



City of Jacksonville Beach

11 North Third Street
Jacksonville Beach, Florida

Council Briefing Notice

City Council

Monday, December 13, 2021

5:30 PM

Via Video Conference

City Manager Mike Staffopoulos will conduct a Council Briefing to update the City Council about ongoing items in the City. The Briefing will include, but not be limited to, the following topics:

- A. Paid Parking Update
- B. Golf Course Update
- C. BES Strategic Plan

This Briefing will be conducted using video technology. The City is providing options for public attendance at the Briefing as listed below. The public is not invited to speak or present on any matter or topic at the Briefing.

Council Members in attendance may include:

Mayor: Christine Hoffman

Council Members: Georgette Dumont
Fernando Meza

Sandy Golding
Cory Nichols

Dan Janson
Chet Stokes

Please note: Council members in attendance at this meeting may vary, according to their schedules.

INSTRUCTIONS FOR VIEWING AND/OR LISTENING

The following options are available to view and/or listen to the City Council Briefing:

1. **Hearing or speech impaired access.** Contact the agency using the Florida Relay Service at 1-800-955-8771 (TDD) or 1-800-955-8770 (voice).
2. **View and listen to a video of the briefing online.** Access the meeting by visiting the [YouTube Channel for the City of Jacksonville Beach](#).

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodations 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 or by sending an email to CityClerk@jaxbchfl.net.

In accordance with Section 286.0105, Florida Statutes, if any person decides to appeal any decision made by the council with respect to any matter considered at such meeting, he or she will need a record of the proceedings. For such purpose, he or she 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.



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CITY COUNCIL BRIEFING TOPIC	
TO:	Michael J Staffopoulos, City Manager
FROM:	Gene Paul N. Smith, Chief of Police Eric M. Shaughnessy, Services Division Commander
DATE:	December 13, 2021
SUBJECT:	Paid Parking Program

BACKGROUND

Paid parking began on March 12, 2021, and ended on Sunday, October 31, 2021. The Police Department oversaw operational components, and the financial components were overseen by the Finance Department. The Police Department's priority was to provide a safe environment for customers using paid parking lots by being a visible presence/deterrent. The lots were staffed utilizing seasonal Community Service Officers supported by Downtown CAPE Officers.

The Police Department was pleased with operations this year. The new signage, higher caliber SP Plus employees, and multiple options for methods of payment (i.e., kiosk, text, and phone applications) made for a problem-free program. Additionally, SP Plus utilized signage and language on citations which directed violators to contact the SP Plus office, which significantly reduced the number of calls to the Parking Enforcement Coordinator. There were no major criminal incidents, and operationally, there were no issues of concern over the course of the paid parking season.

This will be the fourth and final year of the SP Plus contract. The Police Department recommends the City move forward with executing this final year of the SP Plus contract.

FINANCIAL IMPACT

From March through October 2021, the City received \$290,913 in paid parking revenues from SP Plus. Revenues increased by 80% from the 2020 season, largely due to the impact of COVID-19 and "Safer at Home" orders issued in 2020. When the paid parking program was initially established, the City's intent was to use the proceeds to offset the divisional costs of the Police Paid Parking/Security Unit. 2021 Police Paid Parking Divisional expenses were \$95,116, so a total of \$195,797 in net proceeds were returned to the General Fund.

A total of 98,425 vehicles paid to park in 2021 versus 60,027 in 2020, an increase of 64%. Residents utilizing the parking program increased by 38.5% from the prior year to a total of 3,716.

COUNCIL DIRECTION REQUESTED

Does City Council wish to extend the days and/or hours of operation, extend the program to on-street parking, and/or increase the rate for all-day parking?

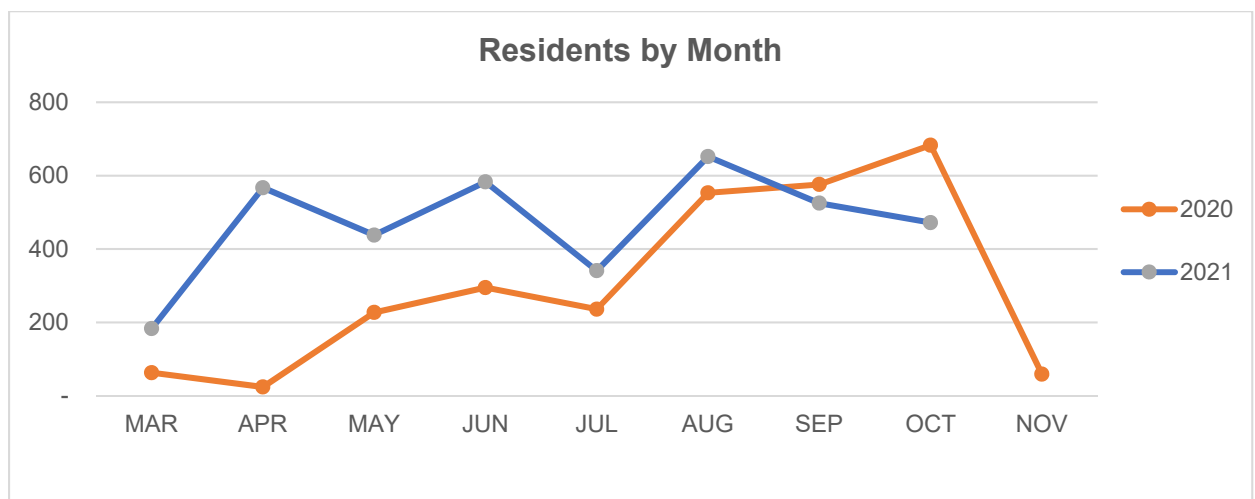
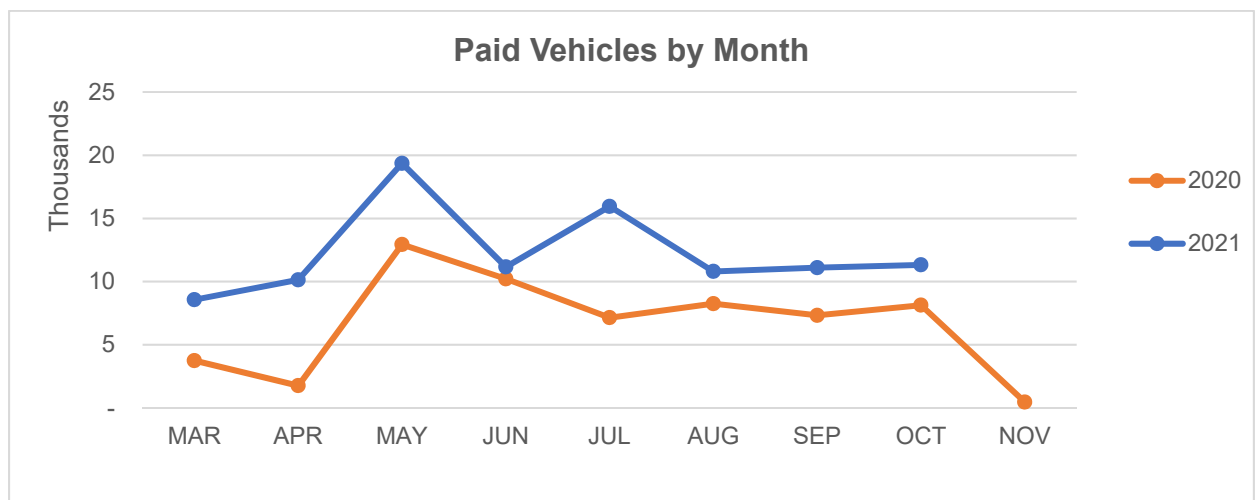
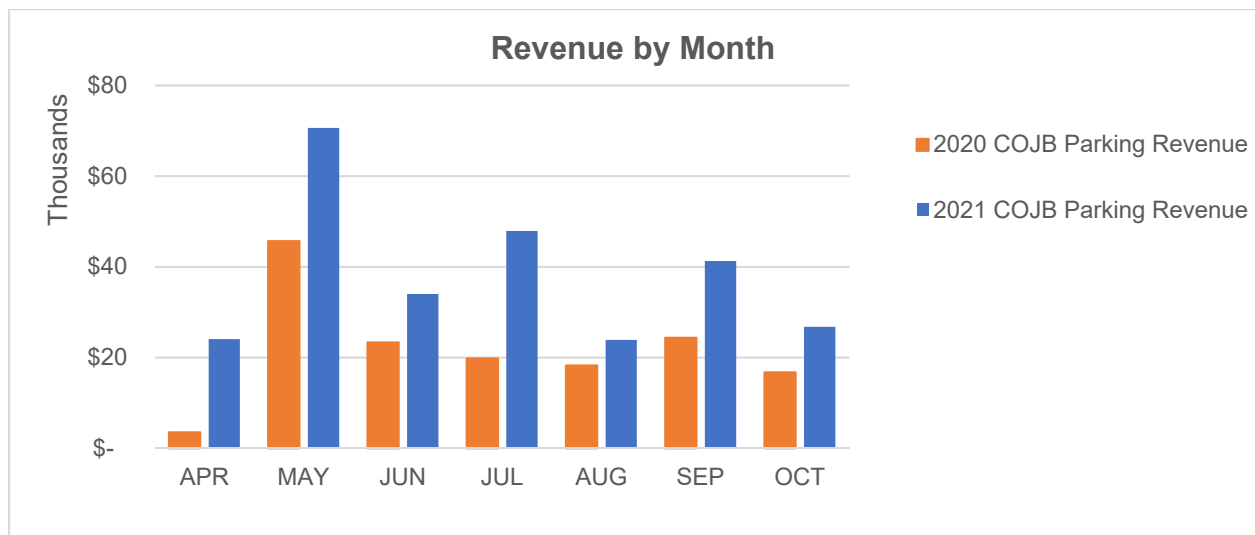


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ATTACHMENTS

1. Paid Parking Supplemental Information Yr3 Review

**PAID PARKING – YEAR THREE REVIEW
SUPPLEMENTAL INFORMATION
CITY COUNCIL BRIEFING 12-13-2021**



PAID PARKING - YEAR THREE REVIEW
REVENUE ANALYSIS 2020 vs. 2021

YEAR 2 SP Plus (3/13/2020 TO 11/1/2020)											
YEAR 2	Resident Count	Paid Vehicle Count	Total Revenues (Excluding Violations)	Credit card fees + chargeback	Sales Taxes	Net Revenues after taxes & fees	Resident fee to SP Plus	Total SP Plus Revenue	2020 COJB Parking Revenue	2020 COJB Violation Revenue	ACH deposit from SP Plus
MAR	63	3,747	\$ 18,751	\$ (2,078)	\$ (1,237)	\$ 15,436	\$ 118	\$ 6,897	\$ 9,583	\$ 561	\$ 10,144
APR	24	1,771	\$ 7,198	\$ (1,548)	\$ (476)	\$ 5,174	\$ 45	\$ 2,475	\$ 3,535	\$ 350	\$ 3,885
MAY	227	12,938	\$ 88,126	\$ (5,150)	\$ (5,768)	\$ 77,208	\$ 626	\$ 37,478	\$ 45,692	\$ 8,230	\$ 53,922
JUN	295	10,221	\$ 50,371	\$ (7,430)	\$ (3,303)	\$ 39,638	\$ 551	\$ 25,416	\$ 23,350	\$ 12,583	\$ 35,933
JUL	236	7,151	\$ 41,674	\$ (7,123)	\$ (2,773)	\$ 31,778	\$ 541	\$ 25,138	\$ 19,836	\$ 15,736	\$ 35,572
AUG	553	8,258	\$ 39,464	\$ (7,893)	\$ (2,650)	\$ 28,921	\$ 1,034	\$ 28,221	\$ 18,269	\$ 20,988	\$ 39,257
SEP	576	7,333	\$ 52,266	\$ (9,083)	\$ (3,493)	\$ 39,690	\$ 1,461	\$ 33,124	\$ 24,388	\$ 20,537	\$ 44,925
OCT	683	8,137	\$ 37,198	\$ (4,681)	\$ (2,433)	\$ 30,083	\$ 1,277	\$ 28,774	\$ 16,773	\$ 22,561	\$ 39,335
NOV	59	471	\$ 1,991	\$ (2,451)	\$ (130)	\$ (591)	\$ 110	\$ 9,743	\$ -	\$ 14,128	\$ 14,128
TOTAL	2,716	60,027	\$ 337,039	\$ (47,437)	\$ (22,264)	\$ 267,338	\$ 5,762	\$ 197,265	\$ 161,426	\$ 115,675	\$ 277,101

YEAR 3 SP Plus (3/12/2021 TO 10/31/2021)											
YEAR 3	Resident Count	Paid Vehicle Count	Total Revenues (Excluding Violations)	Credit card fees + chargeback	Sales Taxes	Net Revenues after taxes & fees	Resident fee to SP Plus	Total SP Plus Revenue	2021 COJB Parking Revenue	2021 COJB Violation Revenue	ACH deposit from SP Plus
MAR	183	8,568	\$ 42,183	\$ (2,775)	\$ (2,760)	\$ 36,648	\$ 342	\$ 17,453	\$ 22,297	\$ 3,639	\$ 25,936
APR	567	10,143	\$ 46,842	\$ (4,611)	\$ (3,064)	\$ 39,167	\$ 1,060	\$ 25,742	\$ 24,079	\$ 11,739	\$ 35,818
MAY	438	19,359	\$ 122,566	\$ (5,504)	\$ (8,018)	\$ 109,044	\$ 1,015	\$ 62,179	\$ 70,636	\$ 19,297	\$ 89,933
JUN	583	11,161	\$ 66,433	\$ (8,593)	\$ (4,346)	\$ 53,494	\$ 1,091	\$ 38,030	\$ 34,024	\$ 18,853	\$ 52,877
JUL	341	15,953	\$ 91,102	\$ (9,746)	\$ (5,960)	\$ 75,396	\$ 1,332	\$ 46,709	\$ 47,919	\$ 17,448	\$ 65,367
AUG	652	10,806	\$ 48,958	\$ (6,393)	\$ (3,203)	\$ 39,362	\$ 1,219	\$ 33,177	\$ 23,879	\$ 21,757	\$ 45,636
SEP	525	11,106	\$ 77,763	\$ (6,235)	\$ (5,087)	\$ 66,441	\$ 1,602	\$ 44,498	\$ 41,276	\$ 20,279	\$ 61,555
OCT	472	11,329	\$ 54,697	\$ (5,194)	\$ (3,361)	\$ 46,142	\$ 882	\$ 32,103	\$ 26,803	\$ 18,616	\$ 45,419
TOTAL	3,761	98,425	\$ 550,544	\$ (49,051)	\$ (35,799)	\$ 465,694	\$ 8,543	\$ 299,891	\$ 290,913	\$ 131,628	\$ 422,541



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CITY COUNCIL BRIEFING TOPIC	
TO:	Mike Staffopoulos, City Manager
FROM:	Allen Putnam, Beaches Energy Services Director
DATE:	December 13, 2021
SUBJECT:	Beaches Energy Services Strategic Plan

BACKGROUND

The purpose of this item is to present the proposed Beaches Energy Services Strategic Plan (Plan) for the next 5 to 10 years. This plan was developed with the assistance of the Florida Municipal Power Agency and our consultant 1898 & Co.

FINANCIAL IMPACT

The Plan considers a future rate increase for fund stabilization.

COUNCIL DIRECTION REQUESTED

Information only.

ATTACHMENTS

1. Beaches Energy Operational Business Plan_ES_20210923_v2
2. Beaches Energy Operational Business Plan_Slides_20230923_v2 AAP



September 22, 2021

Mr. Allen A. Putnam
Director of Beaches Energy Services
11 3rd St. N
Jacksonville Beach, FL 32250

Re: Executive Summary – Beaches Energy Services Operational Business Plan

Dear Allen:

Enclosed, please find the Executive Summary memo which provides an overview of the Beaches Energy Services (“Beaches Energy”) planning process, prioritized operational business plan outcomes, and financial findings related to plan implementation as led by 1898 & Co.^{SM*}, a division of Burns & McDonnell (“1898 & Co.”). The Operational Business Plan is based on priorities for the electric system that will enable Beaches Energy to thrive over a five-year horizon while continuing to provide low cost, clean, reliable power to customers. The plan reflects significant work amongst a cohesive team that represented a broad range of perspectives, and significant support from Beaches Energy and City staff to develop the 1898 & Co. financial model. As detailed below, 1898 & Co.’s analysis shows that Beaches Energy is in a strong financial position that can empower the organization to take action to implement the highest priority plan elements while balancing needed investments with continued affordability.

PLANNING PROCESS OVERVIEW

To Ensure Beaches Energy Thrives for Years to Come, Beaches Energy Needs an Operational Business Plan

Beaches Energy has partnered with key stakeholders within the City of Jacksonville Beach and 1898 & Co. to develop an Operational Business Plan. The plan is based on priorities for the electric system that will enable Beaches Energy to thrive over a five-year horizon while continuing to provide low cost, clean, reliable power to customers. 1898 & Co. also looked at a 10-year horizon to develop a high-level roadmap to revisit as time goes on. The planning process resulted in a robust proposed 5-year capital plan (“Baseline”) over the fiscal year (“FY”) 2022-2026 period, with some supportive scenarios that capture additional recommended business expenditures.

2301 Maitland Center Parkway, Suite 400
Maitland, FL 32751

1898andCo.com

*1898 & Co.SM is a service mark of Burns & McDonnell Engineering Company, Inc.





The Team Prioritized Needs and Compared Them to What Beaches Energy Can Afford

The planning process compared operational needs with priority level and estimated the added expense of plan elements over and above day-to-day business costs. This allows for a proactive approach to capital projects, maintenance, staffing, and technology decisions while ensuring the electric utility is financially sustainable. Mapping out the financial implications of the plan allows Beaches Energy to manage cash reserves efficiently if needed to support critical plan elements while avoiding negative outcomes for customers such as storm surcharges and big swings in power cost adjustments.

OPERATIONAL PRIORITIES

Beaches Energy and the City worked extensively on a list of operational priorities. Below is a synopsis of each priority:

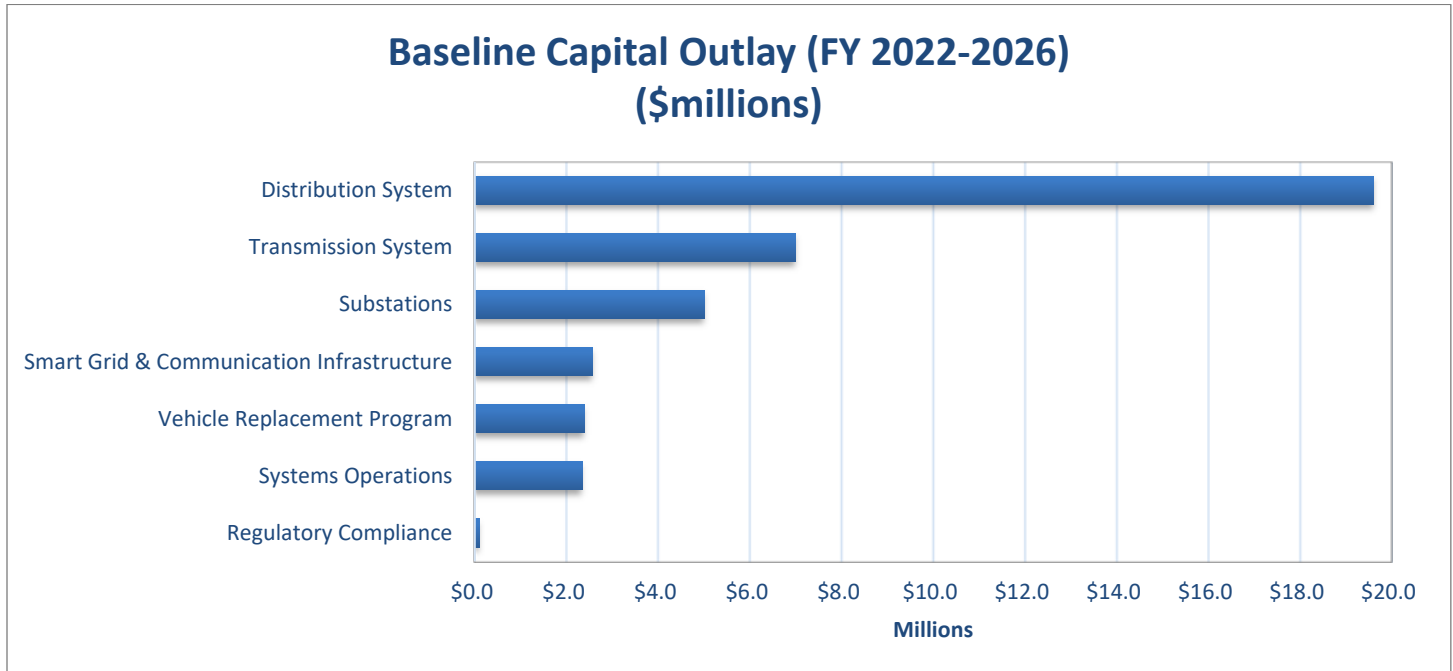
- System Reliability is crucial to long-term sustainability. Customers expect the lights to be on. To do that reliably, investments must be made to ensure the power delivery infrastructure is maintained at a high standard.
- Workforce Needs & Retention is all about hiring and retaining the right people to advance the business. As operational needs become more complex, prudent planning is required to support human capital investments to maintain a high standard of performance that also provides growth opportunities.
- Technology Adoption & Efficiency is centered on staying on top of evolving tools that can increase productivity for grid operations, customer service and potential future investments in digital infrastructure. Making the right choices at the right time is critical to balancing the adoption with financial impacts.
- Reasonable Rates are the foundation that must support all prudent investments. Affordability should not be compromised with poorly timed capital projects that require significant rate increases. By having a long-term financial model that can estimate ranges of rate adjustments for business as usual operations and additional investments, a utility can understand thresholds and develop safeguards to reduce risks of cost spikes.



The figure above summarizes the operational priorities that drove the plan elements in priority order.

PLAN RESULTS – BASELINE CAPITAL EXPENDITURES

The bar chart below summarizes the focus areas for Baseline capital expenditures over the FY 2022-2026 period, which amount to approximately \$39 million of cumulative system investment, with 100 percent of improvements funded by Beaches Energy operating revenues or existing operating reserves that can be dedicated to utility goals as a result of Beaches Energy's consistently strong financial performance.



As evidenced by the figure above, Beaches Energy will focus operational resources in the following key areas:

- **The Distribution System** – Beaches Energy will utilize asset management best practices in procuring transformers and equipment necessary (e.g., wire, cable, poles, insulators) for the replacement and/or expansion of facilities. Beaches Energy will also extend the useful life of existing assets by employing preventative maintenance best practices. Additionally, Beaches Energy will continue to invest a significant amount of funds into a gradual transition from overhead to underground distribution service by replacing existing wood pole lines with underground lines in strategic locations within the service area. Along with these efforts, Beaches Energy will pursue additional reliability and resiliency improvements, such as replacement of distribution system elements that are aged and working to sectionalize power lines to provide faster power restoration.
- **Transmission System** – The transmission system will benefit from a plan to prioritize construction and maintenance efforts to mitigate issues with certain sections of transmission lines that are nearly 40 years old. By leveraging visual and infrared inspection, Beaches Energy will proactively address transmission line hardware issues before they impact long term reliability.
- **Substations** – Substations will benefit from a wide range of upgrades and improvements, including breaker and relay upgrades, battery bank replacement and capacitor bank relay upgrades, motor switch replacement, and circuit breaker upgrades. Substations are critical to system reliability and are a primary driver of increased and significant long-term capital expenditures. Additionally, a supportive scenario (detailed below) reflects additional substation efforts not included in Baseline expenses that are being recommended for implementation to ensure continued focus on substation resiliency.
- **Smart Grid & Communication Infrastructure** – Beaches Energy will benefit from enhanced smart devices in strategic locations that can be used to restore large sections of customers remotely in a very short period of time, as part of



continued investigations into and the implementation of smart grid technologies. Beaches Energy will continue to invest to expand existing fiber infrastructure and wireless backhaul to continue to build a multi-purpose wide area network. These efforts also include additional research into a communication network and devices that will integrate with the City's corporate and/or Supervisory Control & Data Acquisition (SCADA) networks.

- **Vehicle Replacement Program** – Program will be enhanced to ensure that the team in the field has the right mix of reliable vehicles that do not suffer from excessive breakdowns due to age and condition.
- **SCADA/Systems Operations** - Operations will benefit from continued progress on incorporating an Outage Management System (OMS) and Distribution Management System (DMS) fused together with the Beaches Energy Supervisory Control and data Acquisition (SCADA) system to offer customers the best in electric service availability. Beaches Energy will also set aside funds to address regulatory compliance, cyber & physical security and make improvements to the system operations building to provide proper support for emergency/storm recovery conditions.
- **Regulatory Compliance** - Continued enhanced funding will ensure that Beaches Energy remains compliant with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) standards, which in turn will help provide reliable service to customers. Investments planned for include measures to enhance physical security, consulting services to aid in development of department policies and procedures to align with NERC requirements, and initiating measures mandated by NERC and SERC to proactively prepare for upcoming NERC CIP requirements, leveraging a centralized transmission operator agreement (TOP) and working with FMPPA on developing a response to satisfy these requirements.

PLAN RESULTS – SUPPORTIVE SCENARIOS

Based on the business priorities and process described above, the following are the results of the supportive operational business plan scenarios in priority order. The supportive scenarios layer in expenditures over and above the Baseline to determine the impact on overall revenue requirements and rates as a function of specific efforts. This is followed by a summary of projected impacts on rates associated with the Baseline and each recommended supportive scenario. *Scenarios four (4) and five (5) are **NOT** being recommended at this time.* Beaches Energy will consider changes and adjustments to the plan for these items over time and based on review of changing conditions versus those assumed during plan development. The detailed annual cash flows for scenarios 1 – 3 are shown in Appendix A.

Prioritized Scenarios

1. **Substation Fortification:** Beaches Energy substations are the backbone of reliability and by far the highest priority for the system operationally. Outages at substations can disrupt large numbers of services and significantly impact reliability. Beaches Energy has prepared a ten-year projection (as part of a larger 40 year plan) of updated substation capital expenditures that are essential to repairing and renewing aging power delivery infrastructure. We've modeled the financial impact of all Baseline substation expenditures in fiscal year 2022 and beyond. Scenario 1 reflects two specific projects at Jacksonville Beach T-1 and Sampson T-1, each of which are aging facilities. Beaches Energy can pay for a portion of these costs from savings related to debt that has been recently retired, and some amount from reserves.
2. **Staffing Expansion:** Beaches Energy plans to move forward with adding a dedicated staff member for a new Compliance Engineer to manage increased workload in the electric compliance area. Beaches Energy will continue to evaluate the need for



one additional new position related to management of substation renewal efforts as needed based on ongoing progress. These positions will be filled in order of priority and in accordance with business needs.

3. **Technology:** Through fiscal year 2025, Beaches Energy will work to gradually advance technology in the areas of city communication infrastructure, Geographic Information System (GIS) mapping, Outage Management (OMS), Distribution Management (DMS), and further development of fiber throughout the service area. Beaches Energy will also pursue a cost share arrangement with the City's Customer Service department for an Interactive Voice Response (IVR) system. The OMS and DMS project expenditures are already included in Baseline expenses, with the remainder (IVR) modeled within this scenario.
4. **Not Included - Resiliency/Storm Hardening:** To further reinforce reliability and resiliency, Beaches Energy will pursue a feasibility study and due diligence to determine the amount of useable land and other space considerations for moving the utility's system operations, communications and emergency response function to the Sampson substation. Existing operational locations lie near sea level, and this relocation would reduce risks related to fast storm restoration. Leveraging available space at Sampson may evolve over time to include multiple use cases, including serving as the primary (SCADA) location.
 - o **Note:** In addition to this scenario, Beaches Energy will continue to pursue (as noted above in Baseline expenditures) a series of previously planned hardening efforts, including upgrading certain overhead main feeder lines from wood to concrete and converting all overhead lateral feeder lines to underground by 2031.
5. **Not Included - Insourcing of Vegetation Management:** Beaches Energy may consider insourcing the vegetation management function to empower broader control over the quality and timeliness of services and prevent vegetation from impacting reliability. As part of this potential expansion, Beaches Energy will consider adding a Certified Arborist position and an associated tree crew, the cost of which would likely be shared across Beaches Energy and the City's Public Works and Parks and Recreation departments. Beaches Energy will coordinate efforts with the City to ensure investments do not overlap or duplicate those envisioned in the Strategic Plan for the City. Space needs related to the additional staff and equipment will also need to be addressed.

ESTIMATED RATE IMPACTS

Beaches Energy Is in Good Financial Standing

Based on 1898 & Co.'s 10-year financial forecast model and the estimated costs for Baseline expenditures and each of the three recommended supportive scenarios above, Beaches Energy can elect to absorb the Baseline forecast by reducing electric fund balances through 2026 and pursue a 4% adjustment to rates in FY 2027. Alternatively, Beaches Energy can elect to pursue a one-time 5% adjustment in FY 2025 and have funding to complete scenarios 1 – 3 in addition to the Baseline forecast. The matrix below summarizes these findings.

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Baseline Forecast	0%	0%	0%	0%	0%	4%	0%	0%	0%
Baseline + Scenarios 1-3	0%	0%	0%	5%	0%	0%	0%	0%	0%

Maintaining a system with bounded rate increases will increase Beaches Energy’s competitiveness relative to benchmarks. As of June 2021, based on retail rate data compiled by the Florida Municipal Electric Association, a typical residential customer of Beaches Energy who consumes 1,000 kWh a month pays rates that are \$21.72 per month lower than Duke Energy Florida and within \$3.44 of Florida Power and Light (FPL). FPL has reached a settlement agreement effective August 2021 that will result in approximately \$1.53 billion in rate increases over the next four years, which is estimated to increase rates for a typical customer by \$13.64 per month. Beaches Energy’s contemplated increases are materially lower than those contemplated by FPL over the same general time horizon.

Beaches Energy can move forward with the higher priority plan elements and manage cash reserves actively to determine incremental decisions on scenarios. **Figure 1** below summarizes by year the Baseline related and above-baseline revenue requirements associated with the recommended scenarios. The supportive scenarios represent \$4.5 million in additional expenditures from FY 2022 – 2026 on top of the Baseline revenue requirements of \$438.9 million.

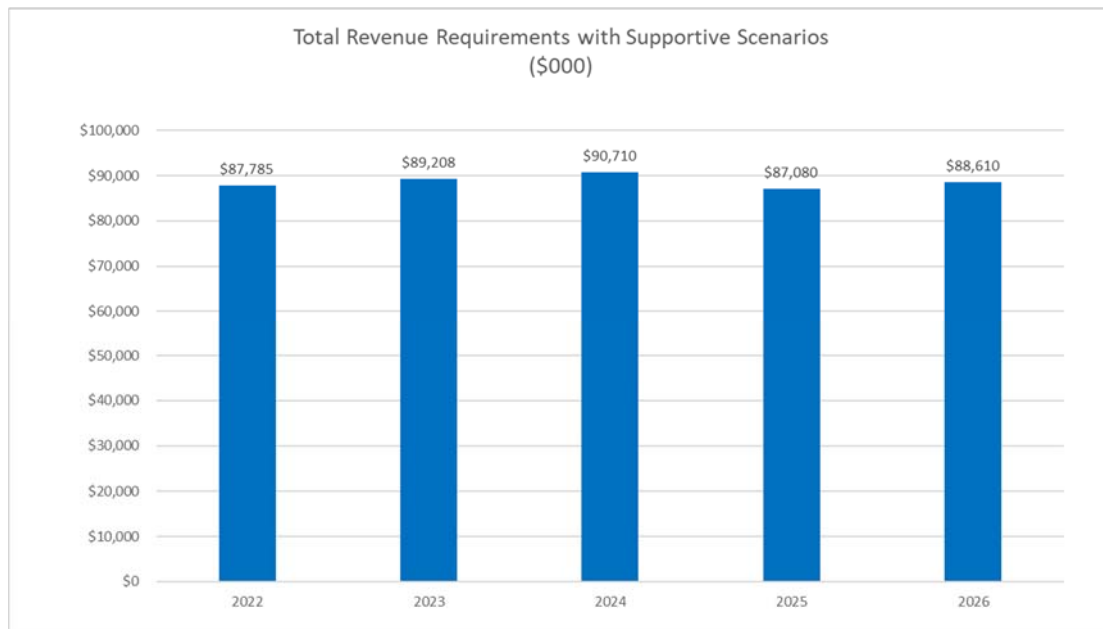


Figure 1

Based on these revenue requirements, 1898 & Co. also estimated the net revenue (revenue minus costs) across Baseline expenditures and the three recommended supportive scenarios. This annual revenue shortfall is the dollar amount that would need



to be directed from Beaches Energy reserves and/or collected through a rate adjustment. **Figure 2** below summarizes the estimated annual net revenues by year without any rate increases, which is approximately \$19.9 million over the five-year horizon.

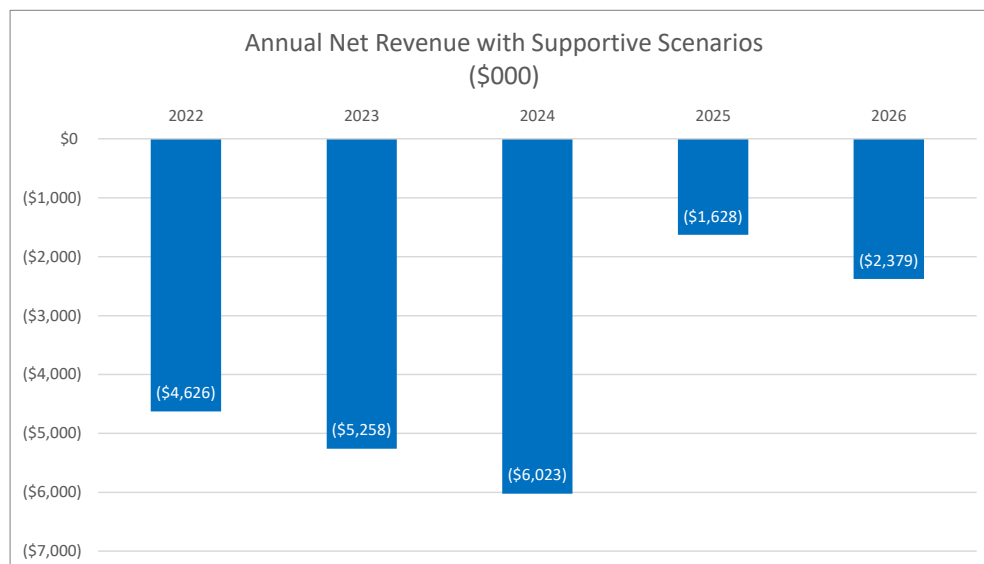


Figure 2

Based on the above negative annual net revenue during the study period, 1898 & Co. estimates that a one-time rate adjustment of 5%, combined with a draw-down of unrestricted cash reserves, can achieve the desired Baseline and supportive scenario outcomes. Beaches Energy will conservatively pursue top priorities related to reliability and continually evaluate downstream cash reserves and rate positioning, as required, to ensure that the existing strong reserve position is maintained and that electric fund balances are not excessively eroded. **Table 1** below, based on the financial model developed by 1898 & Co., summarizes annual net revenue and the estimated ending unrestricted¹ electric fund balance over selected years associated with Baseline expenditures and the three recommended scenarios. **Appendix B** provides a summary of by year estimates for Baseline expenditures and the impacts of layering in the recommended scenarios.

¹ The unrestricted electric fund balance includes the Reserve Op/Cap minimum balance target that ranges from \$14M - \$20M.



	2022	2026	2030
Baseline Case + 4% Rate Increase FY 2027			
Net Revenue	(\$4,438,126)	(\$2,039,537)	(\$2,886,443)
Ending Unrestricted Fund Balance	\$32,663,414	\$25,497,362	\$18,503,484
Baseline Case + Scenarios 1-3 + 5% Rate Increase in FY2025			
Net Revenue	(\$4,625,626)	\$1,896,763	(\$2,380,843)
Ending Unrestricted Fund Balance	\$32,475,914	\$29,523,062	\$19,068,484

Table 1

As reinforced by **Table 1**, Beaches Energy can preserve a strong financial position with a targeted combination of reserve management and a one-time rate adjustment in the study period ending FY 2030. Beaches Energy and the City will continue to partner on meeting the goals of the electric utility in a financially responsible and thoroughly vetted manner as they work to preserve and enhance the value of Beaches Energy to the community.

We appreciate the opportunity to prepare this report for Beaches Energy. Should you have any questions or concerns regarding this report, please feel free to contact me at craig.brown@1898andco.com or 816-782-6306.

Sincerely,

Craig E. Brown / Project Manager

cc: Navid Nowakhtar, Resource and Strategic Planning Manager, FMPA



Beaches Energy Services Operational Business Plan
September 22, 2021

Appendix A – Supportive Scenario Details

		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Scenario 1 - Substation Fortification											
Jax Beach T1		\$3,000,000					\$5,500,000				
Sampson T1											
Additional Substation Projects not in 2022-26 CIP		\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$5,500,000	\$0	\$0	\$0
Scenario 1 Incremental Cost		\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$5,500,000	\$0	\$0	\$0
Scenario 2 - Staffing Expansion											
Substation Engineer	escalation 3.0%			\$ 169,600	\$ 174,700	\$ 179,900	\$ 185,300	\$ 190,900	\$ 196,600	\$ 202,500	\$ 208,600
Compliance Engineer	3.0%	\$ -	\$ -	\$ 140,700	\$ 144,900	\$ 149,300	\$ 153,800	\$ 158,400	\$ 163,100	\$ 168,000	\$ 173,100
Scenario 2 Cost		\$ -	\$ -	\$ 310,300	\$ 319,600	\$ 329,200	\$ 339,100	\$ 349,300	\$ 359,700	\$ 370,500	\$ 381,700
		FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Scenario 3 - Technology											
Current Technology Projects in CIP											
Advanced Smart Grid Infrastructure	\$ 1,255,088	\$ -	\$ 300,000	\$ 309,000	\$ 318,270	\$ 327,818					
BES/City Communication Infrastructure	\$ 1,673,451	\$ 400,000	\$ 412,000	\$ 424,360	\$ 437,091	\$ -					
Outage Management System	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -					
Distribution Management System	\$ 350,000	\$ -	\$ 50,000	\$ 300,000	\$ -	\$ -					
	\$ 3,428,539	\$ 550,000	\$ 762,000	\$ 1,033,360	\$ 755,361	\$ 327,818					
NPV:		\$2,985,913									
Incremental Costs for Scenario											
Scenario 3 - BES Share of IVR server		\$ -	\$ 187,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$250k reduced by 25%									

Appendix B
Table B-1: Baseline Financial Forecast

Beaches Energy Services Combined Summary of Revenues and Expenses Fiscal Year End September 30											
	Proposed Budget 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Revenues											
Charges for services	\$ 81,515,820	\$ 82,363,453	\$ 83,171,517	\$ 83,942,237	\$ 84,720,721	\$ 85,507,050	\$ 86,301,302	\$ 87,103,560	\$ 87,910,595	\$ 88,725,701	
Proposed Electric Sales Revenue Increase (Decrease):											
		<u>Months</u>									
<u>Month</u>	<u>Year</u>	<u>Applied</u>	<u>Increase</u>								
October	2021	12	0.00%	-	-	-	-	-	-	-	-
October	2022	12	0.00%	-	-	-	-	-	-	-	-
October	2023	12	0.00%	-	-	-	-	-	-	-	-
October	2024	12	0.00%	-	-	-	-	-	-	-	-
October	2025	12	0.00%	-	-	-	-	-	-	-	-
October	2026	12	4.00%	-	-	-	3,452,100	3,484,100	3,516,400	3,549,000	-
October	2027	12	0.00%	-	-	-	-	-	-	-	-
October	2028	12	0.00%	-	-	-	-	-	-	-	-
October	2029	12	0.00%	-	-	-	-	-	-	-	-
Additional Proposed Rate Revenue	-	-	-	-	-	-	3,452,100	3,484,100	3,516,400	3,549,000	
Total Rate Revenue	\$ 81,515,820	\$ 82,363,453	\$ 83,171,517	\$ 83,942,237	\$ 84,720,721	\$ 85,507,050	\$ 89,753,402	\$ 90,587,660	\$ 91,426,995	\$ 92,274,701	
Other Revenues											
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest & other	651,015	634,135	616,945	582,207	568,690	562,194	551,997	515,322	488,875	457,364	
Transfers in	162,097	162,097	162,097	162,097	162,097	162,097	162,097	162,097	162,097	162,097	
Total Revenues	\$ 82,328,932	\$ 83,159,686	\$ 83,950,558	\$ 84,686,542	\$ 85,451,509	\$ 86,231,341	\$ 90,467,495	\$ 91,265,079	\$ 92,077,967	\$ 92,894,162	
Expenses											
Personal Services	\$ 7,104,909	\$ 7,478,345	\$ 7,702,695	\$ 7,933,776	\$ 8,141,823	\$ 8,386,078	\$ 8,607,694	\$ 8,865,925	\$ 9,131,903	\$ 9,405,860	
Operating-Energy	56,830,282	57,949,173	58,437,268	58,929,734	59,426,612	60,084,954	60,685,203	61,291,456	61,903,770	62,522,208	
Operating-All Other	8,988,772	8,953,943	9,130,622	9,310,835	9,288,841	9,472,217	9,453,451	9,640,120	9,830,522	10,024,733	
Capital Outlay	7,270,000	9,398,000	9,790,000	7,359,000	6,056,000	6,471,000	6,266,477	9,416,371	10,121,662	9,932,512	
Debt Service-Principal	1,266,350	-	-	-	-	-	-	-	-	-	
Debt Service-Interest & Other	35,327	-	-	-	-	-	-	-	-	-	
Proposed Debt Service	-	-	-	-	-	-	-	-	-	-	
Transfers	3,818,350	3,818,350	3,837,442	3,856,629	3,837,442	3,856,629	3,837,442	3,856,629	3,875,912	3,895,292	
Subtotal BAU Expenses	\$ 85,313,990	\$ 87,597,811	\$ 88,898,027	\$ 87,389,974	\$ 86,750,717	\$ 88,270,878	\$ 88,850,267	\$ 93,070,501	\$ 94,863,770	\$ 95,780,604	
Scenario 1: Substation Fortification	-	-	-	-	-	-	-	-	-	-	
Scenario 2: Staffing Expansion	-	-	-	-	-	-	-	-	-	-	
Scenario 3: Technology	-	-	-	-	-	-	-	-	-	-	
Scenario 4: Resiliency/Storm Hardening	-	-	-	-	-	-	-	-	-	-	
Scenario 5: Succession Planning	-	-	-	-	-	-	-	-	-	-	
Subtotal Scenario Expenses	-	-	-	-	-	-	-	-	-	-	
Total Expenses	\$ 85,313,990	\$ 87,597,811	\$ 88,898,027	\$ 87,389,974	\$ 86,750,717	\$ 88,270,878	\$ 88,850,267	\$ 93,070,501	\$ 94,863,770	\$ 95,780,604	
Change in Fund Balance	\$ (2,985,058)	\$ (4,438,126)	\$ (4,947,469)	\$ (2,703,433)	\$ (1,299,209)	\$ (2,039,537)	\$ 1,617,228	\$ (1,805,422)	\$ (2,785,803)	\$ (2,886,443)	
Unrestricted	22,700,492	15,338,992	14,448,390	13,790,668	13,618,185	10,705,159	12,303,366	6,906,949	2,968,680	(181,968)	
Reserve Op/Cap	11,302,492	17,324,422	17,835,771	15,526,782	14,251,108	14,792,203	14,619,205	17,899,511	18,738,181	18,685,452	
Subtotal Unrestricted Funds	\$ 34,002,984	\$ 32,663,414	\$ 32,284,161	\$ 29,317,449	\$ 27,869,293	\$ 25,497,362	\$ 26,922,571	\$ 24,806,460	\$ 21,706,861	\$ 18,503,484	
Restricted	38,845,009	34,725,538	30,157,323	30,420,602	30,569,549	30,901,943	31,093,963	31,404,652	31,718,449	32,035,383	
Ending Fund Balance	\$ 71,827,078	\$ 67,388,953	\$ 62,441,484	\$ 59,738,051	\$ 58,438,843	\$ 56,399,306	\$ 58,016,534	\$ 56,211,112	\$ 53,425,309	\$ 50,538,867	



Beaches Energy Services Operational Business Plan
September 22, 2021

Table B-2: Baseline + Scenarios 1-3 Financial Forecast

Beaches Energy Services Combined Summary of Revenues and Expenses Fiscal Year End September 30										
	Proposed Budget 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenues										
Charges for services	\$ 81,515,820	\$ 82,363,453	\$ 83,171,517	\$ 83,942,237	\$ 84,720,721	\$ 85,507,050	\$ 86,301,302	\$ 87,103,560	\$ 87,910,595	\$ 88,725,701
Proposed Electric Sales Revenue Increase (Decrease):										
	<u>Months</u>									
<u>Month</u>	<u>Year</u>	<u>Applied</u>	<u>Increase</u>							
October	2021	12	0.00%	-	-	-	-	-	-	-
October	2022	12	0.00%	-	-	-	-	-	-	-
October	2023	12	0.00%	-	-	-	-	-	-	-
October	2024	12	5.00%		4,236,000	4,275,400	4,315,100	4,355,200	4,395,500	4,436,300
October	2025	12	0.00%			-	-	-	-	-
October	2026	12	0.00%				-	-	-	-
October	2027	12	0.00%					-	-	-
October	2028	12	0.00%						-	-
October	2029	12	0.00%							-
Additional Proposed Rate Revenue	-	-	-	-	4,236,000	4,275,400	4,315,100	4,355,200	4,395,500	4,436,300
Total Rate Revenue	\$ 81,515,820	\$ 82,363,453	\$ 83,171,517	\$ 83,942,237	\$ 88,956,721	\$ 89,782,450	\$ 90,616,402	\$ 91,458,760	\$ 92,306,095	\$ 93,162,001
Other Revenues										
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest & other	651,015	634,135	616,945	582,207	568,690	562,194	551,997	515,322	488,875	457,364
Transfers in	162,097	162,097	162,097	162,097	162,097	162,097	162,097	162,097	162,097	162,097
Total Revenues	\$ 82,328,932	\$ 83,159,686	\$ 83,950,558	\$ 84,686,542	\$ 89,687,509	\$ 90,506,741	\$ 91,330,495	\$ 92,136,179	\$ 92,957,067	\$ 93,781,462
Expenses										
Personal Services	\$ 7,104,909	\$ 7,478,345	\$ 7,702,695	\$ 7,933,776	\$ 8,141,823	\$ 8,386,078	\$ 8,607,694	\$ 8,865,925	\$ 9,131,903	\$ 9,405,860
Operating-Energy	56,830,282	57,949,173	58,437,268	58,929,734	59,426,612	60,084,954	60,685,203	61,291,456	61,903,770	62,522,208
Operating-All Other	8,988,772	8,953,943	9,130,622	9,310,835	9,288,841	9,472,217	9,453,451	9,640,120	9,830,522	10,024,733
Capital Outlay	7,270,000	9,398,000	9,790,000	7,359,000	6,056,000	6,471,000	6,266,477	9,416,371	10,121,662	9,932,512
Debt Service-Principal	1,266,350	-	-	-	-	-	-	-	-	-
Debt Service-Interest & Other	35,327	-	-	-	-	-	-	-	-	-
Proposed Debt Service	-	-	-	-	-	-	-	-	-	-
Transfers	3,818,350	3,818,350	3,837,442	3,856,629	3,837,442	3,856,629	3,837,442	3,856,629	3,875,912	3,895,292
Subtotal BAU Expenses	\$ 85,313,990	\$ 87,597,811	\$ 88,898,027	\$ 87,389,974	\$ 86,750,717	\$ 88,270,878	\$ 88,850,267	\$ 93,070,501	\$ 94,863,770	\$ 95,780,604
Scenario 1: Substation Fortification	-	-	-	3,000,000	-	-	5,500,000	-	-	-
Scenario 2: Staffing Expansion	-	-	310,300	319,600	329,200	339,100	349,300	359,700	370,500	381,700
Scenario 3: Technology	-	187,500	-	-	-	-	-	-	-	-
Scenario 4: Resiliency/Storm Hardening	-	-	-	-	-	-	-	-	-	-
Scenario 5: Succession Planning	-	-	-	-	-	-	-	-	-	-
Subtotal Scenario Expenses	-	187,500	310,300	3,319,600	329,200	339,100	5,849,300	359,700	370,500	381,700
Total Expenses	\$ 85,313,990	\$ 87,785,311	\$ 89,208,327	\$ 90,709,574	\$ 87,079,917	\$ 88,609,978	\$ 94,699,567	\$ 93,430,201	\$ 95,234,270	\$ 96,162,304
Change in Fund Balance	\$ (2,985,058)	\$ (4,625,626)	\$ (5,257,769)	\$ (6,023,033)	\$ 2,607,591	\$ 1,896,763	\$ (3,369,072)	\$ (1,294,022)	\$ (2,277,203)	\$ (2,380,843)
Unrestricted	22,700,492	14,963,992	13,873,015	6,893,368	13,625,285	14,646,084	5,755,441	6,367,824	2,935,455	287,607
Reserve Op/Cap	11,302,492	17,511,922	17,913,346	18,606,682	14,333,408	14,876,978	20,206,530	17,989,436	18,830,806	18,780,877
Subtotal Unrestricted Funds	\$ 34,002,984	\$ 32,475,914	\$ 31,786,361	\$ 25,500,049	\$ 27,958,693	\$ 29,523,062	\$ 25,961,971	\$ 24,357,260	\$ 21,766,261	\$ 19,068,484
Restricted	38,845,009	34,725,538	30,157,323	30,420,602	30,569,549	30,901,943	31,093,963	31,404,652	31,718,449	32,035,383
Ending Fund Balance	\$ 71,827,078	\$ 67,201,453	\$ 61,943,684	\$ 55,920,651	\$ 58,528,243	\$ 60,425,006	\$ 57,055,934	\$ 55,761,912	\$ 53,484,709	\$ 51,103,867



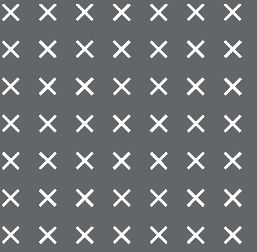
BEACHES | ENERGY
SERVICES

Operational Business Plan

Beaches Energy Services

Strong Financial Position Supports Business Plan

- Beaches Energy retained 1898 & Co. to develop an Operational Business Plan
- Focused on priorities for electric system that enable Beaches Energy to thrive over 5-year horizon
 - Maintain ability to deliver low cost, reliable power to customers
 - 10-year high level roadmap
- Cohesive team represented a range of perspectives
 - Support from Beaches Energy and City staff for detailed financial model
 - Evaluation of rate implications of the plan
- Plan results and financial modeling shows Beaches Energy is in a strong financial position that empowers action on highest priorities
 - Can elect to absorb Baseline plan expenditures by reducing electric fund reserve balances through FY 2026 with a 4.0% adjustment to rates in FY 2027
 - Can add supportive scenario-driven expenses over and above baseline expenditures with a 5.0% rate adjustment in FY 2025

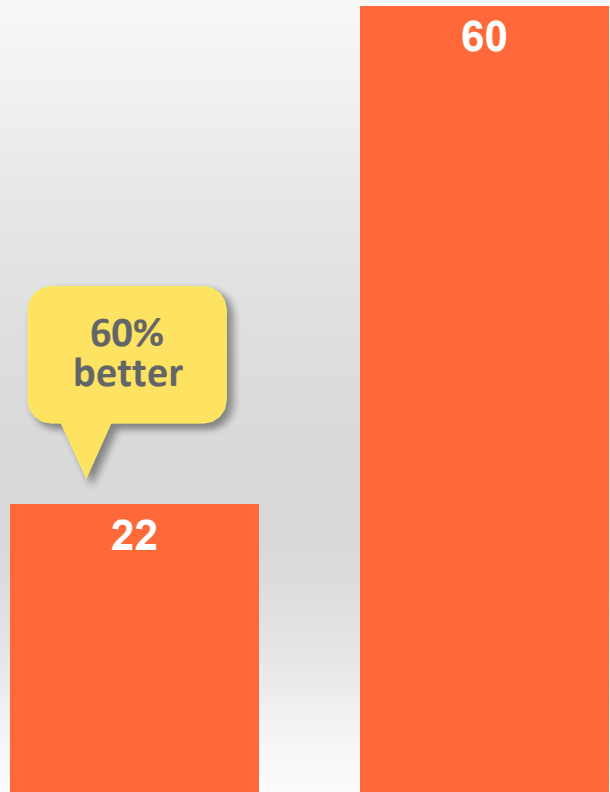
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Planning Process and Priorities

Beaches Energy Delivering on Its Mission

Reliable Service

Average outage duration
in minutes for fiscal 2020



Beaches Energy

Industry Average

Competitive Price

Cost per 1,200 kWh
calendar year 2020 average rate

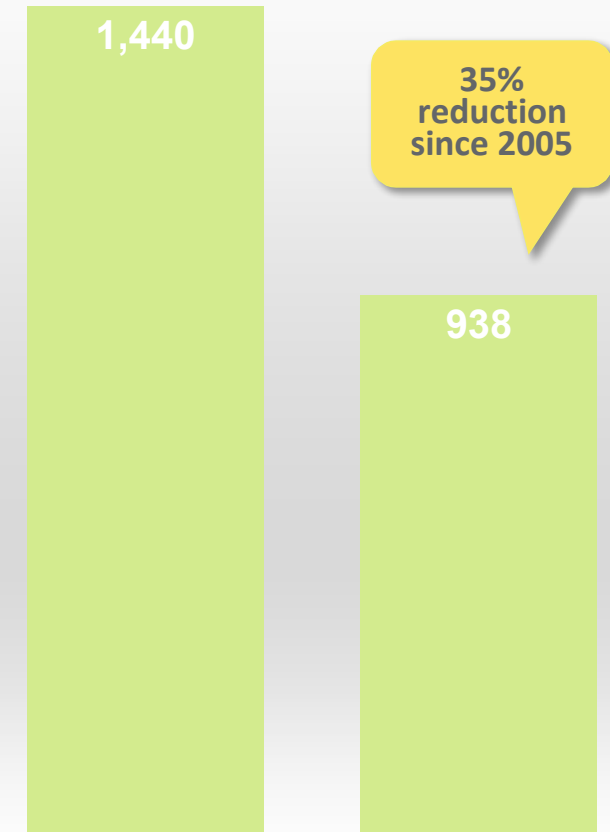


Beaches Energy

IOU Avg

Clean Power

CO₂ emissions for Beaches Energy's power
supply in pounds per Megawatt hour



2005

2020

IOU = Investor-Owned Utility

Essential to Plan for Continued Future Success

Operational and financial planning helps create a model for growth and development

- Informs concerning realistic goals and growth options
- Forecasts results for financial management
- Provides information for decision-making
- Provides the ability to monitor financial performance over time compared to plan



Beaches Energy Developed an Operational Plan

- Beaches Energy partnered with stakeholders at the City to develop an operational business plan
- Utilized 1898 & Co., an engineering and financial services consultant
- Goal: Continue to provide low-cost, reliable power to customers
- Looked over a five-year planning horizon



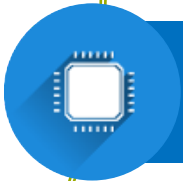
Resulting Operational Priorities Developed



System Reliability: Invest to maintain the reliability of the electric system



Workforce Needs & Retention: Human capital to maintain & improve performance

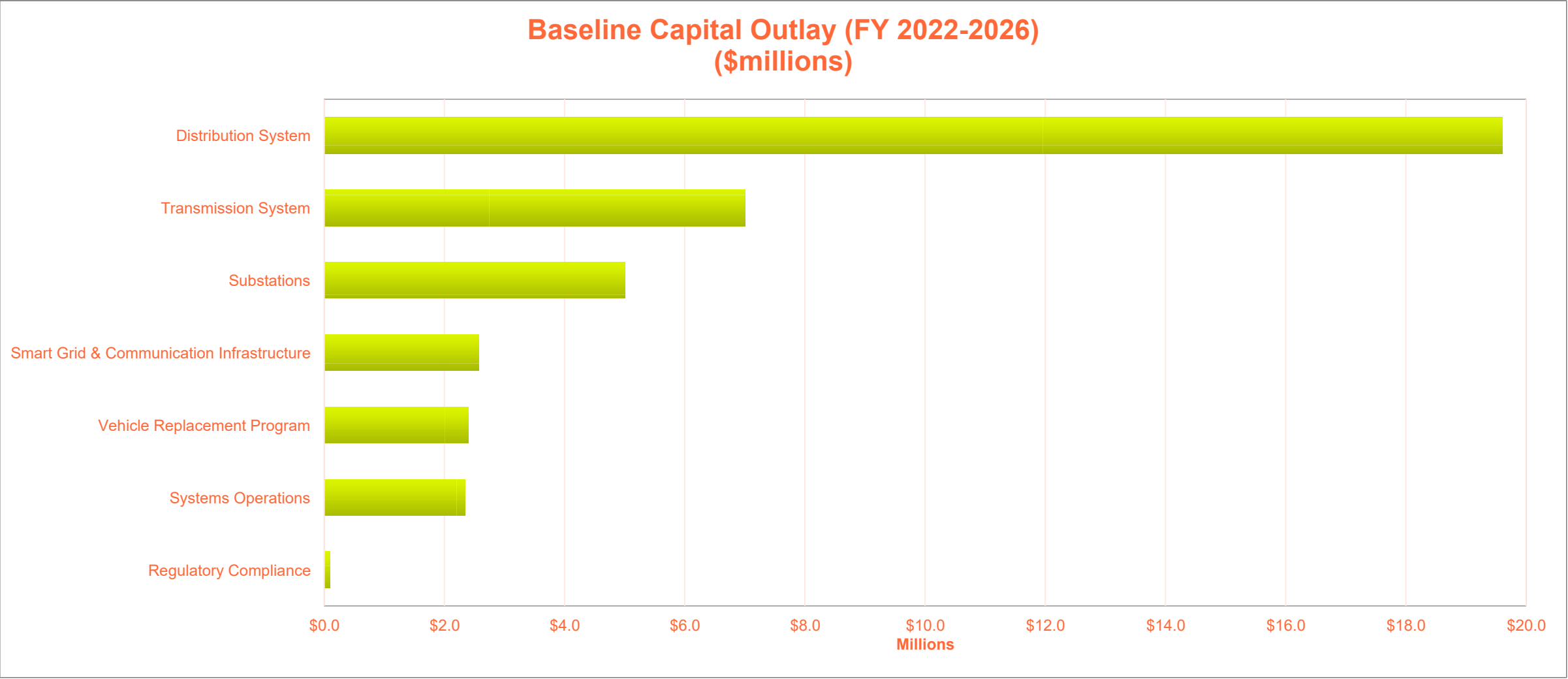


Technology Adoption & Efficiency: Right tools at right time balanced by cost



Reasonable Rates: Investments that add value while maintaining affordability

Baseline Capital Outlay Aligns with Priorities



Aged System Elements Drive Reliability Investment

- Distribution System
 - New transformers, wire, cable, poles, insulators to replace or expand facilities
 - Preventative maintenance to extend useful life of existing assets
 - Gradual continued transition from overhead to underground service
 - Sectionalize power lines for faster power restoration - reclosers
- Transmission System
 - Prioritize construction and maintenance efforts
 - Certain sections of line are nearly 40 years old
 - Visual and infrared inspection
 - Address hardware issues proactively

Substations Must Be Fortified, Network Upgraded

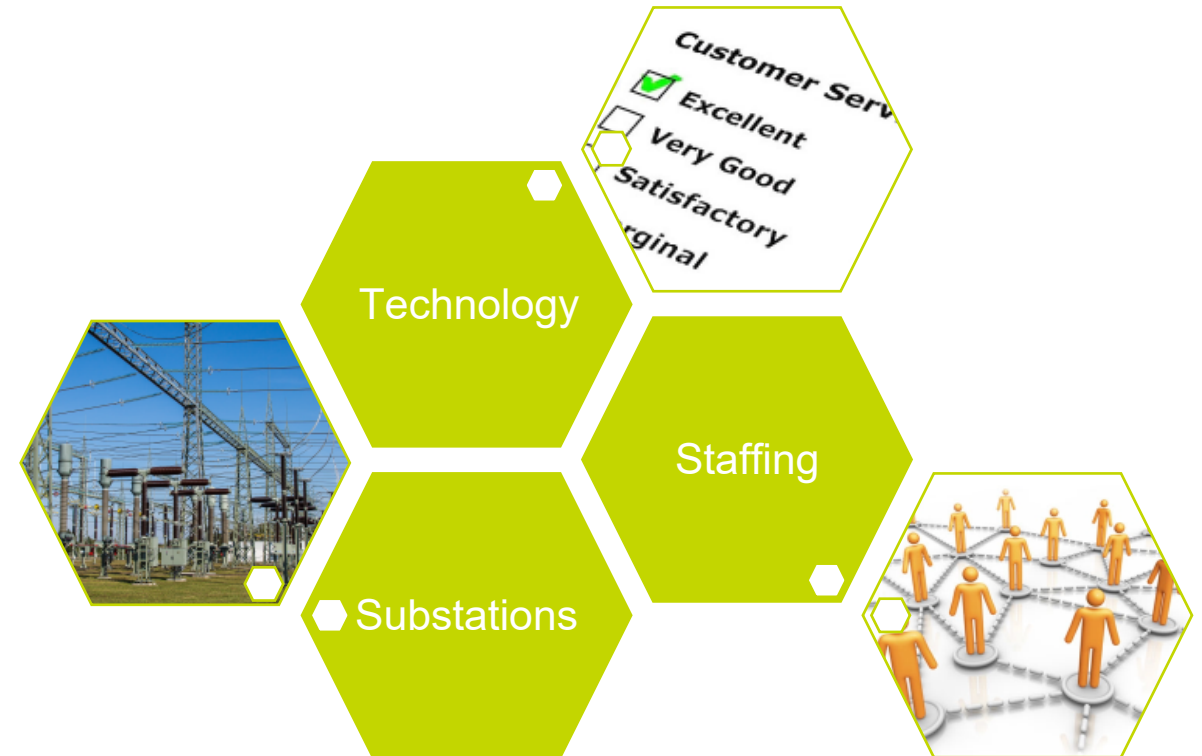
- Substations
 - Wide range of upgrades/improvements to substation system equipment
 - Breakers, relays, battery banks, capacitor banks, motor switches, etc.
 - Primary driver of increased and significant long-term capital expenditures
- Smart Grid & Communication Infrastructure
 - Enhanced smart devices in strategic locations to restore customers remotely
 - Expand existing fiber and wireless backhaul to build out multi-purpose wide area network
 - Research into communication network & devices to integrate with City's corporate and/or Supervisory Control & Data Acquisition (SCADA) system

Assets, Tech, and Compliance Needs Will Be Met

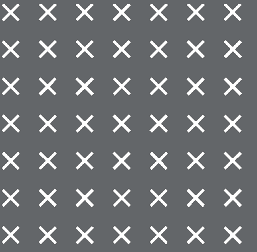
- Vehicle Replacement Program
 - Reliable vehicles that do not suffer excessive breakdowns due to age
- SCADA/System Operations
 - Progress on incorporating Outage Management System (OMS) and Distribution Management System (DMS) fused with SCADA
 - Set aside funds to address cyber/physical security
 - Improve system operations building to provide support for storm recovery conditions
- Regulatory Compliance
 - Enhanced funding to support NERC Critical Infrastructure Protection (CIP)
 - Consulting support on department policies and procedures to align w/NERC
 - Centralized transmission operator agreement & work with FMPPA on reqs.

Supportive Scenarios Layer in Above Baseline

- Substation Fortification
 - Two specific projects at Jacksonville Beach T-1 and Sampson T-1
- Staffing Expansion
 - +1 FTE for Compliance Engineer
 - +1 FTE for Substation Engineering
- Technology
 - Cost share on Interactive Voice Response (IVR) with City's Customer Service Department
- 2 Other scenarios evaluated, not recommended for inclusion (see Appendix A)



Substation Transformer	In Service Date	Years in Service (current)	Years in Service (at replacement)	Planned	Projected End of Life
Ft. Diego T-1	1982	39	41	2022-2023	2017
Jax Beach T-1	1982	39	43	2024-2025	2017
Sampson T-1	1982	39	45	2026-2027	2017
Jax Beach T-2	1982	39	47	2028-2029	2017
Ft. Diego T-2	1988	33	43	2030-2031	2023
Butler T-1	1992	29	41	2032-2033	2027
Butler T-2	1992	29	43	2034-2035	2027
6 year gap (FY2036- FY2042)					
Sampson T-3	1992	29	51	2042-2043	2027
Penman T-1	2005	16	40	2044-2045	2040
Penman T-2	2005	16	42	2046-2047	2040
Guana T-1	2003	18	46	2048-2049	2038
Sampson T-2	2020	1	36	2055-2056	2055
Guana T-2	2019	2	41	2059-2060	2054
Engineering starts approximately 1 year before construction (2 year cycle time)					
Industry Average is 35 year life cycle					

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Estimated Rate Impacts

Beaches Energy is in Good Financial Standing

- Beaches Energy can absorb Baseline expenditures through FY 2026 w/ 4% adjustment in FY 2027
- Recommended Scenarios can be pursued w/ 5% adjustment in FY 2025
- Assumes reduction in unrestricted electric fund reserve balance over study period

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Baseline Forecast	0%	0%	0%	0%	0%	4%	0%	0%	0%
Baseline + Scenarios 1-3	0%	0%	0%	5%	0%	0%	0%	0%	0%

Electric Fund Actively Monitored for Health

Estimated Electric Fund Position

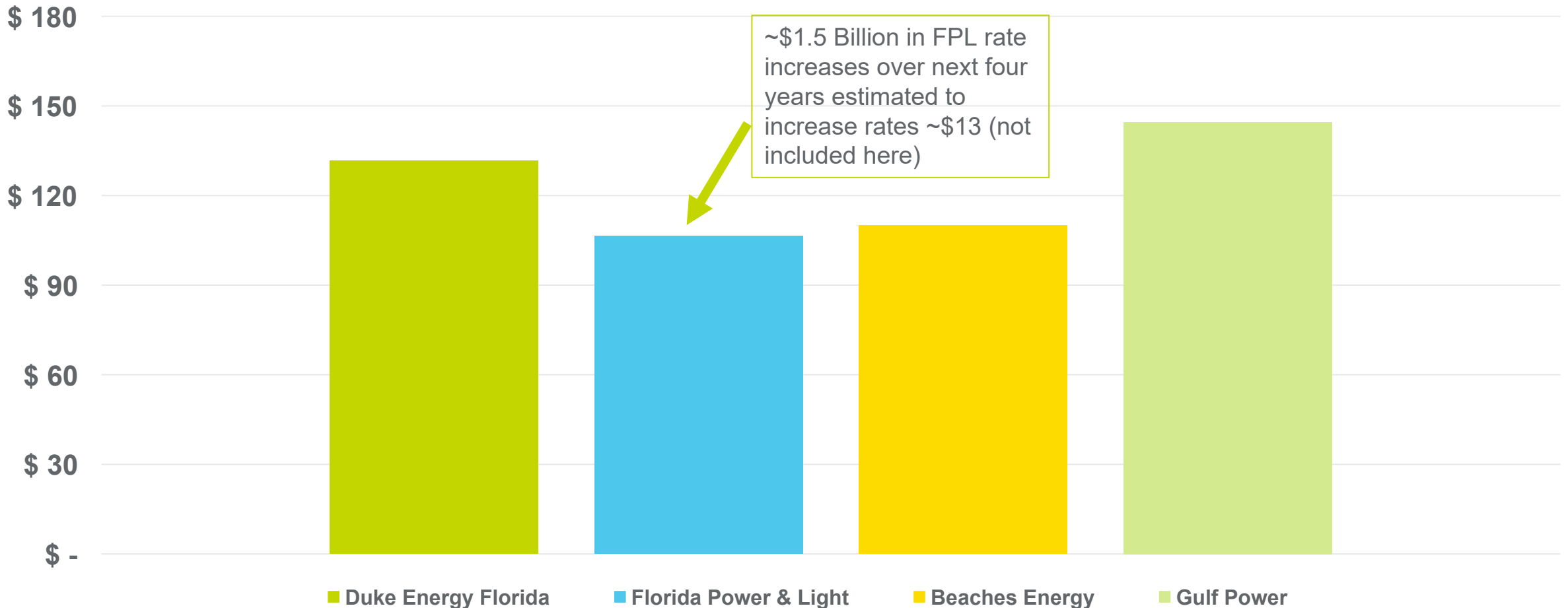
	2022	2026	2030
Baseline Case + 4% Rate Increase FY 2027			
Net Revenue	(\$4,438,126)	(\$2,039,537)	(\$2,886,443)
Ending Unrestricted Fund Balance	\$32,663,414	\$25,497,362	\$18,503,484
Baseline Case + Scenarios 1-3 + 5% Rate Increase in FY2025			
Net Revenue	(\$4,625,626)	\$1,896,763	(\$2,380,843)
Ending Unrestricted Fund Balance	\$32,475,914	\$29,523,062	\$19,068,484

Negative Net Revenue values (annual cost > retail revenue) can be offset with (i) draw-downs of unrestricted cash and (ii) one-time rate adjustment.

- Beaches Energy can preserve strong financial position via:
 - Targeted reserve management
 - One time rate adjustment within the study period
- Focus on high priority plan elements first
 - Monitor financial position over time
 - Vet incremental additional capital expenditures based on comparison to ending unrestricted fund balance “floor”

Bounded Rate Change Keeps Beaches Energy Competitive with Benchmarks

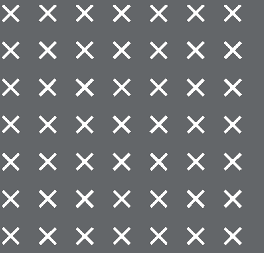
Cost per 1,000 kWh – Residential – June 2021*



*Source: Florida Municipal Electric Association

The Path Forward Reflects A Bright Future

- Prioritized plan elements can move forward with execution on time and within budget to deliver superior results
- Move forward with incremental scenarios recommended based on
 - Careful monitoring of reserve levels
 - Desired ceiling for rate adjustments
- Enables low cost, clean, reliable power delivery to customers
- Maintain and enhance the value of Beaches Energy Services to the City of Jacksonville Beach

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Appendix A – Other Scenarios

Not Recommended For Plan Inclusion

Resiliency/Storm Hardening (not recommended at this time)

- Pursue a feasibility study and due diligence to determine the amount of useable land and other space considerations for moving the utility's system operations, communications and emergency response function to the Sampson substation
- Existing operational locations lie near sea level, and this relocation would reduce risks related to fast storm restoration
- Leveraging available space at Sampson may evolve over time to include multiple use cases, including serving as the primary Supervisory Control and Data Acquisition (SCADA) location

Insourcing Vegetation Management (not recommended at this time)

- Consider insourcing vegetation management to control service quality and prevent vegetation from impacting reliability
- Consider adding a Certified Arborist position and associated tree crew, the cost of which would likely be shared across Beaches and City's Public Works and Parks and Recreation departments
- Coordinate efforts with City to ensure investments do not overlap or duplicate those envisioned in City's Strategic Plan
- Space needs for the additional staff and equipment will need to be addressed

1898 
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PART OF BURNS  MCDONNELL



City of Jacksonville Beach • 11 North Third Street • Jacksonville Beach FL 32250

CITY COUNCIL BRIEFING TOPIC	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Jason Phitides, Director of Parks and Recreation
DATE:	December 13, 2021
SUBJECT:	Golf Course Update

BACKGROUND

FY21 was another unprecedented year at the golf course, surpassing the two record-setting years subsequent to our recent renovation. Although the renovation provided new greens, much of the success should be attributed to the excellent effort and skill of our staff.

The combined efforts of the Facility Manager and Superintendent have afforded a well-organized, proficient, and profitable operation, with exceptional course conditions. In 2020, both individuals were recognized by the Professional Golfers' Association of America, as the best in their respective positions for this region.

The following are some of the financial highlights for this past year:

- Recorded 67,078 rounds played and 60,680 driving range baskets sold.
- Achieved \$3.1M in revenues (our highest annual total on record).
- Gross Revenue increased by 24% Total Expenses increased by 7% versus FY20.
- Operating Income for FY 21 was \$796k.
- Capital Expenditures in FY 21 included a Greens Mower (\$42k); Artificial Turf Mats (\$37k); and Speakers for the driving range (\$10k).

Our current long-term business plan includes the establishment of a fund balance reserve of approximately \$500,000, or at least three months' operating expenses, to mitigate the risk of extended closure due to severe weather or unexpected catastrophe. The remaining fund balance should be reserved for capital improvement plan projects including a complete course renovation in approximately 15 years.

Capital improvements for this year include the construction of additional cart paths. Currently, only one-third of the course is under path.

FINANCIAL IMPACT

See attached summaries.

COUNCIL DIRECTION REQUESTED

None

ATTACHMENTS



City of Jacksonville Beach • 11 North Third Street • Jacksonville Beach FL 32250

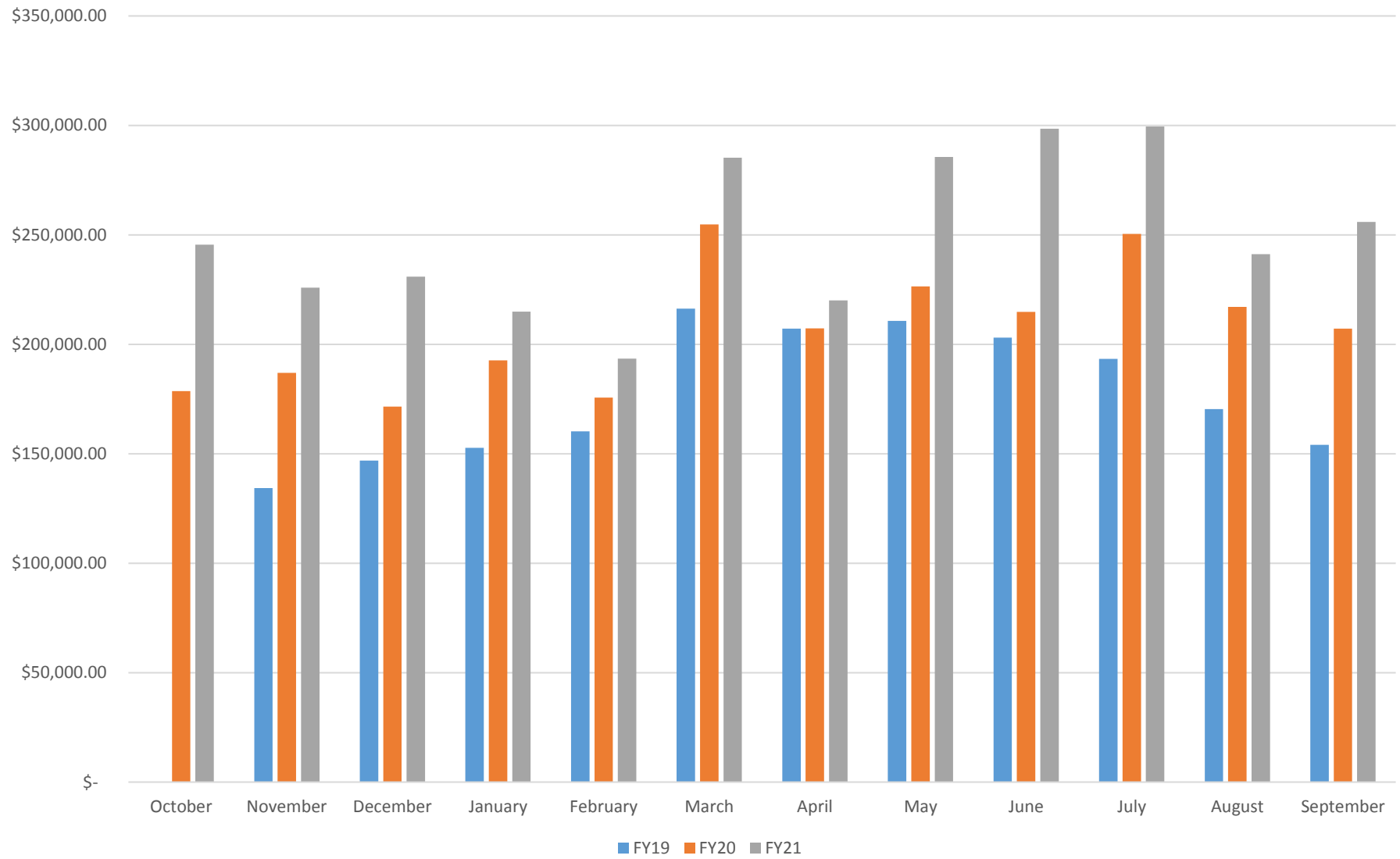
1. Golf Financial Summary 19 - 21
2. Golf Revenue Trends
3. Golf Financials 2019-2021

Jax Beach Golf Club
Financial Summaries

	2019*	2020	2021	21 v 20
Rounds	52,636	66,648	67,078	0.6%
Range	35,024	55,239	60,680	9.8%
Average Rate	\$ 29.46	\$ 29.45	\$ 34.58	17.4%
Revenue:				
Greens Fees	\$ 1,550,477	\$ 1,962,608	\$ 2,319,236	18.2%
Driving Range	191,798	\$ 266,605	385,519	44.6%
Other Revenue	270,828	\$ 287,307	421,623	46.7%
Total Revenue	2,013,103	2,516,520	3,126,378	24.2%
Expenses:				
Wages & Salaries	877,697	1,025,399	988,014	-3.6%
Other Operating	1,000,105	1,146,013	1,342,413	17.1%
Total Expenses	1,877,802	2,171,412	2,330,427	7.3%
Operating Income	135,301	345,108	795,951	130.6%

* The golf course did not generate revenue in October 2018 and for the first 10 days of November 2018.
The grand opening was on November 11, 2018.

Jax Beach Golf Club Monthly Revenue Trend



**City of Jacksonville Beach
Golf Course Fund
Annual Financial Reports**

	FY 2019	FY 2020	FY 2021	% Change 21-20
Operating Revenues				
Greens Fees	\$ 1,550,477	\$ 1,962,608	\$ 2,319,236	18.2%
Driving Range	191,798	266,605	385,519	44.6%
Other	270,828	287,307	421,623	46.7%
Total Operating Revenues	2,013,103	2,516,520	3,126,378	24.2%
Operating Expenses				
Personal Services	877,697	1,025,399	988,014	-3.6%
Other Expenses	1,000,105	1,146,013	1,342,413	17.1%
(Total Operating Expenses)	(1,877,802)	(2,171,412)	(2,330,427)	7.3%
Operating (Loss) Income	135,301	345,108	795,951	130.6%
Non-operating Revenues (Expenses)				
Investment Earnings	15,565	26,942	2,090	-92.2%
Intergovernmental Revenue				
Total Non-operating Revenues (Expense)	15,565	26,942	2,090	-92.2%
Income (Loss) Before Contributions and Transfers	150,866	372,050	798,041	114.5%
Capital Contributions				
Contributions from Other Funds	1,691,765			
Total Capital Contributions	1,691,765	-	-	
Transfers				
Transfers in	650,000			
Transfers (out)			(150,000)	
Total Transfers	650,000	-	(150,000)	
Change in Net Position	2,492,631	372,050	648,041	74.2%
Total Net Position, Beginning of Year	869,098	3,361,729	3,733,779	
Total Net Position, End of Year	\$ 3,361,729	\$ 3,733,779	\$ 4,381,820	17.4%
<i>Rounds</i>	<i>52,636</i>	<i>66,648</i>	<i>67,078</i>	<i>0.6%</i>
<i>Range</i>	<i>35,024</i>	<i>55,239</i>	<i>60,680</i>	<i>9.8%</i>
<i>Average Greens Rate</i>	<i>\$ 29.46</i>	<i>\$ 29.45</i>	<i>\$ 34.58</i>	

Notes:

- (1) The golf course was renovated in 2018 and reopened for business on November 11, 2018.
- (2) The FY2019 contributions and transfers in reflect the City's investment in the golf course renovations.
- (3) The FY2021 transfer out of \$150,000 reflects the repayment to the General Fund for start up costs.