1, 2000, substantially all full-time employees were covered under one of three separate defined benefit pension plans formed on April 1, 2000, as a result of amendments to Florida Statutes mandated by the state legislature. Chapter 175.061 governing Firefighters' pensions and Chapter 185.05 governing Police Officers' pensions were amended to require separate pension plans for each of these groups of employees. On March 31, 2000, the predecessor pension plan (the PERS) ceased operations and its assets, liabilities, and fund balance were divided among the following three distinct pension plans:

- General Employees' Retirement System (GERS)
- Police Officers' Retirement System (PORS)
- Firefighters' Retirement System (FFRS)

Each plan is considered a single-employer, defined benefit pension plan. Each of the plans present separate financial statements and are included as fiduciary component units of the City's financial reporting entity. The plans issue publicly available financial reports that include financial statements and required supplementary information. The GERS is administered by the Board of Trustees comprised of two members of City Council selected by the City Council, two members of the GERS elected by the membership, and a fifth member elected by the other four board members. The PORS and FFRS are both administered by a separate Board of Trustees comprised of two residents of the City appointed by City Council, two members of the PORS and FFRS elected by the membership respectively, and a fifth member elected by the other four board members. The reports may be obtained by writing to the Payroll/Benefits Administrator, City of Jacksonville Beach, 11 North Third Street, Jacksonville Beach, Florida, 32250, or by calling (904) 247-6264.

Membership

As of October 1, 2021, employee membership data related to the pension plans were:

	General Employees	Police Officers	Firefighters
Inactive Plan Members or Their Beneficiaries Currently Receiving Benefits (Including DROP Participants)	199	42	23
Inactive Plan Members Entitled to Benefits, But Not Yet Receiving Them	11	4	1
Active Plan Members	240	66	25
Total	450	112	49

Effective November 19, 2019, the City entered into an agreement with the City of Jacksonville to provide advanced life support and fire services to residents and businesses of the City. The City's firefighters became employees of the City of Jacksonville. At that time, the Jacksonville Beach Firefighters' Retirement Plan was closed to new members. Each firefighter in active service on the effective date was given the opportunity to individually elect to continue participating in the Jacksonville Beach Firefighters' Retirement Plan or join the City of Jacksonville's defined contribution retirement plan. Those who elected to continue participating in the Jacksonville Beach Firefighters' Retirement Plan must continue to make legally required contributions and accrue service benefits under the Plan for as long as they are employed as certified firefighters by the City of Jacksonville.

The City will continue to be the plan administrator and is responsible for the unfunded actuarial accrued liability as determined by the plan actuary as of November 22, 2019. The City agreed to pay the unfunded liability (representing a fixed contractual obligation) at that time totaling $5,318,174 into the Plan over a 10-year period. Annual contributions towards the unfunded liability are $707,653 including interest. The City of Jacksonville is responsible for paying the total required contribution to the Jacksonville Beach Firefighters' Pension Plan and estimated annual employee contributions attributable to services rendered after November 23, 2019. As such, the City is no longer subject to the provisions of GASB 68, *Accounting and Financial Reporting for Pensions*, as it relates to the Firefighters' Pension Plan, as the City is no longer considered the Plan employer. The City's contractual pension obligation totaled $4,080,706 as of September 30, 2022.

Benefits

The pension plans provide retirement benefits, deferred allowances, and death and disability benefits. The plan assets are available to pay the general, police, and firefighters categories of employees, respectively.

The following table shows a summary of benefits for each pension plan. Pension plan provisions were modified significantly during fiscal year 2014.

<table>
<tr><th colspan="5">CITY OF JACKSONVILLE BEACH GENERAL EMPLOYEES' PENSION PLAN</th></tr>
<tr><th>Provision</th><th>Employees with Less Than 5 Years of Service on November 25, 2013</th><th>Employees with at Least 5 Years of Service but Less Than 10 Years of Service on November 25, 2013</th><th>Employees with 10 or More Years of Service on November 25, 2013</th><th>Employees with 30 Years of Service or Age 60 with 5 Years of Service on November 25, 2013</th></tr>
<tr><td>Benefit Formula</td><td colspan="3">2.5% for all years of service ($90,000 or 75% maximum)</td><td>2.5% for all years of service (75% maximum)</td></tr>
<tr><td>Normal Retirement Date</td><td>Age 55 with 30 years of service; or age 62 with 10 years of service</td><td>Age 62 with 10 years of service; or age 55 with 30 years of service; or age 65 with 5 years of service</td><td colspan="2">Age 60 with 5 years of service; or 30 years of service regardless of age</td></tr>
<tr><td>Pensionable Pay</td><td colspan="3">Base pay + longevity pay; excluding overtime, shift differential, leave payouts, and all other compensation</td><td>Base pay, longevity, overtime, shift differential and incentive pay</td></tr>
</table>

<table>
<tr><th colspan="5">CITY OF JACKSONVILLE BEACH POLICE OFFICERS' PENSION PLAN</th></tr>
<tr><th>Provision</th><th>Employees with Less Than 5 Years of Service on June 23, 2014</th><th>Employees with at Least 5 Years of Service but Less Than 10 Years of Service on June 23, 2014</th><th>Employees with 10 or More Years of Service on June 23, 2014</th><th>Employees with 30 Years of Service; Age 52 with 25 Years of Service; Age 55 with 5 Years of Service on June 23, 2014</th></tr>
<tr><td>Benefit Formula</td><td colspan="3">3% for all years of service
($90,000 or 90% maximum)</td><td>3% - first 30 years; 2% thereafter
(100% maximum)</td></tr>
<tr><td>Normal Retirement Date</td><td colspan="2">Age 52 with 25 years of service; or
Age 55 with 10 years of service; or
30 years of service regardless of age</td><td colspan="2">Age 52 with 25 years of service; or
Age 55 with 5 years of service; or
30 years of service regardless of age</td></tr>
<tr><td>Pensionable Pay</td><td colspan="3">Base pay + 300 hours of overtime per year + longevity pay + incentive pay; excluding overtime >300 hours, leave payouts, and all other compensation</td><td>Base pay, longevity, overtime, shift differential and incentive pay</td></tr>
</table>

<table>
<tr><th colspan="6">CITY OF JACKSONVILLE BEACH FIREFIGHTERS' PENSION PLAN</th></tr>
<tr><th>Provision</th><th>Employees Hired After July 21, 2014</th><th>Employees with Less Than 5 Years of Service on July 21, 2014</th><th>Employees with at Least 5 Years of Service but Less Than 10 Years of Service on July 21, 2014</th><th>Employees with 10 or More Years of Service on July 21, 2014</th><th>Employees with 30 Years of Service; Age 52 with 25 Years of Service; Age 55 with 5 Years of Service on July 21, 2014</th></tr>
<tr><td>Benefit Formula</td><td colspan="4">3% for all years of service
($90,000 or 90% maximum)</td><td>3% - first 30 years; 2% thereafter
(100% maximum)</td></tr>
<tr><td>Normal Retirement Date</td><td colspan="3">Age 52 with 25 years of service; or
Age 55 with 10 years of service; or
30 years of service regardless of age</td><td colspan="2">Age 52 with 25 years of service; or
Age 55 with 5 years of service; or
30 years of service regardless of age</td></tr>
<tr><td>Pensionable Pay</td><td colspan="4">Base pay + longevity pay + incentive pay; excluding overtime, leave payouts, and all other compensation</td><td>Base pay, longevity, overtime, shift differential and incentive pay</td></tr>
<tr><td>COLA</td><td>No COLA</td><td colspan="3">2% increase on benefits earned prior to the effective date; 1% annual increase on benefits earned after the effective date</td><td>2% increase on 2nd anniversary and annually thereafter</td></tr>
</table>

Pension provisions include death benefits when the death is non-duty-related, whereby the surviving spouse is entitled to receive annually an amount equal to 100% of the employee's normal retirement benefit as long as the employee has attained 10 or more years of service. When the death is duty-related, the ten-year service requirement is waived. The surviving spouse is entitled to receive 100% of the employee's normal retirement benefit, with a minimum benefit of 35% of their final average compensation.

Contributions

For the year ended September 30, 2022, plan participants were required to pay 7.95% of their annual compensation to their respective pension plan. The payments are deducted from the employees' wages or salary and remitted by the City to the respective plan at the end of each pay period. If an employee leaves the employment of the City before he or she is vested, the accumulated contributions plus earned interest are refunded to the employee or the employee's designated beneficiary. If an employee leaves the employment of the City after becoming vested, but before attaining retirement age, the employee or the employee's designated beneficiary has the option of being refunded the accumulated contributions plus earned interest or keeping the funds in the plan and receiving benefits under the plan upon reaching retirement age.

For the GERS and the PORS, the City makes periodic contributions totaling a minimum of 100% of the annual actuarially determined amount to the pension plan. In addition to the employer contribution, the Police Officers' pension plan receives a distribution of casualty premium tax monies from the State of Florida pursuant to Chapter 185, Florida Statutes. The on-behalf payments received from the State of Florida totaling $243,584 for the period ending September 30, 2022 were recognized as revenues and expenses in the General Fund and were used to reduce the City's contribution to the Police Officers' pension plan.

For the period ended September 30, 2022, the actuarially determined contribution amount for the City was to be $3,739,416, including estimated contributions from the State of Florida. The City's actual contribution was $3,739,419, including actual contributions from the State of Florida. These contributions were determined pursuant to an actuarial valuation dated October 1, 2020.

There were no contributions due to the plans by the City at September 30, 2022.

Investment Policy
The following are the three Boards' adopted asset allocation policy as of September 30, 2022:

Asset Class	Target Allocation
Domestic Equity	50%
International Equity	10%
Fixed Income	35%
Real Estate	5%
Total	100%

Concentration
The plan did not hold investments in any one organization that represents 5% or more of the pension plans' fiduciary net position.

Rate of Return
For the years ended September 30, 2022 and 2021, the annual money-weighted rate of return on plan investments, net of plan investment expense, was (16.04%) and 18.94%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investment Values
Investments in securities are reported at fair value. Corporate bond securities are assigned a value based on yields currently available on securities of issuers with credit ratings similar to the securities held by the pension plan. Unrestricted capital stock securities are assigned a value based on quoted market prices. There are no investments in, loans to, or leases with parties related to the pension plans.

Schedule of Pension Plan Net Position as of September 30, 2022

	General Employees	Police Officers	Firefighters	Totals
Assets				
Cash and Cash Equivalents	$ 3,416,130	$ 1,433,996	$ 1,050,757	$ 5,900,883
Due from Other Governmental Units	130,000	243,584		373,584
Accrued Interest	65,808	29,743	16,922	112,473
Miscellaneous Receivable		2,775	1,848	4,623
Investments:				
Equities, Including Mutual Funds	35,813,555	16,617,634	9,954,348	62,385,537
Corporate Bonds	4,532,155	2,073,983	1,179,961	7,786,099
U.S. Government Obligations/Agencies	9,178,405	4,200,177	2,389,626	15,768,208
Real Estate Fund	3,969,684	1,816,587	1,033,520	6,819,791
Total Investments	53,493,799	24,708,381	14,557,455	92,759,635
Total Assets	57,105,737	26,418,479	15,626,982	99,151,198
Liabilities				
Accounts Payable	3,485			3,485
Other Accrued Liabilities	1,196	425	279	1,900
Due to Other Governmental Units		130,000		130,000
Total Liabilities	4,681	130,425	279	135,385
Net Position Restricted for Pensions	$ 57,101,056	$ 26,288,054	$ 15,626,703	$ 99,015,813

Schedule of the Change in Pension Plan Net Position as of September 30, 2022

	General Employees	Police Officers	Firefighters	Totals
Additions				
Contributions				
Employee	$ 1,173,445	$ 448,906	$ 135,185	$ 1,757,536
Employer:				
City of Jacksonville Beach	2,405,223	410,267	680,345	3,495,835
City of Jacksonville			410,437	410,437
State of Florida		243,584		243,584
Total Contributions	3,578,668	1,102,757	1,225,967	5,907,392
Investment Income				
Investment Earnings (Loss)	(10,886,032)	(4,992,171)	(2,851,358)	(18,729,561)
(Investment Expenses)	(108,036)	(50,609)	(30,067)	(188,712)
Net Investment Income	(10,994,068)	(5,042,780)	(2,881,425)	(18,918,273)
Total Additions	(7,415,400)	(3,940,023)	(1,655,458)	(13,010,881)
Deductions				
Benefits	5,042,246	1,646,393	830,083	7,518,722
Refunds of Contributions	230,213	26,525	6,398	263,136
Administrative Expense	101,612	81,970	77,576	261,158
(Total Deductions)	(5,374,071)	(1,754,888)	(914,057)	(8,043,016)
Change in Net Position	(12,789,471)	(5,694,911)	(2,569,515)	(21,053,897)
Net Position, Beginning of Year	69,890,527	31,982,965	18,196,218	120,069,710
Net Position, End of Year	$ 57,101,056	$ 26,288,054	$ 15,626,703	$ 99,015,813

Basis of Accounting – Pension Trust Funds

The Pension Trust Fund statements are prepared on the accrual basis of accounting. Contributions from the City and the City's employees are recognized as revenue in the period in which employees provide services to the City. Interest and dividend income is recognized when earned by the pension plan. Realized gains and losses on the sale of investments held by the pension plan are recognized when incurred. Net appreciation in the fair value of investments held by the pension plan is recorded as an increase to investment income based on the valuation of investments as of the date of the statement of plan net position available for benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Measurement Date

As permitted by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the City elected to use a measurement date to value the net pension liability (asset) and related deferred inflows and outflows as of September 30, 2021, one year prior to the reporting date.

Net Pension Liability (Asset)

The components of the net pension liability (asset) for the General Employees' Plan and Police Officers' Plan as of September 30, 2021, and for the year then ended, were as follows:

General Employees' Pension Plan

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balance, Beginning of Year	$ 74,204,367	$ 60,578,014	$ 13,626,353
Service Cost	1,669,578		1,669,578
Interest	5,420,774		5,420,774
Differences Between Expected and Actual Experience	218,907		218,907
Changes of Assumptions	(1,459,419)		(1,459,419)
Contributions - Employer		2,443,559	(2,443,559)
Contributions - Employee		1,147,477	(1,147,477)
Net Investment Income		11,245,803	(11,245,803)
Benefit Payments Including Refunds of Employee Contributions	(5,422,910)	(5,422,910)	-
Administrative Expenses	(101,416)	(101,416)	-
Net Changes	325,514	9,312,513	(8,986,999)
Balance, End of Year	$ 74,529,881	$ 69,890,527	$ 4,639,354

Police Officers' Pension Plan

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
Balance, Beginning of Year	$ 29,585,153	$ 26,848,519	$ 2,736,634
Service Cost	787,675		787,675
Interest	2,200,335		2,200,335
Differences Between Expected and Actual Experience	(533,542)		(533,542)
Changes of Assumptions	(906,992)		(906,992)
Contributions - Employer and State		1,024,101	(1,024,101)
Contributions - Employee		493,053	(493,053)
Net Investment Income		4,983,666	(4,983,666)
Benefit Payments Including Refunds of Employee Contributions	(1,282,380)	(1,282,380)	-
Administrative Expenses		(83,994)	83,994
Net Changes	265,096	5,134,446	(4,869,350)
Balance, End of Year	$ 29,850,249	$ 31,982,965	$ (2,132,716)

Actuarial Assumptions

The total pension liability was based on an actuarial valuation as of October 1, 2020, and a measurement date of September 30, 2021, using the following actuarial assumptions applied to all measurement periods. The rationale for the actuarial assumptions were developed using an experience study last updated in 2002.

Inflation	2.5%
Salary Increases	2.5% - 6.3% (Including Inflation)
Investment Rate of Return	7.5% - General Employees' and Police Officers'

Mortality rates were based on the House Bill 1309, which mandated the use of the Florida Retirement System (FRS) mortality tables. The RP-2000 table and projection scale BB produce life expectancies that are longer for males and females.

The long-term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation are summarized below:

Asset Class	Long-term Expected Rate of Return (Excluding Inflation)
Domestic Equity	10%
International Equity	11%
Domestic Bonds	5%
International Bonds	6%
Real Estate	7%
Cash	0%

Discount Rate

The discount rate used to measure the total pension liability for the General Employees' and Police Officers' Plan was 7.5%. The projection of cash flows used to determine the single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The single discount rate reflects the long-term expected rate of return on pension plan investments including inflation.

The table below provides the sensitivity of the net pension liability (asset) to changes in the discount rate. The table represents the plans' net pension liability (asset), if it were calculated using a single discount rate that is one-percentage point lower or one-percentage point higher than the single discount rate.

Sensitivity of Net Pension Liability (Asset) to the Single Discount Rate Assumption

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
General Employees' Pension Plan:	$ 12,798,784	$ 4,639,354	$ (2,272,890)
Police Officers' Pension Plan:	$ 1,372,788	$ (2,132,716)	$ (5,083,541)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the City recognized pension expense as follows:

General Employees' Pension Plan	$ 126,827
Police Officers' Pension Plan	(222,904)
Total	$ (96,077)

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

	General Employees'	Police Officers'	Total
Contributions Made After the Measurement Date	$ 2,405,223	$ 653,851	$ 3,059,074
Differences Between Expected and Actual Experience	372,073	227,886	599,959
Changes in Assumptions	517,483	421,437	938,920
Total	$ 3,294,779	$ 1,303,174	$ 4,597,953

Deferred Inflows of Resources

	General Employees'	Police Officers'	Total
Differences Between Expected and Actual Experience	$ 706,137	$ 713,100	$ 1,419,237
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,977,476	2,591,122	8,568,598
Changes in Assumptions	1,155,018	743,050	1,898,068
Total	$ 7,838,631	$ 4,047,272	$ 11,885,903

Contributions made after the measurement date (shown above) but before the end of the City's reporting period will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2022, the fiscal period subsequent to the actuarial measurement date.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	General Employees'	Police Officers'	Total
2023	$ (1,424,259)	$ (704,048)	$ (2,128,307)
2024	(1,981,766)	(777,062)	(2,758,828)
2025	(1,982,518)	(949,221)	(2,931,739)
2026	(1,560,532)	(828,995)	(2,389,527)
2027		(138,623)	(138,623)
Total	$ (6,949,075)	$ (3,397,949)	$ (10,347,024)

Note 12 - Interlocal Agreement

In 1984, pursuant to an interlocal agreement authorized by Florida Statutes, Section 163.01, the City joined with the City of Neptune Beach and the City of Atlantic Beach to construct and operate effluent outfall lines and disposal facilities, together with all the lands, right-of-ways, easements, and other entitlements necessary for the construction and use thereof.

Each party to the agreement was solely responsible for the design and construction of its individually used segments. For the shared segments, the initial capital costs allocation to the three parties was based upon each city's reserved capacity as a percentage of total capacity.

Annual repair and maintenance of the shared outfall lines is prorated to each city based upon the applicable reserved capacity allocations. In 2003, upon mutual consent, the parties adjusted the percentages to reflect current permitted capacity as follows:

	Atlantic Beach Tie-in to Discharge Point	Neptune Beach Tie-in to Atlantic Beach Tie-in
Atlantic Beach, Florida	45%	0.0%
Jacksonville Beach, Florida	41.3%	75.0%
Neptune Beach, Florida	13.7%	25.0%
Total	100.0%	100.0%

The City contributed $0 to the interlocal agreement during 2022. As of September 30, 2022, the City had no commitment related to outfall repairs and maintenance and the interlocal agreement had no outstanding debt. There are no separate financial statements prepared for the interlocal agreement. The City records its capital assets related to the interlocal agreement in the water/sewer enterprise fund.

Note 13 - Commitments, Contingencies, and Encumbrances

Grants

The City participates in federal, state, and county programs that are fully or partially funded by grants received from other governmental units. In management's opinion, there are no material instances of non-compliance relating to these grants.

Litigation

The City is a party to claims and lawsuits arising in the normal course of business. Management does not expect that these matters will have a material effect on the financial position or results of operations of the City.

Construction Commitments

As of September 30, 2022, the City had the following commitments related to significant unfinished capital projects:

Project	Expended as of September 30, 2022	Remaining Commitment
Fort Diego Substation EPC Scoping Project	$ 4,990	$ 100,064
Stormwater Master Plan Update	51,281	61,391
Jax Beach Water Master Plan - Eng	83,444	41,510
Downtown Improv SBIS5	118,388	37,583
Design of Beach Stormwater Outfalls Replacement	145,390	22,915
4th St S Roadway Improvement	73,365	58,805
10 St S Infrastructure (10STS2)	75,925	111,312
Lift Station #23 Rehabilitation (VREH23)	151,136	18,530
Isabella Blvd Drainage Improvements	248,879	30,521
Phase 1 of Citywide Area Network Coverage	135,000	166,266
Sludge Dewatering Improvement Design Task	30,708	252,064
Specific Project Task Identified in the Downtown Action, Implementation & Management Plan Phase 2	373,458	33,463
Penman Rd Improvements - PENMAN	371,459	59,506
Rehab Lift Station # 17 & #23	530,433	24,846
Butler - Transformer & Bus Relay Upgrades	172,748	301,416
Construction for LS #17 & LS #23	25,480	40,981
Water Main Improvement Plan	422,527	234,434
South Basin Prelim Study for Downtown Improvements	97,342	955,473
WWTP Digester Tank, Air Piping & Stairway (WWTP19)	282,736	890,374
DTI3C 4 & 5 Design of Downtown Infrastructure Improvements Phase 3C Projects 4 & 5	905,590	599,155
Construction of LS #7 & LS #20	2,082,742	2,021,329
Ocean Terrace Drainage Improvements (SBOTP)	2,404,664	2,080,349
Total	$ 8,787,685	$ 8,142,287

Fire Services Agreement

As previously discussed, the City entered into an Interlocal Agreement with the City of Jacksonville for Advanced Life Support and Fire Services effective November 23, 2019. As part of this agreement, the City is required to pay $2,220,000 in the first year for services provided with amounts being increased each subsequent year by 2.5% or the annual percentage increase in the U.S. Consumer Price Index, whichever is greater. The term of the agreement is 20 years.

Encumbrances

Significant encumbrances included in governmental fund balances are as follows:

Fund	Restricted Fund Balance	Assigned Fund Balance
General Fund		$ 457,947
General Capital Projects Fund		4,979,798
Community Redevelopment Fund	$ 5,095,404	
Other Governmental Funds	6,688,575	
Total	$ 11,783,979	$ 5,437,745

Note 14 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In response to that risk, the City has implemented a risk management program. The major features of the program include the following:

- Beginning in fiscal year 2020, the City is fully insured for workers compensation claims. Prior to fiscal year 2020, the City was self-insured workers' compensation risks up to $150,000 per claim.
- Continuing a $25,000 general liability coverage deductible.
- Funding adequate reserves to cover self-insuring workers' compensation retentions and liability and property insurance deductibles.
- Competitive solicitation of insurance and self-insurance proposals.

During 2022, the City purchased commercial insurance against losses for the following types of risk:

- Real and personal property damage, including flood damage.
- General and automobile liability.
- Commercial crime.
- Police professional liability.
- Health.

Substantially all risk management activities are accounted for by the City within its internal service fund. Total expenses for risk management services (including claims and commercial insurance) were $3,896,366 in 2022, and $4,039,246 in 2021.

The City is self-insured for three remaining workers' compensation claims with the Florida League of Cities, Inc. providing aggregate excess coverage. Beginning in fiscal year 2020, the City became fully insured for all new claims.

The internal service fund is charging other funds of the City for risk management services based on costs incurred of the program. For 2022, interdepartmental charges and other earnings exceeded actual costs by $21,550. For 2021, interdepartmental charges and other earnings (excluding investment earnings) exceeded actual costs by $415,631. The self-insurance fund has unrestricted net position of $3,681,916 at September 30, 2022.

There were no significant reductions in insurance coverage from 2021 to 2022.

The estimated liability for self-insured losses of $139,340 accrued in the self-insurance fund at September 30, 2022, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimates must be re-evaluated annually based on current year payment activity and progression of remaining open claims. Based on prior claims activity and the nature of outstanding claims remaining, it is considered to be reasonably possible that the full current estimated claims payable amount may be paid within one year of the reporting date. Should the remaining claims not be liquidated, a revised estimate will be performed, with the remaining liability reported as a current liability. Changes in the self-insurance fund's estimated liability were as follows for September 30:

	2022	2021
Beginning Balance	$ 127,949	$ 128,698
Current Year Claims and Changes in Estimates	148,916	294,134
(Claim Payments)	(137,525)	(294,883)
Ending Balance	$ 139,340	$ 127,949

Note 15 - Lease Revenue

The City has four facilities that have rental space available. Revenues from the facilities' operating leases and the related maintenance expenses are accumulated in the City's Leased Facilities Fund; and fund net income is used to make technology purchases.

Lease agreements for the Community Services Center and the Industrial Park are for initial five-year terms, renewable in one to three-year increments and with the option for the City to cancel with ninety days' notice; the lessee may cancel the lease with thirty days' notice, but only in the event of elimination of their programs' primary funding source(s). The lease agreement for the Marina building was for an initial five-year term and is renewable in five-year increments, with the option for the lessee to cancel with 90 days' notice prior to the expiration of each renewal term. After the first twenty years of the lease, the City may terminate the lease with three hundred and sixty-five days' notice prior to the expiration of any renewal term. Lease agreements for cell tower space are for initial five-year terms and are renewable in five-year increments, with the option for the lessee to cancel the lease given 90 days' notice prior to the expiration of each renewal term; the lessor has no rights of cancellation without cause during the term of any cell tower lease.

Charges for space at the Community Services Center, the Industrial Park, and the Marina building are based on the size of the area leased; cell tower charges are based on square footage of tower and ancillary ground-level space utilized. Payments are due monthly at the beginning of each month for all leases with an annual escalation of 4% applied across all leases, with the exception of the Marina building, which is subject to a 3% annual escalation on payments. No leases of the City contain variable payment components. There are no contingent rentals or subleases at any of the facilities. Imputed interest on all leases is considered to be the incremental borrowing rate of the City, which was 2.0% for FY2022.

The City received the following inflows of resources from leases in 2022:

Lease Revenue Recognized	$	236,770
Interest Revenue Recognized		27,940
Total Inflows of Resources from Leases	$	264,710

Note 16 - Other Postemployment Benefits (OPEB)

Plan Description

As part of a single-employer postemployment benefit plan, the City offers postemployment medical, dental, and life insurance benefits to any employee who satisfies the disability, early, or normal retirement provisions of the applicable retirement plan (GERS, PORS, or FFRS). Eligibility requirements for retirement under the City's three retirement systems may be obtained by writing to the Payroll/Benefits Administrator, City of Jacksonville Beach, 11 North Third Street, Jacksonville Beach, Florida 32250, or by calling (904) 247-6264. According to the Substantive Plan, retired police officers, firefighters, and general employees, as well as their dependents, are permitted to remain covered under the City's medical plans as long as they pay the premium charged by the insurance company for the plan and coverage elected. The amount of the contributions required for retiree and dependent coverage may change from time-to-time. This conforms to the minimum requirements of governmental employers under Chapter 112.08, Florida Statutes. The plan does not issue separate financial statements.

Membership Information

The following table provides a summary of the number of participants in the plan as of September 30, 2020 (the latest actuarial valuation):

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	21
Inactive Plan Members Entitled to but not yet Receiving Benefits	0
Active Plan Members	280
Total Plan Members	301

Funding Policy
Currently, the City's OPEB benefits are unfunded. That is, there is no separate trust fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation, as it does for its pension plans. Therefore, the ultimate subsidies which are provided over time are financed directly by the general assets of the City, which are invested in very short-term fixed income instruments. Although an actuarial valuation for OPEBs was completed to measure current year's subsidies and project future subsidies, the City Council has not determined if a separate trust fund or equivalent arrangement will be established.

Total OPEB Liability
The City's total OPEB liability of $2,942,301 was measured as of September 30, 2021, which is one year prior to the reporting date. The actuarial valuation date was September 30, 2020.

Changes in the Total OPEB Liability

Total OPEB Liability, Beginning of Year	$ 2,830,751
Service Cost	119,336
Interest on Total OPEB Liability	69,333
Differences Between Expected and Actual Experience	
Changes of Assumptions and Other Inputs	69,271
Benefit Payments	(146,390)
Net change in Total OPEB Liability	111,550
Total OPEB Liability, End of Year	$ 2,942,301

Changes of assumptions and other inputs include a decrease of the discount rate from 2.41% as of the beginning of the measurement period to 2.19% at the end of the measurement period.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following table presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 1.19%	Current Discount Rate 2.19%	1% Increase 3.19%
Total OPEB Liability	$ 3,291,253	$ 2,942,301	$ 2,645,444

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare cost Trend Rate	1% Increase
Total OPEB Liability	$ 2,572,499	$ 2,942,301	$ 3,393,876

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2022, the City recognized OPEB expense of $91,746. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Benefits Paid after Measurement Date	$ 147,767	
Differences between Expected and Actual Experience	370,913	$ 146,264
Changes in Assumptions and Other Inputs	248,670	878,744
Total	$ 767,350	$ 1,025,008

Of the total amount reported as deferred outflows of resources related to OPEB, $147,767 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended September 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30,	Amount
2023	$ (96,923)
2024	(96,923)
2025	(96,923)
2026	(95,376)
2027	(81,457)
Thereafter	62,177
Total	$ (405,425)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing benefit costs between the employer and plan members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Actuarial methods and assumptions include the following:

Actuarial Valuation Date:	September 30, 2020
Measurement Date:	September 30, 2021
Reporting Date:	September 30, 2022
Actuarial Cost Method:	Entry Age Normal Cost
Inflation Rate:	2.25%
Discount Rate:	2.19%
Projected Salary Increases:	Salary increase rates used for General Employees and Police Officers in the applicable pension actuarial valuation: 2.7% - 6.3% including inflation.
Retirement Age:	Retirement rates are based on the applicable pension actuarial valuation.

Mortality:	Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2020 actuarial valuation of the Florida Retirement System. Rates were taken from adjusted Pub-2010 mortality tables published by the SOA with generational mortality improvements using Scale MP-2018. They are based on the results of a statewide experience study covering period 2013 through 2018.
Healthcare Cost Trend Rate:	Based on the Getzen Model, with trend starting at 6.25% for 2021, followed by 6.0% for 2022 and gradually trending to an ultimate trend rate of 3.99%.
Aging Factors:	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death".
Expenses:	Administrative expenses are included in the per capita health costs.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTI-YEAR
GENERAL EMPLOYEES
CITY OF JACKSONVILLE BEACH, FLORIDA
PENSION TRUST FUNDS

Reporting Date - September 30:	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Measurement Date - September 30:	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability								
Service Cost	$ 1,669,578	$ 1,598,849	$ 1,503,973	$ 1,376,901	$ 1,391,483	$ 1,207,176	$ 1,111,657	$ 1,129,366
Interest on the Total Pension Liability	5,420,774	5,349,162	5,292,226	5,106,511	4,852,273	4,606,558	4,557,077	4,443,924
Difference Between Expected and								
Actual Experience	218,907	(533,465)	(1,027,446)	1,126,397	325,573	(1,228,033)	(891,893)	
Assumption Changes (1), (2), (3), (4)	(1,459,419)			2,931,687	2,129,976	2,784,150		
Benefit Payments	(5,524,326)	(5,465,840)	(4,648,241)	(4,555,656)	(4,599,574)	(3,929,634)	(4,052,263)	(3,669,967)
Refunds				(158,889)	(97,989)	(153,923)	(276,366)	(301,455)
Net Change in Total Pension Liability	325,514	948,706	1,120,512	5,826,951	4,001,742	3,286,294	448,212	1,601,868
Total Pension Liability-Beginning	74,204,367	73,255,661	72,135,149	66,308,198	62,306,456	59,020,162	58,571,950	56,970,082
Total Pension Liability-Ending (a)	74,529,881	74,204,367	73,255,661	72,135,149	66,308,198	62,306,456	59,020,162	58,571,950
Plan Fiduciary Net Position								
Employer Contributions	2,443,559	2,324,624	2,100,105	1,898,689	1,591,545	1,321,320	1,387,165	1,216,994
Employee Contributions	1,147,477	1,110,267	1,036,998	1,029,762	1,018,627	927,251	853,057	771,553
Pension Plan Net Investment Income	11,245,803	5,610,039	3,062,326	4,761,584	5,827,579	3,782,591	(153,496)	4,697,264
Benefit Payments	(5,149,912)	(4,908,805)	(4,346,876)	(4,555,656)	(4,599,574)	(3,929,634)	(4,052,263)	(3,669,967)
Refunds	(272,998)	(557,035)	(301,365)	(158,889)	(97,989)	(153,923)	(276,366)	(301,456)
Pension Plan Administrative Expense	(101,416)	(102,704)	(96,476)	(100,429)	(105,804)	(111,995)	(92,050)	(102,358)
Net Change in Plan Fiduciary Net Position	9,312,513	3,476,386	1,454,712	2,875,061	3,634,384	1,835,610	(2,333,953)	2,612,030
Plan Fiduciary Net Position-Beginning	60,578,014	57,101,628	55,646,916	52,771,855	49,137,471	47,301,861	49,635,814	47,023,784
Plan Fiduciary Net Position-Ending (b)	69,890,527	60,578,014	57,101,628	55,646,916	52,771,855	49,137,471	47,301,861	49,635,814
Net Pension Liability-Ending (a) – (b)	$ 4,639,354	$ 13,626,353	$ 16,154,033	$ 16,488,233	$ 13,536,343	$ 13,168,985	$ 11,718,301	$ 8,936,136
Plan Fiduciary Net Position as Percentage								
of Total Pension Liability	93.78%	81.64%	77.95%	77.14%	79.59%	78.86%	80.15%	84.74%
Covered Payroll	$ 14,294,336	$ 13,915,132	$ 13,044,000	$ 12,952,981	$ 12,812,918	$ 11,663,535	$ 10,730,277	$ 10,622,900
Net Pension Liability as a Percentage								
of Covered Payroll	32.46%	97.92%	123.84%	127.29%	105.65%	112.91%	109.21%	84.12%

Notes to Schedule:

Additional years will be added to this schedule annually until 10 years of data are presented.

(1) - Assumption changes for the 9/30/16 measurement date include adding a 3% load on the present value of future benefits as a margin for future mortality improvements.

(2) - Assumption changes for the 9/30/17 measurement date include lowering the investment return and wage inflation assumptions from 8.0% to 7.9% and 3.5% to 2.5%, respectively, and the use of the HB mandated FRS mortality tables.

(3) - Assumption changes for the 9/30/18 measurement date include lowering the investment return from 7.9% to 7.5%.

(4) - Assumption changes for the 9/30/21 measurement date include an update to and use of the HB mandated FRS mortality tables.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTI-YEAR
POLICE OFFICERS
CITY OF JACKSONVILLE BEACH, FLORIDA
PENSION TRUST FUNDS

Reporting Date - September 30:	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Measurement Date - September 30:	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability								
Service Cost	$ 787,675	$ 750,964	$ 724,675	$ 625,887	$ 633,232	$ 608,970	$ 583,329	$ 517,788
Interest on the Total Pension Liability	2,200,335	2,066,473	2,008,899	1,916,453	1,826,742	1,709,163	1,632,596	1,568,728
Benefit Changes (1)								(2,590,277)
Difference Between Expected and Actual Experience	(533,542)	279,135	(521,988)	177,596	(458,370)	(393,421)		54,979
Assumption Changes (2), (3), (4), (5)	(906,992)			1,221,310	675,123	776,974		
Benefit Payments	(1,282,380)	(1,291,775)	(1,702,415)	(1,161,010)	(1,176,786)	(1,211,452)	(1,263,089)	(1,275,228)
Refunds				(65,031)	(94,019)	(5,905)	(62,865)	(150,660)
Net Change in Total Pension Liability	265,096	1,804,797	509,171	2,715,205	1,405,922	1,484,329	889,971	(1,874,670)
Total Pension Liability-Beginning	29,588,155	27,783,358	27,274,187	24,558,982	23,153,060	21,668,731	20,778,760	22,653,430
Total Pension Liability-Ending (a)	29,853,251	29,588,155	27,783,358	27,274,187	24,558,982	23,153,060	21,668,731	20,778,760
Plan Fiduciary Net Position								
Employer and State Contributions	1,024,101	909,449	802,241	691,323	705,983	662,694	562,835	530,453
Employee Contributions	493,053	399,342	383,822	362,140	353,277	343,112	328,665	263,978
Pension Plan Net Investment Income	4,983,666	2,411,239	1,316,052	1,991,673	2,367,943	1,498,725	(59,565)	1,819,901
Benefit Payments	(1,265,218)	(1,276,474)	(1,670,519)	(1,161,010)	(1,176,786)	(1,211,452)	(1,263,089)	(1,275,228)
Refunds	(17,162)	(15,301)	(31,896)	(65,031)	(94,019)	(5,905)	(62,865)	(150,660)
Pension Plan Administrative Expense	(83,994)	(80,908)	(77,460)	(88,504)	(80,293)	(66,704)	(71,518)	(81,366)
Net Change in Plan Fiduciary Net Position	5,134,446	2,347,347	722,240	1,730,591	2,076,105	1,220,470	(565,537)	1,107,078
Plan Fiduciary Net Position-Beginning	26,848,519	24,501,172	23,778,932	22,048,341	19,972,236	18,751,766	19,317,303	18,210,225
Plan Fiduciary Net Position-Ending (b)	31,982,965	26,848,519	24,501,172	23,778,932	22,048,341	19,972,236	18,751,766	19,317,303
Net Pension Liability-Ending (a) – (b)	$ (2,129,714)	$ 2,739,636	$ 3,282,186	$ 3,495,255	$ 2,510,641	$ 3,180,824	$ 2,916,965	$ 1,461,457
Plan Fiduciary Net Position as Percentage of Total Pension Liability	107.13%	90.74%	88.19%	87.18%	89.78%	86.26%	86.54%	92.97%
Covered Payroll	$ 5,395,032	$ 5,023,170	$ 4,827,950	$ 4,555,220	$ 4,443,736	$ 4,315,874	$ 4,134,151	$ 3,945,943
Net Pension Liability as a Percentage of Covered Payroll	-39.48%	54.54%	67.98%	76.73%	56.50%	73.70%	70.56%	37.04%

Notes to Schedule:

Additional years will be added to this schedule annually until 10 years of data are presented.

(1) - Benefit terms were modified for the Police Officers' Plan during 2014 to include longer vesting periods, changes in the benefit formula, and changes in what is considered pensionable compensation.

(2) - Assumption changes for the 9/30/16 measurement date include adding a 3% load on the present value of future benefits as a margin for future mortality improvements.

(3) - Assumption changes for the 9/30/17 measurement date include lowering the investment return and wage inflation assumptions from 8.0% to 7.9% and 3.5% to 2.5%, respectively, and the use of the HB mandated FRS mortality tables.

(4) - Assumption changes for the 9/30/18 measurement date include lowering the investment return from 7.9% to 7.5%.

(5) - Assumption changes for the 9/30/21 measurement date include an update to and use of the HB mandated FRS mortality tables.

SCHEDULE OF EMPLOYER CONTRIBUTIONS
GENERAL EMPLOYEES
CITY OF JACKSONVILLE BEACH, FLORIDA
PENSION TRUST FUNDS

September 30:	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Actuarially Determined Contribution	$ 2,405,220	$ 2,442,960	$ 2,322,790	$ 2,097,788	$ 1,892,707	$ 1,591,545	$ 1,321,320	$ 1,387,165	$ 1,205,756
Contributions in Relation to the Actuarially Determined Contribution	2,405,223	2,443,559	2,324,624	2,100,105	1,898,689	1,591,545	1,321,320	1,387,165	1,216,994
Contribution Deficiency (Excess)	$ (3)	$ (599)	$ (1,834)	$ (2,317)	$ (5,982)	$ -	$ -	$ -	$ (11,238)
Covered Payroll	$ 14,746,238	$ 14,294,336	$ 13,915,132	$ 13,044,000	$ 12,952,981	$ 12,812,918	$ 11,663,535	$ 10,730,277	$ 10,622,900
Contributions as a Percentage of Covered Payroll	16.31%	17.09%	16.71%	16.10%	14.66%	12.42%	11.33%	12.93%	11.46%

Notes to Schedule of Contributions

Valuation Date	October 1, 2020 for period ended September 30, 2022
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	3 to 25 Years
Asset Valuation Method	4-Year Smoothed Market
Actuarial Assumptions:	
Inflation	2.5% wage inflation, 2.5% price inflation
Investment Rate of Return	7.50%
Projected Salary Increases	2.5% to 6.3%
Retirement Age	Age and experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2002 valuation.
Mortality	The Florida Retirement System mortality tables which use variations of the fully generational PUB-2010 Mortality Tables with projection scale MP-2018.

Additional years will be added to this schedule annually until 10 years of data are presented.

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE OFFICERS
CITY OF JACKSONVILLE BEACH, FLORIDA
PENSION TRUST FUNDS

September 30:	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	$ 653,851	$ 917,954	$ 844,401	$ 770,582	$ 691,323	$ 678,304	$ 633,555	$ 511,049	$ 490,666
Contributions in Relation to the Actuarially Determined Contribution	653,851	1,024,101	909,449	802,241	691,323	705,983	662,694	562,835	530,453
Contribution Deficiency (Excess)	$ -	$ (106,147)	$ (65,048)	$ (31,659)	$ -	$ (27,679)	$ (29,139)	$ (51,786)	$ (39,787)
Covered Payroll	$ 5,641,806	$ 5,395,032	$ 5,023,170	$ 4,827,950	$ 4,555,220	$ 4,443,736	$ 4,315,874	$ 4,134,151	$ 3,945,943
Contributions as a Percentage of Covered Payroll	11.59%	18.98%	18.11%	16.62%	15.18%	15.89%	15.35%	13.61%	13.44%

Notes to Schedule of Contributions

Valuation Date	October 1, 2020 for period ended September 30, 2022
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	3 to 25 Years
Asset Valuation Method	4-Year Smoothed Market
Actuarial Assumptions:	
Inflation	2.5% wage inflation, 2.5% price inflation
Investment Rate of Return	7.50%
Projected Salary Increases	2.5% to 6.3%
Retirement Age	Age and experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2002 valuation.
Mortality	The Florida Retirement System mortality tables which use variations of the fully generational PUB-2010 Mortality Tables with projection scale MP-2018.

Additional years will be added to this schedule annually until 10 years of data are presented.

SCHEDULE OF INVESTMENT RETURNS
CITY OF JACKSONVILLE BEACH, FLORIDA
PENSION TRUST FUNDS

	Annual Money-Weighted Rate of Return Net of Investment Expense	
Fiscal Year Ended September 30,	General Employees	Police Officers
2022	-16.04%	-16.04%
2021	18.94%	18.94%
2020	10.02%	10.02%
2019	5.61%	5.61%
2018	9.22%	9.22%
2017	12.11%	12.11%
2016	8.15%	8.15%
2015	-0.35%	-0.35%
2014	10.22%	10.22%
2013	11.97%	11.97%

SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) AND RELATED RATIOS
CITY OF JACKSONVILLE BEACH, FLORIDA
OTHER POSTEMPLOYMENT BENEFIT PLAN

Reporting Date:	**9/30/2022**	**9/30/2021**	**9/30/2020**	**9/30/2019**	**9/30/2018**
Measurement Date:	**9/30/2021**	**9/30/2020**	**9/30/2019**	**9/30/2018**	**9/30/2017**
Total OPEB Liability					
Service Cost	$ 119,336	$ 136,800	$ 119,289	$ 178,369	$ 173,214
Interest on the Total OPEB Liability	69,333	74,815	89,149	119,333	106,001
Difference Between Expected and Actual Experience of the Total OPEB Liability		476,887		(260,980)	
Changes in Assumptions and Other Inputs	69,271	(392,386)	279,237	(915,785)	(137,638)
Benefit Payments	(146,390)	(98,241)	(126,309)	(161,121)	(152,098)
Net Change in Total OPEB Liability	111,550	197,875	361,366	(1,040,184)	(10,521)
Total OPEB Liability - Beginning of Year	2,830,751	2,632,876	2,271,510	3,311,694	3,322,215
Total OPEB Liability - End of Year	$ 2,942,301	$ 2,830,751	$ 2,632,876	$ 2,271,510	$ 3,311,694
Estimated Covered-Employee Payroll	$ 21,560,345	$ 17,562,406	$ 20,116,441	$ 17,880,928	$ 14,491,777
Total OPEB Liability as a Percentage of Covered-Employee Payroll	13.65%	16.12%	13.09%	12.70%	22.85%

Notes:

Covered-employee payroll presented above is an estimate based on data submitted. GASB Statement No. 75 defined covered-employee payroll as the payroll of employees that are provided with OPEB through the OPEB plan, including employees terminating during the measurement period.

There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

Assumption changes and other inputs include the following:

-Change in discount rate from 3.10% to 3.50% for the 9/30/17 measurement date.
-Change in discount rate from 3.50% to 3.83% for the 9/30/18 measurement date.
-Change in discount rate from 3.83% to 2.75% for the 9/30/19 measurement date.
-Change in discount rate from 2.75% to 2.41% for the 9/30/20 measurement date.
-Change in discount rate from 2.41% to 2.19% for the 9/30/21 measurement date.

10 years of data will be displayed as information becomes available.

COMBINING AND INDIVIDUAL NONMAJOR
FUND STATEMENTS AND SCHEDULES

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Special Revenue Funds			
	Convention Development Tax Fund	Court Costs Training Fund	Local Option Gas Tax Fund	Infrastructure Surtax Fund
Assets				
Equity in Pooled Cash and Investments	$ 2,197,436	$ 7,182	$ 2,217,260	$ 6,097,640
Accounts Receivable	500			
Special Assessments Receivable			24,072	
Due from Other Governments	172,324		231,800	254,000
Total Assets	2,370,260	7,182	2,473,132	6,351,640
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable	5,435		9,901	2,325
Other Accrued Liabilities			1,976	22,092
Interfund Payables				
Unearned Revenues				
Total Liabilities	5,435	-	11,877	24,417
Deferred Inflows of Resources				
Unavailable Revenues	62,000		255,872	254,000
Fund Balances				
Restricted for:				
Tourism Expenditures	2,302,825			
Transportation Improvements			2,205,383	
Capital Projects				6,073,223
Law Enforcement		7,182		
Committed for:				
Tree Replacement				
Total Fund Balances	2,302,825	7,182	2,205,383	6,073,223
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 2,370,260	$ 7,182	$ 2,473,132	$ 6,351,640

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Continued)

	Special Revenue Funds			
	Community Development Block Grant Fund	Radio Communications Fund	J.A.G. Grant Fund	Tree Protection Fund
Assets				
Equity in Pooled Cash and Investments		$ 168,851		$ 6,097
Accounts Receivable				
Special Assessments Receivable				
Due from Other Governments	$ 2,206		$ 52,823	
Total Assets	2,206	168,851	52,823	6,097
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable		4,270		
Other Accrued Liabilities				
Interfund Payables	2,206		52,823	
Unearned Revenues				
Total Liabilities	2,206	4,270	52,823	-
Deferred Inflows of Resources				
Unavailable Revenues				
Fund Balances				
Restricted for:				
Tourism Expenditures				
Transportation Improvements				
Capital Projects				
Law Enforcement		164,581		
Committed for:				
Tree Replacement				6,097
Total Fund Balances	-	164,581	-	6,097
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 2,206	$ 168,851	$ 52,823	$ 6,097

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Special Revenue Funds		Capital Projects Fund	
	Law Enforcement Trust Fund	Equitable Sharing Trust Fund	Infrastructure Tax Capital Projects Fund	Total Non-Major Governmental Funds
Assets				
Equity in Pooled Cash and Investments	$ 9,052	$ 315,435	$ 2,397,172	$ 13,416,125
Accounts Receivable				500
Special Assessments Receivable				24,072
Due from Other Governments				713,153
Total Assets	9,052	315,435	2,397,172	14,153,850
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable	224		12,751	34,906
Other Accrued Liabilities				24,068
Interfund Payables				55,029
Unearned Revenues				-
Total Liabilities	224	-	12,751	114,003
Deferred Inflows of Resources				
Unavailable Revenues				571,872
Fund Balances				
Restricted for:				
Tourism Expenditures				2,302,825
Transportation Improvements				2,205,383
Capital Projects			2,384,421	8,457,644
Law Enforcement	8,828	315,435		496,026
Committed for:				
Tree Replacement				6,097
Total Fund Balances	8,828	315,435	2,384,421	13,467,975
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 9,052	$ 315,435	$ 2,397,172	$ 14,153,850

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Special Revenue Funds			
	Convention Development Tax Fund	Court Costs Training Fund	Local Option Gas Tax Fund	Infrastructure Surtax Fund
Revenues				
Taxes	$ 737,498		$ 1,091,623	$ 1,818,917
Intergovernmental				255,910
Fines and Forfeitures		$ 6,164		
Other Revenue	(46,164)	(171)	(47,021)	(131,677)
Total Revenues	691,334	5,993	1,044,602	1,943,150
Expenditures				
Current:				
General Government				9,600
Public Safety		5,760		
Physical Environment				
Roads and Streets			88,542	
Parks and Recreation	73,751			
Capital Outlay	115,961		24,210	235,326
(Total Expenditures)	(189,712)	(5,760)	(112,752)	(244,926)
Excess (Deficiency) of Revenues Over (Under) Expenditures	501,622	233	931,850	1,698,224
Other Financing Sources (Uses)				
Transfers (out)			(372,000)	
Total Other Financing Sources (Uses)	-	-	(372,000)	-
Net Change in Fund Balance	501,622	233	559,850	1,698,224
Fund Balances, Beginning of Year	1,801,203	6,949	1,645,533	4,374,999
Fund Balances, End of Year	$ 2,302,825	$ 7,182	$ 2,205,383	$ 6,073,223

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Continued)

	Special Revenue Funds			
	Community Development Block Grant Fund	**Radio Communications Fund**	**J.A.G. Grant Fund**	**Tree Protection Fund**
Revenues				
Taxes				
Intergovernmental	$ 142,366	$ 99,596	$ 52,823	
Fines and Forfeitures		22,830		
Other Revenue		(2,623)		$ (150)
Total Revenues	142,366	119,803	52,823	(150)
Expenditures				
Current:				
General Government				
Public Safety		142,945		
Physical Environment				12
Roads and Streets				
Parks and Recreation				
Capital Outlay		19,385	52,823	
(Total Expenditures)	-	(162,330)	(52,823)	(12)
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,366	(42,527)	-	(162)
Other Financing Sources (Uses)				
Transfers (out)	(142,366)			
Total Other Financing Sources (Uses)	(142,366)	-	-	-
Net Change in Fund Balance		(42,527)		(162)
Fund Balances, Beginning of Year		207,108		6,259
Fund Balances, End of Year	$ -	$ 164,581	$ -	$ 6,097

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Special Revenue Funds		Capital Projects Fund	
	Law Enforcement Trust Fund	Equitable Sharing Trust Fund	Infrastructure Tax Capital Projects Fund	Total Non-Major Governmental Funds
Revenues				
Taxes				$ 3,648,038
Intergovernmental				550,695
Fines and Forfeitures	$ 2,935	$ 52,679		84,608
Other Revenue	374	(7,044)	$ (61,655)	(296,131)
Total Revenues	3,309	45,635	(61,655)	3,987,210
Expenditures				
Current:				
General Government				9,600
Public Safety	8,125	5,599		162,429
Physical Environment			4,825	4,837
Roads and Streets				88,542
Parks and Recreation				73,751
Capital Outlay			245,705	693,410
(Total Expenditures)	(8,125)	(5,599)	(250,530)	(1,032,569)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,816)	40,036	(312,185)	2,954,641
Other Financing Sources (Uses)				
Transfers (out)				(514,366)
Total Other Financing Sources (Uses)	-	-	-	(514,366)
Net Change in Fund Balance	(4,816)	40,036	(312,185)	2,440,275
Fund Balances, Beginning of Year	13,644	275,399	2,696,606	11,027,700
Fund Balances, End of Year	$ 8,828	$ 315,435	$ 2,384,421	$ 13,467,975

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CONVENTION DEVELOPMENT TAX FUND SPECIAL REVENUE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 367,699	$ 367,699	$ 737,498	$ 369,799
Other Revenue	7,480	7,480	(46,164)	(53,644)
Total Revenues	375,179	375,179	691,334	316,155
Expenditures				
Current:				
Parks and Recreation	118,667	130,018	73,751	56,267
Capital Outlay	300,000	443,701	115,961	327,740
(Total Expenditures)	(418,667)	(573,719)	(189,712)	384,007
Net Change in Fund Balance	$ (43,488)	$ (198,540)	$ 501,622	$ 700,162

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL COURT COSTS TRAINING FUND SPECIAL REVENUE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Fines and Forfeitures	$ 7,813	$ 7,813	$ 6,164	$ (1,649)
Other Revenue			(171)	(171)
Total Revenues	7,813	7,813	5,993	(1,820)
Expenditures				
Current:				
Public Safety	7,813	7,813	5,760	2,053
(Total Expenditures)	(7,813)	(7,813)	(5,760)	2,053
Net Change in Fund Balance	$ -	$ -	$ 233	$ 233

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL OPTION GAS TAX FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 781,060	$ 781,060	$ 1,091,623	$ 310,563
Other Revenue	14,550	14,550	(47,021)	(61,571)
Total Revenues	795,610	795,610	1,044,602	248,992
Expenditures				
Current:				
Roads and Streets	359,995	401,667	88,542	313,125
Capital Outlay		27,841	24,210	3,631
(Total Expenditures)	(359,995)	(429,508)	(112,752)	316,756
Excess (Deficiency) of Revenues Over (Under) Expenditures	435,615	366,102	931,850	565,748
Other Financing Sources (Uses)				
Transfers (out)	(372,000)	(372,000)	(372,000)	-
Net Change in Fund Balance	$ 63,615	$ (5,898)	$ 559,850	$ 565,748

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
INFRASTRUCTURE SURTAX FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	**Final**	**Amounts**	**(Negative)**
Revenues				
Taxes	$ 1,401,094	$ 1,401,094	$ 1,818,917	$ 417,823
Intergovernmental		255,910	255,910	-
Other Revenue	16,739	16,739	(131,677)	(148,416)
Total Revenues	1,417,833	1,673,743	1,943,150	269,407
Expenditures				
Current:				
General Government	4,200	4,200	9,600	(5,400)
Roads and Streets	1,220,000	750,000		750,000
Capital Outlay		604,906	235,326	369,580
(Total Expenditures)	(1,224,200)	(1,359,106)	(244,926)	1,114,180
Net Change in Fund Balance	$ 193,633	$ 314,637	$ 1,698,224	$ 1,383,587

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL COMMUNITY DEVELOPMENT BLOCK GRANT FUND SPECIAL REVENUE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental	$ 142,000	$ 142,000	$ 142,366	$ 366
Total Revenues	142,000	142,000	142,366	366
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,000	142,000	142,366	366
Other Financing Sources (Uses)				
Transfers (out)	(142,000)	(142,000)	(142,366)	(366)
Net Change in Fund Balance	$ -	$ -	$ -	$ -

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RADIO COMMUNICATION FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenue		$ 99,596	$ 99,596	$ -
Fines and Forfeitures	$ 25,675	25,675	22,830	(2,845)
Other Revenue	2,115	2,115	(2,623)	(4,738)
Total Revenues	27,790	127,386	119,803	(7,583)
Expenditures				
Current:				
Public Safety	109,595	148,456	142,945	5,511
Capital Outlay		22,902	19,385	3,517
(Total Expenditures)	(109,595)	(171,358)	(162,330)	9,028
Net Change in Fund Balance	$ (81,805)	$ (43,972)	$ (42,527)	$ 1,445

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
J.A.G. GRANT FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental		$ 45,865	$ 52,823	$ 6,958
Total Revenues	$ -	45,865	52,823	6,958
Expenditures				
Capital Outlay		45,865	52,823	(6,958)
(Total Expenditures)	-	(45,865)	(52,823)	(6,958)
Net Change in Fund Balance	$ -	$ -	$ -	$ -

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TREE PROTECTION FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Other Revenue	$ 100	$ 100	$ (150)	$ (250)
Total Revenues	100	100	(150)	(250)
Expenditures				
Current:				
Physical Environment	3,000	3,000	12	2,988
(Total Expenditures)	(3,000)	(3,000)	(12)	2,988
Net Change in Fund Balance	$ (2,900)	$ (2,900)	$ (162)	$ 2,738

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Fines and Forfeitures	$ 4,500	$ 4,500	$ 2,935	$ (1,565)
Other Revenue	3,094	3,094	374	(2,720)
Total Revenues	7,594	7,594	3,309	(4,285)
Expenditures				
Current:				
Public Safety	9,100	9,100	8,125	975
(Total Expenditures)	(9,100)	(9,100)	(8,125)	975
Net Change in Fund Balance	$ (1,506)	$ (1,506)	$ (4,816)	$ (3,310)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EQUITABLE SHARING TRUST FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenue	$ 25,000			$ -
Fines and Forfeitures		$ 25,000	$ 52,679	27,679
Other Revenue	2,435	2,435	(7,044)	(9,479)
Total Revenues	27,435	27,435	45,635	18,200
Expenditures				
Current:				
Public Safety	173,780	173,780	5,599	168,181
Capital Outlay		5,080		5,080
(Total Expenditures)	(173,780)	(178,860)	(5,599)	173,261
Net Change in Fund Balance	$ (146,345)	$ (151,425)	$ 40,036	$ 191,461

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL CAPITAL PROJECTS FUND
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental		$ 1,184,305	$ 1,184,305	$ -
Other Revenues	$ 100,000	100,000	(355,533)	(455,533)
Total Revenues	100,000	1,284,305	828,772	(455,533)
Expenditures				
Current:				
General Government	157,000	170,657	287,006	(116,349)
Public Safety		100,000		100,000
Capital Outlay	4,044,000	10,064,518	2,650,632	7,413,886
(Total Expenditures)	(4,201,000)	(10,335,175)	(2,937,638)	7,397,537
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,101,000)	(9,050,870)	(2,108,866)	6,942,004
Other Financing Sources (Uses)				
Transfers in	2,894,000	6,236,596	6,236,596	-
Net Change in Fund Balance	$ (1,207,000)	$ (2,814,274)	$ 4,127,730	$ 6,942,004

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL INFRASTRUCTURE TAX CAPITAL PROJECTS FUND CAPITAL PROJECTS FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Other Revenues			$ (61,655)	$ (61,655)
Total Revenues	$ -	$ -	(61,655)	(61,655)
Expenditures				
Current:				
Physical Environment			4,825	(4,825)
Capital Outlay		542,111	245,705	296,406
(Total Expenditures)	-	(542,111)	(250,530)	291,581
Net Change in Fund Balance	$ -	$ (542,111)	$ (312,185)	$ 229,926

COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Assets						
Current Assets:						
Equity in Pooled Cash and Investments	$ 6,802,536	$ 4,469,637	$ 2,930,916	$ 1,303,584	$ 3,108,184	$ 18,614,857
Other Operating Cash			1,300			1,300
Receivables:						
Accounts, Net	171,484	445,711	1,160	28,719	243,651	890,725
Leases, Current				151,961		151,961
Inventory			84,245			84,245
Prepaid Expenses			9,422	886		10,308
Restricted Assets:						
Equity in Pooled Cash and Investments					56,575	56,575
Total Current Assets	6,974,020	4,915,348	3,027,043	1,485,150	3,408,410	19,809,971
Non-Current Assets:						
Leases Receivable, Non-Current				1,271,486		1,271,486
Capital Assets:						
Land	1,057,992		388,980	28,000		1,474,972
Buildings and Improvements	26,451,375		4,562,918	813,838	5,448,077	37,276,208
Equipment	441,297	643,015	460,499	684,490		2,229,301
Construction in Progress	888,653				1,075,989	1,964,642
	28,839,317	643,015	5,412,397	1,526,328	6,524,066	42,945,123
(Accumulated Depreciation)	(14,123,889)	(446,068)	(2,345,460)	(1,288,643)	(1,487,695)	(19,691,755)
Total Non-Current Assets	14,715,428	196,947	3,066,937	1,509,171	5,036,371	24,524,854
Total Assets	21,689,448	5,112,295	6,093,980	2,994,321	8,444,781	44,334,825
Deferred Outflows of Resources						
Pension Related	(33,722)	32,285	112,557			111,120
OPEB Related	8,222		21,924			30,146
Total Deferred Outflows of Resources	(25,500)	32,285	134,481	-	-	141,266

COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Liabilities						
Current Liabilities:						
Accounts Payable	$ 127,381	$ 263,674	$ 43,627	$ 6,819	$ 141,743	$ 583,244
Power Costs Recovered in Advance					56,575	56,575
Other Accrued Liabilities	30,841	16,517	47,156	1,858	12,435	108,807
Due to Other Governments		3,563				3,563
Unearned Revenues			49,596			49,596
Current Portion of Long-Term Debt:						
Compensated Absences		7,269	15,114			22,383
Total Current Liabilities	158,222	291,023	155,493	8,677	210,753	824,168
Non-Current Liabilities:						
Accrued Compensated Absences		29,075	60,457			89,532
Other Postemployment Benefits	31,525		84,066			115,591
Net Pension Liability	(208,144)	83,802	212,922			88,580
Total Non-Current Liabilities	(176,619)	112,877	357,445	-	-	293,703
Total Liabilities	(18,397)	403,900	512,938	8,677	210,753	1,117,871
Deferred Inflows of Resources						
Pension Related	250,352	79,353	231,995			561,700
OPEB Related	10,982		29,286			40,268
Lease Related				1,388,143		1,388,143
Total Deferred Inflows of Resources	261,334	79,353	261,281	1,388,143	-	1,990,111
Net Position						
Investment in Capital Assets	14,715,428	196,947	3,066,937	237,685	5,036,371	23,253,368
Unrestricted	6,705,583	4,464,380	2,387,305	1,359,816	3,197,657	18,114,741
Total Net Position	$ 21,421,011	$ 4,661,327	$ 5,454,242	$ 1,597,501	$ 8,234,028	$ 41,368,109

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Operating Revenues						
Charges for Services	$ 1,389,870	$ 3,683,234	$ 3,421,887		$ 2,699,398	$ 11,194,389
Other		67,097	(3,762)	$ 758,819		822,154
Total Operating Revenues	1,389,870	3,750,331	3,418,125	758,819	2,699,398	12,016,543
Operating Expenses						
Purchased Power					1,691,149	1,691,149
Personal Services	169,840	384,363	912,602	80		1,466,885
Purchased Services	145,408	3,168,493	129,499	10,416	318,172	3,771,988
Repairs and Maintenance	39,701	10,504	91,864	456,705		598,774
Depreciation	936,042	64,275	258,682	14,828	154,341	1,428,168
Materials and Supplies	10,265	22,051	389,645		945	422,906
Other Expenses	180,035	171,323	539,848	5,886	115,413	1,012,505
(Total Operating Expenses)	(1,481,291)	(3,821,009)	(2,322,140)	(487,915)	(2,280,020)	(10,392,375)
Operating Income (Loss)	(91,421)	(70,678)	1,095,985	270,904	419,378	1,624,168
Non-Operating Revenues (Expenses)						
Investment Earnings (Loss)	(163,253)	(113,170)	(63,331)	(29,454)	(84,935)	(454,143)
Interest from Leasing Activities				27,940		27,940
Intergovernmental Revenue		9,410				9,410
Gain (Loss) on Disposal of Capital Assets	(29,473)		25,000			(4,473)
Total Non-Operating Revenues (Expense)	(192,726)	(103,760)	(38,331)	(1,514)	(84,935)	(421,266)
Income (Loss) Before Contributions and Transfers	(284,147)	(174,438)	1,057,654	269,390	334,443	1,202,902
Capital Contributions						
Connection Fees					169,801	169,801
Total Capital Contributions	-	-	-	-	169,801	169,801
Transfers						
Transfers (out)				(90,000)	(269,648)	(359,648)
Total Transfers	-	-	-	(90,000)	(269,648)	(359,648)
Change in Net Position	(284,147)	(174,438)	1,057,654	179,390	234,596	1,013,055
Total Net Position, Beginning of Year	21,705,158	4,835,765	4,396,588	1,418,111	7,999,432	40,355,054
Total Net Position, End of Year	$ 21,421,011	$ 4,661,327	$ 5,454,242	$ 1,597,501	$ 8,234,028	$ 41,368,109

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Cash Flows from Operating Activities						
Cash Received from Customers and Users	$ 1,386,157	$ 3,736,210	$ 3,443,243	$ 718,687	$ 2,051,748	$ 11,336,045
Cash Payments to Vendors for Goods and Services	(242,683)	(3,304,143)	(1,160,631)	(465,899)	(2,090,636)	(7,263,992)
Cash Payments to Employees for Services	(240,615)	(401,313)	(988,241)	(80)	-	(1,630,249)
Net Cash Provided by (Used in) Operating Activities	902,859	30,754	1,294,371	252,708	(38,888)	2,441,804
Cash Flows from Non-Capital Financing Activities						
Intergovernmental Revenue		9,410				9,410
Interest from Leasing Activities				27,940		27,940
Transfers (out)				(90,000)	(269,648)	(359,648)
Net Cash Provided by (Used in) Non-Capital Financing Activities	-	9,410	-	(62,060)	(269,648)	(322,298)
Cash Flows from Capital and Related Financing Activities						
Acquisition of Capital Assets	(515,070)	(35,211)	(236,861)		(239,239)	(1,026,381)
Connection Fees					169,801	169,801
Net Cash Provided by (Used in) Capital and Related Financing Activities	(515,070)	(35,211)	(236,861)	-	(69,438)	(856,580)
Cash Flows from Investing Activities						
Investment Earnings	(163,253)	(113,170)	(63,331)	(29,454)	(84,935)	(454,143)
Net Increase (Decrease) in Cash and Cash Equivalents	224,536	(108,217)	994,179	161,194	(462,909)	808,783
Cash and Cash Equivalents, Beginning of Year	6,578,000	4,577,854	1,938,037	1,142,390	3,627,668	17,863,949
Cash and Cash Equivalents, End of Year	$ 6,802,536	$ 4,469,637	$ 2,932,216	$ 1,303,584	$ 3,164,759	$ 18,672,732

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Included on the Accompanying Balance Sheet Under the Following Captions						
Current Assets						
Equity in Pooled Cash and Investments	$ 6,802,536	$ 4,469,637	$ 2,930,916	$ 1,303,584	$ 3,108,184	$ 18,614,857
Other Operating Cash			1,300		$ 56,575	57,875
Total	$ 6,802,536	$ 4,469,637	$ 2,932,216	$ 1,303,584	$ 3,164,759	$ 18,672,732
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating Income (Loss)	$ (91,421)	$ (70,678)	$ 1,095,985	$ 270,904	$ 419,378	$ 1,624,168
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation	936,042	64,275	258,682	14,828	154,341	1,428,168
Power Costs Recovered in Advance (Returned)					(597,184)	(597,184)
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):						
Accounts Receivable and Unbilled Revenue	(3,713)	(14,121)	13,812	(4,828)	(50,466)	(59,316)
Leases Receivable				(1,423,447)		(1,423,447)
Amortization of Deferred Inflow of Resources - Leases				1,388,143		1,388,143
Inventories			(23,357)			(23,357)
Prepaid Expenses			(1,484)	106		(1,378)
Accounts Payable and Other Accrued Liabilities	132,726	68,228	15,066	7,002	35,043	258,065
Unearned Revenues			11,306			11,306
Accrued Compensated Absences		4,239	(8,649)			(4,410)
Other Postemployment Benefits	(600)		(1,600)			(2,200)
Net Pension Liability and Pension Related Deferred Inflows and Outflows	(70,175)	(21,189)	(65,390)			(156,754)
Net Cash Provided by (Used in) Operating Activities	$ 902,859	$ 30,754	$ 1,294,371	$ 252,708	$ (38,888)	$ 2,441,804

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Self-Insurance Funds	Other Internal Service Funds	Totals
Assets			
Current Assets:			
Equity in Pooled Cash and Investments	$ 2,694,221	$ 3,824,468	$ 6,518,689
Accounts Receivable, Net	229		229
Prepaid Expenses	1,131,574	12,323	1,143,897
Total Current Assets	3,826,024	3,836,791	7,662,815
Non-Current Assets:			
Capital Assets:			
Buildings and Improvements	113,743	36,194	149,937
Equipment		884,444	884,444
	113,743	920,638	1,034,381
(Accumulated Depreciation)	(11,363)	(784,582)	(795,945)
Total Capital Assets, Net of Accumulated Depreciation	102,380	136,056	238,436
Total Assets	3,928,404	3,972,847	7,901,251
Deferred Outflows of Resources			
Pension-Related		665,467	665,467
Liabilities			
Current Liabilities:			
Accounts Payable	4,768	101,516	106,284
Other Accrued Liabilities		225,485	225,485
Estimated Liability for Self-Insured Losses	139,340		139,340
Current Portion of Long-Term Debt:			
Compensated Absences		182,306	182,306
Total Current Liabilities	144,108	509,307	653,415
Non-Current Liabilities:			
Accrued Compensated Absences		664,443	664,443
Net Pension Liability		656,701	656,701
Total Non-Current Liabilities	-	1,321,144	1,321,144
Total Liabilities	144,108	1,830,451	1,974,559
Deferred Inflows of Resources			
Pension Related		1,655,467	1,655,467
Net Position			
Investment in Capital Assets	102,380	136,056	238,436
Unrestricted	3,681,916	1,016,340	4,698,256
Total Net Position	$ 3,784,296	$ 1,152,396	$ 4,936,692

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Self-Insurance Funds	Other Internal Service Funds	Totals
Operating Revenues			
Charges for Services	$ 3,829,103	$ 9,173,728	$ 13,002,831
Other Revenue	88,813	330	89,143
Total Operating Revenues	3,917,916	9,174,058	13,091,974
Operating Expenses			
Personal Services	17,459	4,474,295	4,491,754
Purchased Services	117,992	887,569	1,005,561
Repairs and Maintenance		360,545	360,545
Depreciation	7,575	76,875	84,450
Materials and Supplies		165,880	165,880
Other Expenses	3,753,341	2,216,372	5,969,713
(Total Operating Expenses)	(3,896,367)	(8,181,536)	(12,077,903)
Operating Income (Loss)	21,549	992,522	1,014,071
Non-Operating Income (Expense)			
Investment Earnings (Loss)	(81,371)		(81,371)
Gain (Loss) on Disposal of Capital Assets		(1,871)	(1,871)
Total Non-Operating Income (Expense)	(81,371)	(1,871)	(83,242)
Income Before Transfers	(59,822)	990,651	930,829
Transfers			
Transfers (out)		(70,000)	(70,000)
Total Transfers	-	(70,000)	(70,000)
Change in Net Position	(59,822)	920,651	860,829
Total Net Position, Beginning of Year	3,844,118	231,745	4,075,863
Total Net Position, End of Year	$ 3,784,296	$ 1,152,396	$ 4,936,692

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Self-Insurance Funds	Other Internal Service Funds	Totals
Cash Flows from Operating Activities			
Cash Received from Customers and Users	$ 3,917,916	$ 9,175,529	$ 13,093,445
Cash Payments to Vendors for Goods and Services	(4,124,867)	(3,550,957)	(7,675,824)
Cash Payments to Employees for Services	(17,459)	(4,992,292)	(5,009,751)
Insurance Reimbursements Received (Claims Paid)	191,331		191,331
Net Cash Provided by (Used in) Operating Activities	(33,079)	632,280	599,201
Cash Flows from Non-Capital Financing Activities			
Transfers (out)		(70,000)	(70,000)
Total Cash Flows from Non-Capital Financing Activities	-	(70,000)	(70,000)
Cash Flows from Investing Activities			
Interest Received on Investments	(81,371)		(81,371)
Net Increase (Decrease) in Cash and Cash Equivalents	(114,450)	562,280	447,830
Cash and Cash Equivalents, Beginning of Year	2,808,671	3,262,188	6,070,859
Cash and Cash Equivalents, End of Year	$ 2,694,221	$ 3,824,468	$ 6,518,689
Included on the Accompanying Balance Sheet Under the Following Captions			
Current Assets			
Equity in Pooled Cash and Investments	$ 2,694,221	$ 3,824,468	$ 6,518,689
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ 21,549	$ 992,522	$ 1,014,071
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	7,575	76,875	84,450
Change in Estimated Liability for Self-Insured Losses	11,391		11,391
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):			
Accounts Receivable and Unbilled Revenue		1,471	1,471
Prepaid Expenses	(71,788)	624	(71,164)
Accounts Payable and Other Accrued Liabilities	(1,806)	78,785	76,979
Accrued Compensated Absences		(23,129)	(23,129)
Net Pension Liability and Pension Related Deferred Inflows and Outflows		(494,868)	(494,868)
Net Cash Provided by (Used in) Operating Activities	$ (33,079)	$ 632,280	$ 599,201

SCHEDULE OF COMBINING BALANCE SHEET
COMMUNITY REDEVELOPMENT FUNDS
SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Assets			
Equity in Pooled Cash and Investments	$ 26,540,403	$ 13,713,409	$ 40,253,812
Assessments Receivable	-	1,534	1,534
Total Assets	26,540,403	13,714,943	40,255,346
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts Payable	126,853	348,653	475,506
Other Accrued Liabilities	37,714	206,354	244,068
Due to Other Governments		2,331,027	2,331,027
Total Liabilities	164,567	2,886,034	3,050,601
Deferred Inflows of Resources:			
Unavailable Revenues		1,534	1,534
Fund Balances:			
Restricted for:			
Redevelopment	26,375,836	10,827,375	37,203,211
Total Fund Balances	26,375,836	10,827,375	37,203,211
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 26,540,403	$ 13,714,943	$ 40,255,346

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - COMMUNITY REDEVELOPMENT FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Revenues			
Taxes	$ 7,488,392	$ 2,590,030	$ 10,078,422
Interest and Other Revenue	(649,407)	(381,164)	(1,030,571)
Total Revenues	6,838,985	2,208,866	9,047,851
Expenditures			
Current:			
General Government	650,418	389,309	1,039,727
Public Safety	1,122,692		1,122,692
Capital Outlay	1,445,987	4,141,747	5,587,734
(Total Expenditures)	(3,219,097)	(4,531,056)	(7,750,153)
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,619,888	(2,322,190)	1,297,698
Other Financing Sources (Uses)			
Sale of General Capital Assets		354,529	354,529
Total Other Financing Sources (Uses)	-	354,529	354,529
Net Change in Fund Balances	3,619,888	(1,967,661)	1,652,227
Fund Balances, Beginning of Year	22,755,948	12,795,036	35,550,984
Fund Balances, End of Year	$ 26,375,836	$ 10,827,375	$ 37,203,211

Statistical Section (Unaudited)

This part of the City of Jacksonville Beach, Florida's (the City) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Pages

Sources: Unless otherwise noted, the information in these schedules were obtained from the Annual Comprehensive Financial Reports for the relevant year.

FINANCIAL TRENDS INFORMATION

Schedule 1
City of Jacksonville Beach, Florida
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	$ 80,880,510	$ 85,081,323	$ 86,383,735	$ 91,291,193	$ 97,360,044	$ 103,211,819	$ 106,877,097	$ 109,163,923	$ 107,483,303	$ 111,901,718
Restricted	15,266,981	18,203,910	23,230,058	27,183,762	29,102,410	31,711,520	34,119,094	38,810,100	47,141,320	51,566,305
Unrestricted	14,624,127	15,803,521	9,601,684	12,564,372	11,440,106	13,386,797	14,252,607	17,354,249	19,725,094	27,260,116
Total Governmental Activities Net Position	110,771,618	119,088,754	119,215,477	131,039,327	137,902,560	148,310,136	155,248,798	165,328,272	174,349,717	190,728,139
Business-type Activities										
Net Investment in Capital Assets	145,354,194	151,886,547	155,027,489	157,675,660	168,296,227	175,128,349	183,588,778	194,305,179	193,783,121	194,884,830
Restricted	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	4,193,000	-	-
Unrestricted	58,458,710	61,548,916	62,652,866	68,166,503	65,451,820	68,995,532	75,349,878	78,181,725	94,215,754	106,226,490
Total Business-type Activities Net Position	205,812,904	215,435,463	219,680,355	227,842,163	235,748,047	246,123,881	260,938,656	276,679,904	287,998,875	301,111,320
Primary Government										
Net Investment in Capital Assets	226,234,704	236,967,870	241,411,224	248,966,853	265,656,271	278,340,168	290,465,875	303,469,102	301,266,424	306,786,548
Restricted	17,266,981	20,203,910	25,230,058	29,183,762	31,102,410	33,711,520	36,119,094	43,003,100	47,141,320	51,566,305
Unrestricted	73,082,837	77,352,437	72,254,550	80,730,875	76,891,926	82,382,329	89,602,485	95,535,974	113,940,848	133,486,606
Total Primary Government Net Position	$ 316,584,522	$ 334,524,217	$ 338,895,832	$ 358,881,490	$ 373,650,607	$ 394,434,017	$ 416,187,454	$ 442,008,176	$ 462,348,592	$ 491,839,459

Schedule 2
City of Jacksonville Beach, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities:										
General Government	$ 2,695,018	$ 2,481,148	$ 3,327,768	$ 2,493,191	$ 3,284,283	$ 3,202,655	$ 3,737,267	3,911,667	4,974,593	4,319,646
Law Enforcement	8,597,705	8,644,124	6,158,188	9,020,136	10,008,845	9,757,732	10,562,207	11,300,694	11,033,893	10,871,090
Fire Control	3,788,360	3,697,834	1,972,069	3,827,130	4,183,046	4,123,060	4,766,320	4,342,859	2,758,059	2,790,961
Building Inspections	440,927	436,897	498,870	510,092	531,696	574,436	631,896	682,069	668,549	704,921
Physical Environment	355,032	356,947	356,095	356,268	446,496	506,348	482,877	465,506	491,317	511,929
Roads and Streets	3,073,673	2,937,071	3,936,380	2,713,668	2,794,320	2,643,431	3,635,996	2,514,183	3,051,233	2,506,098
Human Services	10,296	-	-	-	-	-	-	-	-	-
Parks and Recreation	2,645,363	2,840,920	3,141,474	3,134,179	3,502,497	3,607,934	3,848,072	3,863,411	3,513,829	4,270,654
Interest on Long-Term Debt	224,307	167,258	116,801	74,599	38,722	21,773	4,310	-	-	-
Total Governmental Activities Expenses	21,830,681	21,562,199	19,507,645	22,129,263	24,789,905	24,437,369	27,668,945	27,080,389	26,491,473	25,975,299
Business-Type Activities:										
Electric	79,640,256	78,915,218	74,983,356	74,126,043	76,095,735	75,833,677	73,644,169	70,910,714	75,085,347	97,129,039
Water and Sewer	10,267,198	8,919,844	8,835,376	9,008,417	9,358,111	9,782,478	9,738,833	10,252,806	9,911,907	10,009,081
Stormwater	1,376,128	1,307,367	1,190,742	1,290,008	1,507,348	1,573,499	1,294,110	1,484,027	1,547,067	1,481,291
Sanitation	3,197,294	3,201,492	3,320,470	3,362,128	5,203,263	3,970,986	3,554,289	3,652,176	3,701,798	3,821,009
Golf Course	1,381,008	1,346,173	1,471,132	1,268,556	1,309,024	962,855	1,877,802	2,171,412	2,321,607	2,322,140
Leased Facilities	280,629	267,406	265,349	278,923	424,898	541,874	383,286	833,029	468,625	487,915
Natural Gas	1,359,485	1,529,129	1,350,599	1,201,664	1,506,490	1,611,079	1,592,891	1,293,532	1,461,999	2,280,020
Total Business-Type Activities Expenses	97,501,998	95,486,629	91,417,024	90,535,739	95,404,869	94,276,448	92,085,380	90,597,696	94,498,350	117,530,495
Total Primary Government Expenses	119,332,679	117,048,828	110,924,669	112,665,002	120,194,774	118,713,817	119,754,325	117,678,085	120,989,823	143,505,794
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	66,802	74,677	77,737	73,132	65,947	64,540	67,387	66,255	68,662	61,255
Law Enforcement	163,486	169,424	187,102	187,762	131,667	127,957	203,998	139,910	279,504	270,235
Building Inspections	372,025	563,934	656,045	683,556	604,421	666,973	938,103	917,441	841,131	1,027,742
Physical Environment	8,619	3,758	15,238	12,371	15,185	11,260	29,169	24,120	17,007	13,720
Roads and Streets	217,998	177,144	200,975	170,746	163,799	175,360	275,640	898,622	311,036	328,515
Parks and Recreation	107,199	126,804	125,443	121,342	160,132	213,789	211,172	160,824	225,110	238,155
Operating Grants and Contributions	1,553,819	1,165,743	1,149,520	1,105,992	1,424,306	1,472,822	1,226,389	1,290,905	1,229,351	1,440,547
Capital Grants and Contributions	142,918	863,473	328,049	53,564	52,233	28,223	58,070	55,547	292,208	1,707,747
Total Governmental Activities Program Revenues	2,632,866	3,144,957	2,740,109	2,408,465	2,617,690	2,760,924	3,009,928	3,553,624	3,264,009	5,087,916

Schedule 2 *(Concluded)*
City of Jacksonville Beach, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues *(Concluded)*										
Business-type Activities:										
Charges for Services:										
Electric	$ 87,349,935	$ 86,218,701	$ 81,912,342	$ 82,096,562	$ 81,444,806	$ 83,457,490	$ 79,637,252	80,101,098	82,519,625	106,890,674
Water and Sewer	10,167,014	10,793,248	11,675,568	12,459,297	13,002,446	14,357,160	14,825,478	14,901,668	15,786,840	16,506,710
Stormwater	1,262,661	1,273,921	1,294,802	1,314,783	1,337,248	1,382,348	1,408,750	1,406,797	1,311,274	1,360,397
Sanitation	3,177,369	3,218,670	3,235,626	3,333,899	3,447,674	3,515,142	3,579,173	3,490,240	3,600,138	3,750,331
Golf Course	1,314,521	1,271,338	1,140,725	984,317	954,162	278,686	2,013,103	2,516,520	3,125,375	3,443,125
Leased Facilities	611,679	621,022	476,548	528,391	588,606	653,191	664,195	767,195	761,049	758,819
Natural Gas	1,729,246	2,100,135	2,017,973	1,869,071	2,068,186	2,221,745	2,162,732	1,788,412	1,845,309	2,699,398
Operating Grants and Contributions	6,713	-	-	-	1,518,177	1,459,055	23,204	55,062	2,580	11,910
Capital Grants and Contributions	620,087	3,154,807	861,845	489,894	661,152	349,628	458,010	499,544	665,695	2,626,206
Total Business-type Activities Program Revenues	106,239,225	108,651,842	102,615,429	103,076,214	105,022,457	107,674,445	104,771,897	105,526,536	109,617,885	138,047,570
Total Primary Government Program Revenues	108,872,091	111,796,799	105,355,538	105,484,679	107,640,147	110,435,369	107,781,825	109,080,160	112,881,894	143,135,486
Net (Expense) Revenue										
Governmental Activities	(19,197,815)	(18,417,242)	(16,767,536)	(19,720,798)	(22,172,215)	(21,676,445)	(24,659,017)	(23,526,765)	(23,227,464)	(20,887,383)
Business-type Activities	8,737,227	13,165,213	11,198,405	12,540,475	9,617,588	13,397,997	12,686,517	14,928,840	15,119,535	20,520,075
Total Primary Government Net Expense	(10,460,588)	(5,252,029)	(5,569,131)	(7,180,323)	(12,554,627)	(8,278,448)	(11,972,500)	(8,597,925)	(8,107,929)	(367,308)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	14,029,971	15,137,151	15,906,918	16,942,109	18,050,950	19,884,929	18,357,738	20,971,159	22,048,764	23,114,045
Franchise Taxes	5,280	5,280	5,280	5,280	5,280	5,280	5,280	5,280	5,280	5,280
Infrastructure Surtax	1,055,321	1,112,859	1,195,504	1,242,584	1,300,026	1,384,739	1,436,666	1,395,678	1,593,766	1,842,917
Communication Service Tax	1,472,566	1,158,559	1,109,765	1,168,470	1,080,151	1,161,638	1,151,317	1,160,616	1,101,550	1,186,333
Convention Development Tax	283,358	298,019	344,940	363,370	372,921	414,030	423,275	320,451	565,513	753,398
Fuel Taxes	709,816	719,143	765,325	797,149	806,576	837,087	853,266	772,754	780,852	1,193,223
Other Taxes	628,673	718,854	702,174	728,276	653,051	618,215	632,425	682,804	554,098	538,015
State-shared Revenues	2,697,673	2,830,039	3,022,878	3,120,537	3,290,116	3,475,563	3,568,750	3,298,598	3,809,465	4,359,210
Other Intergovernmental Revenues	-	64,142	32,343	31,883	41,756	38,603	33,258	31,429	12,074	65,919
Interest	152,872	511,269	947,694	1,344,885	805,131	363,329	2,405,402	2,090,225	99,731	(2,240,169)
Miscellaneous	217,694	148,707	245,617	146,118	326,364	363,393	423,946	118,521	509,738	2,233,441
Net Transfers	4,355,039	4,030,356	3,236,898	5,653,987	2,303,126	3,766,229	2,306,356	2,758,724	3,969,386	4,214,193
Total Governmental Activities	25,608,263	26,734,378	27,515,336	31,544,648	29,035,448	32,313,035	31,597,679	33,606,239	35,050,217	37,265,805
Business-type Activities:										
Interest	55,453	487,702	1,019,905	1,275,320	591,422	828,004	4,413,572	3,570,132	155,103	(3,193,437)
Miscellaneous	-	-	-	-	-	68,325	21,042	1,000	13,719	-
Net Transfers	(4,355,039)	(4,030,356)	(3,236,898)	(5,653,987)	(2,303,126)	(3,766,229)	(2,306,356)	(2,758,724)	(3,969,386)	(4,214,193)
Total Business-type Activities	(4,299,586)	(3,542,654)	(2,216,993)	(4,378,667)	(1,711,704)	(2,869,900)	2,128,258	812,408	(3,800,564)	(7,407,630)
Total Primary Government	21,308,677	23,191,724	25,298,343	27,165,981	27,323,744	29,443,135	33,725,937	34,418,647	31,249,653	29,858,175
Change in Net Position										
Governmental Activities	6,410,448	8,317,136	10,747,800	11,823,850	6,863,233	10,636,590	6,938,662	10,079,474	11,822,753	16,378,422
Business-type Activities	4,437,641	9,622,559	8,981,412	8,161,808	7,905,884	10,528,097	14,814,775	15,741,248	11,318,971	13,112,445
Total Primary Government	$ 10,848,089	$ 17,939,695	$ 19,729,212	$ 19,985,658	$ 14,769,117	$ 21,164,687	$ 21,753,437	$ 25,820,722	$ 23,141,724	$ 29,490,867

Schedule 3
City of Jacksonville Beach, Florida
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Non-Spendable	$ 41,640	$ -	$ -	$ 1,807	$ 77	$ 1,193	$ 2,291	$ 4,714	$ 3,279	$ 4,219
Restricted								79,020	161,612	352,382
Committed	4,755,631	4,922,833	5,069,431	5,168,956	5,540,793	5,758,237	6,271,451	6,265,763	6,603,601	7,899,382
Assigned	4,243,808	4,560,255	4,312,870	5,050,075	5,029,759	5,712,790	7,537,043	8,001,876	6,233,902	6,664,268
Total General Fund	$ 9,041,079	$ 9,483,088	$ 9,382,301	$ 10,220,838	$ 10,570,629	$ 11,472,220	$ 13,810,785	$ 14,351,373	$ 13,002,394	$ 14,920,251
All Other Governmental Funds										
Restricted	$ 14,965,981	$ 17,824,995	$ 22,860,797	$ 26,836,531	$ 28,742,329	$ 31,944,567	$ 33,726,706	$ 38,442,868	$ 46,572,425	$ 50,665,089
Committed	6,549	5,955	6,066	6,194	7,994	6,007	3,121	5,164	6,259	6,097
Assigned	6,087,493	6,612,462	6,637,001	7,934,432	7,362,439	7,865,834	7,198,956	10,047,394	13,382,461	17,510,191
Total All Other Governmental Funds	$ 21,060,023	$ 24,443,412	$ 29,503,864	$ 34,777,157	$ 36,112,762	$ 39,816,408	$ 40,928,783	$ 48,495,426	$ 59,961,145	$ 68,181,377

Schedule 4
City of Jacksonville Beach, Florida
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	$ 18,144,485	$ 19,178,564	$ 20,021,606	$ 21,228,237	$ 22,273,155	$ 24,271,318	$ 22,847,169	$ 25,332,542	$ 26,618,023	$ 28,480,812
Licenses and Permits	559,485	568,985	682,161	679,820	592,151	650,985	942,091	1,556,531	845,334	1,033,441
Intergovernmental	3,808,754	3,930,997	4,079,434	4,207,812	4,665,075	4,844,846	4,800,083	4,590,750	5,017,950	7,429,215
Charges for Services	465,176	388,582	356,036	351,926	382,336	444,799	559,815	414,576	594,556	614,126
Fines and Forfeitures	277,193	305,076	332,099	259,869	239,465	201,815	250,244	301,027	332,246	347,667
Interest and Other Revenue	411,091	717,985	1,173,919	1,450,768	1,126,585	760,051	2,644,066	2,312,513	386,188	(1,821,537)
Total Revenues	23,666,184	25,090,189	26,645,255	28,178,432	29,278,767	31,173,814	32,043,468	34,507,939	33,794,297	36,083,724
Expenditures										
Current:										
General Government	2,078,157	2,413,022	2,862,341	2,556,750	2,800,432	2,712,795	2,866,277	2,905,661	3,292,935	3,639,400
Public Safety	12,431,333	11,993,522	12,649,752	12,874,674	13,350,078	13,892,257	15,014,400	15,383,041	14,703,460	14,671,947
Physical Environment	11,355	13,270	11,417	9,651	81,029	114,600	98,436	70,743	80,264	136,955
Roads and Streets	1,855,298	1,799,476	2,886,824	1,584,109	1,769,416	1,757,092	2,921,604	1,725,376	2,333,010	1,711,030
Human Services	10,296	-	-	-	-	-	-	-	-	-
Parks and Recreation	2,461,887	2,419,924	2,739,420	2,783,261	2,900,618	3,109,305	3,297,899	3,203,695	3,318,536	3,725,833
Debt Service:										
Principal	2,243,579	1,865,466	1,545,800	1,581,880	955,000	980,000	490,000	-	-	-
Interest	224,307	167,258	116,801	74,599	38,722	21,773	4,310	-	-	-
Capital Outlay	5,953,542	4,508,926	2,689,003	4,757,047	9,551,371	7,796,984	7,947,720	7,394,715	2,234,402	9,370,859
(Total Expenditures)	(27,269,754)	(25,180,864)	(25,501,358)	(26,221,971)	(31,446,666)	(30,384,806)	(32,640,646)	(30,683,231)	(25,962,607)	(33,256,024)
(Deficiency) of Revenues (Under) Expenditures	(3,603,570)	(90,675)	1,143,897	1,956,461	(2,167,899)	789,008	(597,178)	3,824,708	7,831,690	2,827,700
Other Financing Sources (Uses)										
Proceeds from Borrowing	-	-	-	-	-	-	-	-	-	-
Principal - Current Refundings	-	-	-	-	-	-	-	-	-	-
Sale of General Capital Assets	-	-	-	-	-	-	-	-	-	1,788,000
Transfers in	6,948,406	6,930,317	7,550,022	7,466,111	7,188,855	7,540,195	6,987,402	8,182,686	8,903,923	10,566,155
Transfers (out)	(2,502,073)	(3,014,244)	(3,734,254)	(3,310,742)	(3,335,560)	(3,723,966)	(2,939,281)	(3,900,166)	(4,529,366)	(6,281,962)
Total Other Financing Sources (Uses)	4,446,333	3,916,073	3,815,768	4,155,369	3,853,295	3,816,229	4,048,121	4,282,520	4,374,557	6,072,193
Net Change in Fund Balance	$ 842,763	$ 3,825,398	$ 4,959,665	$ 6,111,830	$ 1,685,396	$ 4,605,237	$ 3,450,943	$ 8,107,228	$ 12,206,247	$ 8,899,893
Debt Service as a % of Non-Capital Expenditures*	11.9%	9.9%	7.5%	7.8%	4.6%	4.6%	2.1%	0.0%	0.0%	0.0%

* Non-capital expenditures are total expenditures less capital outlay.

REVENUE CAPACITY INFORMATION

Schedule 5
City of Jacksonville Beach, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Assessed Taxable Values: Real Property	Assessed Taxable Values: Personal Property	Assessed Taxable Values: Total Taxable Assessed Value	Tax-Exempt Property	Estimated Actual Value (1)	Total Direct Tax Rate (2)	Taxable Assessed Value as a % of Actual Value
2013	$ 2,403,105,199	$ 64,283,151	$ 2,467,388,350	$ 862,135,188	$ 3,329,523,538	4.0947	74.11%
2014	2,428,035,702	63,450,619	2,491,486,321	865,057,320	3,356,543,641	4.0947	74.23%
2015	2,600,643,517	66,537,759	2,667,181,276	1,109,561,873	3,776,743,149	3.9947	70.62%
2016	2,814,151,792	80,641,926	2,894,793,718	1,259,519,810	4,154,313,528	3.8947	69.68%
2017	3,027,805,594	96,405,964	3,124,211,558	1,340,803,509	4,465,015,067	3.7947	69.97%
2018	3,249,073,173	99,904,354	3,348,977,527	1,419,311,962	4,768,289,489	3.9947	70.23%
2019	3,498,864,284	108,836,408	3,607,700,692	1,599,153,996	5,206,854,688	3.9947	69.29%
2020	3,713,763,339	109,049,032	3,822,812,371	1,566,454,924	5,389,267,295	3.9947	70.93%
2021	3,925,727,019	112,031,838	4,037,758,857	1,940,839,379	5,978,598,236	3.9947	67.54%
2022	4,121,219,786	127,396,062	4,248,615,848	2,002,908,823	6,251,524,671	3.9947	67.96%

Source: Duval County Ad Valorem Assessment Rolls for Jacksonville Beach.

(1) Estimated actual values are the total "just" values of property subject to taxation, as defined by Section 193.001, Florida Statutes.

Note: Property is assessed each year as of January 1 at market value. However, assessed value is limited by the Amendment 10 or the "Save Our Homes" tax cap. This 1992 amendment to the Florida Constitution limits increases in value of homesteads (an individual's primary residence) to 3% or less per year. The taxable value is the assessed value less any exemptions.

(2) Tax rate is per $1,000 of assessed value.

Schedule 6
City of Jacksonville Beach, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate Per $1,000 of Assessed Value)

	Direct Rates (1)	Overlapping Rates				
Fiscal Year September 30,	City of Jacksonville Beach	Florida Inland Navigation	Water Management District	School District	Duval County	Total Millage Rate
2013	4.0947	0.0345	0.3313	7.6000	6.7446	18.8051
2014	4.0947	0.0345	0.3283	7.3880	8.1512	19.9967
2015	3.9947	0.0345	0.3164	7.3050	8.1512	19.8018
2016	3.8947	0.0320	0.3023	7.1170	8.1512	19.4972
2017	3.7947	0.0320	0.2885	6.8020	8.1512	19.0684
2018	3.9947	0.0320	0.2724	6.4850	8.1512	18.9353
2019	3.9947	0.0320	0.2562	6.2930	8.1512	18.7271
2020	3.9947	0.0320	0.2414	6.1500	8.1512	18.5693
2021	3.9947	0.0320	0.2287	5.9050	8.1512	18.3116
2022	3.9947	0.0320	0.2287	5.9050	8.1512	18.3116

Source: Duval County Property Appraiser

(1) Direct rate consists of operating millage only.

Schedule 7
City of Jacksonville Beach, Florida
Principal Property Tax Payers
Fiscal Year 2022 and Nine Years Ago

	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Broadstone Beach House at Jax. Beach	$ 57,083,900	1	1.39%	$ 24,133,208	1	1.00%
Margaritaville Beach Hotel	43,014,700	2	1.04%			
Ocean Park (Apartments) Partnership, Ltd.	37,509,259	3	0.91%	18,100,000	2	0.75%
South Beach Regional Shopping Center	31,502,300	4	0.76%	16,061,980	3	0.67%
Courtyard Marriott - Beachfront	31,188,740	5	0.76%	15,522,745	4	0.65%
Hampton Inn Oceanfront	29,411,250	6	0.71%	9,936,214		0.41%
Bluewater Apartments	21,159,500	7	0.51%			
Pablo Plaza	20,734,300	8	0.50%	14,306,400	5	0.60%
Beach Marine	19,408,840	9	0.47%	11,425,300	6	0.48%
Four Points by Sheraton - Jax Beachfront	13,939,447	10	0.34%			
South Beach Parkway Shopping Center				9,618,600	8	
Gordon Bank				9,754,400	7	0.41%
Adventure Landing				9,410,719	9	0.39%
Target				9,111,801	10	0.38%
Total	$ 304,952,236		7.39%	$ 147,381,367		5.74%
Total Assessed Real Property Valuation from Schedule 5	$ 4,121,219,786			$ 2,403,105,199		

Source: Duval County Property Appraiser

Schedule 8
City of Jacksonville Beach, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year September 30,	Taxes Levied for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy: Amount Net of Discount (2)	Collected Within the Fiscal Year of the Levy: Percentage of Levy	Collections in Subsequent Years	Total Collections To-Date: Amount	Total Collections To-Date: Percentage of Levy
2013	$ 7,365,825	$ 6,886,688	93.50%	$ 88,106	$ 6,974,794	94.69%
2014	7,412,686	7,017,198	94.66%	54,624	7,071,822	95.40%
2015	7,756,009	7,351,558	94.79%	48,357	7,399,915	95.41%
2016	8,292,080	7,845,052	94.61%	66,708	7,911,760	95.41%
2017	8,699,388	8,008,400	92.06%	423,672	8,432,072	96.93%
2018	9,831,502	9,062,838	92.18%	341,173	9,404,011	95.65%
2019	10,654,284	10,101,419	94.81%	237,715	10,339,134	97.04%
2020	11,327,634	10,516,809	92.84%	454,850	10,971,659	96.86%
2021	12,068,826	11,306,880	93.69%	341,287	11,648,167	96.51%
2022	12,675,758	11,917,633	94.02%	351,332	12,268,965	96.79%

Source: Duval County Property Appraiser and City of Jacksonville Beach Finance Department.

(1) Taxes levied do not include the taxes levied for the Community Redevelopment Agencies.

(2) Section 197.012 of the Florida Statutes allows a discount for early payment of taxes: 4% in November, 3% in December, 2% in January, and 1% in February.

DEBT CAPACITY INFORMATION

Schedule 9
City of Jacksonville Beach, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities					
Fiscal Year	Redevelopment Bonds	Sales Tax Bonds	Infrastructure Sales Tax Bonds	Total Governmental	Electric Bonds	Outstanding Debt Per Electric Customer (1)	Water and Sewer Bonds	Outstanding Debt Per Water Customer (1)	Stormwater Bonds	Outstanding Debt Per Stormwater Customer (1)
2013	$ 2,233,146	$ -	$ 5,185,000	$ 7,418,146	$ 17,573,746	524	$ 12,262,835	$ 1,243	-	-
2014	1,267,680	-	4,285,000	5,552,680	15,379,185	453	10,731,486	1,070	-	-
2015	646,880	-	3,360,000	4,006,880	13,151,582	382	9,177,080	885	-	-
2016	-	-	2,425,000	2,425,000	10,874,050	313	7,587,834	732	-	-
2017	-	-	1,470,000	1,470,000	8,550,349	246	5,966,373	574	-	-
2018	-	-	490,000	490,000	6,178,302	177	4,311,174	414	-	-
2019	-	-	-	-	3,752,911	108	2,618,754	252	-	-
2020	-	-	-	-	1,266,350	36	883,650	84	-	-
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Number of electric, water, and stormwater customers can be found on Schedule 17.

(2) See the Schedule of Demographic and Economic Statistics on Schedule 14 for personal income and population data.

N/A - Not yet available

Schedule 9 *(Concluded)*
City of Jacksonville Beach, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Total Business-Type	Total Debt	Percentage of Personal Income (2)	Total Debt Per Capita (2)
2013	$ 29,836,581	$ 37,254,727	4.42%	$ 1,716
2014	26,110,671	31,663,351	3.59%	1,430
2015	22,328,662	26,335,542	2.79%	1,155
2016	18,461,884	20,886,884	2.10%	897
2017	14,516,722	15,986,722	1.53%	680
2018	10,489,476	10,979,476	1.01%	467
2019	6,371,665	6,371,665	0.57%	273
2020	2,150,000	2,150,000	0.18%	92
2021	-	-	0.00%	-
2022	-	-	0.00%	-

Schedule 10
City of Jacksonville Beach, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

	Governmental Activities							
Fiscal Year	Redevelopment Bonds	% of Actual Taxable Value of Property (1)	Sales Tax Bonds	Sales Tax Debt Per Capita	Infrastructure Sales Tax Bonds	Infrastructure Debt Per Capita	Total Government Debt	Total Debt Per Capita
2013	$ 2,233,146	0.33%	$ -	$ -	$ 5,185,000	$ 239	$ 7,418,146	$ 342
2014	1,267,680	0.19%	-	-	4,285,000	194	5,552,680	251
2015	646,880	0.09%	-	-	3,360,000	147	4,006,880	176
2016	-	0.00%	-	-	2,425,000	104	2,425,000	104
2017	-	0.00%	-	-	1,470,000	63	1,470,000	63
2018	-	0.00%	-	-	490,000	21	490,000	21
2019	-	0.00%	-	-	-	-	-	-
2020	-	0.00%	-	-	-	-	-	-
2021	-	0.00%	-	-	-	-	-	-
2022	-	0.00%	-	-	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Total redevelopment debt outstanding divided by total assessed taxable valuation in tax increment districts.

Schedule 11
City of Jacksonville Beach, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022
(Dollars in Thousands)

There is no direct and overlapping governmental activities debt for the City of Jacksonville Beach.

Schedule 12
City of Jacksonville Beach, Florida
Legal Debt Margin Information

Neither the City of Jacksonville Beach Charter or Code, nor the Florida Statutes limits the amount of debt the City can issue.

Schedule 13
City of Jacksonville Beach, Florida
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Dollars in Thousands)

	Electric, Water, and Sewer Revenue Bonds					
				Debt Service		
Fiscal Year	Utility Service Charges	Less: Operating Expenses (1)	Net Available Revenue	Principal	Interest	Debt Service Coverage
2013	$ 97,516,949	$ (79,894,096)	$ 17,622,853	$ 3,370,000	$ 1,051,313	3.99
2014	97,011,949	(78,759,103)	18,252,846	3,460,000	966,588	4.12
2015	93,587,910	(74,744,539)	18,843,371	3,555,000	870,938	4.26
2016	94,555,859	(74,581,123)	19,974,736	3,680,000	745,588	4.51
2017	94,447,252	(76,524,604)	17,922,648	3,800,000	634,688	4.04
2018	97,814,650	(77,018,181)	20,796,469	3,925,000	498,219	4.70
2019	97,814,650	(77,018,181)	20,796,469	4,060,000	366,925	4.70
2020	95,002,766	(72,450,850)	22,551,916	4,210,000	213,100	5.10
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-

(1) Excludes depreciation expense.

Bonds were paid off in FY 2021.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Schedule 14
City of Jacksonville Beach, Florida
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year	Population (1)	Duval County Unemployment Rate (2)	Duval County Per Capita Income (3)	Personal Income
2013	21,713	7.5%	$ 38,805	$ 842,572,965
2014	22,136	6.5%	39,893	883,071,448
2015	22,805	6.0%	41,339	942,735,895
2016	23,288	4.9%	42,617	992,464,696
2017	23,503	4.6%	44,347	1,042,287,541
2018	23,494	3.6%	46,174	1,084,811,956
2019	23,352	3.4%	47,475	1,108,636,200
2020	23,394	6.0%	51,131	1,196,158,614
2021	23,830	4.6%	54,354	1,295,255,820
2022	23,830	3.0%	N/A	N/A

(1) **Source:** U.S. Census Bureau and City Planning and Development Department

(2) **Source:** U.S. Department of Labor

(3) **Source:** Florida Research and Economic Database

N/A - Not yet available

Schedule 15
City of Jacksonville Beach, Florida
Principal Employers
Fiscal Year 2022 and Nine Years Ago

	2022			2013		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Naval Station Mayport	10,030	1	N/A	15,170	1	N/A
The Players Championship	900	2				
Baptist Medical Center - Beaches	800	3	N/A	800	2	N/A
PGA Tour, Inc.	700	4	N/A	620	4	N/A
Ponte Vedra Inn and Club	530	5	N/A	650	3	N/A
Sawgrass Marriott Golf Resort	450	6	N/A	450	6	N/A
City of Jacksonville Beach (1)	400	7	N/A	400	7	N/A
Optimum Healthcare IT	385	8	N/A			
TPC Sawgrass	320	9	N/A	320	8	N/A
Vicar's Landing	320	10	N/A	320	10	N/A
U.S. Coast Guard			N/A	320	9	N/A
Honeywell			N/A	570	5	N/A

Source: Jacksonville Chamber of Commerce

(1) - Obtained from City of Jacksonville Beach Annual Budget.

Notes: Principal Employer ranking includes the four beach communities of Jacksonville, Neptune, and Atlantic Beach (Duval County), Ponte Vedra Beach (St. Johns County), and Mayport Naval Base.

N/A - Total beaches workforce number is not available.

OPERATING INFORMATION

Schedule 16
City of Jacksonville Beach, Florida
City Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	13	13	14	14	14	14	14	16	25	30
Finance*	33	33	38	39	42	41	44	45	40	41
Planning and Development	8	8	9	10	10	10	10	10	10	10
Electric	77	75	75	75	75	75	72	72	72	72
Central Services	4	4	0	0	0	0	0	0	0	0
Redevelopment**	0	0	1	1	1	0	0	0	1	1
Public Works	65	65	66	66	67	67	68	70	70	71
Human Resources	7	7	7	6	6	6	6	6	6	6
Parks and Recreation	98	98	98	100	100	100	100	99	101	100
Grounds and Maintenance	8	7	7	7	7	7	9	9	9	9
Golf Course	26	25	25	25	25	24	27	27	30	30
Police	95	96	100	100	102	102	103	103	103	103
Fire Fighters	31	31	31	31	31	31	31	31	0	0
Total	465	462	471	474	480	477	484	488	467	473

Source: City of Jacksonville Beach Annual Budget

Note: Figures include both full-time and part-time positions and have not been converted to full-time equivalent positions.

* Beginning in 2015, Central Services was combined with Finance Department.

** Beginning in 2015, 1 part-time Community Redevelopment Specialist was added.

Schedule 17
City of Jacksonville Beach, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Physical Arrests	1,398	1,568	1,582	1,470	1,992	1,932	1,980	1,452	1,409	1250
Parking Violations	2,331	2,200	2,640	2,016	1,833	1,501	1,231	1,231	987	1345
Law Violations	3,152	5,004	2,322	1,845	3,143	3,536	3,092	2,325	2,316	1984
Fire										
Emergency Incidents*	3,104	3,040	3,195	3,401	3,643	3,298	3,399	0	0	0
Inspections (Total)	1,839	1,580	1,852	1,797	1,857	2,442	2,154	1,668	1,794	2,039
Other Public Works										
Street Resurfacing (Miles)	0.00	0.00	7.36	0.00	1.57	1.17	2.82	1.07	4.33	0
Electric										
Number of Active										
Electric Customers	33,535	33,966	34,433	34,711	34,738	34,815	34,900	35,171	35,437	35,481
Average Residential										
Monthly Consumption										
(Kilowatt Hours)	1,209	1,239	1,253	1,246	1,178	1,219	1,231	1,233	1,230	1,225
Water										
Number of Active										
Water Customers	9,865	10,029	10,204	10,369	10,398	10,405	10,399	10,520	10,678	10,689
Average Residential Monthly										
Consumption (Gallons)	4,014	4,038	3,083	3,926	4,146	4,255	4,389	4,191	4,195	4,093
Wastewater										
Number of Active Wastewater										
Customers	9,691	9,872	10,036	10,217	10,246	10,261	10,254	10,375	10,522	10,536
Storm Mains Cleaned (Feet)	23,821	23,530	33,153	34,733	33,791	22,543	17,584	8,078	26,030	17,864

Source: City of Jacksonville Beach Annual Budget & Department Directors

* - Emergency Incidents were contracted out to the City of Jacksonville during the fiscal year ended September 30, 2020.

Schedule 18
City of Jacksonville Beach, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations (Including Satellite Stations)	2	2	1	1	1	1	1	1	1	1
Patrol Units	51	51	76	76	79	80	80	83	83	78
Fire Stations	2	2	2	2	2	2	2	0	0	0
Other Public Works										
Paved Roads (Miles)	77	77	89	89	90	90	90	90	93	93
Streetlights	5,659	5,659	5,493	5,538	5,909	5,582	5,613	5,643	5,649	5,649
Water										
Water Mains (Miles)	105	105	109	109	109	109	109	109	126	126
Production Wells	6	6	6	6	6	6	6	6	6	6
Fire Hydrants	870	873	895	895	900	909	909	909	951	951
Wastewater										
Sanitary Sewer Mains (Gravity, in Miles)	83	83	85	85	85	85	85	85	85	85
Sanitary Sewer Mains (Force, in Miles)	16	16	18	18	18	18	18	18	18	18
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Lift Stations	34	34	38	38	38	38	38	38	38	38
Treatment Capacity (Millions of Gallons)	5	5	5	5	5	5	5	5	5	5
Parks and Recreation										
Acreage*	84	86	86	86	86	210	210	210	210	210
Parks	11	11	11	11	11	16	15	15	15	15
Golf Course	1	1	1	1	1	1	1	1	1	1
Tennis Courts	8	8	8	8	8	8	8	8	8	8

Source: City of Jacksonville Beach Annual Budget & Department Directors

* - Golf course acreage was included beginning with fiscal year 2018.

SINGLE AUDIT SECTION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Award Amount	Federal Expenditures
Federal Awards				
U.S. Department of Housing and Urban Development				
Passed Through City of Jacksonville				
Community Development Block Grant	14.218	632138-22	$ 142,366	$ 142,366
U.S. Department of Justice				
Bullet Proof Vest Partnership Program	16.607	N/A	10,803	10,803
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022-JAGD-DUVA-1-4B-001	6,958	6,958
U.S. Department of Justice				
Passed Through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-DUVA-5-3B-020	45,865	45,865
Subtotal CFDA #16.738			52,823	52,823
Total U.S. Department of Justice			63,626	63,626
U.S. Department of Treasury				
Passed Through Florida Department of Emergency Management:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	COVID-19, 21.027	Y5134	11,834,170	247,957
Passed Through City of Jacksonville:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	COVID-19, 21.027	SLFRP3403/SLFRP0197	3,000,000	3,000,000
Total U.S. Department of Treasury			14,834,170	3,247,957
Total Federal Awards			$ 15,040,162	$ 3,453,949

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
CITY OF JACKSONVILLE BEACH, FLORIDA

Note 1 - General

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs of the City of Jacksonville Beach, Florida (the City) and is presented in accordance with the requirements of 2 CFR Part 200 *Uniform Administrative Requirements, Cost principles and Audit Requirements for Federal Awards*.

The City reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2022. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the schedule.

Note 2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the same basis of accounting as the fund in which the grant is recorded, generally the accrual or modified accrual basis, as described in Note 1 to the City's financial statements.

Note 3 - De Minimis Indirect Cost Rate Election

The City did not elect to use the 10% de minimis indirect cost rate as covered in §200.414, *Indirect (F&A) costs*, of the Uniform Guidance.

SCHEDULE OF EXPENDITURES OF GRANT FUNDS PER THE CITY OF JACKSONVILLE'S ORDINANCE CODE CHAPTER 118.202(e) FOR THE YEAR ENDED SEPTEMBER 30, 2022 CITY OF JACKSONVILLE BEACH, FLORIDA

City of Jacksonville Public Service Grants Received as a Subgrant Recipient Per Interlocal Agreement

City of Jacksonville Beach Fiscal Year 2021-2022 Grant No. 632138-22 - $142,366

Expenditures	Budgeted	Actual	Spent in Current Year with Prior Year Awards	Carry Forward
CAPE				
Services	$ 27,948	$ 27,948		
Total CAPE	27,948	27,948	$ -	$ -
CARVER				
Services	114,418	114,418		
Total CARVER	114,418	114,418	-	-
Total Expenditures	$ 142,366	$ 142,366	$ -	$ -

GOVERNMENTAL AUDITING SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Jacksonville Beach, Florida, (the City), as of and for the year ended September 30, 2022 , and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 10, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

March 10, 2023
Tallahassee, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Jacksonville Beach, Florida's (the City), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs for the year ended September 30, 2022. The City's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's Federal programs.

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Auditor's Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Purvis Gray

March 10, 2023
Tallahassee, Florida

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF JACKSONVILLE BEACH, FLORIDA

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal Control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Non-compliance material to financial statements noted?	No

Federal Awards

Internal control over major Federal Programs:	
Material weakness(es) identified?	No
Significant deficiencies identified?	None Reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major Federal Programs:	
	Assistance Listing Number
Coronavirus State and Local Fiscal Recovery Funds	21.027
Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low risk auditee?	No

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters are reported.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters are reported.

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

We have examined the City of Jacksonville Beach, Florida's (the City) compliance with Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2022, as required by Section 10.556 (10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the specified requirements during the year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies and pass-through entities, the Mayor and City Council members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Purvis Gray

March 10, 2023
Tallahassee, Florida

MANAGEMENT LETTER

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

Report on the Financial Statements
We have audited the financial statements of the City of Jacksonville Beach, Florida, (the City), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 10, 2023.

Auditor's Responsibility
We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report(s) on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 10, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1, *Rules of the Auditor General,* requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no such findings and recommendations made in the preceding financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4, *Rules of the Auditor General,* requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City was established in 1907 and incorporated in 1937, under the legal authority of the Laws of Florida 18623. In addition, the annual financial audit report for the City also includes the accounts and transactions of the entities noted

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

MANAGEMENT LETTER

below. The Jacksonville Beach Community Redevelopment Agency is considered a blended component unit and was established pursuant to Chapter 163 of the Florida Statutes. The General Employees', Police Officers', and Firefighters' Pension Plans are considered to be fiduciary component units and were established, and later amended, pursuant to Chapter 27 of the Laws of Florida and Chapters 175 and 185 of the Florida Statutes, respectively.

Financial Condition and Management

Sections 10.554(1)(i)5.a and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2, *Rules of the Auditor General,* requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not note any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes. Information for the Southend and Downtown Community Redevelopment Districts (collectively, the CRA) are included in the separately issued financial statements of the CRA.

Additional Matters

Section 10.554(1)(i)3, *Rules of the Auditor General,* requires us to communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies and pass-through entities, the Mayor and City Council members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

MANAGEMENT LETTER

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

March 10, 2023
Tallahassee, Florida

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BEACH

PURVIS GRAY

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the City Council
City of Jacksonville Beach, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Jacksonville Beach, Florida, (the City) for the year ended September 30, 2022. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated March 8, 2022. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 1.F, the following changes in accounting policies occurred for the year ended September 30, 2022:

- The City changed accounting policies for Leases by adopting Statement of Governmental Accounting Standards Board (GASB) No. 87, *Leases*, for the year ended September 30, 2022. No restatement of prior periods was required as a result of implementation of this standard. See Note 15 for a description of the effects of implementation of GASB Statement No. 87 for the year ended September 30, 2022.

- The City changed its capitalization policy for the year ended September 30, 2022. Previously, the City capitalized all items with an original cost of $1,000 or more. Effective October 1, 2021, the City changed this threshold to items costing $5,000 or more. As the remaining book value of items below the new capitalization threshold are considered to be immaterial individually and in the aggregate and continue to be tracked for the purposes of physical inventory, the City elected not to remove fixed assets with original costs between $1,000 and $4,999.99 capitalized in prior years under the preceding policy from the fixed asset records. Therefore, no prior period adjustment was necessary as a result of this change in accounting policy.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the proper period.

To the City Council
City of Jacksonville Beach, Florida

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates may be particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

■ Allowance for Doubtful Accounts—The City has based this estimate on the aging of accounts receivable and historical bad debt experience.

■ Depreciation Expense—The City bases this estimate on original judgments of useful lives and straight-line depreciation. Useful lives are reviewed and adjusted based on historical experience and current events and circumstances.

■ Liability for Unpaid Self-Insurance Claims—The City bases this estimate on claims incurred through the balance sheet date and the probability of payment in accordance with GASB Statement No. 10.

■ Other Postemployment Benefit Liabilities (OPEB)—This estimate is based on an actuarial study performed by a qualified actuary, as of September 30, 2021. As permitted by GASB Statement No. 75, the City elected to use a measurement date that is one year prior to the reporting date. There are underlying assumptions in the actuary's report, which if changed, could significantly affect the recorded amount (Note 16).

■ Compensated Absences—This estimate is based on payroll data as of year-end, including the employees' current rate of pay and accrued hours for vacation and sick leave. According to the City's compensated absences policy, employees may be paid for 25% of accrued sick leave over 720 hours to a maximum of 2,880 if they possess 20 years of service and are retiring under the City's pension plan. The non-vested portion of sick leave has been accrued because management has determined, based on historical experience, that the probability of employees ultimately meeting these criteria is high.

■ Unbilled Revenues—This estimate is based on estimated usage of utility cycles used prior to year-end, but not billed until after year-end.

■ The Net Pension Liability (NPL)—For fiscal year ended September 30, 2022, the City reported an NPL for two of its three pension plans. This estimate is based on actuarial studies performed by a qualified actuary. As permitted by GASB Statement No. 68, the City elected to use a measurement date to record the NPL and related deferred outflows and inflows, that is one year prior to the reporting date. This liability represents the difference between the value of pension plan assets and the total pension liability, which is measured using various actuarial assumptions. If these assumptions were changed, it could have a significant impact on the amounts reported.

■ Net Present Value of Leases Receivable and related Amortization—This estimate is based on the total non-cancellable lease term during which the City as Lessor expects to receive lease payments from lessees and is discounted using an estimated (imputed) interest rate as determined by the City. Should the actual lease term during which the lessees provide payments or actual rate of interest earned differ from these estimates, amounts reported could differ significantly.

We evaluated the key factors and assumptions used to develop the estimates described above in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Upcoming Accounting Pronouncement

The GASB has recently issued a new accounting and financial reporting pronouncement which will become effective in the City's 2023 fiscal year-end, GASB Statement No. 96 – *Subscription-Based IT Arrangements* (SBITAs).

- GASB Statement No. 96, dealing with SBITAs, with certain exceptions, will require that all long-term, non-cancelable SBITAs be recorded as long-term liabilities on the balance sheet with a corresponding "right-to-use" asset, both of which will be reduced over the life of the SBITA. The City may have agreements in which they are the subscriber or provider that meet the definition of a SBITA under the new standard, so we recommend that the City begin preparations to implement the new standard by making a list of all applicable SBITAs with their key terms such as duration, renewal options, payment amounts and escalation clauses, cancellability, etc., for evaluation under the new standard.

Difficulties Encountered in Performing the Audit

We are pleased to report we encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following items detected as a result of audit procedures were corrected by management:

- Deferral of $11,586,213 of unearned grant funding from the *American Rescue Plan Act* grant that was not expended as of September 30, 2022.

- Assistance with the implementation of GASB Statement No. 87, *Leases* resulted in the following adjustments:
  - $1,423,447 increase in leases receivable.
  - $1,388,143 increase in deferred inflows – leases receivable.
  - $229,405 decrease in recognized lease revenue.
  - $236,770 increase in lease receivable revenue amortization.
  - $27,940 increase in non-operating interest revenue.

Management did not make the following adjustment to the financial statements:

- Leases in which the City is a lessee were deemed immaterial individually and in the aggregate to the financial statements. The passed adjustments related to lease liabilities associated with lessee arrangements of the City resulted in the following misstatements:

To the City Council
City of Jacksonville Beach, Florida

- $157,198 understatement of liabilities.
- $151,882 understatement of assets.
- $5,316 overstatement of net position.

Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated March 10, 2023.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters
We applied certain limited procedures to Management's Discussion and Analysis and the Required Supplementary Information (RSI) as identified in the table of contents of the financial statements, collectively, the Required Supplementary Information, which supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which consists of the combining and individual non-major fund statements and other schedules, schedule of expenditures of grant funds per the City of Jacksonville's Ordinance Code Chapter 118.202(e), and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods

To the City Council
City of Jacksonville Beach, Florida

of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

This information is intended solely for the use of Members of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Purvis Gray

March 10, 2023
Tallahassee, Florida

2022

Jacksonville Beach Community
Redevelopment Agency

Financial Statements and Independent Auditor's Report

September 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

SEPTEMBER 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Jacksonville Beach Community Redevelopment Agency (the Agency), a component unit of the City of Jacksonville Beach, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund for the Agency as of September 30, 2022, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

INDEPENDENT AUDITOR'S REPORT

management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Purvis Gray

March 10, 2023
Tallahassee, Florida

MANAGEMENT’S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (the MD&A) of the Jacksonville Beach Redevelopment Agency (the Agency), is intended to provide an overview of the Agency's financial position and results of operations for the fiscal year ended September 30, 2022. The MD&A should be read in conjunction with the Agency's financial statements, including the accompanying notes, to enhance the understanding of the Agency's financial performance.

Financial Highlights

- At September 30, 2022, restricted net position of $37,204,745 is unspent tax increment financing revenues restricted for upcoming redevelopment projects.

- Fund balance increased in the current year by $1,652,227. Substantially all of this increase is attributable to tax increment revenues in excess of expenditures due to the timing of the Community Redevelopment Agency (CRA) projects.

- $2,331,027 in Southend Redevelopment District tax increment revenues was returned to the taxing authorities as part of the year-end fund balance appropriation.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Agency's basic financial statements which have the following components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the Agency's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of activities presents information showing how the Agency's net position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements listed above distinguish functions of the Agency that are principally supported by ad-valorem taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their cost through user fees and charges. The governmental activities in the Agency are community redevelopment and public safety.

The government-wide financial statements include only the financial activities of the Agency. However, the Agency is considered a component unit of the City of Jacksonville Beach, Florida (the City), and as such, the financial information of the Agency is included in the City's Comprehensive Annual Financial Report in each fiscal year.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources, available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities when required.

Key elements of the reconciliation of these two statements are that the government-wide statement of activities reports the issuance of debt as a liability, the purchases of capital assets as assets which are then charged to expense over their useful lives (depreciated) and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental funds statements report the issuance of debt as another financing source of funds, the repayment of debt as an expenditure, the purchase of capital assets as an expenditure, and do not reflect changes in long-term liabilities.

The Agency maintains two governmental funds. Information is presented separately for the Downtown and Southend Redevelopment Districts in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance. In the City's annual Comprehensive Annual Financial Report, these two funds are referred to as the Downtown and Southend Redevelopment Trust funds.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

The following table summarizes the statement of net position for the current and prior year:

SUMMARY SCHEDULE OF NET POSITION

	2022	2021
Current Assets	$ 40,255,346	$ 38,170,925
Capital Assets, Net	7,250,921	7,291,255
Total Assets	47,506,267	45,462,180
Current Liabilities	3,050,601	2,618,458
Total Liabilities	3,050,601	2,618,458
Net Position		
Investment in Capital Assets	7,250,921	7,291,255
Restricted for Redevelopment Projects	37,204,745	35,552,467
Unrestricted	-	-
Total Net Position	$ 44,455,666	$ 42,843,722

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Governmental activities increased the Agency's net position by $1,611,944 for the year ended September 30, 2022. Key elements of the change are described below.

The following table summarizes the changes in net position for the current and prior year:

SUMMARY OF CHANGES IN NET POSITION

	2022	2021
General Revenues:		
Tax Increment Financing	$ 10,078,421	$ 9,651,025
Investment and Other Income	(716,325)	43,999
Total Revenues	9,362,096	9,695,024
Expenses:		
Community Redevelopment	6,527,536	1,881,040
Public Safety	1,222,616	1,206,938
Total Expenses	7,750,152	3,087,978
Change in Net Position	1,611,944	6,607,046
Net Position, Beginning of Year	42,843,722	36,236,676
Net Position, End of Year	$ 44,455,666	$ 42,843,722

Community redevelopment expenses increased by $4,646,496, largely due to the timing of capital projects.

Governmental Funds

The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirement. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

The Agency maintains two Redevelopment trust funds, one for the Downtown District and another for the Southend District. At the end of the current year, a fund balance of $37,203,211 was both restricted and appropriated to ongoing and future redevelopment projects.

The Agency is required to adopt an annual budget for the two funds prepared on a basis consistent with accounting principles generally accepted in the United States of America.

Capital Assets

The Agency's investment in capital assets as of September 30, 2022, is $7,250,921, which is strictly land held for future development projects. In FY2022, several land parcels in the Southend District were auctioned off for future single-family home developments, reducing the capital assets by $40,334. When the remaining development projects are completed, the land and resulting improvements will become property of the City.

Budgetary Highlights

The Agency's governing board, the CRA, is authorized to transfer budget amounts. Revisions that alter the total expenditure must be approved by both the CRA and City Council. Legal level of control is maintained at the fund level. The difference between the original budget and the final amended amount was a net increase of $8,687,935 for capital projects and a net decrease of $965 for other expenditures.

Actual revenues were lower than the final budgeted revenues by $1,317,524, largely due to interest income on investments. Actual expenditures were under budget by $13,742,978 with the timing of capital project expenditures.

Economic Factors and Future Developments

Both districts have been a redevelopment success. Downtown taxable property values have grown from $42.3 million in the 1984 base year to $691.3 million in the most recent year and Southend taxable values have grown from $6.5 million in the 1986 base year to $433 million.

The CRA will continue to plan projects and infrastructure improvements that align with its redevelopment priorities for each district. Additionally, the City and CRA will continue to partner to encourage private sector development in the designated Downtown area.

Key FY2023 projects in the Downtown District are as follows:

- Complete the infrastructure improvements planned for the area east of 3rd Street between 4th and 11th Avenues South. (Phase IIIC – Projects 3, 4, and 5).
- Continue the design and implementation of *Downtown Action Plan* items including public art, Latham Plaza master plan, wayfinding signage, and lighting.

Key FY2023 projects in the Southend District are as follows:

- Complete stormwater piping and roadway improvements in various locations (Phases 4 & 5).
- Design a passive park along South Beach Parkway and Jacksonville Drive.

Requests for Information

This financial report is designed to provide users with a general overview of the Agency's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, 11 North Third Street, Jacksonville Beach, Florida 32250

Additional information can also be found on the City and CRA's website at www.jacksonvillebeach.org.

FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
SEPTEMBER 30, 2022
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

Assets		
Equity in Pooled Cash and Investments	$	40,253,812
Assessments Receivable		1,534
Capital Assets		7,250,921
Total Assets		47,506,267
Liabilities		
Accounts Payable		475,506
Other Accrued Liabilities		244,068
Due to Other Governments		2,331,027
Total Liabilities		3,050,601
Net Position		
Investment in Capital Assets		7,250,921
Restricted for Redevelopment Projects		37,204,745
Total Net Position	$	44,455,666

See accompanying notes.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

	Expenses	Net Revenue (Expense) and Changes in Net Position Total Governmental Activities
Functions		
Governmental Activities:		
Community Redevelopment	$ 1,039,727	$ (1,039,727)
Public Safety	1,122,691	(1,122,691)
Capital Improvements Contributed to Primary Government	5,587,734	(5,587,734)
Total Governmental Activities	7,750,152	(7,750,152)
General Revenues:		
Tax Increment Financing		10,078,421
Investment and Other Income		(716,325)
Total General Revenues		9,362,096
Change in Net Position		1,611,944
Net Position, Beginning of Year		42,843,722
Net Position, End of Year		$ 44,455,666

See accompanying notes.

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

	Downtown Redevelopment District	Southend Redevelopment District	Total Governmental Funds
Assets			
Equity in Pooled Cash and Investments	$ 26,540,403	$ 13,713,409	$ 40,253,812
Assessments Receivable	-	1,534	1,534
Total Assets	26,540,403	13,714,943	40,255,346
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities			
Accounts Payable	126,853	348,653	475,506
Other Accrued Liabilities	37,714	206,354	244,068
Due to Other Governmental Units	-	2,331,027	2,331,027
Total Liabilities	164,567	2,886,034	3,050,601
Deferred Inflows of Resources			
Unavailable Revenues	-	1,534	1,534
Fund Balance			
Restricted for Redevelopment Projects	26,375,836	10,827,375	37,203,211
Total Fund Balance	26,375,836	10,827,375	37,203,211
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 26,540,403	$ 13,714,943	$ 40,255,346

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

Total Fund Balance - Governmental Funds	$ 37,203,211
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Governmental Funds	7,250,921
Certain Revenues Have Been Deferred on the Balance Sheet Because They Were not Measurable and Available at Year-End	1,534
Net Position of Governmental Activities	$ 44,455,666

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

	Downtown Redevelopment District	Southend Redevelopment District	Total Governmental Funds
Revenues			
Tax Increment Financing	$ 7,488,392	$ 2,590,030	$ 10,078,422
Investment and Other Income	(649,407)	(26,635)	(676,042)
Total Revenues	6,838,985	2,563,395	9,402,380
Expenditures			
Community Redevelopment:			
Personnel Services	175,809	95,154	270,963
Operating Expenses	474,609	294,155	768,764
Public Safety:			
Personnel Services	958,299	-	958,299
Operating Expenses	164,393	-	164,393
Capital Outlay	1,445,987	4,141,747	5,587,734
(Total Expenditures)	(3,219,097)	(4,531,056)	(7,750,153)
Net Change in Fund Balance	3,619,888	(1,967,661)	1,652,227
Fund Balance, Beginning of Year	22,755,948	12,795,036	35,550,984
Fund Balance, End of Year	$ 26,375,836	$ 10,827,375	$ 37,203,211

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

Net Change in Fund Balance	$ 1,652,227
Certain Revenues Have Been Deferred on the Balance Sheet Because they Were not Measurable and Available at Year-End, but Have Been Recognized in the Statement of Activities	51
Governmental Funds Report Sale of Capital Assets as Financial Resources; the Loss on Disposal of Assets is not Reflected in the Fund Statements	(40,334)
Change in Net Position of Governmental Activities	$ 1,611,944

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

In March 1978, the five-member Jacksonville Beach Community Redevelopment Agency (the Agency) was established by the City of Jacksonville Beach, Florida (the City), by Ordinance No. 6950 as a public body organized pursuant to Part III of Chapter 163 of the Florida Statutes. The Agency's stated purpose is to intervene in the decline of the economic and physical character of the redevelopment area and transformation of the existing conditions into a functional and vibrant urban center. The governing body of the Agency is appointed by the City Council. There are two redevelopment trust funds established by the Agency, the Downtown Redevelopment District and the Southend Redevelopment District.

The Downtown Redevelopment District was established in 1984 with the original redevelopment plan being established in 1987. The plan was amended in 2007 to incorporate the Downtown Vision Plan, and in 2014 to create a Downtown Community Assisted Policing Effort (CAPE), in an effort to make downtown a safer and more inviting area. The most recent amendment to the downtown plan came via the adoption of the 2015 Downtown Action Plan, a collection of projects and programs to address community redevelopment concerns in the areas of public spaces, transportation, public safety, and overall quality of life in the downtown community redevelopment district. The redevelopment plan is set to expire in January of 2047.

In November 1985, the Southend Redevelopment District was designated for redevelopment. A plan for the redevelopment of the area was adopted and a tax increment trust fund was established in 1987. The redevelopment plan is set to expire in June of 2047.

The following is a summary of the significant accounting policies applicable to the Agency:

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the governmental activities of the Agency. The government-wide focus is more on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category. Program revenues include operating and capital grants and contributions. In 2022, the Agency did not have any program revenues. Taxes and other items not included as program revenues are reported as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Tax increment financing from property taxes are recognized as revenue in the year when levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on their balance sheet. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is sometimes necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

Their operating statements present sources (revenue and financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, which are recognized when due.

Tax increment financing revenue, when levied for and interest associated with the current fiscal period, are both considered to be measurable and have been recognized as revenues of the current fiscal year, if available.

Per Florida Statutes, Section 163.387, resources deposited into a redevelopment trust fund are restricted for community redevelopment activities pursuant to the approved redevelopment plan.

The Agency reports two special revenue funds which are considered major governmental funds. These funds are used to account for all financial resources received by the Agency. The Agency does not have any non-major funds.

Assets, Liabilities, and Net Position
Equity in Pooled Cash and Investments: The Agency participates in the City's pooled cash and investment portfolio. Investment earnings are distributed monthly to the participating funds' relative percentage of investments.

Capital Assets: Capital assets include land titled to the Agency. The Agency pays for certain infrastructure improvements (roads, sidewalks, bridges, and other utility infrastructure) within the designated redevelopment area; however, these improvements are considered to be property of the City and, therefore, are included as capital assets in the City's government-wide financial statements.

Capital assets titled to the Agency are reported in governmental activities in the government-wide financial statements. The Agency utilizes the City's capitalization policy and capitalizes assets with a cost in excess of $5,000 and an estimated life greater than one year. Capital assets are recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized but are expensed as incurred.

Nature and Purpose of Fund Balance: Per Florida Statutes, Section 163.387, unspent tax increment financing revenues are restricted for future redevelopment projects pursuant to the approved community redevelopment plan and are reported as restricted fund balance in the financial statements. There are no other classifications of fund balance.

Compensation Costs: The Agency has no employees of its own. Instead, the Agency reimburses the City for the portion of salaries and benefits attributable to Agency activities based on the estimated time spent on those activities as projected during the annual budget process. Any long-term payroll and benefit liabilities such as compensated absences, other postemployment benefits, or pension liabilities are reported on the City's financial statements.

Net Position: The government-wide statements utilized a net position presentation. Net investment in capital assets is that portion of net position that relates to the Agency's capital assets reduced by accumulated depreciation. Restricted net position are unspent tax increment financing revenues that are restricted for future redevelopment projects.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Deposits and Investments

At year-end, the Agency's share of the City's pooled cash and investment balances was $40,253,812. The City's bank deposits are held in qualified depositories pursuant to Chapter 280, Florida Statutes, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 25% to 200% depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with an approved financial institution. The Public Depository Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. The Agency's bank balances were insured either by the federal depository insurance corporation or collateralized in the bank's participation in the *Florida Security for Public Deposits Act*.

Authorized Investments
The Agency does not have a separate deposit and investment policy and it follows the deposit and investment policies of the City.

Florida Statute 218.415 authorizes the City to invest in the state pools and in obligations of the United States Treasury and agencies. The City has adopted an investment policy for operating funds pursuant to state statutes that allows the City to contract for investment and related services, establish internal controls, and specifies the types of investments that may be purchased. Key objectives of the policy are as follows:

- Safety of principal is the foremost objective of the investment program.
- Provide sufficient liquidity to allow for quick conversion of investments to cash easily and rapidly without loss of principal to meet operating, payroll, and capital requirements.
- The investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.
- 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 also lists permitted types of investments, limitations as to amounts invested in each type, the amount invested with each issuer, the length of investment maturities, and other statutory or contractual restrictions for each type of investment. The investment in any derivative products or the use of reverse repurchase agreements is not permitted by this investment policy.

Risk Disclosure
The City's investment policy does not address its exposure to interest rate changes, custodial credit risk, or quality credit risk. The following items discuss the City's operating funds' and pension funds' exposure to various risks in primarily the fixed rate portions of their investment portfolios:

- **Interest Rate Risk**—the City's fixed rate investments are intended to be held until the funds are needed, at maturity.
- **Custodial Credit Risk**—for an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City generally utilizes third-party custodians to help manage custodial credit risk.
- **Concentration of Credit Risk**—the investment policy for the operating funds of the City define what percentage of the total investment portfolio may be invested in each type of investment vehicle. The City's policy states that these percentages may be further restricted based on market conditions, risk, and diversification investment strategies.

  More detailed information on the City's investment portfolio can be obtained from the City's Annual Comprehensive Report which can be found on the City's website at www.jacksonvillebeach.org.

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2022 follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 7,291,255	$ -	$ (40,334)	$ 7,250,921

Note 4 - Tax Increment Financing Revenue

The Agency is primarily funded through tax-increment financing revenue. This revenue is computed by applying the operating tax for the City and the City of Jacksonville multiplied by the increased value of property in the Agency over the base property value minus 5%. The City and the City of Jacksonville are required to fund this amount annually without regard to tax collections or other obligations.

In accordance with Section, 163.387(7), Florida Statutes, at the end of each fiscal year, any funds remaining in the Tax Increment Trust Fund must be either appropriated to specific projects, used to reduce debt, or returned to the taxing authorities. The Southend District projected to end the fiscal year with a fund balance of $13,366,090. Of that total, $11,035,063 was appropriated to projects already underway or which were expected to start in the near-term. Because there is no outstanding debt in the Southend District, the remaining $2,331,027, is being returned to taxing authorities; the City of Jacksonville Beach ($766,658) and the City of Jacksonville ($1,564,369). These amounts are included in Due to Other Governments on the District's Balance Sheet and Statement of Net Position.

Note 5 - Construction Commitments

As of September 30, 2022, the Agency had the following construction commitments related to significant unfinished capital projects:

Project	Expended as of September 30, 2022	Remaining Commitment
Downtown District:		
Design of Beach Stormwater Outfalls Replacement	$ 145,390	$ 11,853
Specific Project Task Identified in the Downtown Action, Implementation & Mgmt Plan Phase 2	373,458	33,463
South Basin Prelim Study for Downtown Improvement	215,005	648,638
DTI3C 4 & 5 Design of Dwnt Infra Impr Phase 3C Projects 4 & 5	905,590	345,543
Southend:		
Dwntwn & Southend Improv SBIS5	113,164	161,640
Ocean Terrace Drainage Improvements (SBOTP)	2,404,664	2,080,349
Total	$ 4,157,271	$ 3,281,486

Note 6 - Risk Management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors, omissions, and natural disasters. The Agency is covered by the City's insurance plans. The City purchases commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage, Including Flood Damage
- General Liability
- Automobile Liability
- Commercial Crime
- Police Professional Liability
- Workers Compensation
- Health Insurance
- Pension Fiduciary
- Public Official

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED SEPTEMBER 30, 2022 DOWNTOWN REDEVELOPMENT DISTRICT

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Tax Increment Financing	$ 7,462,611	$ 7,462,611	$ 7,488,392	$ 25,781
Investment and Other Income	187,910	209,519	(649,407)	(858,926)
Total Revenues	7,650,521	7,672,130	6,838,985	(833,145)
Expenditures				
Community Redevelopment:				
Personnel Services	243,439	243,439	175,809	67,630
Operating Expenses	763,432	789,446	474,609	314,837
Total Community Redevelopment	1,006,871	1,032,885	650,418	382,467
Police:				
Personnel Services	1,084,564	984,564	958,299	26,265
Operating Expenses	119,200	183,519	164,393	19,126
Total Police	1,203,764	1,168,083	1,122,692	45,391
Capital Outlay	5,543,500	7,814,941	1,445,987	6,368,954
(Total Expenditures)	(7,754,135)	(10,015,909)	(3,219,097)	6,796,812
Net Change in Fund Balance	$ (103,614)	$ (2,343,779)	$ 3,619,888	$ 5,963,667

See note to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED SEPTEMBER 30, 2022 SOUTHEND REDEVELOPMENT DISTRICT

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Tax Increment Financing	$ 2,591,402	$ 2,591,402	$ 2,590,030	$ (1,372)
Investment and Other Income	101,843	456,372	(26,635)	(483,007)
Total Revenues	2,693,245	3,047,774	2,563,395	(484,379)
Expenditures				
Community Redevelopment:				
Personnel Services	118,845	118,845	95,154	23,691
Operating Expenses	337,781	346,483	294,155	52,328
Capital Outlay	4,595,400	11,011,894	4,141,747	6,870,147
(Total Expenditures)	(5,052,026)	(11,477,222)	(4,531,056)	6,946,166
Net Change in Fund Balance	$ (2,358,781)	$ (8,429,448)	$ (1,967,661)	$ 6,461,787

See note to required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

Note 1 - <u>Budgetary Procedures and Budgetary Accounting</u>

The Agency adheres to the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

Prior to September 30, the Agency Administrator submits, to the Community Redevelopment Agency, a proposed operating budget for the Trust Fund for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.

The Agency budget is also included in the City's budget and is presented to the City Council for ratification prior to September 30.

Agency management is authorized to transfer budget amounts. Revisions that alter the total expenditures must be approved by the Community Redevelopment Agency. Legal level of budgetary control is maintained at the fund level. Budget amendments totaling $2,261,774 in the Downtown Redevelopment District and $6,425,196 in the Southend Redevelopment District were related to ongoing construction projects.

OTHER REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Jacksonville Beach Community Redevelopment Agency (the Agency), a component unit of the City of Jacksonville Beach, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 10, 2023.

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

To the Community Redevelopment Agency
City of Jacksonville Beach, Florida

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

March 10, 2023
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

We have examined the Jacksonville Beach Community Redevelopment Agency's (the Agency) compliance with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556 (10)(a), *Rules of the Auditor General*. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination of the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies and pass-through entities, the Agency Board members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 10, 2023
Tallahassee, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND (7), FLORIDA STATUTES

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

We have examined the Jacksonville Beach Community Redevelopment Agency's (the Agency) compliance with Section 163.387(6) and (7), Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556 (10)(a), *Rules of the Auditor General*. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination of the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies and pass-through entities, the Agency Board members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 10, 2023
Tallahassee, Florida

PURVIS GRAY

MANAGEMENT LETTER

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

Report on the Financial Statements
We have audited the financial statements of the Jacksonville Beach Community Redevelopment Agency (the Agency), a component unit of the City of Jacksonville, Florida (the City), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 10, 2023.

Auditor's Responsibility
We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Reports on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 10, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This is disclosed in Note 1 of the financial statements.

Financial Management
Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

To the Community Redevelopment Agency
City of Jacksonville Beach, Florida

MANAGEMENT LETTER

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Special District Component Unit
Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Agency reported:

<u>UNAUDITED</u>

a. The total number of district employees compensated in the last pay period of the district's fiscal year was 0. As disclosed in Note 1 of the financial statements, the Agency has no employees but receives administrative, engineering, and project management support from City staff.
b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the district's fiscal year was 1.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was $0. As described in Note 1 of the financial statements, the Agency reimburses the City for support provided by City employees. During the fiscal year, the Agency reimbursed the City for payroll and related benefits totaling $1,229,261 for work performed by City employees on behalf of the Agency.
d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was $349,311.
e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1, of the fiscal year being reported, together with the total expenditures for such project. See attached schedule in Appendix A.
f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes was ($168,635).

To the Community Redevelopment Agency
City of Jacksonville Beach, Florida

MANAGEMENT LETTER

Additional Matters
Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and the Board of Directors and management of the Agency, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 10, 2023
Tallahassee, Florida

APPENDIX A

Each construction project with a total cost of at least $65,000 approved by the District that is scheduled to begin on or after October 1, of the fiscal year being reported, together with the total expenditures for such projects was as follows:

UNAUDITED

District	Project Description	CRA Res. No. or Budget Year	Project Budgeted Cost	Total Expenditures in Year
Downtown	DT Infrastructure Phase 3C Project 3 Design	FY22 CIP Plan	$ 707,000	$ -
Downtown	DT Infrastructure Phase 3C Projects 3-5 Construction	FY22 CIP Plan	$ 4,136,500	$ -
Downtown	Dune Walkovers (Non-ADA) Construction	FY22 CIP Plan	$ 500,000	$ 51,629
Downtown	Design and construct 15 stormwater outfalls	FY22 CIP Plan	$ 200,000	$ 75,202
Downtown	Roof restoration project at the Seawalk Pavilion	2021-16	$ 186,000	$ 186,000
Downtown	Purchase and install bike racks in DT area	2022-07	$ 76,048	$ -
Southend	Stormwater/ Road Imps Phase 3 Ocean Terrace Pond Construct	FY22 CIP Plan	$ 1,000,000	$ -
Southend	Stormwater/Road Imps Phase 4 Design	FY22 CIP Plan	$ 150,000	$ -
Southend	Stormwater/Reuse Imps Phase 5 Design	FY22 CIP Plan	$ 182,000	$ -
Southend	South Basin Stormwater Outfall Channel Imps	FY22 CIP Plan	$ 1,700,000	$ 47,941
Southend	South End Connectivity Corridors	FY22 CIP Plan	$ 158,400	$ 33,250
Southend	Sunshine Park Playground Structure(s), PIP Flooring, Shade	FY22 CIP Plan; 2021-15	$ 1,952,708	$ 1,816,785

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Jacksonville Beach Community Redevelopment Agency
City of Jacksonville Beach, Florida

We have audited the financial statements of the governmental activities and each major fund of the Jacksonville Beach Community Redevelopment Agency (the Agency), a component unit of the City of Jacksonville Beach, Florida (the City), for the year ended September 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated March 8, 2022. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2022. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates may be particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We did not identify any particularly sensitive estimates in the financial statements.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We are pleased to report we encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during the course of our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 10, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the Budgetary Comparison Schedules, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Community Redevelopment Agency and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 10, 2023
Tallahassee, Florida

City of Jacksonville Beach ● 11 North Third Street ● Jacksonville Beach, FL 32250

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Ashlie Gossett, Chief Financial Officer
DATE:	02/13/2023
SUBJECT:	Accept/Reject the Monthly Financial Reports for the month of February 2023

BACKGROUND

Attached are the monthly financial reports for February 2023 as prepared by the Finance Department. These reports represent 5 months of activity, or 41.4% of the total annual budget, and are prepared on a cash basis.

Summary Budget Reports Exhibits 1 through 6 show the cumulative actual revenues and expenditures compared to the actual amounts at the same point in time as last fiscal year. Exhibit 7 compares actual revenues and expenditures to the budget in total by fund.

FINANCIAL IMPACT

For informational purposes only.

REQUESTED ACTION

Accept/Reject the Monthly Financial Reports for the month of February 2023

ATTACHMENTS

1. 2023-2 February Financials

AGENDA ITEM:	B.
MEETING DATE:	March 20, 2023

SUMMARY BUDGET REPORT

February 28, 2023

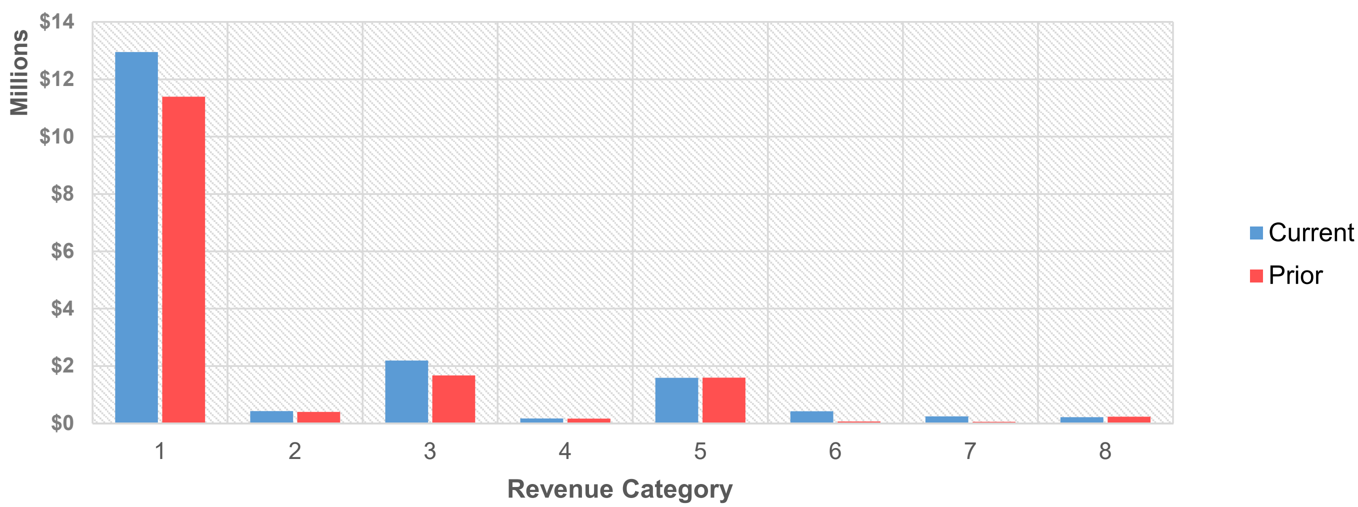
41.4% of Year Elapsed

Exhibit 1

General Fund Revenues

Revenue Category	Current Year Revenue to Date	Current Year Revenue % of Budget	Prior Year Revenue to Date	Prior Year Revenue % of Budget	% Variance *(Current Year less Prior Year)*	$ Variance *(Current Year less Prior Year)*
1 Taxes	12,951,377	78.5%	11,394,484	76.5%	2.0%	1,556,893
2 Licenses & Permits	423,969	65.5%	399,747	66.1%	-0.6%	24,222
3 Intergovernmental Revenue	2,187,495	51.0%	1,668,402	40.3%	10.7%	519,092
4 Charges for Services	168,236	36.9%	164,828	35.1%	1.8%	3,408
5 Enterprise Contributions	1,588,014	41.8%	1,589,664	41.7%	0.2%	(1,650)
6 Miscellaneous Revenue	421,341	151.6%	64,734	19.5%	132.1%	356,608
7 Fines & Forfeitures	240,191	141.3%	51,237	31.6%	109.7%	188,955
8 Interfund Transfers	215,316	41.9%	232,313	45.2%	-3.3%	(16,997)
Total Revenues	**$18,195,939**	**68.3%**	**$15,565,409**	**62.4%**	**5.8%**	**$2,630,530**

Current Year vs. Prior Year



Discussion

Total General Fund revenues are ahead of projections for the current year, due in part to the timing of ad valorem tax distributions.

3 The increase in intergovernmental revenues is attributable to the timing of receipts from the City of Jacksonville.

6 Miscellaneous revenue includes interest on pooled investments, auction proceeds, facility rental fees, tennis fees, and cemetery lots purchased. The increase from the prior year is due primarily to the adjustment to market value of the City's pooled investment assets.

7 The increase in fines & forfeitures is attributable to settlement proceeds from the SLG code enforcement case.

SUMMARY BUDGET REPORT

February 28, 2023

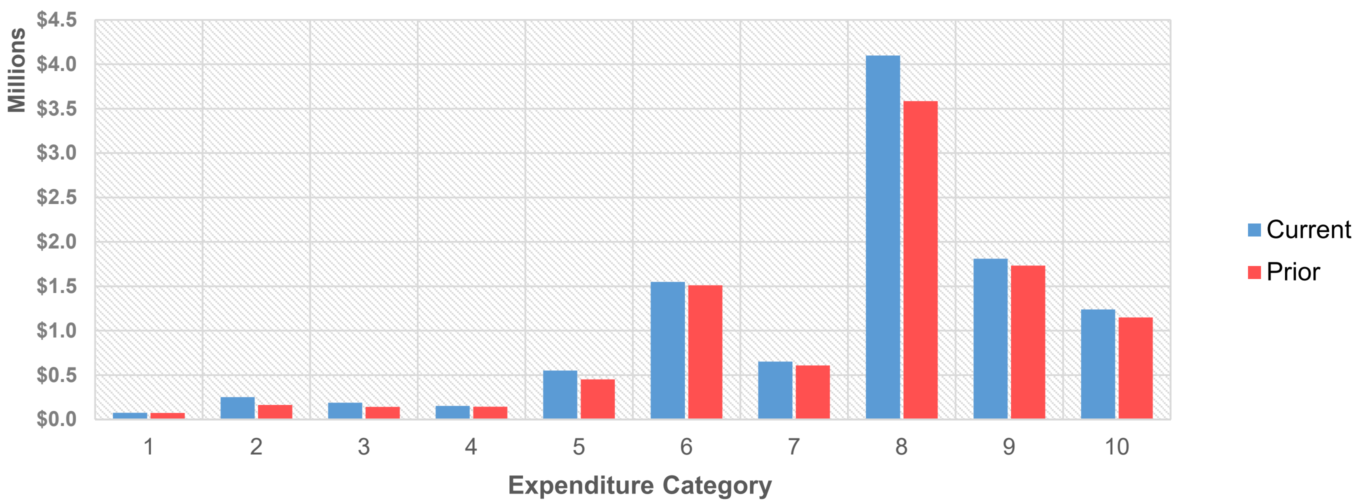
41.4% of Year Elapsed

Exhibit 2

General Fund Expenditures

Expenditure Category		Current Year Expenditures to Date	Current Year Expenditures % of Budget	Prior Year Expenditures to Date	Prior Year Expenditures % of Budget	% Variance *(Current Year less Prior Year)*	$ Variance *(Current Year less Prior Year)*
1	City Administration	75,209	38.4%	74,754	39.9%	-1.6%	455
2	City Attorney	253,059	43.8%	163,433	33.9%	9.9%	89,627
3	City Clerk	190,107	39.7%	142,903	31.4%	8.4%	47,204
4	Building Maintenance	152,496	33.6%	143,429	32.7%	0.9%	9,067
5	Planning and Development	551,351	36.1%	452,055	37.4%	-1.3%	99,296
6	Parks and Recreation	1,549,301	37.2%	1,511,483	41.1%	-3.9%	37,818
7	Public Works	653,362	35.4%	609,502	31.6%	3.9%	43,859
8	Police	4,099,219	40.5%	3,585,456	36.1%	4.4%	513,763
9	Fire Services	1,812,117	50.7%	1,734,167	51.7%	-1.0%	77,950
10	Non-Departmental	1,239,840	29.5%	1,150,731	33.9%	-4.5%	89,108
Total Expenditures		**10,576,062**	**39.0%**	**9,567,913**	**38.2%**	**0.8%**	**$1,008,149**

Current Year vs. Prior Year



Discussion

Total General Fund expenditures are in line with both the current budget and prior year expenditures on a percent of budget basis.

9 Fire Services expenditures include the annual contribution to the Fire Pension Plan unfunded actuarial accrued liability as part of the Fire Services Agreement with the City of Jacksonville. This is the 4th of 10 annual payments to satisfy this obligation.

SUMMARY BUDGET REPORT

February 28, 2023

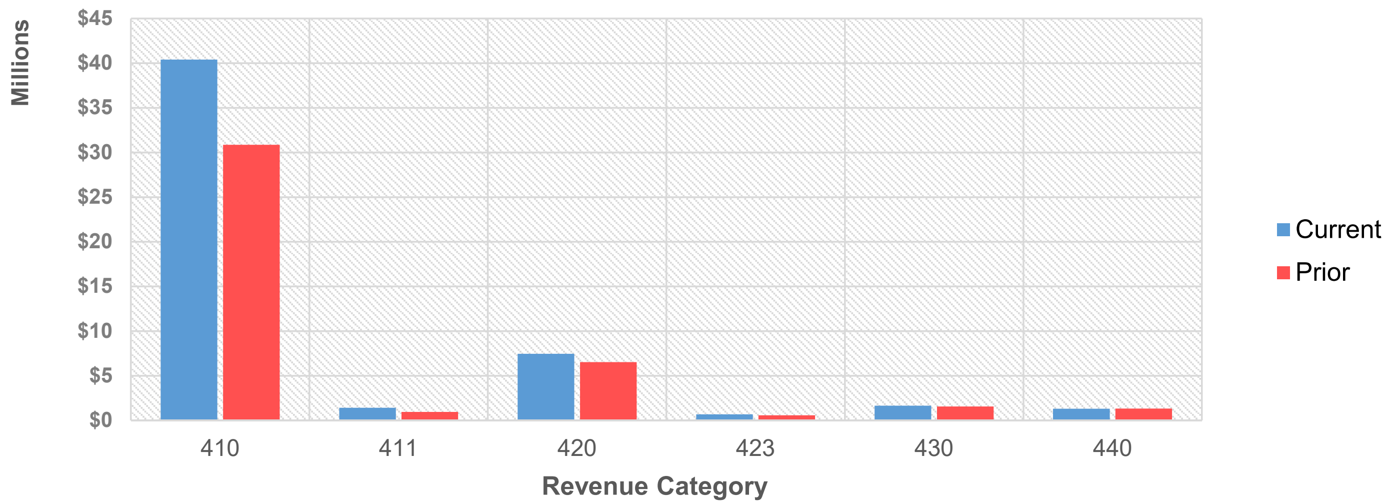
41.4% of Year Elapsed

Exhibit 3

Enterprise Fund Revenues

Revenue Category	Current Year Revenue to Date	Current Year Revenue % of Budget	Prior Year Revenue to Date	Prior Year Revenue % of Budget	% Variance *(Current Year less Prior Year)*	$ Variance *(Current Year less Prior Year)*
410 Electric	40,409,422	42.1%	30,850,646	37.1%	5.0%	9,558,776
411 Natural Gas	1,405,188	63.7%	941,200	46.9%	16.8%	463,988
420 Water & Sewer	7,454,483	46.7%	6,512,640	43.1%	3.6%	941,843
423 Stormwater	660,803	46.6%	562,978	38.7%	7.9%	97,825
430 Sanitation	1,631,343	42.2%	1,552,940	44.0%	-1.8%	78,403
440 Golf Course	1,300,943	45.8%	1,313,949	57.8%	-12.0%	(13,006)
Total Revenues	**$52,862,182**	**43.2%**	**$41,734,353**	**38.8%**	**4.4%**	**$11,127,829**

Current Year vs. Prior Year



Discussion

Total Enterprise Fund revenues are ahead of budget estimates and prior year revenues on a percent of budget basis.

410 The increase in Electric revenues is due to an increase in the pass-through bulk power cost adjustment used to pay for the rising cost of electricity from the City's provider.

411 The increase in Natural Gas revenues is attributable to an increase in the pass-through cost of gas adjustment used to pay for the rising cost of natural gas from the City's provider.

440 The decrease in golf course revenues is largely due to the termination of pro lesson revenues. The City no longer has agreements with independent contractors for this service.

SUMMARY BUDGET REPORT

February 28, 2023

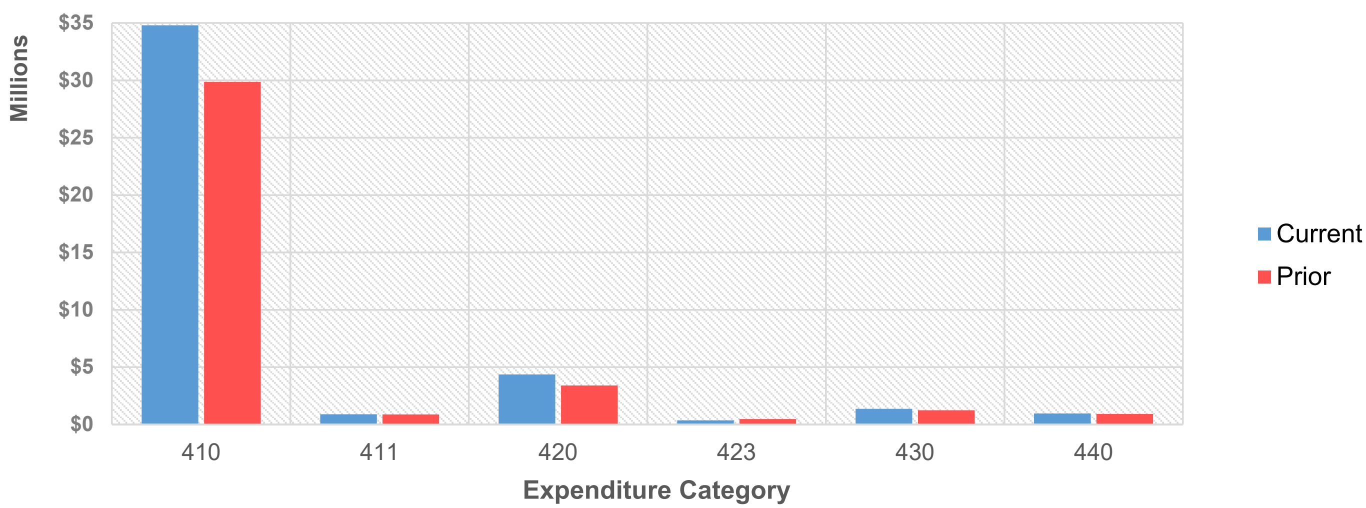
41.4% of Year Elapsed

Exhibit 4

Enterprise Fund Expenditures

Expenditure Category	Current Year Expenditures to Date	Current Year Expenditures % of Budget	Prior Year Expenditures to Date	Prior Year Expenditures % of Budget	% Variance *(Current Year less Prior Year)*	$ Variance *(Current Year less Prior Year)*
410 Electric	34,805,125	34.1%	29,860,132	32.9%	1.2%	4,944,993
411 Natural Gas	889,414	43.6%	866,933	41.0%	2.6%	22,481
420 Water & Sewer	4,358,498	22.9%	3,392,169	15.8%	7.1%	966,329
423 Stormwater	353,803	7.5%	461,086	17.2%	-9.7%	(107,283)
430 Sanitation	1,359,535	29.6%	1,229,204	29.9%	-0.4%	130,331
440 Golf Course	945,551	33.0%	912,962	37.7%	-4.7%	32,590
Total Expenditures	**$42,711,925**	**31.6%**	**$36,722,484**	**29.7%**	**1.8%**	**$5,989,441**

Current Year vs. Prior Year



Discussion

Total Enterprise Fund expenditures are under budget for the current year and slightly ahead of prior year expenditures on a percent of budget basis.

410 The increase in Electric Fund expenditures is primarily due to the rising cost of purchased power.

420 The increase in Water & Sewer expenditures from the prior year is largely attributable to the timing of capital outlay in the current year.

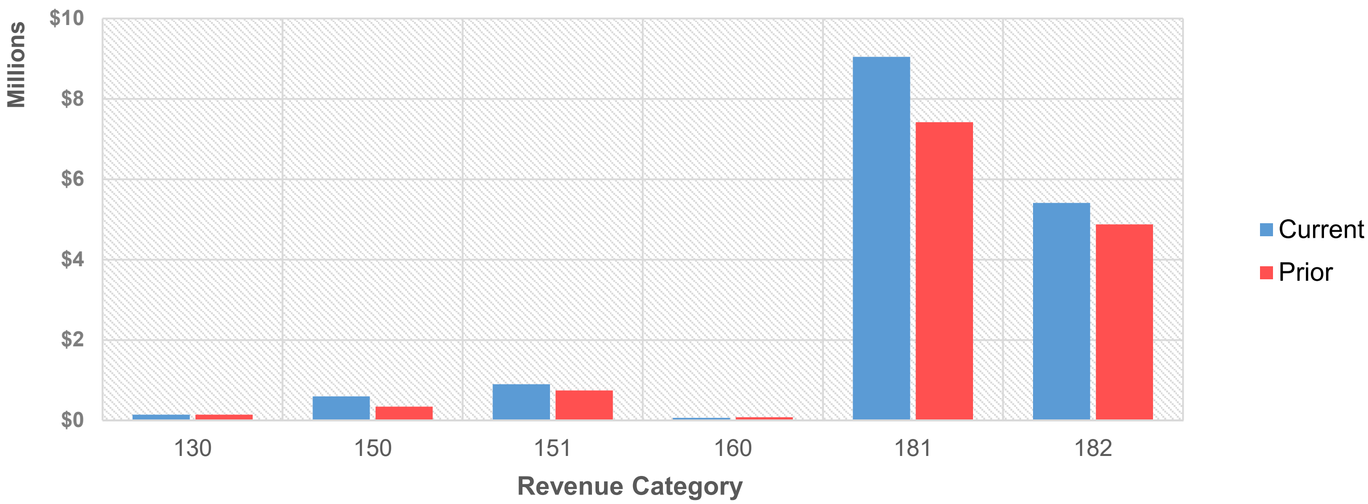
423 The decrease in Stormwater expenditures from the prior year is attributable to the timing of capital outlay in the prior year.

SUMMARY BUDGET REPORT
February 28, 2023
41.4% of Year Elapsed

Exhibit 5
Special Revenue Fund Revenues

Revenue Category	Current Year Revenue to Date	Current Year Revenue % of Budget	Prior Year Revenue to Date	Prior Year Revenue % of Budget	% Variance *(Current Year less Prior Year)*	$ Variance *(Current Year less Prior Year)*
130 Convention Development	139,997	33.4%	139,102	37.1%	-3.6%	895
150 Local Option Gas Tax	593,561	51.4%	340,974	42.9%	8.6%	252,588
151 Infrastructure Surtax	899,483	60.8%	743,972	52.5%	8.4%	155,511
160 Community Dev Blk Grant	60,316	42.5%	77,313	54.4%	-12.0%	(16,997)
181 Downtown Increment Fund	9,044,012	100.7%	7,421,402	97.0%	3.7%	1,622,610
182 Southend Increment Fund	5,410,492	183.5%	4,876,972	181.1%	2.4%	533,520
Total Revenues	**$16,147,862**	**106.8%**	**$13,599,736**	**104.0%**	**2.8%**	**$2,548,126**

Current Year vs. Prior Year



Discussion

Total revenues in the Special Revenue Funds are ahead of prior year actuals on a percent of budget basis.

130 Convention Development revenues are normally received two months in arrears.

160 Community Development Block Grant revenues are received on a reimbursement basis.

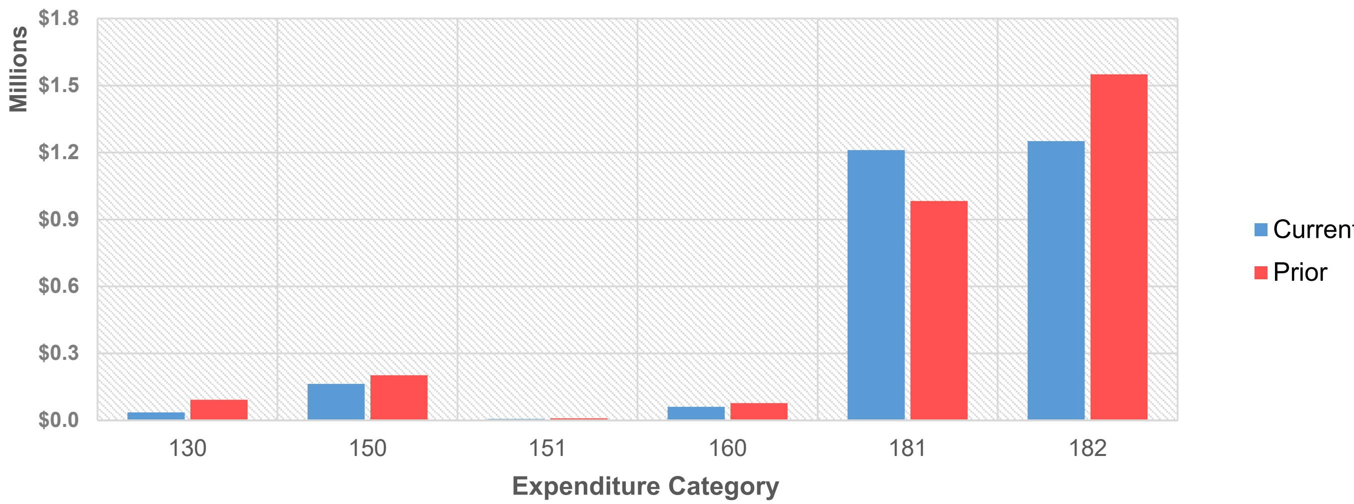
181/182 The annual tax increment distributions for both the Downtown and Southend districts were received in December.

SUMMARY BUDGET REPORT
February 28, 2023
41.4% of Year Elapsed

Exhibit 6
Special Revenue Fund Expenditures

Expenditure Category	Current Year Expenditures to Date	Current Year Expenditures % of Budget	Prior Year Expenditures to Date	Prior Year Expenditures % of Budget	% Variance *(Current Year less Prior Year)*	$ Variance *(Current Year less Prior Year)*
130 Convention Development	35,032	4.5%	91,857	16.0%	-11.5%	(56,825)
150 Local Option Gas Tax	163,407	19.8%	202,093	25.2%	-5.4%	(38,686)
151 Infrastructure Surtax	6,270	0.6%	8,845	0.7%	-0.1%	(2,575)
160 Community Dev Blk Grant	60,316	42.5%	77,313	54.4%	-12.0%	(16,997)
181 Downtown Increment Fund	1,210,522	4.1%	982,737	10.1%	-6.0%	227,785
182 Southend Increment Fund	1,250,583	10.3%	1,550,137	13.0%	-2.7%	(299,554)
Total Expenditures	**$2,726,130**	**6.1%**	**$2,912,982**	**11.9%**	**-5.8%**	**($186,852)**

Current Year vs. Prior Year



Discussion

In total, Special Revenue Fund expenditures are under budget for the current year and 5.8% lower than the prior year on a percentage of budget basis.

160 Community Development Block Grant Fund expenditures will be reimbursed by grant funding.

SUMMARY BUDGET REPORT
February 28, 2023
41.4% of Year Elapsed

Exhibit 7
Summary Revenues and Expenditures

Fund Name		Budgeted Annual Revenues	Budgeted Revenues To Date	Actual Revenues To Date	Variance Favorable/(Unfavorable)
001	General Fund	26,657,072	11,027,994	18,195,939	7,167,945
130	Convention Development Tax	418,705	173,218	139,997	(33,220)
150	Local Option Gas Tax	1,154,613	477,662	593,561	115,899
151	Infrastructure Surtax	1,478,438	611,628	899,483	287,856
160	Community Dev. Blk. Grant	142,000	58,745	60,316	1,571
181	Downtown Increment Fund	8,978,030	3,714,199	9,044,012	5,329,813
182	Southend Increment Fund	2,948,523	1,219,800	5,410,492	4,190,692
410	Electric Utility	95,979,446	39,706,565	40,409,422	702,856
411	Natural Gas Utility	2,207,035	913,047	1,405,188	492,141
420	Water & Sewer Utility	15,972,798	6,607,925	7,454,483	846,559
423	Storm Water Management	1,416,541	586,021	660,803	74,782
430	Sanitation Fund	3,869,346	1,600,743	1,631,343	30,600
440	Golf Course Fund	2,838,334	1,174,215	1,300,943	126,728
460	Leased Facilities Fund	751,277	310,802	307,295	(3,508)
500	Internal Service Funds	15,749,360	6,515,489	5,643,865	(871,624)
Total Revenues		**$180,561,518**	**$74,698,053**	**$93,157,143**	**$18,459,090**

Fund Name		Budgeted Annual Expenditures	Budgeted Expenditures To Date	Actual Expenditures To Date	Variance Favorable/(Unfavorable)
001	General Fund	27,145,019	11,229,857	10,576,062	653,795
130	Convention Development Tax	784,620	324,596	35,032	289,565
150	Local Option Gas Tax	823,218	340,564	163,407	177,157
151	Infrastructure Surtax	1,104,378	456,880	6,270	450,609
160	Community Dev. Blk. Grant	142,000	58,745	60,316	(1,571)
181	Downtown Increment Fund	29,605,937	12,247,936	1,210,522	11,037,414
182	Southend Increment Fund	12,123,521	5,015,484	1,250,583	3,764,901
410	Electric Utility	102,068,931	42,225,777	34,805,125	7,420,652
411	Natural Gas Utility	2,037,749	843,014	889,414	(46,399)
420	Water & Sewer Utility	19,049,315	7,880,676	4,358,498	3,522,178
423	Storm Water Management	4,716,982	1,951,409	353,803	1,597,606
430	Sanitation Fund	4,598,841	1,902,534	1,359,535	542,999
440	Golf Course Fund	2,863,341	1,184,560	945,551	239,009
460	Leased Facilities Fund	927,353	383,645	518,989	(135,344)
500	Internal Service Funds	15,805,548	6,538,733	6,728,032	(189,299)
Total Expenditures		**$223,796,756**	**$92,584,411**	**$63,261,138**	**$29,323,273**

Fund Name		Net Income/(Loss)	Net Variance Favorable/(Unfavorable)
001	General Fund	7,619,878	7,821,741
130	Convention Development Tax	104,966	256,345
150	Local Option Gas Tax	430,154	293,057
151	Infrastructure Surtax	893,213	738,465
160	Community Dev. Blk. Grant	-	-
181	Downtown Increment Fund	7,833,490	16,367,227
182	Southend Increment Fund	4,159,909	7,955,593
410	Electric Utility	5,604,297	8,123,509
411	Natural Gas Utility	515,774	445,741
420	Water & Sewer Utility	3,095,985	4,368,736
423	Storm Water Management	307,000	1,672,388
430	Sanitation Fund	271,808	573,599
440	Golf Course Fund	355,392	365,737
460	Leased Facilities Fund	(211,695)	(138,852)
500	Internal Service Funds	(1,084,167)	(1,060,923)
Total		**$29,896,004**	**$47,782,363**

CASH AND INVESTMENTS BY TYPE

Fiscal Year to Date

February 28, 2023

Type of Investment	10/1/2022 Beginning Balance	Investment Earnings	Realized Gain/(Loss)	Unrealized Gain/(Loss)	Fees	Net Investment Income	Net Deposits (Withdrawals)	2/28/2023 Ending Balance	Weighted Net Return*
Sawgrass Asset Management	41,748,356	-	(36,755)	100,639	(42,680)	21,204	368,298	42,137,858	0.01%
Galliard Capital Management	45,506,539	528,001	(245,027)	234,389	(46,873)	470,489	7,500,000	53,477,028	0.21%
Garcia Hamilton & Associates	46,348,436	449,174	(231,342)	61,794	(46,809)	232,816	7,500,000	54,081,252	0.10%
State Pooled Investment Fund	32,420,623	557,815	-	-	-	557,815	0	32,978,437	0.23%
Florida Trust	29,312,861	469,433	-	-	-	469,433	-	29,782,294	0.19%
Florida Municipal Investment Trust 0-2 Yr HQ Bond Fund	12,599,391	121,623	-	-	-	121,623	(0)	12,721,013	0.05%
Operating Cash: Bank of America	20,569,228	221,765	-	-	(67,388)	154,377	1,113,826	21,837,430	0.06%
Petty Cash	6,725	-	-	-	-	-	-	6,725	0.00%
TOTAL CITY MANAGED INVESTMENTS AND CASH	**228,512,159**	**2,347,809**	**(513,125)**	**396,822**	**(203,750)**	**2,027,756**	**16,482,123**	**247,022,038**	**0.86%**
Pension: Salem Mutual Fund	55,463,746	1,716,024	200	5,078,552	-	6,794,776	-	62,258,522	7.20%
Pension: Sawgrass Asset Mgt	23,681,641	281,994	(411,354)	685,235	(38,965)	516,909	0	24,198,550	0.50%
Pension: Wells Capital	12,281,883	32,128	263,062	554,183	(35,973)	813,399	0	13,095,282	0.82%
Pension: JPMCB - Strategic Property Fund	6,819,791	-	-	(391,803)	-	(391,803)	0	6,427,988	-0.35%
TOTAL PENSION INVESTMENTS	**98,247,060**	**2,030,146**	**(148,092)**	**5,926,166**	**(74,938)**	**7,733,281**	**0**	**105,980,342**	**7.87%**
TOTAL CASH AND INVESTMENTS	**$326,759,219**	**$4,377,955**	**($661,217)**	**$6,322,988**	**($278,689)**	**$9,761,037**	**$16,482,123**	**$353,002,379**	

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Dennis W. Barron, Jr., Director of Public Works
DATE:	03/15/2023
SUBJECT:	Approve/Reject purchase of Stormwater Pipe for Dune Outfall Replacement to Ferguson-Jacksonville in the amount of $48,800.60.

BACKGROUND

The City of Jacksonville Beach (COJB) Public Works Department (PW) maintains the twenty-nine (29) Beach Outfalls extending pipe from the final outfall structures to the beach. COJB is currently undergoing permitting through the Florida Department of Environmental Protection (FDEP) and the Army Corps of Engineers (ACE) utilizing our engineering partners Four Waters Engineering (and Applied Technology and Management (ATM)) to meet the requirements as have been set forth in their Request for Additional Information (RAI) to complete additional stormwater evaluation to complete the permitting process. While undergoing this approval, COJB PW was made aware that under Hurricane Nicole Emergency Final Order, repairs to utilities can be made without notice to FDEP.

COJB PW secured four quotes for the required pipe and Ferguson is already a vendor in good standing to purchase this product. PW could not find any continuing contracts to allow this purchase through those channels. This pipe is available for immediate delivery. This project is of a time- critical nature due to turtle nesting season beginning May 1, 2023, the expiration of the emergency order on November 8, 2023 and the inability to utilize standard procurement methods to advertise and bid this product per our purchasing policy.

PW recommends approving the purchase of pipe in the amount of $48,800.60 from Ferguson.
Stormwater Account # 423-07-0712-536-63-56300 for $41,890.20.
CRA Account # 181-16-1601-515-63-563002 for $6,910.40.

FINANCIAL IMPACT

This project is included in the approved FY23 budget, so no budget adjustment is required.

REQUESTED ACTION

Approve/Reject purchase of Stormwater Pipe for Dune Outfall Replacement to Ferguson-Jacksonville in the amount of $48,800.60.

ATTACHMENTS

1. Pipe 3-14-23 Quote

AGENDA ITEM:	C.
MEETING DATE:	March 20, 2023

Quote 1

Manufacturer Suggested Retail Price

Project Name: Jax Beach Dune Restoration Project - Jacksonville Beach FL

Quote Prepared For:
FERGUSON-JACKSONVILLE
#0149
JACKSONVILLE, FL 32257
US
Contact: Gordon Spottswood

Quoted By:
Advanced Drainage Systems, Inc.
4640 Trueman Blvd
Hilliard, OH 43026-2438

TOTAL

USD 48,800.60

Issue Date:2/28/2023

Project Number	Quote #	Sales Rep	Sales Rep Phone Number	Sales Rep Email
341478	Q-858598 *Please include Quote # on Purchase Order*	Drew Lane	+1 4076979796	drew.lane@adspipe.com

Project City	Project State	Project County	Market Code
Jacksonville Beach	FL	DUVAL	MTCB

Notes

HP Storm

QTY	Item Number	UOM	Description	MSRP Price	MSRP Amount
460.00	12630020IBPL1	Foot	12".HP DWALL STORM.WTIB.PERF.SOCK.20'	$19.42	$8,933.20
280.00	15630020IBPL1	Foot	15".HP DWALL STORM.WTIB.PERF.SOCK.20'	$23.77	$6,655.60
540.00	18630020IBPL1	Foot	18".HP DWALL STORM.WTIB.PERF.SOCK.20'	$28.57	$15,427.80
380.00	24630020IBEP1	Foot	24".EP HP DWALL STORM.WTIB.PERF.SOCK.20'	$46.80	$17,784.00
				HP Storm TOTAL:	$48,800.600

Disclaimer: ADS is pleased to provide you with our Manufacture Suggest Retail Price quote (MSRP). This quote is good for 30 days from the date the MSRP quote was issued. MSRP does not include local, state, use tax or freight when applicable.
MSRP prices are based on the total project value. The bidder is responsible for confirming quantities. Products listed are for MSRP purposes.

Orders must be shipped within 30 days of order placement. Geotextile prices are firm for shipments within 30 days from above quotation date.
1. Freight/Drop charges will apply per the following parameters (order values listed below are not inclusive of Nyloplast, Baysaver, InsertaTee or non-stock special order products which will incur actual freight charges or fuel surcharge as appropriate):
a. All individual deliveries of $6,750 or greater value will be delivered freight prepaid.
b. All individual deliveries of $3,375-$6,749 where ADS has ample time to match up the remainder of truck will incur a $300 drop charge.
c. All deliveries less than $3,375 will incur a minimum $500 drop charge, or a common carrier LTL rate.
d. These drop charges are separate and in addition to any application fuel surcharges.

2. ADS reserves the right to re-quote when the quantities change more than 10%. Prices quoted do not include state, local or use taxes. Prices quoted are based on the total project. Specific products such as Nyloplast Drains and Catch Basins, Custom pipe or Specialty fabricated products will be offered only as an engineered system with ADS pipe. All returns are subject to a 25% restocking fee (returned items require an RMA and must be in clean, re-sellable condition). Re-sale items, made-to-order fittings, Nyloplast, non-standard geotextiles and special order items cannot be returned. The quantities listed are estimated based on our interpretations of the project quantities. The bidder is responsible for confirming quantities. Products listed are for quoting purposes. ADS does not imply that the material will be accepted on any jobsite for any specific project unless stated otherwise. Technical certifications are available upon request.

X Quote 2

Bid Proposal for JACKSONVILLE BEACH

CITY OF JACKSONVILLE BEACH
Bid Date: 03/01/2023
Core & Main 2793280

Core & Main
6854 Distribution Ave S
Jacksonville, FL 32256
Phone: 904-268-7007
Fax: 904-268-4764

Seq#	Qty	Description	Units	Price	Ext Price
		DUE TO CURRENT SUPPLY CHAIN DISRUPTIONS, MATERIALS ARE SUBJECT TO PRICING AT TIME OF SHIPMENT. MATERIAL AVAILABILITY AND TIMELINESS OF SHIPMENTS CANNOT BE GUARANTEED. THIS TERM SUPERSEDES ALL OTHER CONTRACTUAL PROVISIONS.			
10	460	12 HP DW STORM WTIB SOLID 20' DUAL WALL 12650020IBPL	FT	19.42	8,933.20
20	280	15 HP DW STORM WTIB SOLID 20' DUAL WALL 15650020IBPL	FT	23.77	6,655.60
30	540	18 HP DW STORM WTIB SOLID 20' DUAL WALL 18650020IBPL	FT	28.57	15,427.80
40	380	24 HP DW STORM WTIB SOLID 20' DUAL WALL 24650020IBPL	FT	46.80	17,784.00
				Sub Total	**48,800.60**
				Tax	0.00
				Total	**48,800.60**

UNLESS OTHERWISE SPECIFIED HEREIN, PRICES QUOTED ARE VALID IF ACCEPTED BY CUSTOMER AND PRODUCTS ARE RELEASED BY CUSTOMER FOR MANUFACTURE WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THIS QUOTATION. CORE & MAIN LP RESERVES THE RIGHT TO INCREASE PRICES TO ADDRESS FACTORS, INCLUDING BUT NOT LIMITED TO, GOVERNMENT REGULATIONS, TARIFFS, TRANSPORTATION, FUEL AND RAW MATERIAL COSTS. DELIVERY WILL COMMENCE BASED UPON MANUFACTURER LEAD TIMES. ANY MATERIAL DELIVERIES DELAYED BEYOND MANUFACTURER LEAD TIMES MAY BE SUBJECT TO PRICE INCREASES AND/OR APPLICABLE STORAGE FEES. THIS BID PROPOSAL IS CONTINGENT UPON BUYER'S ACCEPTANCE OF SELLER'S TERMS AND CONDITIONS OF SALE, AS MODIFIED FROM TIME TO TIME, WHICH CAN BE FOUND AT: https://coreandmain.com/TandC/

Bid Proposal for JACKSONVILLE BEACH

CUSTOMER

CITY OF JACKSONVILLE BEACH
JACKSONVILLE BEACH, FL 32250

Job
JACKSONVILLE BEACH
Bid Date: 03/01/2023
Bid #: 2793280

CONTACT

Sales Representative
Connor Aspinwall
(T) 904-268-7007
(F) 904-268-4764
Connor.Aspinwall@coreandmain.com

Core & Main
6854 Distribution Ave S
Jacksonville, FL 32256
(T) 904-268-7007

NOTES

Quote 3

ADS™

Manufacturer Suggested Retail Price

Project Name: Jax Beach Dune Restoration Project - Jacksonville Beach FL

Quote Prepared For:
City of Jacksonville, FL Public Works
Jacksonville, FL 32202
United States
Contact: Patrick Deighan

Quoted By:
Advanced Drainage Systems, Inc.
4640 Trueman Blvd
Hilliard, OH 43026-2438

TOTAL

USD 48,800.60

Issue Date:3/10/2023

Project Number	Quote #	Sales Rep	Sales Rep Phone Number	Sales Rep Email
341478	Q-864620 *Please include Quote # on Purchase Order*	Drew Lane	+1 4076979796	drew.lane@adspipe.com

Project City	Project State	Project County	Market Code
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b. All individual deliveries of $3,375-$6,749 where ADS has ample time to match up the remainder of truck will incur a $300 drop charge.
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* QUOTE 4

FORTILINE WATERWORKS
a MORSCO brand

Due to the continued cost and supply challenges in the DUCTILE IRON PIPE, PVC and HDPE markets, the pricing of these products will be based solely on the availability at the time of shipment. Also, given the volatility in these markets we will not be responsible for product availability and shipment delays, as they are out of our control. Bid prices should be considered an estimate, materials will only be priced at time of shipment until the current supply chain challenges are resolved. These terms are in leu of our standard terms. We appreciate your partnership.

CUSTOMER NO	QUOTING BRANCH	QUOTE NO	QUOTE DATE	PAGE
211536	FORTILINE JACKSONVILLE	6310858	3/07/23	1

CUSTOMER	PROJECT INFORMATION
CITY OF JACKSONVILLE BEACH 1460 A SHETTER AVE JACKSONVILLE, FL 32250	ADS PIPE

LINE	QTY	UOM	DESCRIPTION	UNIT PRICE	TOTAL PRICE
			****************************** GIVEN THE CURRENT PRICING AND SUPPLY CHAIN CHALLENGES ALL MATERIAL WILL BE PRICED AT TIME OF SHIPMENT AND THE PRICES BELOW ARE TO BE USED AS AN ESTIMATE FOR BID PURPOSES ONLY ******************************		
20	460	EA	12" X 20' HP PERF PIPE W/SOCK	20.5900	9,471.40
30	280	EA	15" X 20' HP PERF PIPE W/SOCK	24.9000	6,972.00
40	540	EA	18" X 20' HP PERF PIPE W/SOCK	29.5800	15,973.20
50	380	EA	24" X20' HP PERF PIPE W/SOCK	47.8600	18,186.80
			CURRENT ESTIMATED LEAD TIME APPROXIMATELY 2-4 WEEKS		
				Subtotal:	50,603.40
				Tax:	.00
				Bid Total:	50,603.40

ALL STOCK DELIVERIES ARE SUBJECT TO SHIPPING CHARGES

All PVC and HDPE material is quoted for shipment within 7 days of quote/bid date. All other material is quoted for shipment within 30 days of quote/bid date. After 7 days for PVC and HDPE or 30 days for all other material, ALL quoted prices are subject to review based on current market conditions.

Ent By VLW 3/10/23 8:40:32

BIDCNEW

* Quote 5

Pat Deighan

From:	Pat Deighan
Sent:	Friday, March 3, 2023 8:34 AM
To:	'daleredden@whitecap.net'
Cc:	Pat Deighan
Subject:	Quote for ADS HP storm Perforated Pipe with Sock

* White Cap Quote Request

NO responce

Good morning Dale, are you able to quote any of the ADS HP 12", 15", 18", 24" Dual Wall storm water perforated pipe with the sock attached in 20 foot lengths?, Quantities I am looking for

ADS HP 12", 460 feet
15", 280 feet
18", 540 feet
24" 380 feet

Thank you for you assistance..

Patrick Deighan
City of Jacksonville Beach
Public Works
Streets & D&C Deputy Superintendent
904 247-6195 Office
904 247-6219 PW office
904 813-5986 Cell

* Quote 6

Pat Deighan

JEA contract or Bid Request for ADS pipe.

* None

From: Pat Deighan
Sent: Thursday, March 2, 2023 11:21 AM
To: 'Bayouth, Edward W.'; Rouse, Nathaniel G
Cc: Schoettler, Kyle C; Pat Deighan
Subject: RE: ADS Pipe & stormwater pipe bid awards

Thank you all for checking.

From: Bayouth, Edward W.
Sent: Thursday, March 2, 2023 10:51 AM
To: Rouse, Nathaniel G ; Pat Deighan
Cc: Schoettler, Kyle C
Subject: RE: ADS Pipe & stormwater pipe bid awards

Caution: This email originated from outside the City. Do not click links or open attachments unless your recognize the sender and know the content is safe

Thanks Nathan.

Pat, it looks like we do not use the type of pipe you are looking to purchase. Please let me know if you need anything else.

Thanks and regards,

Eddie Bayouth
Senior Purchasing Agent
803-467-0723 (cell)

JEA
Building Community®

From: Rouse, Nathaniel G <rousng@jea.com>
Sent: Thursday, March 2, 2023 9:56 AM
To: Bayouth, Edward W. <bayoew@jea.com>; Schoettler, Kyle C <schokc@jea.com>
Cc: Pat Deighan <Deighan@jaxbchfl.net>
Subject: Re: ADS Pipe & stormwater pipe bid awards

Hey Eddie -

We do not use ADS pipe for any of our applications. This type of pipe is usually used in storm water infrastructure.

Nathan Rouse

Manager Sewer Operation Maintenance & Construction

Direct: (904) 665-8183

Mobile: (904) 509-9611

Sent via mobile phone...please excuse brevity and typos.

From: Bayouth, Edward W. <bayoew@jea.com>
Sent: Thursday, March 2, 2023 9:52:29 AM
To: Schoettler, Kyle C <schokc@jea.com>; Rouse, Nathaniel G <rousng@jea.com>
Cc: Pat Deighan <Deighan@jaxbchfl.net>
Subject: FW: ADS Pipe & stormwater pipe bid awards

Good morning Gentlemen

Had a quick question. Do we use ADS pipe for any of our applications? Patrick Deighan from Jacksonville Beach wanted to know if we had a contract for this type of pipe or stormwater pipe?. I think ADS refers to the manufacturer of the HDPE pipe. Any help is greatly appreciated.

Thanks and regards,

Eddie Bayouth
Senior Purchasing Agent
803-467-0723 (cell)

JEA
Building Community®

From: Pat Deighan <Deighan@jaxbchfl.net>
Sent: Thursday, March 2, 2023 9:25 AM
To: Bayouth, Edward W. <bayoew@jea.com>
Cc: Pat Deighan <Deighan@jaxbchfl.net>
Subject: ADS Pipe & stormwater pipe bid awards

[External Email - Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.]

Good morning Eddie, have a question for you, I have been using the water & waste items inventory bid/contract that you/JEA awards annually, but I was wanting to know if JEA has awarded a bid or contract for ADS pipe or any stormwater pipe inventory too by chance, we have a few jobs coming up and was trying to speed up the process to get those started. Thank you for any info and assistance you can provide.

Patrick Deighan
City of Jacksonville Beach
Public Works
Streets & D&C Deputy Superintendent
904 247-6195 Office
904 247-6219 PW office
904 813-5986 Cell

Quote 7

Pat Deighan

* City of Jax
R.O.W + Stormwater
Divisions Request For
Contract or Bids For ADS
Pipe

* NONE

From:	Smallwood, Tim <TSmall@coj.net>
Sent:	Friday, March 3, 2023 2:32 PM
To:	Schoettler, Kyle C; Rouse, Nathaniel G; Bayouth, Edward W.; Gilbert, David
Cc:	Pat Deighan
Subject:	RE: ADS Pipe & stormwater pipe bid awards

Caution: This email originated from outside the City. Do not click links or open attachments unless your recognize the sender and know the content is safe

Good afternoon,

Currently the only contracts we have in place in my division is for RCP (Reinforced concrete pipe) & CMP (corrugated metal pipe).

From: Schoettler, Kyle C
Sent: Thursday, March 2, 2023 10:00 AM
To: Rouse, Nathaniel G ; Bayouth, Edward W. ; Smallwood, Tim ; Gilbert, David
Cc: Pat Deighan
Subject: RE: ADS Pipe & stormwater pipe bid awards

EXTERNAL EMAIL: This email originated from a non-COJ email address. Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Eddie,

I have added both Tim Smallwood and David Gilbert whom are both with the COJ ROW and Stormwater maintenance teams and are familiar with the contracts and materials.

Thank you sir!

From: Rouse, Nathaniel G <rousng@jea.com>
Sent: Thursday, March 2, 2023 9:56 AM
To: Bayouth, Edward W. <bayoew@jea.com>; Schoettler, Kyle C <schokc@jea.com>
Cc: Pat Deighan <Deighan@jaxbchfl.net>
Subject: Re: ADS Pipe & stormwater pipe bid awards

Hey Eddie -

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Nathan Rouse

Manager Sewer Operation Maintenance & Construction

Direct: (904) 665-8183

Mobile: (904) 509-9611

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Subject: ADS Pipe & stormwater pipe bid awards

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Patrick Deighan
City of Jacksonville Beach
Public Works
Streets & D&C Deputy Superintendent
904 247-6195 Office
904 247-6219 PW office
904 813-5986 Cell

City of Jacksonville Beach ● 11 North Third Street ● Jacksonville Beach, FL 32250

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Karen Nelson, Deputy City Manager
DATE:	02/03/2023
SUBJECT:	Resolution 2140-2023 Amendments to the Position Classification and Pay Plan for Managerial, Professional and Administrative (Nonunion) Positions

BACKGROUND

A continuous goal of City Administration is to work with Department Directors to ensure that each department is appropriately structured, staffed, and trained to produce outcomes in alignment with the City's strategic priorities and objectives. Several internal and external factors are considered as part of a departmental structure analysis including: operational needs; best practices; succession planning; available resources; changes in the workforce; the labor market; and the local economy. Data associated with these factors is used with an analysis of the department's current workforce and structure to determine what is working and where improvements can be made.

Staff performed an analysis of positions in Administration, Planning and Development, Parks and Recreation, Beaches Energy Services, and Human Resources that looked at position title, pay grade, growth opportunity, skillset, and current job responsibilities versus the changing needs and priorities of the organization. Based on this study, staff recommends the following amendments to the Position Classification and Pay Plan:

Administration

- Add the Communications Manager to the list of positions eligible to receive an automobile allowance. This position is regularly required to drive a personal vehicle throughout the City during the course of the workday in order to perform the essential functions of the job.

Planning and Development

- Add a Permit Administrator in Pay Grade 316. This position will operate within the Building Inspection Division, performing highly technical work planning, organizing, and coordinating permit activities for the Department. Adding this position to the Pay Plan will not increase the total number of authorized positions. Current departmental employees will have the opportunity to advance to the Permit Administrator upon meeting experience and certification requirements.
- Add a Planner in Pay Grade 320. This position will operate within the Planning Division, performing entry level professional and technical work for zoning administration and planning activities. The addition of a Planner will require an increase to the total number of authorized positions and is recommended to help balance the increasing workload within the department.

Parks and Recreation

- Reclassify the Golf Shop Attendant position from Pay Grade 309 to Pay Grade 310. A one pay grade increase is recommended due to the responsibilities of the job, including customer service and handling cash receipts.
- Reclassify the Pro Shop Lead position from Pay Grade 310 to Pay Grade 312. This pay grade increase is recommended due to the responsibilities of the job, including providing oversight of pro-shop activities and performing cash reconciliation.
- Reclassify the Golf Course General Manager to Head Golf Professional. This is a change in title only to better reflect industry standards and the duties associated with the position.
- Reclassify the Golf Course Assistant General Manager in Pay Grade 316 to Senior Assistant Golf Professional in Pay Grade 318. The proposed job title is more consistent with industry standards and the pay grade better reflects the responsibilities of the job.
- Reclassify one part-time Lifeguard position to Administrative Assistant in the Ocean Rescue Division. This part-time position will provide necessary administrative support and will not increase the total number of authorized positions.

Beaches Energy Services

- Reclassify the Utilities Accountant from Pay Grade 319 to Pay Grade 320. The job description for this position has been expanded to include additional duties and a higher level of responsibility. The City's consultant, Cody and Associates, reviewed the revised job description and recommended a one pay grade increase.

Human Resources

- Add a Payroll and Benefits Technician in Pay Grade 312. This position will take the place of the Administrative Assistant in Pay Grade 312, so it will not increase the total number of authorized positions. This change is being recommended due to the increasing workload in payroll and due to the upcoming ERP implementation.

FINANCIAL IMPACT

The financial impact for the remainder of FY2023 is listed below. This includes $3,000 to purchase a computer and equipment for the new Planner position. Staff will monitor the impact of these changes and amend the budget as necessary as part of the FY2023 year end budget amendment process.

Financial Impact by Department:

Administration	1,937
Planning & Development	54,966
Parks & Recreation, Golf	11,924
Beaches Energy Services	2,501

Total: $71,328

Financial Impact by Fund:

Gen Fund	54,966
Electric	2,501
Golf	11,924
Other Funds	1,937
Total:	$71,328

REQUESTED ACTION

Adopt/Deny Resolution No. 2140-2023 amending the Position Classification and Pay Plan for Managerial, Professional and Administrative (Nonunion) Positions

ATTACHMENTS

1. Resolution No. 2140-2023
2. Resolution No. 2140-2023 Attachment A

Introduced by: ______________________
Adopted: ______________________

RESOLUTION NO. 2140-2023

A RESOLUTION OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, AMENDING ITS POSITION CLASSIFICATION AND PAY PLAN FOR MANAGERIAL, PROFESSIONAL AND ADMINISTRATIVE (NONUNION) POSITIONS; PROVIDING FOR ADOPTION OF RECITALS, ADOPTION OF THE PLAN, REPEAL OF PRIOR INCONSISTENT RESOLUTIONS, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, the City Council has adopted a Position Classification and Pay Plan for Managerial, Professional and Administrative (Nonunion) Positions, which establishes job classifications and salary ranges for each position that are competitive with similar positions in the labor market, and

WHEREAS, it periodically becomes necessary to update the Position Classification and Pay Plan to ensure positions are properly classified and compensated in accordance with skill levels, job duties, supervisory responsibility, and the relevant job market; and

WHEREAS, to reflect best practices and ensure efficient operations, amendments to the Position Classification and Pay Plan are necessary to add one new position title in Human Resources, add two new position titles in Planning and Development, reclassify three positions in Parks and Recreation, reclassify one position in Managerial, Professional and Administrative, and add one job title to the positions eligible to receive an automobile allowance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, THAT:

SECTION 1. Adoption of Recitals. The foregoing recitals are deemed true and material parts of this Resolution and are fully incorporated herein by reference.

SECTION 2. Adoption of the Amended Plan. The City of Jacksonville Beach, Florida, hereby adopts the amended Position Classification and Pay Plan attached hereto as Attachment A.

SECTION 3. Repeal of Prior Inconsistent Resolutions. All prior resolutions, or parts of resolutions, in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 4. Severability. If any section, sentence, clause, or phrase of this Resolution should be held invalid, unlawful, or unconstitutional, said determination shall not be held to impair the validity, force, or effect of any other section, sentence, phrase, or portion of this Resolution not otherwise determined to be invalid, unlawful, or unconstitutional.

SECTION 5. Effective Date. This Resolution shall become effective upon passage and adoption by City Council.

AUTHENTICATED this _____ day of March, 2023.

Christine H. Hoffman, Mayor

Sheri Gosselin, City Clerk

Approved as to form and legal sufficiency:

Sandra R. Robinson, City Attorney

Established:	October 1, 2022
Last Revised:	March 20, 2023
By City Council:	Resolution No. XXXX-2023

APPENDIX A. POSITION CLASSIFICATION AND PAY PLAN

A.12 AUTOMOBILE ALLOWANCE

A. Employees who are required to drive their personal vehicle during the regular course of City business may be eligible to receive either an automobile allowance or mileage reimbursement, as determined by the City Manager, in accordance with the City's travel policy. Employees who are issued a City vehicle are not eligible to receive an automobile allowance.

B. Employees approved for an automobile allowance will receive payment bi-weekly, in 26 equal installments per year. Eligible positions and annual amounts are as follows:

ELIGIBLE POSITION	ANNUAL AMOUNT
Executive Management	$4,800.00
City Clerk	$3,600.00
Communications Manager	$3,600.00
CRA Coordinator	$3,600.00
Electrical Engineers (All Positions)	$3,600.00
Information Services (All Positions)	$3,600.00
Property and Procurement Officer	$3,600.00
Public Works Engineers (All Positions)	$3,600.00
Regulatory Compliance Officer	$3,600.00
Assistant Property and Procurement Officer	$3,600.00

A.14 POSITION CLASSIFICATIONS

CLASSIFICATION		POSITION TITLE	GRADE
EXECUTIVE MANAGEMENT	*	Chief Financial Officer	332
	*	Chief Information Officer	335
	*	Deputy City Manager	335
	*	Director of Beaches Energy	335
	*	Director of Human Resources	330
	*	Director of Parks & Recreation	330
	*	Director of Planning & Development	330
	*	Director of Public Works	332
	*	Police Chief	332
MANAGERIAL, PROFESSIONAL & ADMINISTRATIVE	*	Accountant	320
		Accounting Technician I	316
		Accounting Technician II	317
		Accounting Technician III	318
		Administrative Assistant	312
		Assistant to the City Manager	317
		Assistant to the Police Chief	317
	*	Budget Analyst	318
	*	Budget Officer	327
	*	City Clerk	322
	*	Communications Manager	323
	*	Controller	327
	*	Customer Accounts Manager	323
		Customer Care Lead	318
		Customer Care Specialist I	312
		Customer Care Specialist II	314
	*	Customer Care Supervisor	320
		Deputy City Clerk	316
		Human Resources Generalist	318
		Legal Assistant	322
		Office Administrator	315
		Office Assistant	310
	*	Payroll and Benefits Administrator	323
	*	Payroll and Benefits Lead	318
		Payroll and Benefits Specialist	314
		Payroll and Benefits Technician	312
		Recruiter	315
	*	Senior Human Resources Generalist	320
	*	Treasury and Compliance Administrator	323
	*	Utilities Accountant	~~319~~320
	*	Utility Accounting Lead	318
	*	Utility Accounting Technician	316
	*	Utility Auditing and Conservation Lead	318

APPENDIX A

POSITION CLASSIFICATIONS

CLASSIFICATION		POSITION TITLE	GRADE
PROPERTY AND PROCUREMENT	*	Assistant Property & Procurement Officer	325
		Buyer	315
		Chief Storekeeper	314
		Facilities Maintenance Manager	320
	*	Procurement Administrator	321
		Procurement Associate	316
	*	Property and Procurement Officer	327
PLANNING AND DEVELOPMENT	*	Building Official	326
	*	CRA Coordinator	322
	*	Permit Administrator	316
	*	Planner	320
	*	Planning Official	326
	*	Senior Planner	322
INFORMATION SERVICES	*	Application Services Manager	328
	*	AS400 Systems Analyst	322
	*	GIS Administrator	324
	*	GIS Systems Analyst	323
	*	Network Engineer	324
	*	SCADA Systems Analyst	325
	*	Systems Analyst	323
	*	Systems Engineer	324
	*	Technical Support Specialist	322
	*	Technology/Security Services Manager	328
PARKS AND RECREATION	*	Assistant Golf Course Superintendent	318
	*	Chief of Parks Development and Maintenance	326
		Events Coordinator	314
		Facilities Maintenance Manager	320
		Golf Accounting Technician	314
		Golf Cart/Range Attendant	308
	*	Golf Course Superintendent	322
		Golf Shop Attendant	~~309~~310
		Golf Starter	308
		Grounds Maintenance Supervisor	320
	*	~~Golf Course General Manager~~Head Golf Professional	322
		Pro Shop Lead	~~310~~312
		Recreation Leader	310
		Recreation Supervisor	316
		~~Golf Course Assistant General Manager~~Senior Assistant Golf Professional	~~316~~318
		Tennis Court Attendant	309

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Sandra R. Robinson, City Attorney
DATE:	03/06/2023
SUBJECT:	Contract for Primary and Alternate Special Magistrate Services for Code Enforcement

BACKGROUND

The City entered into a contract with Lewis, Longman & Walker, P.A. for primary and alternate Special Magistrate services for Code Enforcement on March 2, 2020. That contract allows for annual one-year extensions to be approved by the City Council by adoption of a resolution. The City Council approved the first one-year extension on April 19, 2021 via Resolution Number 2083-2021. The City Council approved the second one-year extension on February 23, 2022 via Resolution Number 2103-2022. That extension expired on March 1, 2023.

The City is satisfied with the services being provided, and both parties wish to continue this contractual relationship. This will mark the third extension of the contract. Substantively, Lewis, Longman & Walker, P.A., requested (and the City agreed) a change to the primary Special Magistrate in Section 1, and an increase in compensation in Section 4(a)(i). Those amendments are reflected in the amended Contract attached to Resolution No. 2142-2023 as Exhibit A.

FINANCIAL IMPACT

Sufficient funds are budgeted through the remainder of FY23 to support the amendments to and extension of this contract.

REQUESTED ACTION

Adopt/Deny Resolution No. 2142-2023 amending and extending the Contract Between the City of Jacksonville Beach and Lewis, Longman & Walker, P.A., for Primary and Alternate Special Magistrate Services for Code Enforcement

ATTACHMENTS

1. Amended Contract for Special Magistrate Services (Redline)
2. Resolution No. 2142-2023
3. Exhibit A - Amended Contract for Special Magistrate Services

AGENDA ITEM: B.
MEETING DATE: March 20, 2023

DRAFT 2/27/23

CONTRACT BETWEEN THE CITY OF JACKSONVILLE BEACH AND LEWIS, LONGMAN & WALKER, P.A. FOR PRIMARY AND ALTERNATE SPECIAL MAGISTRATE SERVICES FOR CODE ENFORCEMENT

This CONTRACT is made and entered into on the ~~2ND~~ ______day of March, 2023~~0~~ **("Effective Date"),** by and between the City of Jacksonville Beach, a public body politic and municipal corporation organized and existing under the Laws of Florida, whose address is: City of Jacksonville Beach, 11 North Third Street, Jacksonville Beach, Florida, 32250 **("CITY"),** and Lewis, Longman & Walker, P.A., a Florida professional service corporation, FEIN 65-0500793, whose address is 245 Riverside Avenue, Suite 510, Jacksonville, Florida 32202 **("CONTRACTOR"),** collectively (the "Parties") who hereby agree as follows:

WITNESSETH

WHEREAS, the City Council of the CITY determined there exists the need for Primary and Alternate Special Magistrate Services for Code Enforcement in the City of Jacksonville Beach (hereinafter collectively "Special Magistrate Services"); and

WHEREAS, the CITY has designated a regular schedule of the fourth Wednesday at 2:00 p.m., each month, to conduct Special Magistrate hearings in City Council Chambers, which the CITY is determined to maintain for the benefit of the public and City departments; and

WHEREAS, the City Council and the City Attorney determined that the best arrangement for provision of the Special Magistrate Services would be to have a single law firm with multiple qualified attorneys to provide Primary and Alternate Special Magistrate Services for the regular scheduled hearings and any special scheduled hearings; and

WHEREAS, the CONTRACTOR submitted a proposal to the CITY for provision of Primary and Alternate Special Magistrate Services for Code Enforcement; and

WHEREAS, the City Council selects the CONTRACTOR to provide the CITY with Special Magistrate Services; and

NOW THEREFORE, in consideration of the mutual benefits to the CITY and CONTRACTOR, the following covenants and contracts are set forth to which the Parties agree as follows:

SECTION 1 . SCOPE OF WORK.

The Parties agree the CONTRACTOR will provide Primary and Alternate/Backup Special Magistrate Services to the CITY in accordance with the City of Jacksonville Beach Code of Ordinances, Chapter 2, Article VI, and Chapter 162, Florida Statutes. CONTRACTOR agrees that Wayne E. Flowers, Esq., will serve as Primary Special Magistrate for Code Enforcement for the CITY through December 31, 2023 and beginning on January 1, 2024 to the conclusion of the term of this Contract, Brenna Malouf Durden will serve as Primary Special Magistrate for Code Enforcement for the City and that during the ~~term of this Contract~~ applicable times periods Wayne E. Flowers and Brenna Malouf Durden will not serve as a Special Magistrate for another city or hold another "office" that would violate the dual office holding prohibition contained in Article II, section 5(a) of the Florida Constitution. The CONTRACTOR will also provide several qualified Florida licensed attorneys to serve as alternate Special Magistrate in the event that the Primary Special Magistrate is unable to attend any hearing. The Parties' intention is that there will always be a qualified Special Magistrate to attend regular scheduled hearings on the fourth Wednesday at 2:00 p.m., each month, and any special scheduled hearings. The Special Magistrate may rely on the City Clerk's office to provide notice of hearings and to assist with coordination and planning of hearings.

SECTION 2. TERM.

The term of this Contract shall become effective on the Effective Date stated above and continue for one (1) year. The term may be extended annually upon written approval by both Parties and a Resolution of the City Council, provided each term extension may not exceed one (1) year.

SECTION 3. STANDARD OF CARE.

a The CONTRACTOR has represented to the CITY that it possesses a level of knowledge, experience, and expertise that is commensurate with firms in the areas of practice required for the services to be provided. By executing this Contract, the CONTRACTOR agrees that the CONTRACTOR will exercise that degree of care, knowledge, skill and the ability as any other similarly situated contractor possessing the degree of skill, knowledge, experience, and expertise within the local area, working on similar activities. The CONTRACTOR shall perform the services requested in an efficient manner, consistent with the CITY's stated Scope of Services and industry standards.

b. The CONTRACTOR covenants and agrees that it and its employees, agents, subcontractors, representatives, volunteers, and the like, shall be bound by the same standards of conduct as stated above.

SECTION 4. COMPENSATION.

a. The CONTRACTOR agrees, for the consideration herein, to the following compensation:

(i) The professional Special Magistrate Services fee shall be based on the number of hearings conducted/presided over by CONTRACTOR. If two (2) or fewer hearings are held in a month, hearings will be billed at ~~Five Hundred~~ One Thousand Dollars ($~~5~~1,000.00) each. If more than two hearings are held in a month, but less than six, the total fee will be Two Thousand Five Hundred Dollars $2,5~~0~~00 for the month. If more than five hearings are held in a month, in addition to the $2,5~~0~~00 fee, any hearing above five (5) will be billed at Five Hundred Dollars ($500.00) each.

(ii) CONTRACTOR and CITY agree that in ~~September, 2020~~ March, 2024, the City Manager and CONTRACTOR shall review this compensation for fairness to the City and Contractor.

b. Compensation for services completed by the CONTRACTOR will be paid in accordance with Florida's Prompt Payment Act, Section 218.70, et seq., Florida Statutes.

c. Services to be performed in accordance with this Contract are subject to the annual appropriation of funds by the CITY. In the event sufficient budgeted funds are not available for a new fiscal period, the CITY will notify the CONTRACTOR of such occurrence and this Contract will terminate on the last day of the current fiscal period without penalty or expense to the CITY. In its sole discretion, the CITY reserves the right to forgo use of the CONTRACTOR for any project which may fall within the Scope of Services listed in this Contract. In the event the CITY is not satisfied with the services provided by the CONTRACTOR, the CITY will hold any amounts due until such time as the CONTRACTOR has appropriately addressed the problem.

d. The CONTRACTOR shall submit invoices once a month, in the month following code enforcement hearings held by the Special Magistrate, to the City of Jacksonville Beach for services performed, including the expenses or other charges accounted for under this Contract during the month immediately preceding said invoice. The CONTRACTOR will pay all sales, employment, and other applicable taxes that arise or may arise from the services performed under this Contract.

SECTION 5. TERMINATION AND FORCE MAJEURE.

a. Termination. The CONTRACTOR shall serve at the pleasure of the City Council and may be removed from service at any time with or without cause upon resolution approved by a majority vote of the City Council present and voting. Such termination shall be effective upon thirty (30) days' written notice to CONTRACTOR. The CONTRACTOR may terminate this Contract with or without cause upon sixty (60) days' written notice to the CITY. In the event the Contract is terminated by the CONTRACTOR or is terminated by the CITY for reasons unrelated to the quality of work provided by the CONTRACTOR, the CITY shall pay the CONTRACTOR in full for all work actually performed prior to the date of termination. This payment shall be the sole financial obligation or responsibility of the CITY for compensation under this Contract in the event of termination. Upon termination of this Contract, however terminated, the CONTRACTOR shall turn over to the CITY all work product completed, or partially completed, up to the date of termination. The CITY will have full right to use such work product in any manner, in the sole discretion of the CITY.

b. Force Majeure. Neither Party to this Contract will be liable for its failure to perform under the Contract due to any circumstances beyond its reasonable control such as act of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The CONTRACTOR or CITY may suspend its performance under this Contract as a result of Force Majeure without being in default of the Contract, but upon removal of such Force Majeure the CONTRACTOR or CITY will resume its performance as soon as reasonably possible.

SECTION 6. INSURANCE.

The CONTRACTOR shall maintain such insurance as specified in Exhibit A (Insurance Requirements) to protect the CITY from any or all claims for property damage, personal injury, and bodily injury including death, which may arise from operations under this CONTRACT. Certificates of such insurance shall be provided to the CITY within fifteen (15) days of execution of this Contract and shall also be subject to its approval for adequacy of protection. The CITY shall be named as an additional insured under all policies, except CONTRACTOR's malpractice insurance.

SECTION 7. APPLICABLE LAW, VENUE, JURY TRIAL.

The laws of the State of Florida shall govern all aspects of this Contract. In the event it is necessary for either party to initiate legal action regarding this Contract, venue will lie in Duval County, Florida. The Parties hereby waive their right to trial by jury in any action, proceeding or claim, arising out of this Contract, which may be brought by either of the Parties.

SECTION 8. INDEPENDENT CONTRACTOR.

This Contract does not create an employee/employer relationship between the Parties. It is the Parties' intention that the CONTRACTOR, its employees, subcontractors, representatives, volunteers, and the like, will be an independent contractor and not an employee of the CITY for all purposes, including, but not limited to, the application of the following, as amended: the Fair Labor Standards Act minimum wage and overtime payments, the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the State of Florida revenue and taxation laws, the State of Florida workers' compensation laws, the State of Florida unemployment insurance laws, and the Florida Retirement System benefits. The CONTRACTOR will retain sole and absolute discretion in the judgment on the manner and means of carrying out the CONTRACTOR's activities and responsibilities under this Contract.

SECTION 9. APPLICABLE LICENSING.

The CONTRACTOR, at its sole expense, shall obtain all required federal, state, and local licenses, occupational and otherwise, required to successfully provide the services set forth herein.

SECTION 10. COMPLIANCE WITH ALL LAWS.

The CONTRACTOR, at its sole expense, shall comply with all laws, ordinances, judicial decisions, orders, and regulations of federal, state, county, and CITY, as well as their respective departments, commissions, boards, and officers, which are in effect at the time of execution of this Contract or are adopted at any time following the execution of this Contract.

SECTION 11. INDEMNIFICATION.

The CONTRACTOR agrees to be liable for any and all damages, losses, and expenses incurred, by the CITY, caused by the negligent acts and/or omissions of the CONTRACTOR, or any of its employees, agents, subcontractors, representatives, volunteers, or the like. The CONTRACTOR agrees to indemnify, defend and hold the CITY harmless for any and all claims, suits, judgments, or damages, losses and expenses, including but not limited to, court costs, expert witnesses, consultation services and attorney's fees, arising from any and all negligent acts and/or omissions of the CONTRACTOR, or any of its employees, agents, subcontractors, representatives, volunteers, or the like. Indemnification, defense, and hold harmless actions shall not be limited by any insurance amounts required in this Contract. This provision shall survive termination of this Contract.

SECTION 12. SOVEREIGN IMMUNITY.

The CITY expressly retains all rights, benefits and immunities of sovereign immunity in accordance with Section 768.28, Florida Statutes. Notwithstanding anything set forth in any section, article or paragraph of this Contract to the contrary, which may have been adopted by the Florida Legislature or may be adopted by the Florida Legislature, the cap on the amount and liability of the CITY for damages, attorney's fees and costs, regardless of the number or nature of claims in tort, equity or contract, must not exceed the dollar amount set by the Florida Legislature for tort. Nothing in this Contract shall inure to the benefit of any third party for the purpose of allowing any claim against the CITY which would otherwise be barred under the doctrine of sovereign immunity or operation of law.

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This Contract shall be binding upon and inure to the benefit of the Parties hereto, their heirs, personal representatives, successors, and/or assigns.

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This Contract is assignable by the CONTRACTOR only with express written consent of CITY.

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All clauses found herein shall act independently of each other. If a clause is found to be illegal or unenforceable, it will have no effect on any other provision of this Contract. It is understood by the Parties that if any part, term, or provision of this Contract is by the courts held to be illegal or in conflict with any law of the State of Florida, or the United States, the validity of the remaining portions or provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Contract did not contain the particular part, term, or provision held to be invalid.

SECTION 17. WAIVER.

Failure of the Parties to insist upon strict performance of any of the covenants, terms, provisions, or conditions, of this Contract, or to exercise any right or option contained in this Contract will not be construed as a waiver or a relinquishment for the future of any such covenant, term, provision, condition, or right of election, which will continue to remain in full force and effect.

SECTION 18. MODIFICATION.

The covenants, terms, and provisions of this Contract may be modified by way of a written instrument, mutually accepted by the Parties hereto, pursuant to approval by the City Council. In the event of a conflict between the covenants, terms, and/or provisions of this Contract and any written amendment(s), the provisions of the latest executed instrument shall take precedence.

SECTION 19. HEADINGS.

All headings of the sections, exhibits, and attachments contained in this Contract are for the purpose of convenience only and do not expand, limit or change the provisions contained in such sections, exhibits, and attachments.

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This Contract results from joint negotiation and authorship. No part of this Contract will be construed as the product of any one of the Parties hereto.

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The CONTRACTOR is an Equal Opportunity Employer and will comply with all equal opportunity employment laws. The CONTRACTOR will further ensure that all subcontractors it utilizes in providing the services required hereunder will comply with all equal opportunity employment laws.

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The CONTRACTOR agrees to comply with the Florida Public Records Act, as applicable, including, but not limited to Section 119.0701 of the Florida Statutes. Documents which are considered public records herein under Florida law may include, but are not limited to: records related to the entry, management and implementation of this Contract itself; emails/correspondence between the CITY and the CONTRACTOR related to this Contract; emails or correspondence from all other entities related to this Contract (i.e., subcontractors, suppliers, vendors, etc.); billing and related documents; plans or other documents that may be necessary, reports, etc.; subcontracts; and all vendor invoices. The CONTRACTOR agrees, to the extent required by law, to:

a. Keep and maintain public records that ordinarily and necessarily would be required by the public agency in performing the services of the Contract;

b. Provide the public with access to the public records under the same terms and conditions that the CITY would provide the records and at a cost that does not exceed the cost provided for by law;

c. Ensure that the public records that are exempt or confidential, and exempt from public record disclosure requirements, are not disclosed, except as authorized by law; and

d. Meet all requirements for public records and transfer, at no cost, to the CITY, all public records in possession of the CONTRACTOR, upon termination or completion of the Contract and destroy any duplicate public records that are exempt or confidential, or exempt from public record disclosure requirements.

Furthermore, the CONTRACTOR agrees that all records stored electronically shall be provided to the CITY in a format that is compatible with the information technology systems of the CITY. The CONTRACTOR shall promptly provide the CITY with a copy of any request to inspect or copy public records that the CONTRACTOR receives and a copy of the CONTRACTOR' s response to each request. The CONTRACTOR understands and agrees that failure to provide access to the public records shall be a material breach of this Contract and grounds for termination.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (904) 247- 6268, ~~LAURIE SCOTT~~ SHERI GOSSELIN at ~~lscott@jaxbchfl.net~~ sgosselin@jaxbchfl.net, AND CITY HALL, 11 NORTH THIRD STREET, JACKSONVILLE BEACH, FL 32250.

THE CONTRACTOR ACKNOWLEDGES THAT THE CITY OF JACKSONVILLE BEACH CANNOT AND WILL NOT PROVIDE LEGAL OR BUSINESS ADVICE TO THE CONTRACTOR WITH RESPECT TO ITS OBLIGATIONS PURSUANT TO THIS SECTION RELATED TO PUBLIC RECORDS. THE CONTRACTOR ACKNOWLEDGES THAT IT WILL NOT RELY ON THE CITY OF JACKSONVILLE BEACH OR ITS CITY ATTORNEY TO PROVIDE SUCH BUSINESS OR LEGAL ADVICE AND THAT CONTRACTOR HAS BEEN ADVISED TO SEEK PROFESSIONAL ADVICE WITH REGARD TO PUBLIC RECORDS MATTERS ADDRESSED BY THIS CONTRACT.

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All notices required to be given to the CITY shall be made to the CITY at:

City of Jacksonville Beach
Attention: City Manager
11 North Third Street
Jacksonville Beach, FL 32250
Phone: (904) 247-6268
Email: mstaffopoulos@jaxbchfl.net

With a copy to:

City Clerk
City of Jacksonville Beach 11 North Third Street
Jacksonville Beach, FL 32250
Phone: (904) 247-6268
Email: ~~lscott~~sgosselin@jaxbchfl.net

Or to such other address or facsimile number as the CITY may direct from time to time by written notice forwarded to the CONTRACTOR as provided above.

All notices required to be given to CONTRACTOR hereunder shall be sent to CONTRACTOR at:

Lewis, Longman & Walker, P.A.
Attention: Wayne E. Flowers, Esq. and Brenna Malouf Durden, Esq.
245 Riverside Avenue, Suite 510
Jacksonville, FL 32202
Phone: (904) 353-6410
Fax: (904) 353-7619
Email: wflowers@llw-law.com and bdurden@llw-law.com

or to such address as the CONTRACTOR may direct from time to time by written notice forwarded to the CITY as provided above. E-mail transmittal of notices are considered delivered as of the date of electronic transmission. Both Parties will supplement emailed notices with a formal version of the notice as outlined above.

SECTION 24. MISCELLANEOUS.

1. CONTRACTOR has been made aware of the Florida Public Entity Crimes Act, § 287.133, Florida Statutes, and the CITY' s requirement that the CONTRACTOR has complied with it in all respects prior to and will comply with it in all respects during the term of this Contract.

2. CONTRACTOR and any Subcontractors understand and will comply with Section 20.055(5) of the Florida Statutes and thereby agree to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to said Section.

3. The Parties represent and warrant that they have entered into this Contract relying wholly upon their own judgment, belief and knowledge of the nature, extent, effect and duration of any actions, damages and liability therefore. The Parties represent that they enter into this Contract without relying upon any statement or representation of the other party other than what has been set forth in writing in this Contract. The Parties represent that they have had the opportunity to discuss this matter with counsel of their choosing and are satisfied with its counsel and the advice received. The Parties understand this Contract's contents and agree that this Contract will not be construed more strongly against any party hereto, regardless of who is responsible for its preparation or drafting. The Parties further declare and represent that no promise, inducement, agreement or understanding not expressed in this Contract has been made to an adverse party and that the terms of this Contract are contractual and not a mere recital.

4. All words used herein in the singular shall extend to and include the plural, and the use of any gender shall extend to and include all genders. The term "including" is not limiting.

5. This Contract shall be executed by the respective duly authorized officials, and shall take effect as of the day and year first above written.

IN WITNESS WHEREOF, the City and Contractor have signed this Contract.

CITY OF JACKSONVILLE BEACH

By: ______________________________
~~William C. Latham~~Christine Hoffman, Mayor

Date: ____________________________

Attest: ____________________
~~Laurie Scott~~Sheri Gosselin
City Clerk

By: ______________________________
Mike Staffopoulos
City Manager
Date: ____________________________

Approved as to form:

By: _______________________
~~Chris Ambrosio~~Sandra Robinson
City Attorney

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of March, 2023, by ________________________ (name of person acknowledging), who is personally known to me or who has produced ________________________ (type of identification) as identification.

NOTARY PUBLIC:
Sign: ___________________________
Print: ___________________________
My Commission expires:

LEWIS, LONGMAN & WALKER, P.A.

By: ______________________________
Print: ______________________
Shareholder
Date: _____________________________

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of March, 2023, by ___________________________ (name of person acknowledging), who is personally known to me or who has produced ___________________________ (type of identification) as identification.

NOTARY PUBLIC:
Sign: _____________________________
Print: _____________________________
My Commission expires:

Introduced by: ___________________________
Adopted:________________________________

RESOLUTION NO. 2142-2023

A RESOLUTION OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, AMENDING AND EXTENDING THE CONTRACT BETWEEN THE CITY OF JACKSONVILLE BEACH AND LEWIS, LONGMAN & WALKER, P.A., FOR PRIMARY AND ALTERNATE SPECIAL MAGISTRATE SERVICES FOR CODE ENFORCEMENT; PROVIDING FOR ADOPTION OF RECITALS, REPEAL OF PRIOR INCONSISTENT RESOLUTIONS AND COUNCIL DECISIONS, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, upon approval by the City Council, on March 2, 2020, the City of Jacksonville Beach ("City") and the law firm of Lewis, Longman & Walker, P.A., entered into a Contract for Primary and Alternate Special Magistrate Services for Code Enforcement (the "Contract"); and

WHEREAS, Section 2 of the Contract provides that the term of the Contract is effective as of the Effective Date (March 2, 2020) and shall continue for one year, and that the term may be extended annually upon a resolution of the City Council provided each term extension may not exceed one year; and

WHEREAS, the City Council approved the first one-year extension of the Contract on April 19, 2021 via Resolution No. 2083-2021 with no amendments to the Contract; and

WHEREAS, the City Council approved the second one-year extension of the Contract on February 23, 2022 via Resolution No. 2103-2022 with no amendments to the Contract; and

WHEREAS, the City and Lewis, Longman & Walker, P.A., agree that it is mutually beneficial to extend the Contract *as amended* for an additional one year term; and

WHEREAS, the City Council hereby finds that this resolution serves a legitimate government purpose, it is a permissible exercise of the City's powers and authority, and benefits the public health, safety, and welfare of the citizens, residents, and guests of the City of Jacksonville Beach.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, THAT:

SECTION 1. Adoption of Recitals. The foregoing recitals are deemed true and material parts of this resolution and are fully incorporated herein by reference.

SECTION 2. Amendments to and Extension of Contract for Primary and Alternate Special Magistrate Services for Code Enforcement. The amended Contract Between the City of Jacksonville Beach and Lewis, Longman & Walker, P.A., for Primary and Alternate Special Magistrate Services for Code Enforcement attached hereto as Exhibit A extending the contract for a one year term, providing for a change to the primary Special Magistrate, and an increase in compensation is hereby approved.

SECTION 3. Repeal of Prior Inconsistent Resolutions and Council Decisions. All prior resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 4. Severability. If any section, sentence, clause, or phrase of this resolution should be held invalid, unlawful, or unconstitutional, said determination shall not be held to invalidate or impair the validity, force, or effect of any other section, sentence, phrase, or portion of this resolution not otherwise determined to be invalid, unlawful, or unconstitutional.

SECTION 5. Effective Date. This resolution shall become effective immediately upon passage and adoption by City Council.

AUTHENTICATED this _____ day of ___________, 2023.

____
Christine H. Hoffman, Mayor

____
Sheri Gosselin, City Clerk

Approved as to form and content:

____
Sandra R. Robinson, City Attorney

CONTRACT BETWEEN THE CITY OF JACKSONVILLE BEACH AND LEWIS, LONGMAN & WALKER, P.A. FOR PRIMARY AND ALTERNATE SPECIAL MAGISTRATE SERVICES FOR CODE ENFORCEMENT

This CONTRACT is made and entered into on the _____ day of March, 2023 **("Effective Date"),** by and between the City of Jacksonville Beach, a public body politic and municipal corporation organized and existing under the Laws of Florida, whose address is: City of Jacksonville Beach, 11 North Third Street, Jacksonville Beach, Florida, 32250 **("CITY"),** and Lewis, Longman & Walker, P.A., a Florida professional service corporation, FEIN 65-0500793, whose address is 245 Riverside Avenue, Suite 510, Jacksonville, Florida 32202 **("CONTRACTOR"),** collectively (the "Parties") who hereby agree as follows:

WITNESSETH

WHEREAS, the City Council of the CITY determined there exists the need for Primary and Alternate Special Magistrate Services for Code Enforcement in the City of Jacksonville Beach (hereinafter collectively "Special Magistrate Services"); and

WHEREAS, the CITY has designated a regular schedule of the fourth Wednesday at 2:00 p.m., each month, to conduct Special Magistrate hearings in City Council Chambers, which the CITY is determined to maintain for the benefit of the public and City departments; and

WHEREAS, the City Council and the City Attorney determined that the best arrangement for provision of the Special Magistrate Services would be to have a single law firm with multiple qualified attorneys to provide Primary and Alternate Special Magistrate Services for the regular scheduled hearings and any special scheduled hearings; and

WHEREAS, the CONTRACTOR submitted a proposal to the CITY for provision of Primary and Alternate Special Magistrate Services for Code Enforcement; and

WHEREAS, the City Council selects the CONTRACTOR to provide the CITY with Special Magistrate Services; and

NOW THEREFORE, in consideration of the mutual benefits to the CITY and CONTRACTOR, the following covenants and contracts are set forth to which the Parties agree as follows:

SECTION 1 . SCOPE OF WORK.

The Parties agree the CONTRACTOR will provide Primary and Alternate/Backup Special Magistrate Services to the CITY in accordance with the City of Jacksonville Beach Code of Ordinances, Chapter 2, Article VI, and Chapter 162, Florida Statutes. CONTRACTOR agrees that Wayne E. Flowers, Esq., will serve as Primary Special Magistrate for Code Enforcement for the CITY through December 31, 2023 and beginning on January 1, 2024 to the conclusion of the term of this Contract, Brenna Malouf Durden will serve as Primary Special Magistrate for Code Enforcement for the City and that during the applicable times periods Wayne E. Flowers and Brenna Malouf Durden will not serve as a Special Magistrate for another city or hold another "office" that would violate the dual office holding prohibition contained in Article II, section 5(a) of the Florida Constitution. The CONTRACTOR will also provide several qualified Florida licensed attorneys to serve as alternate Special Magistrate in the event that the Primary Special Magistrate is unable to attend any hearing. The Parties' intention is that there will always be a qualified Special Magistrate to attend regular scheduled hearings on the fourth Wednesday at 2:00 p.m., each month, and any special scheduled hearings. The Special Magistrate may rely on the City Clerk's office to provide notice of hearings and to assist with coordination and planning of hearings.

SECTION 2. TERM.

The term of this Contract shall become effective on the Effective Date stated above and continue for one (1) year. The term may be extended annually upon written approval by both Parties and a Resolution of the City Council, provided each term extension may not exceed one (1) year.

SECTION 3. STANDARD OF CARE.

a The CONTRACTOR has represented to the CITY that it possesses a level of knowledge, experience, and expertise that is commensurate with firms in the areas of practice required for the services to be provided. By executing this Contract, the CONTRACTOR agrees that the CONTRACTOR will exercise that degree of care, knowledge, skill and the ability as any other similarly situated contractor possessing the degree of skill, knowledge, experience, and expertise within the local area, working on similar activities. The CONTRACTOR shall perform the services requested in an efficient manner, consistent with the CITY's stated Scope of Services and industry standards.

b. The CONTRACTOR covenants and agrees that it and its employees, agents, subcontractors, representatives, volunteers, and the like, shall be bound by the same standards of conduct as stated above.

SECTION 4. COMPENSATION.

a. The CONTRACTOR agrees, for the consideration herein, to the following compensation:

(i) The professional Special Magistrate Services fee shall be based on the number of hearings conducted/presided over by CONTRACTOR. If two (2) or fewer hearings are held in a month, hearings will be billed at One Thousand Dollars ($1,000.00) each. If more than two hearings are held in a month, but less than six, the total fee will be Two Thousand Five Hundred Dollars $2,500 for the month. If more than five hearings are held in a month, in addition to the $2,500 fee, any hearing above five (5) will be billed at Five Hundred Dollars ($500.00) each.

(ii) CONTRACTOR and CITY agree that in March, 2024, the City Manager and CONTRACTOR shall review this compensation for fairness to the City and Contractor.

b. Compensation for services completed by the CONTRACTOR will be paid in accordance with Florida's Prompt Payment Act, Section 218.70, et seq., Florida Statutes.

c. Services to be performed in accordance with this Contract are subject to the annual appropriation of funds by the CITY. In the event sufficient budgeted funds are not available for a new fiscal period, the CITY will notify the CONTRACTOR of such occurrence and this Contract will terminate on the last day of the current fiscal period without penalty or expense to the CITY. In its sole discretion, the CITY reserves the right to forgo use of the CONTRACTOR for any project which may fall within the Scope of Services listed in this Contract. In the event the CITY is not satisfied with the services provided by the CONTRACTOR, the CITY will hold any amounts due until such time as the CONTRACTOR has appropriately addressed the problem.

d. The CONTRACTOR shall submit invoices once a month, in the month following code enforcement hearings held by the Special Magistrate, to the City of Jacksonville Beach for services performed, including the expenses or other charges accounted for under this Contract during the month immediately preceding said invoice. The CONTRACTOR will pay all sales, employment, and other applicable taxes that arise or may arise from the services performed under this Contract.

SECTION 5. TERMINATION AND FORCE MAJEURE.

a. Termination. The CONTRACTOR shall serve at the pleasure of the City Council and may be removed from service at any time with or without cause upon resolution approved by a majority vote of the City Council present and voting. Such termination shall be effective upon thirty (30) days' written notice to CONTRACTOR. The CONTRACTOR may terminate this Contract with or without cause upon sixty (60) days' written notice to the CITY. In the event the Contract is terminated by the CONTRACTOR or is terminated by the CITY for reasons unrelated to the quality of work provided by the CONTRACTOR, the CITY shall pay the CONTRACTOR in full for all work actually performed prior to the date of termination. This payment shall be the sole financial obligation or responsibility of the CITY for compensation under this Contract in the event of termination. Upon termination of this Contract, however terminated, the CONTRACTOR shall turn over to the CITY all work product completed, or partially completed, up to the date of termination. The CITY will have full right to use such work product in any manner, in the sole discretion of the CITY.

b. Force Majeure. Neither Party to this Contract will be liable for its failure to perform under the Contract due to any circumstances beyond its reasonable control such as act of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The CONTRACTOR or CITY may suspend its performance under this Contract as a result of Force Majeure without being in default of the Contract, but upon removal of such Force Majeure the CONTRACTOR or CITY will resume its performance as soon as reasonably possible.

SECTION 6. INSURANCE.

The CONTRACTOR shall maintain such insurance as specified in Exhibit A (Insurance Requirements) to protect the CITY from any or all claims for property damage, personal injury, and bodily injury including death, which may arise from operations under this CONTRACT. Certificates of such insurance shall be provided to the CITY within fifteen (15) days of execution of this Contract and shall also be subject to its approval for adequacy of protection. The CITY shall be named as an additional insured under all policies, except CONTRACTOR's malpractice insurance.

SECTION 7. APPLICABLE LAW, VENUE, JURY TRIAL.

The laws of the State of Florida shall govern all aspects of this Contract. In the event it is necessary for either party to initiate legal action regarding this Contract, venue will lie in Duval County, Florida. The Parties hereby waive their right to trial by jury in any action, proceeding or claim, arising out of this Contract, which may be brought by either of the Parties.

SECTION 8. INDEPENDENT CONTRACTOR.

This Contract does not create an employee/employer relationship between the Parties. It is the Parties' intention that the CONTRACTOR, its employees, subcontractors, representatives, volunteers, and the like, will be an independent contractor and not an employee of the CITY for all purposes, including, but not limited to, the application of the following, as amended: the Fair Labor Standards Act minimum wage and overtime payments, the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the State of Florida revenue and taxation laws, the State of Florida workers' compensation laws, the State of Florida unemployment insurance laws, and the Florida Retirement System benefits. The CONTRACTOR will retain sole and absolute discretion in the judgment on the manner and means of carrying out the CONTRACTOR's activities and responsibilities under this Contract.

SECTION 9. APPLICABLE LICENSING.

The CONTRACTOR, at its sole expense, shall obtain all required federal, state, and local licenses, occupational and otherwise, required to successfully provide the services set forth herein.

SECTION 10. COMPLIANCE WITH ALL LAWS.

The CONTRACTOR, at its sole expense, shall comply with all laws, ordinances, judicial decisions, orders, and regulations of federal, state, county, and CITY, as well as their respective departments, commissions, boards, and officers, which are in effect at the time of execution of this Contract or are adopted at any time following the execution of this Contract.

SECTION 11. INDEMNIFICATION.

The CONTRACTOR agrees to be liable for any and all damages, losses, and expenses incurred, by the CITY, caused by the negligent acts and/or omissions of the CONTRACTOR, or any of its employees, agents, subcontractors, representatives, volunteers, or the like. The CONTRACTOR agrees to indemnify, defend and hold the CITY harmless for any and all claims, suits, judgments, or damages, losses and expenses, including but not limited to, court costs, expert witnesses, consultation services and attorney's fees, arising from any and all negligent acts and/or omissions of the CONTRACTOR, or any of its employees, agents, subcontractors, representatives, volunteers, or the like. Indemnification, defense, and hold harmless actions shall not be limited by any insurance amounts required in this Contract. This provision shall survive termination of this Contract.

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c. Ensure that the public records that are exempt or confidential, and exempt from public record disclosure requirements, are not disclosed, except as authorized by law; and

d. Meet all requirements for public records and transfer, at no cost, to the CITY, all public records in possession of the CONTRACTOR, upon termination or completion of the Contract and destroy any duplicate public records that are exempt or confidential, or exempt from public record disclosure requirements.

Furthermore, the CONTRACTOR agrees that all records stored electronically shall be provided to the CITY in a format that is compatible with the information technology systems of the CITY. The CONTRACTOR shall promptly provide the CITY with a copy of any request to inspect or copy public records that the CONTRACTOR receives and a copy of the CONTRACTOR' s response to each request. The CONTRACTOR understands and agrees that failure to provide access to the public records shall be a material breach of this Contract and grounds for termination.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (904) 247- 6268, SHERI GOSSELIN at sgosselin@jaxbchfl.net, AND CITY HALL, 11 NORTH THIRD STREET, JACKSONVILLE BEACH, FL 32250.

THE CONTRACTOR ACKNOWLEDGES THAT THE CITY OF JACKSONVILLE BEACH CANNOT AND WILL NOT PROVIDE LEGAL OR BUSINESS ADVICE TO THE CONTRACTOR WITH RESPECT TO ITS OBLIGATIONS PURSUANT TO THIS SECTION RELATED TO PUBLIC RECORDS. THE CONTRACTOR ACKNOWLEDGES THAT IT WILL NOT RELY ON THE CITY OF JACKSONVILLE BEACH OR ITS CITY ATTORNEY TO PROVIDE SUCH BUSINESS OR LEGAL ADVICE AND THAT CONTRACTOR HAS BEEN ADVISED TO SEEK PROFESSIONAL ADVICE WITH REGARD TO PUBLIC RECORDS MATTERS ADDRESSED BY THIS CONTRACT.

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Attention: City Manager
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Email: mstaffopoulos@jaxbchfl.net

With a copy to:

City Clerk
City of Jacksonville Beach 11 North Third Street
Jacksonville Beach, FL 32250
Phone: (904) 247-6268
Email: sgosselin@jaxbchfl.net

Or to such other address or facsimile number as the CITY may direct from time to time by written notice forwarded to the CONTRACTOR as provided above.

All notices required to be given to CONTRACTOR hereunder shall be sent to CONTRACTOR at:

Lewis, Longman & Walker, P.A.
Attention: Wayne E. Flowers, Esq. and Brenna Malouf Durden, Esq.
245 Riverside Avenue, Suite 510
Jacksonville, FL 32202
Phone: (904) 353-6410
Fax: (904) 353-7619
Email: wflowers@llw-law.com and bdurden@llw-law.com

or to such address as the CONTRACTOR may direct from time to time by written notice forwarded to the CITY as provided above. E-mail transmittal of notices are considered delivered as of the date of electronic transmission. Both Parties will supplement emailed notices with a formal version of the notice as outlined above.

SECTION 24. MISCELLANEOUS.

1. CONTRACTOR has been made aware of the Florida Public Entity Crimes Act, § 287.133, Florida Statutes, and the CITY' s requirement that the CONTRACTOR has complied with it in all respects prior to and will comply with it in all respects during the term of this Contract.

2. CONTRACTOR and any Subcontractors understand and will comply with Section 20.055(5) of the Florida Statutes and thereby agree to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to said Section.

3. The Parties represent and warrant that they have entered into this Contract relying wholly upon their own judgment, belief and knowledge of the nature, extent, effect and duration of any actions, damages and liability therefore. The Parties represent that they enter into this Contract without relying upon any statement or representation of the other party other than what has been set forth in writing in this Contract. The Parties represent that they have had the opportunity to discuss this matter with counsel of their choosing and are satisfied with its counsel and the advice received. The Parties understand this Contract's contents and agree that this Contract will not be construed more strongly against any party hereto, regardless of who is responsible for its preparation or drafting. The Parties further declare and represent that no promise, inducement, agreement or understanding not expressed in this Contract has been made to an adverse party and that the terms of this Contract are contractual and not a mere recital.

4. All words used herein in the singular shall extend to and include the plural, and the use of any gender shall extend to and include all genders. The term "including" is not limiting.

5. This Contract shall be executed by the respective duly authorized officials, and shall take effect as of the day and year first above written.

IN WITNESS WHEREOF, the City and Contractor have signed this Contract.

CITY OF JACKSONVILLE BEACH

By: ______________________________
Christine Hoffman, Mayor

Date: ______________________________

By: ______________________________
Mike Staffopoulos
City Manager
Date: ______________________________

Attest: ______________________
Sheri Gosselin
City Clerk

Approved as to form:

By: ______________________
Sandra Robinson
City Attorney

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of March, 2023, by ________________________ (name of person acknowledging), who is personally known to me or who has produced ________________________ (type of identification) as identification.

NOTARY PUBLIC:
Sign: ____________________________
Print: ____________________________
My Commission expires:

LEWIS, LONGMAN & WALKER, P.A.

By: Brenna Malouf Durden
Print: Brenna Malouf Durden
Shareholder
Date: March 7, 2023

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this 7th day of March, 2023, by Brenna Malouf Durden (name of person acknowledging), who is personally known to me or ~~who has produced~~ ________________ ~~(type of identification) as identification~~.

NOTARY PUBLIC:
Sign: Sandra D. Reichard
Print: Sandra D. Reichard
My Commission expires:

SANDRA D. REICHARD
MY COMMISSION # HH 286048
EXPIRES: July 14, 2026

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Thomas Bingham, Services Division Commander
DATE:	02/22/2023
SUBJECT:	Ordinance No. 2023-8194 Amending City Code of Ordinances Sec. 31-61 "Paid Parking Program" (Second Reading)

BACKGROUND

At the December 19, 2022 regular City Council meeting, the Council awarded RFP 09-2122 to SP Plus Municipal Services to provide parking facility management services for the paid parking areas identified as the Pier Parking Lot, 3rd Avenue North Parking Lot, CRA 2nd Street North Lot, 102 2nd Avenue North parking lot, on-street parking in the 6th Avenue North street-end, on-street parking in the 100 block of 6th Avenue North, and the Latham Plaza Parking Lot.

The current City Code of Ordinances Chapter 31 “Traffic And Motor Vehicles, Article III “Stopping, Standing and Parking”, Division 3 “Parking Regulations”, Section 31-61 “Paid Parking Program” was created in 2020 by Ordinance No. 2020-8138 to establish the paid parking program. Section 31-61 establishes specific locations for operation of the paid parking program, hourly or daily fees, violation and administration fees for any vehicle that has not paid the proper parking fee or that remains parked after exceeding the permissible time paid for, and the method by which residents may register their vehicles in the resident parking program to benefit from free parking, all of which may vary upon expansion of the paid parking program and the agreed upon terms of the governing contract for management of the program.

Staff recommend that Section 31-61 be amended with more simplified language to allow locations for operation of the paid parking program, hourly or daily fees, violation and administration fees for any vehicle that has not paid the proper parking fee or that remains parked after exceeding the permissible time paid for, and the method by which residents may register their vehicles in the resident parking program to benefit from free parking to be established by City Council rather than to be codified and subject to amendment via ordinance.

Ordinance No. 2023.8194 was approved by the City Council at the first reading held on March 6, 2023.

FINANCIAL IMPACT

REQUESTED ACTION

Adopt/Deny Ordinance No. 2023-8194 on the second reading amending City Code of Ordinances Sec. 31-61 "Paid Parking Program"

ATTACHMENTS

1. Ordinance No. 2023-8194
2. Sec. 31-61 CLEAN

AGENDA ITEM: A.
MEETING DATE: March 20, 2023

Introduced by: ______________________
1st Reading: ________________________
2nd Reading: _______________________

ORDINANCE NO. 2023-8194

AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, AMENDING CODE OF ORDINANCES CHAPTER 31 "TRAFFIC AND MOTOR VEHICLES," ARTICLE III "STOPPING, STANDING AND PARKING," DIVISION 3 "PARKING REGULATIONS," SECTION 31-61 "PAID PARKING PROGRAM;" PROVIDING FOR LEGISLATIVE FINDINGS, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, the City of Jacksonville Beach ("City") has the authority to adopt this Ordinance pursuant to Article VIII of the Constitution of the State of Florida and Chapter 166, Florida Statutes; and

WHEREAS, the current City Code of Ordinances Chapter 31 "Traffic And Motor Vehicles," Article III "Stopping, Standing and Parking," Division 3 "Parking Regulations," Section 31-61 "Paid Parking Program," was created in 2020 by Ordinance No. 2020-8138 to establish the paid parking program; and

WHEREAS, Section 31-61 "Paid Parking Program" establishes specific locations for operation of the paid parking program, hourly or daily fees, violation and administration fees for any vehicle that has not paid the proper parking fee or that remains parked after exceeding the permissible time paid for, and the method by which residents may register their vehicles in the resident parking program to benefit from free parking; and

WHEREAS, the Police Department's Services Division Commander, the Chief Financial Officer, and the City Manager suggest that City Code of Ordinances Chapter 31, Article III, Division 3, Section 31-61, be amended with more simplified language to allow locations for operation of the paid parking program, hourly or daily fees, violation and administration fees for any vehicle that has not paid the proper parking fee or that remains parked after exceeding the permissible time paid for, and the method by which residents may register their vehicles in the resident parking program to benefit from free parking to be established by City Council rather than to be codified and subject to amendment via ordinance; and

WHEREAS, the City Council hereby finds that this Ordinance serves a legitimate government purpose, it is a permissible exercise of the City's powers and authority, and benefits the public health, safety, and welfare of the citizens, residents, and guests of the City of Jacksonville Beach.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF JACKSONVILLE BEACH, FLORIDA:

SECTION 1. RECITALS AND LEGISLATIVE FINDINGS. The above recitals and legislative findings are ratified, correct and made a part of this Ordinance.

SECTION 2. CHAPTER 31, ARTICLE III, DIVISION 3, SECTION 31-61 “PAID PARKING PROGRAM” OF THE CODE OF ORDINANCES, CITY OF JACKSONVILLE BEACH, FLORIDA, IS HEREBY AMENDED TO READ AS FOLLOWS[1]:

Sec. 31-61. Paid parking program.

The purpose of this section is to provide for uniformity of cost and enforcement of fees and rates charged to the general public to park their vehicle in City of Jacksonville Beach-owned parking spaces, stalls, lots, garages, or decks where such fees and rates are required to be paid.

(a) ~~The City of Jacksonville Beach established a paid parking program at four (4) city parking lots located at the Pier Parking Lot, the Third Avenue North Parking Lot, the Second Street North Lot and the Latham Plaza Parking Lot. The city established a parking fee schedule and resident registration free parking program, as well as a citation and violation fees schedule, and collections and enforcement program. The city determined that it is reasonably necessary and appropriate to engage the services of an experienced vendor to provide paid parking program parking facility management services and to empower that vendor to collect parking fees, issue citations, collect violation fees, handle enforcement, administer, and manage the collections and dispute resolution processes for the city.~~**Definitions**. When used in this section, the following words, terms, and phrases shall have the meaning:

Parking Facility shall mean and include any parking space, parking stall, parking lot, parking garage, or parking decks, whether on-street or off-street, for the purpose of parking a vehicle on a temporary basis.

Paid Parking Program shall mean and apply to any parking facility owned by the City of Jacksonville Beach offered to the general public to use for a fee.

(b) ~~Fees are to be paid for parking in any of the paid parking program parking lot facilities located at the Pier Parking Lot, the Third Avenue North Parking Lot, the Second Street North Parking Lot and the Latham Plaza Parking Lot.~~The City of Jacksonville Beach may designate the operation and/or management of the paid parking program, or any portion thereof, to a vendor. The operation and management of the paid parking program shall include the authority to install signs indicating to the public the fees and conditions to park in such paid parking facility, enforcement authority related to such fees and conditions (including the authority to issue citations of violation), and the authority to review and modify such citations of violation in the event of a dispute or request for a review, as may be provided.

~~(1) All vehicles parked in any of the designated paid parking program parking lots at any time shall pay the applicable hourly or daily fees at the designated kiosks as follows:~~

~~Less than 2 hours~~	~~$3.00.~~
~~Over 2 hours~~	~~Additional $1.00 per hour up to max parking rate.~~
~~Max Parking Rate~~	~~$7.00 All day parking.~~

[1] ~~Strikethrough~~ text indicates deletions, underline text indicates additions.

~~Holiday/Special Event Rate~~	~~$12.00 All day parking.~~

~~(2) All fees charged for the use of the parking facilities shall be collected via electronic payment at the parking facility kiosks. Evidence of the proper parking fee payment will be made through a confirmation check using the vehicle license plate. The city's vendor has exclusive authority to administer, manage and collect all parking fees, fines, and charges.~~

(c) ~~Parking violations fees and charges.~~The fees and rates to be charged for a parking facility in the paid parking program shall be established by resolution approved by the City Council. The City Manager shall be authorized to temporarily waive or modify such fees and rates based on one or more of the following occurrences, and if such action is deemed to be in the best interest of the city. The occurrences upon which the City Manager may temporarily waive or modify the fees and rates approved by City Council are:

(1) ~~The city's vendor has authority to issue parking citations and charge violation and administration fees to any vehicle that has not paid the proper parking fee or that remains parked after exceeding the permissible time paid for. The following violation and administrative fees are to be charged in the event of a parking violation:~~

~~Regular Parking Fee~~	~~$3.00~~	~~$4.00~~	~~$5.00~~	~~$6.00~~	~~$7.00~~	~~$12.00~~
~~City Parking Violation Fee~~	~~$25.00~~	~~$25.00~~	~~$25.00~~	~~$25.00~~	~~$25.00~~	~~$25.00~~
~~Vendor Administrative Fee~~	~~$10.00~~	~~$10.00~~	~~$10.00~~	~~$10.00~~	~~$10.00~~	~~$10.00~~
~~TOTAL VIOLATION FEE~~	~~$38.00~~	~~$39.00~~	~~$40.00~~	~~$41.00~~	~~$42.00~~	~~$47.00~~

In observance or recognition of a city or federally-observed holiday;

(2) ~~A registered owner or operator of a vehicle who believes a parking citation has been issued in error or in an improper manner may request an administrative dispute review of the conditions for issuance of the citation in accordance with and as set forth on the vendor's parking violation citation. The city's vendor has exclusive authority to engage and enforce fees collections efforts and to review and resolve all disputes concerning parking violation collections and disputes as relates to the paid parking program.~~ The occurrence of a special event (including nature, duration of such event and consideration thereof on the impact on the proximate flow of pedestrian and vehicular traffic); or

(3) ~~Residents of the City of Jacksonville Beach may park at no charge in the city's paid parking lots by registering their vehicles in the resident parking program. Residents' vehicles must be registered through Florida Department of Highway Safety and Motor Vehicles to an address within the Jacksonville Beach municipal boundaries. In order to qualify for this free parking benefit, residents must submit a request either in person or on-line. In-person requests are received at the Jacksonville Beach Police Department, 101 Penman Rd. S. Jacksonville Beach, FL 32250 or at Utility Billing in City Hall, 11 North Third Street, Jacksonville Beach, FL 32250. Online requests are available to be made at www.jacksonvillebeach.org by searching, "Resident Parking Program."~~Severe weather or emergency event.

(d) All fees charged and paid as part of the paid parking program shall be collected via electronic payment at the parking facility kiosks. Evidence of the proper parking fee payment will be made through a confirmation check using the vehicle license plate. The city's vendor has exclusive authority to administer, manage, and collect all parking fees, fines, and charges.

(e) Parking violation fees and charges.

(1) The city's vendor shall have the authority to enforce the fees and conditions established for the paid parking program, and to issue and enforce citations of violation associated with such fees and conditions. The city's vendor may charge administrative fees in connection with its costs and efforts to collect any unpaid fees and conditions.
(2) The registered owner of a vehicle shall be liable for the payment of any violations and administrative fees incurred, unless the registered owner provides evidence that at the time of the violation one or more of the following events occurred:
a. the vehicle was stolen or taken without permission;
b. the vehicle was in the custody, care, and control of another person; or
c. the parking citation was issued in error or in an improper manner.
(3) The registered owner may request an administrative dispute review of a parking violation citation. The city's vendor shall have exclusive authority to review and resolve all disputes concerning parking violations issued pursuant to the paid parking program, and to collect any unpaid fees associated thereto.
(4) A resident of the City of Jacksonville Beach registered and enrolled in the Resident Parking Program may park in any parking facility in the paid parking program at no charge. Registration and enrollment requirements shall be published and maintained on the city's website.

SECTION 3. SEVERABILITY. It is the intention of the City Council that if any section, subsection, clause or provision of this Ordinance is deemed invalid or unconstitutional by a court of competent jurisdiction, such portion will become a separate provision and will not affect the remaining provisions of this Ordinance.

SECTION 4. CODIFICATION. The City Council intends that this Ordinance will be made a part of the City of Jacksonville Beach Code of Ordinances, and it shall replace the current Chapter 31, Article III, Division 3, Section 31-61 in the City Code.

SECTION 5. EFFECTIVE DATE. This Ordinance shall take effect upon final reading and approval by the City Council for the City of Jacksonville Beach.

AUTHENTICATED THIS _____ DAY OF ___________, A.D., 2023.

Christine H. Hoffman, Mayor

Sheri Gosselin, City Clerk

Approved as to form and legal sufficiency:

____

Sandra R. Robinson, City Attorney

Sec. 31-61. Paid parking program.

The purpose of this section is to provide for uniformity of cost and enforcement of fees and rates charged to the general public to park their vehicle in City of Jacksonville Beach-owned parking spaces, stalls, lots, garages, or decks where such fees and rates are required to be paid.

(a) **Definitions**. When used in this section, the following words, terms, and phrase shall have the meaning:

Parking Facility shall mean and include any parking space, parking stall, parking lot, parking garage, or parking decks, whether on-street or off-street, for the purpose of parking a vehicle on a temporary basis.

Paid Parking Program shall mean and apply to any parking facility owned by the City of Jacksonville Beach offered to the general public to use for a fee.

(b) The City of Jacksonville Beach may designate the operation and/or management of the paid parking program, or any portion thereof, to a vendor. The operation and management of the paid parking program shall include the authority to install signs indicating to the public the fees and conditions to park in such paid parking facility, enforcement authority related to such fees and conditions (including the authority to issue citations of violation), and the authority to review and modify such citations of violation in the event of a dispute or request for a review, as may be provided.

(c) The fees and rates to be charged for a parking facility in the paid parking program shall be established by resolution approved by the City Council. The City Manager shall be authorized to temporarily waive or modify such fees and rates based on one or more of the following occurrences, and if such action is deemed to be in the best interest of the city. The occurrences upon which the City Manager may temporarily waive or modify the fees and rates approved by City Council are:

(1) In observance or recognition of a city or federally-observed holiday;
(2) The occurrence of a special event (including nature, duration of such event and consideration thereof on the impact on the proximate flow of pedestrian and vehicular traffic); or
(3) Severe weather or emergency event.

(d) All fees charged and paid as part of the paid parking program shall be collected via electronic payment at the parking facility kiosks. Evidence of the proper parking fee payment will be made through a confirmation check using the vehicle license plate. The city's vendor has exclusive authority to administer, manage, and collect all parking fees, fines, and charges.

(e) Parking violation fees and charges.

(1) The city's vendor shall have the authority to enforce the fees and conditions established for the paid parking program, and to issue and enforce citations of violation

associated with such fees and conditions. The city's vendor may charge administrative fees in connection with its costs and efforts to collect any unpaid fees and conditions.

(2) The registered owner of a vehicle shall be liable for the payment of any violations and administrative fees incurred, unless the registered owner provides evidence that at the time of the violation one or more of the following events occurred:

a. the vehicle was stolen or taken without permission;
b. the vehicle was in the custody, care, and control of another person; or
c. the parking citation was issued in error or in an improper manner.

(3) The registered owner may request an administrative dispute review of a parking violation citation. The city's vendor shall have exclusive authority to review and resolve all disputes concerning parking violations issued pursuant to the paid parking program, and to collect any unpaid fees associated thereto.

(4) A resident of the City of Jacksonville Beach registered and enrolled in the Resident Parking Program may park in any parking facility in the paid parking program at no charge. Registration and enrollment requirements shall be published and maintained on the city's website.

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Heather Ireland, Director of Planning and Development
DATE:	03/02/2023
SUBJECT:	Ordinance No. 2023-8195 Charter Amendment to Increase the Building Height Limitation on the Latham Plaza Parking Lot Redevelopment Project (Second Reading)

BACKGROUND

The Jacksonville Beach City Council completed a review of the City's Charter during 2021. During the review of Section 52, the City Council discussed potential changes to the current building height limitation of 35 feet in order to encourage redevelopment in the downtown core (Central Business District). The City Council hosted two public workshops to discuss potential changes to Section 52 in January and July of 2022. The workshops were well attended by the public, board members, and the City Council.

Following the workshops, staff prepared a proposed amendment to Section 52 of the Charter that would provide for a height bonus incentive of an additional 20 feet of building height in the Central Business District, if certain criteria are met. Conceptual criteria were presented at the workshops. Criteria would be further developed and incorporated into the Redevelopment Plan for the downtown CRA district. If this ordinance were to be approved by the City Council, the proposed charter amendment would be placed on the ballot for the general election to be held on May 16, 2023.

At the regular City Council meeting on February 6, 2023, Council voted to defer Ordinance No. 2023-8193 to the March 20, 2023 regular City Council meeting for consideration.

At the City Council briefing held on February 13, 2023, City Council discussed and came to a consensus to consider an alternative Charter amendment to increase the height on one specific City-owned property (*Latham Plaza Parking Lot*) located between 1st Street North, 2nd Street North, Latham Plaza, and the restaurant located at 111 Beach Boulevard, to a maximum height of 55 feet, for a future mixed-use redevelopment project. Ordinance 2023-8195 has been prepared as an alternative Charter amendment to Ordinance 2023-8193 that was deferred on February 6, 2023 to March 20, 2023.

Ordinance No. 2023-8195 was approved by the City Council at its first reading on March 6, 2023.

FINANCIAL IMPACT

REQUESTED ACTION

Approve/Disapprove Ordinance No. 2023-8195 on the second reading for a Charter amendment to increase the building height limitation on City Property, Latham Plaza Parking Lot

ATTACHMENTS

1. Ordinance No. 2023-8195

Introduced by: ______________________
1st Reading: _______________________
2nd Reading: _______________________

ORDINANCE NO. 2023-8195

AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, SUBMITTING TO THE ELECTORS OF THE CITY OF JACKSONVILLE BEACH A PROPOSED AMENDMENT TO THE CHARTER OF THE CITY OF JACKSONVILLE BEACH; PROVIDING A BALLOT TITLE, SUMMARY, AND TEXT FOR THE PROPOSED AMENDMENT; PROVIDING DIRECTIONS TO THE CITY CLERK; PROVIDING FOR SEVERABILITY, AN EFFECTIVE DATE FOR APPROVED AMENDMENTS, AND AN EFFECTIVE DATE FOR THE ORDINANCE.

WHEREAS, the members of the City of Jacksonville Beach (“City”) City Council have, in public meetings, studied, and reviewed the City of Jacksonville Beach Charter (the “Charter”) and received public input regarding the proposed amendment to the Charter; and

WHEREAS, the City desires to encourage the development and redevelopment of properties in the Central Business District; and

WHEREAS, the City Council has expressed interest in increasing the maximum building height from 35 feet to 55 feet on certain property located within the Central Business District for a redevelopment project; and

WHEREAS, public workshops to discuss amending the Charter in regard to height were held on January 12, 2022 and July 11, 2022; and

WHEREAS, the City Council has reviewed Section 52 of the Charter to consider changes which, if adopted by the electorate, would serve to amend the language of the Charter; and

WHEREAS, the City Council finds it to be in the best interest of its citizens to submit said proposed charter amendment to the voters at the general election on May 16, 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF JACKSONVILLE BEACH, FLORIDA:

SECTION 1. The City Council of the City of Jacksonville Beach, pursuant to Section 166.031, Florida Statutes, hereby proposes and approves amendments to the Charter of the City of Jacksonville Beach to be submitted to the electorate for consideration, which proposed amendments and the complete text thereof, as amended, are set forth in Section 3 below. Additions are shown with underlining, deletions are shown with ~~strikethrough~~ type.

SECTION 2. Such election shall be held in conformity with the laws of the State of Florida and the Charter and ordinances of the City of Jacksonville Beach now in force relating to elections in the City of Jacksonville Beach. The Supervisor of Elections of Duval County is hereby requested to coordinate all matters to said referendum election with the City Clerk. The proposed charter amendment shall be submitted to the voters at the May 16, 2023 election.

SECTION 3. The proposed amendment, the ballot title, and the wording of the substance of the proposed amendment to the Charter, as contained in this Ordinance, shall appear on the ballot in the form of the question affixed to this Ordinance as Exhibit 1.

SECTION 4. The City Clerk is hereby directed to ensure that all advertising, translation, and notice requirements are complied with and to coordinate all activities necessary to conduct the referendum election called for in Section 2 of this Ordinance with the Supervisor of Elections for Duval County.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portion hereto.

SECTION 6. All ordinances and Charter provisions, or parts of ordinance and Charter provisions in conflict herewith are hereby repealed.

SECTION 7. This Ordinance shall take effect immediately and pursuant to the City's Charter. The revised Charter provision proposed for approval in this Ordinance shall become effective upon its approval at a referendum election of the electors of the City of Jacksonville Beach in accordance with Section 166.031, Florida Statutes. If the electors reject an amendment, the rejected amendment shall not take effect.

AUTHENTICATED THIS ________DAY OF_________________, A.D., 2023.

____
Christine H. Hoffman, Mayor

____
Sheri Gosselin, City Clerk

Approved as to form and legal sufficiency:

____
Sandra R. Robinson, City Attorney

EXHIBIT 1

Explanation, Ballot, Title, Question, Summary, and Text Reference

Question – Downtown Density Bonus Incentive

A. **Explanation.**

This Charter amendment would allow for an increase of up to an additional 20 feet, for a total building height of 55 feet, for a redevelopment project on City-owned property, located within the Central Business District, within the boundaries of 1st Street North, 2nd Street North, Latham Plaza, and 111 Beach Boulevard.

B. **Ballot Proposal**: The ballot title, summary, and question are as follows:

Title:

Increase building height up to an additional 20 feet for the Latham Plaza Parking Lot.

Summary:

The City may exempt a certain City-owned property from the 35 feet building height limit to redevelop the City-owned property bounded by 1st Street North, 2nd Street North, Latham Plaza, and 111 Beach Boulevard for a maximum building height of 55 feet for a mixed-use redevelopment project with parking structure.

Question:

Shall the Jacksonville Beach Charter be amended to allow the redevelopment of a City-owned property bounded by 1st Street North, 2nd Street North, Latham Plaza, and 111 Beach Boulevard, exempting the property from the 35 feet height limit, to allow a maximum building height of 55 feet for a mixed-use redevelopment with a parking structure?

_______ Yes

_______ No

C. **Text References**: Chapter 9, Section 52 (2)(b), (c), (d), (e); all of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "Proposed Amendment" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing.)

City of Jacksonville Beach Charter – Proposed Amendment

(Additions underlined; deletions ~~strikethrough~~)

Chapter IX. Enumeration of Particular Powers

Section 52. - Zoning authority.

(1) The City of Jacksonville Beach may, in the interest of public health, safety, order, convenience, comfort, prosperity or general welfare, adopt by ordinance a plan or plans for the districting or zoning of the city for the purpose of regulating the location of trades, industries, apartment houses, dwelling or other uses of property as authorized and provided by general state law.

(2) (a) In order to further protect the public health, safety, general welfare, and aesthetics, no new building height shall exceed thirty-five (35) feet, nor shall any existing building be altered to cause it to exceed a building height of thirty-five (35) feet, except the City shall have the power to redevelop the City-owned property bounded by 1st Street North, 2nd Street North, Latham Plaza, and 111 Beach Boulevard to a building height maximum not to exceed 55 feet, for a mixed-use redevelopment project with parking structure.

(b) Building height means the vertical distance from the elevation of the crown of the road of the nearest adjacent roadway at the center of the front of the building to the highest point of the coping of a flat roof, the deck line of a mansard roof, or the mean height level between eaves and ridge for hip, gable and gambrel roofs.

(c) The height limits do not apply to spires, belfries, cupolas, flagpoles, antennas, water tanks, fire towers, cooling towers, ventilators, chimneys, radio and television towers, elevator hoistways, not intended for human occupancy.

(d) Buildings in existence or with approved construction permits or adopted Planned Unit Developments on or before the effective date of this amendment, may be completed, repaired, or rebuilt to a height not to exceed the previously existing height, within the same building footprint, subject to any other applicable state, federal or local laws. The height limits are not intended to restrict or otherwise adversely affect a property owner's vested rights under constitutional, statutory or common law. If it is determined by a court of competent jurisdiction that a landowner has vested rights, the landowner can elect to proceed with development under the Land Development Code in effect on the date of the adoption of this amendment.

(e) Those parts of any ordinances in conflict with this section are hereby repealed. This section becomes effective upon adoption.

City of Jacksonville Beach ● 11 North Third Street ● Jacksonville Beach, FL 32250

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Heather Ireland, Director of Planning and Development
DATE:	02/07/2023
SUBJECT:	Ordinance No. 2023-8193 Downtown Height Incentive Charter Amendment

BACKGROUND

The Jacksonville Beach City Council completed a review of the City's Charter during 2021. During the review of Section 52, the City Council discussed potential changes to the current building height limitation of 35 feet in order to encourage redevelopment in the downtown core (Central Business District). The City Council hosted two public workshops to discuss potential changes to Section 52 in January and July of 2022. The workshops were well attended by the public, board members, and the City Council. Following the workshops, staff prepared a proposed amendment to Section 52 of the Charter that would provide for a density bonus incentive of an additional 20 feet of building height in the Central Business District, if certain criteria are met. Criteria would be developed and incorporated into the Redevelopment Plan for downtown.

If this ordinance is approved by the City Council, the proposed charter amendment would be placed on a future general election ballot. Staff could incorporate the adoption of criteria into an update to the Downtown Redevelopment Plan that is scheduled for 2023 or on a future date.

This item was tabled at the February 6, 2023 regular City Council meeting, to be heard at the March 20, 2023 meeting.

FINANCIAL IMPACT

REQUESTED ACTION

Approve/Disapprove Ordinance No. 2023-8193 on the first reading approving the Downtown CRA Height Incentive, and schedule a second reading for April 3, 2023

ATTACHMENTS

1. Ordinance Number 2023-8193

AGENDA ITEM:	C.
MEETING DATE:	March 20, 2023

Introduced by: ______________________
1st Reading: _______________________
2nd Reading: _______________________

ORDINANCE NO. 2023-8193

AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, SUBMITTING TO THE ELECTORS OF THE CITY OF JACKSONVILLE BEACH A PROPOSED AMENDMENT TO THE CHARTER OF THE CITY OF JACKSONVILLE BEACH; PROVIDING A BALLOT TITLE, SUMMARY, AND TEXT FOR THE PROPOSED AMENDMENT; PROVIDING DIRECTIONS TO THE CITY CLERK; PROVIDING FOR SEVERABILITY, AN EFFECTIVE DATE FOR APPROVED AMENDMENTS, AND AN EFFECTIVE DATE FOR THE ORDINANCE.

WHEREAS, the members of the City of Jacksonville Beach ("City") City Council have, in public meetings, studied and reviewed the City of Jacksonville Beach Charter (the "Charter") and received public input regarding the proposed amendment to the Charter; and

WHEREAS, the City desires to encourage the development and redevelopment of properties in the Central Business District; and

WHEREAS, the City Council has expressed interest in increasing the maximum building height in the Central Business District to encourage development and redevelopment; and

WHEREAS, public workshops to discuss amending the Charter in regard to height were held on January 12, 2022 and July 11, 2022; and

WHEREAS, the City Council has reviewed Section 52 of the Charter to consider changes which, if adopted by the electorate, would serve to amend the language of the Charter; and

WHEREAS, the City Council finds it to be in the best interest of its citizens to submit said proposed charter amendment to the voters at the general election on May 16, 2023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF JACKSONVILLE BEACH, FLORIDA:

SECTION 1. The City Council of the City of Jacksonville Beach, pursuant to Section 166.031, Florida Statutes, hereby proposes and approves amendments to the Charter of the City of Jacksonville Beach to be submitted to the electorate for consideration, which proposed amendments and the complete text thereof, as amended, are set forth in Section 3 below. Additions are shown with underlining, deletions are shown with ~~strikethrough~~ type.

SECTION 2. Such election shall be held in conformity with the laws of the State of Florida and the Charter and ordinances of the City of Jacksonville Beach now in force relating to elections in the City of Jacksonville Beach. The Supervisor of Elections of Duval County is hereby requested to coordinate all matters to said referendum election with the City Clerk. The proposed charter amendment shall be submitted to the voters at the May 16, 2023 election.

SECTION 3. The proposed amendment, the ballot title, and the wording of the substance of the proposed amendment to the Charter, as contained in this Ordinance, shall appear on the ballot on the form of questions affixed to this Ordinance as Exhibit 1.

SECTION 4. The City Clerk is hereby directed to ensure that all advertising, translation, and notice requirements are complied with and to coordinate all activities necessary to conduct the referendum election called for in Section 2 of this Ordinance with the Supervisor of Elections for Duval County.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, district, and independent provision and such holding shall not affect the validity of the remaining portion hereto.

SECTION 6. All ordinances and Charter provisions, or parts of ordinance and Charter provisions in conflict herewith are hereby repealed.

SECTION 7. This Ordinance shall take effect immediately and pursuant to the City's Charter. The revised Charter provision proposed for approval in this Ordinance shall become effective upon its approval at a referendum election of the electors of the City of Jacksonville Beach in accordance with Section 166.031, Florida Statutes. If the electors reject an amendment, the rejected amendment shall not take effect.

AUTHENTICATED THIS ________DAY OF_________________, A.D., 2023.

____
Christine H. Hoffman, Mayor

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Sheri Gosselin, City Clerk

Approved as to form and legal sufficiency:

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Sandra R. Robinson, City Attorney

EXHIBIT 1

Explanation, Ballot, Title, Question, Summary, and Text Reference

Question – Downtown Density Bonus Incentive

A. Explanation.

This Charter amendment would allow for a density bonus incentive of an additional 20 feet, for a total building height of 55 feet, for development and redevelopment projects within the boundaries of 6th Avenue North, 3rd Street, 2nd Avenue South, and the Atlantic Ocean.

B. Ballot Proposal: The ballot title, summary, and question are as follows:

Title:

Proposal to allow for an additional 20 feet of building height within limited downtown boundaries.

Summary:

The City may award a height bonus of up to 20 feet, for a total of 55 feet, for development projects within the Downtown within the boundaries of 6th Avenue North, 2nd Avenue South, 3rd Street, and the Atlantic Ocean. Each project must comply with incentive eligibility criteria established within the Downtown Redevelopment Plan, and is conditioned upon final approval by the City. This height bonus incentive will terminate with the dissolution of the Downtown Community Redevelopment Agency.

Question:

Shall the Jacksonville Beach Charter be amended to enable the Community Redevelopment Agency and the City Council to award a density bonus incentive for development projects within the limited boundaries of 6th Avenue North, 2nd Avenue South, 3rd Street, and the Atlantic Ocean, if a proposed project meets approved incentive eligibility criteria, as has been established by the Community Redevelopment Agency and the City Council, and for only so long as no portion of the Downtown Community Redevelopment Agency has not been dissolved in whole or in part?

_______ Yes

_______ No

C. **Text References**: Chapter 9, Section 52 (2)(b), (c), (d), (e); all of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing.)

City of Jacksonville Beach Charter – Proposed Amendment

(Additions underlined; deletions ~~strikethrough~~)

Chapter IX. Enumeration of Particular Powers

Section 52. - Zoning authority.

(1) The City of Jacksonville Beach may, in the interest of public health, safety, order, convenience, comfort, prosperity or general welfare, adopt by ordinance a plan or plans for the districting or zoning of the city for the purpose of regulating the location of trades, industries, apartment houses, dwelling or other uses of property as authorized and provided by general state law.

(2) (a) In order to further protect the public health, safety, general welfare, and aesthetics, no new building height shall exceed thirty-five (35) feet, nor shall any existing building be altered to cause it to exceed a building height of thirty-five (35) feet.

(b) The City Council and the Community Redevelopment Agency (CRA) may award a height bonus incentive of up to twenty (20) feet, for a total of fifty-five (55) feet, for development projects within the Downtown CRA, within the boundaries of 6th Avenue North, 2nd Avenue South, 3rd Street, and the Atlantic Ocean. Each proposed project must comply with incentive eligibility criteria established within the Downtown CRA Plan, and is conditioned upon final approval by the CRA and City Council. This height bonus incentive will terminate with the dissolution of the Downtown CRA, either in whole, or for that portion covering boundaries as described herein.

(~~b~~c) Building height means the vertical distance from the elevation of the crown of the road of the nearest adjacent roadway at the center of the front of the building to the highest point of the coping of a flat roof, the deck line of a mansard roof, or the mean height level between eaves and ridge for hip, gable and gambrel roofs.

(~~c~~d) The height limits do not apply to spires, belfries, cupolas, flagpoles, antennas, water tanks, fire towers, cooling towers, ventilators, chimneys, radio and television towers, elevator hoistways, not intended for human occupancy.

(~~d~~e) Buildings in existence or with approved construction permits or adopted Planned Unit Developments on or before the effective date of this amendment, may be completed, repaired, or rebuilt to a height not to exceed the previously existing height, within the same building footprint, subject to any other applicable state, federal or local laws. The height limits are not intended to restrict or otherwise adversely affect a property owner's vested rights under constitutional, statutory or common law. If it is determined by a court of competent jurisdiction that a landowner has vested rights, the landowner can elect to proceed with development under the Land Development Code in effect on the date of the adoption of this amendment.

(f) Those parts of any ordinances in conflict with this section are hereby repealed. This section becomes effective upon adoption.