City of Jacksonville Beach

11 North Third Street
Jacksonville Beach, Florida

Agenda

City Council

Monday, March 7, 2022	6:00 PM	Council Chambers

MEMORANDUM TO:

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

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 February 23, 2022

B. Council Briefing held on February 28, 2022

ANNOUNCEMENTS

COURTESY OF THE FLOOR TO VISITORS

MAYOR AND CITY COUNCIL

CITY CLERK

CITY MANAGER

A. Accept/Reject the Annual Comprehensive Financial Report and Community Redevelopment Agency Financial Statements for the Fiscal Year ending September 30, 2021

B. Approve/Disapprove the Second Amendment to the Agreement with SP Plus for Parking Management Services

C. Approve/Disapprove a Professional Services Agreement with Schneider Electric Smart Grid Solutions, LLC, in the amount of $41,896 for extended support and maintenance

D. Approve/Disapprove the purchase of replacement vehicles for the Police Department in FY2022

RESOLUTIONS

ORDINANCES

A. Approve/Disapprove Ordinance No. 2022-8171 regarding amendments to the Charter of the

City of Jacksonville Beach on the second reading

B. Approve/Disapprove Ordinance No. 2022-8172 amending City Code of Ordinances Chapter 2, Article II, Division 3, Section 2-51 "Enacting clause" on the second reading

ADJOURNMENT

NOTICE

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.

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 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.

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 Wednesday, February 23, 2022, at 6:00 P.M.
in the Council Chambers, 11 North 3rd Street,
Jacksonville Beach, Florida

OPENING CEREMONIES:

Council Member Janson provided the invocation, followed by the Pledge of Allegiance led by Girl Scout Troup 64003.

CALL TO ORDER:

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

ROLL CALL:

Mayor: Christine Hoffman

Council Members: Georgette Dumont, Sandy Golding, Dan Janson, Fernando Meza, Cory Nichols, Chet Stokes

Also present were: City Manager Mike Staffopoulos, City Attorney Sandra Robinson, Chief Financial Officer Ashlie Gossett, Director of Public Works Dennis Barron, Director of Beaches Energy Services Allen Putnam, 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 City Council Meeting held on February 7, 2022
- Council Briefing held on February 14, 2022

ANNOUNCEMENTS:

Council Member Golding congratulated the Fletcher Girls Soccer Team on advancing to the State 6A Championships. She said the Seawalk Music Festival would be held on February 26 and 27, 2022, at the Seawalk Pavilion.

Council Member Dumont thanked the Girl Scouts for a job well done on the Pledge of Allegiance.

Council Member Meza also noted a great job by the Girl Scouts. He mentioned a recent house fire where he heard someone had entered the engulfed house to save lives. He asked for help identifying the individual to be thanked for their service.

Mayor Hoffman reminded the public paid parking program would resume the weekend of March 11. She said Jacksonville Beach residents will continue to receive free parking but must pre-register through the City's website.

COURTESY OF THE FLOOR TO VISITORS:

- Shandy Thompson, 522 3rd Avenue South, Jacksonville Beach, spoke about the lack of lighting at Wingate Park for the girls lacrosse players' practice and also how she hoped the Jacksonville Beach Lifeguard summer camp program would be brought back.

Mayor Hoffman read the following comment she had provided to the Beaches Leader regarding the VLSC (Volunteer Life Saving Corps), "The City of Jacksonville Beach has had a long-standing relationship with the Volunteer Life Saving Corps. However, the findings of a recent Department of Labor investigation have prompted the City administration to re-evaluate the relationship and the separation between the employees of the Jacksonville Beach Ocean Rescue and the volunteers of the Corps. Discussions are ongoing with the two bodies, but it is my sincere hope the VLSC and the City can continue this relationship even though it may look different in the future. All organizations need to evolve to best meet the needs of those they serve, and I look forward to seeing what a future partnership may look like."

The following spoke regarding the VLSC:

- Tim Saggau President of the Board of Directors of the VLSC
- Charles Bond, past President of the Board of Directors of the VLSC
- Maurice Rudolph, past President of the Board of Directors of the VLSC and former Northeast Florida American Red Cross Chairman
- Michelle Barnett, Attorney representing the VLSC

Additional speakers regarding the VLSC:

- Mickey Coda
- Matthew Lydon
- Kurtis Loftus
- Thomas Cassaro
- Chris Warren
- Kris Jolly
- Bob O'Neill
- David Bew
- Phillips Eddins
- Brian Murphy
- Joe Weisflog
- Christopher Saggau
- Dylan Beaver
- Timothy Kline
- Michael Atkins
- Mark Muraski
- Ross Ghiotto
- Norman Rountree
- Sally Deming
- Rick Beaver
- Tony Wright
- Neil Powell
- Scott White
- Rick Foster
- Wayne Chattaway
- Cory Wright
- Jake Chrisman
- Phil Ghiotto
- Richard W. Smythe III
- Jim Emery
- Yves Messinese
- Dr. Benjamin Hedstrom
- Bradley Langenberg
- Corrine Bylund
- Michael Hillegass
- Trent Dalldorf
- Aaron Skipper
- James (Randy) McNeal
- John Atkins
- Tom Byerly
- Andrew Altee
- Jimi Palmer
- William "Ed" Turner
- Bandi Morford
- Miranda Powell

The following submitted speaker cards regarding the VLSC but did not wish to speak:

- Bonnie Donovan
- Courtney McCaughey
- Thomas McCaughey
- Lolly Atkins

Mayor Hoffman called for a recess at 8:15 P.M.

The meeting resumed at 8:23 P.M.

MAYOR AND CITY COUNCIL: *No items*

CITY CLERK: *No items*

CITY MANAGER:

Item A **Accept/Reject the Monthly Financial Reports for the month of January 2022**

Chief Financial Officer Ashlie Gossett noted she was available to answer any questions.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to accept the Monthly Financial Reports for the month of January 2022.

Discussion: None.

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

Item B **Authorize elected officials to attend the Leadership Academy I, March 11-12, 2022, at the Embassy Suites Orlando Lake Buena Vista South; and**

Authorize elected officials to attend the Leadership Academy II, December 2-3, 2022, at the Embassy Suites Orlando Lake Buena Vista South; and

Authorize elected officials to attend the Institute for Elected Municipal Officials (IEMO) II training on April 29-30, 2022, at the Hilton Cocoa Beach or on September 16-17, 2022, at the Embassy Suites Fort Myers Estero; and

Authorize elected officials to attend the FLC Annual Conference, August 11-13, 2022, at the Diplomat Beach Resort Hollywood; and

Authorize elected officials to attend the FLC Legislative Conference, November 29 – December 2, 2022, at the Embassy Suites Orlando Lake Buena Vista South

City Manager Mike Staffopoulos requested to do all the authorizations for Council training and travel at one time.

Mayor Hoffman asked if anyone was interested in attending the Leadership Academy I in March. Ms. Dumont stated she would like to attend.

Mayor Hoffman asked if anyone was interested in attending the Leadership Academy 2 in December. Ms. Dumont stated she would like to attend.

Mayor Hoffman asked if anyone was interested in attending IEMO II in April or September. Mr. Janson, Mr. Stokes, and Mr. Meza stated they were interested in attending.

Mayor Hoffman asked if anyone was interested in attending the FLC (Florida League of Cities) Annual Conference in August. Mayor Hoffman, Mr. Meza, Ms. Dumont, Mr. Nichols, Ms. Golding, and Mr. Stokes stated they were interested in attending.

Mayor Hoffman asked if anyone was interested in attending the FLC Legislative Conference in November. Mr. Nichols, Ms. Golding, Mr. Meza, and Mr. Stokes stated they were interested in attending.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to authorize Council Member Dumont to attend the Leadership Academy I, March 11-12, 2022, at the Embassy Suites Orlando Lake Buena Vista South; and authorize Council Member Dumont to attend Leadership Academy II, December 2-3, 2022, at the Embassy Suites Lake Buena Vista South; and authorize Council Members Nichols, Meza, Janson, and Stokes to attend the Institute for Elected Municipal Officials (IEMO) II training on either April 29-30, 2022, at the Hilton Cocoa Beach or on September 16-17, 2022, at the Embassy Suites Fort Myers Estero; and authorize Council Members Golding, Nichols, Meza, Dumont, Stokes, and Mayor Hoffman to attend the FLC Annual Conference, August 11-13, 2022, at the Diplomat Beach Resort Hollywood; and authorize Council Members Golding, Stokes, Meza, and Nichols to attend the FLC Legislative Conference, November 29 – December 2, 2022, at the Embassy Suites Orlando Lake Buena Vista South.

Discussion: None.

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

Item C **Reappoint Marvin DuPree to a new two-year term as a Council-appointed member of the Police Officers' Pension Board with the term expiring March 31, 2024; and**

Nominate Rudy Dean or D. Lance Huish to a new two-year term as Council appointed member of the Police Officers' Pension Board, with the term expiring March 31, 2024

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to reappoint Marvin DuPree to a new two-year term as a Council-appointed member of the Police Officers' Pension Board, with the term expiring March 31, 2024.

Discussion: None.

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

Mayor Hoffman opened the floor for nominations for the Police Officers' Pension Board.

Mr. Janson nominated D. Lance Huish.

Mayor Hoffman nominated Rudy Dean.

Mayor Hoffman closed the floor for nominations.

Discussion: Mayor Hoffman noted Mr. Dean already had an affiliation with the Police Department. Mr. Huish could easily be appointed to the Firefighters' Pension Board with the number of vacancies.

Ms. Golding concurred with Mayor Hoffman.

Roll Call Vote: Dean – Meza, Nichols, Stokes, Dumont, Golding, Mayor Hoffman
Huish – Janson
Rudy Dean was appointed to the Police Officers' Pension Board with the term expiring March 31, 2024, by a 6-1 vote.

Item D **Reappoint Gaylord Candler to a new two-year term as a Council-appointed member of the Firefighters' Pension Board with the term expiring March 31, 2024; and**

Nominate Rudy Dean or D. Lance Huish to a new two-year term as Council appointed member of the Firefighters' Pension Board, with the term expiring March 31, 2024

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to reappoint Gaylord Candler to a new two-year term as a Council-appointed member of the Firefighters' Pension Board, with the term expiring March 31, 2024.

Discussion: None.

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

Motion: It was moved by Mr. Janson, seconded by Ms. Golding, to appoint D. Lance Huish to a new two-year term as Council-appointed member of the Firefighters' Pension Board, with the term expiring March 31, 2024.

Discussion: None.

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

Item E **Approve/Disapprove a Cost Share/Allocation Agreement with Atkins Builders, Inc., for public right-of-way improvements to connect Gordon Avenue and 21st Avenue South for an amount not to exceed $128,626**

Director of Public Works Dennis Barron reviewed the Atkins property development. He noted the cost share would be to continue the road. He said a sewer line needed to be re-laid as part of this project.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to approve a Cost Share/Allocation Agreement with Atkins Builders, Inc., for public right-of-way improvements to connect Gordon Avenue and 21st Avenue South for an amount not to exceed $128,626.

Discussion: None.

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

Item F **Award/Reject RFP No. 04-2021 Design-Build Contract for Transmission Line Repair to Burns & McDonnell and authorize the Mayor and City Manager to execute the final contract**

Director of Beaches Energy Services Allen Putnam described the process for the transmission line repair.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to award RFP No. 04-2021 Design-Build Contract for Transmission Line Repair to Burns & McDonnell and authorize the Mayor and City Manager to execute the final contract.

Discussion: None.

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

Item G **Award/Reject RFP No. 08-2021 Installation of Underground Infrastructure to Heart Utilities of Jacksonville, Inc., and authorize the Mayor and City Manager to execute the final contract**

Mr. Putnam said they only received one bid, but it was the same company that completed work in previous years.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to award RFP No. 08-2021 Installation of Underground Infrastructure to Heart Utilities of Jacksonville, Inc., and authorize the Mayor and City Manager to execute the final contract.

Discussion: None.

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

RESOLUTIONS

Item A **Adopt/Deny Resolution No. 2103-2022 extending the contract with Lewis, Longman, & Walker for Special Magistrate services**

Mayor Hoffman requested the City Clerk read Resolution No. 2103-2022 by title only, whereupon Ms. Gosselin read the following:

> **"A RESOLUTION OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, 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 FOR A ONE YEAR TERM; PROVIDING FOR ADOPTION OF RECITALS, REPEAL OF PRIOR INCONSISTENT RESOLUTIONS AND COUNCIL DECISIONS, SEVERABILITY, AND AN EFFECTIVE DATE."**

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to adopt Resolution No. 2103-2022, extending the contract with Lewis, Longman, & Walker for Special Magistrate services.

Discussion: None.

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

ORDINANCES

Item A **Approve/Disapprove Ordinance No. 2022-8171 regarding amendments to the Charter of the City of Jacksonville Beach on the first reading and schedule a second reading for March 7, 2022**

Mr. Staffopoulos said Attorney Cliff Shepard had drafted the amendments. He noted there were 16 drafted ballot initiatives. He said it would be helpful to narrow down which of the items the Council was interested in moving forward with for the November ballot.

Mayor Hoffman requested the City Clerk read Ordinance 2022-8171 by title only, whereupon Ms. Gosselin read the following:

> **"AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, SUBMITTING TO THE ELECTORS OF JACKSONVILLE BEACH PROPOSED AMENDMENTS TO THE CHARTER OF THE CITY OF JACKSONVILLE BEACH; PROVIDING BALLOT TITLES, SUMMARIES AND TEXT FOR THE PROPOSED AMENDMENTS; PROVIDING DIRECTIONS TO THE CITY CLERK; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE FOR APPROVED AMENDMENTS; PROVIDING FOR 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. 2022-8171."

Public Hearing:
Mayor Hoffman opened the public hearing on Ordinance 2022-8171.

No one came forward to speak on the ordinance. Mayor Hoffman closed the public hearing.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to approve Ordinance No. 2022-8171 regarding amendments to the Charter of the City of Jacksonville Beach on the first reading and schedule a second reading for March 7, 2022.

Discussion: Mr. Shepard addressed the concern regarding the passing of two competing Charter referendums and how the conflict would be dealt with. He noted there would be additional proposed language added based on information referenced in an email from Ms. Golding [on file].

The Council Members shared their concerns and priorities regarding the ballot initiatives.

Mr. Shepard explained it would be easier to keep all of the ballot questions and then strike the eliminated questions on the second reading rather than eliminate tonight and then add back on the second reading.

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

Item B Approve/Disapprove Ordinance No. 2022-8172 amending City Code of Ordinances Chapter 2, Article II, Division 3, Section 2-51 "Enacting clause" on the first reading and schedule a second reading for March 7, 2022

Mayor Hoffman requested the City Clerk read Ordinance 2022-8172 by title only, whereupon Ms. Gosselin read the following:

"Approve/Disapprove Ordinance No. 2022-8172 amending City Code of Ordinances Chapter 2, Article II, Division 3, Section 2-51 "Enacting clause" on the first reading and schedule a second reading for March 7, 2022."

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. 2022-8172."

Public Hearing:
No one came forward to speak on the ordinance. Mayor Hoffman closed the public hearing.

Motion: It was moved by Mr. Nichols, seconded by Ms. Golding, to adopt Ordinance No. 2022-8172 amending City Code of Ordinances Chapter 2, Article II, Division 3, Section 2-51 "Enacting clause" on the first reading and schedule a second reading for March 7, 2022.

Discussion: City Attorney Sandra Robinson noted this would also require a change in the Charter.

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

ADJOURNMENT:
There being no further business, the meeting adjourned at 9:08 P.M.

Submitted by: Sheri Gosselin
City Clerk

Approval:

____
Christine H. Hoffman, MAYOR

Date: __________________________

Minutes of City Council Briefing
Monday, February 28, 2022 – 5:30 P.M.
Via Video Conference

The Council Briefing began at 5:30 P.M. The meeting was held via video conference using the Zoom platform.

The following City Council Members were in attendance:

Mayor: Christine Hoffman (absent)

Council Members: Georgette Dumont, Sandy Golding, Dan Janson, Fernando Meza, Cory Nichols, Chet Stokes

Also present were City Manager Mike Staffopoulos, City Clerk Sheri Gosselin, Senior Planner Christian Popoli, Director of Public Works Dennis Barron, and City Attorney Sandra Robinson.

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

City Manager
Online Campaign Finance Reporting
City Clerk Sheri Gosselin presented an overview of the EasyVote Solutions Easy Campaign Finance module which provided the City with an online filing solution for upcoming elections starting with the 2022 municipal election.

The Council supported the new program. A conversation ensued regarding the features of the program. Director of Customer Success with EasyVote Solutions Patrick Lee answered questions from the Council.

2020 U.S. Census and Redistricting
A conversation ensued regarding best practices for redistricting. Senior Planner Christian Popoli presented information, including three proposals [on file], based on the 2020 U.S. Census Redistricting data. The preference of the Council was to proceed with Proposal 1 as the primary selection and Proposal 3 as the secondary selection.

Solid Waste Revisited
Director of Public Works Dennis Barron provided an estimated cost breakdown regarding the option of bringing solid waste management services in-house rather than contracting those services to a third-party vendor. A conversation ensued regarding the pros and cons of both options. The consensus of the Council was to proceed with a new Request for Proposal (RFP) for third-party solid waste collection services.

Micromobility
City Attorney Sandra Robinson noted on December 20, 2021, the COJB (City of Jacksonville Beach) adopted an ordinance which extended the moratorium on the commercial use of micromobility devices in the City. Ms. Robinson explained she was tasked with gathering

comparative information regarding micromobility/shared mobility programs from other localities for reference and information purposes.

Ms. Robinson reviewed the information gathered [on file] outlining program information.

A conversation ensued regarding the presented information and the City's current ordinance. City Manager Mike Staffopoulos suggested extending the current moratorium for six to 12 months and if an ordinance for a pilot program was drafted during that time, it would be brought before Council for review at a future briefing. The Council's consensus was to extend the moratorium for 12 months and wait for Ms. Robinson to draft an ordinance within the next 12 months.

Miscellaneous items

Volunteer Life Saving Corp Proposal

Mr. Staffopoulos informed the Council Members they would be contacted by staff to arrange individual meetings to discuss the proposal submitted by the Volunteer Life Saving Corp.

City of Jacksonville Ordinances

Mr. Staffopoulos stated the General Counsel from the COJ (City of Jacksonville) informed him they were preparing an ordinance to put restrictions on virtual gaming facilities. The COJ General Counsel asked if the beaches community would like to be included in the ordinance. Mr. Staffopoulos stated he informed the General Counsel to prepare an opt-out ordinance for COJB staff to review. After reviewing the ordinance, if needed, COJB could prepare an appropriate ordinance to opt-out of the particular condition.

Mr. Staffopoulos stated the COJ General Counsel recently adopted a PACE (Property Assessed Clean Energy) Program. Mr. Staffopoulos stated COJB had an opportunity to opt-in to the program to allow COJB businesses to utilize the program as well. Mr. Staffopoulos suggested since the program was initiated last November, COJB wait at least 12 months before opting into the program to see how the program worked for businesses in COJ.

Pier Management Update

Mr. Staffopoulos stated he and staff participated in a conference call with the COJ Director of Parks, Recreation and Community Services Daryl Joseph regarding the letter sent from COJB [on file] in respect to three proposed options for possible pier management responsibilities for COJB. Mr. Staffopoulos stated according to Mr. Joseph, only options one and two were viable options.

Mr. Staffopoulos informed the Council he met with Director of Parks and Recreation Jason Phitides and Chief Financial Officer Ashlie Gossett regarding the fiscal and personnel impacts of either managing the RFP process and the third-party pier staff or hiring and managing the pier staff with new City employees. Mr. Staffopoulos explained COJ would charge $66,000 annual rent and would only accept a ten-year agreement for COJB to manage and operate the pier.

A conversation ensued regarding the information provided by Mr. Staffopoulos. The consensus of the Council was to obtain a business report from COJ, including the number of visitors from previous years.

Community Assignment Report
Council Member Chet Stokes spoke about updates regarding the Blue Zone project.

Future Briefing Topics
Council Member Cory Nichols stated he spoke with the COJ Director of Development at Build Up Downtown, Laura Edgecombe, regarding a current bill allowing certain areas to reduce seating capacity requirements for SRX licenses from 150 to 50. Mr. Nichols expressed his support of the bill and noted it may be suitable for the City of Jacksonville Beach to help attract small and locally owned businesses. Mr. Nichols suggested Ms. Edgecombe attend an upcoming briefing to explain the bill further. It was the consensus of the Council for Mr. Staffopoulos to reach out to Ms. Edgecombe and schedule a presentation for an upcoming briefing.

The Briefing adjourned at 7:40 P.M.

Submitted by: Jodilynn Byrd
Deputy City Clerk

Approved:

____
Christine H. Hoffman, MAYOR

Date: _______________________________

JACKSONVILLE BEACH

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:	02/04/2022
SUBJECT:	Annual Comprehensive Financial Report and Community Redevelopment Agency Financial Statements for Fiscal Year ending September 30, 2021

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 FY2021 audit and will present an overview and financial highlights at the Council 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 2021 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 FY2021 CRA Financial Statements and Independent Audit Report.

The Government Finance Officers’ Association (GFOA) awarded a Certificate of Achievement Award for Excellence in Financial Reporting to the City for its FY2020 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 principals and applicable legal requirements. The City has received this award every year since 1993. Staff believes that the FY2021 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, 2021

ATTACHMENTS

1. FY2021 Annual Comprehensive Finacial Report

AGENDA ITEM:	A.
MEETING DATE:	March 7, 2022

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

2. FY2021 Governance Communication ACFR
3. FY2021 CRA Financial Statements and Audit Report
4. FY2021 Governance Communication CRA

Annual Comprehensive Financial Report

City of Jacksonville Beach, Florida

Fiscal Year ended

September 30, 2021

INTRODUCTORY SECTION

CITY OF JACKSONVILLE BEACH, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Prepared by
Finance Department

CITY OF JACKSONVILLE BEACH, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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City of
Jacksonville Beach
City Hall
11 North Third Street
Jacksonville Beach
FL 32250
Phone: 904-247-6274

www.jacksonvillebeach.org

February 25, 2022

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, 2021.

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, 2021, 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, 2021, 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. In 2021, the City did not meet 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 18. 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 82.

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 2021-2025 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 2021-2025 capital improvement plan totaled $117,080,266.

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, 2020. This was the twenty-eighth 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, 2020. This was the twenty-seventh 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

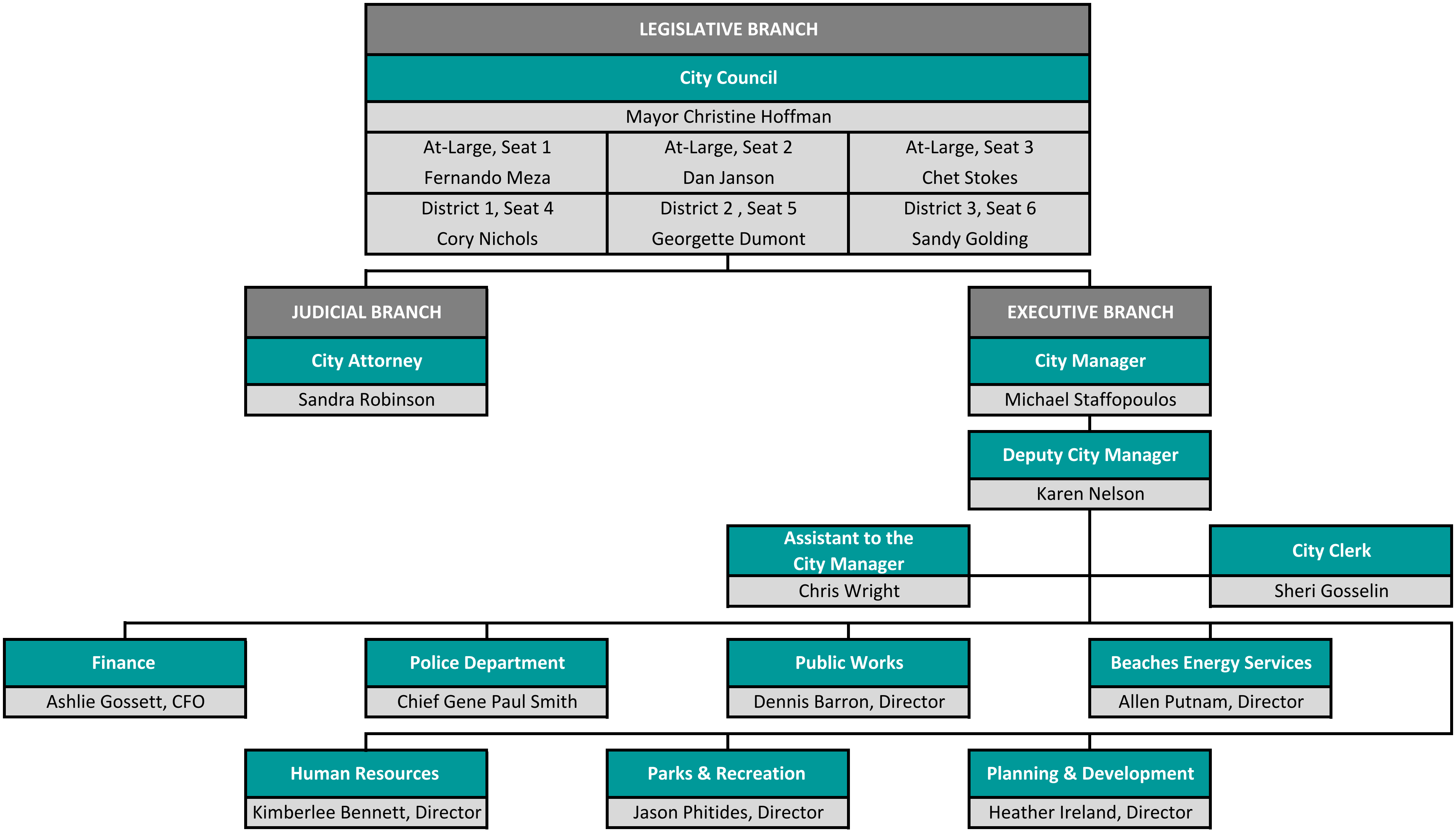
City of Jacksonville Beach
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill
Executive Director/CEO

CITY OF JACKSONVILLE BEACH
Government Organization



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	Chet Stokes
Seat 4, District 1	Cory Nichols
Seat 5, District 2	Georgette Dumont
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 – Code Enforcement

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements
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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

INDEPENDENT AUDITOR'S REPORT

Opinions

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, 2021, and the respective changes in financial position, and where applicable, cash flows thereof, and the respective budgetary comparison for the general fund and the community redevelopment fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents (collectively, the required supplementary information) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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.

Other 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 introductory section, combining and individual non-major fund statements and other schedules, bond covenant information, schedule of expenditures of federal awards, schedule of expenditures of grant funds per the City of Jacksonville's Ordinance Code Chapter 118.202(e), and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund statements and other schedules, bond covenant information, and the 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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 statements and other

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

INDEPENDENT AUDITOR'S REPORT

schedules, bond covenant information, 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 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022, 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 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

February 25, 2022
Tallahassee, 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, 2021. 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 $462,348,592 (net position). Of this amount, $113,940,848 (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 $23,141,724 or 5.3% over the prior year. The governmental net position increased by $11,822,753 (7.3%) and the business-type net position increased by $11,318,971 (4.1%). The increase in the governmental activities is due primarily to increased property and other tax revenues as the economy improves. The increase in the business-type activities is due to a savings in debt servicing costs and the continued positive business performed of the City's various services.

- Revenues and net transfers-in for the governmental activities totaled $38,314,226, an increase of $1,154,363 or 3.1% for the year. Total expenses were $26,491,473, a decrease of $588,916 or 2.2% for the year.

- Revenues in the business-type activities totaled $109,786,707, a modest increase of $689,039 or 0.6% from the prior year. Total expenses and net transfers out were $98,467,736, an increase of $5,111,316 or 5.5% for the year.

- The City' total financed debt as of September 30, 2021 is zero. The last bond payment was made at the beginning of the fiscal year and now the City is very proud to announce that it is debt free.

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 18-19 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 20-25 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, and the community redevelopment 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 and the community redevelopment 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 26-30 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 31-32 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 33-69 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 70-75 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 76.

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 2021, the City's net position for governmental activities increased by $11,822,753 or 7.3%. The increase in net position for business-type activities was $11,318,971 or 4.1%.

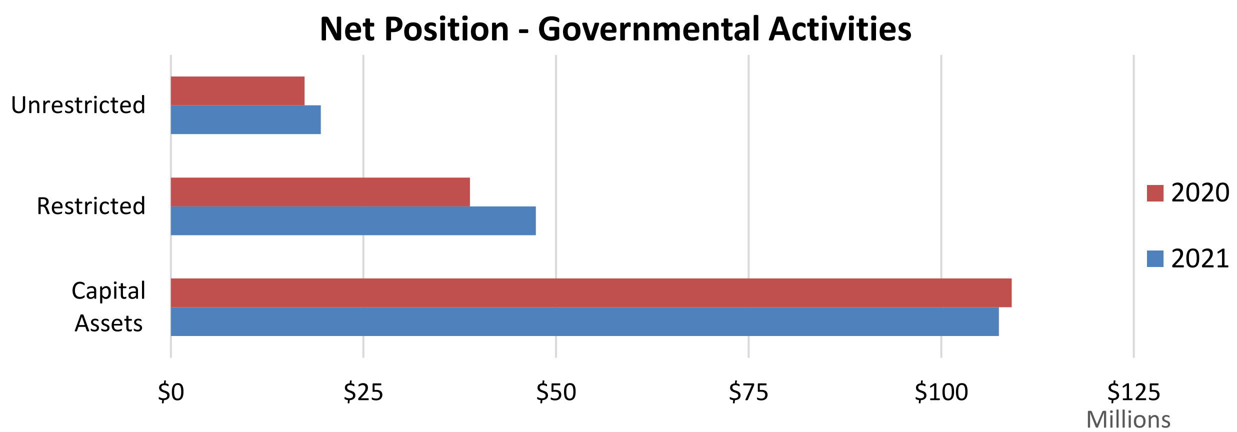
The following condensed comparison shows the City's net position for the two most recent fiscal years. The detailed statement of net position is presented on page 18 of this report. The 2020 Statement of Net Position and Statement of Activities have not been restated for the effects of the restatement described in Note 1.F.

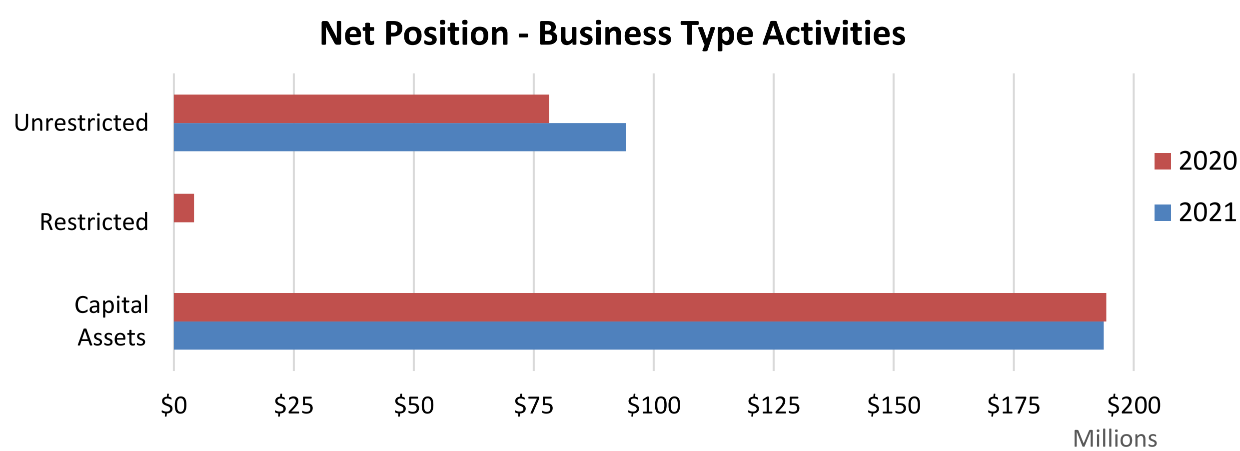
City of Jacksonville Beach
Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	$87,712,202	$75,357,166	$152,291,394	$142,841,830	$240,003,596	$218,198,996
Capital Assets, Net	107,483,303	109,163,923	193,783,121	196,455,179	301,266,424	305,619,102
Total Assets	195,195,505	184,521,089	346,074,515	339,297,009	541,270,020	523,818,098
Total Deferred Outflows of Resources	4,714,105	8,693,864	2,688,197	3,334,754	7,402,302	12,028,618
Current Liabilities	4,204,860	4,575,785	35,698,713	37,016,606	39,903,573	41,592,391
Non-Current Liabilities	18,671,232	21,160,440	10,455,382	13,958,414	29,126,614	35,118,854
Total Liabilities	22,876,092	25,736,225	46,154,095	50,975,020	69,030,187	76,711,245
Total Deferred Inflows of Resources	2,683,801	2,150,456	14,609,742	14,976,839	17,293,543	17,127,295
Net Position:						
Net Invested in Capital Assets	107,483,303	109,163,923	193,783,121	194,305,179	301,266,424	303,469,102
Restricted	47,141,320	38,810,100	-	4,193,000	47,141,320	43,003,100
Unrestricted	19,725,094	17,354,249	94,215,754	78,181,725	113,940,848	95,535,974
Total Net Position	$174,349,717	$165,328,272	$287,998,875	$276,679,904	$462,348,592	$442,008,176

- Current and Other Assets increased by $21,804,600, which is mostly from increased equity in pooled cash and investments as the City builds up reserves as part of its pay-as-you-go strategy for future capital improvement projects.
- Deferred Outflows of resources include the recording of Other Post Employment Benefit related outflows and actuarial changes to pension related outflows and decreased as per the restatement described in Note 1.F of the financial statements.
- Current Liabilities decreased by $1,688,818 or 4.1%, which mainly reflects a reduction in power costs recovered in advance.
- Non-current Liabilities decreased by $5,992,240 or 17.1%, largely due to the retirement of the utility system bonds in October 2020.
- Deferred Inflows increased by 1% 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 (65.3%) 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 (10.2%) represents resources that are subject to external restrictions on how they may be used.
- The remaining balance of the City's net position (24.6%) may be used to meet the government's ongoing obligations to citizens, customers, and creditors.





- Net position was restricted in the Electric and Water/Sewer Funds for debt service. Now that this debt is retired, $4,193,000 has been reclassified as unrestricted.

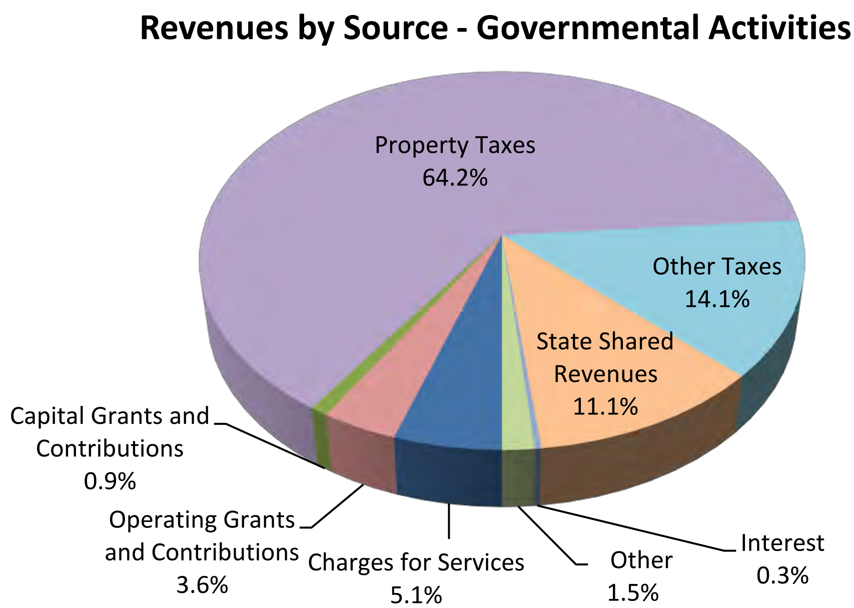
Statement of Activities. The following table illustrates the condensed statement of activities for the most recent fiscal year as compared to the prior year. The detailed statement of activities is presented on page 19 of this report.

City of Jacksonville Beach
Changes in Net Position

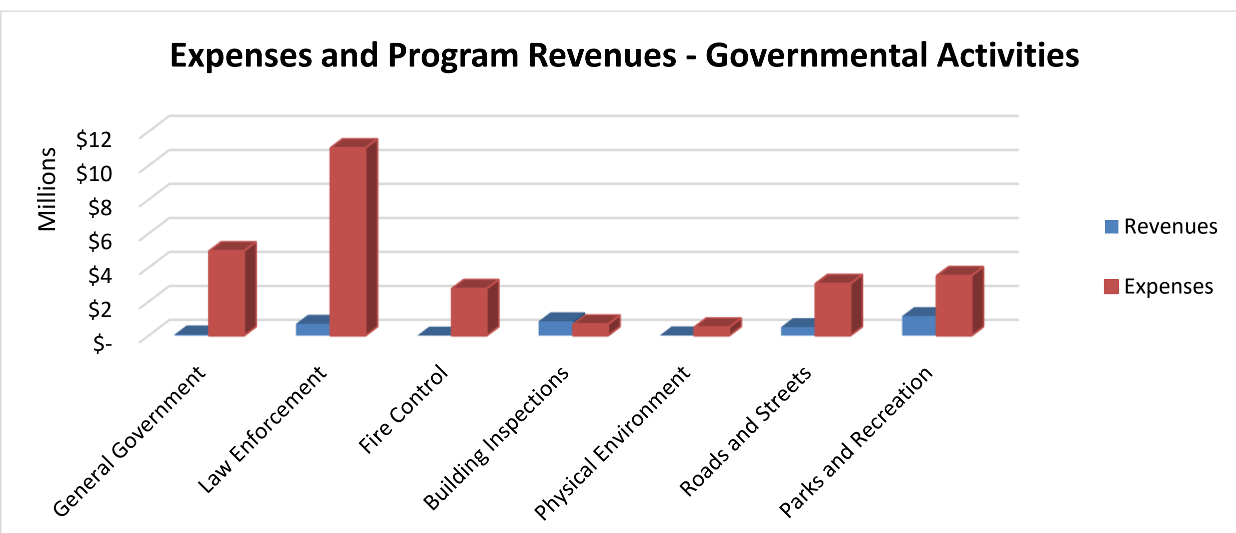
	Governmental Activities		Business-Type Activities		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Program Revenues:						
Charges for Services	$ 1,742,450	$ 2,207,172	$ 108,949,610	$ 104,971,930	$ 110,692,060	$ 107,179,102
Operating Grants and Contributions	1,229,351	1,290,905	2,580	55,062	1,231,931	1,345,967
Capital Grants and Contributions	292,208	55,547	665,695	499,544	957,903	555,091
General Revenues:						
Property Taxes	22,048,764	20,971,159			22,048,764	20,971,159
Other Taxes	4,601,059	4,337,583			4,601,059	4,337,583
State Shared Revenues	3,809,465	3,298,598			3,809,465	3,298,598
Other Intergovernmental Revenues	12,074	31,429			12,074	31,429
Interest	99,731	2,090,225	155,103	3,570,132	254,834	5,660,357
Miscellaneous	509,738	118,521	13,719	1,000	523,457	119,521
Total Revenues	34,344,840	34,401,139	109,786,707	109,097,668	144,131,547	143,498,807
Program Expenses:						
General Government	4,974,593	3,911,667			4,974,593	3,911,667
Law Enforcement	11,033,893	11,300,694			11,033,893	11,300,694
Fire Control	2,758,059	4,342,859			2,758,059	4,342,859
Building Inspections	668,549	682,069			668,549	682,069
Physical Environment	491,317	465,506			491,317	465,506
Road and Street	3,051,233	2,514,183			3,051,233	2,514,183
Parks and Recreation	3,513,829	3,863,411			3,513,829	3,863,411
Electric			75,085,347	70,910,714	75,085,347	70,910,714
Water and Sewer			9,911,907	10,252,806	9,911,907	10,252,806
Stormwater			1,547,067	1,484,027	1,547,067	1,484,027
Sanitation			3,701,798	3,652,176	3,701,798	3,652,176
Golf Course			2,321,607	2,171,412	2,321,607	2,171,412
Leased Facilities			468,625	833,029	468,625	833,029
Natural Gas			1,461,999	1,293,532	1,461,999	1,293,532
Total Expenses	26,491,473	27,080,389	94,498,350	90,597,696	120,989,823	117,678,085
Change in Net Position Before Transfers	7,853,367	7,320,750	15,288,357	18,499,972	23,141,724	25,820,722
Net Transfers	3,969,386	2,758,724	(3,969,386)	(2,758,724)	-	-
Change in Net Position	11,822,753	10,079,474	11,318,971	15,741,248	23,141,724	25,820,722
Net Position-Beginning of Year	162,526,964	155,248,798	276,679,904	260,938,656	439,206,868	416,187,454
Restatement		(2,801,308)				(2,801,308)
Net Position-End of Year	$ 174,349,717	$ 162,526,964	$ 287,998,875	$ 276,679,904	$ 462,348,592	$ 439,206,868

Governmental activities. Governmental activities for fiscal year 2021 increased the City's net position by $7,853,367 (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:

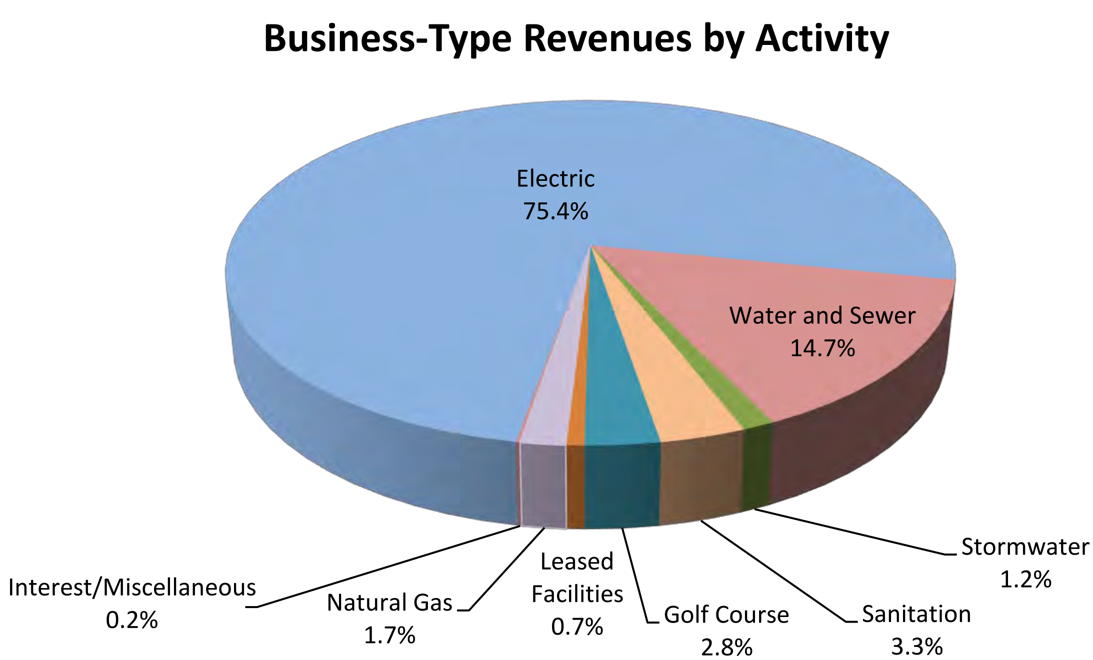
- Property taxes, which provided 64.2% of governmental revenues, increased by $1,077,605 or 5.1% in Fiscal year 2021 due to rising property values. Additional information about Tax Increment Funds can be found in Note 15.

- Revenues from other taxes, including infrastructure surtax, communication service tax, convention development tax, and fuel taxes increased by $263,476 or 6.1% as consumer spending and business operations recovered from the impact of COVID-19 in 2020.

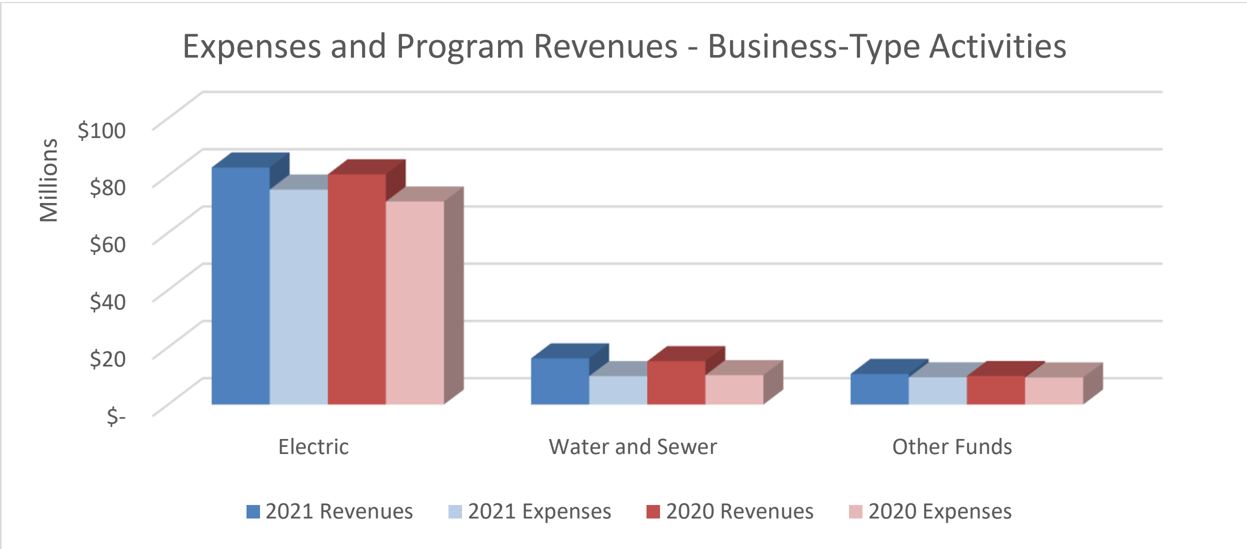
- Interest revenues decreased by $1,990,494 compared to the prior year due to the economic uncertainty surrounding COVID-19 and falling interest rates. Investments are reported at fair value. The investment portfolio is managed by professional investment firms hired pursuant to the City's investment policy and monitored by an independent professional investment advisor.

- Total expenditures decreased by 2.2% to $26,491,473 due largely to savings realized by contracting out fire control services to the City of Jacksonville.

Business-type activities. Business-type activities for fiscal year 2021 increased the City's net position by $15,288,357 (before transfers). On the statement of activities, net revenues are reduced by transfers to the governmental funds of $3,969,386 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 2021 and 2020. 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 $3,977,680 or 3.8% from the prior year. Of these program revenues, 75.4% comes from electric utility services and 13.4% from the water and sewer utility. Much of the increase is attributable to the City's COVID-19 financial relief programs offered in 2020 which suspended the power cost portion of customers' bills for three months. 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 $3,415,029 compared to the prior year due to the economic uncertainty surrounding COVID-19 and falling 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.

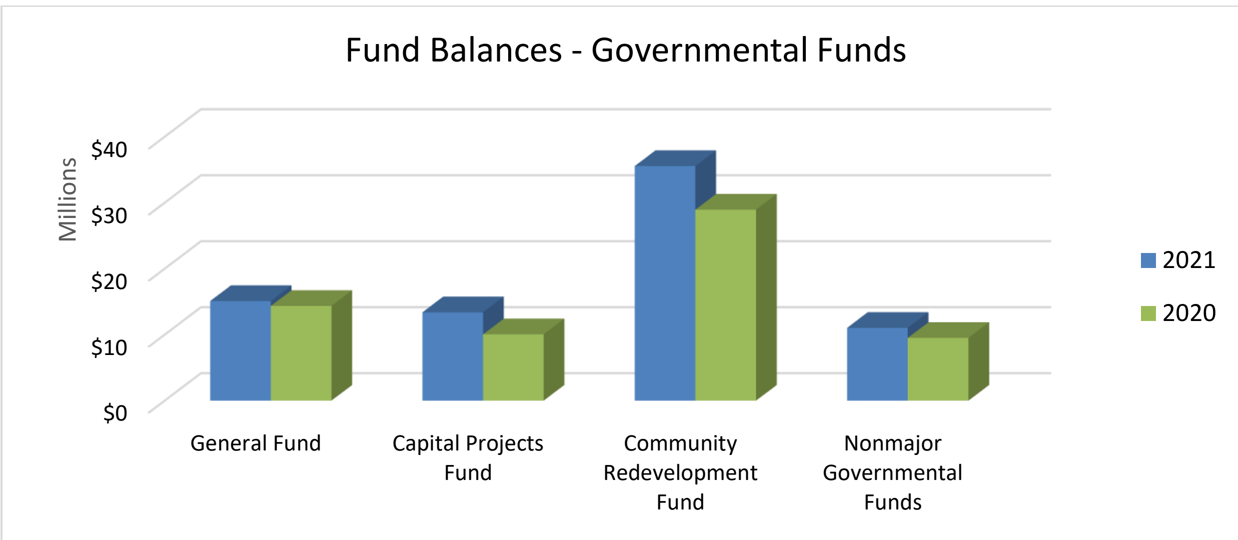
- Total expenses for the business-type activities increased by $3,900,654, due in part to increases in the cost of purchased electricity.

- Significant transfers out in business-type activities included a $3,635,350 transfer from the electric enterprise fund and $120,207 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 2021 the City's governmental funds reported a combined ending fund balance of $75,053,046, an increase of $12,206,247 or 19.4% 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, $46,734,037 is restricted for specific uses related to redevelopment, tourism, transportation improvements, capital projects, law enforcement, and building permits; $6,609,860 is committed for revenue stabilization, cemetery improvements, and tree replacement; $19,616,363 is assigned for capital projects and unanticipated events/emergencies; $3,279 is non-spendable; and $2,089,507 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*.

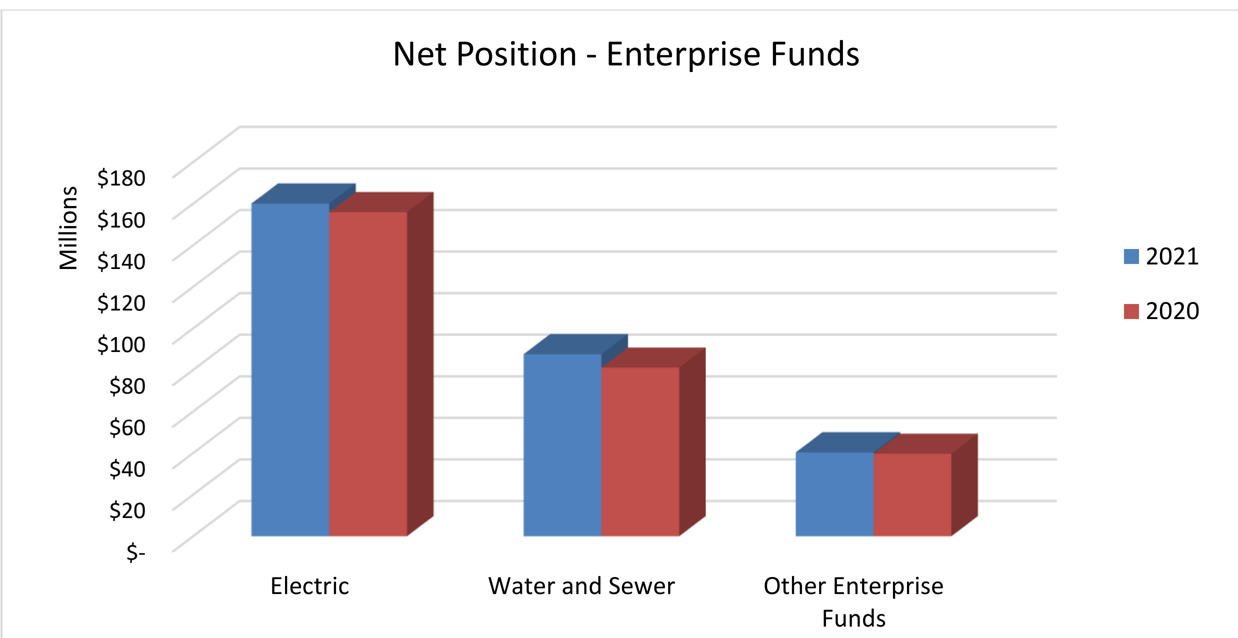
At the end of the fiscal year, the fund balance of the general fund was $15,091,901, of which $6,603,601 was committed for revenue stabilization and cemetery improvements. An additional $6,233,902 was assigned to an unanticipated events/emergencies reserve account and $3,279 was reserved for prepaid expenditures. The remaining amount of $2,089,507 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 73.6% of general fund expenditures for 2021.

Other major governmental funds. Other major governmental funds include the capital projects fund and the community redevelopment 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 $13,382,461. The increase of $3,335,067, or 33.2%, 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 $35,550,984, an increase of $6,606,996 for the year. The FY2022-2026 5-year Capital Improvement Plan for both the Downtown and Southend Districts anticipate spending over $33 million for in 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.

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 2021, the City's enterprise funds reported a combined ending net position of $287,998,875, an increase of $11,318,971 or 3.9% 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 a decrease in net appropriations of $1,015,358 for expenditures and an increase of $4,015,000 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 2021, the total fund balance of the City's general fund increased by $740,528. Actual revenues were higher than final budgeted revenues by $1,238,900. This variance is largely due to Intergovernmental revenues outperforming the conservative estimates budgeted as a result of COVID-19 impact on 2020 revenues. Actual expenditures were under budget by $2,271,106 or 10%. 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, 2021, totaled $301,266,424 (net of accumulated depreciation). Capital assets include land, buildings, equipment, infrastructure, and construction in progress. The City's total investment in capital assets decreased $4,352,678 or 1.4% due to depreciation expense outpacing additions.

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 2021 and 2020:

City of Jacksonville Beach
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	$ 29,656,509	$ 29,656,509	$ 4,388,198	$ 4,388,198	$ 34,044,707	$ 34,044,707
Buildings & Improvements	53,832,454	53,186,326	354,192,222	341,122,464	408,024,676	394,308,790
Equipment	18,265,434	17,490,530	12,433,106	11,581,948	30,698,540	29,072,478
Infrastructure	61,330,548	61,145,934	-	-	61,330,548	61,145,934
Construction in Progress	14,807,492	14,378,510	17,831,766	24,634,305	32,639,258	39,012,815
	177,892,437	175,857,809	388,845,292	381,726,915	566,737,729	557,584,724
Less: Accumulated Depreciation	(70,409,134)	(66,693,886)	(195,062,171)	(185,271,736)	(265,471,305)	(251,965,622)
Capital Assets, Net	**$ 107,483,303**	**$ 109,163,923**	**$ 193,783,121**	**$ 196,455,179**	**$ 301,266,424**	**$ 305,619,102**

Long-Term Debt. At September 30, 2021, 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.

Outstanding Bonded Debt

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Utility System Bonds				$ 2,150,000	$ -	$ 2,150,000
Total	**$ -**	**$ -**	**$ -**	**$ 2,150,000**	**$ -**	**$ 2,150,000**

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. As the City prepared the budget for FY2022, there was a great deal of uncertainty due to the COVID-19 pandemic and its lingering effects. While the financial outlook has generally improved since the onset of the pandemic, the recovery remains mixed. While other governments had to implement reductions in the current fiscal year, we were able to maintain and provide a level of services that our citizens expect.

Factors considered in preparing the City's budget for the fiscal year 2022 included:

- Jacksonville Beach's property values increased by 5.9%, and the millage rate remains the same at 3.9947 mills. However this growth is expected to be offset by reductions in sales, fuel, tourist development taxes and building permit fees.

- The FY2022 budget allows the City to maintain its current service levels while also making significant investments in capital improvements. Through careful and forward-thinking planning, we were able set aside funds for longer-term projects such as facilities, park upgrades and improvements, and improvements to our electric and water sewer systems utilizing pay-as-you-go funds. This allows our City to maintain its debt free status attained in October 2020.

- The total adopted budget of $179,058,353 is 8.6% higher than the prior year and continues to provide the same service level our community expects.

- The general fund budget is $24,935,608, an increase of 4.8% from the prior year.

- 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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	$ 83,566,611	$ 92,469,180	$ 176,035,791
Other Cash and Investments	5,425	1,300	6,725
Accounts Receivable, Net	631,275	16,116,286	16,747,561
Assessments Receivable, Net	24,969	1,079	26,048
Due from Other Governments	2,407,910	432,868	2,840,778
Inventories		2,931,282	2,931,282
Prepaid Items	1,076,012	77,135	1,153,147
Restricted Assets:			
Equity in Pooled Cash and Investments		40,262,264	40,262,264
Capital Assets:			
Non-Depreciable	44,464,001	22,219,964	66,683,965
Depreciable, Net	63,019,302	171,563,157	234,582,459
Total Assets	195,195,505	346,074,515	541,270,020
Deferred Outflows of Resources			
Pension Related	4,252,471	2,361,674	6,614,145
OPEB Related	461,634	326,523	788,157
Total Deferred Outflows of Resources	4,714,105	2,688,197	7,402,302
Liabilities			
Accounts Payable	848,748	6,868,720	7,717,468
Accrued Interest		3,735	3,735
Other Accrued Liabilities	714,629	747,642	1,462,271
Power Costs Recovered in Advance		22,071,317	22,071,317
Due to Other Governments	2,286,194	3,563	2,289,757
Deposits	31,849	5,965,446	5,997,295
Unearned Revenues	195,491	38,290	233,781
Self-Insurance Claims Payable	127,949		127,949
Non-Current Liabilities:			
Due Within One Year	1,139,064	387,383	1,526,447
Due in More Than One Year	17,532,168	10,067,999	27,600,167
Total Liabilities	22,876,092	46,154,095	69,030,187
Deferred Inflows of Resources			
Pension Related	1,973,103	1,227,794	3,200,897
OPEB Related	710,698	502,688	1,213,386
Rate Stabilization		12,879,260	12,879,260
Total Deferred Inflows of Resources	2,683,801	14,609,742	17,293,543
Net Position			
Investment in Capital Assets	107,483,303	193,783,121	301,266,424
Restricted for:			
Redevelopment	35,552,467		35,552,467
Tourism	1,846,803		1,846,803
Transportation Improvements	1,775,733		1,775,733
Capital Projects	7,301,605		7,301,605
Law Enforcement	503,100		503,100
Building Permits	161,612		161,612
Unrestricted	19,725,094	94,215,754	113,940,848
Total Net Position	$ 174,349,717	$ 287,998,875	$ 462,348,592

See accompanying notes.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 4,974,593	$ 68,662			$ (4,905,931)		$ (4,905,931)
Law Enforcement	11,033,893	279,504	$ 307,042	$ 106,930	(10,340,417)		(10,340,417)
Fire Control	2,758,059				(2,758,059)		(2,758,059)
Building Inspections	668,549	841,131			172,582		172,582
Physical Environment	491,317	17,007			(474,310)		(474,310)
Roads and Streets	3,051,233	311,036		185,278	(2,554,919)		(2,554,919)
Parks and Recreation	3,513,829	225,110	922,309		(2,366,410)		(2,366,410)
Total Governmental Activities	26,491,473	1,742,450	1,229,351	292,208	(23,227,464)	$ -	(23,227,464)
Business-Type Activities							
Electric	75,085,347	82,519,625	1,500	278,741		7,714,519	7,714,519
Water and Sewer	9,911,907	15,786,840		336,322		6,211,255	6,211,255
Stormwater	1,547,067	1,311,274	1,080	15,386		(219,327)	(219,327)
Sanitation	3,701,798	3,600,138				(101,660)	(101,660)
Golf Course	2,321,607	3,125,375				803,768	803,768
Leased Facilities	468,625	761,049				292,424	292,424
Natural Gas	1,461,999	1,845,309		35,246		418,556	418,556
Total Business-Type Activities	94,498,350	108,949,610	2,580	665,695	-	15,119,535	15,119,535
Total Primary Government	$ 120,989,823	$ 110,692,060	$ 1,231,931	$ 957,903	(23,227,464)	15,119,535	(8,107,929)
		General Revenues					
		Taxes:					
		Property Taxes			22,048,764		22,048,764
		Franchise Taxes			5,280		5,280
		Infrastructure Surtax			1,593,766		1,593,766
		Communication Service Tax			1,101,550		1,101,550
		Convention Development Tax			565,513		565,513
		Fuel Taxes			780,852		780,852
		Other Taxes			554,098		554,098
		State-Shared Revenues (Unrestricted)			3,809,465		3,809,465
		Other Intergovernmental Revenues (Unrestricted)			12,074		12,074
		Interest			99,731	155,103	254,834
		Miscellaneous			509,738	13,719	523,457
		Net Transfers			3,969,386	(3,969,386)	-
		Total General Revenues and Transfers			35,050,217	(3,800,564)	31,249,653
		Change in Net Position			11,822,753	11,318,971	23,141,724
		Net Position, Beginning of Year, As Restated			162,526,964	276,679,904	439,206,868
		Net Position, End of Year			$ 174,349,717	$ 287,998,875	$ 462,348,592

See accompanying notes.

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	General Fund	General Capital Projects Fund	Community Redevelopment Funds	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	$ 14,708,551	$ 13,724,061	$ 38,168,571	$ 10,894,569	$ 77,495,752
Other Cash and Investments	5,425				5,425
Receivables:					
Accounts, Net	628,701		871		629,572
Assessments, Net	29		1,483	23,457	24,969
Inter-Fund Receivables	58,895				58,895
Due from Other Governments	1,702,992			704,918	2,407,910
Prepaid Expenditures	3,279				3,279
Total Assets	17,107,872	13,724,061	38,170,925	11,622,944	80,625,802
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts Payable	202,032	103,946	305,836	106,277	718,091
Other Accrued Liabilities	318,483	237,654	33,544	815	590,496
Due to Other Governments	7,116		2,279,078		2,286,194
Inter-Fund Payables				58,895	58,895
Deposits	31,849				31,849
Unearned Revenue	195,491				195,491
Total Liabilities	754,971	341,600	2,618,458	165,987	3,881,016
Deferred Inflows of Resources					
Unavailable Revenues	1,261,000		1,483	429,257	1,691,740
Fund Balances					
Non-Spendable:					
Prepaid Expenditures	3,279				3,279
Restricted for:					
Redevelopment			35,550,984		35,550,984
Tourism Expenditures				1,801,203	1,801,203
Transportation Improvements				1,645,533	1,645,533
Capital Projects				7,071,605	7,071,605
Law Enforcement				503,100	503,100
Building Permits	161,612				161,612
Committed for:					
Revenue Stabilization	6,233,902				6,233,902
Cemetery Improvements	369,699				369,699
Tree Replacement				6,259	6,259
Assigned for:					
Unanticipated Events/ Emergencies	6,233,902				6,233,902
Capital Projects		13,382,461			13,382,461
Unassigned	2,089,507				2,089,507
Total Fund Balances	15,091,901	13,382,461	35,550,984	11,027,700	75,053,046
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 17,107,872	$ 13,724,061	$ 38,170,925	$ 11,622,944	$ 80,625,802

See accompanying notes.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

Fund Balance - Total Governmental Funds		$ 75,053,046
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	$ 176,592,787	
(Accumulated Depreciation)	(69,434,238)	107,158,549
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	3,810,832	
Deferred Inflows Related to Pensions and OPEB	(2,247,637)	1,563,195
Some revenues have been deferred on the balance sheet because they were not measurable and available at year-end.		1,691,740
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued Other Postemployment Benefits	(1,658,012)	
Net Pension Liability	(6,408,582)	
Contractual Pension Liability	(4,521,397)	
Compensated Absences	(2,604,685)	(15,192,676)
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.		4,075,863
Net Position of Governmental Activities		$ 174,349,717

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2021 CITY OF JACKSONVILLE BEACH, FLORIDA

	General Fund	General Capital Projects Fund	Community Redevelopment Funds	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 14,066,868		$ 9,651,025	$ 2,900,130	$ 26,618,023
Licenses and Permits	845,334				845,334
Intergovernmental	4,768,654			249,296	5,017,950
Charges for Services	594,556				594,556
Fines and Forfeitures	262,276			69,970	332,246
Interest and Other Revenue	304,429	$ 20,520	43,948	17,291	386,188
Total Revenues	20,842,117	20,520	9,694,973	3,236,687	33,794,297
Expenditures					
Current:					
General Government	2,168,141	140,001	976,864	7,929	3,292,935
Public Safety	13,389,102		1,206,937	107,421	14,703,460
Physical Environment	74,338			5,926	80,264
Roads and Streets	1,625,021			707,989	2,333,010
Parks and Recreation	3,249,910			68,626	3,318,536
Capital Outlay		1,029,452	904,176	300,774	2,234,402
(Total Expenditures)	(20,506,512)	(1,169,453)	(3,087,977)	(1,198,665)	(25,962,607)
Excess (Deficiency) of Revenues Over (Under) Expenditures	335,605	(1,148,933)	6,606,996	2,038,022	7,831,690
Other Financing Sources (Uses)					
Transfers in	4,419,923	4,484,000			8,903,923
Transfers (out)	(4,015,000)			(514,366)	(4,529,366)
Total Other Financing Sources (Uses)	404,923	4,484,000	-	(514,366)	4,374,557
Net Change in Fund Balances	740,528	3,335,067	6,606,996	1,523,656	12,206,247
Fund Balances, Beginning of Year	14,351,373	10,047,394	28,943,988	9,504,044	62,846,799
Fund Balances, End of Year	$ 15,091,901	$ 13,382,461	$ 35,550,984	$ 11,027,700	$ 75,053,046

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

Net Change in Fund Balance - Total Governmental Funds		$ 12,206,247
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	$ 1,960,931	
Transfers of Capital Assets	335,171	
Contributions of Capital Assets	184,616	
Disposals of Capital Assets	(534)	
(Current Year Depreciation)	(4,268,934)	(1,788,750)
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		411,861
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	29,574	
Change in Net Pension Liability and Deferred Inflows and Outflows Related to Pensions	307,436	
Change in Other Postemployment Benefits and Deferred Inflows and Outflows Related to Pensions	63,511	400,521
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.		360,910
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.		231,964
Change in Net Position of Governmental Activities		$ 11,822,753

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	**Final**	**Amounts**	**(Negative)**
Revenues				
Taxes	$ 14,244,279	$ 14,244,279	$ 14,066,868	$ (177,411)
Licenses and Permits	511,605	514,905	845,334	330,429
Intergovernmental	3,848,023	3,848,023	4,768,654	920,631
Charges for Services	440,141	440,141	594,556	154,415
Fines and Forfeitures	151,271	156,054	262,276	106,222
Interest and Other Revenue	328,100	399,815	304,429	(95,386)
Total Revenues	19,523,419	19,603,217	20,842,117	1,238,900
Expenditures				
Executive and Legislative	1,067,170	1,067,170	927,281	139,889
Finance	421,833	424,588	379,107	45,481
Planning and Development	1,146,615	1,203,619	1,030,085	173,534
Parks and Recreation	3,669,675	3,699,464	3,320,756	378,708
Public Works	1,852,418	1,900,539	1,625,018	275,521
Police	10,086,180	10,284,516	9,552,065	732,451
Fire	3,247,495	3,254,028	3,198,357	55,671
Non-Departmental	936,291	943,694	473,843	469,851
(Total Expenditures)	(22,427,677)	(22,777,618)	(20,506,512)	2,271,106
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,904,258)	(3,174,401)	335,605	3,510,006
Other Financing Sources (Uses)				
Transfers in	4,269,557	4,419,557	4,419,923	366
Transfers (out)	(1,365,299)	(4,015,000)	(4,015,000)	-
Total Other Financing Sources (Uses)	2,904,258	404,557	404,923	366
Net Change in Fund Balance	$ -	$ (2,769,844)	$ 740,528	$ 3,510,372

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL COMMUNITY REDEVELOPMENT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2021 CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	**Final**	**Amounts**	**(Negative)**
Revenues				
Taxes	$ 9,633,307	$ 9,633,307	$ 9,651,025	$ 17,718
Interest and Other Revenue	253,850	254,661	43,948	(210,713)
Total Revenues	9,887,157	9,887,968	9,694,973	(192,995)
Expenditures				
Current:				
General Government	1,449,083	1,458,147	976,864	481,283
Public Safety	1,085,384	1,132,702	1,206,937	(74,235)
Capital Outlay	3,520,750	11,810,807	904,176	10,906,631
(Total Expenditures)	(6,055,217)	(14,401,656)	(3,087,977)	11,313,679
Net Change in Fund Balance	$ 3,831,940	$ (4,513,688)	$ 6,606,996	$ 11,120,684

See accompanying notes.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021
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	$ 37,879,219	$ 36,727,312	$ 17,862,649	$ 92,469,180	$ 6,070,859
Other Operating Cash			1,300	1,300	
Receivables:					
Accounts, Net	13,325,513	1,959,364	831,409	16,116,286	1,703
Assessments, Net		1,079		1,079	
Due from Other Governments	432,868			432,868	
Inventories	2,870,394		60,888	2,931,282	
Prepaid Expenses	68,205		8,930	77,135	1,072,733
Restricted Assets:					
Equity in Pooled Cash and Investments	40,262,264			40,262,264	
Total Current Assets	94,838,463	38,687,755	18,765,176	152,291,394	7,145,295
Non-Current Assets:					
Capital Assets:					
Land	2,551,256	361,970	1,474,972	4,388,198	
Buildings and Improvements	220,115,489	96,745,311	37,331,422	354,192,222	149,937
Equipment	7,263,564	3,014,409	2,155,133	12,433,106	1,149,715
Construction in Progress	12,256,414	4,271,445	1,303,907	17,831,766	
	242,186,723	104,393,135	42,265,434	388,845,292	1,299,652
(Accumulated Depreciation)	(124,337,689)	(52,118,676)	(18,605,806)	(195,062,171)	(974,898)
Total Capital Assets, Net of Accumulated Depreciation	117,849,034	52,274,459	23,659,628	193,783,121	324,754
Total Non-Current Assets	117,849,034	52,274,459	23,659,628	193,783,121	324,754
Total Assets	212,687,497	90,962,214	42,424,804	346,074,515	7,470,049
Deferred Outflows of Resources					
Pension Related	1,458,292	716,935	186,447	2,361,674	903,273
OPEB Related	185,780	109,779	30,964	326,523	
Total Deferred Outflows of Resources	1,644,072	826,714	217,411	2,688,197	903,273

See accompanying notes.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021
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	$ 5,928,512	$ 580,866	$ 359,342	$ 6,868,720	$ 130,657
Power Costs Recovered in Advance	21,417,558		653,759	22,071,317	
Other Accrued Liabilities	532,259	140,739	74,644	747,642	124,133
Due to Other Governments			3,563	3,563	
Unearned Revenue			38,290	38,290	
Estimated Liability for Self-Insured Losses				-	127,949
Current Portion of Long-Term Debt:					
Compensated Absences	269,018	95,100	23,265	387,383	177,436
Current Liabilities Payable from Restricted Assets:					
Accrued Interest	2,241	1,494		3,735	
Customer Deposits	5,965,446			5,965,446	
Total Current Liabilities	34,115,034	818,199	1,152,863	36,086,096	560,175
Non-Current Liabilities:					
Accrued Compensated Absences	1,076,072	380,400	93,060	1,549,532	692,442
Other Postemployment Benefits	667,248	394,283	111,208	1,172,739	
Net Pension Liability	4,518,502	2,120,340	706,886	7,345,728	2,608,678
Total Non-Current Liabilities	6,261,822	2,895,023	911,154	10,067,999	3,301,120
Total Liabilities	40,376,856	3,713,222	2,064,017	46,154,095	3,861,295
Deferred Inflows of Resources					
Pension Related	725,244	327,075	175,475	1,227,794	436,164
OPEB Related	286,012	169,007	47,669	502,688	
Rate Stabilization	12,879,260			12,879,260	
Total Deferred Inflows of Resources	13,890,516	496,082	223,144	14,609,742	436,164
Net Position					
Investment in Capital Assets	117,849,034	52,274,459	23,659,628	193,783,121	324,754
Unrestricted	42,215,163	35,305,165	16,695,426	94,215,754	3,751,109
Total Net Position	$ 160,064,197	$ 87,579,624	$ 40,355,054	$ 287,998,875	$ 4,075,863

See accompanying notes.

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Business-Type Activities - Enterprise Funds				Governmental Activities -
	Electric	Water and Sewer	Other Funds	Totals	Internal Service Funds
Operating Revenues					
Charges for Services	$ 82,097,815	$ 15,728,228	$ 9,881,454	$ 107,707,497	$ 12,270,455
Other	421,810	58,612	761,691	1,242,113	38,584
Total Operating Revenues	82,519,625	15,786,840	10,643,145	108,949,610	12,309,039
Operating Expenses					
Purchased Power	54,627,827		891,666	55,519,493	
Personal Services	6,058,537	3,252,630	1,608,206	10,919,373	4,577,576
Purchased Services	1,611,732	366,689	3,688,705	5,667,126	921,000
Repairs and Maintenance	495,579	683,763	629,279	1,808,621	350,237
Depreciation	6,101,815	3,041,185	1,383,400	10,526,400	87,025
Materials and Supplies	592,900	295,179	361,951	1,250,030	165,624
Other Expenses	5,012,518	2,272,461	937,889	8,222,868	5,910,630
(Total Operating Expenses)	(74,500,908)	(9,911,907)	(9,501,096)	(93,913,911)	(12,012,092)
Operating Income	8,018,717	5,874,933	1,142,049	15,035,699	296,947
Non-Operating Revenues (Expenses)					
Investment Earnings	94,147	39,871	21,085	155,103	5,017
Intergovernmental Revenue	1,500		1,080	2,580	
(Loss) Gain on Disposal of Capital Assets	(584,439)	6,768	6,951	(570,720)	
Total Non-Operating Revenues (Expenses)	(488,792)	46,639	29,116	(413,037)	5,017
Income Before Contributions and Transfers	7,529,925	5,921,572	1,171,165	14,622,662	301,964
Capital Contributions					
Connection Fees	95,419	74,965	35,246	205,630	
Contributions from Other Funds	-	335,171		335,171	
Developer Contributions	183,322	261,357	15,386	460,065	
Total Capital Contributions	278,741	671,493	50,632	1,000,866	-
Transfers					
Transfers in	162,097			162,097	
Transfers (out)	(3,818,350)	(126,000)	(522,304)	(4,466,654)	(70,000)
Total Transfers	(3,656,253)	(126,000)	(522,304)	(4,304,557)	(70,000)
Change in Net Position	4,152,413	6,467,065	699,493	11,318,971	231,964
Total Net Position, Beginning of Year	155,911,784	81,112,559	39,655,561	276,679,904	3,843,899
Total Net Position, End of Year	$ 160,064,197	$ 87,579,624	$ 40,355,054	$ 287,998,875	$ 4,075,863

See accompanying notes.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 79,576,868	$ 15,703,558	$ 10,791,256	$ 106,071,682	$ 12,307,565
Cash Payments to Vendors for Goods and Services	(62,406,173)	(3,328,147)	(6,654,424)	(72,388,744)	(7,134,850)
Cash Payments to Employees for Services	(6,132,462)	(3,311,404)	(1,612,185)	(11,056,051)	(4,542,606)
Claims Paid				-	(294,883)
Net Cash Provided by (Used in) Operating Activities	11,038,233	9,064,007	2,524,647	22,626,887	335,226
Cash Flows from Non-Capital Financing Activities					
Transfers in	162,097			162,097	
Intergovernmental Revenue	2,024		1,080	3,104	
Transfers (out)	(3,818,350)	(126,000)	(522,304)	(4,466,654)	(70,000)
Net Cash Provided by (Used in) Non-Capital Financing Activities	(3,654,229)	(126,000)	(521,224)	(4,301,453)	(70,000)
Cash Flows from Capital and Related Financing Activities					
Acquisition of Capital Assets	(4,404,295)	(2,659,109)	(566,422)	(7,629,826)	(191,367)
Principal Paid on Revenue Bonds	(1,266,350)	(883,650)		(2,150,000)	
Interest Paid and Fiscal Charges	(25,327)	(17,673)		(43,000)	
Connection Fees	95,419	74,965	35,246	205,630	
Net Cash Provided by (Used in) Capital and Related Financing Activities	(5,600,553)	(3,485,467)	(531,176)	(9,617,196)	(191,367)
Cash Flows from Investing Activities					
Proceeds from maturities of investments	1,888,800	1,259,200		3,148,000	
Interest Received on Investments	94,147	39,871	21,085	155,103	5,017
Net Cash Provided by (Used in) Investing Activities	1,982,947	1,299,071	21,085	3,303,103	5,017
Net Increase (Decrease) in Cash and Cash Equivalents	3,766,398	6,751,611	1,493,332	12,011,341	78,876
Cash and Cash Equivalents, Beginning of Year	74,375,085	29,975,701	16,370,617	120,721,403	5,991,983
Cash and Cash Equivalents, End of Year	$ 78,141,483	$ 36,727,312	$ 17,863,949	$ 132,732,744	$ 6,070,859

See accompanying notes.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 37,879,219	$ 36,727,312	$ 17,862,649	$ 92,469,180	$ 6,070,859
Other Operating Cash			1,300	1,300	
Restricted Assets					
Equity in Pooled Cash and Investments	40,262,264	-		40,262,264	
Total	$ 78,141,483	$ 36,727,312	$ 17,863,949	$ 132,732,744	$ 6,070,859
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ 8,018,717	$ 5,874,933	$ 1,142,049	$ 15,035,699	$ 296,947
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	6,101,815	3,041,185	1,383,400	10,526,400	83,237
Power Costs Recovered in Advance (Returned)	(3,040,551)		80,501	(2,960,050)	
Change in Estimated Liability for Self-Insured Losses				-	(749)
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):					
Accounts Receivable and Unbilled Revenue	(173,640)	(83,249)	52,709	(204,180)	(1,474)
Assessments Receivable		(33)		(33)	
Inventories	(370,426)		(17,378)	(387,804)	
Prepaid Expenses	7,419		(2,149)	5,270	(95,322)
Accounts Payable and Other Accrued Liabilities	297,390	289,945	(125,407)	461,928	17,617
Unearned Revenues			14,901	14,901	
Customer Deposits	271,434			271,434	
Accrued Compensated Absences	(43,266)	(103,983)	17,115	(130,134)	47,448
Other Postemployment Benefits and Related Deferred Inflows and Outflows	(11,864)	52,717	(16,823)	24,030	
Net Pension Liability and Pension Related Deferred Inflows and Outflows	(18,795)	(7,508)	(4,271)	(30,574)	(12,478)
Net Cash Provided by (Used in) Operating Activities	$ 11,038,233	$ 9,064,007	$ 2,524,647	$ 22,626,887	$ 335,226
Supplemental Disclosure of Non-Cash Activities					
Transfer of Capital Assets		$ 335,171		$ 335,171	
Contributed Assets	$ 183,322	261,357	$ 15,386	460,065	

See accompanying notes.

STATEMENT OF FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS - PENSION TRUST FUNDS
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

Assets		
Cash and Cash Equivalents	$	7,408,825
Accrued Interest		70,410
Due from Other Funds		90,000
Investments:		
Equities, Including Mutual Funds		80,305,826
Corporate Bonds		6,684,765
U.S. Government Obligations/Agencies		19,819,410
Real Estate		5,782,110
Total Investments		112,592,111
Total Assets		120,161,346
Liabilities		
Other Accrued Liabilities		1,636
Due to Other Funds		90,000
Total Liabilities		91,636
Net Position		
Restricted for Pensions	$	120,069,710

See accompanying notes.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS - PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

Additions	
Contributions:	
Employee	$ 1,799,111
Employer:	
City of Jacksonville Beach	3,872,043
City of Jacksonville	133,840
State of Florida	303,569
Total Contributions	6,108,563
Investment Income:	
Investment Earnings	19,269,142
(Investment Expenses)	(204,475)
Net Investment Income	19,064,667
Total Additions	25,173,230
Deductions	
Benefits	7,255,078
Refunds of Contributions	290,160
Administrative Expense	260,984
(Total Deductions)	(7,806,222)
Change in Net Position	17,367,008
Net Position, Beginning of Year	102,702,702
Net Position, End of Year	$ 120,069,710

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 includes the accounts and transactions of the following entities, which do not satisfy the definition of component units because they are not legally separate from the City.

- City of Jacksonville Beach General Employees’ Retirement System
- City of Jacksonville Beach Police Officers’ Retirement System
- City of Jacksonville Beach Firefighters’ Retirement System

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, 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. 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 benefitting the redevelopment districts.

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 self-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. Bond covenants require certain enterprise funds to establish and maintain prescribed amounts of resources (consisting of cash and investments) that can be used only for specific purposes.

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, 2021, is $175,020. In the fund financial statements, recognition of governmental fund type revenues is deferred until they become measurable and available, in accordance with the modified accrual basis of accounting. 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, 2021, are unbilled amounts totaling $7,371,076. 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, construct assets, and service debt. To the extent that certain transactions between funds were not paid for or received as of September 30, 2021, 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 $1,000. 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 on revenue bonds, the proceeds of which are used to finance the construction of certain assets, is capitalized during the construction period, net of interest earned on the investment of unexpended bond proceeds. No net interest cost was capitalized in the enterprise funds or the government-wide financial statements in 2021.

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 position that is applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets. Deferred inflows of resources represent the acquisition of net position that is applicable to a future reporting period. 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 three 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. There are no unassigned fund balances as of September 30, 2021.

■ **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. Restatement

Beginning of year net position in the governmental activities has been restated to properly reflect the transition of the City's obligation related to the Firefighters' Pension Plan which was previously reported under the provisions of GASB 68, *Accounting and Financial Reporting for Pensions*, using a one year prior measurement date to measure the net pension liability and related deferred inflows and outflows. As more fully described in Note 11, the City entered into an agreement with the City of Jacksonville effective November 19, 2019, which fixed the City's unfunded pension obligation to the plan at $5.3m plus interest. As such, the City's net pension liability, deferred inflows and outflows related to the Firefighters' Plan have been removed from the financial statements and replaced with a fixed contractual obligation. The impact of this restatement was to decrease net position in the governmental activities by $2,801,308.

Note 2 - Property Tax Calendar

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, 2020
Levy Date	October 1, 2020
Installment Payments	
First Installment	No Later Than June 30, 2020
Second Installment	No Later Than September 30, 2020
Third Installment	No Later Than December 31, 2020
Fourth Installment	No Later Than March 31, 2021
Regular Payments	
Discount Periods	November 2020 Through February 2021
No Discount Period	After March 1, 2021
Delinquent Date	April 1, 2021

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	$ 23,792,976	$ 191,404	$ 2,808,238	$ 26,792,618
Special Revenue Funds	8,018,929	1,635,270	7,919,593	17,573,792

Supplementary budgetary appropriations for the general fund include the following:

- $7,104 for City website design and development with CivicPlus.
- $500,000 in transfers to the General Capital Projects Fund for the City-wide parks maintenance and improvement reserve.
- $52,464 for leave payout for the retired Planning Director.
- $4,540 for host compliance software used for short-term vacation rentals.
- $2,015 for the purchase of a display case in the Carver Center.
- $22,131 for overtime costs incurred for mutual aid Police services provided to the City of Atlantic Beach for October to December of 2020. Revenue collected to offset this expense.
- $18,670 for insurance proceeds used to offset cost of Police vehicle repairs.
- $2,150,000 in transfers to the General Capital Projects Fund for the following reserve programs: Police vehicle replacement, building physical security improvements, building renovations resulting from space needs analysis, information services improvements, and replacement of Police RMS and CAD systems.
- $420 for purchase of supplies for pantry at Carver Center.
- $20,400 for the installation of a handicap access ramp and new handicap parking spaces adjacent to the City Hall North entrance.
- $25,165 replacement of a totaled Public Works vehicle.
- $5,329 for insurance proceeds used to offset the cost of Police vehicle repairs.

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

- $631,263 for asphaltic concrete milling, paving and overlaying of roadways.
- $54,912 for design of Penman Road septic tank phase-out improvements.
- $96,104 for the radio system upgrade agreement II.
- $17,487 for leave payout for retired Planning Director.
- $30,800 for final design and bid services for Downtown site furnishing and bike parking.
- $91,440 for consulting services for Urban Trails and Connectivity Corridors Master Plan.
- $27,842 for replacing traffic lane delineators with reinforced concrete median barriers on Osceola Avenue.
- $41,682 for upgrades to the radio tower.
- $811 for insurance proceeds used to offset the cost of Police vehicle repairs.
- $108,289 for dune walkover construction.
- $1,052,416 for portions of Downtown Phase 3C and 3D infrastructure improvements.
- $211,547 for infrastructure improvements.
- $61,800 for consulting services for Urban Trails and Connectivity Corridors Master Plan.

- $67,436 for replacing traffic lane delineators, with reinforced concrete median barriers on Southbeach Parkway.
- $3,754,066 for Ocean Terrace drainage improvements.
- $60,753 for shade shelters for splash pads.
- $131,460 for basketball and pickleball courts and fencing and landscaping.
- $1,379,292 for Sunshine playground equipment design furnish and installation.
- $50,385 in JAGC 2020 funds for purchase of an ATV and recording equipment.
- $49,808 in JAGC 2021 funds for purchase of a marked police vehicle.

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 $216,298,055 in governmental and business-type funds and $1,431,359 in the pension funds and petty cash of $6,725.

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. At September 30, 2021, the carrying amount of the City's deposits held in QPDs was $33,974,437 and the bank balance was $34,986,948.

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 $4,269,878 and the amount of deposits held in the pension trust funds was $5,977,467.

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	$	33,974,437
Petty Cash		6,725
Investments		179,485,099
Deposits Held in Trust		4,269,878
Less Pooled Cash Held in Pension Trust Funds		(1,431,359)
Total	$	216,304,780

As presented in the accompanying Statement of Net Position:

Equity in Pooled Cash and Investments	$	176,035,791
Other Cash and Investments		6,725
Restricted Equity in Pooled Cash and Investments		40,262,264
Total	$	216,304,780

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, 2021:

Investment Type	S&P Credit Rating	Fair Value	Investment Maturities: Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
U.S. Govt Obligations	AA+	$ 57,843,737	$ 5,405,941	$ 52,391,894	$ 45,902	
Federal Agency Securities:						
Federal Agencies	N/A	7,979,111	7,979,111			
Federal Home Loan Bank	AA+	4,950,389	4,950,389			
Federal Home Loan Mortgage Corporation	AA+	1,859,905		151,735	158,042	$ 1,550,128
Federal National Mortgage Association	AA+	3,585,118		1,305,041	284,081	1,995,996
Government National Mortgage Association	AA+	29,200	84			29,116
Corporate ABSs	AAA	7,348,470	834	6,806,013	505,279	36,344
Corporate ABSs	AA+	137,427				137,427
Corporate ABSs	Aaa (Moody's)	1,939,588		1,793,130	79,984	66,474
Corporate Bonds	AAA	-				
Corporate Bonds	AA+	4,750,347	308,303	4,442,044		
Corporate Bonds	AA	1,346,187		1,346,187		
Corporate Bonds	AA-	2,557,082	468,660	2,088,422		
Corporate Bonds	A+	3,101,640	569,880	2,531,760		
Corporate Bonds	A	8,553,195	2,611,483	5,941,712		
Corporate Bonds	A-	8,192,511	2,107,665	6,084,846		
Corporate Bonds	BBB+	9,386,822	2,769,267	6,617,555		
Corporate Bonds	Aaa (Moody's)	-				
Corporate Bonds	A2 (Moody's)					
Municipal Bonds	AAA	765,601	368,176	397,425		
Municipal Bonds	AA+	275,683	102,169	173,514		
Municipal Bonds	AA	248,643	228,352	20,291		
Municipal Bonds	AA-	207,096	103,310	103,786		
Municipal Bonds	A	126,446		126,446		
Municipal Bonds	Aaa (Moody's)	217,595		217,595		
Municipal Bonds	Aa1 (Moody's)	108,363	76,806			31,557
Municipal Bonds	Aa2 (Moody's)	50,803	50,803			
Florida State Board of Administration:						
Florida PRIME	AAAm	22,151,012	22,151,012			
Florida Trust - Day to Day Fund	AAAmmf (Fitch)	19,091,550	19,091,550			
Florida Municipal Investment Trust:						
Short-Term Bond Portfolio (0-2 Years)	AAA (Fitch)	12,681,578	12,681,578			
Total		$ 179,485,099	$ 82,025,373	$ 92,539,396	$ 1,073,288	$ 3,847,042

Listed below are the investments and maturities in the City's pension trust funds at September 30, 2021:

Investment Type	Fair Value	Investment Maturities: Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
Equities	$ 80,305,826	$ 80,305,826			
U.S. Government Securities	14,508,410	2,166,068	$ 799,459	$ 9,652,415	$ 1,890,468
Federal Agency Securities:					
Federal Home Loan Bank	631,317		631,317		
Federal Home Loan Mortgage Corporation	748,218		2,888		745,330
Federal National Mortgage Association	3,931,465	2,532	83,112	481,153	3,364,668
Corporate Bonds	6,684,765		1,307,221	4,840,801	536,743
Real Estate	5,782,110	5,782,110			
Total	$ 112,592,111	$ 88,256,536	$ 2,823,997	$ 14,974,369	$ 6,537,209

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	12.89%
Federal Agency Securities	Aaa	4.72%
Corporate Bonds	A1	1.56%
Corporate Bonds	A2	2.38%
Corporate Bonds	A3	0.89%
Corporate Bonds	Baa1	1.11%

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, 2021:

		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	$ 57,843,737	$ 15,039,294	$ 42,804,443	
Federal Agency Securities:				
Federal Agencies	7,979,111		7,979,111	
Federal Home Loan Mortgage Corporation	1,859,905		1,859,905	
Federal Home Loan Bank	4,950,389		4,950,389	
Federal National Mortgage Association	3,585,118		3,585,118	
Government National Mortgage Association	29,200		29,200	
Corporate ABSs	9,425,485		9,425,485	
Corporate Bonds	37,887,784		37,887,784	
Municipal Bonds	2,000,230		2,000,230	
Total Investments by Fair Value Level	$ 125,560,959	$ 15,039,294	$ 110,521,665	$ -

Investments Measured at Amortized Cost	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Florida State Board of Administration:				
Florida PRIME	$ 22,151,012		None	Daily
Florida Trust - Day to Day Fund	19,091,550		None	Daily
Florida Municipal Investment Trust:				
Short-Term Bond Portfolio (0-2 Years)	12,681,578		None	Daily
Total Investments Measured at Amortized Cost	$ 53,924,140			
Total Investments	$ 179,485,099			

The fair value measurements for the City's pension trust fund investments are as follows at September 30, 2021:

		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	$ 80,305,826	$ 80,305,826		
U.S. Government Securities	14,508,409	2,705,122	$ 11,803,287	
Federal Agency Securities:				
Federal Home Loan Bank	631,317	631,317		
Federal Home Loan Mortgage Corporation	748,218		748,218	
Federal National Mortgage Association	3,931,466		3,931,466	
Corporate Bonds	6,684,765		6,684,765	
Total Investments Measured at Fair Value	106,810,001	$ 83,642,265	$ 23,167,736	$ -

Investments Measured at the Net Asset Value (NAV)	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Real Estate Fund	$ 5,782,110		Quarterly	45 days
Total Investments	$ 112,592,111			

U.S. Government Obligations are valued based on prices quoted in active markets and are categorized as Level 1 in the fair value hierarchy. Federal Agency Securities 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, 2021, the balance in these accounts consists of the following:

	Receivable	Payable
General Fund	$ 58,895	
General Employees' Pension	90,000	
Community Development Block Grant		$ 2,329
Firefighters Pension		90,000
J.A.G. Grant		56,566
Total Restricted Assets	$ 148,895	$ 148,895

Interfund transfers during the year ended September 30, 2021, consisted of the following:

	Transfers In				
	General Fund	General Capital Projects	Electric	Governmental Activities	Total
Transfers Out					
General Fund		$ 4,015,000 (1)			$ 4,015,000
Other Governmental	$ 514,366 (2)				514,366
Electric Fund	3,635,350 (3)	183,000 (1)			3,818,350
Water and Sewer		126,000 (1)		$ 335,171 (5)	461,171
Other Enterprise	270,207 (2),(3)	90,000 (1)	$ 162,097 (4)		522,304
Internal Service		70,000 (1)			70,000
Total Transfers Out	$ 4,419,923	$ 4,484,000	$ 162,097	$ 335,171	$ 9,401,191

Transfer Purpose
(1) Capital Projects Funding
(2) Supplemental funding
(3) Return on Investment
(4) Repayment of Construction Advance
(5) Transfer of fixed assets

Note 6 - Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	$ 29,656,509			$ 29,656,509
Construction in Progress	14,378,510	$ 764,154	$ (335,172)	14,807,492
Total Capital Assets Not Being Depreciated	44,035,019	764,154	(335,172)	44,464,001
Capital Assets Being Depreciated:				
Buildings and Improvements	53,186,326	646,128		53,832,454
Equipment	17,490,530	1,416,148	(641,244)	18,265,434
Road Network	32,881,354	184,614		33,065,968
Other Infrastructure Networks	28,264,580			28,264,580
Total Capital Assets Being Depreciated	131,822,790	2,246,890	(641,244)	133,428,436
Less Accumulated Depreciation for:				
Buildings and Improvements	(19,952,228)	(1,766,035)		(21,718,263)
Equipment	(12,372,495)	(1,491,280)	640,710	(13,223,065)
Road Network	(12,791,187)	(417,293)		(13,208,480)
Other Infrastructure Networks	(21,577,976)	(681,350)		(22,259,326)
Total Accumulated Depreciation	(66,693,886)	(4,355,958)	640,710	(70,409,134)
Total Being Depreciated, Net	65,128,904	(2,109,068)	(534)	63,019,302
Governmental Activities Capital Assets, Net	$ 109,163,923	$ (1,344,914)	$ (335,706)	$ 107,483,303

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land	$ 4,388,198			$ 4,388,198
Construction in Progress	24,634,305	$ 3,124,434	$ (9,926,973)	17,831,766
Total Capital Assets Not Being Depreciated	29,022,503	3,124,434	(9,926,973)	22,219,964
Capital Assets Being Depreciated:				
Buildings and Improvements	341,122,465	13,316,998	(247,239)	354,192,224
Equipment	11,581,948	1,064,031	(212,875)	12,433,104
Total Capital Assets Being Depreciated	352,704,413	14,381,029	(460,114)	366,625,328
Less Accumulated Depreciation for:				
Buildings and Improvements	(177,103,742)	(9,618,989)	523,091	(186,199,640)
Equipment	(8,167,995)	(907,411)	212,875	(8,862,531)
Total Accumulated Depreciation	(185,271,737)	(10,526,400)	735,966	(195,062,171)
Total Being Depreciated, Net	167,432,676	3,854,629	275,852	171,563,157
Business-Type Activities Capital Assets, Net	$ 196,455,179	$ 6,979,063	$ (9,651,121)	$ 193,783,121

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

Governmental Activities	
General Government	$ 2,115,459
Law Enforcement	602,316
Physical Environment	410,864
Roads and Streets	785,026
Parks and Recreation	355,269
Internal Service Funds	87,024
Total Depreciation Expense - Governmental Activities	$ 4,355,958
Business-Type Activities	
Electric	$ 6,101,815
Water and Sewer	3,041,185
Stormwater	912,095
Sanitation	60,754
Golf Course	238,988
Leased Facilities	17,222
Natural Gas	154,341
Total Depreciation Expense - Business-Type Activities	$ 10,526,400

Note 7 - Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2021:

	Balance September 30, 2020	Additions	Other Reductions	Balance September 30, 2021	Due Within One Year
Governmental Activities					
Accrued Compensated Absences	$ 3,456,689	$ 1,248,856	$ (1,230,982)	$ 3,474,563	$ 698,373
Accrued Other Postemployment Benefits	1,574,381	83,631		1,658,012	
Net Pension Liability*	10,753,349		(1,736,089)	9,017,260	
Other Contractual Pension Obligation - Fire*	4,933,258		(411,861)	4,521,397	440,691
Total Governmental Activities	20,717,677	1,332,487	(3,378,932)	18,671,232	1,139,064
Business-Type Activities					
Revenue Bonds - Par	2,150,000		(2,150,000)	-	
Revenue Bonds, Net	2,150,000	-	(2,150,000)	-	-
Accrued Compensated Absences	2,067,049	845,124	(975,259)	1,936,914	387,383
Accrued Other Postemployment Benefits	1,058,495	131,203	(16,959)	1,172,739	
Net Pension Liability	8,682,870		(1,334,141)	7,348,729	
Total Business-Type Activities	13,958,414	976,327	(4,476,359)	10,458,382	387,383
Total Long-Term Obligations	$ 34,676,091	$ 2,308,814	$ (7,855,291)	$ 29,129,614	$ 1,526,447

*Restated beginning balances as described in Note 1.

Note 8 - Restricted Assets

The following table indicates the balances at September 30, 2021, for all restricted assets in the proprietary fund types:

	Electric Fund
Power Costs Recovered In Advance	21,417,558
Rate Stabilization	12,879,260
Customer Deposits	5,965,446
Total Restricted Assets	$ 40,262,264

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 2021 under this contract was $3,083,920. 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 2021 was in February 2021, at 165.280 MW. Total expense to the City under the All Requirements Project for 2021 was $51,470,923.

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 2021, under this contract was $0.

Note 10 - <u>Power Costs Recovered in Advance</u>

The City uses a power true-up recomputed monthly in its electric rates. At September 30, 2021, the City was over-recovered from customers by $21,417,558. This amount is expected to be returned to 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, 2021, the rate stabilization reserve totaled $12,879,260. 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, 2021, the City was over-recovered from customers by $653,759. 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 part (reporting as pension trust funds) of the City's financial reporting entity since they are not "legally separate." 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, 2020, employee membership data related to the pension plans were:

	General Employees	Police Officers	Firefighters	Total
Inactive Plan Members or Their Beneficiaries Currently Receiving Benefits (Including DROP Participants)	193	39	24	256
Inactive Plan Members Entitled to Benefits, But Not Yet Receiving Them	11	4	1	16
Active Plan Members	238	67	25	330
Total	442	110	50	602

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 $4,521,397 as of September 30, 2021.

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>

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

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

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, 2021, 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. For the FFRS, the City makes contractually agreed to fixed annual contributions to the pension plan as previously described. 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 $303,569 were received for the period ending September 30, 2021 and 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, 2021, the actuarially determined contribution amount for the City was to be $4,055,487, including estimated contributions from the State of Florida. The City’s actual contribution was $4,175,313, including actual contributions from the State of Florida. These contributions were determined pursuant to an actuarial valuation dated October 1, 2019.

There were no contributions due to the plans by the City at September 30, 2021.

Investment Policy
The following are the three Boards’ adopted asset allocation policy as of September 30, 2021:

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, 2021 and 2020, the annual money-weighted rate of return on plan investments, net of plan investment expense, was 18.94% and 10.02%, 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.

	General Employees	Police Officers	Firefighters	Totals
Assets				
Cash and Cash Equivalents	$ 3,528,525	$ 2,531,331	$ 1,348,969	$ 7,408,825
Due from Other Funds			90,000	90,000
Accrued Interest	41,864	18,194	10,352	70,410
Investments:				
Equities, Including Mutual Funds	47,367,473	20,993,532	11,944,821	80,305,826
Corporate Bonds	3,942,932	1,747,530	994,303	6,684,765
U.S. Government Obligations/Agencies	11,690,252	5,181,186	2,947,972	19,819,410
Real Estate Fund	3,410,511	1,511,558	860,041	5,782,110
Total Investments	66,411,168	29,433,806	16,747,137	112,592,111
Total Assets	69,981,557	31,983,331	18,196,458	120,161,346
Liabilities				
Other Accrued Liabilities	1,030	366	240	1,636
Due to Other Funds	90,000			90,000
Total Liabilities	91,030	366	240	91,636
Net Position Restricted for Pensions	$ 69,890,527	$ 31,982,965	$ 18,196,218	$ 120,069,710

Schedule of the Change in Pension Plan Net Position as of September 30, 2021

	General Employees	Police Officers	Firefighters	Totals
Additions				
Contributions				
Employee	$ 1,147,477	$ 493,053	$ 158,581	$ 1,799,111
Employer:				
City of Jacksonville Beach	2,443,559	720,532	707,952	3,872,043
City of Jacksonville			133,840	133,840
State of Florida		303,569		303,569
Total Contributions	3,591,036	1,517,154	1,000,373	6,108,563
Investment Income				
Investment Earnings	11,364,766	5,037,125	2,867,251	19,269,142
(Investment Expenses)	(118,963)	(53,459)	(32,053)	(204,475)
Net Investment Income	11,245,803	4,983,666	2,835,198	19,064,667
Total Additions	14,836,839	6,500,820	3,835,571	25,173,230
Deductions				
Benefits	5,149,912	1,265,218	839,948	7,255,078
Refunds of Contributions	272,998	17,162		290,160
Administrative Expense	101,416	83,994	75,574	260,984
(Total Deductions)	(5,524,326)	(1,366,374)	(915,522)	(7,806,222)
Change in Net Position	9,312,513	5,134,446	2,920,049	17,367,008
Net Position, Beginning of Year	60,578,014	26,848,519	15,276,169	102,702,702
Net Position, End of Year	$ 69,890,527	$ 31,982,965	$ 18,196,218	$ 120,069,710

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 and related deferred inflows and outflows as of September 30, 2020, one year prior to the reporting date.

Net Pension Liability

The components of the net pension liability for the General Employees' Plan and Police Officers' Plan as of September 30, 2020, (measurement date) 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	$ 73,255,661	$ 57,101,628	$ 16,154,033
Service Cost	1,598,849		1,598,849
Interest	5,349,162		5,349,162
Differences Between Expected and Actual Experience	(533,465)		(533,465)
Contributions - Employer		2,324,624	(2,324,624)
Contributions - Employee		1,110,267	(1,110,267)
Net Investment Income		5,610,039	(5,610,039)
Benefit Payments Including Refunds of Employee Contributions	(5,465,840)	(5,465,840)	-
Administrative Expenses		(102,704)	102,704
Net Changes	948,706	3,476,386	(2,527,680)
Balance, End of Year	$ 74,204,367	$ 60,578,014	$ 13,626,353

Police Officers' Pension Plan

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balance, Beginning of Year	$ 27,783,358	$ 24,501,172	$ 3,282,186
Service Cost	750,964		750,964
Interest	2,066,473		2,066,473
Differences Between Expected and Actual Experience	279,135		279,135
Contributions - Employer and State		909,449	(909,449)
Contributions - Employee		399,342	(399,342)
Net Investment Income		2,411,239	(2,411,239)
Benefit Payments Including Refunds of Employee Contributions	(1,291,775)	(1,291,775)	-
Administrative Expenses		(80,908)	80,908
Net Changes	1,804,797	2,347,347	(542,550)
Balance, End of Year	$ 29,588,155	$ 26,848,519	$ 2,739,636

Actuarial Assumptions

The total pension liability was based on an actuarial valuation as of October 1, 2019, and a measurement date of September 30, 2020, 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	10.0%
International Equity	11.0%
Domestic Bonds	5.0%
International Bonds	6.0%
Real Estate	7.0%
Cash	0.0%

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 to changes in the discount rate. The table represents the plans' net pension liability, 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 to the Single Discount Rate Assumption

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
General Employees' Pension Plan:	$ 22,016,133	$ 13,626,353	$ 6,543,959
Police Officers' Pension Plan:	$ 6,306,153	$ 2,739,636	$ (249,189)

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

For the year ended September 30, 2021, the City recognized pension expense as follows:

General Employees' Pension Plan	$ 2,385,763
Police Officers' Pension Plan	731,409
Total	$ 3,117,172

At September 30, 2021, 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	$ 2,443,559	$ 1,024,101	$ 3,467,660
Differences Between Expected and Actual Experience	515,577	310,584	826,161
Changes in Assumptions	1,430,518	889,806	2,320,324
Total	$ 4,389,654	$ 2,224,491	$ 6,614,145

Deferred Inflows of Resources

	General Employees'	Police Officers'	Total
Differences Between Expected and Actual Experience	$ 1,065,796	$ 521,783	$ 1,587,579
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,159,109	454,212	1,613,321
Total	$ 2,224,905	$ 975,995	$ 3,200,900

Contributions made after the measurement date (shown above) will be recognized in the fiscal year ending September 30, 2021.

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
2022	$ 268,537	$ 70,695	$ 339,232
2023	189,473	149,209	338,682
2024	(368,034)	76,195	(291,839)
2025	(368,786)	(95,964)	(464,750)
2026		24,260	24,260
Thereafter			-
Total	$ (278,810)	$ 224,395	$ (54,415)

Note 12 - <u>Interlocal Agreement</u>

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%	0.0%
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 2021. As of September 30, 2021, 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, 2021, the City had the following commitments related to significant unfinished capital projects:

Project	Expended as of September 30, 2021	Remaining Commitment
Downtown Site Furnishing & Bike	$ 11,076	$ 416,924
Design of Downtown Phase 3C (4 & 5) 4th Ave. South to 11th Ave. South	129,673	343,689
Design of Downtown Phase 3C Projects 4 & 5	166,017	1,264,087
Sunshine Playground	14,800	1,663,899
Butler – Transformer & Bus Relay Upgrades	21,939	150,861
Ft. Diego Line 803 Upgrade (Transmission Line Protective Relay Upgrade)	6,865	70,853
Natural Gas Distribution System	63,969	76,031
Lift Station #07	2,511	396,961
Lift Station #2 Rehabilitation	500,176	1,447,982
Total	$ 917,026	$ 5,831,287

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		$ 122,143
General Capital Projects Fund	$ 1,633,086	
Community Redevelopment Fund	8,840,610	
Other Governmental Funds	885,045	
Total	$ 11,358,741	$ 122,143

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 2021, 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 $4,039,246 in 2021, and $3,666,972 in 2020.

The City is self-insured for four 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 2021, actual costs exceeded interdepartmental charges and other earnings by $415,631. For 2020, interdepartmental charges and other earnings exceeded actual costs by $466,019. The self-insurance fund has unrestricted net position of $3,734,163 at September 30, 2021.

There were no significant reductions in insurance coverage from 2020 to 2021.

The estimated liability for self-insured losses of $127,949 accrued in the self-insurance fund at September 30, 2021, 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. Changes in the self-insurance fund's estimated liability were as follows for September 30:

	2021	2020
Beginning Balance	$ 128,698	$ 246,172
Current Year Claims and Changes in Estimates	294,134	(55,324)
(Claim Payments)	(294,883)	(62,150)
Ending Balance	$ 127,949	$ 128,698

Note 15 - Community Redevelopment Agency

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

Downtown Redevelopment District

The initial focus of the CRA was the rejuvenation of the Downtown District. The original plan for the redevelopment of the Downtown District was adopted in June 1987, following the creation of the tax increment district in 1984. 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 making the 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.

Phase III of the Downtown Vision Plan is divided into sub-phases A, B, and C. Phase III-A included the reconstruction of North 1st Street between 4th Avenue North and 6th Avenue North, and 5th Avenue North between 1st Street and 3rd Street. Phases III-B and III-C are currently underway and include major reconstruction of the water, sewer, and storm drainage systems as well as street and alleyway improvements from Beach Boulevard to 13th Avenue South. Project 2 of Phase III-C, providing street and infrastructure improvements between 11th and 13th Avenues South, is nearing completion, with a construction cost of approximately $11 million. In 2020, two consultants were selected for the design and construction document production for the remaining Phase III-C infrastructure and roadway work (Projects 4-6), and for downstream stormwater discharge channel improvements (Project 3). Construction of those projects is started in FY2021.

In 2018, consultants to the CRA completed a *Downtown Action Plan – Implementation and Management Plan* in an effort to address various livability issues identified in the 2015 Downtown Action Plan. In 2019, that consulting team then prepared Public Art, Bike Parking, Wayfinding Signage, Lighting, and Pier Entryway Enhancement elements identified in the Implementation and Management Plan. This year, the CRA board approved the final selections for the Bike Parking and site furnishings plan(s). These plans included basic bike racks, decorative bike racks, trashcans, seating, and bollards throughout the downtown district. CRA has also approved staff to begin the process of developing bids for the wayfinding signage plan.

The implementation/installation/construction of these elements, with the exception of the Pier Entryway Enhancement project, is programmed for later in FY2022. The Pier Entryway Enhancement project will take place once a County-funded Pier Reconstruction Project is completed. At this time, the City of Jacksonville anticipates the pier will be completed in late spring/early summer 2022.

In FY2021, the CRA approved additional funding for the remaining ADA compliant dune walkovers. Construction of those walkovers will take place throughout the fall/winter of 2021 once turtle season is over.

Southend Redevelopment District

In November 1985, the Southend 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. Since the adoption of the Southend Redevelopment Plan, six major public-private projects have been completed. The completed projects are Riptide, South Beach Regional Shopping Center, South Beach Parkway Shopping Center, Ocean Cay, Paradise Key, and the South Beach Mixed Use Development.

In 2018, consultants to the CRA completed a drainage improvements study for the historically platted *Ocean Terrace* area of the Southend Redevelopment District, which consists of the developed residential neighborhoods along the north and south sides of Jacksonville Drive, west of South Beach Parkway. Funding was allocated and construction began in September 2021. The CRA also approved funding for new median barriers in the Southend that are safer for roadways, and more aesthetically pleasing than the current barriers.

In FY2021, the CRA approved numerous renovation projects in South Beach Park including new drinking fountain stations, new sand and walls at the volleyball courts, upgraded basketball courts, new pickle ball courts, and additional shade structures over the splash pad. The redesign and reconstruction of the popular Sunshine Park Playground was approved in September and is an anticipated to complete in March 2022.

The FY2021 budget anticipated a reduction in the Southend Tax Increment Funding collection rate from 95% to 50%. Accordingly, the Southend Redevelopment District FY2021 yearend fund balance appropriation adopted by the CRA on October 25, 2021 (CRA Res. No. 2021-18) identified $2,279,078 to be returned to the taxing authorities; The City of Jacksonville ($1,529,505) and The City of Jacksonville Beach ($749,573).

The following schedule summarizes revenue and expenditure activity for the two districts in 2021:

	Downtown	Southend	Total
Revenues and Transfers in			
Ad Valorem Taxes	$ 7,118,716	$ 4,811,387	$ 11,930,103
Ad Valorem Taxes to Return to Taxing Authorities		(2,279,078)	(2,279,078)
Interest and Other	26,261	17,687	43,948
Total Revenues and Transfers in	7,144,977	2,549,996	9,694,973
Expenditures			
General Government	587,760	389,104	976,864
Public Safety	1,206,937		1,206,937
Capital Projects:			
Downtown Infrastructure Improvements	532,148		532,148
Southend Infrastructure Improvements		372,028	372,028
(Total Expenditures)	(2,326,845)	(761,132)	(3,087,977)
Excess (Deficiency) of Revenues and Transfers in Over (Under) Expenditures	$ 4,818,132	$ 1,788,864	$ 6,606,996

Note 16 - 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 Lease Facilities Fund; and fund net income is used to make technology purchases. Lease agreements for the Community Services Center, the Industrial Park, the cell tower, and the Marina building are generally three to five-year leases, with the option for either party to cancel the lease given 90 days' notice. 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 a flat rate. There are no contingent rentals or subleases at any of the facilities. Cost, accumulated depreciation, and carrying value on the leased assets are:

	Cost	Accumulated Depreciation	Carrying Amount
Buildings	$ 632,274	$ (496,782)	$ 135,492
Improvements	34,216	(32,315)	1,901
Total	$ 666,490	$ (529,097)	$ 137,393

Note 17 - 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	-
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 $2,830,751 was measured as of September 30, 2020, 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	$	2,632,876
Service Cost		136,800
Interest on Total OPEB Liability		74,815
Differences Between Expected and Actual Experience		476,887
Changes of Assumptions and Other Inputs		(392,386)
Benefit Payments		(98,241)
Net change in Total OPEB Liability		197,875
Total OPEB Obligation, End of Year	$	2,830,751

Changes of assumptions and other inputs include a decrease of the discount rate from 2.75% as of the beginning of the measurement period to 2.41% 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 1.41%	**Current Discount Rate 2.41%**	**1% Increase 3.41%**
Total OPEB Liability	$ 3,163,291	$ 2,830,751	$ 2,547,695

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	$ 2,503,291	$ 2,830,751	$ 3,227,701

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the fiscal year ended September 30, 2021, the City recognized OPEB expense of $106,909. At September 30, 2021, 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	$ 146,390	
Differences between Expected and Actual Experience	423,900	$ 174,943
Changes in Assumptions and Other Inputs	217,867	1,038,443
Total	$ 788,157	$ 1,213,386

Of the total amount reported as deferred outflows of resources related to OPEB, $146,390 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
2022	$ (104,706)
2023	(104,706)
2024	(104,706)
2025	(104,706)
2026	(103,159)
Thereafter	(49,636)
Total	$ (571,619)

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, 2020
Reporting Date:	September 30, 2021
Actuarial Cost Method:	Entry Age Normal Cost
Inflation Rate:	2.25%
Discount Rate:	2.41%
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.

Note 18 - <u>Subsequent Event</u>

On October 7, 2021, the City received advance funding from the federal government related to the American Rescue Plan Coronavirus Local Fiscal Recovery Fund Agreement totaling $5,917,085. The City was awarded grant funds totaling $11,834,170 from the federal government and $3,000,000 from the City of Jacksonville. Eligible uses of funds are expected to fall into four categories including: public health and economic impacts, premium pay for essential workers, revenue loss, or investments in infrastructure. Funds must be used by December 31, 2024.

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:	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Measurement Date - September 30:	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability							
Service Cost	$ 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	5,349,162	5,292,226	5,106,511	4,852,273	4,606,558	4,557,077	4,443,924
Difference Between Expected and Actual Experience	(533,465)	(1,027,446)	1,126,397	325,573	(1,228,033)	(891,893)	
Assumption Changes (1), (2), (3)			2,931,687	2,129,976	2,784,150		
Benefit Payments	(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	948,706	1,120,512	5,826,951	4,001,742	3,286,294	448,212	1,601,868
Total Pension Liability-Beginning	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)	74,204,367	73,255,661	72,135,149	66,308,198	62,306,456	59,020,162	58,571,950
Plan Fiduciary Net Position							
Employer Contributions	2,324,624	2,100,105	1,898,689	1,591,545	1,321,320	1,387,165	1,216,994
Employee Contributions	1,110,267	1,036,998	1,029,762	1,018,627	927,251	853,057	771,553
Pension Plan Net Investment Income	5,610,039	3,062,326	4,761,584	5,827,579	3,782,591	(153,496)	4,697,264
Benefit Payments	(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)	(301,456)
Pension Plan Administrative Expense	(102,704)	(96,476)	(100,429)	(105,804)	(111,995)	(92,050)	(102,358)
Net Change in Plan Fiduciary Net Position	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	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)	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)	$ 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	81.64%	77.95%	77.14%	79.59%	78.86%	80.15%	84.74%
Covered Payroll	$ 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	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%.

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:	2021	2020	2019	2018	2017	2016	2015
Measurement Date - September 30:	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total Pension Liability							
Service Cost	$ 750,964	$ 724,675	$ 625,887	$ 633,232	$ 608,970	$ 583,329	$ 517,788
Interest on the Total Pension Liability	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	279,135	(521,988)	177,596	(458,370)	(393,421)		54,979
Assumption Changes (2), (3), (4)			1,221,310	675,123	776,974		
Benefit Payments	(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	1,804,797	509,171	2,715,205	1,405,922	1,484,329	889,971	(1,874,670)
Total Pension Liability-Beginning	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)	29,588,155	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	909,449	802,241	691,323	705,983	662,694	562,835	530,453
Employee Contributions	399,342	383,822	362,140	353,277	343,112	328,665	263,978
Pension Plan Net Investment Income	2,411,239	1,316,052	1,991,673	2,367,943	1,498,725	(59,565)	1,819,901
Benefit Payments	(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)
Pension Plan Administrative Expense	(80,908)	(77,460)	(88,504)	(80,293)	(66,704)	(71,518)	(81,366)
Net Change in Plan Fiduciary Net Position	2,347,347	722,240	1,730,591	2,076,105	1,220,470	(565,537)	1,107,078
Plan Fiduciary Net Position-Beginning	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)	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)	$ 2,739,636	$ 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	90.74%	88.19%	87.18%	89.78%	86.26%	86.54%	92.97%
Covered Payroll	$ 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	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%.

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

September 30:	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Actuarially Determined Contribution	$ 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	2,443,559	2,324,624	2,100,105	1,898,689	1,591,545	1,321,320	1,387,165	1,216,994
Contribution Deficiency (Excess)	$ (599)	$ (1,834)	$ (2,317)	$ (5,982)	$ -	$ -	$ -	$ (11,238)
Covered Payroll	$ 14,312,286	$ 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	17.07%	16.71%	16.10%	14.66%	12.42%	11.33%	12.93%	11.46%

Notes to Schedule of Contributions

Valuation Date	October 1, 2019 for period ended September 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	4 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	7.75%
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 (FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.

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:	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Actuarially Determined Contribution	$ 917,954	$ 844,401	$ 770,582	$ 691,323	$ 678,304	$ 633,555	$ 511,049	$ 490,666
Contributions in Relation to the Actuarially Determined Contribution	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	$ 5,395,032	$ 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	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, 2019 for period ended September 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	4 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	7.75%
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 (FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.

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**
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%
2012	16.52%	16.52%

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

Reporting Date:	**9/30/2021**	**9/30/2020**	**9/30/2019**	**9/30/2018**
Measurement Date:	**9/30/2020**	**9/30/2019**	**9/30/2018**	**9/30/2017**
Total OPEB Liability				
Service Cost	$ 136,800	$ 119,289	$ 178,369	$ 173,214
Interest on the Total OPEB Liability	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	(392,386)	279,237	(915,785)	(137,638)
Benefit Payments	(98,241)	(126,309)	(161,121)	(152,098)
Net Change in Total OPEB Liability	197,875	361,366	(1,040,184)	(10,521)
Total OPEB Liability - Beginning of Year	2,632,876	2,271,510	3,311,694	3,322,215
Total OPEB Liability - End of Year	$ 2,830,751	$ 2,632,876	$ 2,271,510	$ 3,311,694
Estimated Covered-Employee Payroll	$ 17,562,406	$ 20,116,441	$ 17,880,928	$ 14,491,777
Total OPEB Liability as a percentage of Covered-Employee Payroll	16.12%	13.09%	12.70%	22.85%

Notes:

Covered-employee payroll presented above is an estimate based on data submitted. GASB Statement 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.

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

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, 2021
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	$ 1,584,487	$ 6,949	$ 1,658,948	$ 4,381,537
Special Assessments Receivable			23,457	
Due from Other Governments	285,823		130,200	230,000
Total Assets	1,870,310	6,949	1,812,605	4,611,537
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable	23,507		12,600	6,538
Other Accrued Liabilities			815	
Interfund Payables				
Total Liabilities	23,507	-	13,415	6,538
Deferred Inflows of Resources				
Unavailable Revenues	45,600		153,657	230,000
Fund Balances				
Restricted for:				
Tourism Expenditures	1,801,203			
Transportation Improvements			1,645,533	
Capital Projects				4,374,999
Law Enforcement		6,949		
Committed for:				
Tree Replacement				
Total Fund Balances	1,801,203	6,949	1,645,533	4,374,999
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,870,310	$ 6,949	$ 1,812,605	$ 4,611,537

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
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		$ 207,108		$ 6,259
Special Assessments Receivable				
Due from Other Governments	$ 2,329		$ 56,566	
Total Assets	$ 2,329	207,108	56,566	6,259
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable				
Other Accrued Liabilities				
Interfund Payables	2,329		56,566	
Total Liabilities	2,329	-	56,566	-
Deferred Inflows of Resources				
Unavailable Revenues				
Fund Balances				
Restricted for:				
Tourism Expenditures				
Transportation Improvements				
Capital Projects				
Law Enforcement		207,108		
Committed for:				
Tree Replacement				6,259
Total Fund Balances	-	207,108	-	6,259
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 2,329	$ 207,108	$ 56,566	$ 6,259

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
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	$ 13,644	$ 275,399	$ 2,760,238	$ 10,894,569
Special Assessments Receivable				23,457
Due from Other Governments				704,918
Total Assets	13,644	275,399	2,760,238	11,622,944
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable			63,632	106,277
Other Accrued Liabilities				815
Interfund Payables				58,895
Total Liabilities	-	-	63,632	165,987
Deferred Inflows of Resources				
Unavailable Revenues				429,257
Fund Balances				
Restricted for:				
Tourism Expenditures				1,801,203
Transportation Improvements				1,645,533
Capital Projects			2,696,606	7,071,605
Law Enforcement	13,644	275,399		503,100
Committed for:				
Tree Replacement				6,259
Total Fund Balances	13,644	275,399	2,696,606	11,027,700
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 13,644	$ 275,399	$ 2,760,238	$ 11,622,944

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 547,313		$ 781,251	$ 1,571,566
Intergovernmental				
Fines and Forfeitures		$ 8,859		
Other Revenue	3,801	8	1,808	5,012
Total Revenues	551,114	8,867	783,059	1,576,578
Expenditures				
Current:				
General Government				7,929
Public Safety		4,403		
Physical Environment				
Roads and Streets			134,113	573,876
Parks and Recreation	68,626			
Capital Outlay	22,739			39,886
(Total Expenditures)	(91,365)	(4,403)	(134,113)	(621,691)
Excess (Deficiency) of Revenues Over (Under) Expenditures	459,749	4,464	648,946	954,887
Other Financing Sources (Uses)				
Transfers (out)			(372,000)	
Total Other Financing Sources (Uses)	-	-	(372,000)	-
Net Change in Fund Balance	459,749	4,464	276,946	954,887
Fund Balances, Beginning of Year	1,341,454	2,485	1,368,587	3,420,112
Fund Balances, End of Year	$ 1,801,203	$ 6,949	$ 1,645,533	$ 4,374,999

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA
(Continued)

	Special Revenue Funds			
	Radio Communications Fund	J.A.G. Grant Fund	Tree Protection Fund	Community Development Block Grant Fund
Revenues				
Taxes				
Intergovernmental		$ 106,930		$ 142,366
Fines and Forfeitures	$ 31,425			
Other Revenue	378		$ 1,107	
Total Revenues	31,803	106,930	1,107	142,366
Expenditures				
Current:				
General Government				
Public Safety	97,407			
Physical Environment			12	
Roads and Streets				
Parks and Recreation				
Capital Outlay	17,306	106,930		
(Total Expenditures)	(114,713)	(106,930)	(12)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(82,910)	-	1,095	142,366
Other Financing Sources (Uses)				
Transfers (out)				(142,366)
Total Other Financing Sources (Uses)	-	-	-	(142,366)
Net Change in Fund Balance	(82,910)	-	1,095	-
Fund Balances, Beginning of Year	290,018		5,164	
Fund Balances, End of Year	$ 207,108	$ -	$ 6,259	$ -

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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				$ 2,900,130
Intergovernmental				249,296
Fines and Forfeitures	$ 1,336	$ 28,350		69,970
Other Revenue	1,354	308	$ 3,515	17,291
Total Revenues	2,690	28,658	3,515	3,236,687
Expenditures				
Current:				
General Government				7,929
Public Safety	5,070	541		107,421
Physical Environment			5,914	5,926
Roads and Streets				707,989
Parks and Recreation				68,626
Capital Outlay			113,913	300,774
(Total Expenditures)	(5,070)	(541)	(119,827)	(1,198,665)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,380)	28,117	(116,312)	2,038,022
Other Financing Sources (Uses)				
Transfers (out)				(514,366)
Total Other Financing Sources (Uses)	-	-	-	(514,366)
Net Change in Fund Balance	(2,380)	28,117	(116,312)	1,523,656
Fund Balances, Beginning of Year	16,024	247,282	2,812,918	9,504,044
Fund Balances, End of Year	$ 13,644	$ 275,399	$ 2,696,606	$ 11,027,700

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 400,942	$ 400,942	$ 547,313	$ 146,371
Other Revenue	6,094	6,094	3,801	(2,293)
Total Revenues	407,036	407,036	551,114	144,078
Expenditures				
Current:				
Parks and Recreation	196,493	121,493	68,626	52,867
Capital Outlay	-	166,441	22,739	143,702
(Total Expenditures)	(196,493)	(287,934)	(91,365)	196,569
Net Change in Fund Balance	$ 210,543	$ 119,102	$ 459,749	$ 340,647

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Fines and Forfeitures	$ 9,407	$ 9,407	$ 8,859	$ (548)
Other Revenue			8	8
Total Revenues	9,407	9,407	8,867	(540)
Expenditures				
Current:				
Public Safety	9,407	9,407	4,403	5,004
(Total Expenditures)	(9,407)	(9,407)	(4,403)	5,004
Net Change in Fund Balance	$ -	$ -	$ 4,464	$ 4,464

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 804,172	$ 804,172	$ 781,251	$ (22,921)
Other Revenue	12,026	12,026	1,808	(10,218)
Total Revenues	816,198	816,198	783,059	(33,139)
Expenditures				
Current:				
Roads and Streets	358,132	449,281	134,113	315,168
(Total Expenditures)	(358,132)	(449,281)	(134,113)	315,168
Excess (Deficiency) of Revenues Over (Under) Expenditures	458,066	366,917	648,946	282,029
Other Financing Sources (Uses)				
Transfers (out)	(372,000)	(372,000)	(372,000)	-
Net Change in Fund Balance	$ 86,066	$ (5,083)	$ 276,946	$ 282,029

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
INFRASTRUCTURE SURTAX FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 1,365,685	$ 1,365,685	$ 1,571,566	$ 205,881
Other Revenue	14,688	14,688	5,012	(9,676)
Total Revenues	1,380,373	1,380,373	1,576,578	196,205
Expenditures				
Current:				
General Government	1,500	1,500	7,929	(6,429)
Roads and Streets	820,000	1,381,263	573,876	807,387
Capital Outlay		205,718	39,886	165,832
(Total Expenditures)	(821,500)	(1,588,481)	(621,691)	966,790
Net Change in Fund Balance	$ 558,873	$ (208,108)	$ 954,887	$ 1,162,995

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, 2021
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
(Total Expenditures)	-	-	-	-
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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Fines and Forfeitures	$ 25,000	$ 25,000	$ 31,425	$ 6,425
Other Revenue	2,614	2,614	378	(2,236)
Total Revenues	27,614	27,614	31,803	4,189
Expenditures				
Current:				
Public Safety	10,000	106,104	97,407	8,697
Capital Outlay		41,682	17,306	24,376
(Total Expenditures)	(10,000)	(147,786)	(114,713)	33,073
Net Change in Fund Balance	$ 17,614	$ (120,172)	$ (82,910)	$ 37,262

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental		$ 100,193	$ 106,930	$ 6,737
Total Revenues	$ -	100,193	106,930	6,737
Expenditures				
Capital Outlay		115,987	106,930	9,057
(Total Expenditures)	-	(115,987)	(106,930)	9,057
Net Change in Fund Balance	$ -	$ (15,794)	$ -	$ 15,794

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TREE PROTECTION FUND
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Other Revenue	$ 100	$ 100	$ 1,107	$ 1,007
Total Revenues	100	100	1,107	1,007
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)	$ 1,095	$ 3,995

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Fines and Forfeitures	$ 4,540	$ 4,540	$ 1,336	$ (3,204)
Other Revenue	3,692	3,692	1,354	(2,338)
Total Revenues	8,232	8,232	2,690	(5,542)
Expenditures				
Current:				
Public Safety	20,100	20,100	5,070	15,030
(Total Expenditures)	(20,100)	(20,100)	(5,070)	15,030
Net Change in Fund Balance	$ (11,868)	$ (11,868)	$ (2,380)	$ 9,488

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenue	$ 25,000	$ 25,000		$ (25,000)
Fines and Forfeitures			$ 28,350	28,350
Other Revenue	2,252	2,252	308	(1,944)
Total Revenues	27,252	27,252	28,658	1,406
Expenditures				
Current:				
Public Safety	31,080	31,080	541	30,539
Capital Outlay		5,080		5,080
(Total Expenditures)	(31,080)	(36,160)	(541)	35,619
Net Change in Fund Balance	$ (3,828)	$ (8,908)	$ 28,117	$ 37,025

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Other Revenues	$ 70,000	$ 70,000	$ 20,520	$ (49,480)
Total Revenues	70,000	70,000	20,520	(49,480)
Expenditures				
Current:				
General Government	157,000	104,187	140,001	(35,814)
Capital Outlay	1,386,400	3,274,249	1,029,452	2,244,797
(Total Expenditures)	(1,543,400)	(3,378,436)	(1,169,453)	2,208,983
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,473,400)	(3,308,436)	(1,148,933)	2,159,503
Other Financing Sources (Uses)				
Transfers in	1,834,000	4,484,000	4,484,000	-
Net Change in Fund Balance	$ 360,600	$ 1,175,564	$ 3,335,067	$ 2,159,503

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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Other Revenues	$ 29,144	$ 29,144	$ 3,515	$ (25,629)
Total Revenues	29,144	29,144	3,515	(25,629)
Expenditures				
Current:				
Physical Environment			5,914	(5,914)
Capital Outlay	450,000	656,023	113,913	542,110
(Total Expenditures)	(450,000)	(656,023)	(119,827)	536,196
Net Change in Fund Balance	$ (420,856)	$ (626,879)	$ (116,312)	$ 510,567

COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Assets						
Current Assets:						
Equity in Pooled Cash and Investments	$ 6,578,000	$ 4,577,854	$ 1,936,737	$ 1,142,390	$ 3,627,668	$ 17,862,649
Other Operating Cash			1,300			1,300
Receivables:						
Accounts, Net	167,771	431,590	14,972	23,891	193,185	831,409
Inventory			60,888			60,888
Prepaid Expenses			7,938	992		8,930
Total Current Assets	6,745,771	5,009,444	2,021,835	1,167,273	3,820,853	18,765,176
Non-Current Assets:						
Capital Assets:						
Land	1,057,992		388,980	28,000		1,474,972
Buildings and Improvements	26,727,707		4,341,800	813,838	5,448,077	37,331,422
Equipment	351,606	617,110	419,756	766,661		2,155,133
Construction in Progress	467,157				836,750	1,303,907
	28,604,462	617,110	5,150,536	1,608,499	6,284,827	42,265,434
(Accumulated Depreciation)	(13,438,589)	(391,099)	(2,086,778)	(1,355,986)	(1,333,354)	(18,605,806)
Total Non-Current Assets	15,165,873	226,011	3,063,758	252,513	4,951,473	23,659,628
Total Assets	21,911,644	5,235,455	5,085,593	1,419,786	8,772,326	42,424,804
Deferred Outflows of Resources						
Pension Related		42,467	143,980			186,447
OPEB Related	8,445		22,519			30,964
Total Deferred Outflows of Resources	8,445	42,467	166,499	-	-	217,411

COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA
(Concluded)

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Liabilities						
Current Liabilities:						
Accounts Payable	$ 20,356	$ 202,338	$ 28,385		$ 108,263	$ 359,342
Power Costs Recovered in Advance					653,759	653,759
Other Accrued Liabilities	5,140	9,625	47,332	$ 1,675	10,872	74,644
Due to Other Governments		3,563				3,563
Unearned Revenues			38,290			38,290
Current Portion of Long-Term Debt:						
Compensated Absences		6,421	16,844			23,265
Total Current Liabilities	25,496	221,947	130,851	1,675	772,894	1,152,863
Non-Current Liabilities:						
Accrued Compensated Absences		25,684	67,376			93,060
Other Postemployment Benefits	30,329		80,879			111,208
Net Pension Liability	68,656	167,381	470,849			706,886
Total Non-Current Liabilities	98,985	193,065	619,104	-	-	911,154
Total Liabilities	124,481	415,012	749,955	1,675	772,894	2,064,017
Deferred Inflows of Resources						
Pension Related	77,449	27,145	70,881			175,475
OPEB Related	13,001		34,668			47,669
Total Deferred Inflows of Resources	90,450	27,145	105,549	-	-	223,144
Net Position						
Investment in Capital Assets	15,165,873	226,011	3,063,758	252,513	4,951,473	23,659,628
Unrestricted	6,539,285	4,609,754	1,332,830	1,165,598	3,047,959	16,695,426
Total Net Position	$ 21,705,158	$ 4,835,765	$ 4,396,588	$ 1,418,111	$ 7,999,432	$ 40,355,054

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Stormwater	Sanitation	Golf Course	Leased Facilities	Natural Gas	Totals
Operating Revenues						
Charges for Services	$ 1,310,954	$ 3,600,138	$ 3,125,053		$ 1,845,309	$ 9,881,454
Other	320		322	$ 761,049		761,691
Total Operating Revenues	1,311,274	3,600,138	3,125,375	761,049	1,845,309	10,643,145
Operating Expenses						
Purchased Power					891,666	891,666
Personal Services	268,715	358,763	979,194	1,534		1,608,206
Purchased Services	120,495	3,093,669	165,534	3,831	305,176	3,688,705
Repairs and Maintenance	56,438	12,590	104,449	455,802		629,279
Depreciation	912,095	60,754	238,988	17,222	154,341	1,383,400
Materials and Supplies	6,114	16,658	336,194		2,985	361,951
Other Expenses	183,210	159,364	497,248	(9,764)	107,831	937,889
(Total Operating Expenses)	(1,547,067)	(3,701,798)	(2,321,607)	(468,625)	(1,461,999)	(9,501,096)
Operating Income (Loss)	(235,793)	(101,660)	803,768	292,424	383,310	1,142,049
Non-Operating Revenues (Expenses)						
Investment Earnings	7,956	5,719	2,090	950	4,370	21,085
Intergovernmental Revenue	1,080					1,080
Gain (Loss) on Disposal of Capital Assets			6,951			6,951
Total Non-Operating Revenues (Expense)	9,036	5,719	9,041	950	4,370	29,116
Income (Loss) Before Contributions and Transfers	(226,757)	(95,941)	812,809	293,374	387,680	1,171,165
Capital Contributions						
Connection Fees					35,246	35,246
Developer Contributions	15,386					15,386
Total Capital Contributions	15,386	-	-	-	35,246	50,632
Transfers						
Transfers (out)			(150,000)	(90,000)	(282,304)	(522,304)
Total Transfers	-	-	(150,000)	(90,000)	(282,304)	(522,304)
Change in Net Position	(211,371)	(95,941)	662,809	203,374	140,622	699,493
Total Net Position, Beginning of Year	21,916,529	4,931,706	3,733,779	1,214,737	7,858,810	39,655,561
Total Net Position, End of Year	$ 21,705,158	$ 4,835,765	$ 4,396,588	$ 1,418,111	$ 7,999,432	$ 40,355,054

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 1,346,236	$ 3,596,725	$ 3,129,460	$ 791,205	$ 1,927,630	$ 10,791,256
Cash Payments to Vendors for Goods and Services	(360,020)	(3,309,459)	(1,106,561)	(551,429)	(1,326,955)	(6,654,424)
Cash Payments to Employees for Services	(258,026)	(354,910)	(997,715)	(1,534)		(1,612,185)
Net Cash Provided by (Used in) Operating Activities	728,190	(67,644)	1,025,184	238,242	600,675	2,524,647
Cash Flows from Non-Capital Financing Activities						
Intergovernmental Revenue	1,080					1,080
Transfers (out)			(150,000)	(90,000)	(282,304)	(522,304)
Net Cash Provided by (Used in) Non-Capital Financing Activities	1,080	-	(150,000)	(90,000)	(282,304)	(521,224)
Cash Flows from Capital and Related Financing Activities						
Acquisition of Capital Assets	(370,328)		(94,143)		(101,951)	(566,422)
Connection Fees					35,246	35,246
Net Cash Provided by (Used in) Capital and Related Financing Activities	(370,328)	-	(94,143)	-	(66,705)	(531,176)
Cash Flows from Investing Activities						
Interest Received on Investments	7,956	5,719	2,090	950	4,370	21,085
Net Increase (Decrease) in Cash and Cash Equivalents	366,898	(61,925)	783,131	149,192	256,036	1,493,332
Cash and Cash Equivalents, Beginning of Year	6,211,102	4,639,779	1,154,906	993,198	3,371,632	16,370,617
Cash and Cash Equivalents, End of Year	$ 6,578,000	$ 4,577,854	$ 1,938,037	$ 1,142,390	$ 3,627,668	$ 17,863,949

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 6,578,000	$ 4,577,854	$ 1,936,737	$ 1,142,390	$ 3,627,668	$ 17,862,649
Other Operating Cash			1,300			1,300
Total	$ 6,578,000	$ 4,577,854	$ 1,938,037	$ 1,142,390	$ 3,627,668	$ 17,863,949
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating Income (Loss)	$ (235,793)	$ (101,660)	$ 803,768	$ 292,424	$ 383,310	$ 1,142,049
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation	912,095	60,754	238,988	17,222	154,341	1,383,400
Power Costs Recovered in Advance (Returned)					80,501	80,501
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):						
Accounts Receivable and Unbilled Revenue	34,962	(3,413)	(10,816)	30,156	1,820	52,709
Inventories			(17,378)			(17,378)
Prepaid Expenses			(2,464)	315		(2,149)
Accounts Payable and Other Accrued Liabilities	6,237	(27,178)	16,706	(101,875)	(19,297)	(125,407)
Unearned Revenues			14,901			14,901
Accrued Compensated Absences		4,379	12,736			17,115
Other Postemployment Benefits	12,608		(29,431)			(16,823)
Net Pension Liability and Pension Related Deferred Inflows and Outflows	(1,919)	(526)	(1,826)			(4,271)
Net Cash Provided by (Used in) Operating Activities	$ 728,190	$ (67,644)	$ 1,025,184	$ 238,242	$ 600,675	$ 2,524,647

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Self-Insurance Funds	Other Internal Service Funds	Totals
Assets			
Current Assets:			
Equity in Pooled Cash and Investments	$ 2,808,671	$ 3,262,188	$ 6,070,859
Accounts Receivable, Net	229	1,474	1,703
Prepaid Expenses	1,059,786	12,947	1,072,733
Total Current Assets	3,868,686	3,276,609	7,145,295
Non-Current Assets:			
Capital Assets:			
Buildings and Improvements	113,743	36,194	149,937
Equipment		1,149,715	1,149,715
	113,743	1,185,909	1,299,652
(Accumulated Depreciation)	(3,788)	(971,110)	(974,898)
Total Capital Assets, Net of Accumulated Depreciation	109,955	214,799	324,754
Total Assets	3,978,641	3,491,408	7,470,049
Deferred Outflows of Resources			
Pension-Related		903,273	903,273
Liabilities			
Current Liabilities:			
Accounts Payable	6,120	124,537	130,657
Other Accrued Liabilities	454	123,679	124,133
Estimated Liability for Self-Insured Losses	127,949		127,949
Current Portion of Long-Term Debt:			
Compensated Absences		177,436	177,436
Total Current Liabilities	134,523	425,652	560,175
Non-Current Liabilities:			
Accrued Compensated Absences		692,442	692,442
Net Pension Liability		2,608,678	2,608,678
Total Non-Current Liabilities	-	3,301,120	3,301,120
Total Liabilities	134,523	3,726,772	3,861,295
Deferred Inflows of Resources			
Pension-Related		436,164	436,164
Net Position			
Net Investment in Capital Assets	109,955	214,799	324,754
Unrestricted	3,734,163	16,946	3,751,109
Total Net Position (Deficit)	$ 3,844,118	$ 231,745	$ 4,075,863

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Self-Insurance Funds	Other Internal Service Funds	Totals
Operating Revenues			
Charges for Services	$ 3,586,267	$ 8,684,188	$ 12,270,455
Other Revenue	37,348	1,236	38,584
Total Operating Revenues	3,623,615	8,685,424	12,309,039
Operating Expenses			
Personal Services	22,435	4,555,141	4,577,576
Purchased Services	104,903	816,097	921,000
Repairs and Maintenance		350,237	350,237
Depreciation	3,788	83,237	87,025
Materials and Supplies		165,624	165,624
Other Expenses	3,908,120	2,002,510	5,910,630
(Total Operating Expenses)	(4,039,246)	(7,972,846)	(12,012,092)
Operating Income (Loss)	(415,631)	712,578	296,947
Non-Operating Income (Expense)			
Investment Earnings	5,017		5,017
Total Non-Operating Income (Expense)	5,017	-	5,017
Income Before Transfers	(410,614)	712,578	301,964
Transfers			
Transfers (out)		(70,000)	(70,000)
Total Transfers	-	(70,000)	(70,000)
Change in Net Position	(410,614)	642,578	231,964
Total Net Position (Deficit), Beginning of Year	4,254,732	(410,833)	3,843,899
Total Net Position (Deficit), End of Year	$ 3,844,118	$ 231,745	$ 4,075,863

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Self-Insurance Funds	Other Internal Service Funds	Totals
Cash Flows from Operating Activities			
Cash Received from Customers and Users	$ 3,623,615	$ 8,683,950	$ 12,307,565
Cash Payments to Vendors for Goods and Services	(3,841,322)	(3,293,528)	(7,134,850)
Cash Payments to Employees for Services	(22,435)	(4,520,171)	(4,542,606)
Claims Paid	(294,883)		(294,883)
Net Cash Provided by (Used in) Operating Activities	(535,025)	870,251	335,226
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 Capital and Related Financing Activities			
Acquisition of Capital Assets	(109,955)	(81,412)	(191,367)
Cash Flows from Investing Activities			
Interest Received on Investments	5,017		5,017
Net Increase (Decrease) in Cash and Cash Equivalents	(639,963)	718,839	78,876
Cash and Cash Equivalents, Beginning of Year	3,448,634	2,543,349	5,991,983
Cash and Cash Equivalents, End of Year	$ 2,808,671	$ 3,262,188	$ 6,070,859
Included on the Accompanying Balance Sheet Under the Following Captions			
Current Assets			
Equity in Pooled Cash and Investments	$ 2,808,671	$ 3,262,188	$ 6,070,859
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ (415,631)	$ 712,578	$ 296,947
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation		83,237	83,237
Change in Estimated Liability for Self-Insured Losses	(749)		(749)
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):			
Accounts Receivable and Unbilled Revenue		(1,474)	(1,474)
Prepaid Expenses	(117,290)	21,968	(95,322)
Accounts Payable and Other Accrued Liabilities	(1,355)	18,972	17,617
Accrued Compensated Absences		47,448	47,448
Net Pension Liability and Pension Related Deferred Inflows and Outflows		(12,478)	(12,478)
Net Cash Provided by (Used in) Operating Activities	$ (535,025)	$ 870,251	$ 335,226

SCHEDULE OF COMBINING BALANCE SHEET
COMMUNITY REDEVELOPMENT FUNDS
SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Assets			
Equity in Pooled Cash and Investments	$ 22,917,846	$ 15,250,725	$ 38,168,571
Accounts Receivable	871		871
Assessments Receivable		1,483	1,483
Total Assets	22,918,717	15,252,208	38,170,925
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts Payable	131,369	174,467	305,836
Other Accrued Liabilities	31,400	2,144	33,544
Due to Other Governments		2,279,078	2,279,078
Total Liabilities	162,769	2,455,689	2,618,458
Deferred Inflows of Resources:			
Unavailable Revenues		1,483	1,483
Fund Balances:			
Restricted for:			
Redevelopment	22,755,948	12,795,036	35,550,984
Total Fund Balances	22,755,948	12,795,036	35,550,984
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 22,918,717	$ 15,252,208	$ 38,170,925

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - COMMUNITY REDEVELOPMENT FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

	Downtown Redevelopment District Fund	Southend Redevelopment District Fund	Totals
Revenues			
Taxes	$ 7,118,716	$ 2,532,309	$ 9,651,025
Interest and Other Revenue	26,261	17,687	43,948
Total Revenues	7,144,977	2,549,996	9,694,973
Expenditures			
Current:			
General Government	587,760	389,104	976,864
Public Safety	1,206,937		1,206,937
Capital Outlay	532,148	372,028	904,176
(Total Expenditures)	(2,326,845)	(761,132)	(3,087,977)
Net Change in Fund Balances	4,818,132	1,788,864	6,606,996
Fund Balances, Beginning of Year	17,937,816	11,006,172	28,943,988
Fund Balances, End of Year	$ 22,755,948	$ 12,795,036	$ 35,550,984

STATISTICAL SECTION (UNAUDITED)

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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in Capital Assets	$ 78,634,891	$ 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
Restricted	12,516,772	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
Unrestricted	13,523,810	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
Total Governmental Activities Net Position	104,675,473	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
Business-type Activities										
Net Investment in Capital Assets	142,057,214	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
Restricted	2,000,000	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	57,678,739	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
Total Business-type Activities Net Position	201,735,953	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
Primary Government										
Net Investment in Capital Assets	220,692,105	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
Restricted	14,516,772	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
Unrestricted	71,202,549	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
Total Primary Government Net Position	$ 306,411,426	$ 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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General Government	$ 2,141,571	$ 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
Law Enforcement	8,604,107	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
Fire Control	3,796,759	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
Building Inspections	427,941	440,927	436,897	498,870	510,092	531,696	574,436	631,896	682,069	668,549
Physical Environment	380,328	355,032	356,947	356,095	356,268	446,496	506,348	482,877	465,506	491,317
Roads and Streets	3,548,624	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
Human Services	20,000	10,296	-	-	-	-	-	-	-	-
Parks and Recreation	2,945,435	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
Interest on Long-term Debt	393,170	224,307	167,258	116,801	74,599	38,722	21,773	4,310	-	-
Total Governmental Activities Expenses	22,257,935	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
Business-type Activities:										
Electric	75,056,538	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
Water and Sewer	8,327,251	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
Stormwater	1,291,954	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
Sanitation	3,150,288	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
Golf Course	1,391,476	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
Leased Facilities	271,007	280,629	267,406	265,349	278,923	424,898	541,874	383,286	833,029	468,625
Natural Gas	1,187,673	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
Total Business-type Activities Expenses	90,676,187	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
Total Primary Government Expenses	112,934,122	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
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	53,182	66,802	74,677	77,737	73,132	65,947	64,540	67,387	66,255	68,662
Law Enforcement	156,311	163,486	169,424	187,102	187,762	131,667	127,957	203,998	139,910	279,504
Building Inspections	267,879	372,025	563,934	656,045	683,556	604,421	666,973	938,103	917,441	841,131
Physical Environment	14,791	8,619	3,758	15,238	12,371	15,185	11,260	29,169	24,120	17,007
Roads and Streets	229,084	217,998	177,144	200,975	170,746	163,799	175,360	275,640	898,622	311,036
Parks and Recreation	107,867	107,199	126,804	125,443	121,342	160,132	213,789	211,172	160,824	225,110
Operating Grants and Contributions	1,022,748	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
Capital Grants and Contributions	1,344,895	142,918	863,473	328,049	53,564	52,233	28,223	58,070	55,547	292,208
Total Governmental Activities Program Revenues	3,196,757	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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Program Revenues *(Concluded)*										
Business-type Activities:										
Charges for Services:										
Electric	$ 79,918,545	$ 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
Water and Sewer	9,285,736	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
Stormwater	1,249,882	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
Sanitation	3,116,899	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
Golf Course	1,388,195	1,314,521	1,271,338	1,140,725	984,317	954,162	278,686	2,013,103	2,516,520	3,125,375
Leased Facilities	551,647	611,679	621,022	476,548	528,391	588,606	653,191	664,195	767,195	761,049
Natural Gas	1,579,134	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
Operating Grants and Contributions	196,737	6,713	-	-	-	1,518,177	1,459,055	23,204	55,062	2,580
Capital Grants and Contributions	996,393	620,087	3,154,807	861,845	489,894	661,152	349,628	458,010	499,544	665,695
Total Business-type Activities Program Revenues	98,283,168	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
Total Primary Government Program Revenues	101,479,925	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
Net (Expense) Revenue										
Governmental Activities	(19,061,178)	(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)
Business-type Activities	7,606,981	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
Total Primary Government Net Expense	(11,454,197)	(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)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	14,412,386	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
Franchise Taxes	5,280	5,280	5,280	5,280	5,280	5,280	5,280	5,280	5,280	5,280
Infrastructure Surtax	997,077	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
Communication Service Tax	1,221,709	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
Convention Development Tax	224,402	283,358	298,019	344,940	363,370	372,921	414,030	423,275	320,451	565,513
Fuel Taxes	708,396	709,816	719,143	765,325	797,149	806,576	837,087	853,266	772,754	780,852
Other Taxes	611,181	628,673	718,854	702,174	728,276	653,051	618,215	632,425	682,804	554,098
State-shared Revenues	2,537,879	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
Other Intergovernmental Revenues	33,504	-	64,142	32,343	31,883	41,756	38,603	33,258	31,429	12,074
Interest	656,852	152,872	511,269	947,694	1,344,885	805,131	363,329	2,405,402	2,090,225	99,731
Miscellaneous	254,892	217,694	148,707	245,617	146,118	326,364	363,393	423,946	118,521	509,738
Net Transfers	3,757,807	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
Total Governmental Activities	25,421,365	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
Business-type Activities:										
Interest	758,841	55,453	487,702	1,019,905	1,275,320	591,422	828,004	4,413,572	3,570,132	155,103
Miscellaneous	-	-	-	-	-	-	68,325	21,042	1,000	13,719
Net Transfers	(3,757,807)	(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)
Total Business-type Activities	(2,998,966)	(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)
Total Primary Government	22,422,399	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
Change in Net Position										
Governmental Activities	5,796,296	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
Business-type Activities	4,608,015	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
Total Primary Government	$ 10,404,311	$ 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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ 41,640	$ 41,640	$ -	$ -	$ 1,807	$ 77	$ 1,193	$ 2,291	$ 4,714	$ 3,279
Restricted									79,020	161,612
Committed	4,447,636	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
Assigned	4,607,248	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
Total General Fund	$ 9,096,524	$ 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
All Other Governmental Funds										
Restricted	$ 15,417,977	$ 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
Committed	6,548	6,549	5,955	6,066	6,194	7,994	6,007	3,121	5,164	6,259
Assigned	4,737,290	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
Total All Other Governmental Funds	$ 20,161,815	$ 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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	$ 18,192,431	$ 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
Licenses and Permits	367,855	559,485	568,985	682,161	679,820	592,151	650,985	942,091	1,556,531	845,334
Intergovernmental	3,719,817	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
Charges for Services	696,313	465,176	388,582	356,036	351,926	382,336	444,799	559,815	414,576	594,556
Fines and Forfeitures	701,853	277,193	305,076	332,099	259,869	239,465	201,815	250,244	301,027	332,246
Interest and Other Revenue	891,669	411,091	717,985	1,173,919	1,450,768	1,126,585	760,051	2,644,066	2,312,513	386,188
Total Revenues	24,569,938	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
Expenditures										
Current:										
General Government	2,141,672	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
Public Safety	12,397,347	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
Physical Environment	36,651	11,355	13,270	11,417	9,651	81,029	114,600	98,436	70,743	80,264
Roads and Streets	2,640,093	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
Human Services	20,000	10,296	-	-	-	-	-	-	-	
Parks and Recreation	2,436,193	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
Debt Service:										
Principal	2,484,674	2,243,579	1,865,466	1,545,800	1,581,880	955,000	980,000	490,000	-	
Interest	393,170	224,307	167,258	116,801	74,599	38,722	21,773	4,310	-	
Capital Outlay	4,797,283	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
(Total Expenditures)	(27,347,083)	(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)
(Deficiency) of Revenues (Under) Expenditures	(2,777,145)	(3,603,570)	(90,675)	1,143,897	1,956,461	(2,167,899)	789,008	(597,178)	3,824,708	7,831,690
Other Financing Sources (Uses)										
Proceeds from Borrowing	6,495,000	-	-	-	-	-	-	-	-	-
Principal - Current Refundings	(6,495,000)	-	-	-	-	-	-	-	-	-
Transfers in	5,730,018	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
Transfers (out)	(1,993,225)	(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)
Total Other Financing Sources (Uses)	3,736,793	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
Net Change in Fund Balance	$ 959,648	$ 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
Debt Service as a % of Noncapital Expenditures*	13.0%	11.9%	9.9%	7.5%	7.8%	4.6%	4.6%	2.1%	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

	Assessed Taxable Values						
FY Ended September 30,	**Real Property**	**Personal Property**	**Total Taxable Assessed Value**	**Tax-Exempt Property**	**Estimated Actual Value (1)**	**Total Direct Tax Rate (2)**	**Taxable Assessed Value as a % of Actual Value**
2012	$ 2,466,653,081	$ 61,937,314	$ 2,528,590,395	$ 909,443,385	$ 3,438,033,780	4.0947	73.55%
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%

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
2012	4.0947	0.0345	0.3313	7.5530	6.7446	18.7581
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

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 2021 and Nine Years Ago

	2021			2012		
	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	$ 44,361,100	1	1.13%	$ 21,939,280	1	0.89%
Ocean Park (Apartments)Partnership, Ltd.	34,099,327	2	0.87%	17,122,710	2	0.69%
South Beach Regional Shopping Center	31,096,000	3	0.79%	14,601,800	4	0.59%
Courtyard Marriott- Beachfront	28,353,400	4	0.72%	14,111,587	5	0.57%
Hampton Inn Oceanfront	26,737,500	5	0.68%	9,936,214	7	0.40%
Pablo Plaza	20,274,600	6	0.52%	15,010,000	3	0.61%
Beach Marine	17,644,400	7	0.45%	11,503,800	6	0.47%
Four Points by Sheraton-Jax Beachfront	12,672,225	8	0.32%			
Marsh Landing Plaza	12,573,200	9	0.32%			
South Beach Parkway Shopping Center	12,356,400	10	0.31%	16,303,300	2	0.66%
Gordon Bank				9,479,300	8	0.38%
Adventure Landing				9,443,358	9	0.38%
Target				9,070,759	10	0.37%
Total	$ 240,168,152		6.11%	$ 148,522,108		6.01%
Total Assessed Real Property Valuation from Schedule 5	$ 3,925,727,019			$ 2,466,653,081		

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		Collections in Subsequent Years	Total Collections To-date	
		Amount Net of Discount (2)	Percentage of Levy		Amount	Percentage of Levy
2012	$ 7,494,073	$ 7,008,399	93.52%	54,150	$ 7,062,549	94.24%
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%

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)
2012	$ 3,601,725	$ -	$ 6,060,000	$ 9,661,725	$ 18,971,690	570	$ 13,238,310	$ 1,363	-	-
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	-	-	-	-	-	-	-	-	-	-

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)
2012	$ 32,210,000	$ 41,871,725	4.74%	$ 1,937
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	-	-		

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
2012	$ 3,601,725	0.52%	$ -	$ -	$ 6,060,000	280	$ 9,661,725	447
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%	-	-	-	-	-	-

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, 2021
(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					
Fiscal Year	Utility Service Charges	Less: Operating Expenses (1)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Coverage
2012	$ 89,204,281	$ (75,143,438)	$ 14,060,843	$ 3,370,000	$ 1,126,637	3.13
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			-	-	-	-

(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
2012	21,615	9.3%	40,905	884,161,575
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%	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 2021 and Nine Years Ago

	2021			2012		
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
Baptist Medical Center - Beaches	800	2	N/A	800	2	N/A
PGA Tour, Inc.	700	3	N/A	620	4	N/A
Ponte Vedra Inn and Club	525	4	N/A	650	3	N/A
Sawgrass Marriott Golf resort	450	5	N/A	450	6	N/A
City of Jacksonville Beach (1)	400	6	N/A	400	7	N/A
Optimum Healthcare IT	385	7	N/A			
TPC Sawgrass	320	8	N/A	320	10	N/A
Vicars's Landing	320	9	N/A	320	9	N/A
U.S. Coast Guard	300	10	N/A	320	8	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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	14	13	13	14	14	14	14	14	16	25
Finance*	33	33	33	38	39	42	41	44	45	40
Planning and Development	8	8	8	9	10	10	10	10	10	10
Electric	78	77	75	75	75	75	75	72	72	72
Central Services	4	4	4	0	0	0	0	0	0	0
Redevelopment**	0	0	0	1	1	1	0	0	0	1
Public Works	65	65	65	66	66	67	67	68	70	70
Human Resources	8	7	7	7	6	6	6	6	6	6
Parks and Recreation	99	98	98	98	100	100	100	100	99	101
Grounds and Maintenance	8	8	7	7	7	7	7	9	9	9
Golf Course	26	26	25	25	25	25	24	27	27	30
Police	95	95	96	100	100	102	102	103	103	103
Fire Fighters	31	31	31	31	31	31	31	31	31	0
Total	469	465	462	471	474	480	477	484	488	467

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Physical Arrests	1,573	1,398	1,568	1,582	1,470	1,992	1,932	1,980	1,452	1,409
Parking Violations	3,267	2,331	2,200	2,640	2,016	1,833	1,501	1,231	1,231	987
Law Violations	2,292	3,152	5,004	2,322	1,845	3,143	3,536	3,092	2,325	2,316
Fire										
Emergency Incidents*	3,063	3,104	3,040	3,195	3,401	3,643	3,298	3,399	0	0
Inspections (Total)	2,275	1,839	1,580	1,852	1,797	1,857	2,442	2,154	1,668	1,794
Other Public Works										
Street Resurfacing (Miles)	8.10	0.00	0.00	7.36	0.00	1.57	1.17	2.82	1.07	4.33
Electric										
Number of Active										
Electric Customers	33,303	33,535	33,966	34,433	34,711	34,738	34,815	34,900	35,171	35,437
Average Residential										
Monthly Consumption										
(Kilowatt Hours)	1,232	1,209	1,239	1,253	1,246	1,178	1,219	1,231	1,233	1,230
Water										
Number of Active										
Water Customers	9,711	9,865	10,029	10,204	10,369	10,398	10,405	10,399	10,520	10,678
Average Residential Monthly										
Consumption (Gallons)	4,029	4,014	4,038	3,083	3,926	4,146	4,255	4,389	4,191	4,195
Wastewater										
Number of Active Wastewater										
Customers	9,569	9,691	9,872	10,036	10,217	10,246	10,261	10,254	10,375	10,522
Storm Mains Cleaned (Feet)	33,010	23,821	23,530	33,153	34,733	33,791	22,543	17,584	8,078	26,030

Source: City of Jacksonville Beach Annual Budget & Department Directors

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

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations (Including Satellite Stations)	2	2	2	1	1	1	1	1	1	1
Patrol Units	51	51	51	76	76	79	80	80	83	83
Fire Stations	2	2	2	2	2	2	2	2	0	0
Other Public Works										
Paved Roads (Miles)	77	77	77	89	89	90	90	90	90	93
Streetlights	5,659	5,659	5,659	5,493	5,538	5,909	5,582	5,613	5,643	5,649
Water										
Water Mains (Miles)	105	105	105	109	109	109	109	109	109	126
Production Wells	6	6	6	6	6	6	6	6	6	6
Fire Hydrants	858	870	873	895	895	900	909	909	909	951
Wastewater										
Sanitary Sewer Mains (Gravity, in Miles)	83	83	83	85	85	85	85	85	85	85
Sanitary Sewer Mains (Force, in Miles)	16	16	16	18	18	18	18	18	18	18
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Lift Stations	34	34	34	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	84	86	86	86	86	210	210	210	210
Parks	11	11	11	11	11	11	16	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, 2021
CITY OF JACKSONVILLE BEACH, FLORIDA

Federal Grantor/Pass-Through Grantor/Program Title	CFDA 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	70748-21	$ 142,366	$ 142,366
U.S. Department of Justice				
Passed Through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant	16.738	2020-JAGC-DUVA-2-Y5-138	50,364	50,364
Edward Byrne Memorial Justice Assistance Grant	16.738	2020-JAGC-DUVA-1-5R-154	48,223	48,223
U.S. Department of Justice				
Edward Byrne Memorial Justice Assistance Grant	16.738	2021-JAGD-DUVA-4R-012	8,343	8,343
Subtotal CFDA #16.738			106,930	106,930
Total Federal Awards			$ 249,296	$ 249,296

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). For the fiscal year ended September 30, 2021, the City's federal grant expenditures did not exceed the $750,000 threshold. Therefore, a federal single audit was not required.

The City reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2021. 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, 2021 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 2020 - 2021 Grant No. 70748-21 - $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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 25, 2022.

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 may exist that have not been 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*

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

February 25, 2022
Tallahassee, Florida

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, as of and for the year ended September 30, 2021, 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 and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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

February 25, 2022
Tallahassee, Florida

PURVIS GRAY

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 year ended September 30, 2021, and have issued our report thereon dated February 25, 2022.

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 Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Reports on an examination conducted in accordance with the *AICPA 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 February 25, 2022, 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. Corrective actions have been taken to address 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 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 Honorable Mayor and Members of the City Council
City of Jacksonville Beach
Jacksonville Beach, Florida

MANAGEMENT LETTER

Financial Condition and Management

Sections 10.554(1)(i)5.a and 10.556(7), *Rules of the Auditor General*, require that us to apply appropriate procedures and communicate the results of our determination as to whether or not the City 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 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 have any such recommendations.

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 have 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.

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

February 25, 2022
Tallahassee, Florida

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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, 2021. 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 June 4, 2021. Professional standards also require that we communicate to you the following information related to our audit:

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. No new accounting policies were adopted, and the application of existing policies was not changed during the year except as described below.

- As described in Note 1.F., the City changed the methodology for reporting its contractual obligation related to the Firefighters' Pension Plan. The impact of this change resulted in a restatement of beginning net position of $2,801,308 in the governmental activities.

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.

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. The cumulative balance in the allowance for doubtful accounts is $175,020 as of September 30, 2021 (Note 1D).

- 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. Depreciation expense for the year ended September 30, 2021, totaled $4,355,958 for the governmental activities and $10,526,400 for the business-type activities (Note 6).

To the City Council
City of Jacksonville Beach, Florida

- 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. This liability is currently estimated at $127,949 as of September 30, 2021 and is recorded in the Self-Insurance Internal Service Fund (Note 14).

- Other Postemployment Benefit Liabilities (OPEB)—This estimate is based on an actuarial study performed by a qualified actuary. The most recent actuarial valuation was performed as of September 30, 2020. As permitted by GASB Statement No. 75, the City elected to use a measurement date that is one year prior to the reporting date. The total OPEB liability is $2,830,751 as of September 30, 2021. There are underlying assumptions in the actuary's report, which if changed, could significantly affect the recorded amount (Note 17).

- 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. The total accrued liability for compensated absences is $5,411,477 as of September 30, 2021 (Note 7). 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 this 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 cumulative balance at September 30, 2021, is $7,371,076 (Note 1D).

- The Net Pension Liability (NPL)—For fiscal year ended September 30, 2021, 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. As described in Note 11, the City's total NPL as of the measurement date is $16,365,989. 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.

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 Governmental Accounting Standards Board (GASB) has recently issued a new accounting and financial reporting pronouncement which will become effective in the City's 2022 fiscal year-end, GASB Statement No. 87 – *Leases*.

- GASB Statement No. 87, dealing with Leases, with certain exceptions, will require that all long-term, non-cancelable leases 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 lease agreement. The City may have agreements in which they are the lessor or the lessee that meet the definition of a lease under the new standard, so we recommend that the City begin preparations to implement the new standard by making a list of all applicable lease agreements 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. None of the misstatements detected by our audit and corrected by management were material to the financial statements taken as a whole.

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 February 25, 2022.

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 Matters
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 governmental unit'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 Information in Documents Containing Audited Financial Statements
We applied certain limited procedures to Management's Discussion and Analysis (MD&A) and the Required Supplementary Information (RSI) as identified in the table of contents of the financial statements, collectively, the Required Supplementary Information. 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.

To the City Council
City of Jacksonville Beach, Florida

We were engaged to report on the supplementary information which consists of the combining and individual non-major fund statements and other schedules, bond covenant information, 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 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. We did not audit or perform other procedures on this other information and 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
February 25, 2022
Tallahassee, Florida

2021

Jacksonville Beach Community Redevelopment Agency

Financial Statements and Independent Auditor's Report

September 30, 2021

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, 2021

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements
We have audited the accompanying 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), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

INDEPENDENT AUDITOR'S REPORT

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Agency, as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 be presented to supplement the basic financial statements. Such information, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022, on our consideration of the Agency'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 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

February 25, 2022
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, 2021. 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, 2021, restricted net position of $35,552,467 is unspent tax increment financing revenues restricted for upcoming redevelopment projects.

- Fund balance increased in the current year by $6,606,995. Substantially all of this increase is attributable to tax increment revenues in excess of expenditures due to the timing of CRA projects.

- $2,279,078 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 Annual Comprehensive 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 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

	2021	2020
Current Assets	$ 38,170,925	$ 32,121,889
Capital Assets, Net	7,291,255	7,291,255
Total Assets	45,462,180	39,413,144
Current Liabilities	2,618,458	3,176,468
Total Liabilities	2,618,458	3,176,468
Net Position		
Investment in Capital Assets	7,291,255	7,291,255
Restricted for Redevelopment Projects	35,552,467	28,945,421
Total Net Position	$ 42,843,722	$ 36,236,676

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 $6,607,046 for the year ended September 30, 2021. 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

	2021	2020
General Revenues:		
Tax Increment Financing	$ 9,651,025	$ 9,278,569
Investment and Other Income	43,999	1,049,142
Total Revenues	9,695,024	10,327,711
Expenses:		
Community Redevelopment	1,881,040	6,809,294
Public Safety	1,206,938	962,044
Total Expenses	3,087,978	7,771,338
Change in Net Position	6,607,046	2,556,373
Net Position, Beginning of Year	36,236,676	33,680,303
Net Position, End of Year	$ 42,843,722	$ 36,236,676

Community redevelopment expenses decreased by $4,683,360, 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 $35,550,984 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, 2021 is $7,291,255 which is strictly land held for future development projects. At the completion of the projects, the land and resulting improvements will become property of the City.

Budgetary Highlights

The Agency's governing board, the Community Redevelopment Agency (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 $2,637,454 for capital projects and $55,449 for other expenditures.

Actual revenues were lower than the final budgeted revenues by $132,182, largely due to interest income on investments. Actual expenditures were under budget by $3,207,067 due to 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 $659.2 million in the most recent year and Southend taxable values have grown from $6.5 million in the 1986 base year to $423.5 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Key FY2022 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 design and implementation of the specific elements identified in the *Downtown Action Plan* including a Public Art Master Plan, Bike Parking Plan, Site Furnishings, Wayfinding Signage Plan, and Lighting Plan.
- Expand on the Incentive Toolbox Program for downtown, and market incentive plans to current and future downtown businesses and residents.

Key FY2022 projects in the Southend District are as follows:

- Work with a consultant to provide design for multi-use trails on collector roads.
- Install the new, ADA accessible, playground at South Beach Park.

The development pattern for the Southend area has effectively been built out and the majority of the Redevelopment Plan capital projects in Agency have been completed. For the past three fiscal years, the Agency has returned tax increment revenues to the taxing authorities because revenues exceeded the fund balance amount appropriated to projects.

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, 2021
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

Assets		
Equity in Pooled Cash and Investments	$	38,168,571
Assessments Receivable		2,354
Capital Assets		7,291,255
Total Assets		45,462,180
Liabilities		
Accounts Payable		305,836
Other Accrued Liabilities		33,544
Due to Other Governments		2,279,078
Total Liabilities		2,618,458
Net Position		
Investment in Capital Assets		7,291,255
Restricted for Redevelopment Projects		35,552,467
Total Net Position	$	42,843,722

See accompanying notes.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

		Net Revenue (Expense) and Changes in Net Position
	Expenses	Total Governmental Activities
Functions		
Governmental Activities:		
Community Redevelopment	$ 976,864	$ (976,864)
Public Safety	1,206,938	(1,206,938)
Capital Improvements Contributed to Primary Government	904,176	(904,176)
Total Governmental Activities	3,087,978	(3,087,978)
General Revenues:		
Tax Increment Financing		9,651,025
Investment and Other Income		43,999
Total General Revenues		9,695,024
Change in Net Position		6,607,046
Net Position, Beginning of Year		36,236,676
Net Position, End of Year		$ 42,843,722

See accompanying notes.

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
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	$ 22,917,846	$ 15,250,725	$ 38,168,571
Assessments Receivable	871	1,483	2,354
Total Assets	22,918,717	15,252,208	38,170,925
Liabilities and Fund Balance			
Liabilities			
Accounts Payable	131,369	174,467	305,836
Other Accrued Liabilities	31,400	2,144	33,544
Due to Other Governmental Units		2,279,078	2,279,078
Total Liabilities	162,769	2,455,689	2,618,458
Deferred Inflows of Resources			
Unavailable Revenues		1,483	1,483
Fund Balance			
Restricted for Redevelopment Projects	22,755,948	12,795,036	35,550,984
Total Fund Balance	22,755,948	12,795,036	35,550,984
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 22,918,717	$ 15,252,208	$ 38,170,925

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	
Total Fund Balance - Governmental Funds	$ 35,550,984
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	7,291,255
Certain Revenues Have Been Deferred on the Balance Sheet Because They Were not Measurable and Available at Year-End	1,483
Net Position of Governmental Activities	$ 42,843,722

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
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	$ 7,118,716	$ 2,532,309	$ 9,651,025
Investment and Other Income	26,261	17,687	43,948
Total Revenues	7,144,977	2,549,996	9,694,973
Expenditures			
Community Redevelopment:			
Personnel Services	172,450	94,624	267,074
Operating Expenses	415,310	294,480	709,790
Public Safety:			
Personnel Services	1,096,252		1,096,252
Operating Expenses	110,686		110,686
Capital Outlay	532,148	372,028	904,176
(Total Expenditures)	(2,326,846)	(761,132)	(3,087,978)
Net Change in Fund Balance	4,818,131	1,788,864	6,606,995
Fund Balance, Beginning of Year	17,937,817	11,006,172	28,943,989
Fund Balance, End of Year	$ 22,755,948	$ 12,795,036	$ 35,550,984

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

Net Change in Fund Balance	$ 6,606,995
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
Change in Net Position of Governmental Activities	$ 6,607,046

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

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 making the 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 2020, 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 $1,000 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 - <u>Deposits and Investments</u>

At year-end, the Agency's share of the City's pooled cash and investment balances was $38,168,571. 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, 2021 follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 7,291,255	$ -	$ -	$ 7,291,255

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 $15,097,255. Of that total, $12,818,177 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 $2,279,078, is being returned to taxing authorities; the City of Jacksonville Beach ($749,573) and the City of Jacksonville ($1,529,505). 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, 2021, the Agency had the following construction commitments related to significant unfinished capital projects:

Project	Expended as of September 30, 2021	Remaining Commitment
Downtown District:		
Downtown Site Furnishing & Bike	$ 11,076	$ 416,924
Design of Downtown Phase 3C (4 & 5) 4th Ave. S - 11th Ave S	129,673	343,689
Design of Downtown District Infrastructure Improvements, Phase 3C, Projects 4 & 5	166,017	1,264,087
Southend:		
Sunshine Playground	14,800	1,663,899
Total	$ 321,566	$ 3,688,599

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

Prior to fiscal year 2020, the City was self-insured for workers compensation risks up to $150,000 per claim. All other insurance coverages have not changed significantly from the prior year.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET ACTUAL (UNAUDITED) FOR THE YEAR ENDED SEPTEMBER 30, 2021 DOWNTOWN REDEVELOPMENT DISTRICT

	Budgeted Amounts		Actual	Variance with
	Original	**Final**	**Amounts**	**Final Budget**
Revenues				
Tax Increment Financing	$ 7,099,859	$ 7,099,859	$ 7,118,716	$ 18,857
Investment and Other Income	176,489	177,300	26,261	(151,039)
Total Revenues	7,276,348	7,277,159	7,144,977	(132,182)
Expenditures				
Community Redevelopment:				
Personnel Services	244,805	245,136	172,450	72,686
Operating Expenses	755,070	762,870	415,310	347,560
Total Community Redevelopment	999,875	1,008,006	587,760	420,246
Police:				
Personnel Services	973,934	973,934	1,096,252	(122,318)
Operating Expenses	111,450	158,768	110,686	48,082
Total Police	1,085,384	1,132,702	1,206,938	(74,236)
Capital Outlay	755,750	3,393,204	532,148	2,861,056
(Total Expenditures)	(2,841,009)	(5,533,912)	(2,326,846)	3,207,066
Net Change in Fund Balance	$ 4,435,339	$ 1,743,247	$ 4,818,131	$ 3,074,884

See note to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET ACTUAL (UNAUDITED) FOR THE YEAR ENDED SEPTEMBER 30, 2021 SOUTHEND REDEVELOPMENT DISTRICT

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Tax Increment Financing	$ 2,533,448	$ 2,533,448	$ 2,532,309	$ (1,139)
Investment and Other Income	77,361	77,361	17,687	(59,674)
Total Revenues	2,610,809	2,610,809	2,549,996	(60,813)
Expenditures				
Community Redevelopment:				
Personnel Services	119,071	125,716	94,624	31,092
Operating Expenses	330,137	324,425	294,480	29,945
Capital Outlay	2,765,000	8,417,603	372,028	8,045,575
(Total Expenditures)	(3,214,208)	(8,867,744)	(761,132)	8,106,612
Net Change in Fund Balance	$ (603,399)	$ (6,256,935)	$ 1,788,864	$ 8,045,799

See note to required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2021
JACKSONVILLE BEACH COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE CITY OF JACKSONVILLE BEACH, FLORIDA)

Note 1 - Budgetary Procedures and Budgetary Accounting

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 $2,692,903 in the Downtown Redevelopment District and $5,653,536 in the Southend Redevelopment District were primarily related to ongoing construction projects that were previously encumbered and rolled forward from the previous year.

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 (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated February 25, 2022.

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 may exist that have not been 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*

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

February 25, 2022
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, 2021, 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, 2021.

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

February 25, 2022
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, 2021, 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, except for the non-compliance noted below, the Agency complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

2021-1 Budget Submission
Criteria: Section 163.387(6)(b), Florida Statutes requires the Agency to submit its original budget and any subsequent budget amendments to the board of county commissioners (or applicable taxing authority) in which the CRA is located within 10 days of adoption.

Condition: Due to transitions in staffing, the Agency did not submit its budget and budget amendments to the taxing authority (City of Jacksonville) within 10 days of adoption.

Effect: By not submitting the District's budget or any budget amendments within 10 days of adoption, the Agency is not in compliance with Section 163.387(6)(b), Florida Statutes.

Recommendation: We recommend the Agency submit its budget and any subsequent amendments to the City of Jacksonville within 10 days of adoption.

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

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387(6) AND (7), FLORIDA STATUTES

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
February 25, 2022
Tallahassee, Florida

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, 2021, and have issued our report thereon dated February 25, 2022.

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 AICPA *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 February 25, 2022, 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. There were no findings or recommendations made in the preceding annual financial 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 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 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.

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.

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:

UNAUDITED

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 nonemployee compensation was paid in the last month of the district's fiscal year was 2.
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 $1,363,325 for work performed by City employees on behalf of the Agency.
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was $284,670.
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 $6,876,157.

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

February 25, 2022
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

Project Description	CRA Res. No. or Budget Year	Project Budgeted Cost	Total Expenditures in Year
Projects #4-5: Professional engineering services for infrastructure improvement projects DT Phase IIIC- projects 4 & 5	2021-02	$1,052,416	$(129,673)
Professional engineering services to perform a study of the Central and South stormwater basins	2021-03	$211,546	$(102,836)
Rebuild 6 Dune Walkovers	2021-12	$608,289	$-

JACKSONVILLE BEACH

FINANCE DEPARTMENT

City of

Jacksonville Beach

City Hall

11 North Third Street

Jacksonville Beach

FL 32250

Phone: 904.247.6274

www.jacksonvillebeach.org

February 10, 2022

Auditor General's Office
Local Government Section
Claude Denson Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

RE: Response to Auditor's Management Letter Comments

The following is the Jacksonville Beach Community Redevelopment Agency's response to the independent auditor's management letter comments.

2021-1 Budget Submission

Criteria: Section 163.387(6)(b), Florida Statutes requires the Agency to submit its original budget and any subsequent budget amendments to the board of county commissioners (or applicable taxing authority) in which the CRA is located within 10 days of adoption.

Condition: Due to transitions in staffing, the Agency did not submit its budget and budget amendments to the taxing authority (City of Jacksonville) within 10 days of adoption.

Effect: By not submitting the District's budget or any budget amendments within 10 days of adoption, the Agency is not in compliance with Section 163.387(6)(b), Florida Statutes.

Recommendation: We recommend the Agency submit its budget and any subsequent amendments to the City of Jacksonville within 10 days of adoption.

Management's Response to Comment 2021-1 Budget Submission

The Agency and City agree with the auditor's comments and will implement the recommendation.

The CRA Administrator retired in early FY2021 and a new Administrator was promoted a few months later. Additionally, a new position of CRA Coordinator has been created and filled to provide administrative support to both the new CRA Administrator and Agency. One of the responsibilities of this new role will be to ensure compliance with Statutory reporting requirements.

PURVIS GRAY

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, 2021. 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 June 4, 2021. Professional standards also require that we communicate to you the following information related to our audit:

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 the year.

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 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 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 February 25, 2022.

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 Matters

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 governmental unit'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 Information in Documents Containing Audited Financial Statements

We applied certain limited procedures to Management's Discussion and Analysis (MD&A) and the Required Supplementary Information (RSI) as identified in the table of contents of the financial statements (collectively, the Required Supplementary Information). 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.

This information is intended solely for the 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

February 25, 2022
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:	01/31/2022
SUBJECT:	Second Amendment to the Agreement with SP Plus for Parking Management Services

BACKGROUND

SP Plus has provided seasonal paid parking management services at designated City parking facilities since 2019. The season begins in mid-March and lasts through the last weekend in October each year. The agreement between the City and SP Plus is for a maximum of 4 years, beginning in 2019 and ending in 2022.

While the original agreement set specific dates for the 2019, 2020, and 2021 seasons, it did not include 2022. The purpose of the proposed second amendment is to set the dates and times for the 2022 season as follows:

For the period of March 11, 2022 through October 30, 2022

Friday: 8:00 PM to 2:00 AM
Saturday: 10:00 AM to 2:00 AM
Sunday: 10:00 AM to 12:00 AM (2:00 AM if Monday is a holiday)
Holidays: 10:00 AM to 12:00 AM (midnight)

FINANCIAL IMPACT

The seasonal paid parking program is included in the FY2022 budget.

REQUESTED ACTION

Approve/Disapprove the Second Amendment to the Agreement with SP Plus for Parking Management Services

ATTACHMENTS

1. 2nd Amendment to Parking Management Services Agreement 2022-2-16

AGENDA ITEM: B.
MEETING DATE: March 7, 2022

SECOND AMENDMENT TO AGREEMENT FOR PARKING MANAGEMENT SERVICES FOR THE CITY OF JACKSONVILLE BEACH, FL

THIS SECOND AMENDMENT ("Second Amendment") is made and entered into this _____ day of _________, 2022, by and between the City of Jacksonville Beach, a municipal corporation organized and existing under the laws of the State of Florida, 11 N. Third Street, Jacksonville Beach, FL 32250 ("CITY"), and SP PLUS Corporation, 200 East Randolph Street, Suite 7700, Chicago, IL 60601("CONTRACTOR or SP PLUS"), to amend the Parking Management Services Agreement effective on March 15, 2019, ("Services Agreement"), for parking facility management services at designated CITY parking facilities.

WHEREAS, the CITY and SP PLUS entered into the Services Agreement for SP PLUS to provide parking facility management services for an initial services period from March 15, 2019 through October 27, 2019; and

WHEREAS, the Services Agreement provided that it would be effective for the 2019 summer season and may be extended by the CITY for up to three (3) one year periods to continue in effect through 2022; and

WHEREAS, the parties agreed in Section 17 of the Services Agreement that it may be amended in writing by the parties; and

WHEREAS, the CITY and SP PLUS entered into the **First Amendment** to the Agreement effective March 13, 2020 that (a) granted authority to SP PLUS to collect parking citations on the CITY's behalf and send past due parking citations to a collection agency, (b) identified the cost share arrangements for citations collections and allowed SP PLUS to charge an administrative fee for these collection services, (c) set the regular residential parking per day rate at five dollars ($5.00) or twelve dollars ($12.00) on holidays/special events, and (d) provided a vehicle registration process for CITY residents to park for free at the CITY lots; and

WHEREAS, the CITY and SP Plus desire to amend the Services Agreement for a second time to set the service period date and times for the 2022 season.

NOW THERFORE, IN CONSIDERATION of the mutual promises and consideration contained herein, the CITY and SP PLUS agree to extend the term of the Services Agreement for a one year period for the 2022 season and to amend Section 1 of the Services Agreement as follows:

1. CONTRACTOR SERVICES

The CONTRACTOR shall have sole and exclusive right to provide parking facility management for the CITY, as determined necessary by the CITY, at the Pier Parking Lot, 3rd Avenue North Parking Lot, CRA 2nd Street North Lot, and Latham Plaza Parking Lot, on the dates and times listed below:

For the period of March 11, 2022 through October 30, 2022*

Friday: 8:00 PM to 2:00 AM
Saturday: 10:00 AM to 2:00 AM
Sunday: 10:00 AM to 12:00 AM (2:00 AM if Monday is a holiday)
Holidays: 10:00 AM to 12:00 AM (midnight)

Except as set forth in the Amendments herein, in all other respects the Services Agreement, previous amendments, and all terms, conditions and provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the CITY and SP PLUS have caused this Second Amendment to be executed by its duly authorized representative with authority to bind the respective agency.

CITY OF JACKSONVILLE BEACH:

ATTEST:

Sign: ___________________________	Sign: ___________________________
Name: Sheri Gosselin	Name: Christine Hoffman
Title: City Clerk	Title: Mayor
Date: ___________________________	Date: ___________________________
	Sign: ___________________________
	Name: Michael J. Staffopoulos
	Title: City Manager
	Date: ___________________________

SP PLUS Corporation:

Sign: ___________________________

Print: ___________________________

Title: ___________________________

STATE OF _________________

COUNTY OF _________________

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this _____ day of ________, 2022, by ___________ (name of person acknowledging), who is personally known to me or has produced ______________(type of identification) as identification.

NOTARY PUBLIC:

Sign: _____________________________
Print: _____________________________
My Commission Expires:

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

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Allen Putnam, Director Beaches Energy Services
DATE:	02/02/2022
SUBJECT:	Professional Service Agreement with Schneider Electric Smart Grid Solutions, LLC

BACKGROUND

Beaches Energy Services has continued to utilize Schneider Electric's professional services to advance our Outage Management System. We are now ready to begin development of external-facing applications like an outage map. In addition, we are going to automate updating our customer information in the Outage Management System. Currently, the process is manual. The attached Professional Services Agreement provides for the extended support and maintenance to accomplish these tasks.

FINANCIAL IMPACT

Funding for this is included in the current year Capital Improvement Plan with the project title of: Outage Management System. The funds will be spent from the following account: 410-12-1212-531-63-563000.

REQUESTED ACTION

Approve/Disapprove a Professional Services Agreement with Schneider Electric Smart Grid Solutions, LLC, in the amount of $41,896 for extended support and maintenance

ATTACHMENTS

1. Jacksonville Beach ESM TO3 11-3-21

AGENDA ITEM:	C.
MEETING DATE:	March 7, 2022

Schneider Electric

Professional Services Agreement
Task Order 3

In accordance with the terms and conditions of the Agreement (Effective Date of May 18, 2020) between the City of Jacksonville Beach ("Client") and Schneider Electric Smart Grid Solutions, LLC, formally Telvent USA, LLC ("Telvent" or "Schneider Electric"), this Task Order authorizes delivery of the Services and Deliverables described and in accordance with the terms, schedule, and start/end date(s) specified below.

1. Scope of Work: Schneider Electric shall provide Extended Support & Maintenance ("ESM") Services as detailed in Exhibit A and for the Customizations set forth in Exhibit B.

2. Contract Type (FFP or T&M): Fixed Price.

3. Total Task Order Value: $41,896. Payment shall be due thirty days from the start date of support.

4. Delivery Schedule or Start/End Date(s) for Each Deliverable: Support shall be provided for the period beginning November 1st, 2021 and expiring December 31st, 2022.

5. Special Considerations:

   The following provisions shall not apply to the services performed under this Task Order
   - Article 5, Acceptance.

ACCEPTED AND AGREED:

City of Jacksonville Beach
(Client)

Signature: Allen Putnam

Printed Name: ALLEN PUTNAM

Title: DIRECTOR

Date: 10/29/21

Schneider Electric Smart Grid Solutions, LLC
(Contractor)

Signature:

Printed Name: Drew Ditter

Title: Director of Operations

Date: November 3, 2021

Exhibit A

ESM Terms and Conditions

Definitions

"Case" shall mean a service request made by Client in accordance with the terms of the Agreement.

"Customizations" shall mean the source code developed and supported by Schneider Electric listed in Exhibit B to this Agreement.

"Defect" shall mean the failure of a Customization developed by Schneider Electric to perform in accordance with its design specification documentation.

"QFE" stands for Quick Fix Engineering. A term for the delivery of individual service updates.

"Maintenance Term" shall mean a period of one year during which Schneider Electric will provide ESM support to Client.

"Trip" shall mean a combined total of up to forty (40) hours of on-site and/or remote assistance provided by Schneider Electric related to the ESM support. The time spent traveling to Client's offices shall be included in the total allotment of hours provided for a Trip. Travel expenses are included in price of the Agreement.

Services to Be Provided

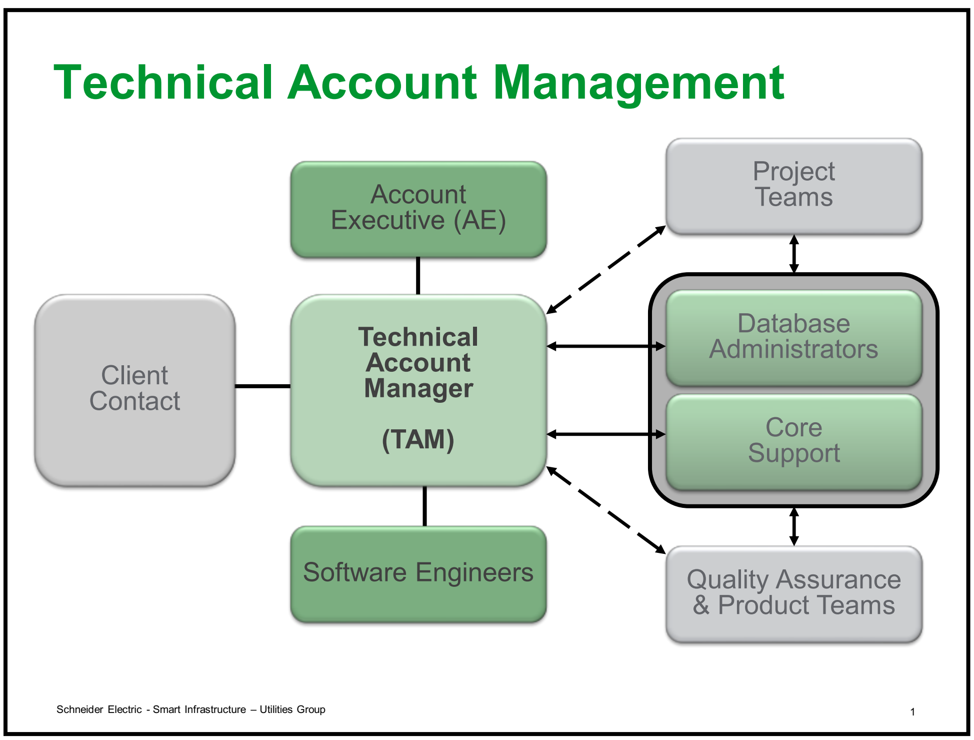
Schneider Electric shall provide the following ESM services under this Agreement.

A. Technical Account Manager ("TAM")

Schneider Electric shall provide a TAM to serve as a primary point-of-contact for Client. The TAM will become familiar with the ArcFM Solution products licensed to Client, release levels, applications, computing platforms, and any other ArcFM Solution related issues. Schneider Electric cannot guarantee the TAM will always be available or that the TAM will be the only support team member to work with Client, however, Schneider Electric will engage in commercially reasonable efforts to ensure the TAM is available.

The role of the TAM is to:

- Provide overall coordination and management of resolution of support cases (core ArcFM and Extended)
- Provide regular case status updates via phone, email, WebEx, reports
- Provide pro-active information sharing (e.g. software news, critical issues, & updates)



B. Telephone Support & Defect Logging

Schneider Electric shall provide support via telephone and email during its regular business hours, Monday through Friday from 8am-5pm Mountain Time, and at other times by the prior mutual agreement of the parties. Client shall log new Cases or review its Case history via the internet using Schneider Electric's portal. New support calls may be logged via internet, voicemail or email.

- Phone: 970-266-4485, 866-828-3296
- Web Site: https://myarcfm.schneider-electric.com/myarcfm/s/

All requests received by Schneider Electric will be recorded and categorized by priority. Each Case shall be assigned a unique ID number and assigned a priority level (Urgent, High, Medium, and Low as defined below). Schneider Electric shall use its best efforts to provide responses to the requests within Service Levels described below.

Incident Tracking (M – F, 8:00am to 5:00pm, Mountain Time Zone) Schneider Electric Service Center contacted via Phone, Email, or Portal	
Service	**Service Level**
URGENT: Priority 1 Defect – more than one user is affected, and there is no work-around or the problem is mission critical to the business.	2 business hours or less.
HIGH: Priority 2 Defect – more than one user is affected, but there is a work-around or only one customer is affected, and a critical task cannot be performed.	8 business hours or less.
MEDIUM: Priority 3 Defect – only one user is affected and there is a work-around, or the problem is not critical.	24 business hours or less.
LOW: Priority 4 Defect– requests for information.	40 business hours or less.

C. Secure Live Remote Support

In order to diagnose and resolve some Defects, a direct connection with Client's production environment will be required. Schneider Electric may establish remote desktop access to the Client's environment through an external connection such as Citrix, VNC (Virtual Network Connection), or VPN (Virtual Private Network) in order to facilitate troubleshooting and support. Production support is limited to verification of correct configurations and settings. At no point will Schneider Electric directly make changes to the Client's production environment. However, Schneider Electric will provide documentation for change control activities. If requested, a WebEx will be accommodated to support Client staff during normal business hours. If Client's Security

Policy does not permit remote access, Schneider Electric may need to setup a web meeting in order to enable an analyst to view the Client's environment.

D. TAM / Analyst Resource On-site

At the request of Client, a support team member (TAM or Analyst) will provide one on-site Trip in order to provide the following services which include, but are not limited to:

- Case updates / review
- Assisting Client in transitions from project deployment to ESM
- Supporting Schneider Electric staff exposure to Client workflow
- Transferring technical knowledge from project analysts on the Schneider Electric Delivery Team to ESM support analysts
- Making recommendations with administration / configuration tasks
- Defect resolution of Customizations (if Maintenance of Client Customizations is included)

Any Trip not scheduled during the Maintenance Term is non-refundable and non-transferable.

E. Link Passes – Annual User's Conference

Client shall receive two (2) passes to the annual Schneider Electric Utility User's Conference ("Link") for Client employees. Passes are non-refundable, non-transferable and may only be used for the Link Conference during the Maintenance Term.

F. Client Environment Replica

- **Client's SDE Database Instance at Schneider Electric Site**

Client shall provide an updated copy of its SDE Geodatabase(s) to Schneider Electric so that Schneider Electric may access this in order to perform additional testing. Normally, quarterly updates are performed or as needed if necessary for work required. So long as Client continues to provide Schneider Electric with an updated copy of its SDE Geodatabase(s), the database will be maintained at Schneider Electric's offices at the same release level as Client's production environment. If Client is unable to provide a copy of its database, both parties will work together to establish the best possible environment.

- **Client ArcFM Solution Environment (virtual machine)**

Schneider Electric will maintain a virtual environment with the Client's ArcFM Solution software with the underlying ESRI software components for testing and support. Schneider Electric shall work with the Client to make sure this virtual environment will match Client's ArcFM Solution production software (Third Party software, excluding ESRI, will not be in the environment). The virtual environment will be setup as close to the client environment as possible. Instances that involve 3rd party software integrations (e.g. SAP), the integration will be simulated in the virtual environment.

Additional Services - Optional

For an additional cost, the following services may be purchased by Client in addition to the standard services provided above at any time during the Maintenance Term.

G. Maintenance of Client Customizations

A technical analyst will become knowledgeable with Client's production environment and Customizations in order to enable the analyst to react quickly and efficiently to real-time issues.

- **Defect Resolution**

  Once a Defect has been reported to Schneider Electric, Client will be able to work directly with the technical analyst while the Defect is being resolved. The technical analyst will be responsible for updating existing documentation pertaining to the Defect being resolved and providing Client status updates as necessary. The technical analyst and TAM will coordinate communication between the Client and Schneider Electric. Schneider Electric shall only resolve Defects to the Customizations listed in Exhibit B – Software Components. Defects to Customizations that are introduced as a result of a ArcFM Solution product patch or QFE (applied by Client) will be addressed within this service. Schneider Electric will not be obligated to fix Defects to Customizations that may be caused due to Client applying a new software release to its system. Defect resolution for custom components that fall within the current support matrix for Microsoft or other OS will be supported. This includes support for OS patches within the existing supported versions.

- **Formal Build Process (Continuous Integration)**

  Upon agreement between Client and Schneider Electric, Schneider Electric will maintain Client customizations in a Continuous Integration (CI) process. Schneider Electric's CI environment utilizes various technologies to manage and control source files, references, and build dependencies. The result is quickly deployable software builds, and precise awareness of the status of builds and deliveries to the Client.

H. Core Product Patch Testing (QFEs & Hot Fixes)

On release of a Schneider Electric core product patch, Schneider Electric shall pro-actively notify the Client of the new patch. If Client decides to apply the patch, Schneider Electric will test the patch in the Client's virtual environment on Schneider Electric systems and provide test results as it relates to Client's Customizations in the online Case management system.

Client shall notify Schneider Electric prior to applying any such update to its production environment, allowing Schneider Electric to pro-actively review the impact and identify any required fixes prior to production updates. Schneider Electric shall provide or make available to Client corrections to address Defects in the Customizations required to ensure the Customizations are fully compatible, integrated and functional with any patch or QFE in any underlying Schneider Electric software that is licensed by Client.

I. Troubleshooting Support for Non-ArcFM Solution Software

In the event it is established that the source of a problem in a Customization is rooted in technology other than that provided by Schneider Electric's ArcFM Solution Software, Schneider Electric shall provide commercially reasonable assistance in isolating the source of the issue. Schneider Electric will also (at Schneider Electric's discretion) assist the Client and the software vendor support team in order to attempt to facilitate a resolution to the problem affecting the Customization. Schneider Electric's obligation with respect to troubleshooting support for non-ArcFM software is limited to assistance with facilitating the conversation with the vendor. Schneider Electric is not responsible for solving vendor issues as it relates to the Customizations covered under this Agreement.

J. Additional On-Site Support

Client may purchase one or more additional Trips to Client's offices. This allows Client the ability to have a resource (TAM, Analyst, or DBA) on-site on a regular basis. Prior to the on-site meeting, the resource will work with Client to develop an agenda for the items and issues that will be addressed. Two specific examples but not limited include Database and ArcSDE Performance Tuning Analysis and Database Support & Health Checkups Analysis.

- **Database and ArcSDE Performance Tuning Analysis**

  A Schneider Electric employee will travel to Client's offices for a Trip intended to provide an on-site tuning analysis of Client's database, provide recommendations of changes, and jointly implement acceptable changes. This Service is done as a collaborative effort with Client's onsite ArcSDE/Database Administrator and may include spatial tuning. During this service, Schneider Electric will require DBA privileges to the customer's database or 'side-by-side collaboration' with the Client's DBA in order to analyze the database. At the conclusion of this service, Schneider Electric will provide a summary report to the Client of findings and recommendations. The Client is responsible for implementing changes in their production environment.

- **Database Support & Health Checkups Analysis**

  A Schneider Electric employee will travel to Client's offices for a Trip to provide services related to the overall health of Client's ArcFM implementation. Services include, but are not limited to, assisting Client with versioning structure, spatial data, database tuning, configuration / administration tasks, and analysis of the overall health of the Client's database.

  In addition, Schneider Electric will participate in up to three (3) "wellness check calls". Wellness check calls are remote conference calls between the Schneider Electric DBA and Client's DBA/GIS administrator inquiring into the status of the database and addressing any issues. Wellness check calls are limited to a maximum of two (2) hours per call.

  Database related activities require a collaborative effort with Client's onsite ArcSDE/Database Administrator and may include spatial tuning. During this service Schneider Electric will require accessibility to Client's DBA personnel in order to perform certain functions to the customer's database.

K. Custom Tool Development

Client may purchase support services (increments of 40 hours) in order to enhance and/or extend the functionality of its Customizations. Scheduling of effort will be mutually agreed upon between Client and Schneider Electric. At the end of the Maintenance Term, all unused hours will expire unless Client renews the Agreement for an additional Maintenance Term.

L. Configuration Management Support

Client may purchase **Configuration Management** support services. This remote service allows the client to receive support for all configuration changes implemented on *supported ArcFM products. This includes configuration changes implemented for existing customization, new enhancements, project, product or integration. It will be maintained, managed and delivered by Schneider Electric. This defined remote process will track what, when and why config changes were implemented.

Specifically:

- Implement a client-specific change management process to ensure client system remains stable throughout the configuration/code change process
- Manage all configuration and integration files in a secure repository
- Will document changes made to the supported configurations; SE will provide release content, and read me files that capture all code and configuration changes.

*supported ArcFM Products are included in client ESM agreement.

Excluded Services

ESM Support does not include support for the following:

- Defects in ESRI software, although the TAM will remain involved to coordinate resolution by ESRI.
- Defects in other components of Client's operating environment for example, third-party hardware, data or software.
- Defects in Schneider Electric Software that has been modified by Client or a third-party.
- Defects in Customizations or interfaces that have been developed or modified by Client or a third-party.
- Errors or loss of functionality due to or arising from improper installation of Customizations by Client in Client's production environment.
- Upward compatibility of Customizations and interfaces with ArcFM software releases or future releases of third party software, including but not limited to, ESRI, Database, or Operating System software.
- Maintenance and support of core Schneider Electric products. Maintenance and support for these products is covered under the Maintenance and Support Agreement, Contract No. 2005-150M. However, the TAM will provide overall coordination of support related activities.
- Data errors or application problems resulting from these data errors, which are identified by Schneider Electric as a result of an investigation of an issue.
- Direct administration of Client's environment such as administration through direct connection through VPN or remote desktop.
- Database administration tasks such as backup, restoration, database tracing, maintenance plans.
- Installation of software / patches within Client's environment.
- Development support of and/or development of new custom functionality or enhancements to existing functionality, unless Client has purchased time under item "Custom Tool Development".
- Issues that need to be addressed after hours, including support of system issues and/or production administration tasks. Support for after-hours critical Responder production issues shall be addressed by Client's 24x7 support agreement with Schneider Electric.
- Schneider Electric will not replicate or offer support for non-supported OS versions. This includes Windows 7 and Windows Server 2008 Operating Systems. Schneider Electric will support only Schneider Electric supported platforms.
- Schneider Electric will not support 3rd party platforms that are classified as end-of life, unsupported or do not align with ESRI supported systems.
- Schneider Electric will not support any end-of life platform that is considered a security risk by SE.

If a question or issue falls outside the scope of the services provided under this task order, such as a networking issue or core operating system issue, the TAM or a support analyst will notify Client that potential charges may be incurred if they were to continue working on the problem. No additional services will be performed, or charges applied unless agreed to in writing by the parties.

There are no deliverables included within this Agreement. The services will be considered done upon completion of the tasks by Schneider Electric or when Schneider Electric's obligations have ceased due to the expiration of the Maintenance Term.

Quote

The services are quoted exclusive of all state, local, and other taxes or other charges (other than income taxes payable by Schneider Electric or taxes based upon Schneider Electric's employees). In the event such taxes and/or charges become applicable, Client shall pay any such applicable tax upon receipt of written notice that it is due.

If Client decides to receive support for additional Customizations that are not listed in Exhibit B, the Parties shall amend the Agreement to include the additional Customizations into the Agreement. Additional charges will apply.

The quote for the services detailed in this task order is as follows:

Reference	ESM Program - Included	
A	Technical Account Manager (TAM) – Single-Point-Of-Contact - Overall coordination and management of support cases - Regular case status updates - Pro-active information sharing (software news & updates)	$41,896
B	Telephone Support & Incident logging	
C	Secure Live Remote Support	
D	TAM / Analyst Resource On-Site (TAM or Analyst – 1 Trip)	
E	Link Passes (2) – Annual User's Conference	
F	Client Environment Replica	

Reference	ESM Program – Additional Services	
G	Maintenance of Client Customizations	
H	Core Product Patch testing (QFEs & Hot Fixes)	
I	Troubleshooting Support for Non-ArcFM Solution Software	
J	Additional On-Site Support	
K	Custom Tool Development – (40 Hours)	
L	Configuration Management Support	

Exhibit B
Software Components

This section shall be identified if Client elects to purchase the additional service Maintenance of Client Customizations.

CITY COUNCIL AGENDA ITEM	
TO:	Michael J. Staffopoulos, City Manager
FROM:	Eric M. Shaughnessy, Services Division Commander
DATE:	02/04/2022
SUBJECT:	Additional Police vehicles in FY2022

BACKGROUND

The Police Department conducted an assessment of its fleet in order to develop a more comprehensive replacement plan. The Department currently has 83 marked/unmarked vehicles in its fleet. Of those 83 vehicles, 29 (or 34.9%) of them are model year 2014 and older. Currently, these older vehicles are breaking down more frequently and their repairs can be quite costly. The Department desires to establish a planned useful life of eight (8) years for marked vehicles and 10 years for unmarked vehicles to better suit its needs and to ensure the optimal operating performance of its fleet.

The Police Department issued a purchase order in October 2021 for its FY22 approved replacements and the dealership notified us that the manufacturer would not begin production of these vehicles until March 2022. The dealership also informed us that the vehicles we will order in October 2022 (FY23) will likely not begin production until May 2023. Significant production lead times and anticipated price increases due to the expiration and re-negotiation of the Florida Sheriffs Association contract for vehicle purchases are compounding challenges that will negatively affect our planned replacement cycle.

The Police Department met with the City Administration and identified the 13 vehicles that need to be replaced in order to begin our efforts to bring the fleet in line with the optimal useful life mentioned above. These vehicles would be purchased under the current pricing of the above referenced contract, and their delivery would likely coincide with the delivery of the vehicles we ordered back in October 2021. Additionally, the Department will be updating its Capital Improvement Plan (CIP) for FY23-27 to revise the number of vehicles replaced in a given year from 4-5 to 6-8. This initial purchase, coupled with updates to our CIP for FY23-27, will allow us to meet our desired target.

FINANCIAL IMPACT

Funding for these purchases will come from the General Fund fund balance, via a transfer to the Police Vehicle reserve in the General Capital Projects fund. The funds will be spent from the following account: 315-00-0000-521-64-564001, and the budget will be amended as part of the mid-year budget adjustment.

Marked Patrol vehicles (Qty 10):	$495,130
Marked vehicle striping ($600 per):	$6,000
Unmarked Admin vehicles (Qty 2):	$62,870
Unmarked Recruiter vehicle (Qty 1):	$28,596
Total:	**$592,596**

AGENDA ITEM:	D.
MEETING DATE:	March 7, 2022

REQUESTED ACTION

Approve/Disapprove the purchase of replacement vehicles for the Police Department in FY2022

ATTACHMENTS

1. Quote - Marked Patrol vehicle
2. Quote - Unmarked Admin vehicles
3. Quote - Unmarked Recruiter vehicle

BOZARD Ford
GOVERNMENT FLEET

February 4, 2022

TONYA TATOR
JACKSONVILLE BEACH PD

Bozard Ford is pleased to submit the following quote based on FSA Contract FSA 20-VEL28.0

SPEC255	2022 FORD INTERCEPTOR UTILITY AWD 3.3L GAS (K8A), BASE SPECIFICATION INCLUDES DRIVER SIDE LED SPOTLAMP, REMOTE KEYLESS ENTRY W/ 4 FOBS	$33,242.00
18D	GLOBAL LOCK/UNLOCK	NC
43D	DARK CAR FEATURE	$24.00
17T	RED/WHITE DOME LAMP CARGO AREA	$49.00
60A	GRILLE LAMP PREWIRE	$49.00
60R	NOISE SUPPRESSION BONDS	$99.00
19K	H8 AGM BATTERY	$109.00
76P	PRE-COLLISION ASSIST	$144.00
47A	ENGINE IDLE FEATURE (FACTORY SAFE STOP)	$259.00
76R	REVERSE SENSING	$274.00
87R	BACK UP CAMERA MIRROR DISPLAY	NC
86T	TAIL LAMP HOUSING PREP FOR STROBES	$59.00
TINT	DEALER INSTALLED WINDOW TINT W/O STRIP ON WINDSHIELD	$399.00
HCONS	HAVIS C-VS-1012 INUT 22"CONSOLE, ADD C-CUP2 CUPHOLDER $49, ADD C-ARM 101 TOPMOUNT ARM REST $99, 3 OUTLET PLUG POWER SUPPLY $79, LOCKBOX $99 MMSU-1 MAGNETIC MICROPHONE HOLDER SINGLE UNIT KIT $35, CG-X CHARGE GUARD UNIVERSAL CONTROL MODULE $69, FILLER PLATES	$1,029.00
PREMLT	HAVIS PREMIUM LAPTOP MOUNT WITH LAPTOP CRADLE, SCREEN SUPPORTER	$999.00
PGCAGE	PRO-GARD PRISONER CAGE POLY CENTER SLIDER W/ EXPANDED METAL AND LEP	$1,399.00
SSEAT	SETINA REAR PRISONER SEAT WITH BELTS AND POLY SLIDER BARRIER	$1,749.00
SDP	SETINA TPO DOOR PANELS	$499.00
SCARGO	SETINA REAR CARGO BARRIERS	$784.00
SWBH	SETINA POLY WINDOW BARRIERS	$499.00
WPB	WESTIN ELITE PUSH BUMPER	$699.00
PGGL	PRO-GARD VERTICAL PARTITION MOUNT FOR SINGLE WEAPON SUB SANTA CRUZ	$699.00
2GLX2	4 3" LED LAMPS 2 FORWARD BUMPER 2 SIDE BUMPER R/B	$948.00
4CSTSM	4 6 LED THIN SURFACE MOUNT 1 R FLUSHMOUNT R SIDE OF TAG, 1 R/B L SIDE OF TAG, 2 R/B BOTTOM OF HATCH WHEN OPEN	$949.00
SOPLB-LED2	SOUNDOFF 2 TIER PREMIUM LED LIGHTBAR PACKAGE, SIREN, SPEAKER	$3,470.00
4CSTV	VERTEX HIDEAWAY CORNER STROBES REAR TAIL LIGHTS ONLY R/B	$424.00
2TL	2 REAR LED R/B IN CARGO AREA REAR SIDE WINDOWS	$474.00
NST	NEW CITY TAG	$185.00
JS/96	ICONIC SILVER EXTERIOR / DK CHARCOAL GRAY INTERIOR	STD
	Total	**$49,513.00**
Sincerely,	**QUANTITY 10**	**$495,130.00**

Jeffrey Eason
Government Sales Director

February 4, 2022

TONYA TATOR
JACKSONVILLE BEACH PD

Bozard Ford is pleased to submit the following quote based on FSA Contract FSA 20-VEL28.0

SPEC293	FORD EXPLORER XL RWD (K7B)	$27,617.00
WAVP	WHELEN ADMINISTRATIVE LIGHTING PACKAGE, INCL INTERIOR REAR VIEW MIRROR LED LIGHTS, REAR DECK LIGHTS (2), 4 CORNER LEDS, HANDHELD SIREN, SPEAKER, BRACKETS	$2,436.00
3KR	THIRD KEY W/ PROGRAMMED REMOTE	$399.00
TINT	DEALER INSTALLED WINDOW TINT W/ STRIP ON WINDSHIELD	$499.00
TAG	NEW CITY TAG	$185.00
M7	CARBONIZED GRAY EXTERIOR	$0.00
WTSUV2	WEATHER TECH FLOOR LINERS FOR SUV, FRONT AND REAR	$299.00

Total	**$31,435.00**
QUANTITY 2	**$62,870.00**

Sincerely,

Jeffrey Eason
Government Sales Director

BOZARD Ford
GOVERNMENT FLEET

February 4, 2022

TONYA TATOR
JACKSONVILLE BEACH PD

Bozard Ford is pleased to submit the following quote based on FSA Contract FSA 20-VEL28.0

SPEC289	FORD ESCAPE SE FWD (U0G)	$24,589.00
WAVP	WHELEN ADMINISTRATIVE LIGHTING PACKAGE, INCL INTERIOR REAR VIEW MIRROR LED LIGHTS, REAR DECK LIGHTS (2), 4 CORNER LEDS, HANDHELD SIREN, SPEAKER, BRACKETS	$2,436.00
3KPS	THIRD KEY FOR PUSH BUTTON START	$499.00
TINT	DEALER INSTALLED WINDOW TINT W/ STRIP ON WINDSHIELD	$499.00
TAG	NEW CITY TAG	$185.00
M7	CARBONIZED GRAY EXTERIOR	$0.00
WTSUV2	WEATHER TECH FLOOR LINERS FOR SUV, FRONT AND REAR	$299.00
50Q	CARGO MAT	$89.00

Total **$28,596.00**

Sincerely,

Jeffrey Eason
Government Sales Director

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

CITY COUNCIL AGENDA ITEM	
TO:	Mayor and City Council Members
FROM:	Michael J. Staffopoulos, City Manager
DATE:	02/15/2022
SUBJECT:	Ordinance No. 2022-8171 Amendments to the Charter of the City of Jacksonville Beach

BACKGROUND

Beginning in April 2021 and ending in January 2022 with the assistance of Attorney Cliff Shepard, the City Council studied and reviewed the City of Jacksonville Beach Charter (the "Charter") in multiple public meetings and received public input regarding proposed amendments to the Charter. As a result, the City Council has determined that the Charter should be updated and revised in various sections to clarify and modernize the language in a manner consistent with state law and current practice.

Ordinance No. 2022-8171 embodies the totality of the proposed amendments to the City's Charter that the City wishes the electorate to consider at the next election on November 8, 2022. The proposed amendments, the ballot title, and the wording of the substance of the proposed amendments to the Charter as the City wishes them to appear on the ballot (in the form of questions) are affixed to the Ordinance as Composite Exhibit 1.

The City Council approved all proposed amendments at the first reading on February 23, 2022 and will decide which of the 16 amendments will proceed to the November 2022 ballot at the second reading.

FINANCIAL IMPACT

None.

REQUESTED ACTION

Approve/Disapprove Ordinance No. 2022-8171 regarding amendments to the Charter of the City of Jacksonville Beach on the second reading

ATTACHMENTS

1. Ordinance No. 2022-8171 Charter Amendments
2. Composite Ex. 1 - Proposed Amendments

AGENDA ITEM:	A.
MEETING DATE:	March 7, 2022

Introduced by: ______________________
1st Reading: ________________________
2nd Reading: _______________________

ORDINANCE NO. 2022-8171

AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, SUBMITTING TO THE ELECTORS OF JACKSONVILLE BEACH PROPOSED AMENDMENTS TO THE CHARTER OF THE CITY OF JACKSONVILLE BEACH; PROVIDING BALLOT TITLES, SUMMARIES AND TEXT FOR THE PROPOSED AMENDMENTS; PROVIDING DIRECTIONS TO THE CITY CLERK; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE FOR APPROVED AMENDMENTS; PROVIDING FOR AN EFFECTIVE DATE FOR THE ORDINANCE.

WHEREAS, the members of the City of Jacksonville Beach City Council have, in public meetings, studied and reviewed the City of Jacksonville Beach Charter (the “Charter”) and received public input regarding proposed amendments to the Charter; and

WHEREAS, the City Council has determined that the Charter should be updated and revised in various sections; and

WHEREAS, Section 166.031, Florida Statutes, provides that the governing body of a municipality may, by ordinance, submit to the electors of said municipality proposed amendments to its charter, which amendments may be to any part or to all of its charter except that part describing the boundaries of such municipality; and

WHEREAS, the City Council held a series of public meetings over several months, beginning on April 22, 2021, and ending on January 20, 2022; and

WHEREAS, the City Council has reviewed the entire Charter over that time period and considered a number of changes which, if adopted by the electorate, would serve to clarify and modernize the language of the Charter in a manner consistent with state law and current practice; and

WHEREAS, the City Council finds it to be in the best interests of its citizens to submit said proposed Charter amendments to the voters at the municipal election on November 8, 2022.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF 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, and asterisks **(***)** indicate an omission from the existing text which is intended to remain unchanged.

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 amendments shall be submitted to the voters at the November 8, 2022 election.

Section 3. The proposed amendments, the ballot title, and the wording of the substance of the proposed amendments to the Charter, as contained in this Ordinance, shall appear on the ballot in the form of questions affixed to this Ordinance as Composite 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. Further, the lack of approval by a majority of electors of one or more separate amendments to this Charter, as set forth in Section 3 herein, shall not be deemed to affect the validity of any amendments that may be approved by a majority of the electors.

Section 6. All ordinances and Charter provisions, or parts of ordinances 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 provisions proposed for approval in this Ordinance shall become effective upon their 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., 2022.

____
Christine Hoffman, Mayor

____
Sheri Gosselin, City Clerk

COMPOSITE EXHIBIT 1

Explanation, Ballot Title, Question, Summary, and Text References

Question 1 - Gender Neutrality

A. Explanation.

This Charter amendment would remove or make neutral all gender specific references in the City Charter.

B. Ballot Proposal: The ballot title, question and summary for Question #1 are as follows:

REMOVING OR MAKING NEUTRAL ALL GENDER SPECIFIC REFERENCES IN THE CITY CHARTER

Amending the Charter by removing or making neutral all gender specific references contained in the City Charter.

_______ Yes

_______ No

C. Text References: Chapter 1, Sections 3(a), 4, 5, and 6; Chapter 3, Sections 15, 18, 19, and 24; Chapter 5, Sections 26, 28, 29, 31, and 33; Chapter 6, Section 37; all of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 2 - Elimination of Obsolete Provisions and Correcting Grammar and Punctuation

A. Explanation.

This Charter amendment would eliminate and/or correct several obsolete and outdated provisions that are inconsistent with current government laws and practices and corrects grammatical and punctuation errors.

B. Ballot Proposal: The ballot title and question for Question #2 are as follows:

ELIMINATING/CORRECTING OBSOLETE AND OUTDATED CHARTER PROVISIONS AND MAKING GRAMMATICAL AND PUNCTUATION CORRECTIONS

Amending the Charter by eliminating/correcting obsolete and outdated provisions and making grammatical and punctuation corrections.

_______ Yes

_______ No

C. **Text References**: Chapter 1, Sections 3, 4, 5, 6, 7, 8, 9, 10, 11; Chapter 2, Sections 12, 13, 14; Chapter 3, Sections 15, 16, 19, 20; Chapter 5, Sections 26, 27, 28, 31, 33; Chapter 6, Sections 34, 37; Chapter 7, Sections 38, 39, 42, 45; Chapter 8, Sections 48, 49; Chapter 9, Sections 51, 53, 57, 59; Chapter 10, Sections 63, 66; all of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 3 – Calculation of Full Terms

A. **Explanation.**

This Charter amendment clarifies what constitutes a full term when applying the term limits contained in the Charter.

B. **Ballot Proposal**: The ballot title and question for Question #3 are as follows:

CLARIFYING WHAT CONSTITUTES A FULL TERM WHEN APPLYING TERM LIMITS UNDER THE CHARTER

Amending the Charter by clarifying that an elected official serving two (2) or more years of a first four (4)-year term and any portion of a second consecutive term would be term limited from running for that position for a third consecutive time.

_______ Yes

_______ No

C. **Text References**: Chapter 1, Section 3(a) of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 4 – Clarifying that Certain Provisions and Powers are Limited by Florida Law

A. **Explanation.**

This Charter amendment clarifies that certain Charter provisions and powers are granted and limited by Florida law.

B. **Ballot Proposal**: The ballot title and question for Question #4 are as follows:

CLARIFYING THAT CERTAIN CHARTER PROVISIONS AND POWERS ARE GRANTED AND LIMITED BY FLORIDA LAW

Amending the Charter by clarifying that certain provisions and powers are granted and limited by Florida law.

_______ Yes

_______ No

C. **<u>Text References</u>**: Chapter 1, Sections 3(b), 8, 9; Chapter 7, Section 42; Chapter 8, Section 48; Chapter 9, Sections 51, 53; all of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All Proposed Changes" document below. (<u>Underline</u> text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

<u>Question 5 – Clarifying Regular Meetings and how Special Meetings are Called</u>

A. **<u>Explanation</u>.**

This Charter amendment clarifies that regular meetings of the City Council will be held at least monthly and the procedure by which special meetings of City Council are called.

B. **<u>Ballot Proposal</u>**: The ballot title and question for Question #5 are as follows:

CLARIFYING REGULAR MEETING SCHEDULE AND PROCEDURE TO CALL SPECIAL MEETINGS OF CITY COUNCIL

Amending the Charter by clarifying the regular meeting schedule of City Council and the procedure for calling special meetings of City Council.

_______ Yes

_______ No

C. **<u>Text References</u>**: Chapter 1, Section 6, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (<u>Underline</u> text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

<u>Question 6 – Eliminating Compelled Meeting Attendance by Council Members and Acknowledging Supermajority requirements</u>

A. **<u>Explanation</u>.**

This Charter amendment eliminates compelled meeting attendance by council members and acknowledges the requirement for supermajority votes in certain situations.

B. **<u>Ballot Proposal</u>**: The ballot title and question for Question #6 are as follows:

ELIMINATING COMPELLED MEETING ATTENDANCE BY COUNCIL MEMBERS AND ACKNOWLEDGING SUPERMAJORITY REQUIREMENTS

Amending the Charter by eliminating compelled meeting attendance by council members and acknowledging the requirement for supermajority votes in certain situations.

_______ Yes

_______ No

C. **Text References**: Chapter 1, Section 8, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 7 – Establishing Procedure for Runoff Elections after Primary Elections and Procedure for Breaking Ties after General Elections

A. **Explanation.**

This Charter amendment establishes runoff elections after any primary in which no candidate for a particular seat receives a majority of votes and establishes a tie-breaking procedure in the event of a tie after a general election.

B. **Ballot Proposal**: The ballot title and question for Question #7 are as follows:

ESTABLISHING PRIMARY RUNOFF ELECTIONS AND TIE-BREAKING PROCEDURE AFTER GENERAL ELECTIONS

Amending the Charter by establishing runoff elections after any primary in which no candidate for a particular seat receives a majority of votes and establishing a tie-breaking procedure in the event of a tie after a general election.

_______ Yes

_______ No

C. **Text References**: Chapter 3, Sections 15 and 18 of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 8 – Recognizing that Rules and Regulations for the Use of Voting Equipment for Municipal Elections shall be Established by the Supervisor of Elections for Duval County

A. **Explanation.**

This Charter amendment recognizes that Rules and Regulations for the use of voting equipment for municipal elections shall be established by the Supervisor of Elections for

Duval County.

B. **Ballot Proposal**: The ballot title and question for Question #8 are as follows:

RECOGNIZING DUVAL SUPERVISOR OF ELECTIONS AUTHORITY TO ESTABLISH RULES FOR USE OF VOTING EQUIPMENT

Amending the Charter by recognizing that rules and regulations for the use of voting equipment for municipal elections shall be established by the Office of Supervisor of Elections for Duval County.

_______ Yes

_______ No

C. **Text References**: Chapter 3, Section 17, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 9 – Detailing the Amount of the Filing Fee and Election Assessment for Candidates for Office

A. **Explanation.**

This Charter amendment updates the filing fee amounts and election assessment amounts for City offices based upon percentages of the annual salary for the office being sought.

B. **Ballot Proposal**: The ballot title and question for Question #9 are as follows:

ESTABLISHING FILING FEES AND ELECTIONS ASSESSMENTS FOR CANDIDATES BASED UPON PERCENTAGE OF OFFICE ANNUAL SALARY

Amending the Charter by setting filing fees and election assessments for candidates for city offices based upon a filing fee of 3% percent and an election assessment of 1 % of the annual salary for the office being sought.

_______ Yes

_______ No

C. **Text References**: Chapter 3, Section 19, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 10 – Changing the Effective Date and Procedures for Removal of the City Manager

A. **Explanation**.

This Charter amendment shortens from 30 to 14 the minimum number of days before initial action to remove the City Manager may become effective, eliminates the public hearing provision, requires a supermajority vote for final approval and provides a time limit (3 months) during which final action must be taken or the removal fails.

B. **Ballot Proposal**: The ballot title and question for Question #10 are as follows:

AMENDING CITY MANAGER REMOVAL PROCEDURES, ESTABLISHING DEADLINE FOR FINAL ACTION APPROVING REMOVAL

Amending the Charter by shortening from 30 to 14 the minimum number of days before initial action to remove the City Manager may become effective, eliminating the City Manager's public hearing option, requiring a supermajority vote for final approval, and providing a time limit (3 months) during which final action must be taken or the removal fails.

_______ Yes

_______ No

C. **Text References**: Chapter 5, Section 27, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (<u>Underline</u> text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 11 – Making Failure to Cooperate with a City Council or City Manager Investigation Grounds for Termination unless Superseded by Law or Contract

A. **Explanation**.

This Charter amendment makes the failure of a city employee to cooperate with any City Council or City Manager investigation grounds for termination unless superseded by law or contract.

B. **Ballot Proposal**: The ballot title and question for Question #11 are as follows:

MAKING FAILURE TO COOPERATE IN COUNCIL OR MANAGER INVESTIGATIONS GROUNDS FOR TERMINATION, PROVIDING EXCEPTIONS

Amending the Charter by making the failure of a city employee to cooperate with any City Council or City Manager investigation grounds for termination unless superseded by law or contract.

_______ Yes

_______ No

C. <u>Text References</u>: Chapter 5, Section 33, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (<u>Underline</u> text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

<u>Question 12 – Changing the Effective Date and Procedures for Removal of the City Attorney</u>

A. <u>Explanation</u>.

This Charter amendment shortens from 30 to 14 the minimum number of days before initial action to remove the City Attorney may become effective, eliminates the public hearing provision, requires a supermajority vote for final approval and provides a time limit (3 months) during which final action must be taken or the removal fails.

B. <u>Ballot Proposal</u>: The ballot title and question for Question #12 are as follows:

AMENDING CITY ATTORNEY REMOVAL PROCEDURES, ESTABLISHING DEADLINE FOR FINAL ACTION APPROVING REMOVAL

Amending the Charter by shortening from 30 to 14 the minimum number of days before initial action to remove the City Attorney may become effective, eliminating the City Attorney's public hearing option, requiring a supermajority vote for final approval, and providing a time limit (3 months) during which final action must be taken or the removal fails.

_______ Yes

_______ No

C. <u>Text References</u>: Chapter 6, Section 34, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (<u>Underline</u> text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

<u>Question 13 – Amending City Attorney's Compensation from Retainer to Salary and Benefits to be Fixed by Contract</u>

A. <u>Explanation</u>.

This Charter amendment changes the City Attorney's method of compensation from retainer to salary and benefits to be fixed by contract.

B. Ballot Proposal: The ballot title and question for Question #13 are as follows:

CHANGING CITY ATTORNEY COMPENSATION TO SALARY AND BENEFITS TO BE SET BY CONTRACT

Amending the Charter by changing the method of compensation for the City Attorney from retainer to salary and benefits to be fixed by City Council in the City Attorney's contract.

_______ Yes

_______ No

C. Text References: Chapter 6, Section 36, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 14 – Adding Ordinances and Resolutions to the list of Documents to be Reviewed by the City Attorney

A. Explanation.

This Charter amendment adds ordinances and resolutions to the list of documents the City Attorney must review on behalf of the city.

B. Ballot Proposal: The ballot title and question for Question #14 are as follows:

REQUIRING THE CITY ATTORNEY TO REVIEW ALL ORDINANCES AND RESOLUTIONS OF THE CITY

Amending the Charter by requiring the City Attorney to review all ordinances and resolutions of the city.

_______ Yes

_______ No

C. Text References: Chapter 6, Section 37, of the City of Jacksonville Beach Charter to be amended as set forth in that section in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 15 – Adding an Initiative and Referendum Provision to the Charter

A. Explanation.

This Charter amendment adds an Initiative and Referendum section to the Charter by which citizens can petition the City for the adoption or repeal of certain types of ordinances.

B. Ballot Proposal: The ballot title and question for Question #15 are as follows:

CREATING INITIATIVE AND REFERENDUM PROCEDURE ALLOWING CITIZENS TO ADOPT OR REPEAL CERTAIN TYPES OF ORDINANCES

Amending the Charter by adding an Initiative and Referendum section by which citizens can petition the City for the adoption or repeal of certain types of ordinances.

_______ Yes

_______ No

C. Text References: Chapter 3, Sections 21 and 22 of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All Proposed Changes" document below. (Underline text is added to the Charter; ~~strikethrough~~ text is deleted; unmarked text is existing).

Question 16 – Providing for Periodic Charter Reviews

A. Explanation.

This Charter amendment provides for periodic review of the City Charter.

B. Ballot Proposal: The ballot title and question for Question #16 are as follows:

PROVIDING FOR PERIODIC REVIEW OF THE CITY CHARTER

Amending the Charter by adding a provision for periodic review of the City Charter.

_______ Yes

_______ No

C. Text References: Chapter 10, Section 63 of the City of Jacksonville Beach Charter to be amended as set forth in those sections in the "All 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 Amendments

(Additions underlined; deletions ~~strikethrough~~)

CHAPTER I. - GENERAL PROVISIONS

Section 3. Creation, salary and composition of council.

A. Except as otherwise provided in this Charter, all powers of the city shall be vested in a council composed of a mayor and six (6) other members, three (3) of which shall be at-large members and three (3) of which shall be district members. The boundary for each of the three (3) districts is described in Appendix "A" of this Charter. The district boundaries shall be reapportioned every ten (10) years commencing with the 1990 Official Florida State and Federal Census. Each reapportionment shall be completed by the city council by ordinance enacted within six (6) months of the date of official publication of the most recent Official Florida State and Federal Census. District boundaries shall be reapportioned to create districts of nearly equal population. Districts shall be arranged in a logical and compact geographic pattern and shall promote fair representation. The mayor and the three (3) at-large members of the council shall be qualified electors of the city and shall be nominated and elected from the city at-large and the three (3) district council members shall be qualified electors of the city and shall also be residents of the district which they represent and shall be nominated and elected from the district they represent. The mayor and all ~~councilpersons~~council members shall be elected in the manner hereinafter provided. The term of office of the mayor and all ~~councilpersons~~council members shall be for four (4) years next following their election or until their successors are elected and qualified. A person serving as the mayor shall be limited to serving two (2) consecutive full-terms on the council. A person serving as ~~councilperson~~council member shall be limited to serving two (2) consecutive full-terms as ~~councilperson~~council member, after which they are eligible to seek qualification to run for an additional two (2) consecutive terms as mayor. The maximum number of terms a ~~councilperson~~council member moving from a city council seat to mayor may serve is a total of four (4) consecutive terms. The maximum number of terms a mayor can serve on the council is two (2) consecutive terms. An individual who has served two (2) consecutive terms as Mayor shall not seek a consecutive term as a ~~councilperson~~council member. A term shall be considered a full-term if the elector has served two or more years of their first four (4) year term and any portion of their second consecutive four (4) year term. Members of the city council and the mayor shall be bona fide residents of the City of Jacksonville Beach and, where applicable, the districts they represent and not a resident of any other city or district. Should any council member or the mayor move from the City of Jacksonville Beach, or, where applicable, the district they represent, during the term of office for which they were elected, then, in that event that office shall automatically become vacant from the date of such removal. The mayor or any member of the council ceasing to possess any of the qualifications specified in this Charter, or convicted of a felony while in office, or removed from office by recall election, shall immediately forfeit ~~his~~ that office.

B. The salary of council members, together with the manner of payment, shall be established by resolution and shall be compatible with salaries ~~as portrayed by the Florida League of Municipalities~~ for cities ~~and~~ of comparable size and form of government. No increase in salary shall become effective until the commencement of terms of members elected at the next regular city election. The council may provide that members shall receive an allowance for expenses incurred in the performance of their duties to the extent permitted by Florida law.

Section 4. Mayor; duties and powers.

There is hereby created the office of mayor of the City of Jacksonville Beach, who shall be nominated and elected as above provided. ~~He~~The mayor shall have all the powers and functions of a ~~councilman~~ council member of the City of Jacksonville Beach, and shall also have the powers and perform the duties conferred and imposed upon ~~him~~the office by this Charter and the ordinances of ~~said~~the city.

The mayor shall preside at all meetings of the council and shall have a voice and a vote in the proceedings of the council, but no veto power. ~~He~~The mayor may use the title of mayor in any case in which the execution of legal instruments or writing or other necessity arising from the City Charter or from the general laws of the state so require but this shall not be considered as conferring upon ~~him~~the mayor's office the administrative or judicial functions of mayor under the general laws of the state, except that the mayor shall have the power to perform marriage ceremonies. ~~He~~The mayor shall be recognized as the official head of the city by the courts for the purpose of serving civil processes upon the city~~;~~, by the government in the exercise of military law, and for all ceremonial purposes.

In time of public danger or emergency, the mayor ~~on his own authority~~ may, by proclamation, take command of ~~the police~~ and govern the city for a period not ~~in excess of~~to exceed seventy-two (72) hours. If the public danger or emergency ~~should require~~requires that ~~the command of the police~~governance of the city by the mayor ~~and his government of the city by proclamation~~ should be extended, this may be authorized for a period not ~~in excess of~~to exceed five (5) days by the affirmative vote of at least five (5) ~~councilmen~~council members.

Section 5. Mayor pro-tem.

At its first meeting following a regular municipal election and certification by the Supervisor of Elections, the council shall choose from its membership a vice-chairman who shall have the title of mayor pro-tem. If a vacancy occurs in the office of mayor, or in case of ~~his~~ the mayor's absence or disability, the mayor pro-tem shall act as mayor for the unexpired term, or during the continuance of the absence or disability. Whenever the mayor pro-tem succeeds to the office of mayor for the remaining portion of an unexpired term, it shall create a vacancy in the council, which vacancy shall be filled in accordance with the provisions of this Charter.

Section 6. Meetings of council.

The council shall meet ~~at such times~~ as may be prescribed by ordinance or resolution, but not less frequently than once each month~~, at regularly specified times~~. Special meetings shall be called by the clerk upon the ~~written~~ request of the mayor. A council member may request a special meeting by ~~calling~~ contacting the city clerk~~,~~ and stating the reason for ~~his~~ the request. The city clerk shall inform the city manager, who will then ~~poll~~determine whether a majority of the other members of the council ~~and if a majority agree to~~ support the request ~~of~~. If they do, the ~~council member, the~~ special meeting will be called by the clerk. At least forty-eight (48) ~~hours' previous written~~ hours' notice of all special meetings shall be given to each ~~councilperson~~ council member, but such notice may be waived by any ~~councilperson~~ council member who verbally agrees to attend such meeting. Service of such notice shall be made either electronically via email, in person, or by leaving a copy ~~thereof~~ at the ~~usual place~~ residence of ~~abode of~~ the ~~councilperson~~council member being served. Any such notice shall state the subject to be considered at the special meeting and no other subject shall be ~~there~~ considered. All meetings of the council and of committees thereof shall be open to the public and conducted in accordance with state law and the rules of the council. The rules of the council shall provide that the public shall have a reasonable opportunity to be heard at any such meetings of the council or its committees ~~in regard to~~ regarding any matter to be considered ~~thereat~~.

Section 7. Council rules.

The council shall be the judge of the election and qualification of its members, and in such cases, shall have power to subpoena witnesses and compel the production of all pertinent ~~books,~~ records ~~and papers~~; but the decision of the council in any such case shall be subject to review by the courts. The council shall determine its own rules and order of business, and require the city clerk to make up and keep ~~a journal~~ minutes of its proceedings.

Section 8. - Quorum.

A majority of the members elected to the council shall constitute a quorum to do business~~, but a less number may adjourn from time to time and compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance~~. The affirmative vote of a majority of the members elected to the council shall be necessary to adopt any ordinance, resolution, or order ~~or vote~~; except where a supermajority vote is required by statute, ordinance or under this Charter ~~that a vote to adjourn may be adopted by a majority of the members present~~.

Section 9. Introduction and passage of ordinances and resolutions.

Ordinances and resolutions shall be introduced ~~in~~to the council ~~only~~ in ~~written or~~ printed form. All ordinances, codifying or rearranging existing ordinances or enacting a code of ordinances, shall be confined to one subject, and the subject, or subjects, of all ordinances shall be clearly expressed in the title. No ordinance shall be passed until it has been read by title or in full on two (2) separate days unless otherwise permitted or required by state law, and ~~shall at least ten (10) days prior to final adoption, be noticed once in a newspaper of general circulation in the city~~until it has been properly noticed and advertised in accordance with applicable state law. The yeas and nays shall be taken upon the passage of all ordinances and resolutions and ~~entered upon the journal~~recorded in the minutes of the proceedings of the council. The enacting clause of all ordinances shall be "Be it ordained by the City Council of the City of Jacksonville Beach, Florida."~~.~~

Section 10. - When ordinances and resolutions take effect; emergency measures.

All ordinances and resolutions passed by the council shall take effect at the time indicated therein. An emergency measure is an ordinance or resolution to provide for the immediate preservation of the public peace, property, health or safety, in which the emergency ~~is claimed~~declared is set forth and defined ~~in a preamble thereto~~therein. ~~The affirmative~~A supermajority vote of at least five (5) members of ~~the~~ council shall be required to pass any ordinance or resolution as an emergency measure. No measure making or amending a grant, renewal or extension of a franchise or other special privilege or which enacts or amends a land use plan, or which rezones private real property shall ~~ever~~ be passed as an emergency measure. No ~~situation~~emergency shall be declared ~~an emergency~~ by the council except as defined in this section, and it is the intention of this Charter that ~~such definition~~this section shall be strictly construed by the courts.

Section 11. - Authentication and publication of ordinances and resolutions.

Upon ~~its~~ final passage each ordinance or resolution shall be authenticated by the signature of the mayor and city clerk~~, and shall be placed in a book for that purpose~~. All ordinances or resolutions shall also be published or posted in accordance with any applicable state statutes.

CHAPTER II. - CITY CLERK

Section 12. – City clerk.

There shall be ~~one~~an office of city clerk.~~ Commencing at the expiration of the existing term of the city clerk in November 2000,~~ ~~t~~The city clerk shall be appointed by the city manager, subject to the approval of the city council. The city clerk may be removed by the city manager~~,~~ but said removal shall not become effective without the approval of the city council.

Section ~~12~~13~~(a)~~. - Duties and powers of clerk.

The city clerk shall be clerk of the city council, and attend all its meetings and proceedings, record and keep the minutes and records and perform the functions and duties required thereof~~, as may now or hereafter as prescribed by law or ordinance~~. The city clerk ~~shall~~is authorized to issue all warrants for offenses against the city ordinances and shall be the custodian of the seal of the city. The city clerk shall have power and authority to administer an oath to~~,~~ and take affidavit of~~, any and~~ all persons required by the Charter or ordinances of the city to make oath in connection with dealings and transactions with the city, including but not limited to the swearing in of city officials and witnesses in inquisitorial proceedings. The jurat, or certificate of proof of acknowledgment, shall be authenticated by the signature and official seal of the city. The city clerk shall keep the official files of all the city's legal documents, contracts, deeds, etc., and shall direct and supervise the Municipal Code, coordinate all municipal elections, including the registration of voters; publication of all legal notices, publications and advertisements.

Section 14. – Reserved.

CHAPTER III. - ELECTIONS

Section 15. - Municipal elections.

Beginning with the ~~year 2010~~next election after adoption:

(a) *Primary election.* When more than two candidates are running for the same elective office, a primary election shall be held~~:~~

~~When more than two candidates are running for the same elective office, the primary election shall be held~~ only for the municipal offices that have more than two candidates running for the same seat. Such primary election date shall be set according to Florida Statutes Chapters 99.061(2) and 100.061.

If ~~at the primary election,~~ a candidate receives a majority of the votes cast for any particular seat or office at the primary election, ~~he or she~~ the candidate shall be declared elected to said seat or office and ~~his or her~~ that candidate's name shall not be placed on the ballot in the general election. However, if no candidate receives a majority of the votes cast for any particular seat or office at the primary election, the two (2) candidates for each seat of the council, as well as candidates for mayor, receiving the two (2) highest number of votes for that seat or for the office of mayor shall have their names placed on the ballot for that seat or office at the general election.

(b) *General election.* When two candidates are running for the same elective office, the general election date shall be set according to Florida Statutes Chapters 99.061(2) and 100.061 on each even numbered year. ~~In the event that~~If a candidate does not receive a majority of the votes cast in the primary election then, the names of the candidates placing first and second shall be placed on the ballot in the general election. Should any general election result in a tie for any office, the winner of the election shall be determined by the drawing of lots.

The council may, by resolution, order a special election, fix the time for holding same, and provide all means for holding same. The polls shall open at 7:00 a.m. on the day of the election and shall be kept open until 7:00 p.m. on the same day.

(c) All elections for the office of mayor or city council shall be conducted on a non-partisan basis without any designation of political party affiliation.

Section 16. - Regulation of elections.

The council shall make all ~~needful~~necessary rules and regulations, not inconsistent with this Charter, for the conduct of elections, for the prevention of fraud in elections, and for the recount of the ballots in case of doubt or fraud. The canvassing board responsibilities for all city elections are delegated to the Duval County Canvassing Board. After all municipal elections, the Duval County Canvassing Board, following all applicable state laws, shall issue an official Certification of Election to the City of Jacksonville Beach for adoption by the city council. ~~The mayor and~~All newly elected ~~council members~~officials shall be sworn in and assume the duties of office at the regular council meeting held on the third Monday of November, unless the election results have not been certified by the Duval County Canvassing Board, in which case the ~~mayor~~

~~and council~~newly elected officials will be sworn in and assume the duties of office at the next regular council meeting following certification. Except as otherwise provided in this Charter, the municipal elections shall be conducted as nearly as practicable in conformity with the general laws governing state elections.

Section 17. - Voting equipment.

It shall be permissible for the city council to adopt and place in use at any municipal election approved/certified voting equipment as certified by the State of Florida. Rules and requirements for use of voting equipment for municipal elections shall be established by and approved through the Office of the Supervisor of Elections of Duval County.

Section 18. - Officers to be elected.

The city council shall be divided into six (6) groups or seats as follows:

Seat 1 - At-Large

Seat 2 - At-Large

Seat 3 - At-Large

Seat 4 - District 1

Seat 5 - District 2

Seat 6 - District 3

In qualifying for election to city council each candidate shall designate the seat for which ~~he or she~~the candidate intends to run on the council. One ~~city councilperson~~candidate shall be elected for each seat. Any number of candidates may qualify for any one seat, but no person shall qualify at the same time for more than one seat. Any candidate qualifying for a district seat shall be a qualified elector and a bona fide resident of that district at the time the candidate qualifies. Candidates for mayor shall also designate and qualify for their particular office.

~~If a candidate receives a majority of the votes cast for any particular seat or office at the primary election, he or she shall be declared elected to said seat or office. However, if no candidate receives a majority of the votes cast for any particular seat or office at the primary election, the two (2) candidates for each seat of the council as well as candidates for mayor receiving the two (2) highest number of votes for that seat or for the office of mayor shall have their names placed on the ballot for that seat or office at the general election.~~

Each unopposed candidate shall be declared elected to office and ~~his or her~~the candidate's name shall not be placed on the ballot.

At the general election, the candidate receiving the highest number of votes for each council seat and for the office of mayor, respectively, shall be declared elected to such representative seat of the council or the office of the mayor. In both the primary and general elections, all electors shall be instructed to vote for each separate seat or office.

Section 19. - Nominations.

Any qualified elector of the city may be nominated to be a candidate for mayor and an at-large council seat in the city by petition of any ten (10) electors of the city. Any qualified elector of the city and any resident of the district may be nominated for a district council seat from the district within which the nominee resides by petition of any ten (10) electors residing in the district in which the candidate intends to run. Any candidate qualifying for mayor or an at-large council seat must be a bona fide resident of the city for at least six (6) months prior to qualifying. Any candidate qualifying for a district seat must be a bona fide resident of the city and the district the candidate is running in for at least six (6) months prior to qualifying. A candidate seeking to qualify for nomination ~~of an election~~to elected office shall file ~~his~~ qualification papers with~~,~~ and pay the qualifying fees to the city clerk at any time after noon of the first day for qualifying and no later than noon on the last day of qualifying. The dates for qualifying are set pursuant to Section 99.061, Florida Statutes. Any person nominated but not qualified, as provided for in this Charter shall not have their name printed on the ballot. The petitions shall be in the following form:

"We, the undersigned ten (10) electors and residents of District _______ of the City of Jacksonville Beach, hereby nominate ____(name)____, (seat number of ~~Councilperson~~ council member)__ to be voted for at the election to be held on the _____ day of ____(month)___, A.D. __(year)__ and we individually certify that we are qualified to vote at such election.

Name	_______	_______
	_______	_______
	_______	_______
	_______	_______
	_______	_______

ACCEPTANCE OF NOMINATION

I HEREBY ACCEPT the nomination for the office of (seat number of ~~Councilperson~~council member) and state that I am qualified to be a candidate for the office and agree to serve if elected.

____
(Signature of Candidate)

I HEREBY CERTIFY that the above petition was filed with me on the _____ day of _______, A.D. 20___.

____

City Clerk"

Simultaneously with the filing of the nomination petition and acceptance with the city clerk, the nominated candidate shall pay over to the city clerk the required filing fee, which consists of a filing fee and an election assessment. The amount of the filing fee for each elected office shall be~~ as follows:~~

~~Office of Mayor .....$400.00~~

~~Office of councilperson .....200.00~~

3 percent of the annual salary of the office. The amount of the election assessment is 1 percent of the annual salary of the office sought. Any candidate may withdraw ~~his~~their nomination not later than the ~~last day~~deadline for ~~filing nomination papers ~~qualifying by filing a notice of withdrawal with the city clerk. Any candidate who has not withdrawn ~~his~~their nomination by the ~~last day for filing nomination papers~~deadline for qualifying cannot have ~~his~~their name removed from the official ballot.

Section 20. - Qualification of electors and election duties.

(a) Qualification of electors. All electors who qualify to vote in the state and county elections of Duval County, or who may become qualified thereafter and have their place of residence within the city limits of Jacksonville Beach, Florida, are eligible to participate in all special or general elections held by the City of Jacksonville Beach, except as otherwise provided herein, and will be qualified to vote in all special or general elections held by the City of Jacksonville Beach as long as they remain qualified voters in Duval County.

(b) Who to be supervisor of elections. The person holding the office of supervisor of elections of the County of Duval is hereby constituted supervisor of elections of the City of Jacksonville Beach.

(c) Duties of supervisor of elections. The Supervisor of Elections for the City of Jacksonville Beach shall have free access to and use the registration books and lists of Duval County bearing the signatures of all those who registered within the city limits of Jacksonville Beach. The said supervisor of elections shall cause the registration books to be open at all times and remain open at all times until twenty-nine (29) days prior to the date of the primary election, or any special election, during which time no registration or change shall be accepted for such election.

~~(d) Compensation of the supervisor of elections. The Supervisor of Elections of the City of Jacksonville Beach shall receive such reasonable compensation as may be agreed upon between said city and the supervisor of elections.~~

(~~e~~d) The supervisor of elections shall have the official ballots prepared and printed in substantial conformity with the general laws of the state applicable to general elections and shall have printed thereon the names of all candidates for whom nominating petitions have been filed as herein provided, and no others.

(~~f~~e) At least twenty (20) days prior to the election, the supervisor of elections shall appoint a sufficient number of clerks and inspectors of election as may be deemed necessary to conduct the election, and at said time fix the compensation to be paid them. Such clerks and inspectors shall be qualified electors of the city~~,~~ but shall not be an officer or employee of said city.

Section 21. – Initiative and Referendum~~Reserved~~.

(a) The electors of the City of Jacksonville Beach shall have the power to adopt ordinances pursuant to the procedure set forth herein. However, the electors shall not have the power to adopt any ordinance which shall pertain to the budget, taxes, capital programs, or to any matter reserved solely to the City Council by this Charter or state law.

(b) The electors of the City of Jacksonville Beach shall have the power to repeal any adopted ordinances pursuant to the procedures set forth herein. However, the electors shall not have the power to repeal any adopted ordinance which shall pertain to the budget, taxes, capital programs, or to any matter reserved solely to the City Council by this Charter or state law.

(c) Any subject matter voted upon either by initiative or referendum shall not be the subject of an initiative or referendum proceeding within the twelve (12) months following the vote.

Section 22. – Proceedings and Results~~Reserved~~.

(a) Proceedings. Any ____________ electors of the City of Jacksonville Beach may commence initiative or referendum proceedings by serving upon the mayor a letter of intent, signed by the electors. The letter of intent shall:

(1) State the names and home addresses of the ____________ electors;

(2) State that all ____________ electors will be responsible for circulating any initiative or referendum petition required hereunder; and

(3) Set out the proposed initiative ordinance or cite the ordinance sought to be repealed.

Upon being served with a letter of intent hereunder, the mayor shall cause the matter set forth in the letter of intent to be considered at the next regularly scheduled City Council meeting.

The electors may, upon service of the letter of intent, cause to be circulated an initiative or referendum petition, as appropriate. The initiative or referendum petition shall be on a form provided by the city and shall be assembled as one (1) instrument when served hereunder. Each page of a petition shall have attached to it when served hereunder an affidavit of the circulator thereof stating:

(i) That the circulator personally circulated the page;

(ii) The number of signatures thereon;

(iii) That the signatures were affixed in the circulator's presence;

(iv) That the circulator believes the signatures to be the genuine signatures of the persons whose names they purport to be; and

(v) That each signatory had the opportunity to read the full text of the proposed initiative ordinance, or the ordinance sought to be repealed, as appropriate.

Petitions shall contain or have attached thereto, throughout their entire circulation, the full text of the proposed initiative ordinance or the ordinance sought to be repealed, as appropriate. Each signature shall be followed by the printed name and home address of the person signing.

Petitions meeting the above requirements and signed by a minimum of ____________ percent of the electors of the City of Jacksonville Beach registered to vote at the last general city election, may be served upon the mayor. Upon being served with a petition pursuant to this paragraph, the mayor shall cause the matter set forth in the petition to be considered at the next regularly scheduled City Council meeting. At that meeting, the City Council shall determine the sufficiency of any petition served hereunder.

If the petition is determined to be insufficient, the City Council shall prescribe the method by which the petition is to be corrected. If the petition is determined to be sufficient, the City Council shall promptly consider the matter set forth in the petition. If, after a determination of sufficiency, the City Council fails to adopt the proposed initiative ordinance without any change in substance within sixty (60) days of service of the petition or fails to repeal the ordinance cited in the letter of intent within sixty (60) days of service of the petition, the City Council shall submit the matter to the electors of the City of Jacksonville Beach by special election within ninety (90) days of the City Council's failure. However, should the next general election fall within one hundred eighty (180) days of the City Council's failure, the question shall be submitted at the general election.

(b) Results of Election. If a majority of the electors voting on a proposed initiative ordinance vote for adoption, it shall be considered adopted. If a majority of the electors voting on an ordinance sought to be repealed vote for repeal, it shall be considered repealed. If conflicting ordinances are approved by the electors at the same election, the one receiving the greatest number of affirmative votes shall prevail.

Section 24. – Oath of Office.

Every officer of the city shall, before entering upon the duties of ~~his~~ office, take and subscribe to the following oath or affirmation, to be filed and kept in the office of the city clerk:

"I, ____________ solemnly swear (or affirm) that I will support the Constitution and will obey the laws of the United States and of the State of Florida; City of Jacksonville Beach, and will faithfully discharge the duties of the office of ________."

CHAPTER V. - CITY MANAGER

Section 26. - Qualifications; appointment; term of office.

The council shall appoint an officer whose title shall be city manager, and who shall be the chief administrative officer for the execution of the executive and administrative functions of the council under the direction and supervision of the council. The city manager shall at the time of ~~his or her~~their appointment, have graduated with a college degree from an accredited four-year college and in addition shall be chosen by the council solely on the basis of ~~his~~ executive and administrative qualifications with special reference to ~~his~~ actual experience in, or ~~his~~ knowledge of, accepted practice in respect to the duties of ~~his~~ office as hereinafter outlined, without regard to ~~his~~ political belief. ~~he~~The city manager need not be a resident of the city or state at the time of ~~his~~ appointment, but ~~he~~ shall be required to reside within the city during ~~his~~ tenure ~~of~~in office. No person elected to membership on the council shall, subsequent to such election, be eligible for an appointment as city manager until one year has elapsed following the expiration of the term for which ~~he~~the person was elected.

Section 27. - Term of appointment; procedure for removal.

The City Manager shall receive a salary for services as set by City Council and shall be appointed by affirmative vote of four (4) members of the council for an indefinite term but may only be removed by supermajority vote of five (5) members of said council. At least ~~thirty (30)~~fourteen (14) days before such removal may become effective, the City Manager shall be furnished with a formal statement in the form of a resolution passed by a majority vote of four (4) members of the council, stating the council's intention to remove the City Manager and reasons therefor. The City Manager may reply in writing to such resolution. ~~If so requested by the Manager, the Council shall fix a time for a public hearing upon the question of the Manager's removal and the final resolution removing the Manager shall not be adopted until such public hearing has been had.~~Upon passage of a resolution stating the council's intention to remove the City Manager, the council may suspend the City Manager from duty, but the City Manager's pay shall continue until the ~~Manager's removal shall become effective as herein described~~city council, by a supermajority vote of five (5) members, approves the City Manager's removal at any time more than fourteen (14) days after passage of the initial resolution setting forth the council’s intention to remove. Any such supermajority vote for removal shall become effective immediately upon passage. Should the council fail to take final action on the initial removal resolution within three (3) months or fail to achieve the required supermajority of five (5) votes required for passage, the removal shall fail, without prejudice to the initiation of a new removal process by the city council at any time in the future. The action of the council in removing the City Manager shall be final. In case of the absence or disability of the City Manager, the council may designate a qualified administrative officer of the City to perform the duties of the City Manager during such disability or absence.

Section 28. - Responsibility of city manager; powers of appointment and removal.

The city manager shall be responsible to the council for the proper administration of all affairs of the city placed in ~~his~~the city manager’s charge under this Charter, and to that end, and except as otherwise provided herein, ~~he~~the city manager shall have the power to appoint and, subject to the limitations of the budget, fix the compensation of and remove all officers and employees in the administrative services of the city, provided that such action in respect to the heads of such departments of the city as may be designated by ordinance, shall be approved by vote of a majority of the members of the council before becoming effective. The city manager may authorize the head of a department, or officer responsible to ~~him~~the city manager, to appoint and remove subordinates in such department or office. Appointments made by or under the authority of the city manager shall be on the basis of executive and administrative ability, merit, fitness and of the training and experience of such appointees in the work which they are to perform. All such appointments shall be without definite term unless for provisional, temporary or emergency service.

Section 29. - Discharge, suspension, etc., of officers and employees.

Any officer or employee of the city may be removed, discharged, suspended, demoted, reduced in pay, or fined, by the city manager or ~~his~~ designee. Any fulltime regular employee working a minimum of 40 hours per week on a consistent basis (except, department directors, city attorney, city clerk or contract, temporary, probationary employees) may appeal a termination or suspension decision of the city manager or ~~his~~ designee by following the grievance/appeal policies as outlined in the Personnel Policies or appropriate collective bargaining contract covering the appellant's position. Terminations due to layoffs are not subject to appeal.

Section 31. – Duties of the city manager.

It shall be the duty of the city manager to act as chief conservator of the peace within the city; to supervise the administration of the affairs of the city; to see that the ordinances of the city and the laws of the state are enforced; to make such recommendations to the council concerning the affairs of the city as may seem ~~to him~~desirable; to keep the council advised of the financial condition and future needs of the city; to prepare and submit to the council the annual budget estimate; to prepare and submit to the council such reports as may be required by that body; and to perform such other duties as may be prescribed by this Charter or required ~~by him~~by ordinance or resolution of the council, not inconsistent with this Charter. Nothing herein shall be construed to confer or impose upon the city manager any of the powers, duties, or functions herein provided to be exercised or performed by any other elective or appointive officer of the city.

Section 33. – Investigations by city council or city manager.

A committee authorized by the city council and/or the city manager shall have the power to inquire into the conduct of any department, office, or officer of the city and to make investigations as to municipal affairs, and for that purpose may subpoena witnesses, administer oaths, and compel the production of ~~books, papers, and other~~ evidence. Any such subpoena is enforceable by a court of competent jurisdiction and subject to such penalties as may be deemed appropriate by such court. Failure ~~to obey such subpoena~~ of any city employee to cooperate with any such investigation or to produce ~~books, papers, or other~~ evidence as requested under the provisions of this section shall ~~constitute a misdemeanor and shall be punishable by a fine not to exceed fifty dollars ($50.00) or by imprisonment not to exceed thirty (30) days or both~~be grounds for termination by the city manager or city council as applicable unless such termination is otherwise superseded by any contractual or collective bargaining rights enjoyed by the employee or otherwise prohibited by law. Any officer, person, or committee conducting the investigation shall report to the city council all violations or neglect of duty, or any misfeasance, malfeasance or nonfeasance in office, or improper conduct on the part of any city official that may ~~come to his or its knowledge~~be discovered. No member of any investigative committee shall be an employee of the city, an elected official, or a relative of an employee or an elected official or have any personal interest in the subject being investigated.

CHAPTER VI. – CITY ATTORNEY

Section 34. – City attorney; appointment by council; removal.

There is hereby created the office of City Attorney, which said City Attorney shall be appointed by the affirmative vote of four (4) members of the city council~~,~~ but may only be removed by supermajority vote of five (5) members of said council. At least ~~thirty (30)~~fourteen (14) days before such removal may become effective, the City Attorney shall be furnished with a formal statement in the form of a resolution passed by a majority vote of four (4) members of the council, stating the council's intention to remove the City Attorney and reasons therefor. The City Attorney may reply in writing to such resolution. ~~If so requested by the City Attorney, the Council shall fix a time for a public hearing upon the question of the City Attorney's removal and the final resolution removing the City Attorney shall not be adopted until such public hearing has been had.~~ Upon passage of a resolution stating the council's intention to remove the City Attorney, the council may suspend the City Attorney from duty, but the City Attorney's pay shall continue until the city ~~Attorney's removal shall become effective as herein described~~ council, by a supermajority vote of five (5) members, approves the City Attorney's removal at any time more than fourteen (14) days after passage of the initial resolution setting forth the council's intention to remove. Any such supermajority vote for removal shall become effective immediately upon passage. Should the council fail to take final action on the initial removal resolution within three (3) months or fail to achieve the required supermajority of five (5) votes required for passage, the removal shall fail, without prejudice to the initiation of a new removal process by the city council at any time in the future. The action of the council in removing the City Attorney shall be final. In case of the absence or disability of the City Attorney, the council may hire a qualified attorney to perform the duties of the City Attorney during such disability or absence.

Section 36. – Compensation.

The city attorney shall receive an annual ~~retainer~~salary and benefits package to be fixed by the city council in the city attorney's contract~~and such fees for special or extraordinary services rendered to or on behalf of the city as may be specifically authorized by the city council~~.

Section 37. – Duties of city attorney.

The city attorney shall act as the legal advisor and counselor for the municipality and all of its officers in matters relating to their official duties. ~~He~~The city attorney shall prepare and review all ordinances, resolutions, contracts, bonds, and other instruments in which the municipality is concerned and shall endorse on each ~~his~~the city attorney's approval of the form and correctness thereof. When required so to do by the city council, the city attorney shall prosecute and defend, for and ~~in~~on behalf of the city, all complaints suits, controversies, and proceedings in which the city is a party. ~~He~~The city attorney shall furnish the officers or the heads of any departments of the city ~~his~~the city attorney's opinion on any question of law relating to their respective powers and duties.

CHAPTER VII. - BUDGET AND FINANCE

Section ~~14~~38(a). - City finance officer.

There shall be a city finance officer appointed by the city manager but whose appointment must be approved by the city council before it becomes effective. The city finance officer ~~shall~~ may be removed by the city manager but said removal shall not become effective without the approval of the city council. The city finance officer shall administer and be responsible for the financial affairs of the city in accordance with the provisions of this Charter and applicable ordinances. The city finance officer shall be the head of the finance department of the city which shall include accounting, treasury, and collections. The city finance officer shall receive such compensation as provided for in the city's pay plan. The city finance officer shall have graduated with a degree from an accredited four-year college; have proven administrative ability and a minimum of five (5) years experience in governmental accounting or auditing.

Section ~~14(a)~~38(b). - Custody of city money, etc.

The city finance officer shall collect, receive, have custody of and disburse all taxes, licenses, fees, and other moneys belonging to the city government, subject to the provisions of state law, the Charter and ordinances enacted thereunder~~;~~. ~~all~~All moneys received by any department or agency of the city for, or in connection with the business of the city government, shall be promptly delivered over to the city finance officer and placed into the city treasury and ~~be~~ deposited with responsible banking institutions to be designated by the city finance officer, with the approval of the council, in accordance with such regulations and subject to such requirements ~~as~~applicable to security for deposits and interest thereon as may be established by ordinance or state statute. All interest on moneys belonging to the city shall accrue to the benefit of the various fund accounts of the city government. ~~t~~The city finance officer shall have custody of all sinking funds, investments and invested funds of the city, or in possession of the city in a fiduciary capacity and keep a record of such investments and maintain a record of all bonds and certificates of city indebtedness.

The city finance officer shall have authority and shall ascertain before council approval that moneys have been duly appropriated and allotted to meet the city's financial obligations and that moneys are or will become available when the obligations have become due and payable. The city finance officer shall be required to maintain accounting control over the finances of the city government~~;~~. The city finance officer shall also have authority as follows: to examine all contracts, orders, and other documents by which the city incurs financial obligations~~, having ascertained before approval that moneys have been duly appropriated and allotted to meet such obligations and will become available when the obligations have become due and payable~~; to audit and approve all bills, invoices, payrolls, and other evidences of claims, demands, or charges against the city government and to determine the regularity, legality, and correctness of such claims, demands or charges; to make monthly reports to the city manager of all receipts and expenditures of the city government~~ to the manager and the council and to make monthly~~, including reports on funds, appropriations, allotments, encumbrances, and authorized payments, and to make quarterly reports on same to ~~the manager and~~ the council; and to perform such other duties pertaining to the financial records of the city government as the council may require by ordinance.

Section 38(c). - Transfer of appropriations.

The council may, upon the recommendation of either the city manager or ~~finance director~~ city finance officer, transfer any unencumbered appropriation balance of the city government from one department or agency to another.

Section 39. - Money to be drawn from treasury in accordance with appropriation.

No money shall be drawn from the treasury of the city, nor shall any obligation for the expenditure of money be incurred, except in pursuance of the annual appropriation resolution or of such resolution when change as authorized. The city shall be prohibited from employing or appropriating the taxes and revenues of said city in any other manner than for purposes strictly municipal and local, according to the provisions of this Charter. At the close of each fiscal year, any unencumbered balance of an appropriation shall revert to the fund from which appropriated and shall be subject to reappropriation; but appropriation may be made by the council, to be paid ~~out of the income of the current year~~from unrestricted and undesignated fund balances, in furtherance of improvements or other object or works which will not be completed within such year, and any such appropriation shall continue in force until the purpose for which it was made shall have been accomplished or abandoned.

Section 42. – Independent audit.~~As soon as practicable after each fiscal year~~In accordance with Florida law, an independent audit shall be made of all accounts of the city government by qualified public accountants, selected by the council, who have no personal interest directly or indirectly in the financial affairs of the city government or of any of its officers.

Section 45. – ~~Checks, vouchers or warrants~~Reserved.

~~All checks, vouchers or warrants drawn against ends of the city must be duly audited before issuing same and must be signed by the city finance officer and city manager, provided that the city council may by resolution designate alternates who shall be authorized to sign checks, vouchers, or warrants above referred to in the place of and stead of any one of the foregoing who may be absent or disabled. Provided that the only exception to the above required two (2) signatures is that all individual salaried payroll checks need only be signed by the city finance officer in all other events, checks, vouchers, and warrants must be signed by two (2) persons.~~

CHAPTER VIII. - TAXATION

Section 48. – Power to ~~grade~~ classify and ~~fix~~ levy license and occupation taxes.

The City of Jacksonville Beach is hereby authorized to levy and enforce ~~license or occupational~~ local business taxes upon ~~any and~~ all occupations, businesses, or professions, and to ~~grade~~ classify and fix the amounts in ~~the same manner that the Legislature of the State of~~ accordance with Florida law~~could impose such licenses or taxes for state purposes~~.

Section 49. - Liens are negotiable.

All liens held by the City of Jacksonville Beach against land and property~~, entered in the improvement lien book in accordance with the Charter and ordinances,~~ shall be negotiable and assignable and may be transferred and sold by the city council by ordinance~~,~~ ~~as~~ and may also be used as~~for~~ security and for the redemption and payment of serial improvement bonds, or other obligations incurred by the city in making municipal improvements authorized to be made by Charter~~;~~. ~~t~~The city council may provide by ordinance for the acceptance of payment of all such liens in partial payments and installments of not less than an annual payment of one-twentieth (1/20) of the whole amount of the lien, together with the interest due and accruing which shall be the same rate as is specified in the issue of serial improvement bonds which such liens shall secure; or that the negotiation and sale of such liens may be absolute if so provided by the ordinance negotiating any sale thereof; that any ordinance authorizing payment of such liens in partial payment or installments shall provide that if default is made in the payment of any installment when due, the whole amount of such lien remaining due and unpaid, together with the interest thereon, shall be and become due forthwith, and payment demanded, enforced, and collected by the City of Jacksonville Beach, or if assigned in the name of such city by the assignee of any such lien or the holder of any serial improvement bond; collection shall be made in the same manner as is provided by Charter and by law for the collection of delinquent taxes, liens, and assessments due the city; all cost of collection, including reasonable fees for the services of the attorney or solicitor enforcing such lien, shall be included.

This section shall not be construed to be restrictive and the City of Jacksonville Beach shall also have the power and authority to apply ~~any and~~ all provisions of its Charter, the Constitution of the State of Florida, and the general laws governing the powers of cities and towns, in making assessments for public improvements and negotiating, securing and collecting such liens and assessments, and the issuance of certificates of indebtedness or improvement bonds.

CHAPTER IX. - ENUMERATION OF PARTICULAR POWERS

Section 51. – Additional powers.

The city shall have all powers permitted by state law, including but not limited to the power~~, and it is hereby authorized~~:

(a) To acquire, construct, own and operate in its sole capacity, or jointly with other governmental agency or agencies, electric transmission and distribution lines within or beyond limits of the city; transportation lines or systems for the transportation of persons and property within and beyond the limits of the city; automobile parking areas, docks, wharves, boat basins, promenades, airports, athletic and recreational playgrounds and stadiums, golf course and related club house and facilities, radio and television station or broadcasting system, hotels, motels, or area for the parking of trailers and movable devices fitted for inhabitation or dwelling purposes and ~~amusement~~recreational piers, and all such building, equipment and improvements as the city, council may deem necessary or desirable for use in connection therewith, either within or outside the limits of said city; and the city is hereby authorized and empowered to levy and collect taxes for acquiring, constructing or operating any of the aforesaid improvements, facilities, or things, and to acquire same by purchase, lease, eminent domain or any other lawful manner, and shall have the power in its sole capacity, or jointly with other governmental agency or agencies, to operate, rent, lease or sell same with the full and lawful right in the city, or its lessees, successors, or co-owners, to receive, charge, collect and assess charges, tolls, fees, dues or rents for the uses, privileges or facilities thereof and to pledge or hypothecate the revenue derived thereby, or which may be anticipated to be produced therefrom to finance the cost of constructing, acquiring or establishing any of such improvements or any part thereof, or any combination thereof.

(b) To condemn and order to be put in a state of sound repair any and all broken, damaged or unsafe sidewalks, curbs, streets, or other public structures, and to provide and enforce penalties for failure to do so, and after giving twenty (20) days' written notice to the owner of the property adjacent to and abutting such sidewalk, curb, street, or other public structures, by posting such notice in a conspicuous place about the premises, to repair or take such steps as may be set forth in such notices to eliminate the broken, damaged or unsafe condition of such sidewalks, curbs, streets, or other public structures at the expense of the said abutting and adjacent owner, and said adjacent owner fails or refuses to comply with the requirements of said notice, then at the expiration of the time set forth in said notice the city may thereafter cause the repairs or other work set forth in the notice to be accomplished, assessing the cost thereof against said abutting property, the city to have and hold a lien thereon therefor until the cost and expenses thus incurred are discharged by payment.

(c) To prohibit the uncontrolled growth of palmetto shrubs, weeds, vines, bushes, grass, thistles or other rank or noxious vegetable growth, the placing, keeping or maintaining of encroachments or obstructions of any nature or kind upon, in or over any public street, alley, walkway or public property of every nature and description, the accumulation of stagnant water upon the surface of the ground or within any receptacle or structure deposited or erected above or below the ground without exercising necessary precaution to prevent the propagation of mosquitoes therein; to prohibit buildings, sidewalks, footways or structures which by act of God, fire, decay or other cause may become structurally dangerous, unsafe, dilapidated or unsanitary to remain in such dangerous, unsafe, dilapidated or unsanitary condition and to provide and enforce penalties for allowing, suffering or permitting any such prohibited act, occurrence or conditions and to condemn, suppress and order to be removed, demolished, abated or otherwise eliminated or corrected such prohibited acts, occurrences or conditions, and after giving twenty (20) days' written notice to the person, firm or corporation owning, occupying or having the care or custody of any lot or parcel of land upon or in connection with such prohibited act, occurrence or condition exists or is maintained by posting such notice in a conspicuous place about the premises, to order the same forthwith removed, suppressed or abated in such manner as the city council may in its discretion determine appropriate, and assess the cost of so doing, or such proportion thereof as shall not be borne by the city, against the owner or occupant of the premises involved to the end that such assessments shall be and remain liens upon the lands against which assessed until paid.

(d) To ~~license,~~ control, tax and regulate traffic and sales upon the streets, sidewalks, promenades, ocean beach and public places within the city and the use of space in such places and to regulate, suppress and prohibit hawkers, peddlers and beggars upon such streets, sidewalks, promenades, ocean beach and public places; and to ~~license and cause to be registered and~~ control, tax, regulate or to prohibit in designated streets, roads, ocean beaches, or parts thereof, carriages, omnibuses, motorbuses, automobiles, cars, wagons, drays, trucks, jitney buses and other vehicles~~, and to license, tax and cause to be registered and control the drivers thereof~~; to fix just, reasonable compensatory and adequate rates and schedules to be charged and maintained for the carriage of persons and property for hire within the city; to make and promulgate regulations for traffic on the streets, roads, ocean beaches, or parts thereof during such hours and at such times as may be necessary or convenient, and to provide for parking spaces on the streets, roads, ocean beaches or on other property of the city and to at any time discontinue the right to the use of such parking spaces and to regulate, assess, and collect charges for, vacate or discontinue, the use of same~~; and to require all vehicles for the carriage of persons for hire to be insured as required by ordinance for the protection of passengers, property and of the public and to make such insurance inure to the benefit of persons or property which may be injured or damaged by the operation of such vehicles for hire; and to require such insurance to be furnished by all persons, firms or corporations owning or operating for hire vehicles upon the streets, roads, ocean beaches and public places of the City of Jacksonville Beach, whether such operation be wholly within the limits of said city or between said city and other cities or towns or places outside of the City of Jacksonville Beach~~.

Section 53. - Improvements; assessment of cost against property benefited.

The city council is hereby authorized and empowered to regulate, provide for and require the opening, widening, extending, laying, constructing, paving, repairing or improving of any street, avenue, alley, ramp, sidewalk, bulkhead, seawall, breakwater, promenade or public improvement, the drainage and filling of low places, public or private, dangerous to public health or required to promote public welfare and the construction and maintenance of water and sewer systems, and drains, and may provide for the payment of the cost of any such improvements by general taxation, or by the imposition of special assessments against the property specially benefited for the entire cost of such work, or for such portion thereof as shall not be borne by the city, such assessments to be and remain liens upon the lands against which assessed until paid, provided that in no event shall the amount of such special assessments exceed the special benefit accruing to the property assessed by reason of such improvement work. The procedures for adopting and collecting such special assessments shall be as set forth in Chapters 170 and 173, Florida Statutes.~~In the case of streets, alleys, ramps, sidewalks, seawalls, bulkheads, breakwaters, and promenades the unit or basis for distributing the special assessment to pay the cost of such improvement shall be according to the front footage of the property fronting or abutting upon such improvement in the proportion that the particular parcel of land to be assessed bears to the total front footage of all property fronting or abutting thereon; in the case of the drainage or filling in of low places or the construction and maintenance of water and sewer systems and drains, the unit for the assessment of the share and amount of the cost to be distributed and assessed against any particular parcel of land shall be the platted lot according to the last plat thereof recorded amongst the public records at the time of commencing such work and it shall not be necessary for the city to break the assessment down as a result of any division of such lots which is not revealed by such recorded plat and each such platted lot shall bear such fair and just proportion of the cost of such work as was~~

~~necessarily expended in connection with the improvement or benefit accruing thereto. The city shall have a lien superior to all other claims, except taxes, against and upon the property for the amounts of the special assessment together with interest and all costs of collection.~~

~~Whenever the doing of any such thing is provided for by ordinance, the ordinance providing for the same shall be accompanied by plans and specifications therefor and shall state the estimated total cost which will in the opinion of the city council cover the total cost of the work and the proportion to be borne by the city, if any, and the estimated amount per front foot as special assessment to be levied upon abutting property, or the estimated cost to be specially assessed against the platted lot to be benefited as the case may be, and shall be published once a week for four (4) consecutive weeks in some newspaper published in Duval County, Florida, or posted for thirty (30) days at the city hall and two (2) other public places in the said city and the city council shall meet as soon as practicable after the expiration of said publication or posting at a time named in the ordinance, and permit any owner of, or other persons interested in, any property against which it is proposed to levy such special assessment, to present to the city council any objections which he may have to the enforcement of the requirement of such ordinance, and shall have power, if they deem just or right, to revise, repeal, or amend said ordinance in such manner as it may deem necessary to correct or equalize the assessment in proportion to the benefits to be bestowed upon the property assessed, but no such amendment shall increase the amount to be specially assessed against the property, nor shall the assessment against any property be in excess of the special benefits accruing to said property by reason of such work. Any person owning or interested in any property to be specially assessed, or generally taxed for said work, who shall not at such meeting present in writing to the city council his objections to said ordinance, shall be deemed to have consented to its provisions, and any person so presenting his objections to such ordinance and not satisfied with the action thereon shall have the right within thirty (30) days thereafter to present to any court of competent jurisdiction against the enforcement of said ordinance any legal objection he may have to the enforcement of such ordinance, and the court shall have power, upon proper cause shown, to grant such injunction and any person not presenting his bill for injunction within thirty (30) days, or failing to push to a successful conclusion with due diligence his application for an injunction shall be deemed to have consented to the enforcement of the ordinance, and levy and collection of the special assessment and taxes necessary thereto, and shall not thereafter be heard to defend against or question the validity of such tax or special assessment. The city council is hereby authorized to provide by ordinance for the issuance of special assessment certificates for such amounts and drawing such rates of interest and upon such terms and conditions as may be deemed necessary to enable the city to pay the cost of such work pending the collection of special assessments and taxes and to provide for the payment thereof with interest; and the city council shall, as soon as practicable and within thirty (30) days after the completion of any such work, by resolution, fix a special assessment, per front foot upon the abutting property or the special assessment against the platted lot to be benefited, as the case may be, at an amount not exceeding either the actual cost of the work, or the estimated special assessment stated in the ordinance providing for the work, which said resolution shall specify the amount of the cost of such work so assessed against the abutting or benefiting property and the fact that a lien has been assessed against such property with a breakdown of the specific amount which has been~~

~~assessed against each particular parcel of property to be particularly described therein and shall provide that the city clerk shall forthwith have prepared and entered in a book, which shall be prepared and kept for that purpose, and kept open to the public for inspection during reasonable office hours, labeled "IMPROVEMENT LIEN BOOK", the amount of such lien assessed against each lot, the date of the completion of the work and such other information as may be deemed advisable. The city council shall cause said resolution to be published in a newspaper published in Duval County once each week for four (4) consecutive weeks, or by posting same at the city hall and two (2) other public placed in said city for a period of thirty (30) days. Any person desiring to contest in any manner the validity of any such special assessment or lien shall within thirty (30) days after the publication or posting at the city hall and two (2) other public places in said city of the resolution fixing the special assessments, institute suit to have the enforcement thereof enjoined, or its validity legally declared, and any person not instituting such suit shall not thereafter be heard to question the validity thereof, or to defend against the enforcement of the lien upon the grounds of its invalidity. Any such special assessment paid within thirty (30) days after the publication or posting of such resolution shall be accepted without interest and such assessment not paid within said time shall bear interest from the date of publication or posting of such resolution at a rate not to exceed eight (8) percent per year. The city council may, by ordinance, provide for the payment of such special assessments in installments and for the collection by enforcement of the liens by attorney or attorneys after any payment has not been made in compliance with the provisions of such ordinance. The liens for the amount of such special assessments may be enforced, and any number of liens arising under the provisions of one ordinance may be enforced in and by one proceeding in equity. The city shall have and collect a lien upon any properties affected by such special assessment for reasonable attorneys fees for the collection of unpaid special assessment after the collection thereof shall have been entrusted to an attorney by resolution of the city council.~~

Section 57. - Ocean beach.

The City of Jacksonville Beach shall have full power and authority to exercise police powers with reference to the ~~bathing and driving~~ beach adjacent to and easterly of said city and the waters of the Atlantic Ocean on and easterly thereof as far as the jurisdiction of the State of Florida extends. The city may establish and set aside safety zones or areas upon said ocean beach and prohibit ~~any and~~ all vehicles from using the area embraced therein. Any control, regulation or exercise of its police power by such city in regard to such beach and water shall be deemed and held to be solely a governmental function and no cause of action shall exist in favor of any person, nor shall the city be liable in damages, for any injury resulting to persons or property by reason of the use of such beach as a public highway, bathing beach, or otherwise, or by reason of any acts of omission or commission by the officers or employees of such city in reference thereto. Nothing herein shall be construed to require the city to maintain or keep in a safe condition for use as a public highway or bathing beach the said ocean beach or waters on and easterly thereof.

Section 59. – ~~Damage suits~~Reserved.

~~No suit shall be maintained against the city for damages unless written notice of such claim is delivered to the city as provided by state statute.~~

CHAPTER X. - MISCELLANEOUS PROVISIONS

Section 63. - ~~Continuation of former charter provisions~~Charter Review.

The City Council shall cause this charter to be reviewed no less than once every ___ years from the date of adoption of this provision by the voters of the City of Jacksonville Beach. The charter may be reviewed more often at City Council's discretion. Such review shall be by the City Council, or, at City Council's discretion, by an *ad hoc* committee of citizens chosen by the City Council in such manner as the City Council shall determine. If City Council appoints an *ad hoc* committee of citizens to conduct such charter review, the committee shall not have final decision-making authority as to what questions will be submitted to the voters but will instead prepare a report of its review and recommendations to City Council for consideration. The report of the *ad hoc* committee shall be presented to City Council within four (4) weeks of the completion of the *ad hoc* committee's review.~~All provisions of Chapter 18623, Laws of Florida (the former Charter) as amended by special law or otherwise which are not embraced herein and which are not inconsistent with this Charter shall become ordinances of the city subject to modification or repeal in the same manner as other ordinances of the city.~~

Section 66. – ~~Pending matters~~Reserved.

~~All rights, claims, actions, orders, contracts, and legal or administrative proceedings involving the city shall continue except as modified pursuant to the provisions of this Charter.~~

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

CITY COUNCIL AGENDA ITEM	
TO:	Mayor and City Council Members
FROM:	Sandra R. Robinson, City Attorney
DATE:	02/15/2022
SUBJECT:	Ordinance No. 2022-8172 Amending City Code of Ordinances Chapter 2, Article II, Division 3, Section 2-51 "Enacting clause"

BACKGROUND

During the course of conducting regular business and during the City's Charter review, it came to the attention of the City Attorney that there is an error in the enacting clause in both City Charter Chapter 1 "General Provisions," Section 9 "Instruction and passage of ordinances and resolutions" and in the City Code of Ordinances Chapter 2, "Administration," Article II, "City Council," Division 3 "Procedures for adoption of ordinances and resolutions," Section 2-51 "Enacting clause" such that both clauses fail to state the City Council as the enacting body.

While the language in the City Charter will likely be corrected via the upcoming referendum making amendments to correct several obsolete and outdated provisions that are inconsistent with current government laws and practices and to correct grammatical and punctuation errors, an ordinance is necessary to correct the language in the City Code.

The City Council approved Ordinance No. 2022-8172 without amendments at the first reading held on February 23, 2022. It is recommended that the second reading of this ordinance be disapproved or withdrawn from the agenda as the Code cannot be changed before the Charter.

FINANCIAL IMPACT

None.

REQUESTED ACTION

Approve/Disapprove Ordinance No. 2022-8172 amending City Code of Ordinances Chapter 2, Article II, Division 3, Section 2-51 "Enacting clause" on the second reading

ATTACHMENTS

1. Ordinance No. 2022-8172 Amending Sec. 2-51 Enacting Clause

AGENDA ITEM:	B.
MEETING DATE:	March 7, 2022

Introduced by:__________________________
1st Reading: __________________________
2nd Reading: __________________________

ORDINANCE NO. 2022-8172

AN ORDINANCE OF THE CITY OF JACKSONVILLE BEACH, FLORIDA, TO AMEND CODE OF ORDINANCES CHAPTER 2 "ADMINISTRATION," ARTICLE II "CITY COUNCIL," DIVISION 3 "PROCEDURES FOR ADOPTION OF ORDINANCES AND RESOLUTIONS," SECTION 2-51 "ENACTING CLAUSE;" PROVIDING FOR ADOPTION OF RECITALS AND 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, during the course of conducting regular business and during the City's Charter review, it came to the attention of the City Attorney that there is an error in the enacting clause in both City Charter Chapter 1 "General Provisions," Section 9 "Instruction and passage of ordinances and resolutions" and in the City Code of Ordinances Chapter 2, "Administration," Article II, "City Council," Division 3 "Procedures for adoption of ordinances and resolutions," Section 2-51 "Enacting clause" such that both clauses fail to state the City Council as the enacting body; and

WHEREAS, while the language in the City Charter will likely be corrected via the upcoming referendum making amendments to correct several obsolete and outdated provisions that are inconsistent with current government laws and practices and to correct grammatical and punctuation errors, an ordinance is necessary to correct the language in the City Code; and

WHEREAS, the City Council hereby finds that this ordinance serves a legitimate government purpose and is a permissible exercise of the City's powers and authority.

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 2, ARTICLE II, DIVISION 3, SECTION 2-51 OF THE CODE OF ORDINANCES, CITY OF JACKSONVILLE BEACH, FLORIDA, IS HEREBY AMENDED TO READ AS FOLLOWS:[1]

Sec. 2-51. – Enacting clause.

The enacting clause of all ordinances shall be "Be it ordained by the <u>City Council of the</u> City of Jacksonville Beach<u>, Florida</u>."

[1] ~~Strikethrough~~ text indicates deletions, <u>underline</u> text indicates additions.

SECTION 3. CONFLICTING ORDINANCES. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 4. 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 5. 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 2, Article II, Division 3, Section 2-51 in the City Code.

SECTION 6. 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., 2022.

____
Christine H. Hoffman, Mayor

____
Sheri Gosselin, City Clerk

Approved as to form and legal sufficiency:

____
Sandra R. Robinson, City Attorney