

SECTION 11

CAPITAL IMPROVEMENTS

1. INTRODUCTION

The purpose of the Capital Improvement Element (CIE) is to implement the provisions of the City of Panama City Beach Comprehensive Plan by:

- A. Using timing and location of capital projects to provide services to support growth in areas where the City can efficiently and effectively provide services, and to avoid placement of capital facilities in locations that would promote growth in areas which cannot be efficiently served or which are designated as coastal high-hazard areas.
- B. Establishing a system of examining and assigning priorities to the needs of the City, thereby assuring that the most essential improvements are provided first;
- C. Coordinating the timing and location of capital improvements among City and County agencies as well as other local governments, special districts, and State agencies to maximize benefit from public expenditures, minimize disruption of services to the public and implement land use and infrastructure decisions;
- D. Allowing sufficient time in advance of actual need to allow for proper planning, design and construction;
- E. Coordinating financial planning, allowing maximum benefit from available public funds;
- F. Providing cost information on a timely basis for the evaluation and formulation of alternative financing programs;
- G. Providing a means for coordinating and consolidating various departmental requests, thereby preventing duplication of projects and equipment;
- H. Helping to provide an equitable distribution of public improvements throughout the City; and,
- I. Providing for a Concurrency Management System.

2. METHODOLOGY

This element includes a five-year program covering fiscal years 2009/2010 through 2014/2015. In some instances the time frame is extended to better depict the long-range

improvements to be constructed as part of the Front Beach Road Community Redevelopment Area Plan. The fiscal year 2008/2009 budget is considered the base year for projecting the requirements for the other five years of the CIE. Capital improvements required beyond fiscal year 2013/2014 are addressed in general in the Plan elements and will be specifically addressed in this element during the required updates.

The inventory of existing conditions is an assessment of the historic and current conditions and background of the City's current practices, capital programming and revenue sources.

The analysis section of this element consists of:

- A. Projections of revenues and expenditures based on current and future conditions;
- B. Projections of capital and operating expenditures based on needs identified in the other elements;
- C. A comparison of projected revenues with projected expenditures; and
- D. Recommendations to implement the goal, objectives, and policies and the levels of service as defined in the various elements.

3. EXISTING CONDITIONS

The City of Panama City Beach operates under a council-manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture and recreation, education, public improvements, planning and zoning, and general administrative services.

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. For the purpose of this element, it will be assumed that the City has two sources of revenue, (1) governmental funds and (2) proprietary funds. Governmental funds, better known as general funds, is the general operating fund of the City. The general fund is used to account for all financial resources except those required to be accounted for in another fund. Some of the general revenue funds may be considered special revenue funds if they are used to account for specific revenue sources. A part of the general fund may be considered a debt service fund if it has to be set aside for the payment of general long term debt principal, interest and related cost. Proprietary funds are special purpose funds generally associated with utilities that are operated as an enterprise fund. As enterprise funds, they are operated in a manner similar to private business where the costs of providing services to the general public on a continuing basis are recovered primarily through user charges.

Table 1 shows a three year comparison of the revenue and expenses from the City's general fund. These figures were taken from the annual audits prepared by the City's Certified Public

Accounting firm. Analysis of the total revenue generated between 2005 and 2007 shows that the 2007 revenue was up over 2006 by almost 20 percent and the 2006 revenue was up over 2005 by almost 15 percent. The increase in overall revenues is a direct result of the Front Beach Road Community Redevelopment Area offsetting the reductions in revenues to the General Fund. Reductions in the General Fund are a result of the rapid decline in building activity.

The expenses for 2007 were up over those of 2006 by almost 30 percent. The expenses for 2006 were up over 86 percent over those of 2005. The increases year to year in expenditures are mainly attributable to an increase in spending of the Front Beach Road Community Redevelopment Agency related to engineering, construction, and land/right-of-way purchases.

Table 1

Three Year Comparison of Revenue and Expenses - Governmental Funds

City of Panama City Beach, Florida
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended September 30, 2005

	General	Community Redevelopment	Other Governmental Funds	Total
Revenues				
Taxes				
Gross receipts	\$ 4,788,273	\$ -	\$ -	\$ 4,788,273
Utility	2,259,219	-	-	2,259,219
Franchise fees	1,159,678	-	-	1,159,678
Property taxes, CRA	-	2,527,877	-	2,527,877
Intergovernmental	1,481,343	-	-	1,481,343
Municipal services impact fees	4,694,890	-	-	4,694,890
Licenses and permits	2,556,548	-	162,812	2,719,360
Fines and forfeitures	185,810	-	52,837	238,647
Contributions and donations	182,147	-	51,392	233,539
Grants	397,149	-	-	397,149
Interest	91,514	9,602	4,968	106,084
Other fees and miscellaneous	342,270	-	-	342,270
Total revenues	18,138,841	2,537,479	272,009	20,948,329
Expenditures				
Current				
General government	3,159,232	-	-	3,159,232
Public safety	5,519,502	-	25,556	5,545,058
Highways and streets	1,095,186	888,534	-	1,983,720
Culture and recreation	1,374,835	-	10,458	1,385,293
Debt service				
Principal	371,758	-	-	371,758
Interest and fiscal charges	55,485	31,891	-	87,176
Capital outlay				
General government	36,388	-	-	36,388
Public safety	707,557	-	27,441	734,998
Highways and streets	183,013	1,835,366	-	2,018,379
Culture and recreation	254,966	-	-	254,966
Total expenditures	12,757,922	2,755,591	63,455	15,576,968
Excess (deficiency) of revenues over (under) expenditures	5,380,919	(218,112)	208,554	5,371,361
Other financing sources (uses)				
Transfers in	100,000	951,452	-	1,051,452
Transfers out	(1,991,448)	-	(345,675)	(2,337,123)
Debt issued	-	50,000	-	50,000
Proceeds from sale of assets	114,322	-	14,687	129,009
Net other financing sources (uses)	(1,777,126)	1,001,452	(330,988)	(1,106,662)
Net change in fund balances	3,603,793	783,340	(122,434)	4,264,699
Fund balances - beginning	5,260,778	418,065	647,733	6,326,576
Fund balances - ending	\$ 8,864,571	\$ 1,201,405	\$ 525,299	\$ 10,591,275

The accompanying notes are an integral part of the basic financial statements.

City of Panama City Beach, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2006

	General	Community Redevelopment	Other Governmental Funds	Total
Revenues				
Taxes				
Gross receipts	\$ 5,397,252	\$ -	\$ -	\$ 5,397,252
Utility	2,583,146	-	-	2,583,146
Franchise fees	1,342,920	-	-	1,342,920
Property taxes, CRA	-	7,000,554	-	7,000,554
Intergovernmental	1,395,874	-	-	1,395,874
Municipal services impact fees	2,959,090	-	-	2,959,090
Licenses and permits	2,084,607	-	68,531	2,153,138
Fines and forfeitures	167,124	-	3,834	170,958
Contributions and donations	127,712	-	23,217	150,929
Grants	88,431	-	-	88,431
Rents	29,400	-	-	29,400
Interest	220,680	200,837	14,495	436,012
Other fees and miscellaneous	315,790	-	-	315,790
Total revenues	16,712,026	7,201,391	110,077	24,023,494
Expenditures				
Current				
General government	2,939,117	60,552	-	2,999,669
Public safety	5,790,238	-	42,227	5,832,465
Highways and streets	1,191,223	1,201,326	-	2,392,549
Culture and recreation	1,635,902	750,000	-	2,385,902
Debt service				
Principal	411,839	3,686,500	-	4,098,339
Interest and fiscal charges	42,667	69,637	-	112,304
Other debt service costs	-	2,505,355	-	2,505,355
Capital outlay				
General government	9,235	-	-	9,235
Public safety	1,441,356	-	5,500	1,446,856
Highways and streets	197,658	6,597,519	-	6,795,177
Culture and recreation	427,882	-	-	427,882
Total expenditures	14,087,117	14,870,889	47,727	29,005,733
Excess (deficiency) of revenues over (under) expenditures	2,624,909	(7,669,498)	62,350	(4,982,239)
Other financing sources (uses)				
Transfers in	100,000	350,724	-	450,724
Transfers out	(2,598,328)	-	-	(2,598,328)
Debt issued	-	59,949,436	-	59,949,436
Proceeds from sale of assets	79,594	-	16,178	95,772
Net other financing sources (uses)	(2,418,734)	60,300,160	16,178	57,897,604
Net change in fund balances	206,175	52,630,662	78,528	52,915,365
Fund balances - beginning	8,864,571	1,201,405	525,299	10,591,275
Fund balances - ending	\$ 9,070,746	\$ 53,832,067	\$ 603,827	\$ 63,506,640

The accompanying notes are an integral part of the basic financial statements.

City of Panama City Beach, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2007

	General Fund	Community Redevelopment Fund	Other Governmental Funds	Total
Revenues				
Taxes				
Business tax receipts	\$ 6,295,440	\$ -	\$ -	\$ 6,295,440
Utility	2,839,281	-	-	2,839,281
Franchise fees	1,650,424	-	-	1,650,424
Property taxes, CRA	-	9,286,090	-	9,286,090
Intergovernmental	1,407,883	-	-	1,407,883
Municipal services impact fees	1,003,275	-	-	1,003,275
Licenses and permits	871,832	-	-	871,832
Fines and forfeitures	156,558	-	1,536	158,094
Contributions and donations	43,147	-	23,901	67,048
Grants	601,207	1,842,990	-	2,444,197
Rents	149,985	-	-	149,985
Interest	348,334	1,905,477	21,173	2,274,984
Other fees and miscellaneous	227,020	-	-	227,020
Total revenues	15,594,386	13,034,557	48,610	28,675,553
Expenditures				
Current				
General government	2,314,952	61,794	-	2,376,746
Public safety	6,240,368	-	23,529	6,263,897
Highways and streets	1,181,894	1,280,482	-	2,462,376
Culture and recreation	1,734,053	-	-	1,734,053
Debt service				
Principal	279,155	-	-	279,155
Interest and fiscal charges	30,172	1,239,940	-	1,270,112
Other debt service costs	-	2,443	-	2,443
Capital outlay				
General government	7,112	1,709	-	8,821
Public safety	812,766	-	45,700	858,466
Highways and streets	94,840	21,618,038	-	21,712,878
Culture and recreation	673,358	-	-	673,358
Total expenditures	13,368,670	24,204,406	69,229	37,642,305
Excess (deficiency) of revenues over (under) expenditures	2,225,716	(11,169,849)	(22,619)	(8,966,752)
Other financing sources (uses)				
Transfers in	100,000	50,638	-	150,638
Transfers out	(292,856)	-	-	(292,856)
Proceeds from sale of assets	78,703	-	13,062	91,765
Net other financing sources (uses)	(114,153)	50,638	13,062	(50,453)
Net change in fund balances	2,111,563	(11,119,211)	(9,557)	(9,017,205)
Fund balances - beginning	9,070,746	53,832,067	603,827	63,506,640
Fund balances - ending	\$ 11,182,309	\$ 42,712,856	\$ 594,270	\$ 54,489,435

The accompanying notes are an integral part of the basic financial statements.

The City of Panama City Beach does not have ad valorem taxes, so it derives its revenue from other sources. The taxes that were received are broken down in the audit as follows: Gross Receipts Tax, Utility Tax, and Franchise Tax.

The gross receipts tax is a 1% tax levied on the merchants within the City limits. The utility tax is a 9.43% add on to all utility users. The franchise tax is a 3% tax levied against the gross receipts of all the utilities.

Table 2 shows the three year comparison of the revenue and expenses for the water and sewer utility fund. Comparison of these figures shows that the 2007 revenues were down approximately 2.6% from 2006. The 2006 revenues were up approximately 9.2% over 2005. The operating expenses for 2007 were up 3.4% over 2006. The 2006 operating expenses were up 14.4% over 2005.

Table 2

Three Year Comparison of Revenue and Expenses - Water and Sewer Utility Fund

City of Panama City Beach, Florida
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
Year Ended September 30, 2005

	Business-type Activities / Enterprise Funds		
	Utility Fund	Other Proprietary Funds	Total
Operating revenues			
Charges for services			
Water and sewer sales	\$ 14,746,916	\$ -	\$ 14,746,916
Connection fees	514,448	-	514,448
Administrative and review fees	85,490	-	85,490
Admissions	-	253,031	253,031
Impact fees	8,099,011	-	8,099,011
Rent	36,000	42,075	78,075
Total operating revenues	23,481,865	295,106	23,776,971
Operating expenses			
Personal services	3,353,477	172,009	3,525,486
Professional services	685,302	2,184	687,486
Office supplies	8,714	365	9,079
Contractual services	83,022	120	83,142
Insurance	266,858	13,942	280,800
Repairs and maintenance	773,032	20,555	793,587
Operating supplies	663,581	9,288	672,869
Communication services	55,999	507	56,506
Public utility services	4,962,786	10,083	4,972,869
Transportation	41,875	-	41,875
Rentals	18,189	1,665	17,854
Printing and binding	194	1,530	1,724
Miscellaneous	326,774	4,933	331,707
Amortization	66,184	-	66,184
Depreciation	2,277,631	58,575	2,336,206
Total operating expenses	13,584,618	295,756	13,880,374
Net operating income (loss)	9,897,247	(650)	9,896,597
Nonoperating revenues (expenses)			
Interest income	853,420	7,870	861,290
Grants and contributions	1,006,243	138,911	1,145,154
Gain (loss) on disposal of assets	11,923	(494,764)	(482,841)
Interest expense	(2,030,010)	-	(2,030,010)
Total nonoperating expenses	(158,424)	(347,983)	(506,407)
Net income (loss) before transfers	9,738,823	(348,633)	9,390,190
Transfers in	-	1,476,871	1,476,871
Transfers out	(100,000)	-	(100,000)
Change in net assets	9,638,823	1,128,238	10,767,061
Total net assets - beginning	47,567,461	740,574	48,308,035
Total net assets - ending	\$ 57,206,284	\$ 1,868,812	\$ 59,075,096

The accompanying notes are an integral part of the basic financial statements.

City of Panama City Beach, Florida
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
Year Ended September 30, 2006

	Business-type Activities / Enterprise Funds		
	Utility Fund	Other Proprietary Funds	Total
Operating revenues			
Charges for services			
Water and sewer sales	\$ 16,533,429	\$ -	\$ 16,533,429
Stormwater fees	350,099	-	350,099
Connection fees	362,003	-	362,003
Administrative and review fees	111,850	-	111,850
Admissions and other fees	-	432,906	432,906
Impact fees	7,943,663	-	7,943,663
Rent	36,000	30,017	66,017
Miscellaneous	160,878	-	160,878
Total operating revenues	25,497,922	462,923	25,960,845
Operating expenses			
Personal services	3,577,834	383,464	3,961,298
Professional services	646,871	5,323	652,194
Office supplies	13,784	131	13,915
Contractual services	77,482	4,233	81,715
Insurance	277,253	15,400	292,653
Repairs and maintenance	761,054	7,924	768,978
Operating supplies	1,433,261	129,970	1,563,231
Communication services	50,343	2,879	53,222
Public utility services	5,635,728	50,844	5,686,572
Transportation	68,222	-	68,222
Rentals	24,497	3,207	27,704
Printing and binding	10,679	4,066	14,745
Miscellaneous	71,370	16,216	87,586
Amortization	66,184	-	66,184
Depreciation	2,448,858	102,877	2,551,735
Total operating expenses	15,163,420	726,534	15,889,954
Net operating income (loss)	10,334,502	(263,611)	10,070,891
Nonoperating revenues (expenses)			
Interest income	1,419,204	12,442	1,431,646
Grants and contributions	1,127,267	595,970	1,723,237
Gain (loss) on disposal of assets	9,548	-	9,548
Interest expense	(1,955,584)	(6,507)	(1,962,091)
Total nonoperating revenues	600,435	601,905	1,202,340
Net income before transfers	10,934,937	338,294	11,273,231
Transfers in	-	2,247,604	2,247,604
Transfers out	(100,000)	-	(100,000)
Change in net assets	10,834,937	2,585,898	13,420,835
Total net assets - beginning	57,206,284	1,868,812	59,075,096
Total net assets - ending	\$ 68,041,221	\$ 4,454,710	\$ 72,495,931

The accompanying notes are an integral part of the basic financial statements.

City of Panama City Beach, Florida
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
Year Ended September 30, 2007

	Business-type Activities / Enterprise Funds		Total
	Utility Fund	Other Proprietary Funds	
Operating revenues			
Charges for services			
Water and sewer sales	\$ 17,388,245	\$ -	\$ 17,388,245
Storm water fees	761,953	-	761,953
Connection fees	326,656	-	326,656
Administrative and review fees	105,665	-	105,665
Admissions and other fees	-	484,767	484,767
Impact fees	5,739,706	-	5,739,706
Rent	36,000	66,159	102,159
Miscellaneous	371,297	-	371,297
Total operating revenues	24,729,522	550,926	25,280,448
Operating expenses			
Personal services	4,107,886	511,879	4,619,765
Professional services	368,640	7,979	376,619
Office supplies	18,818	1,970	20,788
Contractual services	105,695	6,191	111,886
Insurance	186,593	61,340	247,933
Repairs and maintenance	707,929	24,734	732,663
Operating supplies	1,297,798	106,632	1,404,430
Communication services	54,418	4,402	58,820
Public utility services	5,558,724	118,982	5,677,706
Transportation	86,587	226	86,813
Rentals	40,556	9,268	49,824
Printing and binding	18,381	2,422	20,803
Miscellaneous	112,729	17,391	130,120
Amortization	66,184	-	66,184
Depreciation	2,649,425	182,082	2,831,507
Total operating expenses	15,380,363	1,055,498	16,435,861
Net operating income (loss)	9,349,159	(504,572)	8,844,587
Nonoperating revenues (expenses)			
Interest income	2,114,730	3,560	2,118,290
Grants and contributions	1,372,747	315,660	1,688,407
Gain (loss) on disposal of assets	(730)	-	(730)
Interest expense	(2,928,438)	(23,235)	(2,951,673)
Total nonoperating revenues	558,309	295,985	854,294
Net income (loss) before transfers	9,907,468	(208,587)	9,698,881
Transfers in	-	242,218	242,218
Transfers out	(100,000)	-	(100,000)
Change in net assets	9,807,468	33,631	9,841,099
Total net assets - beginning	68,041,221	4,454,710	72,495,931
Prior period adjustment	509,988	-	509,988
Total net assets - beginning restated	68,551,209	4,454,710	73,005,919
Total net assets - ending	\$ 78,358,677	\$ 4,488,341	\$ 82,847,018

The accompanying notes are an integral part of the basic financial statements.

A. Capital Improvement Program Preparation and Adoption

Capital facilities and equipment are considered to be any governmental expenditures for the acquisition of land, or the construction and installation of facilities that are expected to be in service over a considerable period of time, usually more than one year. Capital improvements are relatively large-scale, non-recurring projects which may require multi-year financing. Major equipment, furniture, and fixtures necessary to make the facilities operational are also considered part of the capital budget.

Expenditures that meet the above criteria and are in excess of \$25,000 are included in the City's Capital Improvement Program (CIP). Examples of typical capital projects included in the CIP are: road construction and improvements; new and expanded physical facilities for the community; large-scale rehabilitation or replacement of existing facilities; purchase of equipment with a relatively long period of usefulness; engineering, design and architectural studies and services relative to the improvement and acquisition of land for a community facility.

Expenditures for renewal and replacement that extend the useful life of an asset beyond one year are included in the Capital Improvement Program. Examples include road resurfacing and roof replacement. Expenditures for maintenance and repairs, and recurring expenditures for small capital items are included in the departmental operating budget.

B. Responsibility for Program Preparation and Implementation

The Capital Improvement Program, by virtue of its comprehensive character, involves all City operations. Departments, agencies, and the City Council must coordinate their actions to accomplish a successful program for improving the community. The recommended program must be a statement of relative community needs conditioned by the availability of resources to finance them.

Each year, the CIP is prepared from project requests submitted by the various departments of the City. Concurrent with the preparation of the project requests, information concerning the financial resources available to the City for capital projects is prepared by the City Manager and City Clerk.

C. Capital Projects Requirements and Costs

The key role in the initial stages of capital programming falls upon the operating departments and department heads, by virtue of their responsibility to identify capital requirements, initiate project requests, and formulate a program that states the justification for each project, as well as its relative importance in the department's program.

D. Capital Programming Resources

The City Manager provides information concerning the City's past, present, and future financial resources. The City Manager prepares and distributes the package and instructions used by departments submitting requests. As the program develops, the City Manager assists in the review and evaluation of the project submissions and guides the administration of the program through its function of budget control, identification of funding alternatives and setting of basic fiscal policies. The City Manager coordinates the evaluation process with the City Clerk.

The program recommended by the City Manager is used by the Council to develop the annual budget that becomes effective October 1st of each year. The first year of the Five-Year Capital Improvement Program is adopted by the Council as the capital budget, with the following five years projected as future requirements. The CIP will be an important tool for implementing the City's Comprehensive Plan. The Council will use the CIP to analyze the City's fiscal capability to finance and construct capital improvements.

E. Intra-Departmental Assignment

Establishing priorities for the various projects is essential to properly plan and recommend alternatives for financing current as well as future projects.

1. Categories

All services and their associated facilities are categorized as follows:

- * Basic or Core Services are those services that are most efficiently provided at the local level and are most closely linked to protecting the health and safety of citizens. Legally mandated services are also included in this category.
- * Existing Services are those services which the City has traditionally provided or that reflect a major capital investment requiring an ongoing expenditure of operating and maintenance funds; and
- * Quality of Life Services are those services provided for specialized groups that enhance the desirability of the City of Panama City Beach as a place to live.

Within each category, programs (operating expenditures) and projects (capital expenditures) are then ranked as: essential, necessary, or desirable.

2. Ranking

The following table demonstrates how priorities would be assigned by a department:

<u>Basic Services</u>	<u>Existing Services</u>	<u>Quality of Life</u>
Essential (1)	Essential (2)	Essential (3)
Necessary (4)	Necessary (5)	Necessary (6)
Desirable (7)	Desirable (8)	Desirable (9)

For example, a basic service "essential" project would be considered top priority and a quality of life "desirable" project would be considered last priority. By using this methodology to assign funding priorities, services that are not "capital-driven" are simultaneously prioritized. This process is critical to ensure that services provided through operating programs (staff or grants) are considered on an equal basis with services that require capital expenditures.

3. Inter-Departmental Assignment

Priorities must be assigned among the different types of facilities and departments.

a. Criteria

In the absence of legal constraints or mandates, priorities are assigned according to the following criteria in order of importance:

1. Correction of public hazards;
2. Elimination of existing deficiencies as described by the minimum levels of service;
3. Providing capacity for developments that have received priority determination when such developments are within the outside City Limits Service Area.
4. Maintenance of levels of service as growth occurs; and
5. Increase of existing levels of service to desired levels of service.

b. Other Considerations

Other considerations that may impact the assignment of priorities are:

1. Impact on City revenues and annual operating budget;
2. Degree of urgency;
3. Severity of the impact on the level of service associated with not going forward with the project;
4. Facilitation of Intergovernmental Coordination and coordinating with or advancing the purpose of projects provided by non-City entities.
5. Extent to which it coordinates with other programs; and
6. Extent to which an economic advantage is realized.

4. CAPITAL PROJECT TYPES, TIMING AND LOCATION

The capital projects contained in the Five-Year Capital Improvement Program have been classified according to the types listed in the Capital Improvements Schedule at the end of this chapter. The capital expenditures listed are planned improvements within the next five years. The time frame is extended beyond five years in some instances involving projects identified in the Front Beach Road Community Redevelopment Plan. The projects are consistent with the needs of each of the elements of the Comprehensive Plan during that time frame. The dollars needed for each of the projects are within the ability of the City to fund with present revenue sources, with the exception of major water and sewer improvements which may be funded by selling revenue bonds that would be repaid by the utility fund. The Capital Improvements Schedule is updated every December and sent to DCA for review and approval.

5. CAPITAL IMPROVEMENTS ANALYSIS

The City has made provisions for vast capital improvements in the near future. The water pipeline, a planned 4 MGD upgrade of the wastewater treatment plant, and completion of the new reuse system will improve and expand the services provided.

The Front Beach Road CRA enabled the widening and reconstruction of Churchwell Drive and the current widening and reconstruction of Beckrich Road. Preliminary engineering and right-of-way acquisitions have commenced on all connector roads and Front Beach Road. Improvements to Panama City Beach Parkway have coordinated with the FDOT and the development community.

The Stormwater Master Plan enabled the City to enact a city-wide stormwater assessment in order to pay for the needed improvements and on-going programs and maintenance. The housing industry has supplied more dwellings than needed for the current market. This has led to a significant decrease in the cost of housing which has helped ease the pressure on the availability of affordable housing. However, upward pressure on prices will likely return having an adverse impact on the affordable housing supply. The City will need to address affordable housing at this time in order to prevent a loss of the supply in the future.

Most of the improvements to the coastal management and conservation will be from the Front Beach Road CRA and the new 3,000-acre conservation area as part of the utility system improvements. Additional improvements will come about through the enforcement and control implemented by local, state and federal agencies. Improvements and expansions to existing recreation and open space facilities continue to adequately meet the demand for such projects. In addition to the normal budgeted improvements, the City may have additional expenditures to do further improvements to support the newly reconstructed City Pier.

In summary, the facilities needed to address future growth are in place or being addressed by the City with additional support by other governmental agencies. With the over-abundance of housing, it is anticipated that the demand for additional housing will be met in the near term with subsequent needs being provided on demand by the private sector. However, actions are needed to ensure that there will be an adequate supply of affordable housing in the future to support the large service industry workforce of the area.

6. FORECASTS AND CONCLUSIONS

A. Forecasts

The following tables show a conservative estimate of the forecasts of the revenues and expenditures for the City of Panama City Beach during the Five-Year Capital Improvement Plan.

1. Table 3 forecasts the anticipated revenue stream from the City of Panama City Beach Non-Advalorem, Front Beach Road CRA, and Enterprise Fund revenues during the Five-Year Capital Improvement Plan.

The Non-Advalorem Revenue Section of this table shows the City of Panama City Beach's current legally available non-advalorem revenue sources. A conservative estimated annual increase is used for these revenue sources.

Forecasts for the Front Beach Road CRA is an educated guess of future tax increments based upon the recent ad valorem tax roll backs and an estimate of future growth.

The Enterprise Fund Revenue Section of this table shows the City of Panama City Beach's current revenue sources derived from the City's operation of a water and sewer utility. The estimated annual increase in these revenue sources reflects moderate growth and a change in the rate structure to keep us with costs.

2. Table 4 forecasts the projected expenses for General Government and Enterprise Fund Operations. We have used annual anticipated increases, reflecting conservative funding and increased productivity of the City's operations.

**TABLE 3
FORECAST OF REVENUE
PANAMA CITY BEACH
2009-2011**

GENERAL FUND

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Taxes			
Business tax receipts	\$6,900,000	\$7,700,000	\$8,900,000
Utility	\$3,000,000	\$3,250,000	\$3,500,000
Franchise Fees	\$1,800,000	\$2,000,000	\$2,200,000
Property Taxes, CRA	\$8,000,000	\$10,000,000	\$10,500,000
Licenses & Permits	\$400,000	\$450,000	\$500,000
Intergovernmental	\$1,400,000	\$1,400,000	\$1,400,000
Fines and Forfeitures	\$150,000	\$150,000	\$150,000
Miscellaneous Revenue	\$200,000	\$250,000	\$300,000
Grants	\$100,000	\$100,000	\$100,000
Rents	\$100,000	\$100,000	\$100,000
Interest	\$1,500,000	\$1,600,000	\$1,800,000
Contributions and donations	\$50,000	\$50,000	\$50,000
<u>Municipal Services Impact Fees</u>	<u>\$800,000</u>	<u>\$1,000,000</u>	<u>\$1,300,000</u>
 TOTAL REVENUE:	 \$24,400,000	 \$28,050,000	 \$30,800,000

WATER AND SEWER UTILITY FUND

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Charges for Services	\$22,500,000	\$24,000,000	\$25,500,000
Impact Fees	\$5,000,000	\$5,200,000	\$5,500,000
Rent	\$100,000	\$100,000	\$100,000
<u>Miscellaneous</u>	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$200,000</u>
TOTAL REVENUE	\$27,800,000	\$29,500,000	\$31,300,000

Source: Forecasts made by the Building and Planning Department based upon data from the Annual Financial Statements.

TABLE 4
FORECAST OF EXPENSES
PANAMA CITY BEACH
2009-2011

<u>EXPENSES</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>GENERAL FUND</u>			
General Government	\$3,000,000	\$3,000,000	\$3,000,000
Public Safety	\$7,100,000	\$7,500,000	\$7,900,000
Highways & Streets	\$2,600,000	\$2,900,000	\$3,200,000
Culture & Recreation	\$2,000,000	\$2,200,000	\$2,300,000
Debt Service	\$300,000	\$300,000	\$300,000
Principal	\$300,000	\$300,000	\$300,000
Interest and fiscal charges	\$1,500,000	\$1,500,000	\$1,500,000
Other debt service costs	\$3,000	\$3,000	\$3,000
Capital Outlay			
General Government	\$10,000	\$10,000	\$10,000
Public Safety	\$990,000	\$1,100,000	\$1,200,000
Highways and Streets	\$15,000,000	\$15,000,000	\$15,000,000
Culture and Recreation	\$500,000	\$500,000	\$500,000
TOTAL EXPENSES	\$35,300,000	\$34,300,000	\$35,200,000

WATER AND WASTEWATER

OPERATING EXPENSES

Personal Services	\$4,130,000	\$4,260,000	\$4,420,000
Other Operating	\$11,770,000	\$12,140,000	\$12,580,000
TOTAL OPERATING EXPENSES	\$15,900,000	\$16,400,000	\$17,000,000

NONOPERATING EXPENSES

Grant Revenue	\$1,400,000	\$1,500,000	\$1,700,000
Interest Revenue	\$2,300,000	\$2,500,000	\$2,700,000
Interest Expense	(\$2,400,000)	(\$2,400,000)	(\$2,400,000)
TOTAL NONOPERATING EXPENSES	(\$1,300,000)	(\$1,600,000)	(\$2,000,000)

Source: Forecasts made based upon actual data from the Annual Financial Report prepared for the City by its accounting firm.

B. Conclusions

Using the results of the forecasts made in Tables 3 and 4, a comparison and analysis is shown in Table 5.

TABLE 5
REVENUE AND EXPENSE ANALYSIS
GENERAL FUND, WATER AND SEWER UTILITY FUNDS
PANAMA CITY BEACH
2000-2002

<u>EXCESS (DEFICIENCY)</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
GENERAL FUND	(\$10,900,000)	(\$6,250,000)	(\$4,400,000)
WATER AND SEWER UTILITY FUND	\$13,200,000	\$14,700,000	\$15,800,000

Source: Forecasts made based upon actual data from the Annual Financial Report prepared for the City by its accounting firm.

GOALS, OBJECTIVES AND POLICIES

GOAL: To utilize a Capital Improvements program to coordinate the timing and to prioritize the delivery of public facilities; and other capital projects that supports growth management and which encourages efficient utilization of its public facilities and financial resources.

OBJECTIVE 1: Priorities for Capital Improvements - The City of Panama City Beach shall identify and fund services and capital improvements required by this Plan.

POLICY 1.1: In the absence of legal constraints on the use of revenues, projects and programs shall be funded in order to:

- A. Correct public hazards;
- B. Eliminate existing deficiencies as described by the minimum levels of service;
- C. Provide capacity for developments that have received a determination as a Committed Development when such developments are within the City limits.
- D. Maintain levels of service as new growth occurs; and
- E. Increase existing levels of service to desired levels of service.

POLICY 1.2: The City shall not utilize public funds for infrastructure expansion or improvements in coastal high-hazard areas unless such funds are necessary to:

- A. Provide services to existing development;
- B. Provide adequate evacuation in the event of an emergency;
- C. Provide for needs of water-dependent uses.

POLICY 1.3: When a certificate of concurrency has been issued that relied on a project in the City's Capital Improvement Program, that project shall not be deleted from the Capital Improvement Program unless the City determines that the level of service for that facility type can be maintained without the project.

OBJECTIVE 2: Public Buildings-The City of Panama City Beach shall provide public facilities throughout the City and shall provide for the efficient and cost-effective management and planning of all public buildings.

POLICY 2.1: The City shall provide sufficient usable public building space to accommodate the provision of services by the City Commission and the constitutional officers. Any legally available non-ad valorem revenue source of the City may be used as a funding source to provide such public building space, dependent upon the type of service provided by such space.

POLICY 2.2: Public facilities shall be constructed in accordance with the space requirements determined by the functions of the end users, based upon existing levels of service.

POLICY 2.3: The City of Panama City Beach shall effect energy management and control systems in public buildings which:

- A. Comply with Federal, State, County and City codes; and
- B. Utilize natural resources in a cost-effective manner.

POLICY 2.4: Financial resources for the implementation of planned preventive maintenance and capital replacement programs shall be provided annually to maintain public facilities at cost-effective operational levels.

POLICY 2.5: The City of Panama City Beach shall implement programs for the evaluation, maintenance and correction of environmental issues associated with buildings.

POLICY 2.6: The planning of public buildings shall include the coordination and participation of the end users including constitutional officers, agencies and departments.

POLICY 2.7: The City of Panama City Beach shall, through the use of its property inventory, evaluate all existing facilities and properties for suitability, prior to purchasing or constructing new properties.

OBJECTIVE 3: Service Area: The City shall, through the identification of the service area shown on the Service Area Map, allocate financial resources according to a schedule of capital improvements that maintain the adopted levels of service identified for that service area.

POLICY 3.1: The level of service standard shall be maintained in the service area identified in the Service Area Map 7-A.

OBJECTIVE 4: Intergovernmental Coordination - The City shall coordinate its Capital Improvements program with all governmental entities that provide facilities within the City's jurisdiction.

POLICY 4.1: The City shall work with all governmental entities that provide public facilities within the City's jurisdiction to ensure that facilities and services are provided concurrent with impacts of development.

POLICY 4.2 The City shall coordinate with all governmental entities providing services and facilities in the unincorporated area to ensure that location and timing criteria are followed.

OBJECTIVE 5: Fiscal Policies - The City of Panama City Beach shall establish the following fiscal policies regarding budgeting revenues, and expenditures to ensure that the needs of the City are met for construction of capital facilities to meet existing deficiencies, accommodate future growth, and replace obsolete or work-out facilities; to ensure that future development will bear its proportionate share of the cost of facility improvements necessitated by the development, in order to maintain adopted level of service; to demonstrate compliance with applicable Florida Statutes.

POLICY 5.1: Budget and Financial Reporting Policies

- A. The City's financial reports shall be produced in accordance with generally accepted accounting principles.
- B. The City's budget shall be adopted and administered in accordance with §§129.01 and 200.065 Fla. Stat.

POLICY 5.2: Revenue Policies

- A. The City shall develop and expand when necessary, any legally available non-advalorem revenue sources sufficient enough to fund the adopted maximum levels of service.
- B. Cost recovery fees (user charges), where appropriate, shall be reviewed to offset the cost of providing specific services.
- C. Potential fee rates and policies applicable to each service or activity shall be based upon:
 - 1. The related cost of the service provided;

2. The approved cost recovery rate for the service or activity;
 3. The impact of inflation and exceptional changes in significant cost components in the provision of services; and
 4. Equity of comparable fees.
- D. The City Clerk shall prepare and incorporate a consolidated summary of revenue sources into the City's budget document.

POLICY 5.3: Debt Policies

- A. The City of Panama City Beach shall use long-term debt financing only for capital improvements that provide long-term benefits to the community.
- B. The City shall ensure that long-term debt is soundly financed by:
 1. Conservatively projecting the revenue sources that will be utilized to pay the debt; and
 2. Financing the improvement over a period not greater than the useful life of the improvement.
- C. The City will regularly analyze total indebtedness, including underlying and overlapping debt, as part of its analysis of financial condition.
- D. Overall net debt shall be maintained at a level commensurate with the available revenues, user fees, and grants to retire said debt.

POLICY 5.4: Capital Improvement Policies

- A. The Plan shall identify the capital needs of the community and indicate how these needs will be funded. The City's Capital Improvement Program shall be developed based on the elements of the Plan.

- B. The City shall develop a Five-Year Capital Improvement Program as a part of the annual budget process, and will make all capital improvements in accordance with the adopted Annual City Budget.
- C. By October 1, 1992, the City will develop and update annually a long-range forecasting system which will include projections of revenues, expenditures and future costs and financing of capital improvements.
- D. The City will identify the cash flow needs of all new projects and determine which financing method best meets the cash flow needs of each project.
- E. The costs of operating and maintaining all proposed projects will be identified and incorporated into the five-year financial projection for operations.

POLICY 5.5: Capital Facility Policy

- A. The City shall continue to develop and implement a program for identifying, scheduling and budgeting the renewal and replacement requirements of capital facilities.

POLICY 5.6: Financing Public Facilities Necessitated by New Development.

- A. The City of Panama City Beach shall require new development activity to pay fair share fees for new capital facilities or expansion of existing facilities. Fees shall not exceed a pro rata share of the reasonably anticipated costs of such improvements.
- B. Connection charges may be assessed for any new water and wastewater connections within the City of Panama City Beach Service Area.
- C. Waste Impact Fees or Assessments may be assessed to residential and non-residential development.
- D. Service impact fees may be assessed to residential and non-residential development, pursuant to City Impact Fee Ordinances.

OBJECTIVE 6: The Capital Improvement element and the minimum levels of service obtained therein shall be monitored and updated.

POLICY 6.1: The City, as part of the Comprehensive Plan and the CIE, shall annually adopt a Five-Year Capital Improvement Program that identifies the capital needs of the community and supports the adopted minimum levels of service.

POLICY 6.2: The CIE shall be updated annually through the Five-Year Capital Improvement Program and adopted as part of the annual budget process, as long as the Five-Year CIP supports and furthers the minimum levels of service contained in the Plan.

POLICY 6.3: The City Manager or his designee shall maintain and provide the City Council with an assessment report on the current availability City-provided services and facilities at adopted level of service standards.

OBJECTIVE 7: Implement School Concurrency. Coordinate with the School Board the approval of residential subdivisions, site plans or their functional equivalent to correct existing deficiencies and assure adequate future school capacity consistent with the adopted level of service standards for public school concurrency.

POLICY 7.1: Consistent with the Interlocal Agreement, the School Board and City agree to the following standards for school concurrency in Bay County:

TYPE OF SCHOOL	LEVEL OF SERVICE
Elementary	100% of permanent FISH capacity
Middle	100% of permanent FISH capacity
High	100% of permanent FISH capacity

POLICY 7.2: The City shall ensure that future development pays the proportionate share of the costs of capital facility capacity needed to accommodate new development and to assist in maintaining adopted level of service standards, via legally available and appropriate fee methods in development conditions.

POLICY 7.3: The City hereby incorporates by reference the Bay District Schools' Five Year District Facilities Work Program, 2008-2013, that includes school capacity sufficient to meet anticipated student demands projected by the County and municipalities, in consultation with the School Board's projections of student enrollment, based on the adopted level of service standards for public schools. Level of Service standards shall be applied district wide to all schools of the same type. As provided in the Interlocal Agreement for Public School Facility Planning and Concurrency, incorporation of the School Board's Facilities Work Plan does not obligate the City to fund the improvements included in said Facilities Work Plan. The City, in coordination with the School Board, shall annually update the Capital Improvements Element by

adopting by reference the School Board's financially feasible Work Program, to ensure maintenance of a financially feasible capital improvements program and to ensure level of service standards will continue to be achieved and maintained during the five-year planning period.

POLICY 7.4: The 5-year schedule of improvements ensures the level of service standards for public school are achieved and maintained within the period covered by the 5-year schedule. After the first 5-year schedule of capital improvements, annual updates to the schedule shall ensure levels of service standards are achieved and maintained within each year of subsequent 5-year schedule of capital improvements.

POLICY 7.5: The City will update its Capital Improvements schedule on an annual basis by December 1st, to incorporate the upcoming five years of the School Board's Capital Improvement Program. As provided in the Interlocal Agreement for Public School Facility Planning and Concurrency, incorporation of the School Board's 5-Year Capital Improvements Program does not obligate the City to fund the improvements included therein. The City and the Bay County School Board will coordinate during updates or amendments to the City's comprehensive Plan and updates or amendments for long-range plans for School Board facilities.

POLICY 7.6: The City shall ensure maintenance of the financially feasible capital improvements program and to ensure level of service standards will continue to be achieved and maintained within each year of the subsequent 5-year schedule of capital improvements.

POLICY 7.7: The City's strategy, in coordination with the School Board, for correcting existing deficiencies and addressing future needs includes:

- A. Implementation of a financially feasible 5-year schedule of capital improvements to ensure level of service standards are achieved and maintained.
- B. Identification of adequate sites for funded and planned schools; and
- C. The establishment of a Proportionate Fair Share ordinance in order to generate additional revenue to help fund school improvements.

CAPITAL IMPROVEMENTS SCHEDULE

City of Panama City Beach FY 09/10

		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
<u>Traffic Circulation</u>									
1.	Improve signage of various streets	General Fund	<i>on-going</i>	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	
2.	Improve various street surfaces and shoulders	Gas Tax	<i>on-going</i>	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	
3.	Jackson Blvd. (Beckrich Rd.) -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	<i>Const. completed</i> <i>\$17,547,408 total project cost</i>	\$250,000					
4.	Alf Coleman Road -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	<i>\$25,282,992 total cost</i> <i>\$4,631,734 spent to date</i>	\$2,500,000					\$18,151,258
5.	N. Thomas Drive -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	<i>\$777,779 spent to date</i> <i>\$25,937,200 total cost</i>	\$30,000					\$25,129,421
6.	Hill Road -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	<i>\$126,000 spent to date</i> <i>\$18,823,600 total cost</i>						\$18,697,600

Traffic Circulation		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
7.	Powell Adams Road -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	\$113,000 <i>spent to date</i> \$18,178,400 <i>total cost</i>						\$18,065,400
8.	S. Thomas Drive -public transit system -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	Construction <i>commenced</i> \$24,015,027 <i>total cost</i>	\$9,968,321	\$8,358,321				
9.	Clara Avenue -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	\$124,000 <i>spent to date</i> \$22,510,400 <i>total cost</i>						\$22,386,400.00
10.	Front Beach Road I (S. Thom. to N. Thomas Drive) -public transit system -ped/bic. improvements -landscaping -streetscaping -transfer ownership from FDOT (needed to meet future demand)	FBR-CRA Part of South Thomas Dr. project. See project #9 for details							

Traffic Circulation		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
11.	Front Beach Road II (Jackson Blvd. to S. Thomas) -public transit system -ped/bic. improvements -landscaping -streetscaping -transfer ownership from FDOT (needed to meet future demand)	FBR-CRA	\$3,191,927 <i>spent to date</i> \$24,684,624 <i>total cost</i>	\$4,321,000					
12.	Front Beach Road III (County Pier to Jackson Blvd.) -public transit system -ped/bic. improvements -landscaping -streetscaping -transfer ownership from FDOT (needed to meet future demand)	FBR-CRA	<i>Design</i> <i>Right of Way</i> <i>Const. and Util.</i> <i>CE&I and Post</i> <i>Design</i> \$15,936,400 <i>total cost</i>						\$15,936,400
13.	Front Beach Road IV -VIII (Deluna Pl. to County Pier) -public transit system -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA	<i>Design</i> <i>Right of Way</i> <i>Const. & Util.</i> <i>CE&I/Pst. Design</i> \$119,445,200 <i>total cost</i>						\$119,445,200
14.	S. Arnold Road -4 lane widening -ped/bic. improvements -landscaping -streetscaping (needed to meet future demand)	FBR-CRA TRIP funding	<i>TRIP funding</i> <i>granted for PDE</i> <i>Add'l TRIP funds</i> <i>for ROW are</i> <i>being requested</i> \$19,898,530 <i>total cost</i>	\$347,315	\$3,000,000				

Traffic Circulation		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
15.	Cobb Road -ped/bic. improvements -landscaping -streetscaping	FBR-CRA	No activity to date \$15,310,980 total cost						\$15,310,980
16.	Nautilus Street -landscaping -streetscaping	FBR-CRA	No activity to date \$1,837,440 total cost						\$1,837,440
17.	Multimodal Center East (needed to meet future demand)	FBR-CRA	\$5,250,000 spent \$14,200,000 total cost						\$8,950,000
18.	Multimodal Center West (needed to meet future demand)	FBR-CRA	\$8,950,000 total cost	\$100,000					\$8,850,000
19.	Hutchison Blvd. -Streetscaping	FBR-CRA	\$14,279,474 total cost						\$14,279,474
20.	PCB Parkway -int. improvements (needed to meet future demand)	FBR-CRA	\$23,905,501 total cost						\$23,905,501
21.	SR 79 4-laning from CR388 to Steelfield Road (needed to meet future demand)	Fed. - National Highway Sys.	Const. underway \$24,466,244 total	\$216,626					
22.	SR 79 4-laning from St. Fld. Rd. to Washington Co. Ln. (needed to meet future demand)	Fed. - National Highway Sys.	ROW Complete in 2007	\$1,390,410					
23.	US98 Corr. Mngmt. Imp.	State Funds for Const./ROW	on-going				\$400,000		

Traffic Circulation		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
24.	SR 79 New West Bay Bridge (needed to meet future demand)	FDOT 5-Year Work Program	<i>Project almost completed</i>	\$454,000					
25.	Lyndell Lane Intersection modification at PCB Parkway	FDOT 5-Year Work Program		\$290,891					
26.	Clara Avenue Intersection modification at PCB Parkway	FDOT 5-Year Work Program		\$351,298					
27.	West Bay Parkway from Wal. Co. to SR 79 (needed to meet future demand)	FDOT 5-Year Work Program	<i>PD&E/EMO Study</i>	\$6,000					
28.	West Bay Parkway from SR 79 to SR 77 (needed to meet future demand)	FDOT 5-Year Work Program	<i>PD&E/EMO Study</i>	\$6,238					
Recreation & Open Space									
29.	Multi Use Path SR 79 from Pwr. Ln. Rd. to the West Bay Bridge	Federal Surface Trans. Enhancement	<i>\$361,900 spent to date</i>	\$570,000	\$1,289,800	\$719,800			
30.	Multi Use Path SR 79 to Colony Club	Impact Fees General Fund	<i>Phase I Construction</i>	\$1,000,000	\$1,000,000				
31.	Powerline Rd. Dirt Trail to Paved Trail	Grant, Impact Fees, Gen. Fund	<i>no activity</i>		\$200,000				

Schools		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
32.	Surfside Middle School Renovations	School Board					\$7,385,070		
33.	Hutchison Elementary renovation/remodelling	School Board							\$2,320,290
Potable Water, Wastewater, and Reuse									
Potable Water									
34.	North Lagoon Watermain	Utility		\$320,000					
35.	PCB/Bay Co. Fire Hydrant Prog.	Utility	\$9,000 spent to date.	\$103,000	\$ 103,000	\$103,500			
36.	System Ext./Loops	Utility		\$575,000	\$ 450,000	\$450,000	\$450,000		
37.	Thomas Drive Bridge Water Main	Utility	\$83,960 spent to date	\$1,255,050					
38.	Public Works/ Utilities Building	Utility	\$150,000 spent to date.	\$0	\$2,000,000	\$2,565,000			
39.	US 98 Utility Reloc.	Utility	\$22,550 spent to date.						
40.	McElvey 4mg Water Tank	Utility		\$1,800,000	\$459,000				

Wastewater and Reuse			Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
41.	WWTP Exp. (14mgd) (needed to meet future demand)	Utility	\$488,121 spent to date	\$12,000,000	\$5,930,740					
42.	System Extension & Loops	Utility			\$700,000	\$700,000	\$700,000	\$700,000		
43.	Reclaimed Pump Station Expansion	Utility			\$2,100,000					
44.	Receiving Wetland (needed to meet future demand)	Utility/bonds	\$856,475 spent to date	\$18,000,000	\$3,621,645					
<u>Administration</u>										
45.	New Police Building	Gen. Fund/ Impact Fees			\$200,000	\$2,000,000				
46.	New Library	Grant/Gen.Fund/ Impact Fees	Construction Underway \$2.2 million							
<u>Stormwater</u>										
47.	Stormwater Improvements Task Orders 09-02 thru 09-10	Stormwater Utility	Eng. Design/Anl. and construction	\$309,846						
<u>Prop. Share Projects</u>										
1.	US 98 Int. w/ Hill Rd. and Clara Avenue (needed to meet future demand)	Sehaven Prop. Share	\$300,000 based on trip triggers							
2.	US 98-Hill Rd. 6-laning (needed to meet future demand)	Seahaven Prop. Share	\$1,350,000 (trip triggers)							
3.	US 98-Clara Ave. 6-laning (needed to meet future demand)	Seahaven Prop. Share	\$1,350,000 (trip triggers)							

Prop. Share Projects		Funding Source	Current Status	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Beyond FY 13-14
4.	PD&E for US 98 from SR 79 to Thomas Drive flyover (needed to meet future demand)	Seahaven Prop. Share	\$2,000,000 (trip triggers)						
5.	ITS for US 98 from Phillips Inlet to Thomas Dr. flyover (needed to meet future demand)	Seahaven Prop. Share	\$1,000,000 (trip triggers)						
6.	Hill Rd. Improvements (needed to meet future demand)	Seahaven Prop. Share	\$938,766 (trip triggers)						
Completed Projects (Previously in the CIE)									
1.	Jackson Blvd./Beckrich Rd. Capacity Improvements (needed to meet future demand)	FBR-CRA	Completed						
2.	Miracle League Baseball Field	Private funds, grant, land area made available	Completed						
3.	Dan Russell Pier Imp. M.B. Miller Pier Imp. (County)		Completed Const. underway	\$3,200,000	\$5,200,000				
4.	East End Water and Sewer Improvements	Utility	Completed						
5.	El Centro, Bahama, Hutch. Sewer	Utility	Completed						
6.	Churchwell Road -3 lane widening -ped/bic. improvements -landscaping -streetscaping -new public parking lot (needed to meet future demand)	FBR-CRA	Const. completed \$10,266,671 final total cost						

Bond Revenue Summary									
1.	FBR-CRA	Bonds	<i>\$50,000,000 Bond issued in 2006</i>	<i>\$25,000,000 issue in 2009</i>					
2.	Aquatic Center	Utility Loan	<i>Line of Credit with Utility Fund</i>	\$630,000					
3.	Utility Projects	Bonds	<i>\$28,725,000 bond issued</i>						

Notes

1. The City of Panama City Beach hereby adopts by reference the most current 5-year Schedule of Improvements as formally adopted by the FDOT, District 3 and the Bay County TPO.

2. The City of Panama City Beach hereby adopts by reference the most current Bay County School District 5-Year Plan.

3. The FBR-CRA is funded with tax increment payments from Bay County. The current level of tax increment is between \$8,000,000 - \$9,000,000 annually.