



**AGENDA
FERNANDINA BEACH CITY COMMISSION
WORKSHOP
APRIL 5, 2022
5:00 PM
CITY HALL COMMISSION CHAMBERS
204 ASH STREET
FERNANDINA BEACH, FL 32034**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. DISCUSSION**
 - 3.1 **MARINA DEBT** - *This item is placed on the agenda at the direction of the City Commission.*
- 4. ADJOURNMENT**

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING OR HEARING WILL NEED A RECORD OF THE PROCEEDINGS, AND, FOR SUCH PURPOSES, 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 MADE. AT THE DISCRETION OF THE MAYOR, A RECESS MAY BE SCHEDULED EVERY NINETY MINUTES.

Persons with disabilities requiring accommodations in order to participate should contact the City Clerk at (904) 310-3115 or TTY/TDD 711 (for the hearing or speech impaired).

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach



SUBJECT:

ITEM TYPE: Discussion

REQUESTED ACTION:

SYNOPSIS: The City Commission should consider the elimination of the Accumulated Cash Deficit (ACD) in the Marina Fund (and Golf Fund). This action, if taken, will reduce the debt burden on the Marina and Golf Course at the cost of Utility Fund reserves.

FISCAL IMPACT:

CITY ATTORNEY COMMENTS:

CITY MANAGER RECOMMENDATION(S):

Monica Benischeck, Administrative Services Manager 3/24/2022

Dale Martin, City Manager 3/29/2022

Date: February 17, 2022

Submitted By: Katie Newton, Legal Assistant

COMMISSION ACTION:

City of Fernandina Beach Utility Department

Update and Outlook



Utility Statistics

	Total	City	County
Water Accounts	9604	8140 (85%)	1464 (15%)
Wastewater Accounts	8107	7499 (93%)	608 (7%)

	Total	City	County
Water Revenue	4.47M	3.8M	670K*
Wastewater Revenue	5.57M	5.18M	390K*

*-County customers pay an additional 25% surcharge on utility bills. \$265K collected in 2020.

Utility Revenue/ Expenses

Current Revenues and Expenses

Utility Revenue	\$10.04M
Utility Expenses	\$6.85M
General Fund Transfers	\$0.54M
Debt Service	\$1.91M
Available CIP Budget	\$2.11M

Reserves

2021/22 FY

Fund	Current Reserve
Water	\$5.36M
Wastewater	\$4.64M
Wastewater Improvements	\$8.89M

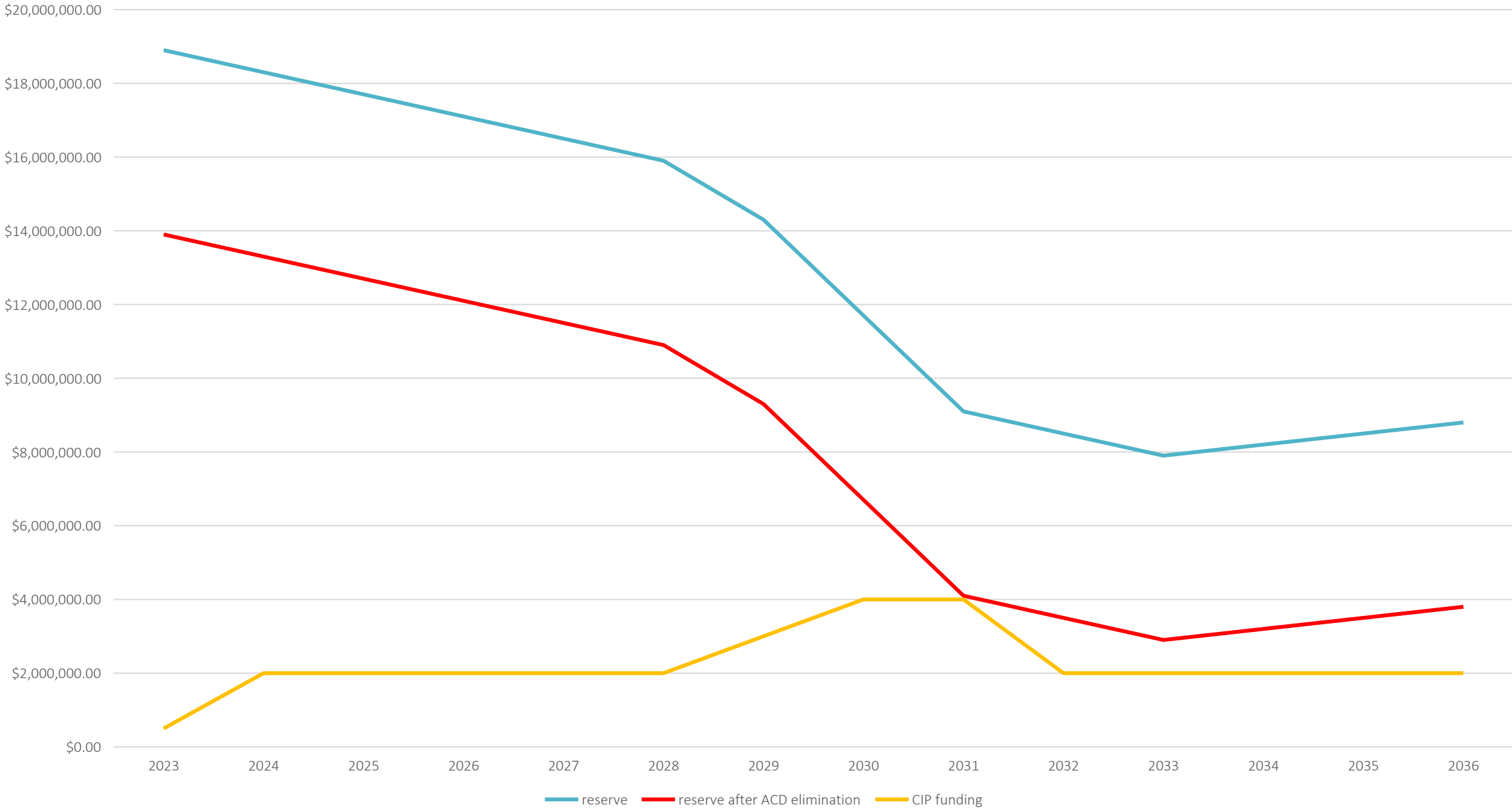
Debt

- The Utilities Department currently has \$23M debt from the purchase of the water utility from FPU and the WWTP upgrades.
- Yearly payment is approx. \$2.5M and will be paid back in 2033.
- \$840k of debt payment is from Water and Wastewater impact fees

10 Year outlook

- Projected \$30.5M Capital Improvement Budget over next 10-years
- Will reduce reserve to \$8.5M at current funding and transfer rate
- Current debt will be repaid in 2033

Utilities Reserve Projection



Considerations

- Adopt formal policy for utility fund transfers
- Utility extension projects to expand customer base

City of Fernandina Beach
Marina Debt

Marina Debt		Comments
Series - 2021A	10,587,000	Final Payment FY2040
Interfund Loan	1,375,843	Final Payment FY2030
Deficit @9/30/21	3,014,418	Cash Loan from Utilities
Subtotal	14,977,261	
FEMA Payment	(7,483,662)	
	7,493,598	

FEMA 90-91	Amount
PW 831	6,854,351.27
PW1085	1,698,405.57
	8,552,756.84
Federal share 75%	6,414,567.63
State Share 12.5%	1,069,094.61
	7,483,662.24
Remainig City Share	1,069,094.61
Financing Costs	299,407.81

FEMA Reimbursement